MSWG
MINORITY SHAREHOLDERS WATCH GROUP

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While initiatives to enhance women's representation on boards have gained momentum, simply achieving numerical targets does not equate to true board diversity, which requires meaningful engagement, depth, and a strong commitment to inclusivity.

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DIVERSITY, NOT DIVERSION

In the holistic discourse of board diversity, gender representation is often at the forefront, especially in traditionally male-dominated Asian boardrooms. While efforts to increase the number of women on boards have gained traction, compliance with numerical targets alone is insufficient. True board diversity requires depth, substance, and a commitment to inclusivity.

Remarkable Achievement, but...

Malaysia has made significant strides in promoting gender diversity in both public services and boardrooms over the past two decades. A defining milestone was reached in January 2022 when Bursa Malaysia instated a landmark amendment following the announcement of Budget 2022 by the Minister of Finance. This amendment mandated all public-listed companies (PLCs) to appoint at least one woman director on their boards, with phased implementation deadlines—by 1 September 2022 for large-cap PLCs and by 1 June 2023 for smaller-cap PLCs.

The quota-based policy has yielded remarkable results. According to the Corporate Governance Monitor 2024, the number of **all-male boards** among PLCs plummeted from 250[1] (roughly a quarter of those listed on Bursa Malaysia) in 2021 to just eight as of October 2024[2]. This dramatic shift signifies a major achievement in advancing the gender diversity agenda in corporate Malaysia.

However, some PLCs continue to struggle to comply with the requirements. Among the non-compliant PLCs, flexible packaging manufacturer **Greater Bay Holdings Berhad** (formerly known as Advanced Packaging Technology (M) Berhad, APT) has been without a female director for the longest. While the Company appointed a woman director on 1 June 2023, she resigned on 8 November 2023 following an internal reorganisation exercise which gave rise to the transfer of APT's listing status to Greater Bay.

Meanwhile, **Sentoria Group Berhad,** a financially distressed Practice Note 17 (PN17) company came in second as its last female director departed on 30 May 2024 due to personal commitments.

Under Bursa Malaysia Listing Requirements, listed issuers have three months to fill a board vacancy to comply with gender representation requirements. Yet, most of the non-compliant companies are struggling to meet the deadline.

[1] Corporate Governance Monitor 2021, Securities Commission Malaysia
[2] Corporate Governance Monitor 2024, Securities Commission Malaysia

Moving Beyond Tokenism

An interesting case that challenged the traditional norm of male-dominated boards was **Berjaya Corporation Berhad (BCorp)**. In March 2023, the company made headlines by unveiling an **all-female board** following a major restructuring. This unprecedented move saw its founder, Tan Sri Vincent Tan, step down as non-independent and non-executive chairman to assume an advisory role. Tunku Tun Aminah Sultan Ibrahim Ismail then took over as non-executive chairman, leading a board consisting of four executive directors and three independent directors—all women.

BCorp said the bold decision was a progressive step forward in reshaping perceptions of leadership and championing gender inclusivity in the corporate world. Still, it sparked debates about the absence of male directors. In response, BCorp clarified that its board appointments were merit-based, with no discrimination against any gender.

Interestingly, the Company even acknowledged the rarity of struggling to find a suitable male candidate, a stark contrast to the typical scenario where female board members are often underrepresented.

Beyond the debate over homogenous gender boards, another emerging issue is the **nature of female board appointments**. Some women directors appear to have been appointed due to personal affiliations, such as family ties or close relationships, rather than strictly on merit.

A case in point is a Perak-based consumer goods company whose two long-serving independent non-executive directors (INEDs) were due for retirement following Bursa Malaysia's amendments, which cap INEDs tenure at 12 years.

As the two long-serving INEDs (with 28 years and 25 years tenure respectively) retired from the Board, lo and behold, their daughters were swiftly appointed to the Board. This seems like a calculated move to comply with the amendments on independent directors' tenure while complying with the women on board requirements.

For sure, the new female directors possess their strengths, skills and experiences, but their appointments also raised concerns about patronage over meritocracy due to the decades of relationship between the retired directors with incumbent board members.

