

# WEBINAR SERIES:

## Section 117 Capital Reduction

**21 June 2024, Friday**

9.00am - 1.00pm

Speaker: LEONG OI WAH FCIS  
(CS) (CGP)

Virtual

Course code: CS210624W1

**Closing date: 19 June 2024**



**4 CPD  
HOURS**

## Course Introduction

A Company uses the capital invested by the shareholders to carry out the business activities and if the business is profitable, the Company may distribute a part of the profits to the shareholders in the form of dividends or if the retained profits are in excess of the needs of the Company, then the Company may return some of the share capital to the shareholders through a capital reduction. However, if the business is not profitable, the assets of the Company may not be reflective of the original share capital any more. In such a situation, the Company may cancel/reduce its share capital to a level that represents the available assets. In situations where the Company has partly paid shares and liability is put on the shareholders for the unpaid portion, the Company may opt to extinguish or reduce the liability in respect of the unpaid share capital via a capital reduction.

Under the previous legislation, a capital reduction could only be done by a special resolution confirmed by the Court. Section 117 of Companies Act 2016 ("Act") now provides an alternative to the court procedure where a company can reduce its capital by special resolution supported by a solvency statement.

## Course objectives

The objective of this course is to provide a practical guide to carrying out a capital reduction under Section 117 of the Act. The course focuses on private companies but with some additional material highlighting the key issues for public listed companies. The course is designed to cover not only how to carry out capital reduction procedures, but also how to consider how defects in procedure can be remedied, recognising that often professionals are called in to advise when the legal procedures have not been adhered to. How to reduce the risk of director liability is also discussed in the context of case law.

## About the trainer: **MS LEONG OI WAH FCIS (CS) (CGP)**

Leong Oi Wah is a Fellow Member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and has more than 30 years of experience in handling corporate secretarial matters in the profession and the corporate sector.

She has been involved in advising on corporate secretarial requirements including corporate restructuring and compliance with various regulatory bodies such as the Registrar of Companies, Bursa Malaysia Securities Berhad, Securities Commission and other authorities.

She is currently Director, Corporate Development of Epsilon Advisory Services Sdn Bhd which specialises in providing the full range of corporate secretarial and advisory services. She is a regular trainer of MAICSA's Continuing Professional Education programme and is also co-author of "Company Meetings, Minutes and Resolutions in Malaysia" published in 2021 by the Malaysian Current Law Journal.

## Course details

- Drivers for initiating a capital reduction exercise
- How a company can satisfy the solvency test
- Directors' liability in making a solvency statement
- The statutory requirements on capital reduction.
- Reduction of capital due to over-capitalisation or loss of capital, the effect of the exercise
- Capital repayment exercise of public listed companies
- Creditors rights to object to capital reduction
- A step by step guide to handling a capital reduction exercise, the actions to be taken before and after the capital reduction.

## Learning Outcome

By attending this programme, the participants will be able to:

- Have a better understanding of the situations where a capital reduction can be carried out
- Note the obligations of the company in the various filing and notification to the Registrar of Companies
- Discuss on the varied scenarios that may have an adverse impact on the company and directors

## Who should attend

Directors, Company Secretaries, Auditors and Accountants

## WEBINAR FEE

Category	Early Bird Fee per person (RM)  (applicable for participant who register and pay before 7/6/2024)	Normal Fee per person (RM)	Group Fee per person (RM)  (For 3 or more registrations from the same organization)
MAICSA Member/ Affiliate/Graduate/Student	290	340	310
Non member	440	490	460
Retired MAICSA member	170	170	170
MAICSA Member's staff***	400	400	400

Fee includes course materials in digital form and e-certificate.

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Email: [training@maicsa.org.my](mailto:training@maicsa.org.my)

Tel: **03-2282 9276 (ext 805)**

**Attention: Ms Nor Falati**

- Fee is payable to **MAICSA**

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#### Online transfer

RHB Account No: 2-64-094-0000-4232

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**Company Registration:** Full payment shall be made 7 days **BEFORE** the webinar.

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**Upon successfully registration, you are deemed to have read and accepted the terms and conditions.**

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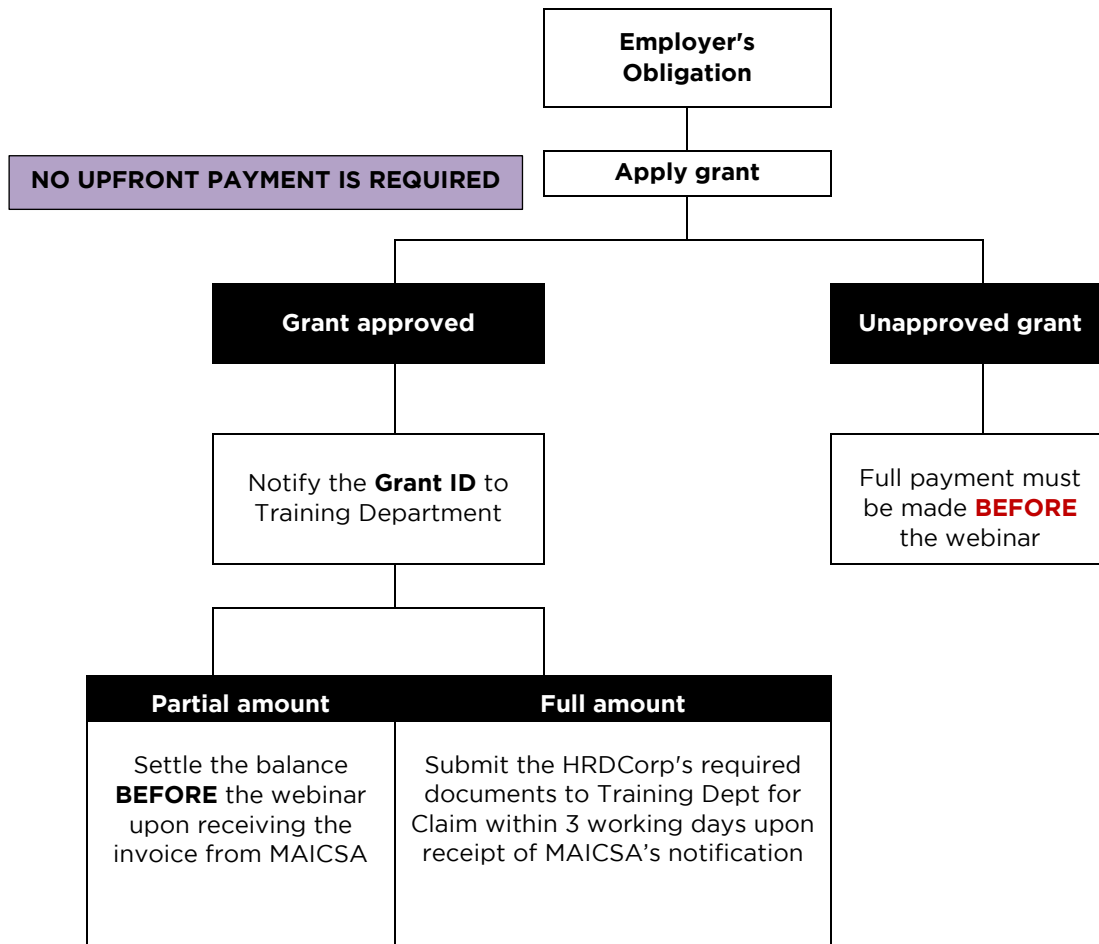
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- **Participants may log-in at 8.45am**

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REMOTE ONLINE TRAINING (PUBLIC)**



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