

Annual  
Report  
**2024**

## Scope and Boundary of Reporting

This Report encompasses the core activities of MSWG, detailing our organisation and initiatives. Its purpose is to provide insights into how we generate value for our stakeholders.

This report covers the period from 1 January 2024 to 31 December 2024.

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# About Us

The Minority Shareholders Watch Group (MSWG) was established in 2000 as a government initiative within a broader capital market framework. Its primary mission is to advocate for minority shareholders' rights and promote corporate governance excellence through shareholder activism and stakeholder engagement.

MSWG operates under a license<sup>1</sup> from the Securities Commission Malaysia (SC Malaysia), in accordance with the Capital Markets and Services Act 2007. As a self-governing, non-profit organisation, MSWG is substantially funded by the Capital Market Development Fund (CMDf). The organisation serves as a crucial pillar of market discipline, fostering transparency, accountability, and long-term sustainability in the corporate sector.

Over the years, MSWG has become a respected and independent voice in corporate governance and sustainability matters. Through rigorous monitoring and direct engagement, it has influenced key reforms and strengthened investor confidence. With its Vision 28, MSWG is advancing as an influential force, driven by stronger shareholder activism and digitalisation to champion Environmental, Social, and Governance (ESG) principles and shape a more transparent, accountable, and sustainable corporate landscape.

<sup>1</sup>Licensed under the name of Badan Pengawas Pemegang Saham Minoriti Berhad.



# 2024 in Numbers

PLCs  
Monitored

**450**

Domestic PLCs Assessed using  
ASEAN CG Scorecard &  
Sustainability Scorecard

FY2023 / FY2024

**872**

The  
**Observer**

Weekly Readership

**>180,000**



Shareholder  
Meetings  
Attended

FY2024  
**536**

FY2023  
**529**



Annual  
General  
Meeting

FY2024  
**439**

FY2023  
**423**



Extraordinary  
General  
Meeting

FY2024  
**96**

FY2023  
**104**



Court  
Convened  
Meeting

FY2024  
**1**

FY2023  
**2**

Institutional & Corporate  
**Subscribers**

FY2024

**44**

FY2023

**54**

Retail  
**Subscribers**

FY2024

**1,898**

FY2023

**1,803**

# Chairman's Statement



On behalf of the Board of Directors, I am pleased to present MSWG's Annual Report and Audited Financial Statements for the financial year ended 31 December 2024 (FY2024).

The year 2024 has been marked by economic complexities and market recalibrations, as Malaysia's capital market continues to evolve amid global shifts, regulatory advancements, and heightened investor expectations. Geopolitical tensions, intensifying trade wars, and the rapid advancement of artificial intelligence (AI) have reshaped the economic landscape, compelling investors and corporations to reassess risk, governance, and resilience strategies. While posing challenges, these disruptions have also created opportunities for businesses and regulators to strengthen their frameworks and enhance market stability.

Global economic growth remained moderate in 2024, with the IMF projecting a 3.0% expansion, reflecting a slower post-pandemic recovery. Advanced economies, particularly the U.S. and the Eurozone, grappled with inflationary pressures and shifting monetary policies, impacting capital flows into emerging markets. China's slowdown and escalating U.S.-China trade tensions, particularly in technology and semiconductors, further strained global supply chains and commodity prices. Despite these challenges, Malaysia's economy demonstrated resilience, recording 4.2% GDP growth, supported by robust domestic demand, infrastructure projects, and sustained foreign direct investment (FDI) in high-growth sectors like EVs, digital infrastructure, and renewable energy.

Malaysia's capital market remained a key pillar of economic growth, with securities market capitalisation reaching RM2.1 trillion. Investor sentiment remained stable, with the FBM KLCI closing positively, buoyed by gains in banking, plantation, and consumer sectors. Institutional investors increasingly factored environmental, social, and governance (ESG) considerations into decision-making, reinforced by stronger corporate governance and sustainability reporting regulations, fostering greater transparency and accountability.

Looking ahead to 2025, Malaysia's GDP is projected to grow between 4.5% and 5.0%, contingent on global economic conditions, domestic policies, and continued investment in high-growth sectors. AI and automation will enhance efficiencies across industries but raise concerns over governance, cybersecurity, and regulatory oversight. Sustainability and ESG integration will gain further prominence, with increasing regulatory pressure on climate risk, human rights, and board diversity. Additionally, monetary policy adjustments by global central banks will shape capital flows into emerging markets like Malaysia.



*MSWG remains steadfast in its commitment to safeguarding the interests of minority shareholders.*

### **Driving Shareholder Activism and Strengthening Market Accountability**

As the corporate landscape continues to evolve, MSWG remains steadfast in its commitment to safeguarding the interests of minority shareholders. Over the past three years, we successfully executed the MSWG Strategic Roadmap 2022-2024, which laid the foundation for a more structured and impactful approach to corporate monitoring, advocacy, and governance reform. With its completion, we move forward with Vision 28, an ambitious strategy designed to elevate shareholder activism, corporate governance standards, and market transparency. Vision 28 will leverage data analytics, enhanced advocacy initiatives, and deeper stakeholder engagement to drive more effective governance oversight.

A cornerstone of MSWG's mandate is corporate monitoring, ensuring that public listed companies (PLCs) adhere to governance and sustainability best practices. In 2024, we monitored 450 PLCs and actively engaged in over 500 general meetings, scrutinising key financial, operational, and governance matters. Our interventions addressed critical issues related to financial transparency, board independence, executive remuneration, risk management, and ESG performance. These efforts have contributed to more informed decision-making shareholders while reinforcing corporate accountability.

Advocacy remains central to MSWG's mission. This year, we expanded our initiatives to enhance public awareness and engagement. Our revamped weekly newsletter, reaching over 180,000 readers, now provides more profound analysis, market insights, and thought leadership on governance and sustainability matters. We also broadened our training and outreach programmes. Recognising the importance of financial literacy among the younger generation, we participated in the InvestEd initiative, engaging students across multiple campuses to instil a deeper understanding of investment principles, capital market dynamics, and shareholder rights.

MSWG also completed its domestic corporate governance and sustainability assessment, a comprehensive evaluation of Malaysian PLCs' governance practices. This culminated in the National Corporate Governance and Sustainability Awards (NACGSA), a prestigious event that recognised the top 50 Malaysian PLCs for outstanding governance and sustainability practices. Officiated by YBhg. Datuk Dr. Shahrazat binti Haji Ahmad, Deputy Secretary General of Treasury (Investment), Ministry of Finance Malaysia the awards encourage companies to improve their corporate responsibility and stakeholder engagement standards continuously.

### **Financial Performance**

MSWG received funding from CMDP to support our mandate and ensure independence in our activism. This enabled us to implement our strategic initiatives effectively.

*MSWG will expand shareholder activism, strengthen corporate governance oversight, and deepen engagement with policymakers.*

The Company recorded a net profit before tax of RM1,192,318 (2023: RM643,093) for the financial year ended 31 December 2024. This achievement underscores MSWG's strategic efforts to enhance our offerings, including expanding training programmes and hosting the National Corporate Governance and Sustainability Awards (NACGSA). Our focus on diversifying revenue streams and strengthening operational efficiency has reinforced our financial resilience, ensuring sustained value delivery to our stakeholders. For further details on financial performance, please refer to our CEO's commentary on page 18.

### **Advancing Vision 28: Strengthening Shareholder Activism and Market Reforms**

Under Vision 28, MSWG will expand shareholder activism, strengthen corporate governance oversight, and deepen engagement with policymakers. We will leverage technology and data-driven analytics to refine our monitoring capabilities and ensure structured, impactful advocacy. As governance expectations continue to rise, we will proactively shape sustainability and corporate reforms, working with regulators to promote governance frameworks that safeguard investor interests. Enhanced research, training, and outreach initiatives will provide critical insights, equipping stakeholders—including investors, directors, and market intermediaries—with the tools to navigate evolving governance challenges.

With growing expectations for board accountability, ESG integration, and shareholder rights, MSWG remains committed to championing transparency and governance excellence. By deepening stakeholder engagement, strengthening advocacy efforts, and leveraging technology for more effective oversight, we will continue reinforcing Malaysia's capital market as a fair, resilient, and investor-friendly ecosystem. Vision 28 represents the next phase of MSWG's journey in shaping a more inclusive and responsible corporate environment.

### **Acknowledgement**

MSWG's achievements would not have been possible without the unwavering support of our stakeholders. We extend our most profound appreciation to CMDF, SC Malaysia, and Bursa Malaysia for their invaluable guidance and steadfast support. Their collaboration has been instrumental in strengthening corporate governance and shareholder rights.

We also extend our sincere gratitude to our members, particularly Lembaga Tabung Angkatan Tentera (LTAT), Permodalan Nasional Berhad (PNB), Pertubuhan Keselamatan Sosial (PERKESO), and the Lembaga Tabung Haji (LTH), for their continued support in advancing good governance and investor protection.

Our appreciation also goes to our institutional, corporate, and retail subscribers, whose unwavering trust and commitment continue to strengthen MSWG's position as an independent voice for minority shareholders. Your support has enabled us to drive meaningful advocacy, shape governance reforms, and promote greater transparency in the capital market. We remain committed to delivering value to our subscribers by enhancing corporate monitoring, expanding thought leadership, and deepening shareholder engagement.

Finally, my heartfelt thanks to the MSWG team, led by Dr. Ismet Yusoff, CEO of MSWG. His leadership has transformed MSWG, introducing strategic initiatives, strengthening governance oversight and shareholder advocacy. The team's dedication ensures that MSWG remains a driving force for accountability and transparency. With this collective strength, I am confident we will continue achieving even more significant milestones in the years ahead.

**DATUK MOHD NASIR ALI**

Chairman  
April 2025



# Corporate Information

## Board of Directors

Datuk Mohd Nasir Ali	Chairman and Independent Non-Executive Director
Datuk Gazali Haji Harun	Independent Non-Executive Director
Dato' Abdul Alim Abdullah	Independent Non-Executive Director
Muhammad Fitri Othman	Independent Non-Executive Director
Selvarany Rasiah	Independent Non-Executive Director

## Chief Executive Officer

**Dr Ismet Yusoff**  
ismet@mswg.org.my

## Registered Office

Level 23, Unit 23-2  
Menara AIA Sentral  
No.30, Jalan Sultan Ismail  
50250 Kuala Lumpur  
Tel: +(603) 2732 0010

## Banker

**Malayan Banking Berhad**  
Jalan Raja Laut Branch  
Wisma PKNS  
Jalan Raja Laut  
50350 Kuala Lumpur  
Tel: +(603) 2698 8867  
Fax: +(603) 2691 7181

## Company Secretary

**Mr Chew Phye Keat (BC/C/282)**  
SSM Practising Certificate No:  
202008002753  
Messrs Raja, Darryl & Loh  
Level 26, Menara Hong Leong  
No. 6, Jalan Damanlela  
Bukit Damansara  
50490 Kuala Lumpur

## Auditors

**PricewaterhouseCoopers PLT, Malaysia**  
Level 10, 1 Sentral  
Jalan Travers  
Kuala Lumpur Sentral  
P O Box 10192  
50706 Kuala Lumpur  
Tel: +(603) 2173 1188  
Fax: +(603) 2173 1288

# Board of Directors

## Datuk Mohd Nasir Ali

Chairman, Independent Non-Executive Director



**Gender**  
Male

**Age**  
66

**Nationality**  
Malaysian

### DATE OF APPOINTMENT

- 25 May 2021 (Appointed as Director)
- 15 November 2021 (Appointed as Chairman)

### ACADEMIC AND PROFESSIONAL QUALIFICATIONS

- M.Sc. in Financial Studies, University of Strathclyde, United Kingdom
- B. Economics (Hons), Universiti Malaya

### PRESENT APPOINTMENT(S)

- Chairman & Independent Non-Executive Director, MIDF Amanah Investment Bank Berhad
- Independent Non-Executive Director, MIDF Berhad
- Independent Non-Executive Director, Goodyear Malaysia Berhad
- Director, JLand Group Sdn Bhd

### BOARD COMMITTEES MEMBERSHIP(S)

- Nil

# Board of Directors

## Datuk Gazali Haji Harun

Independent Non-Executive Director

**Gender**

Male

**Age**

67

**Nationality**

Malaysian

**DATE OF APPOINTMENT**

- 26 October 2016

**ACADEMIC AND PROFESSIONAL QUALIFICATIONS**

- Master of Business Administration, Governors State University, Illinois, United States of America
- Bachelor of Science, Northern Illinois University, United States of America
- Diploma in Accountancy, Universiti Teknologi MARA, Malaysia
- C.A.(M) - Chartered Accountant (Malaysia)
- Certified Mediator, Bar Council Malaysia Mediation Centre (March 2019)

**PRESENT APPOINTMENT(S)**

- Nil

**BOARD COMMITTEES MEMBERSHIP(S)**

- Audit & Risk Committee - Chairman
- Nomination & Remuneration Committee - Member



# Board of Directors

## Dato' Abdul Alim Abdullah

Independent Non-Executive Director



### Gender

Male

### Age

76

### Nationality

Malaysian

### DATE OF APPOINTMENT

- 20 November 2019

### ACADEMIC AND PROFESSIONAL QUALIFICATIONS

- Barrister-At-Law, Lincoln's Inn London
- FCIS (Fellow of The Chartered Institute of Secretaries and Administrators)
- Advocate and Solicitor High Court Malaya
- Judge, High Court Malaya (Retired)
- Arbitrator and Mediator, Asian International Arbitration Center

### PRESENT APPOINTMENT(S)

- Nil

### BOARD COMMITTEES MEMBERSHIP(S)

- Nomination & Remuneration Committee - Chairman

# Board of Directors

## Muhammad Fitri Othman, CFA

Independent Non-Executive Director



Gender	Age	Nationality
Male	41	Malaysian

### DATE OF APPOINTMENT

- 19 November 2021

### ACADEMIC AND PROFESSIONAL QUALIFICATIONS

- MSc Economics, London School of Economics and Political Science (LSE), United Kingdom
- BSc Economics & Finance (First Class Honours), University of Southampton, United Kingdom
- Chartered Financial Analyst (CFA), CFA Institute, United States of America

### PRESENT APPOINTMENT(S)

- Group Chief Executive Officer, Felda Investment Corporation Sdn Bhd

### BOARD COMMITTEES MEMBERSHIP(S)

- Audit & Risk Committee - Member
- Nomination & Remuneration Committee - Member

# Board of Directors

## Selvarany Rasiah

Independent Non-Executive Director



**Gender**  
Female

**Age**  
59

**Nationality**  
Malaysian

### DATE OF APPOINTMENT

- 11 January 2024

### ACADEMIC AND PROFESSIONAL QUALIFICATIONS

- Bachelor of Laws, University of Malaya
- Advanced Management Program, Harvard Business School

### PRESENT APPOINTMENT(S)

- Founder & Chief Executive Officer, Kapital DX Sdn Bhd
- Non-Executive Director, Kapital DX Nominee Sdn Bhd
- Non-Executive Director, Edas Consulting Sdn Bhd
- Non-Executive Director, ESGA Sdn Bhd

### BOARD COMMITTEES MEMBERSHIP(S)

- Audit & Risk Committee - Member

# Management Team

## Dr Ismet Yusoff

Chief Executive Officer

### DATE OF APPOINTMENT

• 18 March 2024

Dr Ismet Yusoff is a seasoned corporate governance advocate with vast experience as a policymaker and strategist on governance and sustainability practices. He plays an active role in raising the corporate governance and sustainability standards of corporates in Malaysia by working closely with local and international stakeholders, including regulators, standard setters, professional bodies, and corporates.