Additionally, it remains to be seen whether these newly appointed female directors will bring fresh perspectives or perform their duties under the pressure of their predecessors.

The Risks of Homogeneous Boards

The cases above highlight the risk of homogenous boards, whether all-male, all-female, or compliance-driven without a genuine commitment to diversity.

In traditionally male-dominated boards, the risk lies in reinforcing corporate cultures that may no longer align with evolving market demands and stakeholder expectations. Conversely, an all-female board, while less common, could also miss out on diverse perspectives that stem from mixed-gender representation.

A lack of diversity can lead to groupthink, where board members sharing similar backgrounds, experiences, and perspectives are less likely to evaluate strategies and decisions critically. Without diverse viewpoints, boards may struggle to challenge conventional wisdom, overlook alternative solutions, and ultimately make either too risky or overly cautious decisions, diminishing the overall effectiveness of a boardroom.

Beyond Compliance

Regulatory mandates, such as requiring at least one woman director per board or setting a 30% target for female representation, serve as essential starting points. However, ticking the compliance box is insufficient. True diversity demands a shift from a mandate-driven mindset to a purpose-driven approach, where companies genuinely commit to fostering inclusivity rather than simply meeting regulatory thresholds.

GENDER DIVERSITY IN MCCG

The **Malaysian Code on Corporate Governance (MCCG)** reinforces gender diversity in boardrooms through **Practices 5.9 and 5.10**. Practice 5.9 recommends boards to comprise at least 30% of women directors. This Practice aims to accelerate women's participation in decision-making roles, moving beyond the earlier focus on large companies to encompass all listed entities.

Practice 5.10 extends the focus on gender diversity to senior management, calling companies to establish policies that support women's participation in leadership roles. This holistic approach ensures gender diversity permeates throughout the corporate hierarchy, fostering a pipeline of female talent to ascend to board positions.

Key considerations for effective application and disclosure of Practices 5.9 and 5.10 include:

- Developing a clear and accountable diversity policy
- Setting numerical gender diversity targets
- Implementing concrete measures to achieve these targets and
- Large Companies to establish a timeframe to apply Practice 5.9

While these practices are mooted to enhance female representation, the overarching objective is to achieve true gender balance. Achieving diversity should not result in an "overcorrection" in gender representation. Instead, the focus should be on building a robust, high-performing board that is well-equipped with a diverse mix of perspectives, expertise and experiences.

The concern remains that some PLCs may adopt gender diversity rules in verbatim but not in spirit, fulfilling regulatory quotas without embracing the deeper benefits of diverse leadership.

After all, gender diversity is a means to an end, not an end in itself. The goal should not be diversity for its own sake, but rather a well-balanced board that fosters meaningful contributions, enriches discussions, and ultimately strengthens governance and drives better business outcomes. **[END]**

MSWG
AGM/EGM WEEKLY WATCH

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.

QUICK-TAKE

Date & Time	Company	Quick-take
24.03.25 (Mon) 10.30 am	CAB Cakaran Corporation Berhad (AGM)	The Group plans to improve production efficiency and reduce waste across its value chain to ensure long-term sustainability. To expand its distribution network, the Group aims to open 12 new supermarket outlets in 2025. Additionally, to better utilise its resources, the Group is increasing its focus on processed meat production with a new factory in Nibong Tebal, set to begin operations in the second quarter of 2025, with a production capacity of 1,500 tons per month.
24.03.25 (Mon) 11.30 am	Axiata Group Berhad (EGM)	Axiata is proposing to merge its Indonesian subsidiary, XL Axiata, with Smartfren and Smart Telecom to create a stronger telecom player. The deal aims to improve operational efficiency, expand network coverage and compete better in Indonesia. Axiata will partially sell its stake to balance ownership with Smartfren's parent, Sinar Mas. XL shareholders and Smartfren shareholders opposing the deal can sell their shares back under a buyback arrangement with certain limits.
25.03.25 (Tue) 10.00 am	Wong Engineering Corporation Berhad (AGM)	The Group recorded a revenue of RM36.61 million for the FYE 2024, reflecting a 30.52% decline from RM52.69 million in FYE 2023. This downturn was primarily attributed to lower revenue from the Precision Engineering segment, as demand from semiconductor and electrical & electronics (E&E) customers remained subdued

