

REPORT OF
AGM PRACTICES
BY
**MALAYSIAN
COMPANIES**

Co-Authored by
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MINORITY SHAREHOLDER WATCHDOG GROUP
Shareholder Activism and Protection of Minority Interest

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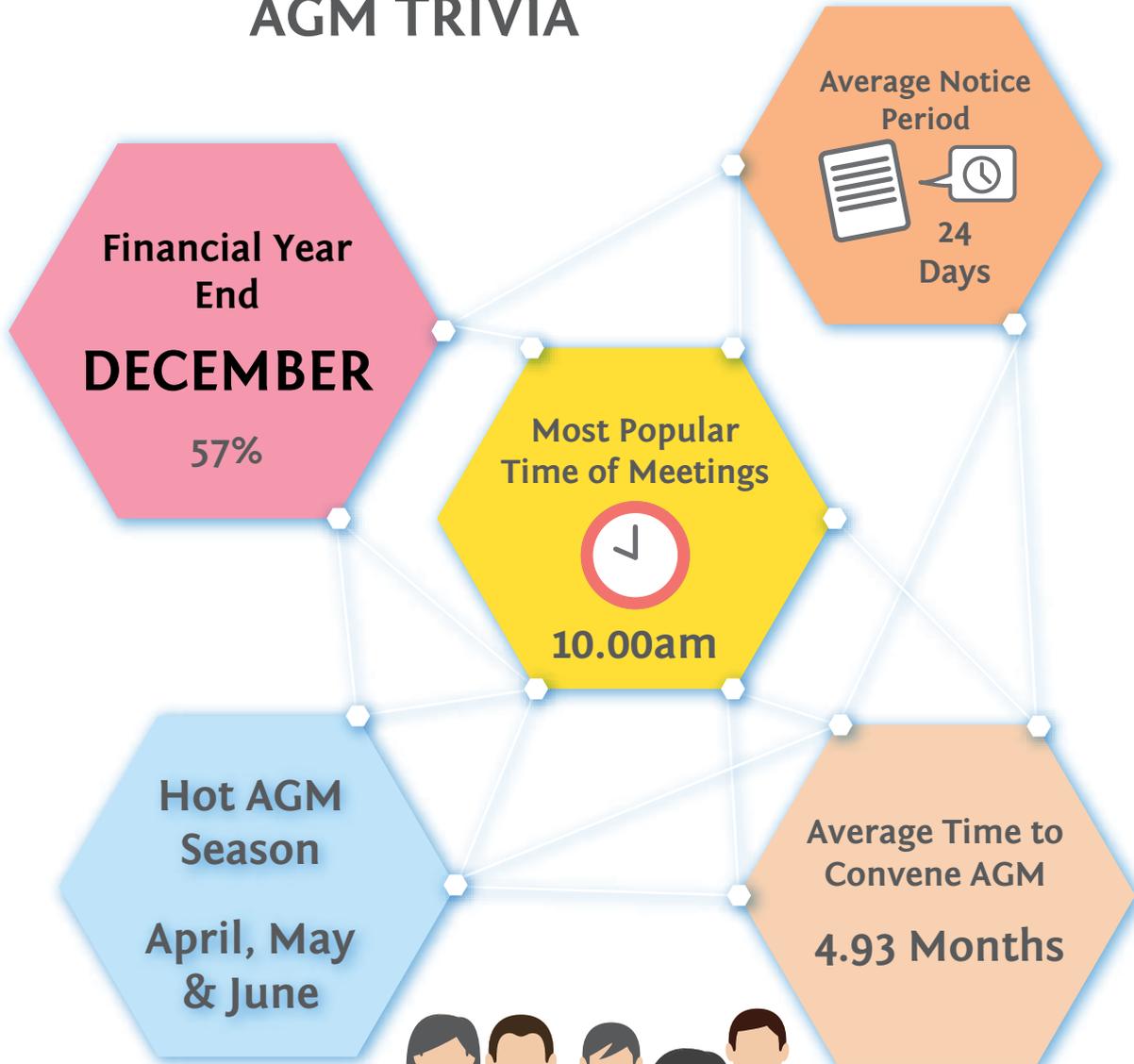
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AGM TRIVIA



Most Popular Venue

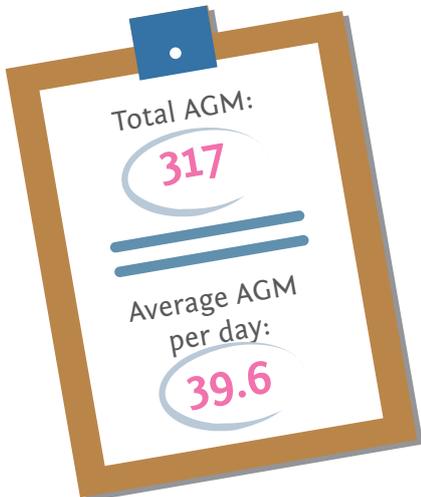
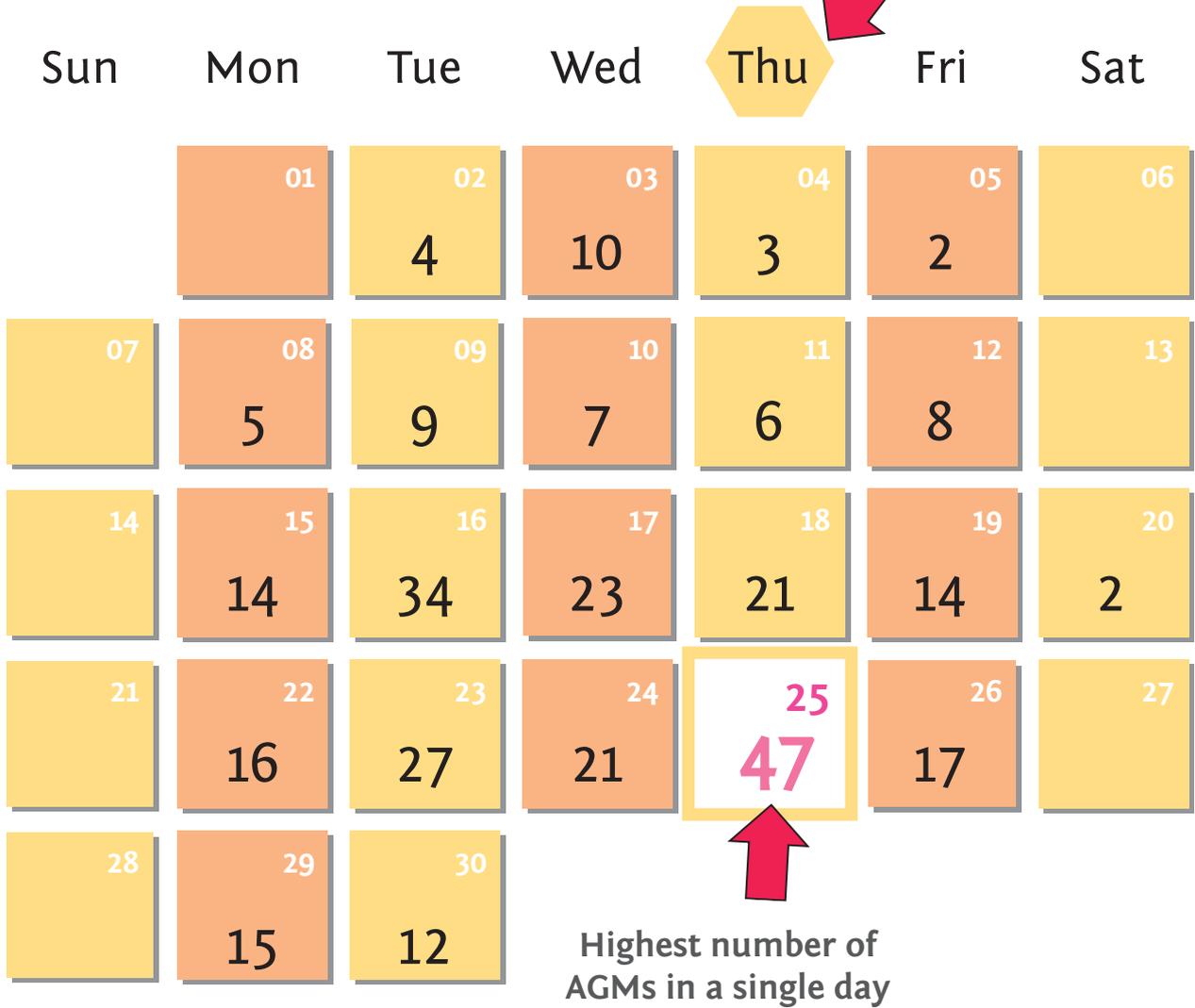


“Great shareholders report, sir! I admire the way you avoided any hint of substance.”



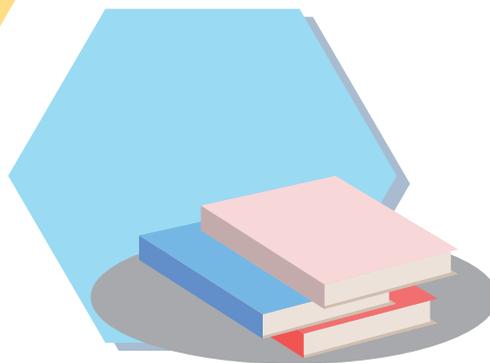
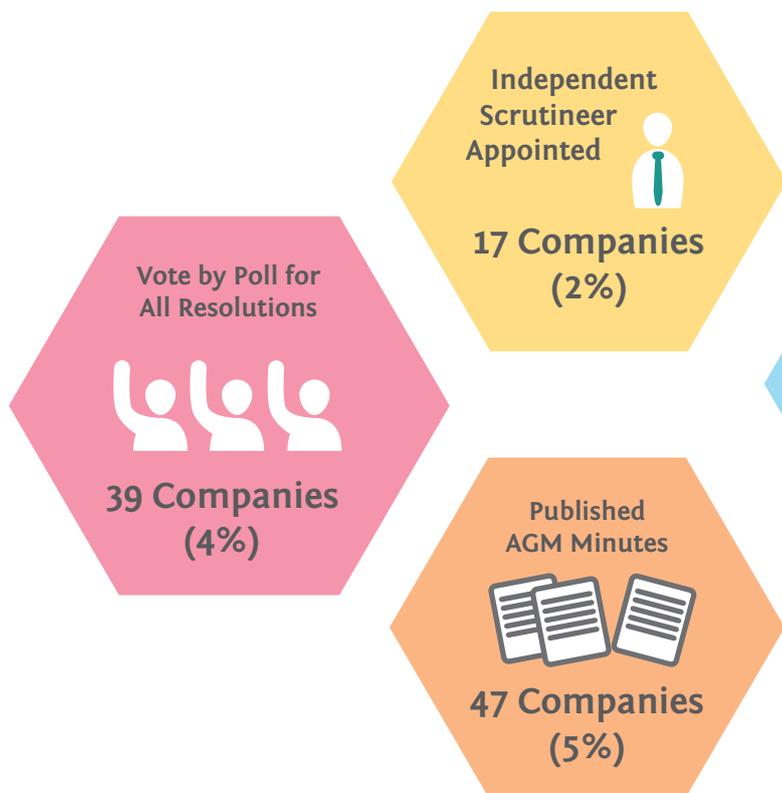
Sime Darby Convention Centre

MOST POPULAR MONTH → **JUNE 2015** Most Popular Day



“Just be ready to duck”

SUMMARY OF FINDINGS



Transparency & Engagement

Two areas where further transparency could enhance the level of engagement with shareholders: Publication of minutes of AGM and explanation of purpose and utilisation of proceeds from mandate sought via Section 132D resolution.



Use Media-Tech to Enhance Voting & Engagement

Limited usage of media technology such as multimedia presentation, webcast and/or electronic voting that could enhance the quality of engagement with shareholders. E-voting can also help to shift from voting by a show of hands to poll voting and facilitate voting in absentia.

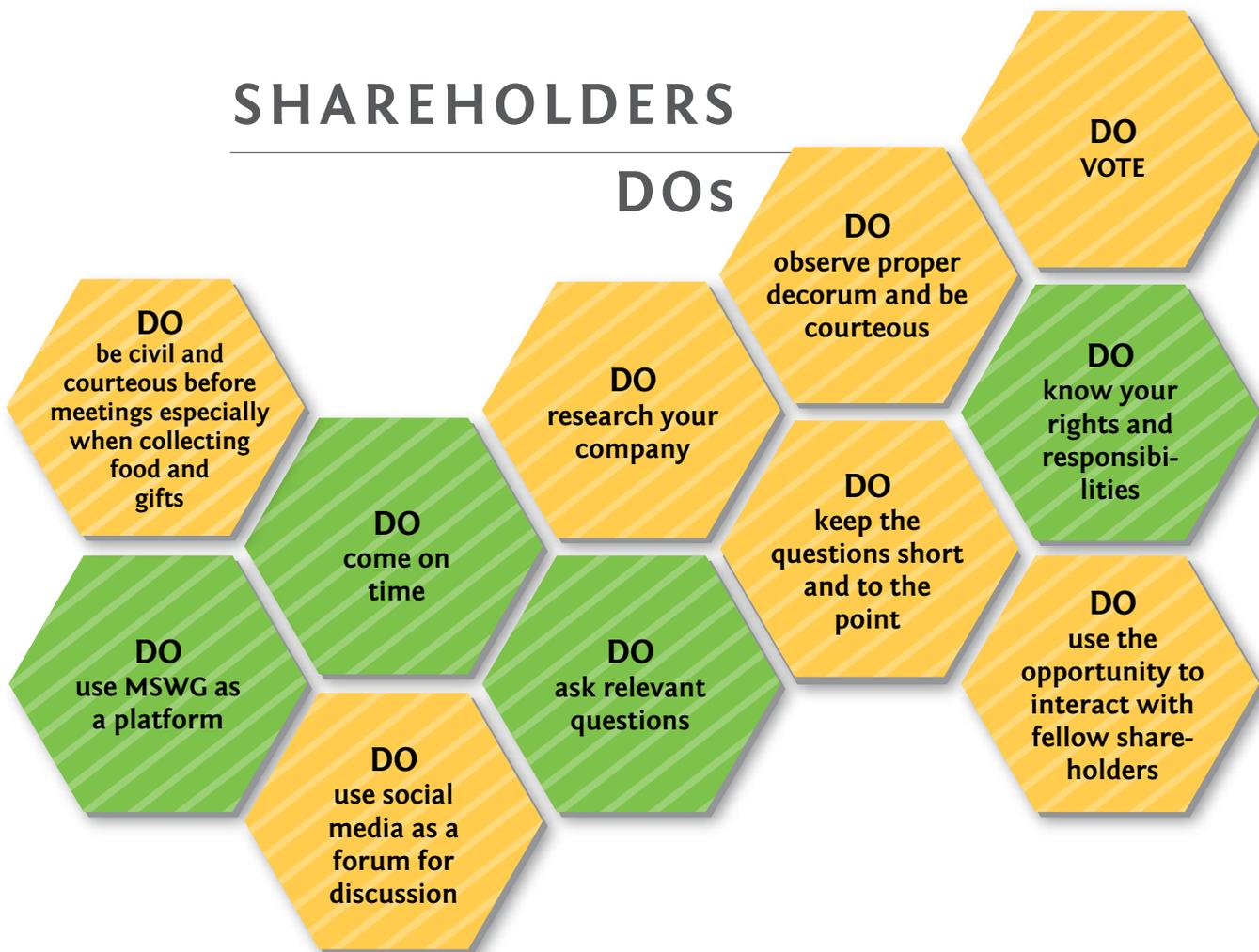


Chairman to Set the Stage

More Chairmen of meetings need to set the proper tone by, for examples, introducing members of the board to the meeting, briefly explaining the agenda item and voting procedures.

