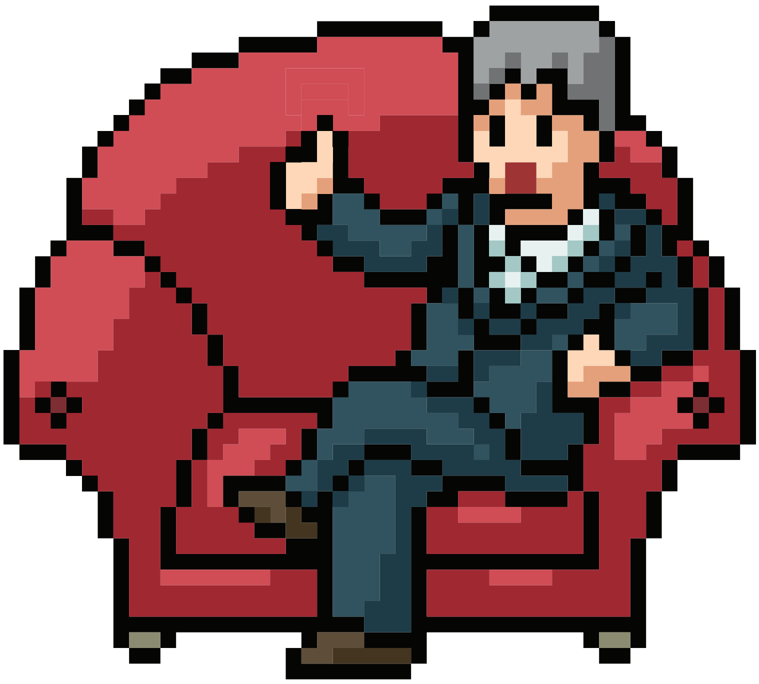
MSWG
MINORITY SHAREHOLDERS WATCH GROUP

The Observer
Official Newsletter from MSWG

FRIDAY | 13 SEPTEMBER 2024

NO GAME OVER. EVER.



Despite the 12-year tenure limit for independent directors introduced by Bursa Malaysia last year, some long-serving independent directors stay on. Suffice it to say, it is bewildering to see some PLCs simply shrug off these new requirements and carry on their businesses as usual.

Can’t help or blatant disregard of Listing Requirements?

Just when we thought the era of long-serving independent directors had ended with the introduction of a 12-year tenure limit by Bursa Malaysia, there are some public listed companies (PLCs) that never cease to “amaze” us with their nonchalant attitude in complying with the Bursa Malaysia’s Listing Requirements.

A case in point is BLD Plantation Bhd (BLD), a Kuching-based oil palm planter listed on Main Market Bursa Malaysia since 2003. As of 31 March 2024, it owned approximately 40,000 hectares of oil palm plantations.

Our constant observation and monitoring of the Company revealed two contraventions of Listing Requirements. First, the retention of a long-serving independent director beyond the mandated tenure, and second, a persistent refusal to disclose director remuneration on a named basis.

Its actions highlight a continuous disregard for good corporate governance practices despite being aware of it.

Retention of long-serving independent director

As of the end of FY2024, the BLD’s board comprised five members - four male directors and one woman director. Of these, two are executive directors, one is a non-independent non-executive director, and two are independent directors. Notably, one of the independent directors has served the board in the same capacity for 20 years and seven months, having been appointed in February 2004.

To enhance quality and strengthen the independence of boards, Bursa Malaysia announced on 19 January 2022 a 12-year cumulative tenure limit for independent directors. All long-serving independent directors are expected to resign, retire or be re-designated as non-independent directors by 1 June 2023.

Despite the new requirement coming into force, BLD continued to table a resolution to retain the long-serving independent director at its annual general meeting (AGM) in September 2023. The resolution was passed with only two shareholders (0.0002%) voted against.

At this year’s AGM held in September 2024, the Company again tabled a similar resolution to retain the said long-serving independent director, given its clear breach of the Listing Requirements.

Before the AGM, MSWG sent a letter to the company inquiring about the challenges it faced in identifying and onboarding new board members, especially since more than a year has passed since the 12-year tenure limit came into effect. Additionally, MSWG also sought clarity on the timeline for either the re-designation or retirement of the said independent director. The response was not encouraging.

MSWG's Questions via letter dated 29 August 2024
(Full copy of the letter is available on MSWG's website)

Currently, Datuk Haji Hamden bin Haji Ahmad, the Independent Non-executive Director (INED) of BLDP who was appointed on 4 February 2004 then resigned on 3 July 2007 and re-appointed on 3 September 2007 (page 8 of AR2024) has served on the Board for **20 years 7 months**. Under Resolutions 7 and 11, he is seeking proposed re-election and retention to continue to act as INED of the Company.

Bursa Malaysia had amended the Main Market Listing Requirements to limit the tenure of an independent director to not more than a cumulative tenure of 12 years in the listed issuer or any related corporation from the date of his first appointment as an independent director. (Reference to Chapter 1 of Bursa Malaysia Main Market Listing Requirements)

Datuk Haji Hamden bin Haji Ahmad's continuation as INED of BLDP is a **breach of the Bursa Malaysia Main Market Listing Requirements**. Given that MSWG had raised this issue during last year's AGM and one year has passed, what are the challenges faced by the Board in identifying and onboarding new board members?

BLD's response to MSWG's letter

The Board appointed a new Independent Non-Executive Director on 16 May 2024, bringing the current board composition to six members.

Dissatisfied with the written answers given, MSWG raised the same concern at the Company's physical AGM, and this has led to intense debates and exchanges between us and the Board.

The Board, led by an Executive Chairman, vehemently defended the decision to retain the long-serving independent director. The Chairman asserted that the independent director is a qualified accountant and had consistently maintained his independence throughout his tenure and demonstrated impartiality in board discussions. He also cited several instances where the independent director had provided divergent views.

At one point, the Chairman drew a parallel with himself, who has been with the Board longer than the independent director. We deemed this comparison unfair, given the distinct roles and responsibilities between an executive director and independent directors.

At the same time, the Company sidestepped our question on challenges related to succession planning, stating that it had appointed a new independent director on 16 May 2024, increasing the board size to six members. This response failed to address our primary concern regarding the continued breach of the Listing Requirements by retaining the long-serving independent director.

When it comes to voting on the resolution, the Company tabled the motion using a simple majority approach. The Company could have at least tabled the resolution using the two-tier voting approach guided by the Malaysian Code on Corporate Governance (MCCG). The motion was easily passed with 99.9% shares voted for, which mostly may have been garnered from the company itself, as we observed only a few minority shareholders were present.

We are frustrated by the Company's blatant disregard for complying with the Listing Requirements. Our stance is not unreasonable – if the director in question can continue to contribute effectively to the board and the company, he may remain as a director but must be redesignated as a non-independent director.