		throughout the year. Additionally, minimal contributions from the Construction & Property Development segment further weighed on overall revenue.
25.03.25 (Tue) 10.00 am	Mynews Holdings Berhad (AGM)	In FY 2024, Mynews returned to profitability after four consecutive years of loss-making since FY2020. The Group recorded a revenue of RM804.20 million, an increase of RM73.96 million or 10.1% compared to RM730.24 million in the previous year, driven primarily by the expansion of new outlets, an improved product mix and stronger in-store sales performance. Net profit jumped to RM8.71 million, against a net loss of RM15.4 million in the previous year.
25.03.25 (Tue) 02.00 pm	Dataprep Holdings Berhad (EGM)	Dataprep is seeking shareholders' approval for the: 1. Proposed private placement of up to 226.7 million new Placement Shares, representing approximately 30% of the Company's total number of issued Shares ("Proposed Placement") 2. Proposed reduction of the Company's issued share capital of up to RM100.0 million ("Proposed Capital Reduction")
26.03.25 (Wed) 10.00 am	Edaran Berhad (EGM)	EGM to seek shareholders' approval for the proposed reduction of up to RM52 million of the issued share capital of Edaran Berhad pursuant to Section 117 of the Act.
26.03.25 (Wed) 10.30 am	Fintec Global Berhad (EGM)	Fintec seeks shareholders' approval for a proposed share capital reduction of RM310 million pursuant to Section 117 of the Companies Act 2016 to set off against the accumulated losses of the Company. At the same time, it seeks shareholders' mandate for various recurrent related parties transactions with its investee companies namely NetX Group, Mlabs Group and Seacera Group. The RRPTs fetch aggregate transaction value of between RM200,000 and RM5 million.

27.03.25 (Thur) 10.00 am	Sersol Berhad (EGM)	The Company proposes to undertake a share capital reduction, involving the reduction and cancellation of RM35.50 million of its issued share capital. This gives rise to a credit of RM35.50 million, which will be utilised to offset the accumulated losses.
27.03.25 (Thur) 10.00 am	Bursa Malaysia Berhad (AGM)	Bursa Malaysia experienced a remarkable 2024 with a record number of companies seeking listing at the local bourse. The number of IPOs rose to 55 with a total market capitalisation of RM31.4 billion, compared to 32 IPOs in FY2023 with a total market cap of RM13.6 billion. Its net profit surged 22.9% y-o-y to RM310.1 million, attributed to robust performance in the Securities and Derivatives markets, as well as contribution from data business.
27.03.25 (Thur) 10.30 am	Eco World International Berhad (AGM)	The Group recorded revenue of RM33 million in FY2024, down from RM105 million in FY2023, due to fewer handovers by Australian projects. Meanwhile, the gross profit margin decreased to 13% in FY2024, from 17% in FY2023, mainly due to additional discounts offered to Australian project purchasers to accelerate sales, resulting in savings on holding costs and higher interest income from the sales proceeds. As of 31 October 2024, the Group has made substantial progress in reducing the value of unsold completed stock to RM290 million, with the Group's effective share amounting to RM210 million.
27.03.25 (Thur) 10.30 am	Yinson Holdings Berhad (EGM)	The EGM is to seek shareholders' approval for the Proposed Issuance by Yinson Production Offshore Holdings Ltd ("YPOHL"), an indirect wholly owned subsidiary of Yinson Holdings Berhad, of 1,000,000 Redeemable Convertible Preference Shares ("RCPS") at an aggregate subscription amount of USD1.0 billion, and 1,000,000 Warrants on the basis of one warrant for every one RCPS issued. Additionally, subject to the agreement of YPOHL and the investors, YPOHL may upsize the issuance of RCPS to USD1.5 billion through the issuance of

		additional USD0.50 billion RCPS which have no entitlement to warrants.