Before MSWG, Dr Ismet was the Chief Executive Officer of the Malaysian Institute of Corporate Governance (MICG) and served the Securities Commission Malaysia. He was instrumental in formulating Malaysia's corporate governance and sustainability regulatory framework, best practices, and strategic priorities. These include the development of the Malaysian Code of Corporate Governance, Malaysia's Corporate Governance Strategic Priorities, Governance Code for Malaysia MSMEs, Guidelines on the Conduct of Directors of Listed Corporations and Their Subsidiaries, Guidelines on Corporate Governance for Capital Market Intermediaries and Bursa Malaysia Listing Requirements, including Bursa Malaysia Sustainability Reporting Framework. He was also involved in developing analytics and machine learning systems for regulatory monitoring of governance disclosures, establishing the Institute of Corporate Directors Malaysia and other industry-led initiatives on corporate governance and sustainability.

Dr Ismet graduated from the International Islamic University Malaysia. His doctoral thesis was on the effect of corporate governance and capital structures on the performances of Malaysian publicly listed companies.

## Rita Foo

Head,  
Corporate Monitoring

## Lini Hazlinda

Head,  
Corporate Resources

## Emily Lim

Head,  
Finance & Admin

## Padma Devi Subramaniam

Head,  
Information Technology

# Corporate Governance Statement

The Board of Directors (“the Board”) is committed to ensuring high corporate governance practices throughout the Company as a fundamental part of managing its business affairs. This will allow the Board to promote shareholder activism and influence good corporate governance practices among PLCs in the capital market.

The Company’s corporate governance practices and procedures are periodically reviewed by the Board and are guided by the following:

## **BOARD CHARTER**

The Board has established and adopted a Board Charter to ensure that all Board members know the Board’s fiduciary duties and responsibilities, particularly their obligation to act in the Company’s best interest. The charter sets out the standards and principles governing the Board processes and outlines the roles, functions and responsibilities of the Board.

## **CODE OF CONDUCT & ETHICS**

The Directors acknowledge and accept the scope and extent of their duties as Directors. The Board is responsible for carrying out an oversight function in the interests of MSWG within the scope of its authority and consistent with its fiduciary duties.

The Board will adhere to the standards of loyalty and good faith and avoid/disclose conflict of interest situations.

The Board Members of MSWG will:

- 1) act in the best interests of MSWG and fulfil their fiduciary duties to MSWG;
- 2) act honestly, reasonably, ethically and with integrity;
- 3) conduct themselves in a professional, courteous and respectful manner;
- 4) comply with all applicable laws, rules and regulations;
- 5) act in good faith, responsibly, with due care, competence and diligence, without allowing independent judgment to be subordinated to interests other than that of MSWG;
- 7) maintain high ethical and moral character – both professionally and personally – and act in a manner that enhances and maintains the reputation of MSWG;
- 8) disclose any potential conflicts of interest, including those that they may have regarding any matters that may come before the Board, and abstain from discussion and voting on any matters in which they have or may have a conflict of interest;

- 9) make available to fellow Directors the information as may be appropriate to ensure proper conduct and sound operation of MSWG and its Board of Directors;
- 10) respect the confidentiality of information relating to the affairs of the Company acquired in the course of service as Directors except when authorised or legally required to disclose such information; and
- 11) do not use confidential information acquired during their service as Directors to their advantage.

### **MSWG WHISTLEBLOWER POLICY**

The Company has in place a Whistleblower Policy to provide an avenue for employees or any external party to report any improper conduct affecting the Company and to protect employees who report such allegations.

The whistleblower will be accorded protection of identity and confidentiality to the extent reasonably practicable. In addition, an employee who whistleblows internally will also be protected against any adverse and detrimental actions for disclosing any improper conduct committed or about to be committed within MSWG, to the extent reasonably practicable, provided that the disclosure is made in good faith. Such protection is accorded even if the investigation later reveals that the whistleblower is mistaken about the facts, rules and procedures involved.

The MSWG Whistleblower Policy is published on the Company's website at [www.mswg.org.my](http://www.mswg.org.my).

### **MSWG ANTI-BRIBERY AND ANTI-CORRUPTION POLICY**

The MSWG Anti-Bribery and Anti-Corruption Policy outlines the Company's commitment to conducting business ethically and complying with all applicable laws, including the Malaysian Anti-Corruption Commission Act 2009 and any amendments made by the relevant authority from time to time. It incorporates MSWG's core principles and aims to guide employees and third parties in dealing with improper solicitation, bribery and other corrupt activities and issues that may arise in business.

The Company adopts a zero-tolerance policy against all forms of bribery and corruption. We are pleased to report that no incidences of bribery or corruption were reported during the year.

The MSWG Anti-Bribery and Anti-Corruption Policy is published on the Company's website at [www.mswg.org.my](http://www.mswg.org.my).

### **BOARD COMMITTEES**

The board is led by an Independent Non-Executive Chairman accountable for ensuring the integrity and effectiveness of the board's governance process. The Board Committees also assist the Board in ensuring appropriate checks and balances in discharging its oversight function and statutory and fiduciary obligations.

Two Board Committees, the Audit & Risk Committee (ARC) and the Nomination & Remuneration Committee (NRC), operated during the year under review. Each Committee has a formal written Terms of Reference that effectively stipulates the delegated responsibilities by the Board.

A total of 4 ARC meetings were held during FY2024. The ARC comprises the following members:

Datuk Gazali Haji Harun – Chairman  
Muhammad Fitri Othman - Member  
Selvarany Rasiah – Member (Appointed w.e.f. 3 April 2024)

A total of 2 NRC meetings were held during FY2024. The NRC comprises the following members:

Dato' Abdul Alim Abdullah – Chairman  
Datuk Gazali Haji Harun - Member  
Muhammad Fitri Othman – Member (Appointed w.e.f. 4 November 2024)

### BOARD & BOARD COMMITTEE MEETING ATTENDANCE 2024

The attendance of the Directors and Board Committee members during the financial year under review is provided below:

Director	Board Meetings*	ARC**	NRC***
Datuk Mohd Nasir Ali	6/6	-	-
Datuk Gazali Haji Harun	6/6	4/4	2/2
Muhammad Fitri Othman	6/6	4/4	- <sup>2</sup>
Dato' Abdul Alim Abdullah	6/6	-	2/2
Selvarany Rasiah <sup>1</sup>	6/6	3/3 <sup>3</sup>	-

Notes:

<sup>1</sup> Appointed as a director of the company on 11 January 2024.

<sup>2</sup> Appointed as a member of the NRC on 4 November 2024.

<sup>3</sup> Appointed as a member of the ARC on 3 April 2024.

\* There were 4 scheduled board meetings and 2 special board meetings.

\*\* Audit and Risk Committee.

\*\*\* Nomination and Remuneration Committee.

### DIVIDEND

No dividend was declared or paid to the founding members for the year as MSWG is a company limited by guarantee and has no share capital.

# From the Desk of Our CEO



Dear Stakeholders,

2024 has been a transformative year for MSWG as we intensified our commitment to corporate governance excellence and shareholder activism. The global economic landscape has remained uncertain, with inflationary pressures, geopolitical tensions, and regulatory shifts shaping capital markets. In Malaysia, corporate governance and sustainability remain at the forefront of investor expectations, pushing PLCs to embrace greater transparency, accountability, and stakeholder engagement. Against this backdrop, MSWG has played an essential role in fostering investor confidence and ensuring that minority shareholder rights are upheld.

We have witnessed an increasing emphasis on sustainability considerations throughout the year, with regulatory bodies tightening disclosure requirements and institutional investors integrating sustainability factors into their decision-making. The rise of digitalisation in corporate governance practices has also led to evolving dynamics in shareholder engagement, particularly with the continued adoption of virtual and hybrid AGMs. MSWG has remained proactive in addressing these developments, strengthening its monitoring frameworks and deepening its assessments to ensure that governance standards evolve in line with market needs.

Our commitment to corporate monitoring, governance assessments, and advocacy initiatives has made a tangible impact, reinforcing MSWG's role as a key player in Malaysia's capital market ecosystem. By expanding our engagement with regulators, policymakers, and PLCs, we have contributed to raising governance standards and amplifying the voices of minority shareholders. As we move forward, our focus remains on championing transparency, accountability, and sustainable business practices to create long-term value for all stakeholders.

## Driving Financial Growth

MSWG's financial performance in 2024 underscores the organisation's resilience and ability to adapt to a dynamic business environment. The Company recorded a net profit before tax of RM1,192,318 (2023: RM643,093). This growth was primarily driven by a strategic shift towards revenue diversification, focusing on expanding training programmes and hosting the National Corporate Governance and Sustainability Awards (NACGSA).

The increase in surplus is also attributed to disciplined financial management, which ensures operational efficiencies while maintaining MSWG's independence and core mandate. Despite market uncertainties, our ability to sustain strong financial performance highlights MSWG's strategic approach to balancing fiscal responsibility with our commitment to shareholder activism. Moving forward, we aim to explore new revenue streams, enhance service offerings for our subscribers, and continue leveraging digital transformation whilst ensuring our independence remains intact.



## Enhancing Corporate Oversight and Shareholder Engagement

MSWG continues to play a critical role in strengthening corporate accountability through its robust PLC monitoring. In 2024, we sharpened our focus on key governance concerns, including climate-related risks, board independence, and shareholder rights, reinforcing our commitment to driving higher standards of corporate responsibility.

Our engagements with PLCs remained proactive, ensuring that shareholder concerns were addressed transparently. We continued to raise governance-related issues ahead of general meetings, and our efforts have increased company responsiveness. Our post-general meeting evaluations further provided insights into governance practices, helping to shape stronger market discipline and shareholder engagement.


Looking ahead, we will leverage technology and strategic partnerships to enhance our corporate monitoring efforts further. MSWG remains committed to advocating for greater transparency, accountability, and governance excellence, ensuring that the rights of minority shareholders are protected in an evolving corporate landscape.

MSWG continues to play a critical role in advocating for corporate governance reforms and stronger investor protections. Through our engagement with regulators, we have contributed to meaningful regulatory advancements, including amendments to Bursa Malaysia's Listing Requirements and key policy reforms by SC Malaysia, such as mandating physical general meetings. These efforts reinforce our commitment to enhancing transparency, protecting shareholder rights, and strengthening market confidence.

As Malaysia's Domestic Ranking Body (DRB) for the ASEAN Corporate Governance Scorecard (ACGS), MSWG was actively involved in the 2024 regional assessment, ensuring governance standards align with international best practices. Additionally, through initiatives like the National Corporate Governance & Sustainability Awards (NACGSA), we continue to recognise and promote exemplary governance and sustainability leadership among PLCs.

## Thought Leadership and Market Engagement

Our advocacy extends beyond policy contributions—we actively engage with market participants to elevate governance discourse. In 2024, we participated in numerous speaking engagements on corporate governance and sustainability issues at both local and international forums. This included speaking at the OECD Asian Corporate Governance Conference in Manila, the Asian Corporate Governance Association (ACGA) Conference in Singapore, and the Brunei Institute of Leadership and Islamic Finance (BILIF).



*The Observer remains a trusted resource for corporate governance insights and investor updates.*

MSWG's flagship newsletter, The Observer, underwent a strategic revamp to expand its focus on governance and sustainability issues. With a readership exceeding 180,000 through syndication in Nan Yang Siang Pau, and 49 editions published in 2024, The Observer remains a trusted resource for corporate governance insights and investor updates.

### **Fostering Stronger Collaborations**

Collaboration remains a cornerstone of our approach to driving governance reforms. MSWG is an active member of the National Corporate Governance Council, chaired by SC Malaysia, and the Institutional Investors Council, reinforcing our advocacy efforts within the investment community. Beyond these memberships, we actively engage with key stakeholders, including Bursa Malaysia, the Climate Governance Council, and the 30% Club Malaysia, to promote best practices in governance and sustainability.

### **Delivering Valued Services**

As an HRD Corp-certified training provider, MSWG conducted 13 training programmes in 2024, focusing on corporate governance, sustainability, shareholder rights, and regulatory compliance.

Our subscriber base grew positively, with 44 institutional and corporate subscribers and 1,898 retail subscribers. Revenue from subscriber services reached RM345,137, demonstrating strong engagement with our offerings and reaffirming the value we provide to the investment and corporate community.

### **Investing in Talent and the Future**

Our employees are our greatest asset, and we continuously invest in their development to enhance their skills and expertise. MSWG remains committed to fostering a supportive work environment through competitive benefits and wellness initiatives, including annual leave, family-friendly policies, medical coverage, and various allowances—all reviewed regularly to meet evolving needs.

We conducted internal training, including on climate-related issues, and supported staff participation in external programmes to build both technical and soft skills. Open communication is encouraged via email and office WhatsApp groups, while safety measures such as office sanitisation and updates on emergency procedures are consistently implemented. To strengthen engagement and camaraderie, we organised CEO-staff dialogues and festive gatherings, including Hari Raya and year-end celebrations.

## Celebrating 25 Years and Advancing Vision 28

As we step into 2025, MSWG marks its 25th anniversary, a significant milestone in our journey of championing corporate governance excellence and shareholder rights. This anniversary reflects our achievements and a renewed commitment to driving governance reforms, fostering transparency, and strengthening market confidence.

Vision 28 will be instrumental in elevating shareholder activism, accelerating digital transformation, and expanding MSWG's influence in shaping corporate governance standards. As regulatory expectations evolve and sustainability becomes an increasingly critical component of governance, we will continue to enhance our monitoring frameworks, deepen stakeholder engagement, and integrate data-driven insights and digital solutions to improve the efficiency of our corporate monitoring activities.

Strategic collaborations will continue to be a key driver of our future success. We will strengthen partnerships with regulators, institutional investors, and corporate stakeholders to advocate for policies that promote greater corporate accountability and sustainability. As we embark on this next chapter, we focus on building a more transparent, fair, and investor-friendly capital market.

I extend my deepest appreciation to the MSWG Board of Directors for their steadfast leadership. We sincerely thank our members and stakeholders, including CMDF, SC Malaysia, and Bursa Malaysia, for their continuous support and collaboration.

I am also grateful to our corporate and retail subscribers, as well as our clients, for their trust and engagement. Your commitment reinforces our efforts to create a more transparent, accountable, and investor-friendly corporate landscape.

Finally, I extend my heartfelt thanks to the MSWG family whose commitment, dedication, and support remain the foundation of our success. Your collective efforts and unwavering passion drive MSWG's impact, and I look forward to continuing this journey together as we shape the future of corporate governance and sustainability best practices.