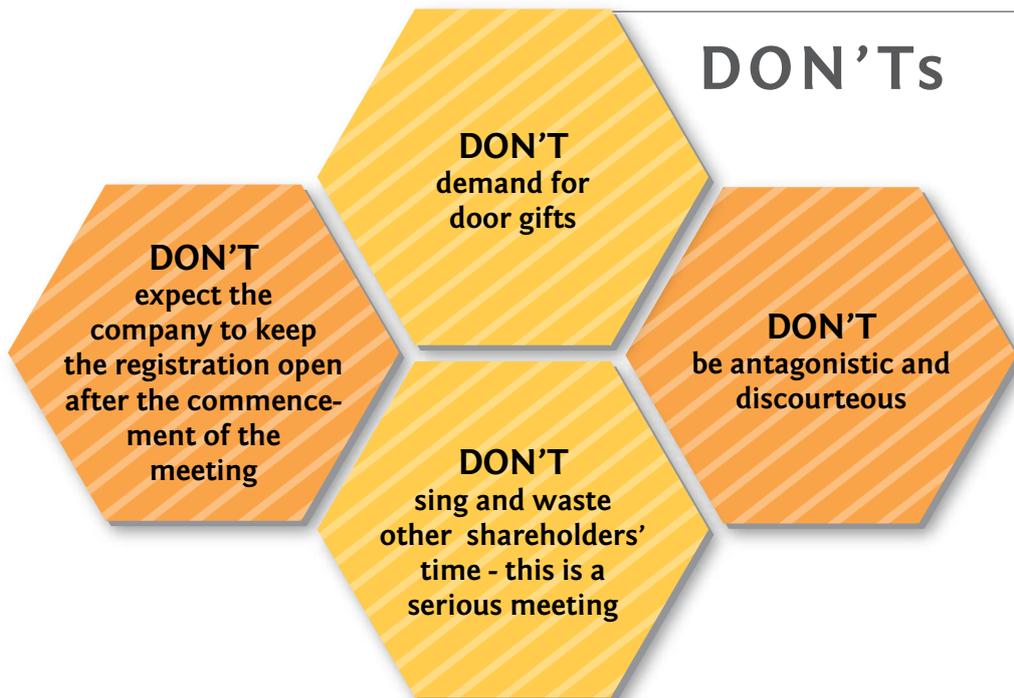
SHAREHOLDERS

DOs



SHAREHOLDERS

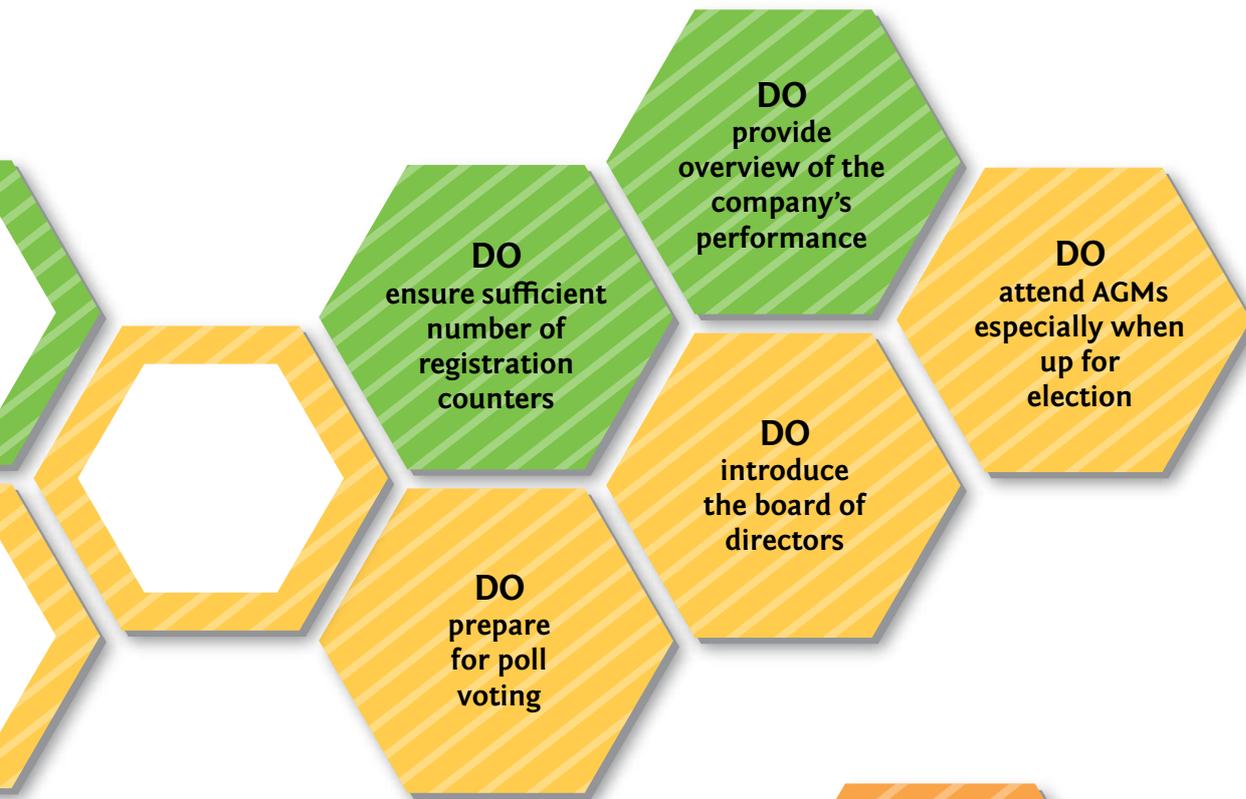
DON'Ts



DIRECTORS

DOs





DIRECTORS

DON'Ts



SUMMARY OF RECOMMENDATIONS

REGULATORS



✓ To consider extending the idea of differential reporting requirement

In the matter of submission of AAFS/AR and consequently the convening of the AGM. For example, larger companies – due to their economic significance – should be subjected to shorter reporting requirement for submission of AAFS/AR and the convening of AGM.

✓ To consider 28 days notice period

Based on the current state of play, available evidence and benchmarks against other economies, Malaysian companies are capable of giving a longer notice period for AGM. The ideal notice period for AGM is recommended to be 28 days rather than 21 days.

✓ To limit a maximum number of AGMs in a day

To fix a certain maximum number of meetings that can be held in a day to avoid clustering of AGMs.

✓ To consider mandating poll voting

Voting by show of hands has been the norm; more so because it is easy and arguably a cost effective mechanism without necessarily diminishing the appeal of shareholder democracy. However, on a matter of principle, voting by poll is clearly a superior mechanism to demonstrate shareholder democracy of one-share one-vote. It is recommended that the following be looked into :

- a. poll voting to be mandatory for all resolutions proposed in general meeting;
- b. an independent party is appointed to act as scrutineer to validate the votes casted in general meeting; and
- c. for companies with major shareholder holding more than 50 per cent of the voting rights, the votes of minority shareholders should be counted separately. And both major and minority shareholders must agree for votes to go through.



BOARD



✓ To encourage shareholder participation

The board should take reasonable steps to encourage shareholder participation at general meetings and promote effective communication and proactive engagements with shareholders.

✓ To provide adequate explanations in notice

Detailed explanation of each agenda item of the AGM where the resolutions that require shareholders' approval to be given to facilitate well-informed decision-making. This can be placed in the notes accompanying notices or in the accompanying documents such as Annual Reports and cross referencing.

✓ To ensure smooth registration process

This is to avoid misplaced expectations on the part of shareholders, companies could consider appending details on location for, registration, collection of door gifts and refreshments vouchers if any to the notice of the AGM. Sufficient seating arrangements should be made outside the AGM premises and doors opened at least 45 minutes before the AGM convenes.

BOARD & REGULATORS



✓ To mandate publication of minutes of AGM

Notwithstanding the said statutory right of shareholders to inspect minutes of AGM, companies in Malaysia should publish detailed minutes of AGM voluntarily. Hence, in the absence of either the [Commentary to Recommendation 8.1](#) of the [Malaysian Code on Corporate Governance](#) or [Para 7.15](#) of the [Listing Requirements](#) or both be amended to mandate the publication of minutes of AGM, it is recommended that companies respond positively to MSWG's calls for voluntary publication of minutes of AGM on a timely basis, preferably within 30 days after the conclusion of the said meeting.

✓ To encourage electronic voting

From the legal perspective, there is no restriction to use technology in order to enhance the opportunity to participate in general meeting. It is recommended that companies – in collaboration with other stakeholders or gatekeepers such as the company secretary association, share registration companies and/or the Exchange – to develop a cost effective and efficient secure e-voting platform.

ARTICLES

A COMPILATION OF ARTICLES - A SUMMARY & OVERVIEW by RITA BENOY BUSHON

In most countries around the world, the AGM, or shareholders' meeting, must be held by all companies within 18 months of its incorporation. Thereafter, it must be held once every calendar year, but not more than 15 months after the last preceding AGM or not more than 6 months after the end of its financial year.

The Notice of AGM should be sent to all shareholders as per the Register of Members.

The Notice is normally accompanied with the company annual reports, along with other documents relevant to shareholders. It is good practice to give sufficient notice to allow members time to read the documents and give notice to the company for any intention to move a motion. Although many countries including Malaysia give 21 days, the international best practice is 28 days.

A notice of general meeting should state the meeting venue, date and time and the meeting agenda, indicating the nature of business to be conducted at the meeting.

Business before a general meeting may be of two kinds – ordinary or special. Matters which are treated as ordinary business are normally receiving and approving the audited financial statements and reports, electing directors retiring by rotation (and which should include information pertaining to each of the directors standing for re-election, such as relevant experience, date of first appointment, etc), declaration of a final dividend, voting on directors' fees and, the appointment of auditors and fixing their remuneration and directors' remuneration.

The company may also include other matters for deliberation at an AGM, which will be classified as "Special Business" which include change of the company's name, amendment of company's object clauses, and approval for recurrent related party transactions and approval for the issuance of shares by directors under Section 132D of the Companies Act, 1965. Each item under the special business included in the Notice should be accompanied by an explanatory note, typically found in the Notice itself.

Types of Resolutions

Types of resolutions that may be passed by a company:-

Type of resolution	Examples
<ul style="list-style-type: none"> ■ Ordinary resolutions requiring only a simple majority ■ Most commonly used resolution 	<ul style="list-style-type: none"> ■ Electing directors retiring by rotation ■ Declaration of a final dividend ■ Approving directors' fees ■ Appointment of auditors and fixing their remuneration
<ul style="list-style-type: none"> ■ Ordinary resolutions requiring $\frac{3}{4}$ majority of the votes cast 	<ul style="list-style-type: none"> ■ Electing a director who is of or over 70 years of age ■ Appointing an auditor to replace the one removed
<ul style="list-style-type: none"> ■ Special resolutions requiring $\frac{3}{4}$ majority of the votes cast and 21 days' notice specifying the intention to propose the resolution as special resolution 	<ul style="list-style-type: none"> ■ Electing a director who is of or over 70 years of age ■ Appointing an auditor to replace the one removed
<ul style="list-style-type: none"> ■ Resolutions requiring special notice of 28 days of the intention to move the resolution to the company 	<ul style="list-style-type: none"> ■ Removal of auditor ■ Removal of director

In short, the AGM is a yearly gathering of shareholders, company management and the board of directors to discuss and decide upon a series of resolutions that affects a company's business.

In Malaysia, the rules require AGMs to be held within 6 months of the company's financial year-end, with the company's annual report to have been distributed to all shareholders at least three weeks prior to the AGM date. The final annual audited accounts for year must be released within 5 months for 2015 and 4 months in 2016.

In addition to the normal resolutions and company affairs that are considered and voted on during these meetings, the AGM is also the best time for many issues to be raised to directors, ranging from the viability of diversification and expansion policy all the way to the company's business sustainability, corporate governance, dividend plans as well as the profitability of each of the company's business units.

Any general meeting which is not an annual general meeting is called an extraordinary general meeting (EGM). An EGM may be called by the directors, or two or more members holding not less than 10% of the issued and paid-up share capital of the company.

Location and Logistic and Clustering

As this is the company's marquee event of the year where all shareholders are involved, significant logistics planning needs to take place. The venue must be easy to locate and accessible to all and sundry, whether private or public transport is used. Parking facilities need to be ample and not too expensive (where parking fees may also be subsidised or paid for by the company).

The meeting hall must have enough seating for everybody, with appropriate ventilation and air-conditioning. Directors' microphones must be working well, along with the loudspeakers so shareholders are able to participate in the discussion even if they are in the rear of the room. Microphone should also be strategically placed around the meeting hall so that shareholders are given a chance to quiz the board or the accountants present.

Registration counters must be well categorised and set up in a large enough room so that queues are dispensed of efficiently to allow the meeting to begin on time and that potentially large numbers of shareholders are dealt with and not left wandering around.

Clustering of AGMs

Most AGMs ie about 56% were held in the months of May and June as this coincided with the financial year end of Dec 31 and the mandatory requirement that the meetings must be held not later than six months after the year end. As a result of the clustering of AGMs popular venues and dates were taken up quickly. In fact in 2015, the most popular day was Thursday and the date of 25 June 2015 had the most number of AGMs held numbering 47 AGMs.

It is suggested that a mechanism of limiting the number of AGMs per day be imposed such as in Japan and companies must plan ahead to choose the date so that it becomes a first-come-first-served basis in terms of giving the date out.

Relevant dialogue and forum for discussions

Broadly and perhaps most significantly, (since minorities have precious opportunity to do so during the course of the fiscal year), the AGM is a forum to ask the board, its advisers and its management team, any number of questions relevant and regarding the business and the directions it might take in the future.

The importance of this last point cannot be overstated. The AGM is usually the sole means by which a minority shareholder may confront the board and management over its role in the company. By contrast, the institutional investor most of the time enjoys near-unfettered access to senior management, with fund size and assets under management a large determinant.

Therefore, the principles of fair disclosure as opposed to selective disclosure and breaches of this rule must be understood by all those who are involved. This is where a situation when a publicly traded company discloses material information to a single person, or a limited group of people or investors, as opposed to disclosing the information to all investors at the same time.

Bursa's Corporate Disclosure Guide 2011 is instructive. Its guide speaks of:

"Equal access to material information; prohibition of selective disclosure to journalists, analysts and fund managers; listed company to ensure that journalists, analyst and fund managers do not obtain non-public material information when they visit or engage with the listed company – if inadvertently disclosed must immediately announce to Bursa Securities."

Voting by Poll, Show of Hands and Proxy Votes

Voting by poll and voting on a simple show of hands are two common ways in which votes are counted during AGMs.

The Articles of most companies in Malaysia provides that votes are to be taken by a show of hands unless a poll is demanded.

The right to demand a poll is normally contained in the company's Articles. However, any provision of the company's Articles is void to the extent that:

- It attempts to exclude the right to demand a poll at a general meeting on any question or matter other than the election of the chairman of the meeting or the adjournment of the meeting;
- It attempts to make ineffective a demand for a poll by:
 - (i) not less than five members having the right to vote at the meeting;
 - (ii) a member or members representing 10% of all votes; or
 - (iii) a member or members holding shares conferring a right to vote, which on the aggregate of the sums paid up, equals not less than 10% of the total sum paid up on all shares conferring a voting right.
- It requires the instrument appointing the proxy to be received by the company more than 48 hours before a meeting.

While voting by a show of hands merely counts the number people voting for or against a proposal, it takes no account of the number of votes that each voter may have, and could therefore be prejudicial to the outcome of a crucial decision.

By contrast, poll voting takes into account the number of shares each voter has, and is, therefore, a better reflection of the mix of shareholders present in the meeting.

No doubt, voting by a show of hands is a quicker and simpler process to manage, and is normally

used for simple resolutions such as occasions of non-contentious election or reelection of directors and auditors, where the affair is settled in a minute or two. In serious and substantive resolutions involving corporate proposals and related party transaction, poll voting has already been instituted as a rule at end of 2012

These amendments gave more protection to minority shareholders including institutional investors. Mandating poll voting for related party transactions would mean that voting is done based on the principle of "one share one vote". In an ASEAN context, where bulky shareholder structure continue to still be prevalent, it gives a fairer voting ability to all disinterested shareholders based on their proportion of shareholdings in cases of related parties.

Do Not Trivialise Serious Shareholders Meetings

Equally, we also advocate voting by proxy, given the modern-day constraints of time, budget, physical capability or any other such impediment to the presence of a minority shareholder. Companies can and should therefore allow any shareholder to nominate a proxy to attend on his or her behalf which in Malaysia has removed unnecessary limitations which impede shareholder participation and voting at general meetings.

Saying these the shareholders or proxies must be professional and stick to the point asking relevant questions. As this is a serious statutory meeting, frivolous questions not relevant to the agenda matter and unnecessary singing which had been noted during some AGMs should be avoided.

The Chairmen of the meetings must be able to control matters by providing the conduct and protocols at the beginning of the meetings. In the local context, minority shareholders need to also realise that for capital market conditions to improve, all participants need to be involved. Come prepared with a number of relevant questions for an AGM and do not trivialise the AGM as a forum for serious discussion.

The Future of the AGM

Elsewhere around the world, such as in Australia the concept of the traditional AGM were discussed.

AGMs, viewed as one of the pillars of the corporate calendar is on the brink of being made optional. The reason: AGMs have become less and less relevant for significant strategic decision making, and there has been a steady decline in the number of shareholders wanting to participate in the forum. Responding to the Australian Government's request for advice on the role of the AGM, the Corporations and Markets Advisory Committee published a discussion paper on The AGM and shareholder engagement in September 2012.

Not surprisingly, retail shareholders and their representatives were incensed by the prospect of losing their main avenue of accessing boards of the companies of which they are part owners.

Questions presented to the board have been described as being often ill-informed and little of the shareholder debate at AGMs involves the strategic direction of the company. This has led to a growing view that much of the meeting's 'ordinary business' (tabling of director's report, remuneration report, re-election of directors) could be done without the need for shareholders to attend a specific meeting.

Institutional shareholders (and to a certain extent listed companies themselves) have argued that technology has been instrumental in the decline of AGMs. The argument goes that disclosure remains continuous, though with the wider use of IT: increasingly more corporate briefings, teleconferences and webcasts have rendered the AGM "largely irrelevant".

Key questions raised include:

Shareholder engagement

- Whether there should be more formalised guidance on how the members of a company's board engage with shareholders;
- Whether the manner in which institutional shareholders utilise the services of proxy advisers require enhanced guidance or regulation.

Annual reports

- Whether annual reports contain unnecessary 'clutter';
- Whether annual reports should more clearly distinguish between a high-level strategic report (which identifies the strategy and future direction of the company as well as the challenges facing it) from other supporting information;
- Whether technological developments might be employed to assist shareholders to glean useful information from the annual report.

And in terms of conducting the AGM:

- Whether there exist unnecessary timing or other barriers to shareholders placing matters on the AGM agenda or having supporting statements circulated;
- Whether shareholders should have greater scope for passing non-binding resolutions;
- Whether a chair has the power to impose any time, or other, limits on individual shareholders speaking at the AGM;
- Whether there exists a problem with 'lost' or 'miscounted' votes;
- Whether voting by show of hands should be abolished in some or all instances;
- What procedure might be best to ensure the independent verification of votes cast at an AGM;
- Whether there are any steps necessary to promote greater consistency in the disclosure to the market of voting results;
- The question of how often directors should be obliged to stand for re-election;
- Whether there should be further legislative controls over the voting procedure for electing directors.

SALIENT FINDINGS AND SOME USEFUL ACTIONS

As many examples MSWG representatives have attended has proved, the AGM as a useful forum for discussion is indisputable.

The AGM as an institution can only be strengthened by the fact that in 2013 Malaysia-listed real estate investment trusts were required by law to have an AGM within four months of their financial year-end. Not only does this move align Malaysia REITs with regional best practices (Singapore mandated AGMs for REITs in 2010), it also allows unitholders to quiz REIT managers for clarifications on performance and governance.

REIT unitholders now have the chance to question management and vote on certain resolutions, similar to the way a shareholder might at a company AGM.

There are far too many matters of significance to discuss, and while issues like door gifts, parking charges and food quality are real, they must be relegated to formal written applications for the board to later discuss.

There are also instances where directors provide responses that are far too general in nature. In the interest of more disclosure (rather than less) so that better decisions may be made, a more concerted effort at detailed explanations must prevail.

There are instances when there are absentee directors who are not able to make time for this crucial meeting which does not speak well of the directors effectiveness. There are many reasons for this, chief of which was the over commitment. Directors simply cannot and should not agree to take on too many directorships as they simply do not have the time to fulfill all their obligations to the requisite degree.