POINTS OF INTEREST

Company	Points/Issues to Be Raised
CAB Cakaran Corporation Berhad (AGM)	The Group's revenue from external customers (Source: Page 185 of AR2024): a) Why did revenue contribution from Japan continue to decline to RM1.64 million (FYE2023: RM2.20 million)? Did the Group lose some of its Japanese customers in 2024? b) Given the recent bird flu outbreaks striking Japan farms which led to millions of birds being culled, are there opportunities for the Group to export more to Japan? To date, to what extent did the Group experience higher demand for its products? c) Revenue contribution from Hong Kong amounted to RM3.32 million (FYE2023: Nil), what were the main products sold to Hong Kong? Is the revenue contribution from Hong Kong sustainable, going forward? Does the Group have any long-term contract to supply its products to Hong Kong customer?
Axiata Group Berhad (EGM)	1. "*There are currently four key mobile network operators ("MNOs") in the Indonesian mobile market. Telkomsel is the incumbent with the largest subscriber base, and sees the highest revenue, EBITDA margin, and net income margin. The Indosat–Hutchison merger in 2022 established Indosat Ooredoo Hutchinson (IOH), which is now the second-largest player*." (Page 18 of the Circular) Given that the Indonesian telecommunications market is highly competitive, how does the MergeCo plan to position itself against established players such as Telkomsel and IOH? 2. The Indonesian mobile market is dominated by prepaid subscribers and experiences high churn rates, limiting opportunities for ARPU growth. While the Proposed Merger may support 5G deployment, significant capital investment is still required. Given these challenges, what is MergeCo's strategy to achieve profitability while addressing the increasing demand for 5G services?

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<tr><td>Wong Engineering Corporation Berhad (AGM)</td><td>
1. As part of our long-term plan to mitigate the risk of sole dependency on the highly competitive and cyclical manufacturing business, we have also ventured into construction and property development (“PD”). This strategy has diversified and expanded our revenue stream in the pursuit towards growth and maximising our shareholders’ value. (Page 16 of Annual Report 2024)

In view that WEC is a newcomer to the property development sector, how does the Company plan to differentiate itself in an already competitive market dominated by established players? What unique value proposition, niche focus, or strategic partnerships does the Company intend to leverage to gain a competitive edge and ensure sustainable profitability in this sector?

2. The Company holds a 35% stake in its loss-making associate, Broadway Lifestyle Sdn Bhd (BLSB), which is involved in property development and construction. Over the past three (3) financial years, BLSB has incurred consecutive losses of RM4.27 million, RM5.32 million, and RM4.56 million, respectively.

a) Given the volatile nature of the property and construction sector, what risk mitigation measures has the Company implemented to safeguard its investment?

b) How does the Company influence the decision-making in this associate company, and how actively is it involved in financial and operational decisions to ensure better performance?
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<tr><td>Mynews Holdings Berhad (AGM)</td><td>
1. Japanese Food Hub (JFH) Production Capacity
The production volume of the JFH has been steadily improving but its performance is largely reliant on the sales of fresh food at the retail outlets. However, there is still opportunity for JFH to capture more of the market and further increase its performance. (page 14 of AR 2024)

a) What is the current utilisation rate of JFH production capacity?

b) Why and how is JFH’s performance largely reliant on fresh food sales at the retail outlets?