**DR. ISMET YUSOFF**

Chief Executive Officer

April 2025



# Vision 28

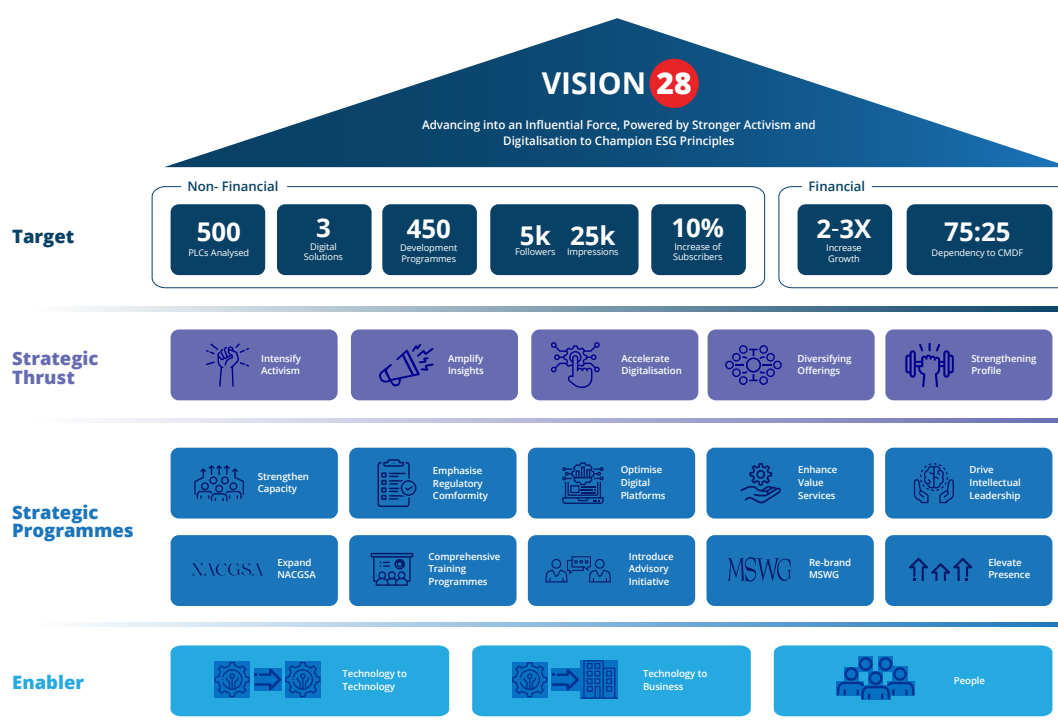
## Fuelling MSWG's Influence as a Stronger Force in Activism

As MSWG advances into its next phase of growth and impact, Vision 28 serves as a strategic roadmap to elevate its role in corporate governance and sustainability advocacy. This initiative strengthens MSWG's influence through intensified shareholder activism, digital transformation, and enhanced stakeholder engagement. Vision 28 outlines a structured framework spanning 2025 to 2028, setting clear objectives to solidify MSWG's position as a thought leader in corporate governance and an independent watchdog for minority shareholders.

At its core, Vision 28 is aligned with MSWG's long-term 2035 Target, which seeks to build financial resilience, enhance governance assessments, and expand influence in Malaysia and across the ASEAN region. The plan establishes ambitious yet achievable milestones, including increasing the number of PLCs under MSWG's monitoring, digitalising corporate governance assessments, and broadening training programmes to empower stakeholders with critical governance knowledge. Additionally, MSWG aims to reduce its financial reliance on the CMDF, targeting a more balanced funding model through diversified revenue streams.

### Strategic Thrusts of Vision 28

To achieve these goals, Vision 28 is built upon five strategic thrusts, each aimed at fortifying MSWG's capacity, impact, and sustainability:



**MSWG 2035**

5% CAGR

2 Years Reserve

50:50 Dependency to CMDF

Advancing MSWG

**VISION 28**

### **STRATEGIC THRUST 1: INTENSIFYING ACTIVISM**

MSWG will adopt a more proactive approach to shareholder activism, ensuring that governance concerns are addressed before they escalate. This involves expanding corporate monitoring efforts to cover 500 PLCs by 2027 and increasing MSWG's presence in companies' general meetings to safeguard shareholder interests. Additionally, MSWG will strengthen its engagement with regulators, including the SC Malaysia and Bursa Malaysia, to influence policy reforms that enhance minority shareholder rights. A key priority is ensuring that corporate transactions, such as privatisations, mergers, and delisting, are conducted transparently and in the best interests of all shareholders.

### **STRATEGIC THRUST 2: AMPLIFYING INSIGHTS**

Recognising the growing demand for in-depth corporate governance analysis, MSWG will enhance its research and assessment methodologies to provide more actionable insights. Expanding NACGSA and ACGS will be achieved by ensuring that corporate assessments align with evolving global standards. Additionally, MSWG will increase its training programmes to 450 sessions over the next three years, equipping stakeholders with knowledge in governance, sustainability, and financial regulation. A key innovation under this thrust is also the introduction of Digital The Observer, a short-form video series summarising governance updates to expand MSWG's reach and engagement.

### **STRATEGIC THRUST 3: ACCELERATING DIGITALISATION**

MSWG is committed to fully digitalising its corporate monitoring and governance assessment processes to enhance efficiency and scalability. Central to this transformation is the development of MSWG Vault (Value Added Unified Library for Transparency), a data-driven platform that will replace manual assessments with a structured, automated system. This initiative will streamline corporate monitoring, research analysis, and stakeholder engagement, allowing MSWG to provide faster and more accurate governance insights. The Vault will also be integrated with MSWG's subscriber dashboard, offering members real-time access to governance reports, sustainability assessments, and shareholder activism data. Additionally, MSWG aims to extend the Vault's capabilities to ASEAN-level governance assessments, positioning itself as a regional leader in governance digitalisation.

### **STRATEGIC THRUST 4: DIVERSIFYING OFFERINGS**

MSWG plans to expand its service portfolio beyond its traditional corporate governance assessments. Under Vision 28, MSWG will introduce advisory and assurance services, particularly in ESG reporting and sustainability governance. These new offerings will allow companies to benchmark their sustainability performance against international standards while ensuring transparency and accountability. Additionally, MSWG will expand its subscriber base to include research houses, asset managers, and institutional investors, ensuring that governance insights reach a broader spectrum of capital market participants.

## STRATEGIC THRUST 5: STRENGTHENING MSWG'S PROFILE

As MSWG approaches its 25th anniversary, it is embarking on a rebranding initiative to modernise its image and enhance its market presence. This includes revamping MSWG's logo, website, and digital communication channels to ensure a stronger, more recognisable brand identity. Additionally, MSWG will intensify media engagement efforts, targeting an increase in digital impressions and social media following to reinforce its role as Malaysia's leading corporate governance advocate. MSWG will also invest in strategic communication campaigns to amplify governance awareness among investors and the broader business community, including launching advocacy-driven video content.

### Key Enablers for Vision 28

MSWG will leverage three key enablers to support these strategic thrusts: technology, business integration, and talent development. Adopting digital solutions will enhance operational efficiency, while more substantial business alignment will allow MSWG to offer more impactful governance services. Additionally, MSWG will implement a new organisational structure, creating dedicated units for corporate monitoring, research and analytics, and corporate resources to optimise performance. This restructuring will improve talent retention, strengthen governance expertise, and enable more efficient succession planning.

Vision 28 represents a transformative roadmap for MSWG, reinforcing its commitment to corporate governance, shareholder protection, and sustainability advocacy. By intensifying activism, enhancing insights, embracing digitalisation, diversifying offerings, and strengthening its profile, MSWG is poised to become an even more formidable force in shaping the future of corporate governance in Malaysia and beyond. Implementing this strategic plan will drive financial resilience and solidify MSWG's position as an influential advocate for minority shareholders, fostering a more transparent, accountable, and sustainable corporate ecosystem.



# Impact Report

450	PLCs Monitored
536	Meetings Attended
12	States Covered
100%	MSWG Questions Responded at Meetings

## 1 Corporate Monitoring and Activism: Strengthening Oversight, Amplifying Shareholder Voices

Corporate monitoring and shareholder activism are at the heart of MSWG's mission to protect minority shareholders and uphold corporate governance standards. Through rigorous oversight, active participation in general meetings, and direct engagement with stakeholders, MSWG ensures that PLCs remain transparent, accountable, and aligned with the interests of all shareholders. The evolving corporate landscape in 2024 has brought to light new governance concerns, financial irregularities, and shareholder rights issues that demand heightened vigilance.

During the period under review, MSWG monitored 450 PLCs, covering a broad spectrum of companies to ensure effective governance oversight. These included constituents of the FTSE Bursa Malaysia KLCI (FBMKLCI), the Top 100 PLCs by market capitalisation, and selected mid- and small-cap companies. Additionally, MSWG placed companies under closer scrutiny if they were flagged for governance risks or received shareholder complaints. This targeted approach ensured that MSWG remained agile in addressing governance weaknesses while reinforcing confidence in the Malaysian capital market.

### MSWG Monitoring Portfolio Selection Criteria:



**FBM KLCI**  
Component  
Companies

**100**

**TOP 100**  
by Market  
Capitalisation



Mid & Small  
Cap PLCs



Companies  
Flagged with  
Complaints

General meetings serve as a critical avenue for shareholder engagement, allowing investors to voice concerns and demand accountability from company leadership. In 2024, MSWG's representatives attended 536 general meetings, comprising 439 Annual General Meetings (AGMs), 96 Extraordinary General Meetings (EGMs) and 1 Court Convened Meeting. These meetings provided a platform for MSWG to raise critical governance questions, challenge corporate decisions, and highlight issues affecting shareholder value.

Despite the gradual return to physical meetings post-pandemic, virtual AGMs dominated, with 66.5% (356 meetings) conducted online. Only 32% (172 meetings) were held physically, while a mere 1.5% (8) adopted a hybrid format. The prevalence of virtual AGMs has raised concerns about transparency, mainly when companies limit shareholder participation by filtering or disregarding pre-submitted questions. The limited engagement opportunities in fully virtual AGMs create an uneven playing field, restricting shareholders from exercising their rights effectively. MSWG continues to advocate for a more inclusive approach that allows for meaningful shareholder participation, particularly in cases where corporate actions may have significant implications for minority investors.



## MSWG ACTIVISM IN FOCUS

### MPHB CAPITAL BERHAD PRIVATISATION

MSWG highlighted growing concerns surrounding MPHB Capital Berhad (MPHB)'s privatisation exercise. Since MPHB announced the Proposed Selective Capital Reduction (SCR) on 28 May 2024, MSWG has received numerous feedback from minority shareholders, particularly regarding the offer price of RM1.70 per share. Shareholders have expressed that the price is 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 approaches, MSWG has 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 allows shareholders to influence the future direction of MPHB, ensuring their voices are heard in a decision that could shape the company's path forward.

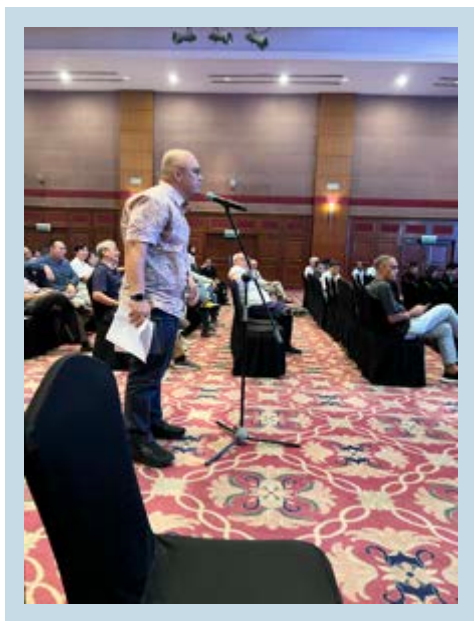
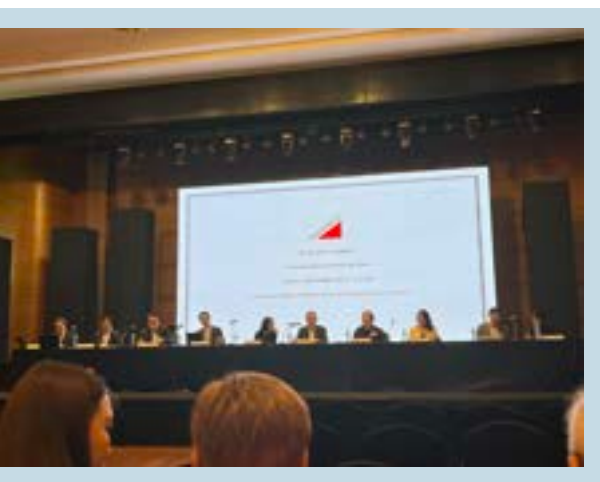
### PUBLIC FORUM ON MPHB PRIVATISATION

On 3 September 2024, MSWG organised a public forum at the Bukit Kiara Equestrian & Country Resort for the minority shareholders. The session was organised in response to the requests made by minority shareholders to understand the Independent Advice Letter (IAL) and the offer presented.

The forum's sole 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.







### Extraordinary General Meeting

The physical EGM for MPH 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. Minority shareholders asked the board, the valuer, the independent adviser, and the principal adviser numerous important questions, expressing concerns over the privatisation terms.

MSWG played a key role in leading the Q&A session, including –

- 1 MPH's cash reserves of approximately RM657.7 million, equivalent to RM0.94 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 RM0.76 per share for a Revalued Net Asset Value (RNAV) of RM2.33 (after cash), 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 MPH 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 did the independent directors make to negotiate a higher offer price?
- 4 How did the independent director safeguard and act in disinterested shareholders' best interest by allowing the Proposed SCR to be tabled?
- 5 Whether the Independent Directors had sought a second opinion on the valuation of MPH's assets, particularly given concerns about the valuation of its land and hotels.

The voting process was conducted manually, requiring shareholders to fill out voting forms and submit them into a collection box. Only disinterested shareholders were eligible to participate. After the session, both resolutions were approved, with 8.34% of shareholders voting against them. For the resolutions to be defeated, dissenting votes must exceed 10%. This outcome suggests that a notable minority of shareholders were dissatisfied with the offer price.

### GRAND CENTRAL ENTERPRISE BERHAD PRIVATISATION

MSWG highlighted another privatisation attempt, this time by Grand Central Enterprise Berhad (GCE Berhad). This development follows closely on the heels of the MPH B privatisation, raising red flags among minority shareholders who voiced concerns over the steep offer price discount.

The privatisation move was first announced on 22 July 2024 by GCE Berhad's controlling shareholders—Hotel Grand Central Limited (HGCL) and Tan Chee Hoe & Sons Sdn Bhd (TCHSSB), who collectively hold a substantial 73.39% stake in GCE Berhad. As the Proposers or Joint Offerors, they aimed to acquire the remaining 26.61% (52.43 million shares) of GCE Berhad that they did not already own. To facilitate this Proposed Withdrawal, they extended an Exit Offer of 46 sen per share to the minority shareholders, sparking controversy over the fairness of the offer.

The Independent Adviser, Main Street Advisers Sdn Bhd, stated in its IAL dated 22 August 2024 that the Exit Offer was "not fair but reasonable." While Main Street recommended that shareholders accept the offer, many long-term shareholders were dissatisfied. They viewed the 46 sen per share offer as a steep discount—60.68% and 52.08% below GCE's RNAV and Net Asset values, respectively.





### The Extraordinary General Meeting of GCE Berhad

The EGM, which took place on 13 September 2024 at GCE Berhad's Grand Continental Hotel in Kuala Lumpur, was attended by approximately 30 shareholders. Despite the Board Chairman's absence, one of the Executive Directors chaired the meeting, with other directors in attendance. Minority shareholders took the opportunity to voice their concerns directly to the Board, the Valuer, the Independent Adviser, and the Principal Adviser regarding the terms of the privatisation.