Questions and answers in relation to Bursa Malaysia Securities Berhad Listing Requirements for the Main Market

Paragraph 1.2 (xviii)

Can an independent director who has served on the board for more than 12 years be allowed to remain on the board?

Yes, such person may remain on the board if he or she is re-designated as a non-independent director.

Persistent refusal to disclose directors' remuneration on a named basis

MSWG has repeatedly raised concerns about BLD's ongoing refusal to disclose directors' remuneration on a named basis since 2021. Although the Company has acknowledged our concerns, it continued to cite security and confidentiality issues as justification for not doing so.

MSWG's Questions via letter dated 29 August 2024

(Full copy of the letter is available on MSWG's website)

Based on BLD's reply to letters in year 2021, 2022 and 2023 to MSWG's question raised in the previous AGMs, the Company noted MSWG's comment and does not wish to disclose the directors' remuneration on a named basis due to confidentiality and security concerns.

The Company continues not to disclose the remuneration of directors on a named basis for Annual Report 2024 is a breach of the Bursa Malaysia Main Market Listing Requirements. The disclosure made on page 14 of AR2024 does not meet the disclosure requirement under Appendix 9C Contents of Annual Report, Part A (11) of the Bursa Malaysia Main Market Listing Requirements.

BLD's response to MSWG's letter

The Board acknowledges your concern, but the Board will maintain its position on not disclosing such information.

As a perspective, it incurred a total remuneration of RM2.75 million in FY2024 for executive and non-executive directors, with approximately 62% allocated to salaries, fees, and other emoluments of executive directors.

The refusal to comply with the Listing Requirements reflects poorly on the Company's commitment to corporate governance. Its persistent disregard of these regulations undermines transparency and accountability and neglects shareholders' interests.

If directors are fairly compensated, there should be no reason to withhold individual disclosure of their remuneration. Shareholders appoint directors to fulfil specific roles and responsibilities, and their remuneration reflects their performance. Moreover, under Section 230 of the Companies Act 2016 and Paragraph 7.24 of the Listing Requirements, shareholders have the right to approve the remuneration of non-executive directors. Such transparency allows shareholders to make informed decisions. While shareholders do not approve the executive directors' remuneration package, the disclosure enables them to ask pertinent questions regarding the remuneration packages.

Other concerning corporate governance practices

In addition to the two significant breaches of the Listing Requirements, its conduct of general meetings has plenty of room for improvement.

The notice of the AGM did not specify the amount to be approved for directors' remuneration, nor did it provide explanatory notes on the directors' fees and benefits. While the Chairman briefly mentioned the amount to be approved when tabling the resolutions, more information was needed for shareholders to deliberate on the matter and make informed decisions.

Furthermore, no proxy form was included in the Annual Report or notice of meeting. Instead, shareholders were required to download and print the proxy form from the corporate website and mail it to the registered office.

Unfortunately, the Company did not adopt electronic solutions, such as an e-proxy system, which would have simplified the process and saved shareholders the hassle of physically printing and sending the form.

Many shareholders, especially those unable to attend the meeting in person, may relinquish their voting rights to proxies or the chairman to vote on their behalf. Given the lack of detailed disclosure, how can shareholders make informed voting instructions before the meeting?

Neither could shareholders track the past approved amounts, as the details were not included in the Key Matters Discussed (KMD) published by the Company after its AGM.

The Board currently comprises one female non-independent non-executive director (NINED), who happens to be the daughter of the Executive Chairman. Notably, her appointment on 2 March 2022 followed soon after Bursa Malaysia announced a mandatory requirement for PLCs to have at least one woman director on their boards on 19 January 2022. Whether this timing is a matter of design or coincidence, it is your call.

Our primary concern, however, is the director's ability to remain independent and impartial, given her familial ties to the Executive Chairman. Besides, the appointment of a family member then raises questions about whether it was made to conform with Listing Requirements rather than being based on merit.

The composition of BLD's Remuneration Committee (RC) is another contentious issue. It comprises the Executive Chairman, the female NINED (who is his daughter), and an independent director. Again, such a structure goes against the spirit of transparency and independence as guided under Practice 1.4 of the MCCG - the Chairman of the board should not be a member of the Audit Committee (AC), Nomination Committee (NC), or RC. BLD departed from adopting the said practice.

Having the same person assume the positions of Chairman of the board and Chairman of the AC, NC or RC may give rise to the risk of self-review and may impair the objectivity of the Chairman and the board when deliberating on the observations and recommendations put forth by the board committees.

PLCs operate under varying degrees of corporate governance standards—some demonstrate exemplary practices, while others fall short. This is where MSWG plays a critical role: monitoring for breaches and non-compliance in corporate governance practices among PLCs.

MSWG HIGHLIGHTS

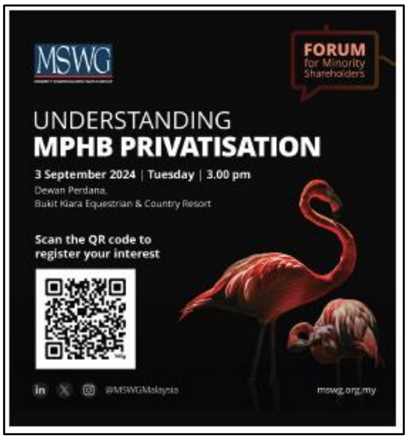
MPHB Capital Berhad Privatisation

In *The Observer*, dated 30 August 2024, MSWG highlighted growing concerns surrounding MPHB Capital Berhad (MPHB)'s privatisation exercise. Since MPHB announced the Proposed Selective Capital Reduction and Repayment (Proposed SCR) exercise on 28 May 2024, MSWG received numerous feedback from minority shareholders, particularly regarding the offer price of RM1.70 per share. Shareholders expressed that the price was significantly below the Company's net asset value (NAV), sparking questions about whether the Proposal reflects the business's true worth.

As the Extraordinary General Meeting (EGM) on 6 September 2024 approached, MSWG urged minority shareholders to consider the proposal carefully and, crucially, to exercise their voting rights. With the offer price at the heart of the discussion, this EGM allowed shareholders to influence the future direction of MPHB, ensuring their voices were heard in a decision that could shape the Company's path forward.