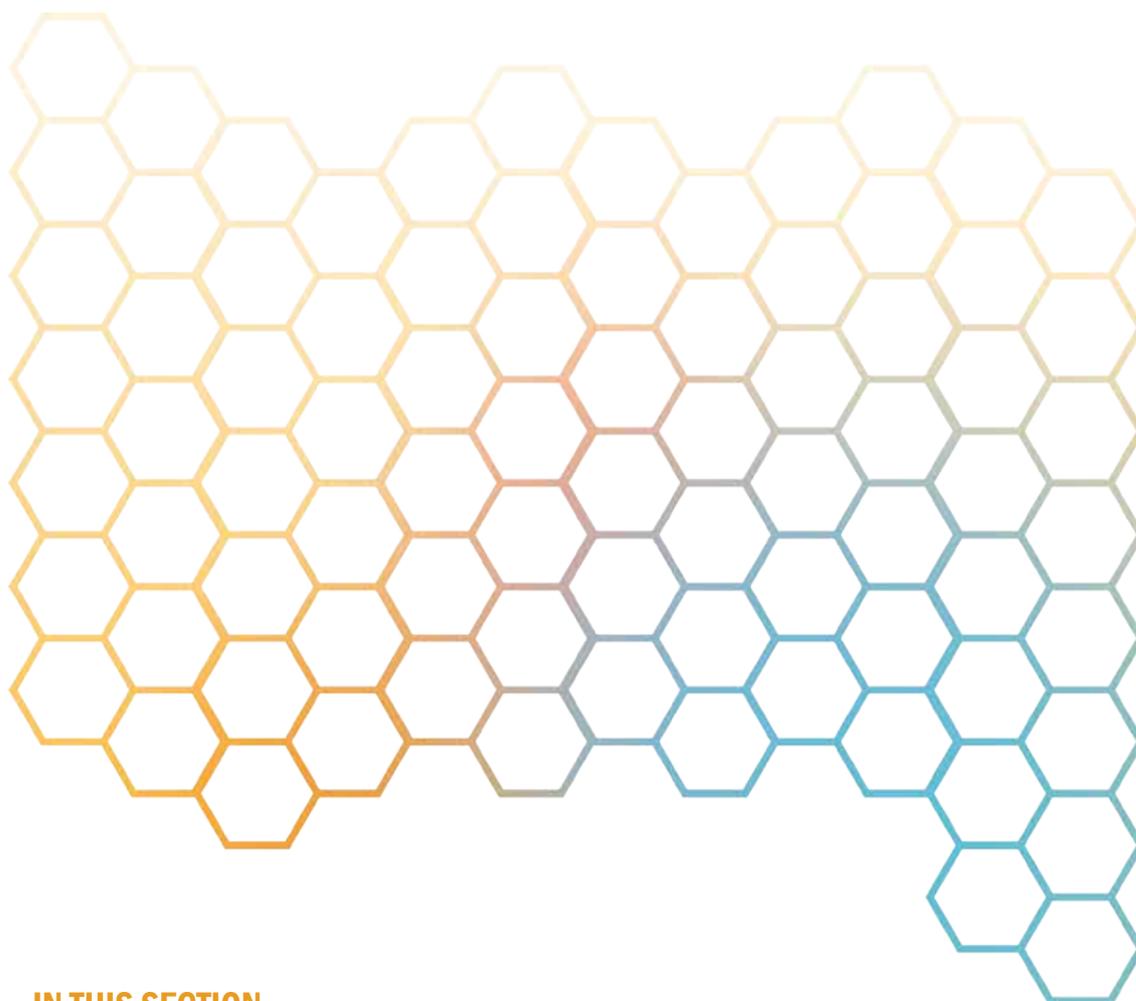
Salient Finding & Room for Improvement

In our paper done to examine whether companies comply with the international best practices on AGMs set by various globally recognized institutions, the analysis displayed many positives. Some of them include the following:

- Many companies directors and management were prepared and transparent when answering questions posed by shareholders.
- Many voluntarily presented companies performances and issues were discussed at length at the AGMs.
- Shareholders were given ample time to ask questions and received answers.
- Chairmen were overly gracious and allowed retail shareholders to ask even frivolous questions pertaining to door gifts and food.
- In most of the companies that MSWG had attended and posed questions, the company gave adequate written replies which were allowed to be posted at the websites for the public.
- Registration counters were well manned and efficient.
- Most of the venues chosen were easily accessible.

However there some areas that needed to be looked at:

- The clustering of meetings : averaging 22 in a day for 2015 and at the peak had 47 meetings meant that shareholders would not be able to participate at their AGMs.
- Only 5% had the Memorandum of Articles of Association disclosed at the company's websites which provides the rights of shareholders.
- Only 15% released the notices of AGMs 28 days before the AGMs.
- Only 6% had Minutes of meeting disclosed at the website in 2015.
- Only 4 % had poll voting for all resolutions.
- Only 2% had independent scrutineers appointed.

SECTION 1: INTRODUCTION**IN THIS SECTION**

- 18** **Objective of the study**
- 18** **Scope and method**

The AGM is the pinnacle of the corporate governance process.

(EY, 2014)

The short statement describes succinctly the importance and relevance of the annual general meeting (AGM).

The AGM is the platform for shareholders to legitimately exercise any control over the affairs of the company. It is the platform for board of directors of publicly listed companies (companies) to demonstrate its accountability to shareholders and for shareholders to exercise the statutory rights to engage directly with the board of directors.⁰¹ The AGM is the opportunity for shareholders, especially the minority shareholders, to engage their elected directors to discuss the affairs and review of the working of the company, and to take necessary steps for the protection of their interests such as the ensuring of the sustainable performance of their company and the payment of dividends.

Given the uprising of institutional shareholders and the privileged position of having direct access to the boards and senior management of companies due to their clout and dominance, retail shareholders may have perceived themselves as disenfranchised and shied away from AGM due to the dominance of controlling shareholders and institutional shareholders rendering them irrelevant.

Despite these grievances, the AGM is the manifestation of shareholder democracy. AGM is thus, a good platform for board of directors of companies to demonstrate their accountabilities to shareholders and vice-versa for shareholders to exercise their statutory rights to engage directly with the board of directors.

It is a vital organ of corporate governance that should in fact be protected and fully exploited to the benefit of all shareholders and relevant stakeholders.

AGMs are an essential part of corporate governance and this report proposes ways of improving its effectiveness. It is in this respect that the short study was thought to be timely, instructive and the recommendations to be constructive.

01

Throughout this report, the analysis and discussion pertains only to listed companies on the Exchange. The issues and matters related to the AGM of unlisted (privately held) companies are outside the scope of the current report.



OBJECTIVE OF THE REPORT

The main aim of the report is to understand the current state of play of AGM of companies listed on the Bursa Malaysia Securities (the Exchange).

This was done by a review of:

- (i) the policies and practices, as disclosed, in relation to the AGM of companies listed on the Exchange reviewed by the MSWG in its most recent Malaysia-ASEAN CG Report (2014 and 2015);
- (ii) the policies, procedures and practices, as observed, in relation to the most recent AGMs of companies listed on the Exchange attended and assessed by representatives of the MSWG.

The review examined the policies, procedures and practices in the three stages of an AGM; namely, the Pre-AGM, Conduct at the AGM, and Post-AGM. Accordingly, the current report is structured along this framework of analysis. Throughout the discussion of the findings, the report attempts to direct attention to certain matters and to offer insights and recommendations to enhance of the quality of AGM.⁰²



SCOPE AND METHOD

The sources for the data of the report are as follow:

■ Conduct of AGM Report 2014 and 2015

From January 2014 to June 2015, MSWG's representatives attended AGMs of 457 listed companies. However, based on available data captured using a 40-item instrument⁰³, the current study analyses the policies, procedures and conduct of AGMs of 261 unique companies; 149 AGMs held between January and December 2014, and 112 AGMs held between January and June 2015.⁰⁴ These 261 companies accounted for nearly one-third of listed companies and included 25 out of the 30 constituent companies in the FTSE Bursa Malaysia KLCI Index as at 22 June 2015.

■ Malaysia-ASEAN Corporate Governance Report 2014/2015

A total of 873 listed companies were the focus of the 2014 series of the annual Malaysia-ASEAN Corporate Governance analysis (MSWG, 2014) and the latest 870 companies in 2015 and practices up to end November assessment were used wherever relevant. These companies were assessed using the ASEAN Corporate Governance Scorecard. Whilst the said Scorecard has over 200 items categorised comprising global principles and internationally recognised good practices categorised into seven sections, only 26 items were deemed relevant for the current analysis. These are items that dealt with policies, procedures and conduct of AGM.

02

Apart from AGM, MSWG is also active in monitoring, attending and participating in other types of general meetings convened by companies. For example, during the year 2014, representatives of MSWG attended a total of 400 general meetings of companies; 294 Annual General Meetings (AGM), 103 Extraordinary General Meetings (EGM), 2 Special General Meetings (SGM) and 1 Scheme Creditors Meeting (SCM). As described in the Overview section of this report, all meetings of shareholders other than AGM is referred to EGM. Hence, SGM and SCM are in fact EGM.

03

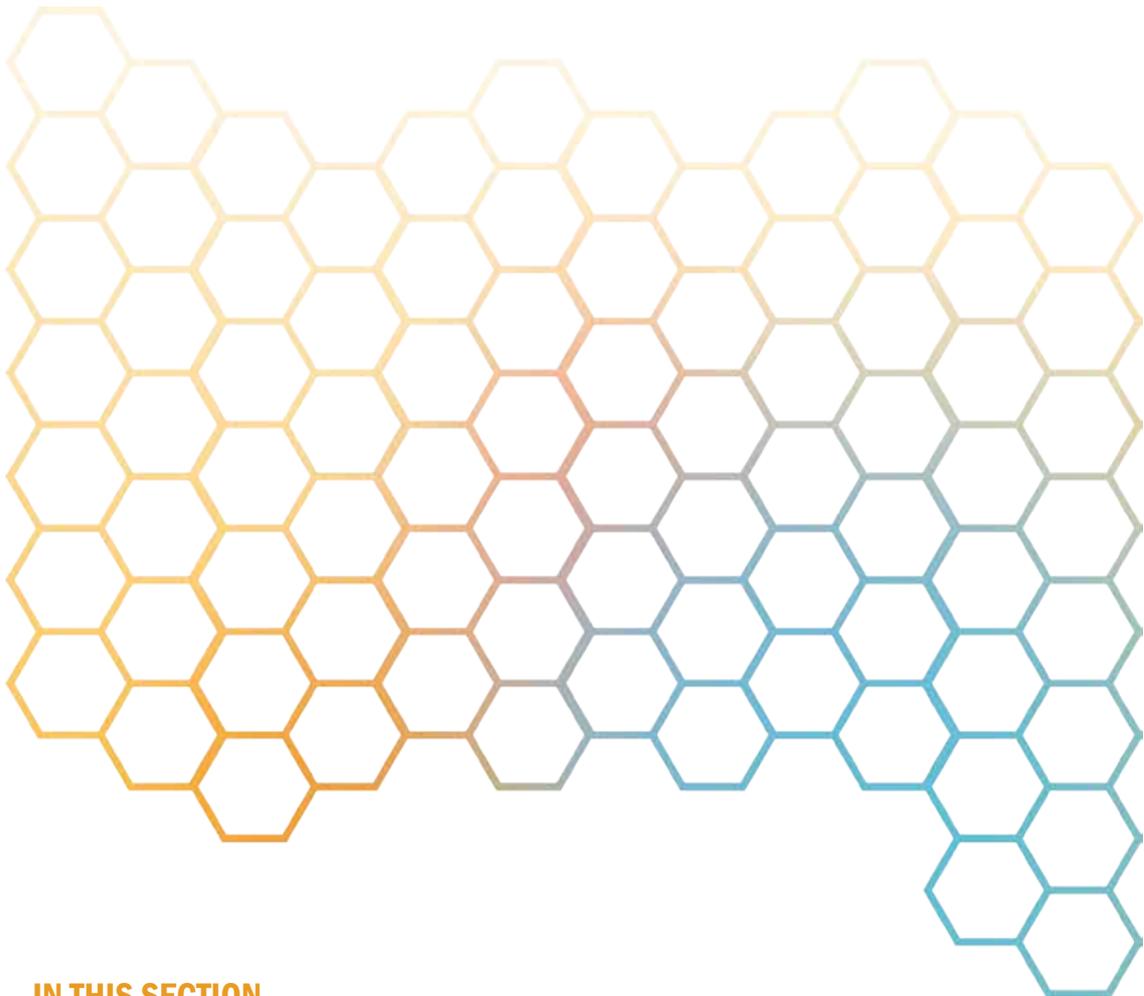
From the original list of 40 items in the AGM Report instrument, three items were considered not to be directly relevant for the current study and hence were subsequently excluded. They are item 13.1 – Number of woman directors, item 13.2 – Number of directors on the board, and item 13.3 – Percentage of woman directors to total number of directors.

04

MSWG attended more than 261 AGM between January 2014 and June 2015. Specifically, a total of 457 AGM were attended during the period under review. However, for the purpose of this study, only the policies, procedures and practices of 261 AGM (57 per cent) were reviewed.

The next section provides an overview of various fundamentals of general meeting of companies/shareholders including the statutory rights of shareholders in relation to general meetings, the types of meetings, the types of resolutions, the matters of proxy, the voting procedures, and the role of board of directors and directors in ensuring quality AGM. This is followed by the analysis part of the report, which discusses the findings and issues of AGM categorised in three sections: Pre-AGM, Conduct of AGM, and Post-AGM. Finally, the report ends with concluding remarks, which include reiteration of the salient recommendations that have been made throughout the report.

SECTION 2: SHAREHOLDERS MEETING GOVERNED UNDER MALAYSIAN LAW



IN THIS SECTION

- 21** **Shareholders' rights**
- 22** **Types of general meeting of company/shareholders**
- 23** **Types of resolution**
- 24** **Voting procedures at meeting**
- 25** **Proxies**
- 25** **Board of directors / Directors' role at AGM**



SHAREHOLDERS' RIGHTS

Ownership of shares in a company provides shareholders with a set of rights as stipulated primarily in the **Companies Act 1965**.

The **Companies Act 1965** states that certain acts can only be carried out by shareholders, including:

- Changing the company's name or type (**Section 23**);
- Amending the memorandum or articles of association (**Section 31**);
- Approving certain transactions affecting share capital including
 - : the issues of new shares (**Section 132D**)
 - : buy-backs of existing shares (**Section 67A**)
 - : other reductions of capital (**Section 64**)
 - : subdivision or consolidation of a company's share capital (**Section 62**);
- Variation of class rights (**Section 65**);
- Appointing and removing of directors (**Art 66 Table A**);
- Approving directors' remuneration and benefits (**Art 70, Table A**);
- Approving final dividends recommended by the board of directors (**Section 365, Art 98 – Art 107 Table A**)
- Appointing and removing auditors (**Section 172**);
- Vetoing or approving certain transactions including
 - : related party transactions (**Section 132E**),
 - : disposal and acquisition of assets of certain value (**Section 132C**)
 - : take-overs and reconstructions (**Section 176**); and
- Initiating voluntary winding up (**Section 254**).

The **Companies Act 1965** further provides shareholders with the following rights in respect of participating and voting in general meetings:

- To attend, speak and vote at general meetings (**Section 148**);
- To requisition the company to convene a general meeting (**Section 144**);
- To place items on the general meeting agenda (**Section 151**);
- To appoint up to two proxies when the shareholder is unable to attend the general meeting (**Section 149**); and
- For a corporate shareholder, to attend the general meeting through its corporate representative (**Section 147(3)(a)**)



TYPES OF GENERAL MEETINGS OF COMPANIES/SHAREHOLDERS

General meeting means the meeting where all shareholders are entitled to attend and vote. There are two types of general meetings: Annual General Meeting (AGM) and Extraordinary General Meeting (EGM). The following details describe the nature, purpose and other characteristics of AGM and EGM.

	AGM	EGM
Definition	A meeting which must be held once in every calendar year; within 15 months after that last preceding AGM (Section 143(1))	A meeting other than an AGM
Notice Period	At least 21 days before the meeting (Section 145 (2A))	<ul style="list-style-type: none"> ■ 21 days notice for special resolution; ■ 14 days notice for ordinary resolution; ■ 28 days notice for special resolution with special notice
Purpose of Meeting	<ul style="list-style-type: none"> ■ To transact "Ordinary" routine business as defined by the Articles; ■ To transact other "Special" business 	To transact "Special" business which are too urgent to await until the next AGM
Business to be Transacted	<p>"Ordinary" business which are as follows:</p> <ol style="list-style-type: none"> a The consideration of the accounts, balance sheet and the reports of the directors and auditors; b Declaring a dividend (if any) recommended by the directors; c Election of directors in place of those retiring; and d Appointment and fixing of the remuneration of auditors. <p>Any "Special" business</p>	<p>Any "Special" business vide</p> <ol style="list-style-type: none"> a ordinary resolution; or b special resolution; or c ordinary resolution requiring $\frac{3}{4}$ majority; or d special resolution with special notice
Authority to Convene	The board of directors	<p>The board of directors or any director (Art 44, Table A); or Shareholders holding not less than 10% of the paid-up capital or voting rights in the company; or</p> <p>Two or more members holding not less than one-tenth of the company's issued share capital; or</p> <p>A court order.</p>



TYPES OF RESOLUTIONS

A resolution is a motion that has been accepted or voted and agreed by the necessary majority of members/shareholders attending and voting at the meeting.

There are two main types of company resolutions:

- **“Ordinary resolution”** is a resolution that requires a simple or bare majority (that is, more than 50 per cent of the vote) of those voting on a show of hands or poll. This voting procedure applies only to “Ordinary” routine business;
- **“Special resolution”** is a resolution:
 - : passed by a majority of not less than three-fourths of such members as being entitled to vote and voting in person or by proxy at a general meeting;
 - : the notice of meeting of 21 days is given; and
 - : the intention to propose the resolution as special resolution is specified in the notice of meeting (**Section 152(1)**).

There are variations to the two main types of resolutions:

- **“Ordinary resolution requiring $\frac{3}{4}$ majority”** is an ordinary resolution specified by the **Companies Act 1965** that requires a special majority to be passed. This voting procedure applies to the following “ordinary” business:
 - : appointment of an over-aged (more than 70 years old) person as director of a public company or subsidiary of a public company (**Section 129(6)**);
 - : appointment of another person nominated at the meeting convened for the purpose of removal of the company’s auditor to fill the casual vacancy created by the removal (**Section 172(7)(a)**).
- **“Special resolution with special 28-days notice”** (**Section 153**) is a special resolution for the following situations:
 - : removal of auditor from office (**Section 172(4)**);
 - : removal of director from office before the expiration of his term of office (**Section 128(2)**); and
 - : appointment of a person as director in place of a director removed (**Section 128(2)**).