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

- 1 **Cash Reserves and Offer Price:** MSWG pointed out that GCE Berhad had RM42.5 million in cash as of 30 June 2024, which equates to RM0.22 per share. After accounting for this cash, the effective offer price was reduced to 24 sen per share, a much steeper 75% discount to GCE Berhad's RNAV of RM0.95. We wanted to know why the Joint Offerors intended to keep the cash in the company for themselves instead of distributing it to all shareholders.
- 2 **Business Operations:** MSWG questioned the rationale behind the Proposed Withdrawal. It was suggested that GCE could use its RM42.5 million cash reserves to refurbish its hotels, starting with Hotel Grand Continental Kuala Lumpur, where refurbishment costs were estimated at RM12.3 million. Moreover, with all five hotels unencumbered, GCE could raise funds through bank borrowings using its assets as collateral.

- 3 **Role of Independent Directors:** MSWG questioned the Independent Directors on how they had acted in the best interest of minority shareholders by allowing such a steeply discounted offer to proceed.
- 4 **Negotiations for a Better Deal:** MSWG inquired whether the Independent Directors had made any efforts to negotiate for a higher offer price to benefit minority shareholders, given the substantial discount the current offer represented.

The voting process was conducted manually, with shareholders submitting their votes via forms. Only disinterested shareholders were eligible to vote.

At the EGM, 10.76% of votes were cast against the special resolution to approve the Proposed Withdrawal. Out of the 42 shareholders present—either in person or by proxy—many voted *against* the offer, **ultimately preventing the special resolution from being passed.** Had it not been for the rejection of two proxy forms invalidated due to insufficient notice, the percentage of votes opposing the resolution might have been even higher.

# 2024 in Focus

## Corporate Governance Issues That Defined the Year

The year 2024 saw several recurring governance challenges, reinforcing the need for stronger regulatory oversight and proactive shareholder activism. Below are some of the key issues identified by MSWG –

Issues	Overview	MSWG Highlights in Newsletters/Media
Not fair but reasonable takeover offers	The prevalence of 'not fair but reasonable' takeover offers in Malaysia, a catch 22 situation for minority shareholders	Minority shareholders are urged to exercise prudent judgment in takeover offers
		MPHB Capital's privatisation - To accept or not accept?
		GCE's voluntary withdrawal - A done deal for minority shareholders?
The failure to provide timely and quality disclosure of material information	Failure to disclose material information timely resulting in an uneven playing field.	P.I.E Industrial's disclosure of order wins draws scrutiny
		10 days too late: Icon Offshore's disclosure dilemma
Frequent fundraising issue exercise via share issuance	This is one of SC's key focuses stated in its Annual Report 2023. Many fundraising activities failed to achieve the intended objective of creating value and returns to shareholders.	Equity fundraising: Examine the utilisation of proceeds
		Scrutiny on fundraising exercises, disclosures and utilisation of proceeds raised
Excessive executive remuneration via ESOS	Directors issue substantial ESOS shares to themselves at a significant discount to market price, without vesting period and non-staggered basis, e.g., JAKS Resources, Cypark.	Executive pay cuts from the CG perspective
		Poor Performance, Fat Paycheck

Issues	Overview	MSWG Highlights in Newsletters/Media
Directors failed to discharge their duties and responsibilities properly	Directors who appeared to be appropriate and qualified to take on fiduciary duties failed to perform their duties, resulting in financial and reputational losses to companies. Common CG issues found when they fail to discharge their duties are i.e., making wrong investment decisions by investing in quoted shares of other PLCs at high prices subsequently leading to impairment of asset value when prices drop and proposing frequent share issuance with significant dilution impact and detrimental to minority shareholders interest.	Exploring Cross-Shareholdings: A Closer Look at Malaysia's Corporate Landscape
		Navigating the role of chairman to safeguard corporate governance
		SMI's appointment of ousted director as CEO raises CG concerns
		Ajiya's RM250 million loans to Chin Hin – A strategic investment or risky bet?

## 2 Assessment and Awards: Raising the Bar for Corporate Governance and Sustainability

The assessment of corporate governance and sustainability standards remains a pivotal aspect of MSWG's mission to drive responsible corporate practices in Malaysia and the ASEAN region. By benchmarking companies against internationally recognised governance frameworks, MSWG is crucial in promoting transparency, accountability, and long-term value creation. In 2024, MSWG successfully contributed to regional and domestic corporate governance assessments, ensuring Malaysian PLCs align with evolving global best practices.

### Setting the Regional Benchmark: ASEAN Corporate Governance Scorecard (ACGS)



As part of its commitment to enhancing governance standards across ASEAN, MSWG played an instrumental role in the ACGS regional assessment for 2024. The ACGS, a key initiative under the ASEAN Capital Market Forum (ACMF), underwent a holistic revision in 2023 to align with the updated G20/OECD Principles of Corporate Governance. The revised framework was formally approved and launched during the ACMF International Conference in October 2023, marking a significant milestone in the region's governance landscape.

The ACMF Chairs and Deputies approved the 2024 ACGS regional assessment timelines on 5 February 2024 and 15 March 2024, respectively. Multiple CG Experts meetings were held in early 2024 to fine-tune the revised scoring methodology, refine default assessment items, and enhance scoring guidance to ensure a smooth operational rollout. These meetings provided a collaborative platform to ensure consistency in the evaluation process across ASEAN jurisdictions.

Further strengthening assessment expertise, the Securities and Exchange Commission Philippines (SEC Philippines), as the Chair of the Corporate Governance Working Group, jointly hosted an Assessors' Training session from 14 to 15 May 2024 in Manila, in collaboration with the Asian Development Bank (ADB). The training was designed to familiarise assessors with the revised ACGS framework, provide jurisdictional insights, and ensure a standardised approach to scoring disclosures across different markets. This session proved instrumental in aligning regional expectations and enhancing the overall credibility of the assessment process.





### Recognising Malaysia's Best: National Corporate Governance & Sustainability Awards (NACGSA)

Domestically, MSWG successfully hosted the inaugural NACGSA in 2024, a groundbreaking initiative to recognise Malaysian PLCs that demonstrate excellence in corporate governance and sustainability. The NACGSA serves as a benchmark for local companies, reinforcing the importance of robust governance frameworks, ethical business practices, and sustainable value creation.

The assessment process and award preparations were executed according to schedule, culminating in an elegant award ceremony on 26 September 2024 at the Mandarin Oriental Hotel, Kuala Lumpur. The event was officiated by YBhg. Datuk Dr. Shahrazat Haji Ahmad, Deputy Secretary General of Treasury (Investment), Ministry of Finance, who represented Minister of Finance II, YB Senator Datuk Seri Amir Hamzah Azizan. With over 550 attendees, the ceremony brought together industry leaders, PLC executives, institutional investors, and governance stakeholders, making it a landmark event in Malaysia's corporate governance landscape.

The success of NACGSA was made possible through strong collaborations with key institutional partners and corporate sponsors. Bursa Malaysia Berhad served as the Platinum Sponsor, reaffirming its commitment to advancing governance excellence among Malaysian-listed entities. Other sponsors included Kumpulan Wang Persaraan (Diperbadankan) (KWAP), Ernst & Young, MBSB Bank, LTAT, PERKESO, PNB, and the Securities Industry Development Corporation (SIDC). Their support played a vital role in elevating the visibility and credibility of the awards.

Beyond the ceremony, NACGSA had a lasting impact by driving meaningful engagements with corporate stakeholders. Following the awards, MSWG conducted one-on-one engagements with corporate subscribers upon request, providing detailed feedback on their corporate governance and sustainability performance based on their assessment scores. These engagements have been instrumental in helping PLCs refine their governance practices, improve disclosures, and address specific areas of weakness.

The momentum generated by the ACGS regional assessment and NACGSA domestic awards in 2024 reflects a positive shift in Malaysia's corporate governance landscape. The progress recorded in the



ACGS scores of Malaysian PLCs demonstrates a stronger commitment to governance and sustainability, which aligns with evolving international standards. Meanwhile, the NACGSA has created a new benchmark for corporate excellence, inspiring companies to go beyond regulatory compliance and embrace governance best practices as a core business strategy.

### 3 Professional Development: Advancing Corporate Governance Through Advocacy and Education

Empowering investors and other stakeholders with knowledge and insights on corporate governance and sustainability remains a key pillar of MSWG's advocacy efforts. In 2024, MSWG strengthened its professional development initiatives, speaking engagements, and thought leadership programmes to ensure that key governance issues remain at the forefront of corporate and investor discussions. These efforts were anchored in three key areas: training programmes, stakeholder communication through newsletters, and high-profile speaking engagements.

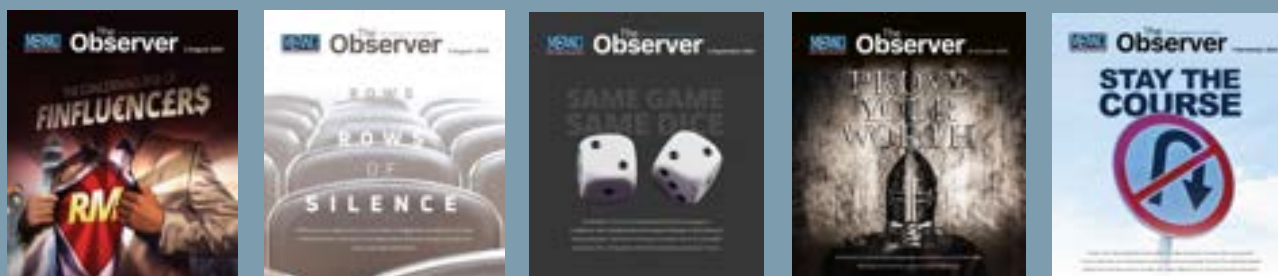


#### Empowering Stakeholders Through Training and Capacity Building

Recognising the growing demand for high-quality governance and sustainability training, MSWG expanded its role as a recognised training provider. As an HRD Corp Registered Training Provider and a Securities Industry Development Corporation (SIDC) CPE-accredited provider, MSWG conducted a series of specialised training sessions to equip corporate professionals with the necessary tools to navigate governance challenges effectively.

Between July 2024 and November 2024, MSWG successfully organised 12 training programmes, covering a broad range of corporate governance, sustainability, and capital market topics. These programmes, aimed at directors, corporate executives, and governance professionals, provided deep insights into best practices, regulatory expectations, and the evolving ESG landscape. The sessions not only reinforced the importance of ethical corporate conduct but also emphasised the role of good governance in fostering sustainable business growth.

MSWG's training programmes generated approximately RM348,285 in revenue, reflecting a strong demand for practical, expert-led governance training. The success of these sessions underscores MSWG's role as a trusted resource for professionals seeking to enhance governance competencies.



### The Observer: Strengthening Shareholder Awareness Through Thought Leadership

MSWG's commitment to advancing corporate governance and investor awareness is further reinforced through its weekly newsletter, The Observer. This publication is a critical communication tool, keeping investors, corporate leaders, and regulators informed about key corporate governance trends, shareholder concerns, and regulatory updates.

Each issue of The Observer provides detailed observations on companies holding general meetings, critical governance insights, and thought-provoking discussions on sustainability and financial transparency. Through deep-dive analyses of governance concerns, MSWG ensures that shareholders are equipped with relevant information to make informed decisions and hold corporate leaders accountable.

In 2024, The Observer underwent a significant transformation in its content focus and design approach. The revamped newsletter strongly emphasised corporate governance failures, shareholder activism, and sustainability disclosures, attracting a substantially larger readership. The digital reach expanded to over 500 readers weekly via the MSWG website, reflecting growing interest in governance and sustainability issues.

Beyond its online presence, The Observer further amplified its impact by publishing in Nanyang Siang Pau, one of Malaysia's leading Chinese-language newspapers. This strategic collaboration expanded the newsletter's reach to over 180,000 readers weekly, significantly strengthening MSWG's ability to shape governance discourse at a national level. The enhanced reach underscores MSWG's commitment to making governance knowledge accessible, promoting corporate accountability, and empowering shareholders with the insights needed to engage effectively in capital markets.

### Driving Governance Advocacy Through Speaking Engagements

MSWG's played an important role in governance advocacy through various speaking engagements in 2024. These engagements allowed MSWG to influence corporate governance and sustainability discussions at national and international forums, shaping thought leadership in key areas such as investor protection, ESG, integrity, and governance best practices.

Throughout the year, MSWG's CEO and key representatives were invited to speak at numerous conferences, investor education programmes, and policy discussions, engaging with regulators, corporate leaders, institutional investors, and academia.

The programmes include Cyberview Integrity and Governance Programme, which addressed governance risks in the technology sector, and the Directors' Development Programme by the Brunei



Institute of Leadership and Islamic Finance (BILIF), which focused on governance challenges in Islamic finance. Additionally, at the Konvensyen Nasional Sistem Integriti Korporat (KNSIK) 2024, MSWG emphasised the critical role of integrity in achieving national economic aspirations, reinforcing the need for ethical business conduct across industries.

With ESG and climate governance gaining prominence, MSWG took a leading role in shaping sustainability discourse at national and international levels. Speaking at the National Climate Governance Summit, MSWG highlighted the responsibilities of corporate boards in addressing climate risks, while “Beyond COP: From Insights to Competitive Advantage” explored the role of climate governance in driving long-term business value. MSWG’s thought leadership was also recognised at global forums, including the ACGA Annual Conference, where it discussed corporate governance reforms in Asia, and the OECD-Asia Roundtable on Corporate Governance, where it engaged in discussions on emerging governance trends. Further reinforcing its advocacy, MSWG’s CEO moderated a high-impact session at the SC-World Bank Conference 2024, focusing on the role of capital markets in empowering Micro, Small, and Medium Enterprises (MSMEs) and fostering sustainable economic growth.

### **Empowering Future Generations: Instilling Governance and Ethical Leadership**

MSWG also actively engaged with the next generation of corporate professionals and investors through SC Malaysia’s InvestED Career Talk 2024 series, reinforcing the importance of corporate governance, ethical leadership, and responsible investing. As part of this initiative, MSWG participated in sessions at Universiti Malaysia Kelantan (28 May 2024), Universiti Malaysia Perlis (11 June 2024), Universiti Malaysia Terengganu (24 June 2024), Universiti Poly-Tech Malaysia (4 October 2024), and Universiti Tun Hussein Onn Malaysia (14 November 2024). These engagements provided students and young professionals with valuable insights into governance principles, shareholder rights, and the role of transparency in building sustainable businesses.



By bridging the gap between academia and industry, MSWG played a crucial role in shaping the mindset of future corporate leaders and investors. The discussions emphasised the impact of governance on corporate success, investor confidence, and long-term value creation. These sessions enhanced awareness of governance best practices and encouraged young professionals to adopt ethical decision-making as they embark on their careers in finance, business, and corporate leadership.



# Corporate Gallery

23 July  
2024

Discussion with Datuk Umar Swift,  
CEO Bursa Malaysia



5 September  
2024

Engagement with Dato' Khairussaleh Ramli,  
CEO Malayan Banking Berhad



26 August  
2024

Engagement with Bursa Malaysia and  
Institutional Investors Council



10 September  
2024

Engagement with Velesto Energy Berhad





10 October  
2024

Engagement with Climate Governance  
Malaysia



20 August  
2024

Engagement with Prof Mak Yuen Teen,  
National University Singapore



2 August  
2024

Engagement with MRCB



28 May  
2024

InvestED 2024 - Universiti Malaysia Kelantan  
organised by SC Malaysia.