c) How is JFH’s current performance? Is it profitable? If not, when is it expected to become profitable?
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	2. CU Concept Performance With the rising costs in labour and materials, compounded by inflationary pressure and increase in other operating expenses, the CU concept business continued to show a negative return. However, the loss is narrowing steadily from year to year. (page 14 of AR 2024) a) Is CU Concept affected by rising labour and material costs, compounded by inflationary pressure and an increase in other operating expenses compared to the Group's other business segments? If so, what are the reasons? b) When is the CU Concept business expected to turn around?
Dataprep Holdings Berhad (EGM)	1. Dataprep has undertaken three private placement exercises in the past five years, issuing 250,715,993 shares and raising RM95.14 million in the last three exercises. These placements have led to significant dilution of minority shareholders' interests. The Proposed Placement has raised further concerns, as Dataprep intends to use RM10 million of the proceeds to fund its secured projects, while the Group's financial resources have been depleted with only RM2.1 million in cash was reported as of 31 December 2024 which raise doubts about its ability to support project costs and ongoing operations. (Pages 5 & 11 of the Circular) How does the Board plan to address the continuous losses the Group has experienced since 2008 that have led to financial resource constraints? Additionally, what strategies will be implemented to reduce the reliance on further equity fund raising exercises? 2. The Group has submitted 35 tenders amounting to approximately RM1.0 billion, yet only two projects valued at RM3.8 million are currently in close discussion with the potential customers. (Page 6 of the Circular) a) What was the tender success rate for the Group over the past two years? b) What is the Board's perspective on the business continuity risk if the Group fails to secure new projects, given that the current unbilled order book stands at only RM10.46 million?

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<td>Fintec Global Berhad
(EGM)</td>
<td>Proposed New Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (Proposed RRPT)

The details of Fintec’s proposed RRPT with related parties are stated on pages B-7 to B-9, Circular dated 21 February 2025. Fintec is a shareholder of NetX Group, Mlabs Group and Seacera with 20.68%, 4.67%, and 24.65% stakes, respectively.

a) Regarding the RRPT with NetX Group for the provision of turnkey solutions on network infrastructure and other services, please specify which principal activities of Fintec Group that required (as outlined on pages B-3 and B-4 of the Circular) these services support from NetX Group?

Additionally, what advertisement, marketing, and promotional activities does Fintec intend to engage NetX Group for? Which principal activities of Fintec Group benefit from the said services provided by NetX Group?

b) In reference to RRPT with Mlabs Group, please explain the rationale for seeking shareholders’ approval for an estimated transaction value of RM5 million, which represents a significant increase compared to the actual value transacted to date.

Furthermore, to which principal activities are the services rendered under this arrangement?

c) On RRPT with Seacera Group for the provision of construction-related services with an estimated transaction value of RM5 million, which construction/maintenance projects does Fintec intend to undertake?

d) Lastly, Fintec plans to purchase gloves and its related packaging products from Seacera Group, while also selling nitrile gloves to Seacera.

What are the types of gloves to be purchased from Seacera, and what is the rationale for doing so?</td>
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<td>Bursa Malaysia Berhad
(AGM)</td>
<td>The operationalisation of the Regulatory Subsidiary (RegSub) is pending issuance of the relevant laws/regulations.

In the meantime, Regulatory Committees comprising the Regulatory and Conflicts Committee (RACC), Listing Committee, Market Participants Committee, and Appeals Committee have been set up to deliberate and decide on regulatory matters to</td>
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	ensure Bursa Malaysia upholds its obligation to safeguard the public interest. The Asian Corporate Governance Association (ACGA) in the Asean Chapter of its CG Watch 2023 report published June 2024, maintained its scoring and did not award a higher score on corporate governance (CG) reform, citing the delay in launching Bursa Malaysia RegSub. This suggests ACGA's continued concerns regarding the progress and implementation of the RegSub. Please provide an update on the expected timeline for the operationalisation of RegSub. Additionally, what are the key challenges or regulatory hurdles delaying its operation? How is Bursa Malaysia addressing the concerns raised by ACGA regarding CG reforms and the independence of the regulatory function?
Eco World International Berhad (AGM)	In view of the challenging market conditions, the Group has decided not to proceed with new launches in FY2024. Projects with unlaunched phases include Kew Bridge, Oxbow, Tesco Barking, Woking and Macquarie Park. (page 9 and 13 of IAR 2024) a) Given the decision to pause launches in FY2024, what is the likelihood of launching the deferred phases (Kew Bridge, Oxbow, etc.) in FY2025? b) Please provide a breakdown of the remaining landbank and the estimated GDV for the unlaunched phases of Kew Bridge, Oxbow, Tesco Barking, Woking, and Macquarie Park? c) How does the Group plan to maintain competitiveness in these projects if market conditions remain weak into FY2025? Are there plans to revise unit sizes, pricing, or amenities?