

Ismet Yusoff set to become new CEO of MSWG, say sources

BY LIEW JIA TENG

Dr Ismet Yusoff is set to be appointed as the new CEO of Minority Shareholders Watch Group (MSWG), according to sources. “MSWG has identified Ismet as its new chief. He was previously with the Securities Commission Malaysia (SC) and he is someone who has a strong corporate governance background,” a source tells *The Edge*.

Another source confirms the appointment of Ismet, adding that typically, the CEO of MSWG is given an initial two-year contract, subject to extension every two years thereafter.

Ismet was chosen to succeed Devanesan Evanson, an accountant by profession, who retired as CEO and board member of MSWG with effect from Dec 19, 2023, after six years at the helm of the minority shareholder protection group.

In a statement on Dec 29 last year, MSWG chairman Datuk Mohd Nasir Ali said a new CEO had been identified and approved, and that the board is scheduled to make an official announcement by mid-January 2024.

“The candidate brings a wealth of experience and expertise, aligning with MSWG’s commitment to upholding minority shareholders’ interests and advancing corporate governance and sustainability standards in Malaysia,” he had said.

Ismet’s LinkedIn profile shows that he is currently the CEO of the Malaysian Institute of Corporate Governance (MICG), a role he has held since August last year.

It is not immediately known if he will relinquish his position at MICG, which was established in 1998 to promote and encourage corporate governance development in the country.

Devanesan: Incoming new CEO has a blank canvas

When contacted by *The Edge*, former MSWG CEO Devanesan said the incoming CEO is joining at a time when MSWG will be coming up with its strategic plan for 2025 to 2027, which in turn will be the basis for requesting funding from the Capital Market Development Fund (CMDF).

“As such, the incoming CEO has a blank canvas before him/her to map out his/her own aspirations for MSWG with the blessings of the board, of course. The fact that the CMDF has been supportive of MSWG’s endeavours in the past has been a blessing and there is no reason to doubt that such blessings will continue for MSWG,” he says.

Before the appointment of Devanesan in December 2017, MSWG had been without a permanent leader for about a year.

His predecessor Rita Benoy Bushon, a founding director of MSWG, decided to call it a day in October 2016, after almost



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eight years at the helm.

During the transition period, the late Lya Rahman, a former general manager of MSWG, had been the unofficial “caretaker” of the monitoring organisation.

Today, with just a small team of 20-odd people — including Rita Foo (head of corporate monitoring), Norhisham Sidek, Elaine Choo, Lee Chee Meng, Ooi Beng Hooi, Jackson Tan, Lim Cian Yai, Nur Amirah Amirudin and Lam Jun Ket (managers of corporate monitoring) — MSWG covers some 450 public-listed companies (PLCs).

Devanesan, who joined MSWG in December 2017, points out that the organisation has increased the number of PLCs under its coverage from about 250 to 450 over the last six years. In other words, one in two PLCs on Bursa Malaysia come under its coverage, which means that there is a fair degree of multi-tasking and overlapping of functions among his former colleagues at MSWG.

“My message to them will be to keep up the good work and commitment to MSWG, and we all have blind spots that we can improve on. I am reminded of a saying that I apply to myself: ‘Try to be the best, but never think you are the best,’” he says.

Devanesan adds that his six-year tenure was a meaningful and fulfilling experience, as MSWG, being a capital market-licensed intermediary, was able to play a pivotal role in keeping companies accountable to shareholders through the questions it raised at annual general meetings (AGMs) and extraordinary general meetings (EGMs).

“Attending AGMs was a breath of fresh experience as I was able to understand a company more intimately. Our questions also had the corollary benefit of sharing how questions should be asked at general meetings — an education of sorts. As a non-regulator, we only have the tools of persuasion and influence going for MSWG,” he says.

Going forward, Devanesan suggests one area on which MSWG could consider improving is the initiation of derivative actions on behalf of minority shareholders. “Derivative actions are shareholder rights available under the Companies Act 2016. Such actions hold directors and boards accountable through legal action. The challenges in initiating such actions

are that legal action costs money and legal proceedings take time — neither of which the minority retail shareholders have.

“If successful, they result in damages and compensation being awarded to the company. As such, minority shareholders do not directly receive the damages awarded,” he says, adding that MSWG could consider initiating such legal action if someone is prepared to fund derivative actions.

“What we then need is a panel of lawyers who are more cause-oriented as opposed to profit-oriented to help the flourishing of such derivative actions in the capital market ecosystem. This will take shareholder activism to the next level,” he says.

MSWG, formerly known as Minority Shareholder Watchdog Group, was set up in 2000 as a government initiative to be part of the broader capital market framework to bring about awareness primarily on minority shareholder interest and corporate governance matters through shareholder activism and engagement with stakeholders.

A self-governing and non-profit professional body licensed under the Capital Markets and Services Act 2007, MSWG is funded substantially by the CMDF.

Ismet graduated from the International Islamic University Malaysia where he wrote a doctoral thesis on the effect of corporate governance and capital structures on the performance of Malaysian PLCs.

His 14-year stint with the SC commenced in September 2009, when he joined the regulator as an executive, rising to become an assistant manager of the corporate governance unit, markets and products department in September 2012.

His last role in the SC was assistant general manager of corporate governance department, market development, from May 2022 to August 2023.

Over the years, Ismet has helped develop a number of strategic programmes on corporate governance, including the Malaysia Corporate Governance Blueprint 2011, Malaysia Corporate Governance Strategic Priorities 2017-2020 and 2021-2023, and the Malaysian Code on Corporate Governance (MCCG) (revised 2017 and 2021).

He also led the establishment of the Institute of Corporate Directors Malaysia (ICDM), which he managed in its inaugural year. ■