4 June  
2024

Cyberview Integrity and Governance  
Programme organised by Cyberview Sdn Bhd.



11 June  
2024

InvestED 2024 - Universiti Malaysia Perlis  
organised by SC Malaysia.



24 June  
2024

InvestEd 2024 - Universiti Malaysia  
Terengganu organised by SC Malaysia.



28 August  
2024

Directors' Development Programme  
organised by Brunei Institute of Leadership  
and Islamic Finance (BILIF)







11 September  
2024

National Climate Governance Summit organised  
by Climate Governance Malaysia.



4 October  
2024

InvestED 2024 - Universiti Poly-Tech Malaysia  
(UPTM) organised by SC Malaysia.



15 October  
2024

SC – World Bank Conference 2024 Themed  
"Empowering MSMEs: Cultivating Growth Through  
Capital Market" organised by World Bank  
and SC Malaysia.



5 November  
2024

ACGA Annual Conference 5-6 Nov 2024,  
organised by the Asian Corporate  
Governance Association.

## 14 November 2024

InvestEd 2024 -  
Universiti Tun Hussein Onn Malaysia (UTHM),  
organised by SIDC.



## 21 November 2024

Konvensyen Nasional Sistem Integriti  
Korporat (KNSIK) 2024 - "Kelestarian Integriti  
Merealisasi Aspirasi Negara", organised by  
Institut Integriti Malaysia.



## 3 December 2024

Beyond COP: From Insights to Competitive  
Advantage, organised by Climate Governance  
Malaysia.



## 11 - 12 December 2024

OECD-Asia Roundtable on Corporate  
Governance 2024, hosted by the Securities  
and Exchange Commission Philippines.





# MSWG in the News



## Pelancaran NSRF langkah positif untuk syarikat senarai awam - MSWG

Dik. Mahamud Akmal Aziz - September 24, 2024 @ 5:56pm  
mahamud\_akmal@mswg.org.my



Dua pejabat Bursa Malaysia, 8 Bukit Kemuning, Kuala Lumpur. - NSTP/AGNANI ALIAS

KUALA LUMPUR: Pelancaran Rangka Kerja Pelaporan Kemampanan Kebangsaan (NSRF) dijangka memperkukuhkan kebolehan syarikat senarai awam dalam penyediaan maklumat yang boleh dipercayai, bersepadu dan berguna untuk keputusan mengenai risiko dan peluang kemampanan material.

Berlaku berkata, menggunakan Piawain Lembaga Piawain Kemampanan Antarabangsa (ISSB) iaitu IFRS S1 dan S2 sebagai piawain asas, NSRF bertujuan untuk meningkatkan keterbacaan maklumat yang boleh dipercayai, bersepadu dan berguna untuk keputusan mengenai risiko dan peluang kemampanan material.

Katanya, penggunaannya juga akan memupuk kepercayaan dan keyakinan dalam kalangan pemegang taruh kerana ia akan membantu membuat keputusan pelaburan berdasarkan maklumat yang lebih tepat dan relevan untuk semua pemegang taruh. "Namun demikian, Piawain ISSB mandatori bermula, syarikat tidak semestinya dipaparkan untuk mengguna pakai piawain itu dengan memperluaskan rantaian bekalan yang saling berkaitan, ekonomi berorientasikan eksport Malaysia dan pergantungan kepada pelaburan asing yang asing (FDI)."

"Bagi mematuhi jangkaan rakan kongsi perniagaan yang besar, perniagaan tempatan digalakkan untuk mengguna pakai rangka kerja untuk beralih ke arah amalan perniagaan yang lebih mampan dan bertanggungjawab," katanya bagi mengulas mengenai manfaat NSRF.

Menyebut lanjut, lanjut berkata, dengan pelancaran NSRF ini, Malaysia menyertai lebih 20 bidang kuasa yang telah menyetujui pakai atau sedang bergerak ke arah melaksanakan IFRS S1 dan S2.

Berlaku berkata, ia menunjukkan komitmen negara untuk diselaraskan dengan amalan terbaik antarabangsa, yang akhirnya akan meningkatkan keyakinan pelabur.

Di samping, katanya, ia menunjukkan ketelusan dalam penyediaan kemampanan, penggunaan NSRF juga akan menarik lebih ramai pelabur, sejajar dengan lompatan yang semakin meningkat pada kemampanan.



# Financial Statements

for the Financial Year Ended 31 December 2024



## DIRECTORS' REPORT

The Directors hereby submit their report and the audited financial statements of the Company for the financial year ended 31 December 2024.

### DIRECTORS

The Directors in office during the financial year and during the period from the end of the financial year to date of the report are:

Datuk Mohd Nasir Bin Ali (Chairman)  
Datuk Gazali bin Haji Harun  
Dato' Abdul Alim Bin Abdullah  
Encik Muhammad Fitri Bin Othman  
Ms Selvarany a/p Rasiah (Appointed w.e.f 11 January 2024)

In accordance with Article 61 of the Company's Constitution, Datuk Gazali Bin Haji Harun and Encik Muhammad Fitri Bin Othman will retire at the forthcoming 24<sup>th</sup> Annual General Meeting and being eligible, Encik Muhammad Fitri Bin Othman has offered himself for re-election at the 24<sup>th</sup> Annual General Meeting.

### PRINCIPAL ACTIVITY

The principal activity is to promote corporate governance in companies through shareholder activism acting in the interest of the minority shareholders as an integral part to the development of the capital market.

There were no significant changes in the nature of these activities during the financial year.

### FINANCIAL RESULTS

	RM
Surplus for the financial year	<u>934,664</u>

### RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year are shown in the financial statements.

## DIRECTORS' REPORT (CONTINUED)

### DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than the benefits shown under Directors' Remuneration) by reason of a contract made by the Company or by a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Neither during nor at the end of the financial year was the Company a party to any arrangements whose object was to enable Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act, 2016, none of the Directors who held office at the end of the financial year held any shares or debentures in the Company. The Company is a company limited by guarantee and there are no shares in which the Directors could have an interest. The Company has not issued any debentures.

### DIVIDENDS

In accordance with the Company's Memorandum of Association, no dividends are payable to the members of the Company.

### STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the financial statements of the Company were prepared, the Directors took reasonable steps:

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets, other than debts, which were unlikely to realise in the ordinary course of business including the values of current assets as shown in the accounting records of the Company had been written down to an amount which the current assets might be expected so to realise.

## DIRECTORS' REPORT (CONTINUED)

### STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS (CONTINUED)

At the date of this report, the Directors are not aware of any circumstances:

- (a) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Company misleading; or
- (c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Company to meet its obligations when they fall due.

At the date of this report:

- (a) there are no charges on the assets of the Company which have arisen since the end of the financial year which secures the liability of any other person; and
- (b) there are no contingent liabilities of the Company which have arisen since the end of the financial year.

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

In the opinion of the Directors,

- (a) the results of the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Company for the financial year in which this report is made.

## DIRECTORS' REPORT (CONTINUED)

### AUDITORS' REMUNERATION

Total fees for statutory audits provided by the Company's auditors amounted to RM19,000 (2023: RM18,100), while total fees for assurance related and non-audit services amounted to RM14,330 (2023: RM13,650).

Details of auditors' remuneration are set out in Note 7 to the financial statements.

### AUDITORS

The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to continue in office.

This report was approved by the Board of Directors on 27 March 2025. Signed on behalf of the Board of Directors:

DATUK MOHD NASIR BIN ALI  
DIRECTOR

DATUK GAZALI BIN HAJI HARUN  
DIRECTOR

Kuala Lumpur  
8 April 2025



## STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
Revenue	2	1,384,679	443,206
Grant	3	5,049,632	5,329,251
Other operating income	4	212,836	199,887
Staff costs	5	(3,370,117)	(3,138,909)
Depreciation of property and equipment		(278,977)	(283,772)
Finance cost		(8,714)	(19,448)
Other operating expenses	6	(1,797,021)	(1,887,122)
Total expenditure		(5,454,829)	(5,329,251)
Surplus before taxation	7	1,192,318	643,093
Taxation	8	(257,654)	(204,318)
Surplus for the financial year		934,664	438,775
Other comprehensive income:			
Items that may be reclassified subsequently to the profit or loss:			
Fair value change on financial investments at fair value through other comprehensive income			
Gross fair value charge		15,362	(305)
Net realized gain on disposal of equity instruments		2	113
Net fair value change		15,364	(192)
Total comprehensive income for the financial year		950,028	438,583

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
<b>NON-CURRENT ASSETS</b>			
Property and equipment	9	175,932	216,634
Intangible assets	10	1	1
Right-of-use asset	11	775,612	276,105
Financial investments at fair value through other comprehensive income (FVOCI)	12	194,742	179,475
Deferred tax asset	13	144,583	193,162
		<u>1,290,870</u>	<u>865,377</u>
<b>CURRENT ASSETS</b>			
Other receivables, deposits and prepayments	14	377,904	386,147
Cash and cash equivalents	15	7,931,483	7,167,885
		<u>8,309,387</u>	<u>7,554,032</u>
<b>LESS: CURRENT LIABILITIES</b>			
Other payables and accruals		1,271,239	1,184,554
Lease liability	11	190,513	210,788
Deferred grant	3	-	425,632
Tax Liability		238,732	164,576
		<u>1,700,484</u>	<u>1,985,550</u>
<b>LESS: NON-CURRENT LIABILITIES</b>			
Lease liability	11	567,945	51,873
		<u>567,945</u>	<u>51,873</u>
<b>TOTAL LIABILITIES</b>		<u>2,268,429</u>	<u>2,037,423</u>
<b>Net current assets</b>		<u>6,608,903</u>	<u>5,568,482</u>
<b>Net assets</b>		<u>7,331,828</u>	<u>6,381,986</u>
<b>REPRESENTED BY:</b>			
General fund		5,801,000	5,801,000
Accumulated surplus		1,452,246	517,766
FVOCI reserve		78,582	63,220
		<u>7,331,828</u>	<u>6,381,986</u>

STATEMENT OF CHANGES IN GENERAL FUND AND RESERVE  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	General fund RM	Accumulated surplus RM	FVOCI reserve RM	Total RM
At 1 January 2024	5,801,000	517,766	63,220	6,381,986
Comprehensive income:				
- Surplus for the financial year	-	934,664	-	934,664
Other comprehensive income:				
- Financial investments at FVOCI	-	-	15,364	15,364
Net realised gain on disposal of equity instruments	-	(184)	(2)	(186)
At 31 December 2024	<u>5,801,000</u>	<u>1,452,246</u>	<u>78,582</u>	<u>7,331,828</u>
At 1 January 2023	5,801,000	78,807	63,525	5,943,332
Comprehensive income:				
- Surplus for the financial year	-	438,775	-	438,775
Other comprehensive income:				
- Financial investments at FVOCI	-	-	(192)	(192)
Net realised gain on disposal of equity instruments	-	184	(113)	71
At 31 December 2023	<u>5,801,000</u>	<u>517,766</u>	<u>63,220</u>	<u>6,381,986</u>

## STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Surplus before taxation		1,192,318	643,093
Adjustments for non-cash items:			
Subscriber services fee		(345,137)	(359,455)
Depreciation of right-of-use asset		207,079	207,079
Depreciation of property and equipment		71,898	76,693
Dividend income		(7,739)	(6,690)
Interest income		(205,097)	(197,223)
Finance cost		8,714	19,448
Loss on disposal of financial investments		688	-
Loss/(Gain) on disposal of property and equipment		-	4,026
		<u>922,724</u>	<u>386,971</u>
Changes in working capital:			
Receivables		8,243	(56,189)
Payables		<u>27,822</u>	<u>42,637</u>
Cash generated from operating activities		958,789	373,419
Subscriber services fee received		404,000	355,000
Dividend income received		7,739	6,690
Grant utilised		(5,049,632)	(5,329,251)
Tax paid		<u>(135,343)</u>	<u>(8,937)</u>
Net cash used in operating activities		<u>(3,814,447)</u>	<u>(4,603,079)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest income received		205,097	197,223
Purchase of financial investments at FVOCI		(594)	(4,107)
Proceeds from disposal of financial investments at FVOCI		(184)	186
Purchase of property and equipment		(31,195)	(1,835)
Payment of lease liabilities		(219,503)	(250,860)
Proceeds from disposal of property and equipment		-	4
Net cash used in investing activities		<u>(46,379)</u>	<u>(59,389)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Grant received		4,624,000	5,364,000
Tax Refund		424	-
Net cash generated from financing activities		<u>4,624,424</u>	<u>5,364,000</u>
Increase in cash and cash equivalents during the financial year		763,598	701,532
Cash and cash equivalents at beginning of the financial year		<u>7,167,885</u>	<u>6,466,353</u>
Cash and cash equivalents at end of the financial year	15	<u><u>7,931,483</u></u>	<u><u>7,167,885</u></u>

## SUMMARY OF MATERIAL ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### A BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with the provisions of the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

The financial statements have been prepared under the historical cost convention, unless otherwise indicated in this summary of material accounting policies.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reported period. It also requires Directors to exercise their judgment in the process of applying the Company's accounting policies. Although these estimates and judgment are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note M.

#### (a) Standards, amendments to published standards and interpretations that are effective

The relevant new accounting standards, annual improvements and amendments to published standards and interpretations to existing accounting standards that are effective for the Company's financial year beginning on or after 1 January 2024 are as follows:

- Amendments to MFRS 101 'Classification of liabilities as Current or Non-Current'

There are two amendments to MFRS 101 'Presentation of Financial Statements':  
The first amendment, 'Classification of liabilities as current or non-current' clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant that an entity is required to comply with only after the reporting period).

The second amendment, 'Non-current liabilities with covenants' specify that covenants of financing arrangements which an entity must comply with only after the reporting date would not affect classification of a liability as current or noncurrent at the reporting date. However, those covenants that an entity is required to comply with on or before the reporting date would affect classification of a liability as current or non-current, even if the covenant is only assessed after the reporting date.

- Amendments to MFRS 16 "Lease liability in a Sale and Leaseback"

The amendments specify the measurement of the lease liability arises in a sale and leaseback transaction that satisfies the requirements in MFRS 15 "Revenue from Contracts with to be accounted for as a sale. In accordance with the amendments, the seller-lessee shall determine the "lease payments" or "revised lease payments" in a way that it does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right-of-use it retains.

The adoption of the above accounting standards, annual improvements and amendments do not give rise to any material financial impact to the Company.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### A BASIS OF PREPARATION (CONTINUED)

#### (b) Standards and amendments that have been issued but not yet effective

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to MFRS 9 and MFRS 7 - effective 1 January 2026

The amendments include the following:

- Clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and profit income ('SPPI') criterion;
- Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- Update the disclosures for equity instruments designated at fair value through other comprehensive income ('FVOCI').

- MFRS 18, 'Presentation and Disclosure in Financial Statements – effective 1 January 2027

This is the new standard on presentation and disclosure in the financial statements, which replaces IAS 1, with a focus on updates to the statement of profit or loss.