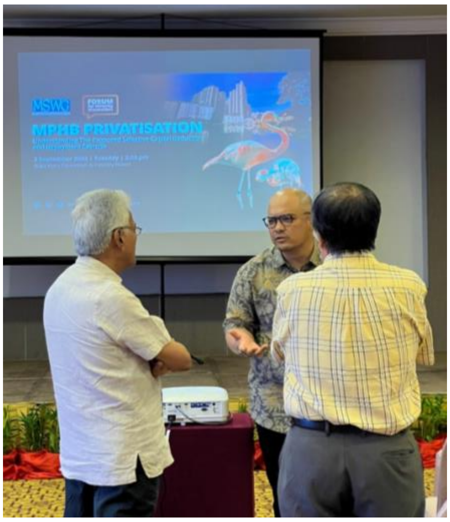
Public Forum on MPHB's Privatisation

On 3 September 2024, MSWG hosted a public forum at the Bukit Kiara Equestrian & Country Resort to address concerns raised by minority shareholders regarding MPHB's privatisation. The session, attended by minority shareholders, was organised in response to requests for assistance in understanding the Independent Advice Letter (IAL) and the offer presented.

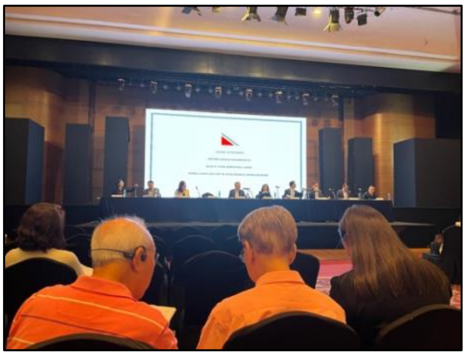


The IAL, issued by UOB Kay Hian Securities (M) Sdn Bhd as the appointed Independent Adviser for disinterested shareholders, provides critical insights, opinions, and recommendations on the Proposed SCR, helping shareholders make informed decisions.

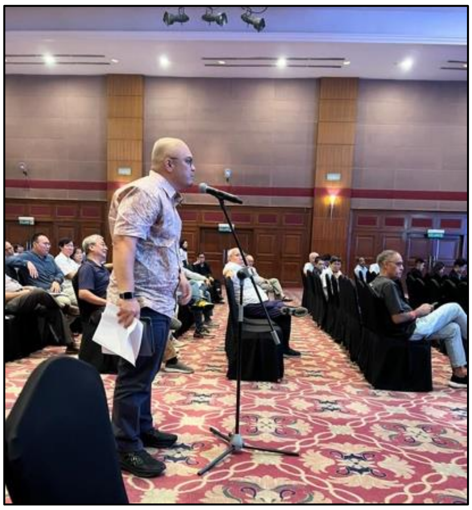
The forum's purpose was to clarify the content of the IAL, not to influence voting decisions, and it served as a platform for shareholders to seek clarification on technical terms and share their views on the offer. MSWG received positive feedback from attendees, who appreciated the initiative and the opportunity to understand the complexities of the Proposal better.



MPHB's Extraordinary General Meeting



The physical EGM for MPHB Capital Berhad took place on 6 September 2024 at the Flamingo Hotel by The Lake in Ampang. Around 80 shareholders attended the meeting, alongside board members, including the interested director, though one director was absent due to health reasons. Minority shareholders asked numerous important questions to the board, the valuer, the independent adviser, and the principal adviser, expressing concerns over the terms of the Privatisation.



MSWG played a key role in leading the Q&A session, raising several critical points, including:

1) MPHB's cash reserves of approximately RM657.7 million were equivalent to 94 sen per share. MSWG highlighted that with the SCR offer price at RM1.70 per share, after deducting the cash, disinterested shareholders were effectively receiving only 76 sen per share for a Revalued Net Asset Value (RNAV) of RM2.33 (after cash) per share, which results in a much higher discount of 67% versus the stated 48%.

2) Why was the offeror using the Company's cash to privatise MPHB when this cash rightfully belonged to all shareholders and could have been returned through dividends?

3) Why did the Offer Price represent a steep 48% discount to the RNAV of RM3.27, and what efforts, if any, the independent directors made to negotiate a higher offer price?

4) How did the independent director safeguard and act in the best interest of disinterested shareholders by allowing the Proposed SCR to be tabled?

5) Whether the Independent Directors had sought a second opinion on the valuation of MPHB's assets, particularly given concerns about the valuation of its land and hotels.

The voting process was conducted manually, with shareholders filling in voting forms and submitting them into a box. Only disinterested shareholders were eligible to vote. At the end of the session, the two resolutions were carried, with 87% voting in favour of the resolutions and only 8.34% voting against them.

Our letter to MPHB

Following the EGM, MSWG sent a letter to MPHB on 11 September 2024, emphasising that 8.34% of disinterested minority shareholders had voted against the Special Resolution of Proposed SCR. This figure was notably high, signalling significant dissatisfaction among minority shareholders regarding the offer price for the SCR.

With the interests of minority shareholders in mind, MSWG proposed that MPHB's board consider declaring a token dividend for minority shareholders. MSWG stressed that this dividend should not reduce the offer price of RM1.70 per share to disinterested shareholders. Given the steep discount on the offer price, such a gesture would demonstrate goodwill and recognition of the minority shareholders' concerns. As of the publication date, MPHB had not yet responded to MSWG's letter. An extract of the letter is provided below.

MSWG
MINORITY SHAREHOLDERS WATCH GROUP

11 September 2024

Reference: MSWG-CM-02-05/24
By Email

The Board of Directors
MPHB CAPITAL BERHAD
40th Floor, Menara Multi-Purpose
Capital Square
No. 8, Jalan Munshi Abdullah
50100 Kuala Lumpur

Attention: **Ms. Ng Sook Yee**
Company Secretary

Dear Directors,

SELECTIVE CAPITAL REDUCTION AND REPAYMENT EXERCISE OF MPHB CAPITAL BERHAD ("MPHB" OR THE "COMPANY") PURSUANT TO SECTION 116 OF THE COMPANIES ACT 2016

The above matter and the Company's recent concluded extraordinary general meeting held on 6 September 2024 ("EGM") are referred to.

The Minority Shareholders Watch Group (MSWG) is an independent body that represents the interests of minority shareholders. We achieve this by being a shareholder of companies, including MPHB, and advocating for good governance and sustainability practices among those listed on Bursa Malaysia.

Based on the outcome of the EGM, the Special Resolution in respect of the proposed selective capital reduction and repayment exercise of MPHB pursuant to Section 116 of the Companies Act 2016 ("Proposed SCR") was approved by the disinterested shareholders of MPHB. Nevertheless, 8.34% of the votes attached to all MPHB Shares held by the disinterested shareholders of MPHB of the total voting shares of MPHB had voted against the Special Resolution.

In view of the above and in consideration of the interest of minority shareholders of the Company, we wish to propose to the board of MPHB to consider declaring and pay a token dividend to the minority shareholders of MPHB. However, the token dividend, if any, should not reduce the offer price of RM1.70 per share to be paid to the disinterested shareholders. Given the steep discount to the offer price, this will be a good gesture to the minority shareholders of MPHB.