VOTING PROCEDURES AT MEETINGS

Voting at general meeting may be done in two ways:

There are two main types of company resolutions:

- **Vote by a show of hands**, in which every member at the meeting has one vote. **Table A** provides that at any general meeting a resolution put to vote shall be decided by show of hands in the first instance, unless a poll is demanded (**Art 51**).

Vote by show of hands is the customary method of voting as voting tends to be quicker, avoiding unnecessary formalities and extra cost, and the result is immediately known. However, it is also more open to disruptions and the negative publicity that may come with such disruptions. **Para 7.19** of the **Listing Requirements** states proxies can take part in a vote by a show of hands on any questions at any general meetings of companies listed on the Exchange.

- Vote by poll, in which votes are given proportionately to the number of shares held. The manner of how poll should be demanded is usually provided in the Articles (for example, Art 51). It provides that a poll may be demanded before or on the declaration of the result of show of hands by:
 - a the Chairman;
 - b at least three (3) members present in person or by proxy;
 - c by any member present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
 - d by a member holding shares in the company conferring a right to vote at the meeting being shares on which an aggregate has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Vote by poll can avoid much of the disruptions, which accompany voting by a show of hands. In addition, a proxy can vote, exercising the same number of votes as the member he/she represents. In the case of a resolution pertaining to related party transactions (RPT), **Para 10.08 (7A)** of the **Listing Requirements** mandates that the resolution approving such transaction is taken on a poll.



Shareholders have the right to appoint proxies to cast votes for them.

Section 149(1)(b) of the **Companies Act 1965** states that unless the **Articles** otherwise provides, a member is not entitled to appoint a non-member as proxy unless that proxy is an advocate and solicitor, an approved company auditor or a person approved by the Registrar of Companies. However, in the case of companies listed on the Exchange, this restriction on qualification of proxy is not applicable. **Para 7.21A** of the **Listing Requirements** states that any person can be appointed via the prescribed instrument as a proxy and that such proxy have the same rights as the member to attend, speak and vote at the meeting.



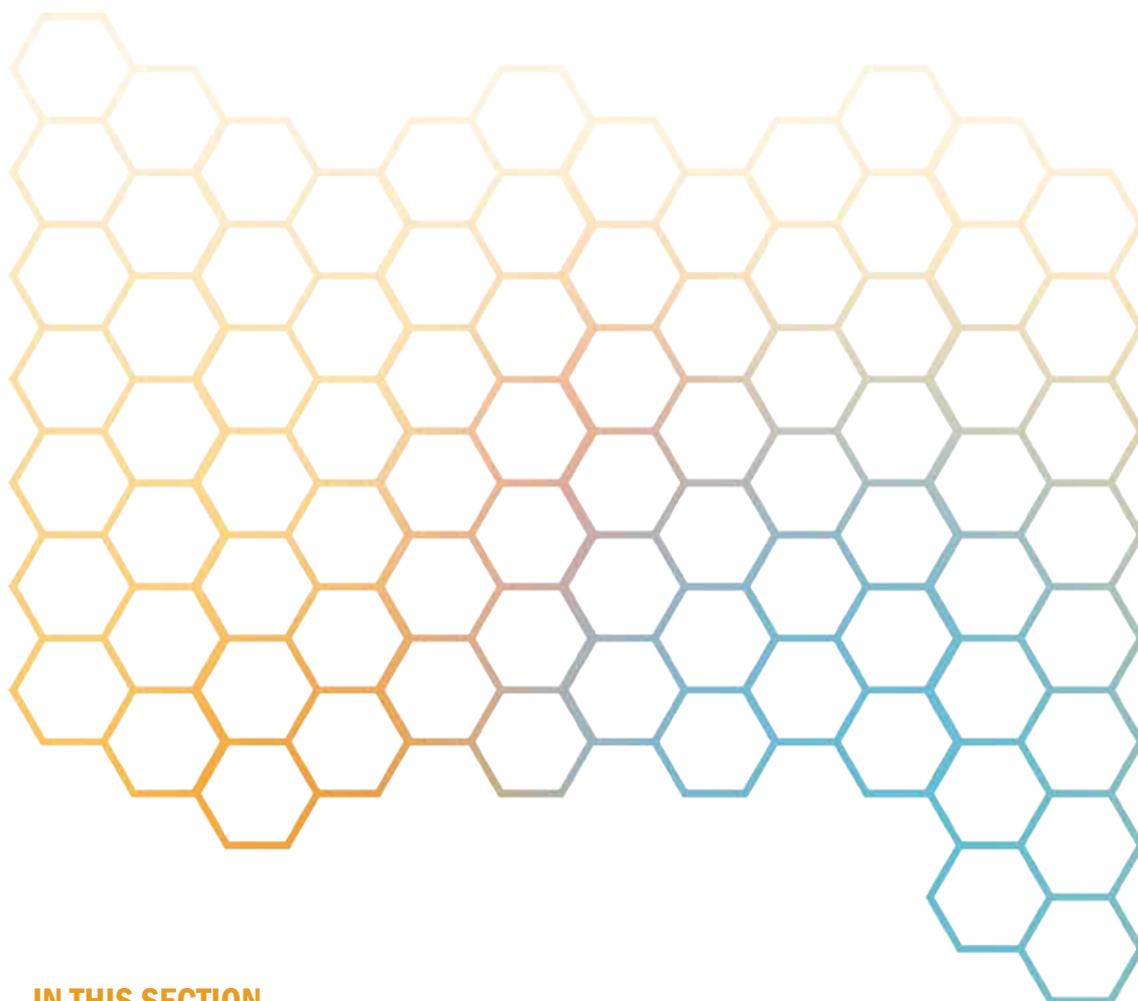
Recommendation 8.1 of the Malaysian Code on Corporate Governance provides that the board should take reasonable steps to encourage shareholders' participation at general meetings.

The Corporate Governance Guide (Bursa Malaysia, 2013) suggests that the board in its shareholder relationship should take into account at least the following (page 122 – 123):

- a the board and management should spend time attempting to anticipate specific shareholder questions and develop appropriate responses;
- b consistent communication with shareholders, not just at the time of the annual general meeting, allows for better anticipation of shareholders' concerns and contentious issues;
- c a confrontational atmosphere may be avoided by addressing contentious issues in the annual report or in the chairman's formal address to the meeting;
- d allowing respective board committee chairman to address matters pertaining to specific governance issues, e.g. matters relating to the assessment on the independence and performance of directors should likely be addressed by the chairman of the nominating committee;
- e the chairman of the board is normally responsible for the conduct of the annual general meeting and should be thoroughly familiar with the annual general meeting agenda and meeting procedures. The chairman should develop an approach for dealing with difficult or hostile responses from the floor;
- f the chairman must provide reasonable opportunity to the shareholders as a whole to pose their questions on the management of the company; and
- g shareholders could be invited to submit questions prior to the annual general meeting to facilitate discussions at the meeting. Such questions may be posted on the company's website and addressed to the relevant email address dedicated for shareholder communication.

Many of the preceding suggestions relate to the preparation of the AGM. All the preparation could be a waste if directors did not show the commitment by being absent at the AGM. Hence, it is important that ALL directors should do his/her level best to attend the AGM. More so for directors who are holding key positions such as chairman of the board and board committees and for directors who are seeking re-election.

SECTION 3: **PRE-AGM**



IN THIS SECTION

- 28** **Schedule and location of AGM**
- 32** **Quality of notice and materials**
- 35** **Notice period**



SCHEDULE AND LOCATION OF THE AGM

SCHEDULE

It is expected that AGM to be clustered in certain month of the year due to clustering of financial year ends of companies. In 2014, 60 per cent (n = 506) of the companies surveyed had 31 December as their financial year end. In 2015 the results of the 868 companies were somewhat similar in terms of percentages.

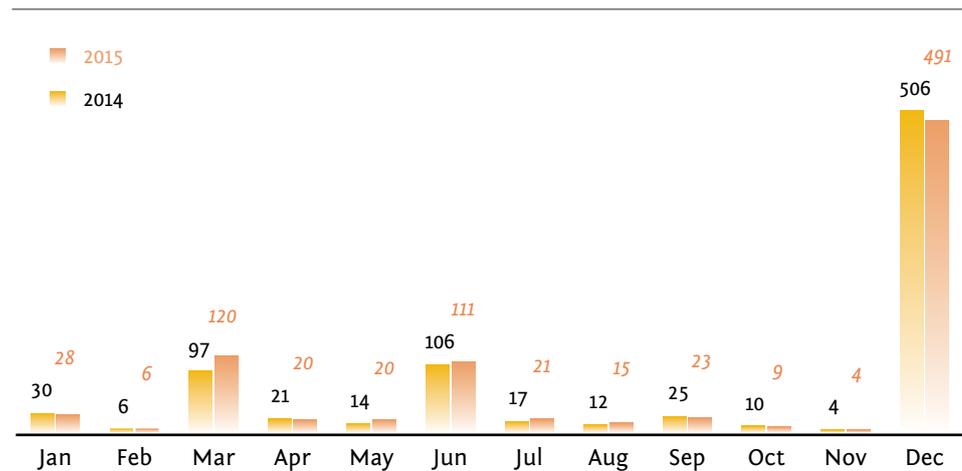


Figure 1: Financial Year End of Companies (n=868)

In 2015 companies, it was see that the hottest AGM months were April, May and June where 68% of total AGM were held and the single month where the most AGMs were held was June numbering 317 followed by April of 141 and May of 130 AGMs.

In terms of the day of the week, Thursday and then Wednesday were two busiest days of the week with slightly more than one-half AGMs were convened on Thursday and Wednesday.⁶⁵ During the period under review, there were two AGMs convened by KPS Consortium Berhad and United Plantations Berhad, which were held on a Saturday. The single most busiest day of the year fell on 25 June 2015 where there were 47 AGMs held.

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In Singapore, AGM appeared to be clustered in April, followed by July and October (Mak and Chew, 2015). It was reported that in Australia many AGM occurred in the peak months of October and November (Mayne, 2014). In the UK, it was also observed that AGM were concentrated within a few weeks with 14 FTSE 100 companies held AGM within the space of three days in early May (Gray and Jacobs, 2011).

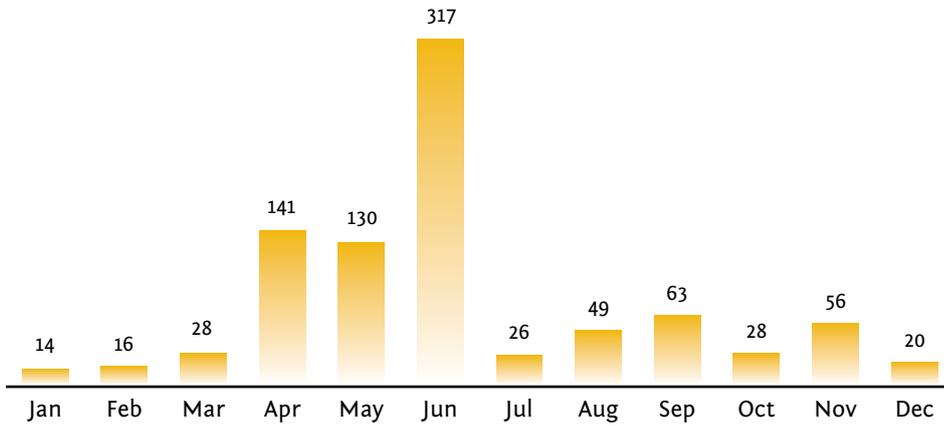


Figure 2: AGMs Held in 2015 Up to Nov and Estimated for Dec



Total AGM: 317
 Average AGM per day: 39.6
 Highest number of AGMs in a single day: 47

Figure 3: Annual General Meeting (AGM) Calendar for June 2015

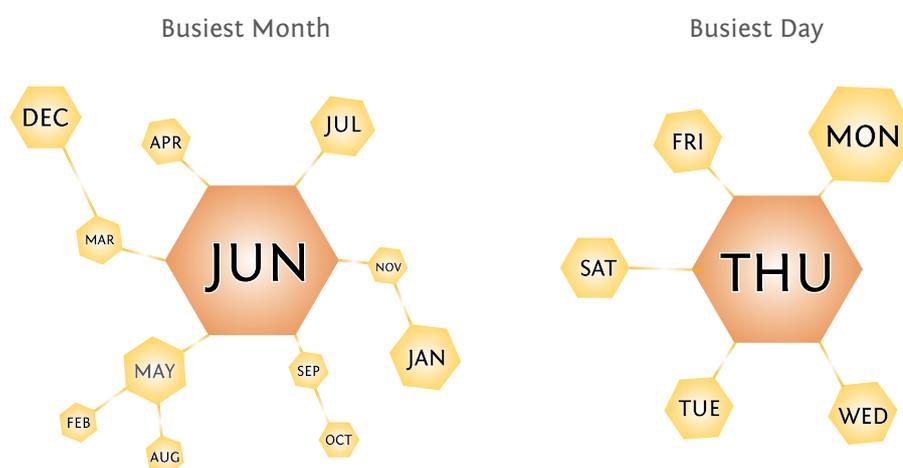


Figure 4: Analysis of Month & Day of AGM



The data seemed to suggest that a company would delay convening the AGM as much as prevailing law and regulations allowed for. In addition, an AGM can only be called for after the company has issued either the Annual Audited Financial Statements (AAFS) and/or the Annual Report (AR). Current requirement as provided for under [Para 9.23](#) of the [Listing Requirements](#), calls for the issuance of AR (complete with AAFS) within five (5) months after the company's financial year-end. This requirement does not discriminate according to the size and impact of a company. There are companies who would argue that reporting and auditing costs would increase if they were subjected to earlier (or shorter) reporting requirement.



Thus, in order to have earlier AGM, companies should be encouraged, if not mandated, to submit the AAFS/AR earlier than the current requirements. Perhaps, should consider extending the idea of differential reporting requirement in the matter of submission of AAFS/AR and consequently the convening of the AGM. For examples, larger companies – due to their economic significance – should be subjected to shorter reporting requirement for submission of AAFS/AR and the convening of AGM.

LOCATION

The AGMs attended and assessed were spread all over the country as shown in the Figure 5 below.

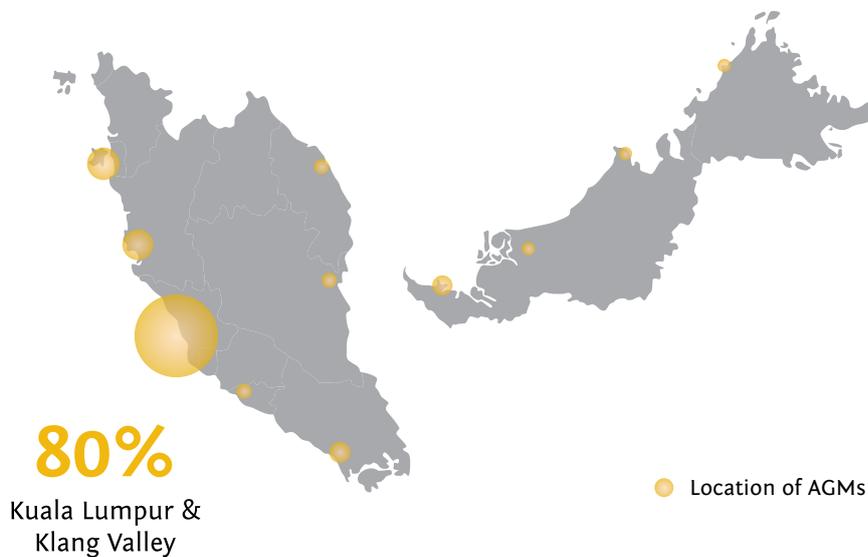


Figure 5: Location of AGMs

It was found that 80 per cent of the AGMs attended and assessed were held in the Klang Valley area with nearly one-half and slightly more than one-third were held in the Federal Territory of Kuala Lumpur and Selangor respectively.

98 per cent were judged to have organised their most recent AGM in an easy to reach location accessible by public transport and had sufficient parking space respectively.⁰⁶

Most popular venue was Sime Darby Convention Centre which commanded a total market share of nearly 20 per cent of the AGM venues during the period under review.

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Out of the 873 companies assessed in the 2014 Malaysia-ASEAN Corporate Governance Report, five companies had organised their AGM at locations considered not to be easy to reach. The locations were Tiara Golf & Country Resort, Melaka (Fibon Berhad), Paragon Hotel, Johor Bahru (Damansara Realty Berhad), Jenderata Estate, Perak (United Plantations Berhad) and Wisma Taiko, Ipoh (Kuala Lumpur Kepong Berhad and Batu Kawan Berhad).

Nine locations of AGM were considered to be not accessible by public transport. They included KLIA LCCT, Sepang (Air Asia Berhad and Air AsiaX Berhad), Jenderata Estate, Perak (United Plantations Berhad), Setia City Convention Centre, Setia Alam (Southern Acids (M) Berhad), Kotra Pharma Technology Centre, Melaka (Kotra Industries Berhad), Sapangar Bay, Sabah (Suria Capita Holdings Berhad), and Jaya Tiasa HQ, Sibu (Jaya Tiasa Holdings Berhad). Eleven venues of AGM were found not to have sufficient parking space. These venues included Saujana Hotel, Shah Alam (Time Dotcom Berhad), Wisma Mah Sing (Mah Sing Group Berhad) and Box-Pak HQ, Batu Caves (Box-Pak Malaysia Berhad).

Evidently, the companies concerned should take into account these considerations when planning for the AGM in the coming years.



QUALITY OF NOTICE AND MATERIALS FOR AGM

The quality of notice and materials for AGM does lend encouragement for shareholders to attend the general meeting. Specifically, the notice of or circulars for AGM should exhibit certain characteristics consistent with recommended practices.

Annual Report is considered as an accompanying document of the AGM notice and the statements in the Annual Report both statutory and non-statutory including Chairman Statement, Financial Highlights, Profile of Directors, Corporate Social Responsibility Statement, Corporate Governance Statement and Risk Management Statement were looked at.