The key new concepts introduced in MFRS 18 relate to:

- The structure of the statement of profit or loss with defined subtotals;
- Requirement to determine the most useful structure summary for presenting expenses in the statement of profit or loss;
- Required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an financial statements (that is, management-defined performance measures); and
- Enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The following amendments are not expected to have a significant impact on the financial statements of the Company:

- Amendments to MFRS 121 'Lack of Exchangeability'
- MFRS 19 'Subsidiaries without Public Accountability: Disclosures'
- Annual Improvements to MFRS Accounting Standards for enhanced consistency

The adoption of the accounting standards, amendments to published standards and interpretations to existing standards that are applicable to the Company but not yet effective above are not expected to give rise to any material financial impact to the Company.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### B PROPERTY AND EQUIPMENT

Property and equipment are stated at historical cost less accumulated depreciation and impairment losses. The cost of an item of property and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in gain or loss on disposal of property and equipment in profit or loss.

All property and equipment are depreciated on the straight line method to allocate the cost to their residual values over their estimated useful lives, summarised as follows:

Computer and electronic equipment	20%
Furniture and fittings	20%
Office equipment	20%
Renovations	20%

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at the end of the reporting period.

At the end of the reporting period, the Company assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount. See accounting policy Note L on impairment of non-financial assets.

### C INCOME TAXES

Tax expense for the period comprises current and deferred income tax. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Tax is recognised in profit or loss, except to the extent that it relates to item recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the end of the reporting period in the countries where the Company operates and generates taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. This liability is measured using the single best estimate of the most likely outcome.



## SUMMARY OF MATERIAL ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### C INCOME TAXES (CONTINUED)

Deferred tax is provided in full, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transactions affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted by the end of reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses or unused tax credits can be utilised.

Deferred tax liability is recognised for all taxable temporary differences, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred and income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to taxes levied by the same taxation authority on rather the taxable entity of different taxable entities where there is an intention to settle the balances on a net basis.

### D CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Cash and cash equivalents comprise cash on hand and deposits held with licensed financial institutions that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### E REVENUE RECOGNITION

Revenue is recognised on the following basis:

- (i) Contribution for publications and reports are recognised upon delivery of publications and reports.
- (ii) Income from forums and events is recognised upon performance of services.
- (iii) Income from subscriber services is recognised on an accrual basis.
- (iv) Interest income is recognised based on the effective interest method on an accrual basis.
- (v) Dividend income from investments in quoted shares is recognised on the ex-dividend date

## SUMMARY OF MATERIAL ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### F GRANT

Grant relating to costs are deferred and recognised in the statement of comprehensive income over the period necessary to match them with the costs they are intended to compensate.

### G EMPLOYEE BENEFITS

#### Short term benefits

Wages, salaries, paid annual leave and sick leave, bonuses, and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as other payables and accruals in the statement of financial position.

### H FINANCIAL ASSETS

#### (a) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured at fair value (either through other comprehensive income ('OCI') or through profit or loss); and
- those to be measured at amortised cost.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### H FINANCIAL ASSETS (CONTINUED)

#### (b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

#### (c) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ('FVTPL'), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest ('SPPI').

#### Debt instruments

Subsequent measurement of the Company's debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company reclassifies its financial assets when and only when its business model for managing those assets changes.

There are three measurement categories into which the Company classifies its debt instruments: -

#### (i) Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of comprehensive income.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### H FINANCIAL ASSETS (CONTINUED)

#### (c) Measurement (continued)

##### (ii) Fair value through other comprehensive income ('FVOCI')

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent SPPI, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of comprehensive income.

##### (iii) Fair value through profit or loss ('FVTPL')

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. The Company may also irrevocably designate financial assets at FVTPL if doing so significantly reduces or eliminates a mismatch created by assets and liabilities being measured on different bases. Fair value changes is recognised in profit or loss and presented net within other gains/(losses) in the period which it arises.

#### Equity Instruments

Equity instruments are measured at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in other gains/(losses) in the statement of comprehensive income.

#### (d) Subsequent measurement – Impairment

The Company assesses on a forward-looking basis the expected credit loss ('ECL') associated with its financial assets carried at amortised cost and at FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Company applies the MFRS 9 simplified approach to measure ECL which uses lifetime ECL for all trade receivables and other financial assets.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### I LEASES

Leases are recognised as right-of-use ('ROU') asset and a corresponding liability at the date on which the leased asset is available for use by the Company (i.e. the commencement date).

Contracts may contain both lease and non-lease components. The Company has elected the practical expedient provided in MFRS 16 not to separate lease and non-lease components. Both components are accounted for as a single lease component and payments for both components are included in the measurement of lease liability.

#### (a) Lease term

In determining the lease term, the Company considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

The Company reassess the lease term upon the occurrence of a significant event or change in circumstances that is within the control of the Company and affects whether the Company is reasonably certain to exercise an option not previously included in the determination of lease term, or not to exercise an option previously included in the determination of lease term. A revision in lease term results in remeasurement of the lease liabilities. See accounting policy below on reassessment of lease liabilities.

#### (b) Right-of-use ('ROU')

ROU assets are initially measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentive received;
- Any initial direct costs; and
- Decommissioning or restoration costs.

ROU assets that are not investment properties are subsequently measured at cost, less accumulated depreciation and impairment loss (if any). The ROU assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the ROU asset is depreciated over the underlying asset's useful life. In addition, the ROU assets are adjusted for certain remeasurement of the lease liabilities.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### I LEASES (CONTINUED)

#### (c) Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments include the following:

- Fixed payments (including in-substance fixed payments), less any lease incentive receivable;
- Amounts expected to be payable by the Company under residual value guarantees;
- The exercise price of a purchase and extension options if the Company is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing is used. This is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU in a similar economic environment with similar term, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

The Company presents the lease liabilities as a separate line item in the statement of financial position. Interest expense on the lease liability is presented within the finance cost in profit or loss in the statement of comprehensive income.

#### (d) Short term leases and leases of low value assets

Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise of office equipment. Payments associated with short-term leases vehicles and all leases of low-value assets are recognised on a straight-line bases as an expense in profit or loss.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### J PROVISIONS

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events. It is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

### K CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Company does not recognise a contingent liability but discloses its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare circumstance where there is a liability that cannot be recognised because it cannot be measured reliably. However, contingent liabilities do not include financial guarantee contracts. A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company. The Company does not recognise contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

### L IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets that have an indefinite useful life, for example intangible assets not ready for use, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there is separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of impairment at the end of the reporting period.

The impairment loss is charged to profit or loss unless it reverses a previous revaluation in which case it is charged to the revaluation surplus. Any subsequent increase in recoverable amount is recognised in profit or loss unless it reverses an impairment loss on a revalued asset in which case it is taken to revaluation surplus reserve.



## SUMMARY OF MATERIAL ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### M CRITICAL ACCOUNTING ESTIMATES

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### Income taxes

Significant judgement is required in determining the deferred tax amount in terms of the timing of reversal of the temporary difference. The Company makes its best estimate based on information available as at balance sheet date. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. Deferred tax is estimated based on tax rates enacted as of balance sheet date.

### N INTANGIBLE ASSETS

#### DMS and website integration

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with finite lives are amortised on a straight-line basis over the estimated economic useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation year and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the date of each statement of financial position. The amortisation expense on intangible assets with finite lives is recognised in profit or loss.

The costs of acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful life, generally not exceeding a year of 5 years.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 1 GENERAL INFORMATION

The principal activity is to promote corporate governance in companies through shareholder activism acting in the interest of the minority shareholders as an integral part to the development of the capital market.

The Company is limited by guarantee, incorporated and domiciled in Malaysia.

The number of employees as at the end of the financial year is 21 (2023: 19).

The address of the registered office and principal place of business of the Company is:

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

### 2 REVENUE

	<u>2024</u> RM	<u>2023</u> RM
Forums and events	1,039,542	83,751
Subscriber services fee	345,137	359,455
	<u>1,384,679</u>	<u>443,206</u>

### 3 GRANT

Grant received is recognised as a reimbursement from the Capital Market Development Fund ("CMDF") to fund the Company's operational and capital expenditures.

	<u>2024</u> RM	<u>2023</u> RM
Balance as at 1 January	425,632	390,883
Grant received during the financial year	4,624,000	5,364,000
Grant utilised during the financial year	(5,049,632)	(5,329,251)
	<u>-</u>	<u>425,632</u>
Balance as at 31 December	<u>-</u>	<u>425,632</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 4 OTHER OPERATING INCOME

	<u>2024</u> RM	<u>2023</u> RM
Dividend income	7,739	6,690
Interest income	205,097	197,223
Other income	-	(4,026)
	<u>212,836</u>	<u>199,887</u>

### 5 STAFF COSTS

	<u>2024</u> RM	<u>2023</u> RM
Salaries and bonus	2,825,455	2,628,327
Defined contribution plan ('EPF')	428,056	389,343
Other employee benefits	116,606	121,239
	<u>3,370,117</u>	<u>3,138,909</u>

The Chief Executive Officer has received salary and bonus of RM303,257 (2023: RM597,070) while contribution to EPF amounted to RM45,497 (2023: RM88,666).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 6 OTHER OPERATING EXPENSES

	<u>2024</u> RM	<u>2023</u> RM
Directors' fees and meeting attendance allowances	115,182	136,900
Associate Consultants	204,184	165,050
National Corporate Governance and Sustainability Awards (NACGSA)		
- Corporate Governance Scorecard Assessment	-	477,600
- NACGSA Ceremony	504,209	-
- NACGSA Report	45,000	-
- Sustainability Scorecard Assessment	1,800	314,420
ASEAN Corporate Governance Scorecard (Regional Assessment)	112,500	-
MSWG's Annual Report	(18,500)	26,500
Rental expenses	22,255	17,469
Travelling, accommodation and promotion expenses	300,099	190,526
Telecommunication expenses	96,901	83,706
Insurance	112,567	182,554
Professional fees	160,215	143,887
Office expenses	114,483	117,512
Others	26,126	30,998
	<u>1,797,021</u>	<u>1,887,122</u>

During the financial year, Directors of the Company are covered under the Commercial Management Liability Insurance in respect of liabilities arising from acts committed in their capacity as, inter alia, Directors of the Company subject to the terms of the policy. The total amount of premium paid for the Commercial Management Liability Insurance by the Company was RM30,000 (2023 Directors' & Officers' Liability Insurance: RM30,000).

### 7 SURPLUS BEFORE TAXATION

	<u>2024</u> RM	<u>2023</u> RM
Surplus before taxation is arrived at after (charging)/crediting:		
Auditors' remuneration		
- Statutory audit	(19,000)	(18,100)
- Agreed upon procedure	(14,330)	(13,650)
- Tax compliance	(6,610)	(6,300)
Directors' meeting attendance allowance	(47,800)	(64,900)
Interest income	205,097	197,723
Dividend income	7,739	6,690
	<u></u>	<u></u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 8 TAXATION

	<u>2024</u> RM	<u>2023</u> RM
Current year tax	238,732	165,000
Over provision of prior years' tax	(29,657)	(50)
Deferred tax (Note 13)	48,579	39,368
	<u>257,654</u>	<u>204,318</u>

The numerical reconciliation between surplus before taxation multiplied by the Malaysian statutory tax rate and tax expense of the Company is as follows:

	<u>2024</u> RM	<u>2023</u> RM
Surplus before taxation	<u>1,192,318</u>	<u>643,093</u>
Tax calculated at the Malaysian tax rate of 26% (2023: 26%)	310,003	167,204
Tax effects of:		
- expenses not deductible for tax purposes	67,232	89,225
- income not subject to tax	(64,609)	(13,776)
- utilisation of previously unrecognised tax losses	(13,024)	(19,747)
- effects of different tax rate	(12,291)	(18,538)
- over provision of prior years' tax	(29,657)	(50)
Taxation	<u>257,654</u>	<u>204,318</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 9 PROPERTY AND EQUIPMENT

	Computer and electronic equipment RM	Furniture and fittings RM	Office equipment RM	Renovations RM	Total RM
<u>2024</u>					
<u>Cost</u>					
At 1 January 2024	198,349	124,612	52,903	77,444	453,308
Additions	10,200	8,354	12,641	-	31,195
At 31 December 2024	208,549	132,966	65,544	77,444	484,503
<u>Accumulated depreciation</u>					
At 1 January 2024	119,304	50,457	41,098	25,815	236,674
Charge for the financial year	29,623	22,350	4,436	15,488	71,897
At 31 December 2024	148,927	72,807	45,534	41,303	308,571
<u>Net book value</u>					
At 31 December 2024	59,622	60,159	20,010	36,141	175,932
<u>2023</u>					
<u>Cost</u>					
At 1 January 2023	242,776	124,612	64,031	77,444	508,863
Additions	1,835	-	-	-	1,835
Disposals	(46,262)	-	(11,128)	-	(57,390)
At 31 December 2023	198,349	124,612	52,903	77,444	453,308
<u>Accumulated depreciation</u>					
At 1 January 2023	129,493	28,355	45,167	10,326	213,341
Charge for the financial year	34,529	22,102	4,573	15,489	76,693
Disposals	(44,718)	-	(8,642)	-	(53,360)
At 31 December 2023	119,304	50,457	41,098	25,815	236,674
<u>Net book value</u>					
At 31 December 2023	79,045	74,155	11,805	51,629	216,634

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 10 INTANGIBLE ASSETS

	<u>DMS and website integration</u>	
	<u>2024</u>	<u>2023</u>
	RM	RM
<u>Cost</u>		
At 1 January/ 31 December	399,662	399,662
<u>Accumulated Amortisation</u>		
At 1 January	399,661	399,661
Charge for the financial year	-	-
At 31 December	<u>399,661</u>	<u>399,661</u>
<u>Net book value</u>		
At 31 December	<u>1</u>	<u>1</u>

### 11 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The statement of financial position shows the following amounts relating to leases:

	<u>2024</u>	<u>2023</u>
	RM	RM
Right-of-use assets:		
Property	<u>775,612</u>	<u>276,105</u>
Lease liabilities	<u>758,458</u>	<u>262,661</u>

The statement of profit or loss shows the following amounts relating to leases:

	<u>2024</u>	<u>2023</u>
	RM	RM
Depreciation charge on right-of-use assets:		
Finance cost	<u>8,714</u>	<u>19,448</u>
Expenses relating to short-term leases	<u>207,079</u>	<u>207,079</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 11 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

Future minimum lease payments at 31 December 2024 are as follows:

	Minimum lease payment due		
	<u>Within 1 year</u>	<u>1 – 3 years</u>	<u>Total</u>
	RM	RM	RM
<u>31 December 2024</u>			
Lease payment	224,520	602,900	827,420
Finance cost	34,007	34,955	68,962
Net present value	<u>190,513</u>	<u>567,945</u>	<u>758,458</u>
<u>31 December 2023</u>			
Lease payment	219,502	52,263	271,765
Finance cost	8,714	390	9,104
Net present value	<u>210,788</u>	<u>51,873</u>	<u>262,661</u>

### 12 FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>2024</u>	<u>2023</u>
	RM	RM
At fair value:		
Quoted shares in Malaysia	<u>197,742</u>	<u>179,475</u>

These shares are held for long-term with the purpose of giving locus standi to participate in the affairs in the investee corporations.