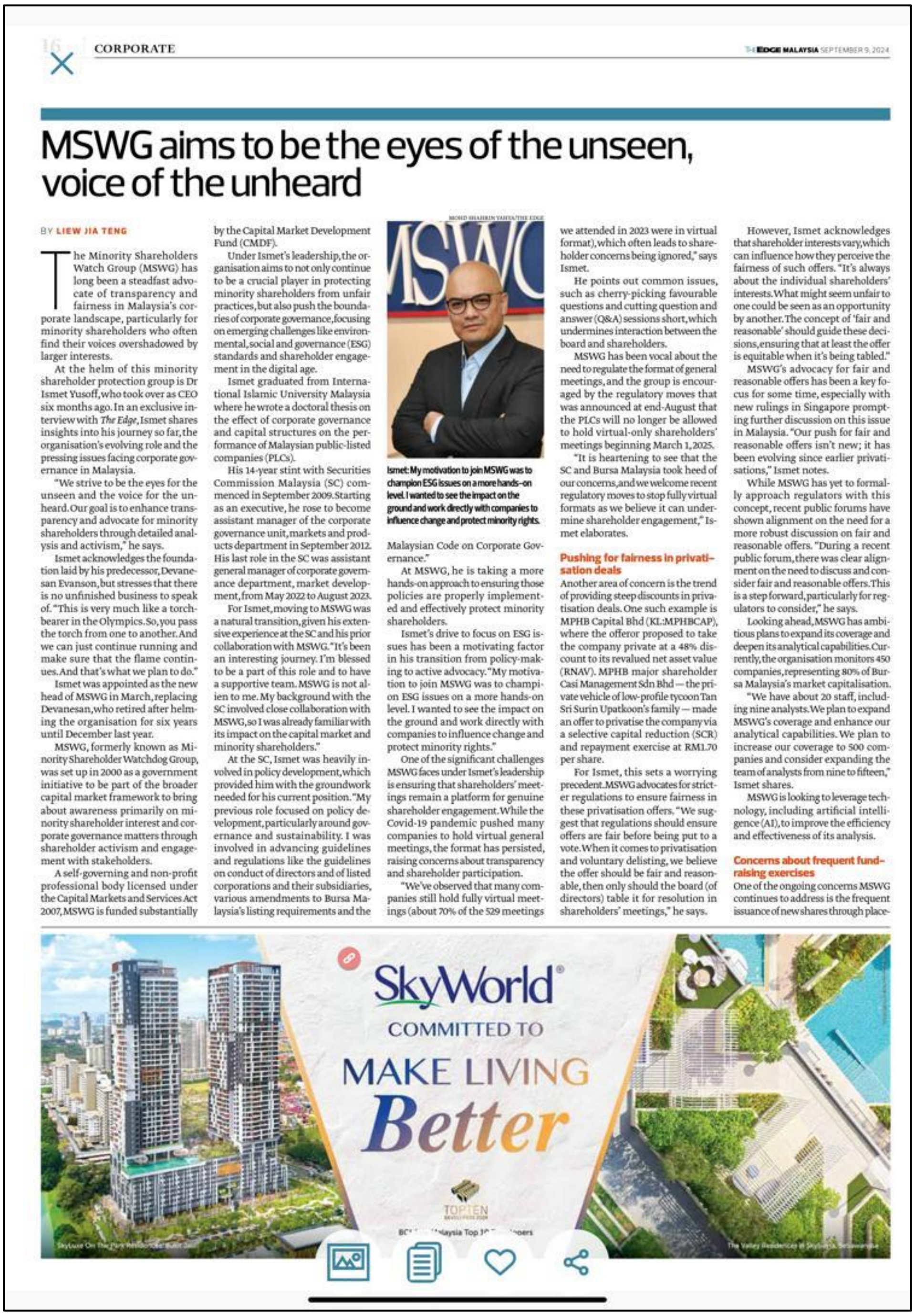
Minority Shareholders Watch Group
Badan Pengawas Pemegang Saham Minoriti Berhad (20-0001022382)

23-2, Menara AIA Sentral
No. 30, Jalan Sultan Ismail
50250 Kuala Lumpur

Tel +60 3 2732 0010
Email mswatch@mswg.org.my
Website www.mswg.org.my

MSWG on The Edge Malaysia

MSWG was featured in The Edge Malaysia business weekly on 9 September 2024, where MSWG Chief Executive Officer Dr Ismet Yusoff shared insights on the initiatives undertaken by MSWG and critical issues surrounding corporate Malaysia based on MSWG's observations. The article highlighted MSWG's ongoing efforts to enhance corporate governance, safeguard minority shareholder interests, and address emerging challenges in the corporate landscape. We thank The Edge Malaysia and Liew Jia Teng, Deputy Editor of the publication for the coverage.



MSWG aims to be the eyes of the unseen, voice of the unheard

BY LIEW JIA TENG

The Minority Shareholders Watch Group (MSWG) has long been a steadfast advocate of transparency and fairness in Malaysia's corporate landscape, particularly for minority shareholders who often find their voices overshadowed by larger interests.

At the helm of this minority shareholder protection group is Dr Ismet Yusoff, who took over as CEO six months ago. In an exclusive interview with *The Edge*, Ismet shares insights into his journey so far, the organisation's evolving role and the pressing issues facing corporate governance in Malaysia.

"We strive to be the eyes for the unseen and the voice for the unheard. Our goal is to enhance transparency and advocate for minority shareholders through detailed analysis and activism," he says.

Ismet acknowledges the foundation laid by his predecessor, Devanesan Evanson, but stresses that there is no unfinished business to speak of. "This is very much like a torchbearer in the Olympics. So, you pass the torch from one to another. And we can just continue running and make sure that the flame continues. And that's what we plan to do."

Ismet was appointed as the new head of MSWG in March, replacing Devanesan, who retired after helming the organisation for six years until December last year.

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 Capital Market Development Fund (CMDF).

Under Ismet's leadership, the organisation aims to not only continue to be a crucial player in protecting minority shareholders from unfair practices, but also push the boundaries of corporate governance, focusing on emerging challenges like environmental, social and governance (ESG) standards and shareholder engagement in the digital age.

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

His 14-year stint with Securities Commission Malaysia (SC) commenced in September 2009. Starting as an executive, he rose to become 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.

For Ismet, moving to MSWG was a natural transition, given his extensive experience at the SC and his prior collaboration with MSWG. "It's been an interesting journey. I'm blessed to be a part of this role and to have a supportive team. MSWG is not alien to me. My background with the SC involved close collaboration with MSWG, so I was already familiar with its impact on the capital market and minority shareholders."

At the SC, Ismet was heavily involved in policy development, which provided him with the groundwork needed for his current position. "My previous role focused on policy development, particularly around governance and sustainability. I was involved in advancing guidelines and regulations like the guidelines on conduct of directors and of listed corporations and their subsidiaries, various amendments to Bursa Malaysia's listing requirements and the Malaysian Code on Corporate Governance."