Based on review of the notice and/or circulars of the companies assessed, it was found that:

- 56 per cent of the companies included in the notice of the profiles of directors (at least age, academic qualifications, date of first appointment, experience, and directorships in other listed companies) whom were seeking election/re-election;
- almost all companies (97 per cent) clearly identified the identity of auditors seeking appointment/re-appointment;
- only 3 per cent companies provided an explanation of the dividend policy adopted;
- slightly more than one-third of companies (37 per cent) clearly disclosed the amount of proposed final dividends, where applicable; and
- virtually all companies made the proxy document easily available which is normally appended to the notice of AGM.

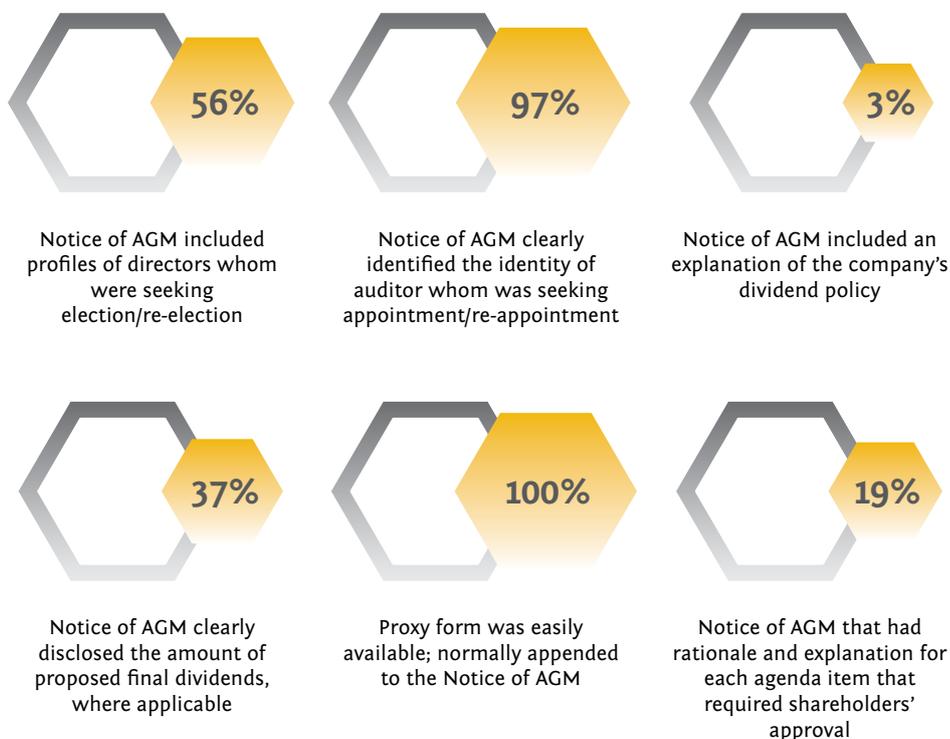


Figure 6: Elements of Quality Notice and Materials for AGM (n=870) for 2015

A matter closely related to the preceding concerns making available the rationale and explanation for each agenda item that required shareholders' approval in the notice of AGM/circulars and/or the accompanying statement. Close to 19 per cent of the companies assessed were considered to have done so.

The main purpose of holding an AGM is to transact "Ordinary" business as defined by the [Articles](#), such as [Art 46 of Table A](#) of the [Companies Act 1965](#), as follows:

- i the consideration of the accounts, balance sheet and the reports of the directors and auditors;
- ii declaring a dividend (if any) recommended by the directors;
- iii election of directors in place of those retiring; and
- iv appointment and fixing of the remuneration of auditors.



All other business transacted at an AGM are “special business”. In addition, all ordinary business with the exception of (i) above does not require shareholders’ approval. It was found that there was total absence or lacking (usually in the form of general sweeping statement) of the rationale and explanation in relation to ordinary business (ii), (iii) and (iv). Though these three items are indeed routine items, they are nevertheless important governance matters. For example, in proposing a re-election/re-appointment of a director and the auditor, an explanation ought to be provided detailing the process and the suitability of the said candidate⁰⁷. As for the matter of dividend, the resolution on proposed final dividend should be accompanied by an explanation of the company’s dividend policy, including the target dividend payout ratio.

An explanation on the rationale of special business items is normally available. This is because [Para. 7.15](#) of the [Listing Requirements](#) requires that special business transacted at AGM “shall be accompanied by a statement regarding the effect of any proposed resolution”.



We encourage companies to provide detailed explanation of each agenda item of the AGM. We would also encourage the remaining companies to embrace the good practice of providing explanation and rationale for all agenda item (that is, resolutions that require shareholders’ approval) in the spirit of transparency and it would also go a long way to facilitate well-informed decision making. In order to be cost efficient, such detailed rationale and explanation for each agenda item are to be provided via the company’s website rather than to be mailed to shareholders or published in the local newspapers.

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The importance of these matters is supported by the [Recommendations 2.2, 3.1, 3.2, 4.1 and 5.2](#) of the [Malaysian Code on Corporate Governance 2012](#).



NOTICE PERIOD

A perennial issue raised by institutional investors, especially the foreign ones, pertains the notice period of AGM.

Whilst the current requirement calls for 21-days notice⁰⁸, the global best practice suggest a 28-days notice period. In terms of the global best practice of 28-days notice period, it was found that less than 10 per cent assessed released the notice of AGM, with detailed agendas and explanatory circulars, as announced to the Exchange, at least 28 days before the date of the general meetings.

The longest notice period was 54 days served by two companies respectively: Batu Kawan Berhad and Kuala Lumpur Kepong Berhad which appeared to be long and could risk being overlooked by shareholders.



Based on the current state of play, available evidence and benchmarks against other economies, it is believed that Malaysian companies are indeed capable of giving a longer notice period for AGM. Hence, we recommend that the ideal notice period for AGM is 28 days.

Further analysis of the AGMs attended by MSWG's representatives revealed that the average time taken to convene an AGM was 4.9 months after the financial year end (FYE) while LPI Berhad was the most prompt amongst the companies convening the AGM within 68 days for AGM held in 2015 whereas their Audited Annual Account and Annual Report was within 44 days.



NEWSLETTER

THE OBSERVER, 13th March 2015

Written by RITA BENOY BUSHON

The busiest AGM season for the year is once again upon us. Starting this year, however, it is mandatory for the Annual Reports of companies to be issued within 5 months of year closing instead of the previous 6 months. This means for the December year end 2014, the last date of the issue would be 31 May 2015.

I would like to take this opportunity to remind both the retail and the institutional minority shareholders, that the annual shareholders' meeting is the year's most important company event.

Please do not waste this opportunity to offer feedback and make suggestions to the board of directors and to channel any grievances to your board who are there to listen to you, however small an owner you are.

Do please make every effort to attend.

Our wish to the companies, as always, is to see high quality meetings within the broader objective of greater transparency. We have indeed seen many companies doing an excellent job in explaining to the shareholders about the companies and providing useful insights on issues.

Perhaps most importantly, directors and key management staff to be in full attendance and be well prepared to answer in detail the questions posed to them by shareholders.

It is important for directors to show their commitment in attending the AGM unless there is compelling reason for not being able to do so. Reasons for the director's absenteeism especially those seeking re-election should be made known by the Board without being asked by shareholders.

An area in particular that we highly encourage companies is to have the disclosures of the AGM minutes.

While we saw an increase last year in the number of companies that disclosed AGM minutes, it is important to note that only 28 companies out of 873 surveyed did so in 2014, under our Scorecard assessment. We hope more companies will publish their minutes this year.

As always, AGMs should be held at venues that are conducive for the attendance of shareholders, i.e. being accessible by public transport, having adequate (and affordable parking) and having an orderly setup of registration tables. We hope companies will allow shareholders entry to the meeting room/hall upon registration as we noted many elderly amongst them. Or at least, sufficient chairs should be provided outside the meeting room/hall.

Talking about refreshments, we hope that the companies will provide satisfactory refreshments especially as many retail shareholders have taken so much effort to attend and refreshments well organized can go a long way.

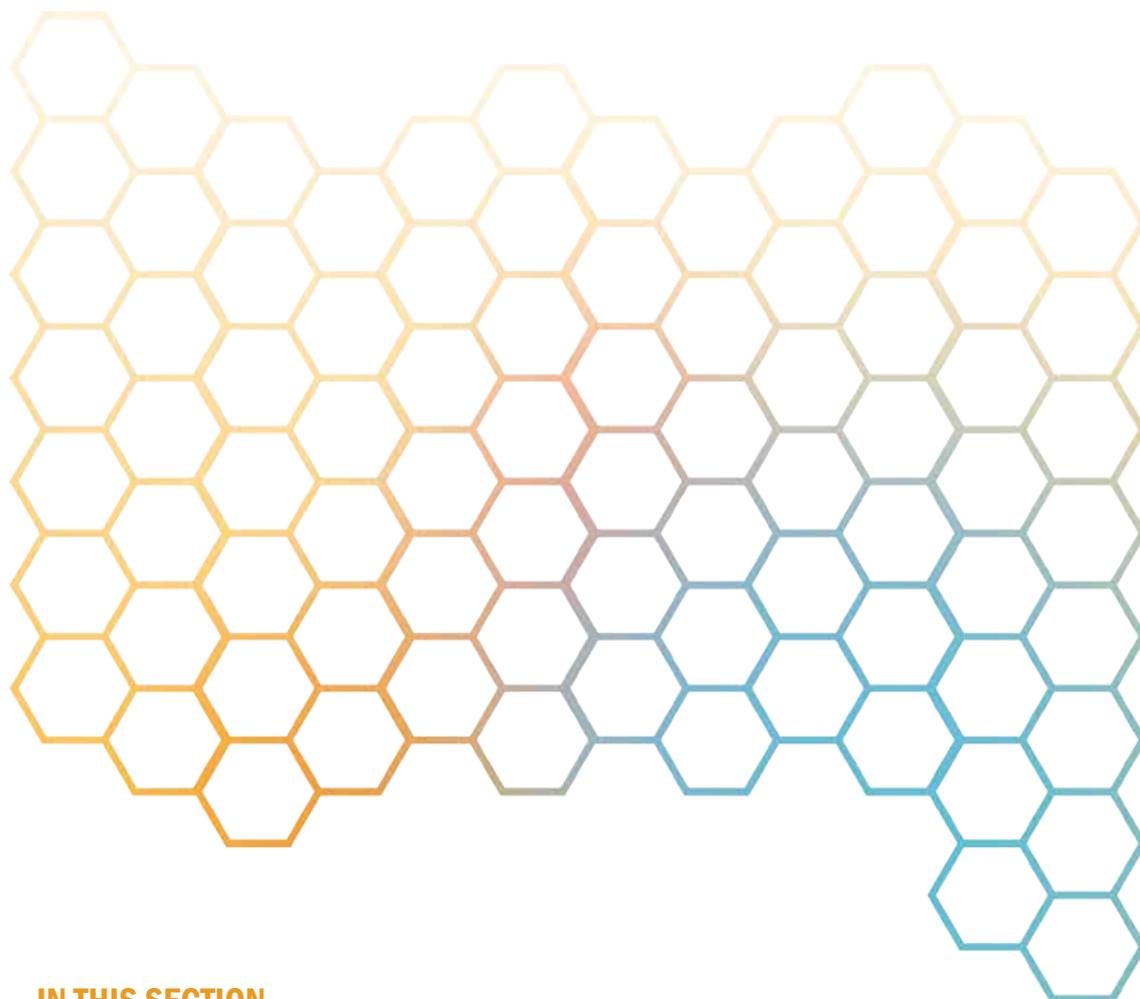
On the other hand, shareholders too ought to take this opportunity to mingle with their fellow shareholders and directors. Thus, the sole intention of attending should not just be for the refreshments and door gifts.

The audio system must be working well and there should be sufficient seats for all shareholders.

Conversely, in raising questions, shareholders should be succinct and be prepared so to avoid time-wasting or meaningless questions. In addition, we hope that the questions raised are confined to AGM agenda matters as far as possible.

Regards,
Rita

SECTION 4: CONDUCT OF AGM



IN THIS SECTION

- 38** **Procedures**
- 39** **Proceedings**
- 41** **Directors attendance**
- 42** **Role of Chairman**
- 43** **Voting procedures**
- 45** **Participation of shareholders**
- 46** **Agenda**

This section presents and discusses the findings and recommendations in relation to various aspects observed during the conduct of AGM by MSWG's representatives

PROCEDURES

There are certain best practices that ought to be adopted in the opening stage of an AGM. Among these, the Chairman should take the opportunity to introduce the members of the board of directors to the meeting to break the ice so to speak.

In addition, the meeting should be informed of the number and proportion of shareholders and proxies registered in the AGM. Finally, the voting and voting tabulation procedures to be used should be declared before the meeting proceeds. The latter two procedures should prevent any misunderstanding that may arise when each proposed resolution is discussed and voted on.

Whilst the preceding may seem trivial and easy to be adopted, the situation on the ground suggests otherwise. 67 per cent of the AGMs attended and assessed did not introduce the members of the board of directors meeting and did not notify the meeting of the number and proportion of shareholders and proxies registered in the AGM. In terms of declaring to the meeting the voting and voting tabulation procedures, it was found that only 4 per cent of the 873 companies assessed were deemed to have done so.

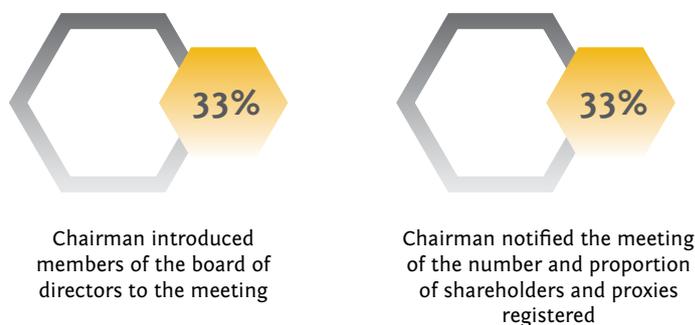


Figure 7: Opening Procedures in AGM (n=261)



Apart from the aspects of timing, location and venue, the facilities at the AGM venue do play significant role in facilitating the proceedings of an AGM.

The assessment of AGM found that 99 per cent of AGM attended provided sufficient registration counters that ensured registration of attending shareholders were smooth. However, lesser number of companies (78 per cent) took the initiative to provide special helpdesk during the AGM that could further enhance the registration and enquiry process.



Another way to ensure a smooth registration process and to avoid misplaced expectation on the part of shareholders, companies could consider appending details on location, registration, door gifts and refreshments to the notice of the AGM. A sample of such administrative details is shown in **Figure 8**.

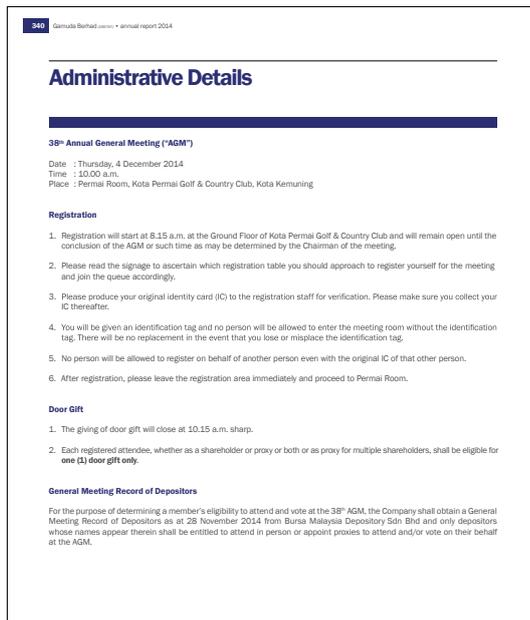


Figure 8: Sample of Administrative Details of AGM

96 per cent of AGM were judged to have provided sufficient audio equipment to facilitate the Q&A sessions with 93 per cent had audio equipment in good working condition. These two factors can make or break an AGM as attending shareholders might get agitated if they either could not hear the proceedings of the AGM or they could not be heard when posing questions to the board of directors.

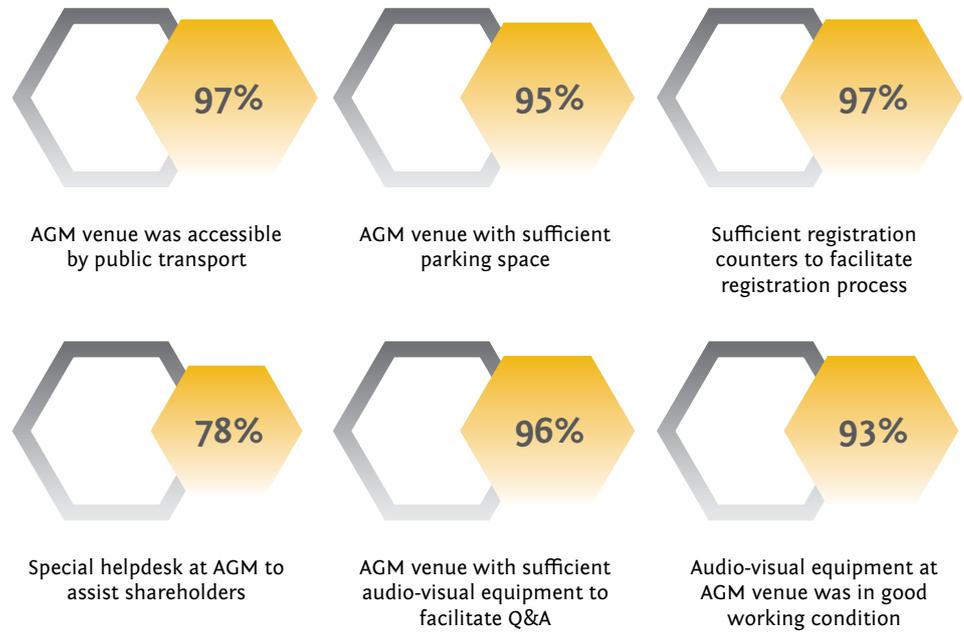


Figure 9: Quality of Venue of AGM (n = 261)

It was also found that about 96 per cent of the AGMs attended showed that the chairman was able to maintain good control of the meeting proceedings and to deal with disturbances at the meeting, if any.