These shares are measured at fair value based on quoted prices in active market and is classified as Level 1 fair value measurement hierarchy in accordance with MFRS 7 “Financial Instruments – Disclosures”.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 13 DEFERRED TAX ASSET/DEFERRED TAX LIABILITY

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statement of financial position:

	<u>2024</u> RM	<u>2023</u> RM
<u>Subject to income tax:</u>		
Deferred tax assets	157,739	205,995
Deferred tax liabilities	(13,156)	(12,833)
	<u>144,583</u>	<u>193,162</u>

The movement in deferred tax asset and deferred tax liability during the financial year are as follows:

	<u>2024</u> RM	<u>2023</u> RM
At 1 January	193,162	232,530
Charged to profit or loss (Note 8)	(48,579)	(39,368)
- Property and equipment	(517)	3,017
- Right-of-use	(964)	(6,327)
- Subscriber fees	16,462	(12,908)
- Deferred grant	(110,664)	9,034
- Provisions	47,104	(32,184)
Charge to comprehensive income	<u>-</u>	<u>-</u>
At 31 December	<u>144,583</u>	<u>193,162</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 13 DEFERRED TAX ASSET/DEFERRED TAX LIABILITY (CONTINUED)

The components of deferred tax assets/(liabilities) before/after appropriate offsetting are as follows:

	<u>2024</u> RM	<u>2023</u> RM
Deferred tax assets (before offsetting)		
- Provisions	142,435	95,331
- Deferred grant	-	110,664
- Subscriber fees	15,304	-
	<u>157,739</u>	<u>205,995</u>
Deferred tax liabilities (before offsetting)		
- Property and equipment	(8,696)	(8,179)
- Subscriber fees	-	(1,158)
- Right-of-use	(4,460)	(3,496)
	<u>(13,156)</u>	<u>(12,833)</u>

The unabsorbed tax losses of the Company has been fully utilised in current year and no deferred tax assets are recognised as it is not probable that sufficient taxable profits will be available in the future. The deductible temporary differences have an expiry date of 7 years which is in line with Section 44(5F) of the Income Tax Act 1967 that comes into operation from year of assessment 2023 and subsequent years of assessment.

### 14 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	<u>2024</u> RM	<u>2023</u> RM
Other receivables	79,750	29,500
Deposits and prepayments	298,154	356,647
	<u>377,904</u>	<u>386,147</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 15 CASH AND CASH EQUIVALENTS

	<u>2024</u> RM	<u>2023</u> RM
Cash and bank balances	316,055	344,486
Deposits with a financial institution	7,615,428	6,823,399
	<u>7,931,483</u>	<u>7,167,885</u>

The weighted average interest rates that were effective as at the financial year end were as follows:

	<u>2024</u> %	<u>2023</u> %
Deposits with a financial institution	<u>3.54</u>	<u>3.5</u>

Deposits with a financial institution have an average maturity of 32 days (2023: 23 days).

### 16 FINANCIAL RISK MANAGEMENT

#### (a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's market risks mainly arise from open positions in interest-bearing assets, to the extent that these are exposed to general and specific market movements.

As the Company's interest-bearing assets do not generate significant amounts of interest, changes in market interest rates do not have any significant direct effect on the Company's income.

#### (b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company has no significant concentrations of credit risk. Credit risk arises from grant receivable, other receivables, deposits and prepayments and cash and bank balances. The Company structures the levels of credit risk it accepts by placing limits on its exposure to a single counterparty or any financial institution.

The Company's maximum exposure to credit risk by class of financial asset is as follows:

	<u>2024</u> RM	<u>2023</u> RM
Other receivables, deposits and prepayments	377,904	386,147
Cash and cash equivalents	<u>7,931,483</u>	<u>7,167,885</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 16 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (b) Credit risk (continued)

The credit risk concentration of the Company by industry as at the date of the statement of financial position are set out below:

	<u>Financial institutions</u> RM	<u>Others</u> RM
<u>2024</u>		
Other receivables, deposits and prepayments	-	377,904
Cash and cash equivalents	<u>7,931,483</u>	<u>-</u>
<u>2023</u>		
Other receivables, deposits and prepayments	-	386,147
Cash and cash equivalents	<u>7,167,885</u>	<u>-</u>

#### (c) Liquidity risk

Liquidity risk is defined as the current and prospective risk to earnings, accumulated funds or reputation arising from the Company's inability to efficiently meet its present and future (both anticipated and unanticipated) funding needs or regulatory obligations when they become due, which may adversely affect its daily operations and incur unacceptable losses. Liquidity risk arises from mismatches in the timing of cash flows.

The financial liabilities of the Company have no specific maturity.

#### (d) Fair value of financial instruments

Financial instruments comprise financial assets, financial liabilities and off-balance sheet financial instruments. Fair value is the amount at which a financial asset could be exchanged or a financial liability settled, between knowledgeable and willing parties in an arm's length transaction.

Fair value information is not provided for non-financial instruments and financial instruments that are excluded from the scope of MFRS 7 "Financial Instruments: Disclosure". This includes property and equipment, intangible assets, right-of-use asset, tax recoverable and deferred taxation.

The carrying amounts of the Company's financial assets and financial liabilities as at 31 December 2024 and 31 December 2023 approximate their fair values due to the limited term to maturity of these instruments or limited sensitivity to interest rates.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 16 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (e) Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide benefits for its stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company is not subject to any externally imposed capital requirements.

### 17 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 27 March 2025.

## STATEMENT BY DIRECTORS PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT, 2016

We, Datuk Mohd Nasir Bin Ali and Datuk Gazali Bin Haji Harun, two of the Directors of Badan Pengawas Pemegang Saham Minoriti Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 50 to 76 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2024 and financial performance of the Company for the financial year ended 31 December 2024 in accordance with the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of Companies Act, 2016 in Malaysia.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 8 April 2025.

DATUK MOHD NASIR BIN ALI  
DIRECTOR

DATUK GAZALI BIN HAJI HARUN  
DIRECTOR

Kuala Lumpur

## STATUTORY DECLARATION PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT, 2016

I, Dr. Ismet Al-Bakri Bin Yusoff Al-Bakri, the officer primarily responsible for the financial management of Badan Pengawas Pemegang Saham Minoriti Berhad, do solemnly and sincerely declare that, the financial statements set out on pages 50 to 76 are, to the best of my knowledge, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

DR. ISMET AL-BAKRI BIN YUSOFF AL-BAKRI

Subscribed and solemnly declared by the abovenamed at Wilayah Persekutuan Kuala Lumpur on 8 April 2025.

Before me:

COMMISSIONER FOR OATH

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD

(Incorporated in Malaysia)  
(Registration No. 200001022382 (524989-M))

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Our opinion

In our opinion, the financial statements of Badan Pengawas Pemegang Saham Minoriti Berhad (“the Company”) give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

#### What we have audited

We have audited the financial statements of the Company, which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policies, as set out on pages 50 to 76.

#### Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the “Auditors’ responsibilities for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and other ethical responsibilities*

We are independent of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants (“By-Laws”) and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF BADAN PENGAWAS PEMEGANG SAHAM MINORITI  
BERHAD (CONTINUED)**  
(Incorporated in Malaysia)  
(Registration No. 200001022382 (524989-M))

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)**

Information other than the financial statements and auditors' report thereon

The Directors of the Company are responsible for the other information. The other information comprises the Director's Report but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors of the Company are responsible for the preparation of the financial statements of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF BADAN PENGAWAS PEMEGANG SAHAM MINORITI  
BERHAD (CONTINUED)**  
(Incorporated in Malaysia)  
(Registration No. 200001022382 (524989-M))

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Auditors' responsibilities for the audit of the financial statements (continued)**

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF BADAN PENGAWAS PEMEGANG SAHAM MINORITI  
BERHAD (CONTINUED)**  
(Incorporated in Malaysia)  
(Registration No. 200001022382 (524989-M))

**OTHER MATTERS**

This report is made solely to the member of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT  
LLP0014401-LCA & AF 1146  
Chartered Accountants

NIK SHAHRIZAL SULAIMAN  
03747/05/2025 J  
Chartered Accountant

Kuala Lumpur  
8 April 2024

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 24<sup>th</sup> Annual General Meeting ("AGM") of the Company will be held at the MSWG Meeting Room, Level 23, Unit 23-2, Menara AIA Sentral, No. 30, Jalan Sultan Ismail, 50250 Kuala Lumpur on Tuesday, 6 May 2025 at 10:00 a.m. to transact the following ordinary business and special business:

### AGENDA

- 1) To receive and adopt the Company's Audited Financial Statements for the financial year ended 31 December 2024, together with the Directors' and Auditors' Reports thereon. -  
  
*Refer to Explanatory Note 1*
- 2) To approve the payment of Directors' Fees for the financial year ending 31 December 2025 as follows: Ordinary Resolution 1
  - (i) RM20,000 for the Chairman; and
  - (ii) RM15,000 for each Non-Executive Director
- 3) To approve the payment of Directors' Meeting Allowance for the period from 7 May 2025 up to the date of the next AGM as follows: Ordinary Resolution 2
  - (i) Board Meetings:
    - (a) RM1,500 per meeting for the Chairman; and
    - (b) RM1,000 per meeting for each Non-Executive Director
  - (ii) Board Committee Meetings:
    - (a) RM800 per meeting for the Chairman; and
    - (b) RM500 per meeting for each Non-Executive Director
- 4) To re-elect Encik Muhammad Fitri Othman, who retires by rotation in accordance with Article 61 of the Constitution and being eligible, has offered himself for re-election. Ordinary Resolution 3

YBhg. Datuk Gazali bin Haji Harun who also retires by rotation in accordance with Article 61 of the Constitution of the Company, has expressed his intention not to seek re-election. Hence, he will retain office until the close of the 24<sup>th</sup> AGM.

*Refer to Explanatory Note 2*

- 5) To re-appoint Messrs PricewaterhouseCoopers PLT as Auditors of the Company for the ensuing year and to authorise the Directors to determine their remuneration. Ordinary Resolution 4

*Refer to Explanatory Note 3*

6) Special Business

To consider and if deemed fit to pass the following special resolution:

Special Resolution

AMENDMENTS TO THE COMPANY'S MEMORANDUM AND ARTICLES OF ASSOCIATION (known as the Company's Constitution pursuant to the Companies Act 2016)

Special Resolution

"THAT subject to the approval of the Minister charged with the responsibility for companies / Registrar, Companies Commission of Malaysia, the amendments to the Company's Memorandum and Articles of Association (known as the Company's Constitution) as set out in Appendix "A" attached herewith be and are hereby approved.

AND THAT such amendments, modifications or additions to the Company's Constitution as may be required by the Minister charged with the responsibility for companies / Registrar, Companies Commission of Malaysia be and are hereby approved and adopted in the Company's Constitution."

- 7) To transact any other business for which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

**By Order of the Board**

Chew Phye Keat

Secretary

(BC/C/282)

(SSM Practicing Certificate No. 202008002753)

Dated: 14 April 2025

**NOTE:** A member of the Company entitled to attend and vote at this Meeting may appoint a proxy to vote in his stead. A proxy need not be a member of the Company. PROVIDED THAT a member shall not be entitled to appoint a person who is not a member as his proxy unless that person is an advocate, an approved company auditor or a person approved by the Registrar of Companies. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if the appointer is a body corporate, either under seal or under hand of the officer or attorney duly authorised. The instrument appointing a proxy must be

deposited at the Registered Office, Level 23, Unit 23-2, Menara AIA Sentral, No. 30, Jalan Sultan Ismail, 50250 Kuala Lumpur not less than 48 hours before the time appointed for holding the Meeting.

#### **EXPLANATORY NOTES:**

1. Agenda 1 – This agenda item is meant for discussion only. It does not require members to vote.
2. Agenda 5 - Article 61 of the Constitution expressly states that at the annual general meeting in every year subsequent to that in which the first annual general meeting is held one-third of the Board for the time being, or if their number is not three or multiple of three, then the number nearest one-third, shall retire from office.

Two (2) directors will retire and be eligible for re-election at the 24<sup>th</sup> AGM. This is based on one-third of five (5) directors. Hence, the nearest one-third of five is two (2) directors. Based on rotation, YBhg. Datuk Gazali bin Haji Harun and Encik Muhammad Fitri Bin Othman shall retire at the upcoming AGM and is eligible for re-election. YBhg. Datuk Gazali Bin Haji Harun did not wish to seek for re-election. Hence, he will retire as Director of the Company after the AGM. Encik Muhammad Fitri Bin Othman, being eligible, has offered himself to be re-elected at the 24<sup>th</sup> AGM.

3. Agenda 6 – The Audit and Risk Committee (ARC) had, at its meeting held on 24 March 2025, deliberated and agreed that Messrs PricewaterhouseCoopers PLT (PwC) be selected and recommended for reappointment as the external auditors of MSWG. The ARC was satisfied with the suitability of PwC based on the quality of the audit, performance, competency and sufficiency of resources the external audit team provided to MSWG. The ARC was also satisfied in its review that the provisions of non-audit services by PwC to MSWG for the financial year 2024 did not in any way impair their objectivity and independence as external auditors of MSWG.

The Board had, at its meeting held on 27 March 2025, approved the ARC's recommendation for the members' approval to be sought at the 24<sup>th</sup> AGM on the re-appointment of PwC as external auditors of MSWG for the financial year ending 31 December 2025, under Resolution 4. The present external auditors, PwC, have indicated their willingness to continue their services for the next financial year.

4. Special Resolution  
This resolution, if passed, will be submitted to the Minister / Registrar, Companies Commission of Malaysia for approval.

This resolution is to seek approval to amend the Company's Memorandum & Articles of Association as set out in Appendix A attached herewith.

The explanations for the proposed amendments are set out in the Circular to Members accompanying the Company's Annual Report.