MOHD SHAHRIN YAHYA/THE EDGE

Ismet: My motivation to join MSWG was to champion ESG issues on a more hands-on level. I wanted to see the impact on the ground and work directly with companies to influence change and protect minority rights.

At MSWG, he is taking a more hands-on approach to ensuring those policies are properly implemented and effectively protect minority shareholders.

Ismet's drive to focus on ESG issues has been a motivating factor in his transition from policy-making to active advocacy. "My motivation to join MSWG was to champion ESG issues on a more hands-on level. I wanted to see the impact on the ground and work directly with companies to influence change and protect minority rights."

One of the significant challenges MSWG faces under Ismet's leadership is ensuring that shareholders' meetings remain a platform for genuine shareholder engagement. While the Covid-19 pandemic pushed many companies to hold virtual general meetings, the format has persisted, raising concerns about transparency and shareholder participation.

"We've observed that many companies still hold fully virtual meetings (about 70% of the 529 meetings we attended in 2023 were in virtual format), which often leads to shareholder concerns being ignored," says Ismet.

He points out common issues, such as cherry-picking favourable questions and cutting question and answer (Q&A) sessions short, which undermines interaction between the board and shareholders.

MSWG has been vocal about the need to regulate the format of general meetings, and the group is encouraged by the regulatory moves that was announced at end-August that the PLCs will no longer be allowed to hold virtual-only shareholders' meetings beginning March 1, 2025.

"It is heartening to see that the SC and Bursa Malaysia took heed of our concerns, and we welcome recent regulatory moves to stop fully virtual formats as we believe it can undermine shareholder engagement," Ismet elaborates.

Pushing for fairness in privatisation deals

Another area of concern is the trend of providing steep discounts in privatisation deals. One such example is MPHB Capital Bhd (KL:MPHBCAP), where the offeror proposed to take the company private at a 48% discount to its revalued net asset value (RNAV). MPHB major shareholder Casi Management Sdn Bhd — the private vehicle of low-profile tycoon Tan Sri Surin Upatkoon's family — made an offer to privatise the company via a selective capital reduction (SCR) and repayment exercise at RM1.70 per share.

For Ismet, this sets a worrying precedent. MSWG advocates for stricter regulations to ensure fairness in these privatisation offers. "We suggest that regulations should ensure offers are fair before being put to a vote. When it comes to privatisation and voluntary delisting, we believe the offer should be fair and reasonable, then only should the board (of directors) table it for resolution in shareholders' meetings," he says.

However, Ismet acknowledges that shareholder interests vary, which can influence how they perceive the fairness of such offers. "It's always about the individual shareholders' interests. What might seem unfair to one could be seen as an opportunity by another. The concept of 'fair and reasonable' should guide these decisions, ensuring that at least the offer is equitable when it's being tabled."

MSWG's advocacy for fair and reasonable offers has been a key focus for some time, especially with new rulings in Singapore prompting further discussion on this issue in Malaysia. "Our push for fair and reasonable offers isn't new; it has been evolving since earlier privatisations," Ismet notes.

While MSWG has yet to formally approach regulators with this concept, recent public forums have shown alignment on the need for a more robust discussion on fair and reasonable offers. "During a recent public forum, there was clear alignment on the need to discuss and consider fair and reasonable offers. This is a step forward, particularly for regulators to consider," he says.

Looking ahead, MSWG has ambitious plans to expand its coverage and deepen its analytical capabilities. Currently, the organisation monitors 450 companies, representing 80% of Bursa Malaysia's market capitalisation.

"We have about 20 staff, including nine analysts. We plan to expand MSWG's coverage and enhance our analytical capabilities. We plan to increase our coverage to 500 companies and consider expanding the team of analysts from nine to fifteen," Ismet shares.

MSWG is looking to leverage technology, including artificial intelligence (AI), to improve the efficiency and effectiveness of its analysis.

Concerns about frequent fund-raising exercises

One of the ongoing concerns MSWG continues to address is the frequent issuance of new shares through place-

MSWG AGM/EGM Weekly Watch 16 – 20 September 2024

The following are the AGMs/EGMs of companies on the Minority Shareholders Watch Group's (MSWG) watch list for this week.

The summary of points of interest is highlighted here, while the details of the questions to the companies can be obtained via MSWG's website at www.mswg.org.my.

Date & Time	Company	Quick-take
18.09.24 (Wed) 11.00 am	Trive Property Group Berhad (EGM)	Trive Property will seek shareholders' approval for the proposed bonus issue of up to 505.46 million warrants based on 2 warrants for every 5 existing ordinary shares held in Trive Property.
19.09.24 (Thur) 10.00 am	PMB Technology Berhad (EGM)	PMBTech has proposed to undertake a renounceable rights issue of new ordinary shares to raise approximately RM300 million. The proposed rights issue is intended to be undertaken on a full subscription. Net proceeds from the proposed rights issue are intended for repayment of bank borrowings. This will reduce its gearing ratio from 0.89x to 0.44x.
19.09.24 (Thur) 10.30 am	Eksons Corporation Berhad (AGM)	The Group had for FY2024 registered a profit after tax of RM14.3 million - the first annual profit made since FY2021, largely contributed from the investments held and the portfolio reshuffling strategies. Notably, as of the end of FY2024, the Group's short-term investment securities, short-term fixed deposits, cash, and bank balances amount to RM283.74 million, accounting for approximately 68% of its total assets of RM418.32 million. This brings the Group close to triggering the Cash Criterion under Paragraph 8.03 of Bursa Securities Main Market Listing Requirements, potentially classifying it as a Cash Company.

Date & Time	Company	Quick-take
19.09.24 (Thur) 10.30 am	Green Packet Berhad (AGM)	The Group's revenue grew 8.32% to RM740.14 million in FY2024 mainly contributed by the Digital Services segment offering services such as wholesale voice, data connectivity, and application-to-person (A2P) messaging. However, the Group still reported a loss before tax (LBT) of RM7.76 million (FY2023: RM42.64 million). The lower LBT was attributed to improved operational efficiency and restructuring of unprofitable business segments.
19.09.24 (Thur) 12.00 pm	YNH Property Berhad (EGM)	The Company is proposing a resolution to dispose of a seven-storey retail shopping centre known as "163 Retail Park" by D'Kiara Place Sdn Bhd, a wholly-owned subsidiary of the Company to RHB Trustees Berhad as a trustee of Sunway Real Estate Investment Trust for a total RM215 million.