DIRECTORS' ATTENDANCE

Notwithstanding busy schedules and other commitments, all members of the board of directors of a company should make every effort to be present at the company's AGM. This level of commitment would only enhance the perception of shareholders toward the directors and arguably would encourage attendance in coming AGM.

With regard to the 261 AGMs attended and assessed, it was found that:

- 70 per cent of AGM had the presence of ALL directors;
- 78 per cent of AGM which had instances of directors being absent, the Chairmen had voluntarily explain the reasons for the non-attendance; and
- 89 per cent of AGM had the presence of directors seeking for re-election and/or re-appointment.

The preceding shows that there had been at least 30 per cent of AGM that did not have the full attendance of directors of the companies. Given that an AGM is only held once in a year, it is a valid and reasonable expectation that all directors be present at the AGM. The results also show cases where directors were absent from AGM without apologies and that there had been instances where directors seeking re-election and/or re-appointment did not avail themselves to the shareholders in the relevant AGM. Clearly, the boards of these companies should prevent the recurrence of absent directors in coming AGM.

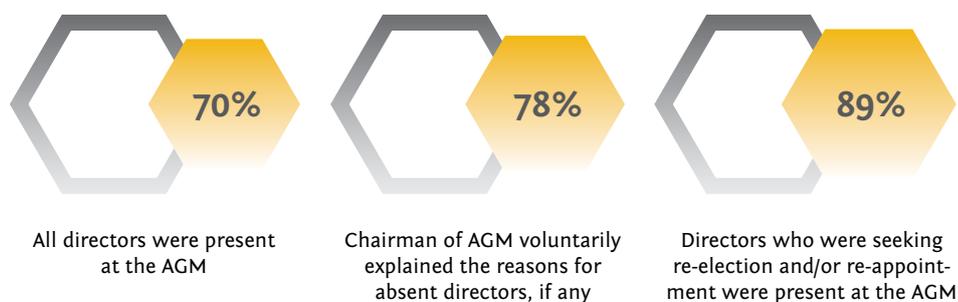


Figure 10: Directors' Attendance at AGM (n = 261)



ROLE OF CHAIRMAN

The chairman plays a very critical role that could make meetings effective and efficient or otherwise.

It is also reasonable to expect not only that the chairman of the board to chair the AGM but also the chair of the AGM to conduct in certain decorum. In this respect, based on the 261 AGM attended and assessed, it was found that:

- 91 per cent of the AGM were chaired by the chairman of the board; that is, the meeting was not chaired by another director in the presence of existing chairman of the board, or it was not chaired by another director or the company secretary in the absence of the chairman of the board;
- 23 per cent of the AGM were observed to have the chairman giving brief overview on proposed resolutions; and
- None of the chairman of the AGM proposed his/her own re-election or re-appointment.



Figure 11: Role of Chairman in AGM (n = 261)



VOTING PROCEDURES

As mentioned earlier, the purpose of an AGM is to transact certain business by voting on the proposed resolutions. Hence, in this respect the credibility of an AGM also depends on the credibility of the voting procedures and voting tabulation mechanism.

However, very few companies had adopted the best practices that could enhance the credibility of AGM. It was found that in 2014 Asean-Scorecard Findings:

- 46 per cent of companies had disclosed the fact that Chairman of AGM notified the voting and voting tabulation procedures to be used in the meeting;
- 4 per cent used voting by poll (as opposed to by show of hands) for all resolutions at the most recent AGM;⁰⁹
- only 2 per cent had disclosed that they had in fact appointed an independent party to act as scrutineer (also known as inspector or poll watcher) to count and/or to validate the votes casted at the AGM. 3 per cent of of companies where the AGM were attended and assessed had a member of the floor elected to observe the voting and counting process.

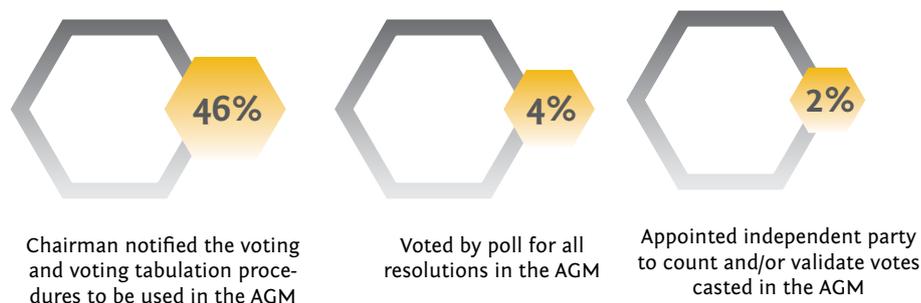


Figure 12: Voting and Voting Tabulation Procedures (n = 870) in 2015

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In Singapore, it was found that 24.1 per cent of listed companies had adopted the practice of voting by poll for all resolutions in 2014 (Loh et. al., 2014). These were companies that chose to adopt early a new requirement of the Singapore Exchange that with effect from August 2015, all resolutions at general meetings must be voted by poll and at least one scrutineer must be appointed at each general meeting to supervise the counting of votes (OECD, 2015).

Voting in Absentia

The 10 companies which put in place secure electronic voting in absentia at AGM were:

- Fraser & Neave Holdings Berhad;
- Genting Berhad;
- Genting Malaysia Berhad;
- Genting Plantations Berhad;
- Petronas Gas Berhad;
- KUB Malaysia Berhad;
- WTK Holdings Berhad;
- Dagang Nexchange Berhad;
- MMC Corporation Berhad; and
- Gamuda Berhad.



At the moment, only proposed resolutions on related party transaction are required by **Para 10.08(7A)** of the **Listing Requirements** to be voted by poll. However, the global best practice is for all resolutions to be voted by poll.¹⁰ In this regard, companies are expected – when disclosing the voting results – to disclose the approving and dissenting votes for each agenda item in the AGM.



Voting by show of hands has been the norm; more so because it is easy and arguably a cost effective mechanism without necessarily diminishing the appeal of shareholder democracy. However, on a matter of principle, voting by poll is clearly a superior mechanism to demonstrate shareholder democracy of one-share one-vote. Poll voting is preferred by mainstream institutional investors, fund managers and proxy advisory firms, in particular foreign investors. Companies should be mindful of **Recommendation 8.2** of the **Malaysian Code on Corporate Governance** which reminds the board to encourage poll voting. Hence, we recommend the followings:

- a poll voting to be mandatory for all resolutions proposed in general meeting;
- b an independent party is appointed to act scrutineer to validate the votes casted in general meeting; and
- c for companies with a major shareholder holding more than 50 per cent of the voting rights, the votes of minority shareholders should be counted separately.

Despite the encouragement and interest to attend, there would invariably be instances where certain shareholders could not be present at the AGM. In this regard, companies are encouraged to consider adopting absent voting mechanism (postal, electronic or proxy) so as to not to disenfranchise eligible but unavailable shareholders.



From the legal perspective, there is no restriction to use technology in order to enhance the opportunity to participate in general meeting. This is pursuant to **Section 145A** of the **Companies Act 1965**. Hence, we recommend that companies – in collaboration with other stakeholders or gatekeepers such as the company secretary association, share registration companies and/or the Exchange – to develop a cost effective and efficient secure e-voting platform.

10

A study by OECD found that with effect from August 2015, it is now a requirement for companies listed on the Singapore Exchange to use voting by poll for all resolutions. The same study also found that companies listed on the Hong Kong Exchange are now required to conduct voting by poll for material issues, such as for independent shareholders' approval of related party transactions (OECD, 2015)



PARTICIPATION OF SHAREHOLDERS

The AGM is the main opportunity for shareholders, especially the retail and minority shareholders, to engage and interact directly with members of the board of directors and senior management of companies. Hence, it is important that attending shareholders be given the opportunity to ask questions or raise issues for the attention of the board of directors.

This fact should be evident in the minutes of the AGM as clear proof of adoption of this best practice. It was revealed that only 5 per cent of companies in 2015 had the minutes of the most recent AGM put in record the opportunity allowing shareholders to ask questions or raise issues. In this respect, out of the 261 AGMs that MSWG attended, 99 per cent of the companies had allowed shareholders to raise questions and express their opinions and that 93 per cent of the said AGMs had evidence of the board having sufficiently answered all questions regarding important matters.



In any case, there was and perhaps continue to be hesitation on the part of companies to either publicly published the minutes of AGM or to record and publish the questions posed or issues raised by shareholders and the consequent answers by the board of directors in the minutes of the AGM. However, almost all AGMs that MSWG attended had replied to MSWG's questions and consented for the response to be published on MSWG's corporate website.



Companies should be reminded of **Recommendation 8.1** of the **Malaysian Code on Corporate Governance** which enjoins the board to “take reasonable steps to encourage shareholder participation at general meetings”. It is believed that making available detailed minutes of AGM would enhance transparency and encourage shareholders to attend and participate in AGM. Hence, it is recommended that more companies adhere to this good practice of making available the minutes of AGM, preferably within 30 days after the conclusion of the AGM.

The quality of the proceeding of AGM would certainly not be dull if the meeting had used multimedia means to facilitate and perhaps enhance the matters being discussed in the meeting.

Based on the analysis of the AGM attended and assessed, it was found that slightly more than one-half of the AGM had used multimedia presentation on:

- the company's performance (57 per cent);
- MSWG's and/or other written questions (54 per cent); and
- Board's replies to written questions posed or submitted by shareholders (56 per cent).

Evidently, more companies should be made aware of the benefits of preceding practices, including use of multimedia presentation that could facilitate and aid the discussion in the AGM.

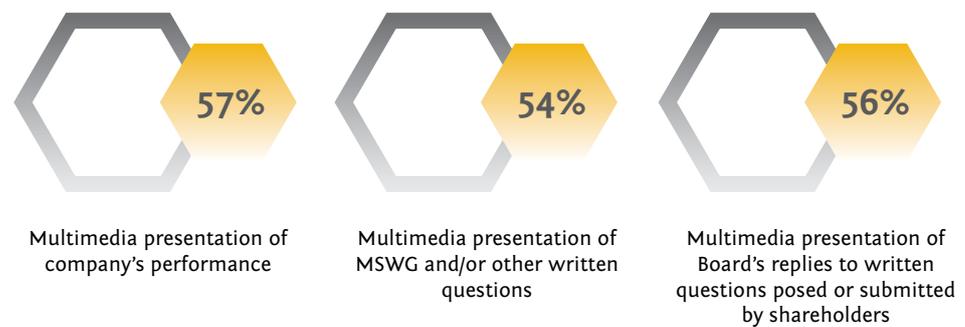


Figure 13: Use of Multimedia Presentation (n = 261)



11

The common instance of a bundled resolution related to the re-appointment/ re-election of director who was above 70 years pursuant to [Section 129](#) of the [Companies Act 1965](#) and also the re-appointment/re-election of the same individual as an independent director despite having served more than nine (9) years as an independent director pursuant to [Recommendation 3.2](#) of the [Malaysian Code on Corporate Governance 2012](#).

There are certain resolutions (or agenda items) perceived to be more impactful and hence more important than other resolutions. The current study considers the following agenda items or matters relate to agenda items to be important and impactful that deserve due attention and possible action.

The practice of proposing multiple items into a single resolution (also known as bundling of resolutions) is frowned upon as it undermines and creates confusion in the decision making process. 99 per cent companies assessed structured each resolution in the most recent AGM to deal with only one item, that is, there was no bundling of several items into the same resolution.¹¹

Director remuneration is another matter that receives increasing level of scrutiny by shareholders. Specifically, the issue concerns expropriation of profits at the expense of minority shareholders through excessive remuneration. In this respect, it is observed lack of transparency on the part of the companies. It was also found that 8 per cent of companies had disclosed in their annual reports the remuneration of individual directors.

It was further revealed that 15 per cent of the companies had proposed resolutions to approve remuneration (fees, allowances, benefits-in-kind and other emoluments) or any increases in remuneration for the non-executive directors. The remaining companies opted to seek shareholders' approval for director fees only, and not any other forms of remuneration.



There seems to be a trend for companies in recent times to seek shareholders' approval of a proposed resolution to increase the cap (limit) of directors' fees. Whilst this is certainly a permissible practice, it is nevertheless should be observed with great care and perhaps concern. Clearly, it would go against good governance if company were to seek an approval for a hefty increase in directors' fees and be granted such an approval that would only result in the board to seek another shareholders' approval for directors' fees several years after the initial approval.



Hence, companies should remain mindful of the sensitivity of proposing a resolution for new limit of directors' remuneration. Such a proposed resolution for new limit of directors' remuneration, especially if the new limit is a hefty increase from the immediate amount of remuneration, could be perceived as abusive on the part of mischievous controlling shareholders and/or board of directors at the expense of minority shareholders.



Tabling of proposed resolution pursuant to **Section 132D** of the **Companies Act 1965** pertaining to statutory requirement to obtain approval of company for issue of shares by directors has attracted attention because of the potential dilutive effect on shareholdings if such resolution proposed by directors is carried. It is found that almost two-third of the AGM attended and assessed by MSWG (66 per cent) had proposed **Section 132D** resolution. However, only 15 of such resolution were accompanied by an explanation on the specific purpose for the proposed resolution. The significant majority of companies had asked for shareholders to approve the **Section 132D** resolution even without providing an explanation on the specific purpose for this authority. Yet, in all instances, the **Section 132D** resolution was approved by the shareholders.

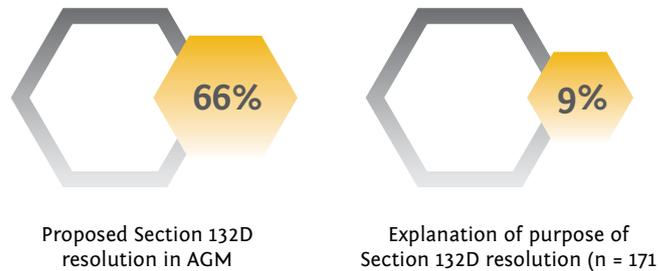


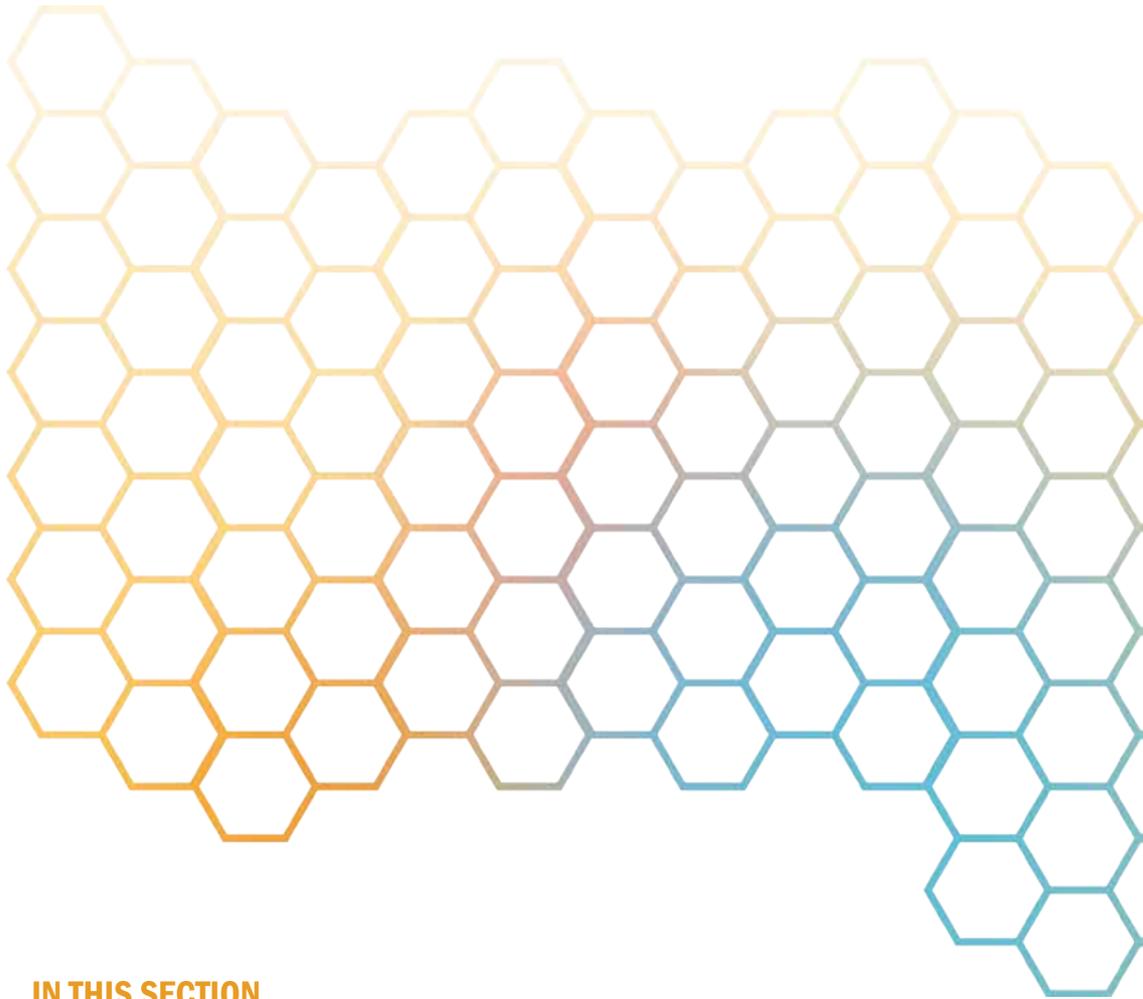
Figure 14: Proposed Section 132D resolution



The preceding suggests that a significant number of companies were not in compliance with the expectation set out under **Para 6.03 (3)(c)** of the **Listing Requirements**, which require companies to explain the purpose and utilisation of proceeds from the general mandate sought. Companies are reminded to be mindful of this requirement in order to avoid confusion or misunderstanding that in turn may lead to a negative impression that shareholders, especially minority shareholders, may have on the intent and action of the board of directors and/or the controlling shareholder.

On the final matter related to agenda item, it was found that none of the companies assessed had included any additional and unannounced resolution in the most recent AGM. Clearly, such a practice should not be condoned as shareholders would not be able to make well-informed decisions in the absence of due notice.

SECTION 5: **POST-AGM**



IN THIS SECTION

- 50** **Announcement of outcomes of AGM**
- 51** **Publication of minutes of AGM**

The final phase of an AGM is the post-event activities, namely the announcement of the outcomes of the general meeting.