Notice of the 24<sup>th</sup> Annual General Meeting

# Appendix A

Clause No.	Existing Clause	Proposed Amendments
<i>Insertion of heading above Clause 3</i>	Nil	<b><u>PART A (CLAUSES)</u></b>
<i>Deletion 3(w) (i)</i>	The provision of the Third Schedule of the Companies Act 1965 shall not apply to the Company and the foregoing provisions of this paragraph shall be read and construed without reference to the provisions of that Schedule unless expressly included in this Memorandum and Articles of Association, and	<del>The provision of the Third Schedule of the Companies Act 1965 shall not apply to the Company and the foregoing provisions of this paragraph shall be read and construed without reference to the provisions of that Schedule unless expressly included in this Memorandum and Articles of Association, and</del>

Article No.	Existing Article	Proposed Amendments
<i>Insertion of heading above Article 1</i>	Nil	<b><u>PART B (ARTICLES)</u></b>
<i>Amendment 1.</i>	<p><b><u>INTERPRETATION</u></b></p> <p>In these Articles unless there be something in the subject or context inconsistent therewith:</p> <p>(a) "Act" means the Companies Act 1965 or any statutory modification or amendment thereof for the time being;</p>	<p><b><u>INTERPRETATION</u></b></p> <p>In these Articles unless there be something in the subject or context inconsistent therewith:</p> <p>(a) "Act" means the Companies Act <del>1965</del> <b>2016</b> or any statutory modification or amendment thereof for the time being;</p> <p>Expressions of "in writing" or "written", include, unless the contrary intention appear, references to words printed, lithographed, photographed, typed, represented or reproduced in any mode in visible form, whether in a physical document or in an electronic communication form.</p>
<i>Amendment 8.</i>	<p><b><u>ADMISSION OF NEW MEMBERS</u></b></p> <p>Any person who is desirous of becoming a member of the Company must sign and deliver to the Secretary an application in such form as may be prescribed by the Board, except the subscribers of the Memorandum of Association, for admission accompanied by the subscription fee of Ringgit Malaysia One Thousand (RM1,000.00) together with the first annual subscription of Ringgit Malaysia One Thousand (RM1,000.00). Such sum shall be returned to the applicant in the event of the application being rejected. The admission of</p>	<p><b><u>ADMISSION OF NEW MEMBERS</u></b></p> <p>Any person who is desirous of becoming a member of the Company must sign and deliver to the Secretary an application in such form as may be prescribed by the Board, except the subscribers of the <del>Memorandum of Association</del> <b>Constitution</b>, for admission accompanied by <del>the a one-time</del> <b>subscription fee of Ringgit Malaysia One Thousand (RM1,000.00) together with the first annual one-time subscription fee of Ringgit Malaysia One Thousand (RM1,000.00) or such other sum as determined by the Board.</b> Such sum shall</p>

Article No.	Existing Article	Proposed Amendments
	membership of the Company shall be at the sole discretion of the Board.	be returned to the applicant in the event of the application being rejected. The admission of membership of the Company shall be at the sole discretion of the Board.
Amendment 10.	<p><b><u>SUBSCRIPTION FEES</u></b></p> <p>The payment of subscription fees of Ringgit Malaysia One Thousand (RM1,000.00) and annual subscription by members shall be payable on such dates in such manner as the Board may from time to time prescribed.</p>	<p><b><u>SUBSCRIPTION FEES</u></b></p> <p>Subject to Article 11, the payment of the one-time subscription fees of Ringgit Malaysia One Thousand (RM1,000.00) <del>and annual subscription</del> by members shall be payable on <del>or before admission of the new member to the Company. such dates in such manner as the Board may from time to time prescribed.</del></p>
Amendment 11.	The annual subscription payable by individual members under these Articles may be commuted by the payment at any one time and the amount shall be determined by the Board.	The amount of <del>annual</del> the one-time subscription fee payable by a new member <del>individual members under these Articles may be commuted by the payment at any one time and the amount</del> shall be as determined by the Board <del>from time to time.</del>
Amendment 17.	<p><b><u>GENERAL MEETINGS</u></b></p> <p>The Board may, whenever it thinks fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or, in default, may be convened by such requisition, as provided by section 144 of the Act.</p>	<p><b><u>GENERAL MEETINGS</u></b></p> <p>The Board may, whenever it thinks fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or, in default, may be convened by such requisition, as provided by sections <del>144</del> 312 and 313 of the Act.</p>
Amendment 20.	<p><b><u>PROCEEDINGS AT GENERAL MEETINGS</u></b></p> <p>All business shall be special that is transacted at an extraordinary general meeting, and also that is transacted at an annual general meeting, with the exception of the consideration of the accounts, balance sheet, and the report of the members of the Board and auditors, the election of members of the Board in the place of those retiring and the appointment of, and fixing of the remuneration of, the Auditors.</p>	<p><b><u>PROCEEDINGS AT GENERAL MEETINGS</u></b></p> <p>All business shall be special that is transacted at an extraordinary general meeting, and also that is transacted at an annual general meeting, with the exception of the consideration of the accounts, balance sheet, and the report of the members of the Board and auditors, the election of members of the Board in the place of those retiring and the appointment of, and fixing of the remuneration of, the Auditors.</p> <p>The Company may convene a General Meeting at more than one (1) venue using any technology or method that enables the Members to participate and to exercise the Members' rights to speak and vote at the meeting.</p> <p>The main venue of the meeting shall be in Malaysia and the Chairman shall be present at the main venue of the meeting.</p>



Article No.	Existing Article	Proposed Amendments
<i>Amendment</i> 23.	The chairman of the Board shall preside as Chairman at every meeting of the Company or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or unwilling to act, the members of the Company present shall elect one of the Founder Members to be chairman of the meeting.	The chairman of the Board shall preside as Chairman at every meeting of the Company or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or unwilling to act, the members of the Company present shall elect one (1) of the <del>Founder</del> members of the Board to be chairman of the meeting. If no members of the Board is present within fifteen minutes after the time appointed for the holding of the meeting or unwilling to act, the members present shall choose one of their number to be chairman of the meeting.
<i>Deletion</i> 24.	If at any meeting no member of the Board is willing to act as chairman of if no member of the Board is present within fifteen minutes after the time appointed for holding of the meeting, the member presents shall choose one of their number to be chairman of the meeting.	<del>If at any meeting no member of the Board is willing to act as chairman of if no member of the Board is present within fifteen minutes after the time appointed for holding of the meeting, the member presents shall choose one of their number to be chairman of the meeting.</del>
<i>Deletion</i> 29.	Subject to the provisions of the Act a resolution in writing signed by all members for the time being entitled to receive notice of and to attend and vote at general meetings [or being corporate body by their duly authorised representative] shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held.	<del>Subject to the provisions of the Act resolution in writing signed by all members for the time being entitled to receive notice of and to attend and vote at general meetings [or being corporate body by their duly authorised representative] shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held.</del>
<i>Amendment</i> 33.	The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a body corporate, either under seal or under hand of the officer or attorney duly authorised. A proxy need not be a member of the Company <b>PROVIDED THAT</b> a member shall not be entitled to appoint a person who is not a member as his proxy unless that person is an advocate, an approved company auditor or a person approved by the Registrar of Companies.	The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a body corporate, either under seal or under hand of the officer or attorney duly authorised. A proxy need not be a member of the Company <b>PROVIDED THAT</b> a member shall not be entitled to appoint a person who is not a member as his proxy unless that person is an advocate, an approved company auditor or a person approved by the Registrar of Companies. <b>The instrument appointing a proxy must be deposited at the registered office not less than 48 hours before the time appointed for holding the meeting.</b>

Article No.	Existing Article	Proposed Amendments
Amendment 40.	<b><u>THE BOARD</u></b> The maximum number of directors to be appointed on the Board shall be ten (10) of whom two shall be nominated by the Founder Members.	<b><u>THE BOARD</u></b> The maximum number of directors to be appointed on the Board shall be ten (10) <del>of whom two shall be nominated by the Founder Members.</del> At any time and provided the said maximum number of directors has not been appointed, and subject to Article 43 the Founder Members shall be entitled (but not obliged) to appoint up to two (2) directors to the Board.
Amendment 58.	<b><u>DISQUALIFICATION OF MEMBERS OF THE BOARD</u></b> The office of the member of the Board shall be vacated if the member of the Board: -  (a) without the consent of the Company in general meeting holds any office of profit under the Company; (b) becomes bankrupt or makes any arrangement or compromise with his creditors generally; (c) becomes prohibited or disqualified from being a member of the Board under any provisions of the Act; (d) becomes of unsound mind; (e) resign his office by notice in writing to the Company (f) is removed by ordinary resolution of the Company; (g) is absent for more than six (6) months without permission of the Board from meetings of the Board held during that period; or (h) is directly or indirectly interested in any contract with the Company and fails to declare the nature of his interest in the manner required by section 131 of the Act.	<b><u>DISQUALIFICATION OF MEMBERS OF THE BOARD</u></b> The office of the member of the Board shall be vacated if the member of the Board: -  (a) without the consent of the Company in general meeting holds any office of profit under the Company; (b) becomes bankrupt or makes any arrangement or compromise with his creditors generally; (c) becomes prohibited or disqualified from being a member of the Board under any provisions of the Act; (d) becomes of unsound mind; (e) resign his office by notice in writing to the Company (f) is removed by ordinary resolution of the Company; (g) is absent for more than six (6) months without permission of the Board from meetings of the Board held during that period; or (h) is directly or indirectly interested in any contract with the Company and fails to declare the nature of his interest in the manner required by section <del>131</del> 221 of the Act.
Amendment 68.	<b><u>ROTATION OF THE MEMBERS OF THE BOARD</u></b> The Company may by ordinary resolution, of which special notice has been given in accordance with section 128 of the Act, remove any member of the Board before the expiration of this period of office notwithstanding anything in these Articles or in any agreement between the Board and such member of the Board.	<b><u>ROTATION OF THE MEMBERS OF THE BOARD</u></b> The Company may by ordinary resolution, of which special notice has been given in accordance with section <del>428</del> 206 of the Act, remove any member of the Board before the expiration of this period of office notwithstanding anything in these Articles or in any agreement between the Board and such member of the Board.
Addition 70A	<b><u>PROCEEDINGS OF THE BOARD</u></b> Nil	<b><u>PROCEEDINGS OF THE BOARD</u></b> A meeting of the Board or Board Committee may be held either in physical, fully virtual or hybrid mode:

Article No.	Existing Article	Proposed Amendments
		<p>(a) by a number of members of the Board or Board Committee members who constitute a quorum, being assembled together at a place, date and time appointed for the Meeting; or</p> <p>(b) by means of audio, or audio and visual, communication by which all members of the Board participating and constituting a quorum can simultaneously hear each other throughout the meeting.</p>
Amendment 71.	The quorum necessary for the transaction of the business of the Board may be fixed by the Board, and unless so fixed shall be three including chairman.	The quorum necessary for the transaction of the business of the Board may be fixed by the Board, and unless so fixed shall be <del>three including chairman</del> a majority of the members of the Board.
Amendment 78.	A resolution in writing, signed by all the members of the Board for the time being entitled to receive notice of a meeting of the Board, shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held.	A resolution in writing, signed by all the members of the Board for the time being entitled to receive notice of a meeting of the Board, shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held. <b>Approval of the Board on the resolution can be through email and/or other means of electronic communication. Any such resolution may consist of several documents, including facsimile or other means of communication, in like form, each signed by one or more directors.</b>
Amendment 81.	<p style="text-align: center;"><b><u>SEAL</u></b></p> <p>The Board shall forthwith provide a common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof and shall provide for the custody of the seal for the time going and it shall not be used except by authority of the Board and in the presence of the chairman or the deputy chairman and the secretary or any other Board member both of whom shall sign every instrument to which the seal of the Company is affixed.</p>	<p style="text-align: center;"><b><u>SEAL</u></b></p> <p>The Board shall forthwith provide a common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof and shall provide for the custody of the seal for the time going and it shall not be used except by authority of the Board and <b>subject to Article 83</b>, in the presence of the chairman or the deputy chairman and the secretary or any other Board member both of whom shall sign every instrument to which the seal of the Company is affixed.</p>
Amendment 83.	The Board may assign the authority to use the seal to the chief executive officer or, such occasions as stipulated in the rules, regulations and bye laws governing the execution of his functions, duties and powers.	<b>Notwithstanding Article 81</b> , the Board may assign the authority to use the seal to the chief executive officer <b>of the Company for such selected documents or category of documents as the Board may decide such that the chief executive officer may substitute for the chairman by being present in the use of the seal together with the secretary or any other Board member</b>

Article No.	Existing Article	Proposed Amendments
		both of whom shall sign every instrument to which the seal of the Company is affixed or, <del>for</del> such occasions as stipulated in the rules, regulations and by <del>e</del> -laws governing the execution of <del>his</del> the chief executive officer's functions, duties and powers.
Amendment 88.	<p><b><u>NOTICES</u></b></p> <p>Every member of the Company shall give to the secretary in writing a registered address and shall from time to time notify the secretary of any change thereof.</p>	<p><b><u>NOTICES</u></b></p> <p>Every member of the Company shall give to the secretary in writing a registered address and shall from time to time notify the secretary of any change thereof.</p> <p>Any notice or documents required to be sent shall, unless prohibited by the Act or these Articles be given by the Company or the secretary in writing: -</p> <p>(a) in hard copy, either personally or sent by post or by courier service to the last known address provided;</p> <p>(b) in electronic form, which shall be transmitted to the electronic address or facsimile number provided; or</p> <p>(c) partly in hard copy and partly in electronic form.</p>
Addition 88A.	Nil	<p><b><u>EXECUTION OF DOCUMENTS</u></b></p> <p><b><u>Electronic / Digital Signature</u></b></p> <p>Subject to applicable laws, any documents, minutes of meetings and resolutions of the Board, committee of the Board and/or Members, notices to be issued by/to the Company, members of the Board, Committee of the Board and/or Members, pursuant to these Articles or as may be required by any applicable laws, may be signed and/or executed by way of an electronic or digital signature, and if so, it shall be taken as valid as if these documents were signed originally in wet-ink.</p>
Amendment 93.	<p><b><u>APPLICABILITY CLAUSE</u></b></p> <p>Except for the Third Schedule of the Companies Act, all other provisions of the Companies Act, 1965 shall apply to this Company.</p>	<p><b><u>APPLICABILITY CLAUSE</u></b></p> <p><del>Except for the Third Schedule of the Companies Act, all other provisions of the Companies Act, 1965</del> Save as otherwise provided in this Constitution, all provisions of the Companies Act 2016 shall apply to this Company.</p>

	Existing Clauses and Articles	Proposed Amendments
Amendment	Words referring to "Memorandum of Association", "Articles of Association" or "Memorandum and Articles of Association".	Words referring to "Memorandum of Association", "Articles of Association" or "Memorandum and Articles of Association" be amended to "Constitution" wherever it appears.

# Certificate of Appointment of Authorised Representatives

for the 24<sup>th</sup> Annual General Meeting

This is to certify that pursuant to section 333(1) of the Companies Act 2016, the following person(s) is/are our appointed Authorised Representative(s) to attend and vote at the 24<sup>th</sup> Annual General Meeting of Badan Pengawas Pemegang Saham Minoriti Berhad on Tuesday, 6 May 2025 at 10:00 a.m. and at any adjournment thereof.

Name of Person(s):

Dated:

The Common Seal of

was hereunto affixed in the presence of

---

Director

---

Director/ Secretary



# Proxy Form

for the 24<sup>th</sup> Annual General Meeting

We ..... of ..... being a member of the above named Company, hereby appoint ..... of ..... or failing him/her ..... of ..... as our proxy to attend and vote for us and on our behalf at the 24<sup>th</sup> Annual General Meeting of the said Company to be held on **Tuesday, 6 May 2025 at 10:00 a.m.** and at any adjournment thereof.

*(Please indicate with an "X" below on how you wish to cast your vote)*

		For	Against
Payment of Directors' Fees for year ending 31 December 2025.	Ordinary Resolution 1		
Payment of Directors' Meeting Allowance for Board meetings and Board Committee meetings for the period from 7 May 2025 up to the date of the next AGM.	Ordinary Resolution 2		
Re-election of Director who retire in accordance with Article 61 of the Company's Constitution: (a) Encik Muhammad Fitri Othman.	Ordinary Resolution 3		
Re-appointment of Messrs PricewaterhouseCoopers PLT as Auditors and to authorise the Directors to fix their remuneration.	Ordinary Resolution 4		
Amendments to the Company's Memorandum and Articles of Association (known as the Company's constitution pursuant to the Companies Act 2016).	Special Resolution		

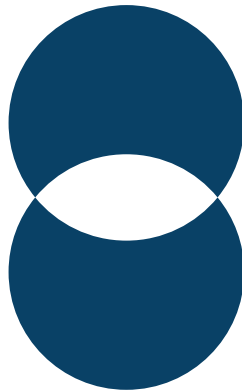
Dated:

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director/Secretary







## Minority Shareholders Watch Group

Badan Pengawas Pemegang Saham Minoriti Berhad 200001022382

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



**Tel** +60 3 2732 0010  
**Email** [mwatch@mswg.org.my](mailto:mwatch@mswg.org.my)  
**Website** [www.mswg.org.my](http://www.mswg.org.my)