Points of interest:

Company	Points/Issues to Be Raised
Eksons Corporation Berhad (AGM)	The Plywood division has in its inventory RM16.1 million of plywood as at 31 March 2024, and these inventories will continue to be sold into the foreseeable future, with the expectation of beyond a one (1) year period (Page 11 of AR2024). a) Is the Group seeking buyers to clear its existing RM16.1 million plywood inventory? b) The previous annual report stated that the entire Tawau factory was leased out with a base monthly rent of RM25,000 plus additional variable rent. What was the actual rental income received during FY2024? c) What is the status of the Sibu factory? Has the Group leased it out as well?
Green Packet Berhad (AGM)	"To address these challenges and in mitigating our losses, we implemented several operational optimisation measures between 2022 and 2023: - i. we disposed of non-performing companies to streamline our operations; ii. we transitioned from an expansion mode to lean operations by rationalising our headcount; iii. we undertook a cost reduction exercise to lower our operational expenses (OPEX); and iv. we successfully recovered deposits advanced to partners, including significant recoveries from our engagement with Tencent as stated in Section 3(iii) of the Circular." (Page 12 of Circular dated 14 August 2024) "Overall, the Group incurred a loss before tax ("LBT") of RM7.76 million, compared to RM62.85 million for the 15 months ended 31 March 2023; and RM42.64 million for the 12 months ended 31 March 2023." (Page 12 of Annual Report 2024) The Company incurred a loss after tax of RM7.47 million for the financial period ended 30 June 2024.

	Despite the optimisation measures implemented, the Group continues to incur losses, what is the Board's view on the overall effectiveness of optimisation measures?
YNH Property Berhad (EGM)	The market value of 163 Retail Park is RM270.5 million as appraised by a professional valuer, Azmi & Co. The audited carrying value of 163 Retail Park is RM234.7 million as at June 2023. The Company is proposing to sell 163 Retail Park for RM215 million cash which represents a discount to the market value of RM55.5 million or 20.52%. The Company will also record a pro forma net loss of RM12.04 million after accounting for the reversal of deferred tax. a) Why is the Company selling 163 Retail Park at a 20.52% discount to its market value? b) Has the Company conducted an open tender exercise to assess prospects and bids for 163 Retail Park before concluding the deal with Sunway REIT? c) Were there other bidders for 163 Retail Park? If yes, on what basis was Sunway REIT selected over the other bidders?

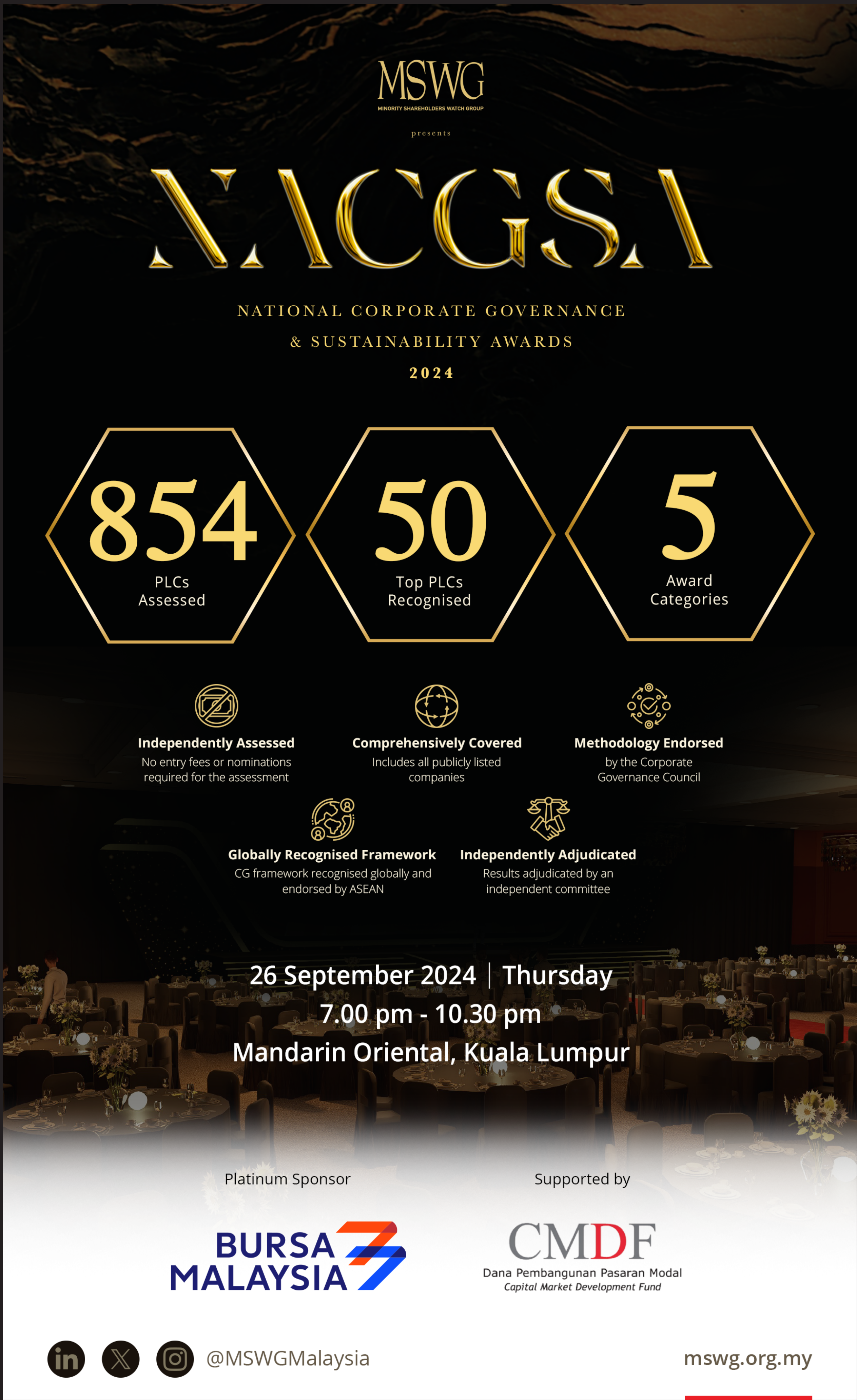
PwC Malaysia's Survey

PwC Malaysia is conducting the 2024 Corporate Directors Survey to gain insight into the challenges and opportunities faced by corporate directors in Malaysia.

This survey, supported by Minority Shareholders Watch Group (MSWG), comes at a critical time - given the speed of change, complexity of issues, and diversity of stakeholder pressures faced by corporate directors today.

Corporate executives and directors are encouraged to participate in this survey, which will take approximately 10 minutes to complete. Responses will be kept confidential. At the end of the survey, respondents may opt to receive a copy of the findings once they are ready.

Please click here to access the survey.