ANNOUNCEMENT OF OUTCOMES OF AGM

Para 9.19 of the Listing Requirements states that companies “must immediately announce to the Exchange” the outcomes of a general meeting including all resolutions, whether carried or otherwise, immediately following such meeting. It was found that 87 per cent of listed companies were deemed to have made such timely announcement in 2014, and 2015 it had increased to 97%.

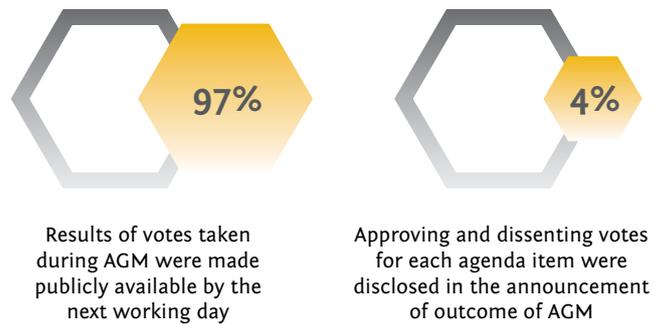


Figure 15: Announcement of Outcomes of AGM (n = 870) in 2015

It was also found that only 4 per cent of the companies had tabulated in the announcement of outcome of AGM, the voting results including approving and dissenting votes for each agenda item for the most recent AGM. Whilst this is a practice beyond that required by the Listing Requirements, it is however a practice recommended by the ASEAN CG Scorecard. Hence, we urge companies to adopt this transparent reporting of voting results and outcomes of AGM.

PUBLICATION OF MINUTES OF AGM



It was found that only 5 per cent of companies assessed had published minutes of the most recent AGM in 2015, an increase from 3% in 2014. Clearly, this is a very low number and one that goes against the spirit of transparency and accountability and good governance.¹² There are companies who argued that minutes of AGM are only meant for shareholders and that shareholders always have the right to inspect without charge the said minutes pursuant to **Section 157(1)** of the **Companies Act 1965**. Hence, it is recommended that companies make available the minutes of the AGM via the corporate websites within 30 days after the conclusion of the AGM.

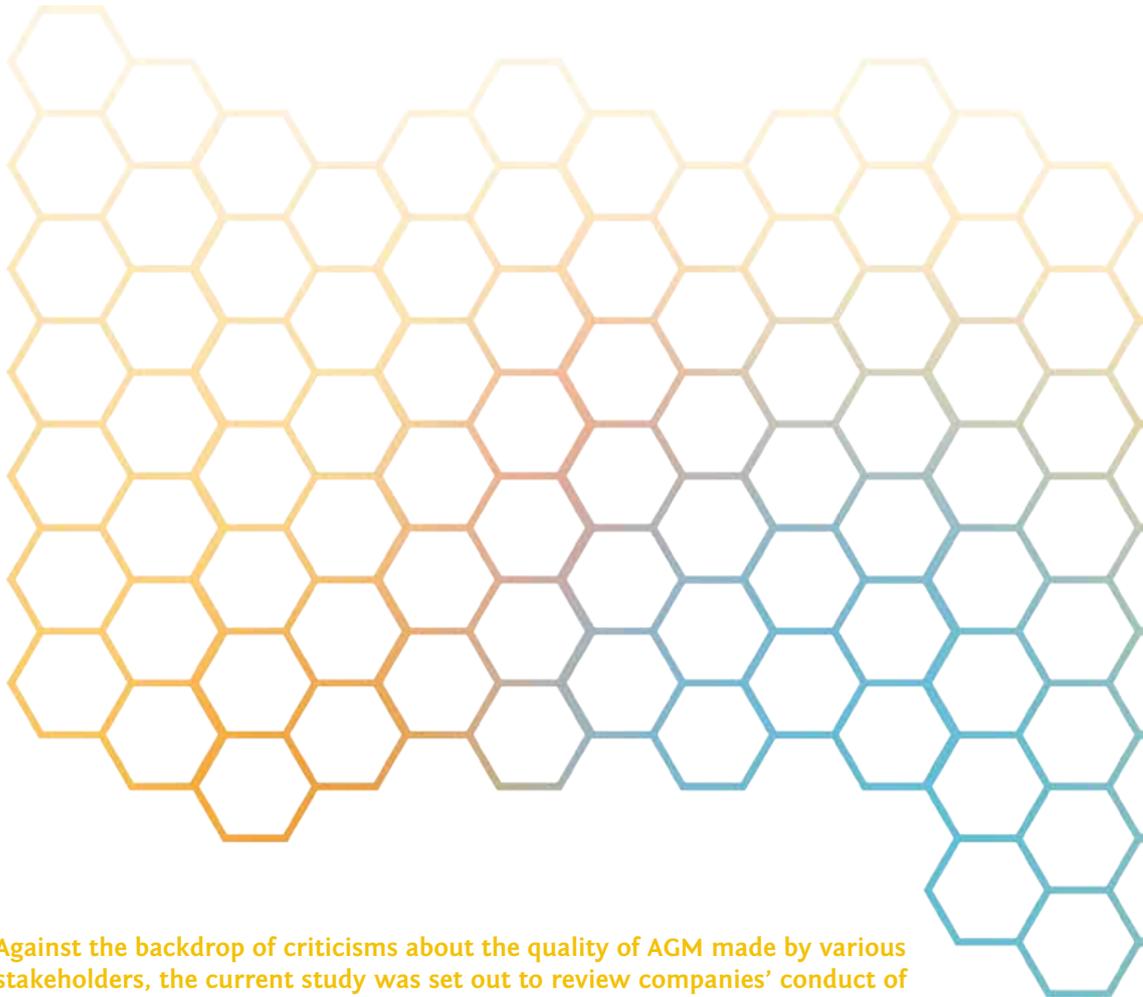


Notwithstanding the said statutory right of shareholders to inspect minutes of AGM, companies in Malaysia should adopt the practice of publishing detailed minutes of AGM voluntarily. Hence, in the absence of either the **Commentary to Recommendation 8.1** of the **Malaysian Code on Corporate Governance** or **Para 7.15** of the **Listing Requirements** or both be amended to mandate the publication of minutes of AGM, it is recommended that companies respond positively our calls for voluntary publication of minutes of AGM on a timely basis, preferably within 30 days after the conclusion of the said meeting.



Figure 16: Minutes of AGM (n = 870)

SECTION 6: CONCLUDING REMARKS



Against the backdrop of criticisms about the quality of AGM made by various stakeholders, the current study was set out to review companies' conduct of AGM by studying the disclosed policies and procedures and observing the practices.

The aim was to identify the strengths so that other companies could emulate, and also to identify the weaknesses so that companies could attempt to improve further. The overarching purpose is to enhance the quality of AGM and shareholder engagement consistent with **Recommendations 8.1 and 8.3 of the Malaysian Code on Corporate Governance**.

The evidence thus far suggests that there are indeed areas for further improvement to make AGM an engaging and beneficial occasion. In this respect, the exemplary AGM Minutes of two companies, i.e. Telekom Malaysia Berhad and Bursa Malaysia Berhad.

The report has made many recommendations to be considered by stakeholders, particularly the companies. Out of the many recommendations made in the report, the six main recommended action items are:

ACTION 1 – A Guide for Conduct of AGM for All Stakeholders

It is strongly recommend that a guide for conduct of AGM is to be developed and shared by all interested parties. The guide should be developed jointly by the companies, regulators, gatekeepers and other relevant stakeholders so as to ensure the necessary buy-in among all parties to the recommendations and/or best practices enjoined by the said guide. The guide, either in separate or in a single volume, should address the needs of the shareholders, directors, company secretaries, auditors, legal counsels and other identified relevant stakeholders by providing the procedural guide to prepare for, convene, conduct and participation, where relevant, an efficient and effective AGM. Other aspects of the guide should include deliberations of the do's and don'ts of AGM, case studies of good and bad practices observed in past AGM.

ACTION 2 – Longer Notice Period for AGM (28 Days)

This study reveals that there were already instances of companies giving AGM notice period longer than the 21-day notice as prescribed by statutory provision. The electronic platform provided by the Exchange, that is, Bursa LINK has certainly facilitated the dissemination and distribution of announcements made by companies. Hence, it is recommended that companies move beyond the minimum 21-day notice for AGM to towards giving at least 28-day notice. This move would not only address the concern raised by institutional investors, especially the foreign-based, but would also give all shareholders additional time to consider and reflect on the various resolutions proposed for the AGM. This recommendation, if taken up by companies, would align the notice periods for both AGM and EGM with special resolution requiring special notice.

ACTION 3 – Electronic Voting to be Facilitated

The matter of electronic voting received high level attention when its form and potential benefits were described in the [Corporate Governance Blueprint 2011](#):

“Electronic voting will promote shareholder participation in general meetings as it does away with the need for shareholders to be physically present at the general meeting in order to vote. It also has the potential to eliminate many of the issues to the traditional proxy collection process such as votes not being counted. It can encourage poll voting and promote transparency in voting results.” (SC 2011, pg 11)

We fully subscribe the cited views. Once again, we re-iterate our recommendation for companies – in collaboration with other stakeholders or gatekeepers such as the company secretary association, share registration companies and/or the Exchange – to develop a cost effective and efficient secure e-voting platform.

ACTION 4 – Mandatory Poll Voting for All Resolutions

The current situation requires only resolutions approving related-party transactions must be passed or obtained by poll vote. Whilst this is indeed commendable from the perspective of regulation, it is recommended that it is timely to step up and mandate poll voting for all resolutions requiring shareholders' approval. As noted earlier, poll voting is consistent with the provision of [Section 55](#) of the [Companies Act 1965](#) that gives effect to the principle of 'one share one vote'. The approach of poll voting need not necessarily be cumbersome and time consuming if e-voting platform (as per [Recommendation 3](#)) is available for use. Our regional peers are perhaps ahead of us in this respect. It seems that poll voting for all resolutions and e-voting is the norm for companies in Thailand, especially the larger ones. As mentioned earlier in the report, the Singapore Exchange with effect from August 2015 requires all voting at general meetings must be voted by poll.

ACTION 5 – Separate Minority Votes in Certain Situations

There are provisions in the [Companies Act 1965](#) and the [Listing Requirements](#) that prohibit interested party from entering in an interested contract and/or voting on any resolution of interested transaction. These provisions are meant to protect the interest of minority shareholders. However, we believe additional action is needed to recognize and to protect in the interest of the minority shareholders. It is recommended that in certain resolutions that the votes of the minority shareholders should be counted separately from the total votes casted and counted for each resolution. The said resolution would be passed if it attained the majority votes of both the total votes casted and the total votes of the minority shareholders.

As an illustration, it is suggested that the election of directors – particularly the election of independent non-executive directors (INED) – to be based on the proposed two-tier voting process. In the normal voting process, the candidates nominated as possible INED by the controlling shareholder would certainly get voted in due to the votes of the controlling shareholder. However, in situation where the said director-candidate may be independent in-form but may lack independence in-substance, the current voting process may be detrimental to the interest of minority shareholders. If the recommendation is implemented, the said director-candidate can only be voted in as INED if he/she attained the majority votes of both the total votes casted and the total votes of the minority shareholders. In this respect, the rights and interests of the minority shareholders would be given due recognition and protection respectively.



ACTION 6 – Appointment of Independent Scrutineer

It is recommended that at least one independent scrutineer is appointed at each AGM to ensure that the entire voting process is done above board and satisfactorily. Specifically, the independent scrutineer is tasked to check and verify the votes casted and that all votes are counted accurately. The overall purpose of having an independent scrutineer is to minimize the risks of the AGM results ever being challenged. It is further recommended that the identity of the scrutineer is disclosed in the minutes of the AGM. Companies are free to define the eligibility of scrutineer. For example, scrutineers cannot be a current member of the board of directors and/or current employee of the company. At this juncture, it is only the Singapore Exchange that has mandated the appointment of at least one independent scrutineer with effect from August 2015.

Clearly, it is in everyone's interest that AGM should be exploited of its potentials to the benefits of all; companies, shareholders and investors, regulators and other interested stakeholders. This study is the first in the series. It is hoped that the recommendations made in the study are considered and ultimately adopted by the relevant parties in the not too distant future. Subsequently, it is hoped that future study would report improving quality and standards of AGM policies, procedures and practices in Malaysia.

NEWSLETTER

THE OBSERVER, 1st November 2015

Written by RITA BENOY BUSHON

MESSAGE FROM CEO

As many would know, we at MSWG have been very clear in our stance on advocating companies to publish their AGM Minutes, or at least a summary of the proceedings, online and as soon as is practicable within a month after the AGM. The overarching aim, as always, lies in furthering the twin notions of transparency and shareholder expediency, so that their investing decisions are always taken with the latest and most comprehensive information.

However, the chief objection to doing so lies in a potential breach of something described as "reasonable commercial confidentiality", which centres on recognising that the protection of a company's interest should prevail over transparency. In short, a company should be allowed to refrain from publishing AGM proceedings in circumstances they deem appropriate.

The problem with this discretion to not publish what is indisputably material information to a company's business direction is potential for abuse. It is worsened by the fact that regulatory rulings on this subject remain merely guidelines resulting in cases where financial losses have occurred because too much autonomy lay with the company and too few checks and balances existed. In short, the balance of power remains skewed, and heavily, in favour of the company, giving corporations an unnecessary edge in terms of what and when and how to share material information with shareholders.

In our view, complying with a blanket rule that advocates immediate publication of AGM proceedings will not only further raise the levels of investing knowledge among minority shareholders, it also adds an additional and necessary check and balance in the system. There are also additional benefits in further aligning us in Malaysia with our ASEAN peers such as Thailand, which despite being a smaller market, already recognises that transparency and accountability is a hallmark of governance. These

are necessary elements of sustainable growth and 'commercial interests' especially so in a public company.

In also acknowledging the worst-case scenarios of revealing material information to potential litigants or resulting in an undesired self-censoring of remarks during AGM proceeds, I should also like to add the following:

That today's open and information-led world lends itself to data procurement in any number of ways, and tidbits can and will be procured in any and many ways. All it takes is a bit of imagination, a good Internet connection and a few phone calls. Also in a public company one has to only purchase a minimum board lot to avail himself of the minutes. Thus, what is the problem of facilitating this process to investors and potential investors.

Additionally, AGMs, by their very nature, are lively occasions. I struggle to see how the notion of public disclosure will curtail a frank discussion, just as how a press conference has never seen a shortage of fireworks by the expectation of their publication the very next day.

Just to add, already over 40 companies in Malaysia are publishing the proceedings of meetings. Whilst postings of the minutes is highly recommended, it is not expected that they be verbatim. MSWG's expectations in the summary of proceedings include but are not limited to the following:

Number of shareholders, list of directors and top management present, name of the Chairman of the meeting, the external auditors, the independent scrutineers, resolutions tabled and the voting results as well as whether by hand or poll, summary of proceedings and the shareholders rights which is in the M&As of companies. It is highly recommended that being a public document the M&A should also be posted in the company's website.

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GLOSSARY

	Description
AAFS	Annual Audited Financial Statements
AGM	Annual General Meetings
AR	Annual Report
FYE	Financial Year End
CG	Corporate Governance
ED	Executive Director
EGM	Extraordinary General Meetings
INED	Independent Non Executive Director
NED	Non Executive Director
Days	Notice period - days
Venue	Name of city

APPENDIX

Appendix 1 - AGM-related items in the Malaysia-ASEAN CG Scorecard

Item No.	Description
A.3.1	Do shareholders have the opportunity, evidence by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increase in remuneration for the non-executive directors?
A.3.3	Does the company allow shareholders to elect directors individually?
A.3.4	Does the company disclose the voting and vote tabulation procedures used, declaring both before the meeting proceeds?
A.3.5	Do the minutes of the most recent AGM record that there was an opportunity allowing for shareholders to ask questions or raise issues?
A.3.6	Do the minutes of the recent AGM record questions and answers?
A.3.7	Does the disclosure of the outcome of the most recent AGM include resolutions?
A.3.8	Does the company disclose the voting results including approving, dissenting and abstaining votes for each agenda item for the most recent AGM?
A.3.9	Does the company disclose the list of board members who attended the most recent AGM?
A.3.10	Did the chairman of the board of directors attend the most recent AGM?
A.3.11	Did the CEO/Managing Director/President attend the most recent AGM?
A.3.12	Did the chairman of the Audit Committee attend the most recent AGM?
A.3.13	Did the company organize their most recent AGM in an easy to reach location?
A.3.15	Did the company vote by poll (as opposed by show of hands) for all resolutions at the most recent AGM?
A.3.16	Did the company disclose that it has appointed an independent party (scrutineers / inspectors) to count and/or validate the votes at the AGM?
A.3.17	Does the company make publicly available by the next working day the result of the votes taken during the most recent AGM for all resolutions?
A.3.18	Does the company provide at least 21 days notice for all resolutions?
A.3.19	Does the company provide the rationale and explanation for each agenda item which require shareholders' approval in the notice of AGM/circulars and/or the accompanying statement?
A.5.1	Does the company publicly disclose policy/practice to encourage shareholders' including institutional shareholders to attend the general meetings or engagement with the company?
B.2.1	Does each resolution in the most recent AGM deal with only one item, i.e., there is no bundling of several items into the same resolution?
B.2.3	Are the profiles of the directors (at least age, academic qualifications, date of first appointment, experience, and directorships in other listed companies) in seeking election/re-election included?
B.2.4	Are the auditors seeking appointment/re-appointment clearly identified?
B.2.5	Has an explanation of the dividend policy been provided?
B.2.6	Is the amount payable for the final dividends disclosed?
B.2.7	Were the proxy documents made easily available?
A.1.1(B)	Does the company allow the use of secure electronic voting in absentia at the general meetings of shareholders?
B.1.1(B)	Does the company release its notice of AGM (with detailed agenda and explanatory circulars), as announced to the Exchange, at least 28 days before the date of the meeting?
A.3.1(P)	Did the company include any additional and unannounced agenda item into the notice of AGM/EGM?

Appendix 2 - Conduct of AGM Items

	Description
1.1	AGM was held within 2 months after FYE
1.2	AGM was held within 4 months after FYE
1.3	AGM was held within 6 months after FYE
1.4	AGM was held more then 6 months after FYE
2.0	AGM notice was at least 28 days
3.0	No restriction on appointment of proxy
4.1	Location of AGM was accessible by public transport
4.2	Location of AGM had sufficient parking space
5.1	Sufficient registration counters during AGM
5.2	Special helpdesk during AGM registration
6.1	All directors were present
6.2	Directors absent with reasons (and apology)
6.3	Directors seeking for re-election and/or re-appointment were present
7.1	AGM was chaired by chairman of the board
7.2	Introduction of members of the board
7.3	Notification of the number of and proportion of shareholders and proxies registered in the AGM
8.1	Multimedia presentation on the company's performance
8.2	Multimedia presentation on MSWG's and/or other written questions
8.3	Multimedia presentation on board's replies to written questions
9.1	Shareholders were allowed to raise questions and express their opinions
9.2	All questions regarding important matters were sufficiently answered
9.3	Sufficient audio equipment was provided to facilitate Q&A
9.4	Audio equipment was in good working condition
10.1	There was no bundling of resolutions
10.2	Chairman gave brief overview on resolutions
10.3	Chairman did not propose his/her own re-election or re-appointment
10.4	Chairman did not propose any resolution in which he/she had an interest
11.1	Chairman maintained good control of the AGM
11.2	Not much displeasure from the shareholders attended the AGM
12.1	Voting results report the number of shares and percentage voted For, Against and Abstain for each resolution
12.2	A member of the floor was elected to observe the voting & counting process
13.1	Number of woman directors
13.2	Number of directors on the board
13.3	Percentage of woman directors to total number of directors
13.4	Tabling of s.132D resolution
13.5	Specific purpose for s.132D resolution was stated

Appendix 3 - List of AGM in June 2015 by Date

Date of AGM	Company	
02.06.2015		4
	EKOWOOD INTERNATIONAL BERHAD	1
	KULIM (MALAYSIA) BERHAD	1
	MSM MALAYSIA HOLDINGS BERHAD	1
	TSH RESOURCES BERHAD	1
03.06.2015		10
	AIRASIA BERHAD	1
	CNI HOLDINGS BERHAD	1
	INNITY CORPORATION BERHAD	1
	MPHB CAPITAL BERHAD	1
	NEW HOONG FATT HOLDINGS BERHAD	1
	OCEANCASH PACIFIC BERHAD	1
	PARAMOUNT CORPORATION BERHAD	1
	UNITED U-LI CORPORATION BERHAD	1
	UTUSAN MELAYU (MALAYSIA) BERHAD	1
	WAH SEONG CORPORATION BERHAD	1
04.06.2015		3
	AIRASIA X BERHAD	1
	HAP SENG CONSOLIDATED BERHAD	1
	N2N CONNECT BERHAD	1
05.06.2015		2
	TEK SENG HOLDINGS BERHAD	1
	TUNE INS HOLDINGS BERHAD	1
08.06.2015		5
	ATURMAJU RESOURCES BERHAD	1
	BUMI ARMADA BERHAD	1
	CLASSIC SCENIC BERHAD	1
	DAIBOCHI PLASTIC AND PACKAGING INDUSTRY BERHAD	1
	EMAS KIARA INDUSTRIES BERHAD	1
09.06.2015		9
	ALLIANZ MALAYSIA BERHAD	1
	GENTING PLANTATIONS BERHAD	1
	IDEAL SUN CITY HOLDINGS BERHAD	1
	IDEAL UNITED BINTANG BERHAD	1
	MENTIGA CORPORATION BERHAD	1
	ORIENTAL HOLDINGS BERHAD	1
	PUC FOUNDER (MSC) BERHAD	1
	SLP RESOURCES BERHAD	1
	TIMBERWELL BERHAD	1
10.06.2015		7
	CEPATWAWASAN GROUP BERHAD	1
	EDEN INC. BERHAD	1
	FAR EAST HOLDINGS BERHAD	1
	GENTING MALAYSIA BERHAD	1
	MATRIX CONCEPTS HOLDINGS BERHAD	1
	SEALINK INTERNATIONAL BERHAD	1
	SEG INTERNATIONAL BHD	1
11.06.2015		6
	APEX EQUITY HOLDINGS BERHAD	1
	BARAKAH OFFSHORE PETROLEUM BERHAD	1
	GENTING BERHAD	1
	KONSORTIUM TRANSNASIONAL BERHAD	1
	PROTASCO BERHAD	1
	SUMATEC RESOURCES BERHAD	1

12.06.2015	8
ABLEGROUP BERHAD	1
ALAM MARITIM RESOURCES BERHAD	1
IPMUDA BERHAD	1
MAJUPERAK HOLDINGS BERHAD	1
MHC PLANTATIONS BHD	1
PERMAJU INDUSTRIES BERHAD	1
PJBUMI BERHAD	1
TRANSOCEAN HOLDINGS BHD	1
15.06.2015	14
EASTLAND EQUITY BHD	1
HANDAL RESOURCES BERHAD	1
IHH HEALTHCARE BERHAD	1
MUDA HOLDINGS BERHAD	1
PASDEC HOLDINGS BERHAD	1
PERAK CORPORATION BERHAD	1
PRESTARIANG BERHAD	1
RIMBUNAN SAWIT BERHAD	1
RIVERVIEW RUBBER ESTATES BERHAD	1
SUNZEN BIOTECH BERHAD	1
SURIA CAPITAL HOLDINGS BERHAD	1
TADMAX RESOURCES BERHAD	1
THETA EDGE BERHAD	1
UNIMECH GROUP BERHAD	1
16.06.2015	34
AEON CREDIT SERVICE (M) BERHAD	1
AHMAD ZAKI RESOURCES BERHAD	1
ARK RESOURCES BERHAD	1
ASTRAL ASIA BERHAD	1
BIO OSMO BERHAD	1
BRAHIM'S HOLDINGS BERHAD	1
CENTRAL INDUSTRIAL CORPORATION BERHAD	1
DAMANSARA REALTY BHD	1
DESTINI BERHAD	1
EP MANUFACTURING BHD	1
FELDA GLOBAL VENTURES HOLDINGS BERHAD	1
GOLDEN PHAROS BERHAD	1
GUAN CHONG BERHAD	1
GUNUNG CAPITAL BERHAD	1
INCH KENNETH KAJANG RUBBER PUBLIC LTD CO	1
ISKANDAR WATERFRONT CITY BERHAD	1
KAMDAR GROUP (M) BERHAD	1
KUB MALAYSIA BERHAD	1
LEBTECH BERHAD	1
MBM RESOURCES BHD	1
MESINIAGA BERHAD	1
MILUX CORPORATION BERHAD	1
MUAR BAN LEE GROUP BERHAD	1
OCK GROUP BERHAD	1
PETRON MALAYSIA REFINING & MARKETING BHD	1
PRESTAR RESOURCES BERHAD	1
PUNCAK NIAGA HOLDINGS BERHAD	1
SAPURAKENCANA PETROLEUM BERHAD	1
SARAWAK CABLE BERHAD	1
SOLUTION ENGINEERING HOLDINGS BERHAD	1
STEMLIFE BERHAD	1
SUPERMAX CORPORATION BERHAD	1
TANAH MAKMUR BERHAD	1
TEX CYCLE TECHNOLOGY (M) BERHAD	1

17.06.2015	23
ADVANCED PACKAGING TECHNOLOGY (M) BHD	1
AE MULTI HOLDINGS BERHAD	1
ASTRO MALAYSIA HOLDINGS BERHAD	1
BINA PURI HOLDINGS BHD	1
BLD PLANTATION BHD.	1
CHUAN HUAT RESOURCES BHD	1
COMPUGATES HOLDINGS BERHAD	1
COUNTRY HEIGHTS HOLDINGS BHD	1
CSC STEEL HOLDINGS BERHAD	1
HEITECH PADU BERHAD	1
KBES BERHAD	1
LIEN HOE CORPORATION BERHAD	1
MUDAJAYA GROUP BERHAD	1
OPENSYS (M) BERHAD	1
PAN MALAYSIA CORPORATION BERHAD	1
PELIKAN INTERNATIONAL CORPORATION BERHAD	1
PERISAI PETROLEUM TEKNOLOGI BHD	1
PINEAPPLE RESOURCES BERHAD	1
RALCO CORPORATION BERHAD	1
SMRT HOLDINGS BERHAD	1
SOUTH MALAYSIA INDUSTRIES BERHAD	1
TSR CAPITAL BERHAD	1
XIDELANG HOLDINGS LTD	1
18.06.2015	21
AMALGAMATED INDUSTRIAL STEEL BERHAD	1
DUFU TECHNOLOGY CORP. BERHAD	1
GOODWAY INTEGRATED INDUSTRIES BERHAD	1
HCK CAPITAL GROUP BERHAD	1
HO HUP CONSTRUCTION COMPANY BHD	1
KEY ALLIANCE GROUP BERHAD	1
KEY ASIC BERHAD	1
KOSSAN RUBBER INDUSTRIES BERHAD	1
LBI CAPITAL BERHAD	1
MAH SING GROUP BERHAD	1
MULPHA LAND BERHAD	1
NPC RESOURCES BERHAD	1
PALETTE MULTIMEDIA BERHAD	1
PAN MALAYSIA HOLDINGS BERHAD	1
PENTAMASTER CORPORATION BERHAD	1
PESONA METRO HOLDINGS BERHAD	1
PMB TECHNOLOGY BERHAD	1
PRESS METAL BERHAD	1
PRIVASIA TECHNOLOGY BERHAD	1
TROPICANA CORPORATION BERHAD	1
WOODLANDOR HOLDINGS BHD	1
19.06.2015	14
ABM FUJIYA BERHAD	1
BERTAM ALLIANCE BERHAD	1
CONNECTCOUNTY HOLDINGS BERHAD	1
CUSCAPI BERHAD	1
HEVEABOARD BERHAD	1
IDIMENSION CONSOLIDATED BHD	1
IFCA MSC BERHAD	1
KARYON INDUSTRIES BERHAD	1
MASTERSKILL EDUCATION GROUP BERHAD	1
MERCURY INDUSTRIES BERHAD	1
REV ASIA BERHAD	1
TAFI INDUSTRIES BERHAD	1
TAMBUN INDAH LAND BERHAD	1
VITROX CORPORATION BERHAD	1

20.06.2015		2
	CYMAO HOLDINGS BERHAD	1
	HWA TAI INDUSTRIES BERHAD	1
22.06.2015		16
	AYS VENTURES BERHAD	1
	CAM RESOURCES BERHAD	1
	CHINA AUTOMOBILE PARTS HOLDINGS LIMITED	1
	HIAP HUAT HOLDINGS BERHAD	1
	IRM GROUP BERHAD	1
	KIMLUN CORPORATION BERHAD	1
	KRETAM HOLDINGS BERHAD	1
	LUSTER INDUSTRIES BHD.	1
	LYSAGHT GALVANIZED STEEL BERHAD	1
	MALAYSIA PACKAGING INDUSTRY BERHAD	1
	MAXWELL INTERNATIONAL HOLDINGS BERHAD	1
	MQ TECHNOLOGY BERHAD	1
	MULTI SPORTS HOLDINGS LTD	1
	PANPAGES BERHAD	1
	PASUKHAS GROUP BERHAD	1
	SMIS CORPORATION BERHAD	1
23.06.2015		27
	7-ELEVEN MALAYSIA HOLDINGS BERHAD	1
	ADVANCE SYNERGY BERHAD	1
	BIOALPHA HOLDINGS BERHAD	1
	CAREPLUS GROUP BERHAD	1
	COASTAL CONTRACTS BHD	1
	DOLOMITE CORPORATION BERHAD	1
	FUTUTECH BERHAD	1
	IDEAL JACOBS (MALAYSIA) CORPORATION BHD	1
	INSTACOM GROUP BERHAD	1
	JOBSTREET CORPORATION BERHAD	1
	KECK SENG (MALAYSIA) BERHAD	1
	KSL HOLDINGS BERHAD	1
	KUMPULAN POWERNET BERHAD	1
	MARCO HOLDINGS BERHAD	1
	METRONIC GLOBAL BERHAD	1
	MITRAJAYA HOLDINGS BERHAD	1
	ORNAPAPER BERHAD	1
	PETALING TIN BERHAD	1
	PRG HOLDINGS BERHAD	1
	SENI JAYA CORPORATION BERHAD	1
	SINOTOP HOLDINGS BERHAD	1
	SUPERCOMNET TECHNOLOGIES BERHAD	1
	SYCAL VENTURES BERHAD	1
	TA WIN HOLDINGS BERHAD	1
	TATT GIAP GROUP BERHAD	1
	UPA CORPORATION BHD	1
	XINGHE HOLDINGS BERHAD	1
24.06.2015		21
	CHINA STATIONERY LIMITED	1
	CN ASIA CORPORATION BHD	1
	CREST BUILDER HOLDINGS BERHAD	1
	DAGANG NEXCHANGE BERHAD	1
	ENCORP BERHAD	1
	FAVELLE FAVCO BERHAD	1
	HARRISONS HOLDINGS (MALAYSIA) BERHAD	1
	KELINGTON GROUP BERHAD	1
	KNM GROUP BERHAD	1
	KUMPULAN PERANGSANG SELANGOR BERHAD	1
	LEN CHEONG HOLDING BERHAD	1
	LII HEN INDUSTRIES BHD.	1
	MUHIBBAH ENGINEERING (M) BHD	1

CYMAO HOLDINGS BERHAD	1
HWA TAI INDUSTRIES BERHAD	1
22.06.2015	16
AYS VENTURES BERHAD	1
CAM RESOURCES BERHAD	1
CHINA AUTOMOBILE PARTS HOLDINGS LIMITED	1
HIAP HUAT HOLDINGS BERHAD	1
IRM GROUP BERHAD	1
KIMLUN CORPORATION BERHAD	1
KRETAM HOLDINGS BERHAD	1
LUSTER INDUSTRIES BHD.	1
LYSAGHT GALVANIZED STEEL BERHAD	1
MALAYSIA PACKAGING INDUSTRY BERHAD	1
MAXWELL INTERNATIONAL HOLDINGS BERHAD	1
MQ TECHNOLOGY BERHAD	1
MULTI SPORTS HOLDINGS LTD	1
PANPAGES BERHAD	1
PASUKHAS GROUP BERHAD	1
SMIS CORPORATION BERHAD	1
23.06.2015	27
7-ELEVEN MALAYSIA HOLDINGS BERHAD	1
ADVANCE SYNERGY BERHAD	1
BIOALPHA HOLDINGS BERHAD	1
CAREPLUS GROUP BERHAD	1
COASTAL CONTRACTS BHD	1
DOLOMITE CORPORATION BERHAD	1
FUTUTECH BERHAD	1
IDEAL JACOBS (MALAYSIA) CORPORATION BHD	1
INSTACOM GROUP BERHAD	1
JOBSTREET CORPORATION BERHAD	1
KECK SENG (MALAYSIA) BERHAD	1
KSL HOLDINGS BERHAD	1
KUMPULAN POWERNET BERHAD	1
MARCO HOLDINGS BERHAD	1
METRONIC GLOBAL BERHAD	1
MITRAJAYA HOLDINGS BERHAD	1
ORNAPAPER BERHAD	1
PETALING TIN BERHAD	1
PRG HOLDINGS BERHAD	1
SENI JAYA CORPORATION BERHAD	1
SINOTOP HOLDINGS BERHAD	1
SUPERCOMNET TECHNOLOGIES BERHAD	1
SYCAL VENTURES BERHAD	1
TA WIN HOLDINGS BERHAD	1
TATT GIAP GROUP BERHAD	1
UPA CORPORATION BHD	1
XINGHE HOLDINGS BERHAD	1
24.06.2015	21
CHINA STATIONERY LIMITED	1
CN ASIA CORPORATION BHD	1
CREST BUILDER HOLDINGS BERHAD	1
DAGANG NEXCHANGE BERHAD	1
ENCORP BERHAD	1
FAVELLE FAVCO BERHAD	1
HARRISONS HOLDINGS (MALAYSIA) BERHAD	1
KELINGTON GROUP BERHAD	1
KNM GROUP BERHAD	1
KUMPULAN PERANGSANG SELANGOR BERHAD	1
LEN CHEONG HOLDING BERHAD	1
LII HEN INDUSTRIES BHD.	1
MUHIBBAH ENGINEERING (M) BHD	1

D.B.E. GURNEY RESOURCES BERHAD	1
FEDERAL FURNITURE HOLDINGS (M) BERHAD	1
FITTERS DIVERSIFIED BERHAD	1
G NEPTUNE BERHAD	1
HARN LEN CORPORATION BHD	1
K-STAR SPORTS LIMITED	1
MANAGEPAY SYSTEMS BERHAD	1
MTOUCHE TECHNOLOGY BERHAD	1
RAPID SYNERGY BERHAD	1
REX INDUSTRY BERHAD	1
TECNIC GROUP BERHAD	1
WINTONI GROUP BERHAD	1
WTK HOLDINGS BERHAD	1
29.06.2015	15
ASIA MEDIA GROUP BERHAD	1
BTM RESOURCES BERHAD	1
EVERSENDAI CORPORATION BERHAD	1
HB GLOBAL LIMITED	1
I-BERHAD	1
INDUSTRONICS BERHAD	1
IRE-TEX CORPORATION BERHAD	1
JAKS RESOURCES BERHAD	1
JOHORE TIN BERHAD	1
KPS CONSORTIUM BERHAD	1
MULTI-USAGE HOLDINGS BERHAD	1
PARAGON UNION BERHAD	1
PW CONSOLIDATED BHD	1
THE NOMAD GROUP BHD	1
Y.S.P.SOUTHEAST ASIA HOLDING BERHAD	1
30.06.2015	12
CME GROUP BERHAD	1
GEORGE KENT (MALAYSIA) BERHAD	1
LYSAGHT GALVANIZED STEEL BERHAD	1
MCLEAN TECHNOLOGIES BERHAD	1
PROGRESSIVE IMPACT CORPORATION BERHAD	1
SAPURA INDUSTRIAL BERHAD	1
SARAWAK CONSOLIDATED INDUSTRIES BERHAD	1
SEACERA GROUP BERHAD	1
SHELL REFINING COMPANY (FEDERATION OF MALAYA) BERHAD	1
YGL CONVERGENCE BERHAD	1
YKGI HOLDINGS BERHAD	1
YNH PROPERTY BERHAD	1
Total Result	317



MINORITY SHAREHOLDER WATCHDOG GROUP
Shareholder Association of Minority Investors

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