MSWG
MINORITY SHAREHOLDERS WATCH GROUP
presents
NACGSA
NATIONAL CORPORATE GOVERNANCE
& SUSTAINABILITY AWARDS
2024
854
PLCs Assessed
50
Top PLCs Recognised
5
Award Categories
Independently Assessed
No entry fees or nominations required for the assessment
Comprehensively Covered
Includes all publicly listed companies
Methodology Endorsed
by the Corporate Governance Council
Globally Recognised Framework
CG framework recognised globally and endorsed by ASEAN
Independently Adjudicated
Results adjudicated by an independent committee
26 September 2024 | Thursday
7.00 pm - 10.30 pm
Mandarin Oriental, Kuala Lumpur
Platinum Sponsor
BURSA MALAYSIA
Supported by
CMDF
Dana Pembangunan Pasaran Modal
Capital Market Development Fund
@MSWGMalaysia
mswg.org.my

Sign up now for MSWG Public Training Programmes on various essential topics.

MINORITY SHAREHOLDERS WATCH GROUP

23 SEPTEMBER 2024 | MONDAY
9.00 AM - 5.00 PM
SHERATON PETALING JAYA HOTEL

1 DAY COURSE | HRD CORP CLAIMABLE

Registration Fee
RM1800

Early Bird
(Before 6 September 2024)
RM1600

Group of 2
or more
RM1600

All prices are subject to any applicable government tax.

All MSWG subscribers enjoy special rate for registration.
Please contact us for more details.

Register now
Scan the QR code or click here

For more info, please contact:
Khalidah
+6017 630 0754
khalidah@mswg.org.my

Minority Shareholders Watch Group
Badan Pengawas Pemegang Saham Minoriti Berhad (20-0001022382)
Level 23-2, Menara AIA Sentral
No.30, Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia
+603 2732 0010
www.mswg.org.my

Managing Whistleblowing
What You Should Know and Do

Programme Overview

This programme equips professionals in governance, compliance, risk management, and audit with the knowledge and tools to establish and maintain effective whistleblowing mechanisms. It focuses on integrating ISO 37002 Whistleblowing Management System (WMS) with legislative requirements, governance frameworks, policies, procedures, and emerging technologies to foster transparency, integrity, and accountability. The session will include a fireside chat with a former whistleblower, sharing his experiences and the gaps he encountered.

Session 1
Whistleblowing and ISO 37002 in the Malaysian Business Context
The significance of whistleblowing in business, key legislative requirements like the Whistleblower Protection Act 2010, and an introduction to ISO 37002. It includes case studies from Malaysian businesses to illustrate effective whistleblowing mechanisms and legal safeguards.

Session 2
Developing and Implementing Whistleblowing Policies and Procedures
Key components of an effective whistleblowing policy in line with ISO 37002 and local legislation. It will cover designing procedures for reporting, investigation, and follow-up, ensuring confidentiality, and protecting whistleblowers. Participants will engage in an interactive workshop to draft a whistleblowing policy for a hypothetical organisation.

Session 3
Governance, Management, and Emerging Technologies in Whistleblowing
Integrating governance frameworks to support whistleblowing systems, best practices for managing whistleblowing reports, and the role of emerging technologies such as encrypted communication tools and blockchain. It will also include a demonstration of implementing a secure whistleblowing technology solution.

Session 4
Monitoring, Evaluating, and Improving Whistleblowing Systems
Explore methods to evaluate the effectiveness of whistleblowing systems, continuous improvement practices customised for business organisations, and the use of data analytics and reporting tools to monitor and enhance these systems. Additionally, there will be a group discussion on challenges and solutions for maintaining effective whistleblowing systems in the business sector.

Session 5
Fireside Chat – What Made Me to Whistleblow
Dr. Muhammad Mohan, a former whistleblower, offers a firsthand account of his journey and motivations behind whistleblowing. Gain unique insights into the challenges faced and the pivotal moments that led Dr Mohan to speak out, shedding light on the importance of transparency and ethical governance in organisational practices. Join us for an illuminating discussion that explores the personal and professional implications of taking a stand for integrity and accountability.

Trainer's Profile
Raymon Ram

Raymon is a seasoned advocate against economic crime with vast experience in leading corporate fraud investigations, facilitating anti-fraud courses, and contributing to Malaysia's anti-corruption initiatives. He has authored publications, developed anti-corruption guidelines, and is a certified fraud, bribery, and money laundering trainer. As the Founder and Managing Principal of Graymatter Forensic Advisory, he specialises in financial forensics and compliance. He also holds leadership roles at Transparency International Malaysia and the UN Office on Drugs and Crime.

Raymon is a Certified Fraud Examiner (CFE), Certified Anti-Money Laundering Specialist (CAMS), and ISO 37001 Lead Auditor. He holds a Master's in economic crime management, a Bachelor's in Psychology (HONS), and a Corporate Governance Certificate from the Basel Institute of Governance, Switzerland. He is also pursuing a Doctorate in Business Administration in Malaysia.

Panelist Profile
Dr. Muhammad Mohan

Dr. Muhammad Mohan, President of Transparency International Malaysia, is a leading advocate against corruption, promoting good governance and ethical corporate culture. A former whistle-blower who exposed corruption at his previous company and served as a key witness for ACA (now MACC), he joined TI-Malaysia to continue his advocacy. He frequently addresses ethics, governance, and anti-corruption in public and in-house programs and led a team to publish The Sin of Corruption: A Religious Perspective.

He is a PECB-certified Lead Auditor for ABMS ISO 37001 and an engineer by profession. He has held leadership roles in plantation industries in Malaysia and the Middle East, including with the Sime Darby Group, Golden Hope Plantations, Tradewinds Plantations, and the Savola Group. He also holds a Doctorate in Business Administration from the University of Newcastle, Australia.

MINORITY SHAREHOLDERS WATCH GROUP

24 SEPTEMBER 2024 | TUESDAY
9.00 AM - 5.00 PM
SHERATON PETALING JAYA HOTEL

1 DAY COURSE | HRD CORP CLAIMABLE

Registration Fee
RM1800

Early Bird
(Before 6 September 2024)
RM1600

Group of 2
or more
RM1600

All prices are subject to any applicable government tax.

All MSWG subscribers enjoy special rate for registration.
Please contact us for more details.

Register now
Scan the QR code or click here

For more info, please contact:
Khalidah
+6017 630 0754
khalidah@mswg.org.my

Minority Shareholders Watch Group
Badan Pengawas Pemegang Saham Minoriti Berhad (20-0001022382)
Level 23-2, Menara AIA Sentral
No.30, Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia
+603 2732 0010
www.mswg.org.my

What Can Seriously Go Wrong with RPTs?
Understand the legal requirements and gain insights from recent case

Programme Overview

This training programme aims to equip participants with a comprehensive understanding of Related Party Transactions (RPTs) and Recurrent Related Party Transactions (RRPTs), including conflict of interest (COI) situations and enhanced disclosure requirements. Participants will learn to develop and implement a Related Party Transaction Framework as a crucial line of defence, ensure transactions are conducted at 'arm's length' to protect minority shareholders and understand the importance of compliance with Transfer Pricing regulations to mitigate tax risks. The programme will highlight the benefits of a holistic governance, risk management, and internal control framework in providing assurance to the Audit Committee and Board and will address common pitfalls in managing RPTs.

Part 1 | 9:00 am – 10:30 am

- **Overview of Related Parties (RP), RPTs, and COI Situations**
  Discusses recent amendments enhancing COI disclosures.
- **Regulatory Perspectives on RPTs**
  Examines RPTs through the Companies Act 2016, Securities Commission Guidelines, MFRS, and Bursa Malaysia's Listing Requirements.
- **RPTs vs. RRPTs**
  Clarifies the distinction between Related Party Transactions and Recurrent Related Party Transactions.
- **Why RPTs are scrutinised?**
  Emphasises the importance of transparency, fairness, and protecting minority shareholders in corporate governance.

Part 2 | 11:00 am – 12:30 pm

- **Roles of the Board, Audit Committee, and Management**
  Focus on their responsibilities in managing RPTs, RRPTs, and COI situations.
- **Audit Committee Focus**
  Emphasizes key elements in reviewing RPTs, utilising tools from the Corporate Governance Guide 4th Edition for effective oversight.
- **Importance of RPT Framework**
  Highlights the need for a strong framework to ensure transparency, accountability, and regulatory compliance.

Part 2 | 11:00 am – 12:30 pm

- **Governance, Risk, and Control (GRC) Framework**
  Discusses its role in managing RPTs and RRPTs, especially concerning the Shareholders' Mandate, ensuring alignment with corporate governance best practices.

Part 3 | 2:00 pm – 3:30 pm

- **"Arm's Length" Concept in RPTs**
  Highlights the need for proper documentation to ensure transactions are fair and equitable.
- **Tax Corporate Governance Framework**
  Discusses the importance of transfer pricing compliance to meet regulatory standards in related party transactions.
- **Role of Auditors**
  Explores how Internal and External Auditors review and validate transactions to maintain transparency, accuracy, and compliance.
- **Ensuring Compliance**
  Emphasizes adherence to financial and governance practices within the organisation.

Part 4 | 3:45 pm – 5:00 pm

- **Case studies**
  What can still go "wrong"?

Trainer's Profile
Lee Min On

Lee Min On is a well-sought-after trainer for in-house training, public seminars and conferences, sharing thoughts and insights on Sustainability, Governance, Risk, Controls, & Internal Audit. He is an Audit Committee member of the Malaysian Institute of Accountants. He is also an Independent Non-Executive Director of four Main Market listed issuers in Malaysia. His qualifications and professional membership are Chartered Accountant, Malaysian Institute of Accountants, Certified Public Accountant, Malaysian Institute of Certified Public Accountants and Fellow Member, The Institute of Internal Auditors Malaysia. He retired as a Partner of KPMG in Malaysia in December 2015 after serving with the firm for 36 years.

MSWG
MINORITY SHAREHOLDERS WATCH GROUP

26 SEPTEMBER 2024 | THURSDAY
9.00 AM - 1.00 PM
WEBINAR zoom

½ DAY COURSE
HRD CORP CLAIMABLE

Registration Fee
RM450

Early Bird
(Before 12 August 2024)
RM350

Group of 2
or more
RM350

All prices are subject to any applicable government tax.

All MSWG Subscribers enjoy special access to the session.

Register now

Scan the QR code or click here

For more info, please contact:
Khalidah
+6017 630 0754
khalidah@mswg.org.my

Minority Shareholders Watch Group
Badan Pengawas Pemegang Saham Minoriti Berhad (20-0001022382)

Level 23-2, Menara AIA Sentral
No.30, Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia

+603 2732 0010
www.mswg.org.my

揭秘ESG和气候相关的汇报与披露格式

为大马交易所永续发展报告框架, 和即将落实的IFRS S1和 IFRS S2 新准则做好准备

适用于所有类型的公司

Introduction

揭秘新 ESG 和气候披露框架: 大马联交所(Bursa Malaysia), 气候相关财务信息披露工作组(TCFD), 国际财务报告准则第1号(IFRS S1)和国际财务报告准则第2号(IFRS S2)带来的影响和新规定.

Note: 网络研讨会以中文进行, 材料为中英文双语.

Part 1 | 9:00 am – 10:30 am

1) 什么是环境、社会及管治 (“ESG”) 汇报
2) 国际可持续发展报告格局发展趋势
3) 大马联交所 ESG 汇报新规定
- 共同的可持续发展事项和指标
- ESG重要性评估

Part 2a | 10:45 am – 1:00 pm

4) 国际财务报告准则第1号和第2号简介
- 大马分阶段采用国际可持续发展准则理事会 ISSB 汇报框架的建议

5) 揭秘国际财务报告准则第1号:可持续相关财务信息披露一般要求
- SASB 汇报框架

6) 了解国际财务报告准则第1号和国际财务报告准则第2号的核心内容:
- 管治
- 策略
- 风险管理
- 指标及目标

Part 2b | 10:45 am – 1:00 pm

7) 揭秘国际财务报告准则第2号气候相关披露, 气候相关财务信息披露工作组 TCFD
- 什么是 IFRS S2
- 为什么必须做气候相关披露?

8) 揭秘国际财务报告准则第2号跨行业指标类别
- 温室气体排放
- 与气候相关的物理风险
- 气候相关转型风险
- 资本部署
- 内部碳价
- 薪酬

9) 揭秘与气候相关的风险和机遇
- 与气候相关的物理风险
- 与气候相关的转型风险
- 与气候相关的机遇

10) 揭秘气候相关情景分析
- 什么是气候相关情景分析
- 气候情景的类型

11) 生效日期和宽免

Trainer’s Profile

Pam Lee
Founder - Polar Advisory Group Sdn Bhd

Pam Lee's previous ESG leadership roles include serving as leader of the corporate sustainability & climate change practice at sustainability consultancy ERM in Malaysia, ESG lead at financial institution MIDF Group, and ESG services at professional services firm BDO in Malaysia. Before pursuing her passion for sustainability, she served as Executive Director and license holder advising on corporate finance in the financial advisory practice at BDO. A Global Reporting Initiative (GRI) Certified Sustainability Professional, she is well versed in sustainability reporting, greenhouse gas, climate risks, and opportunities. Pam is a Fellow of the Institute of Chartered Accountants of England and Wales (ICAEW), a member of the Malaysian Institute of Accountants (MIA), a member of the Malaysian Institute of Certified Public Accountants (MICPA), and a graduate of the London School of Economics and Political Science.