

# Managing disruptions to the conduct of meetings

In light of COVID-19, companies and other entities, both private and public alike, have experienced severe disruptions in the usual transaction of commercial and other matters. One aspect of such disruption concerns the inability to conduct in-person meetings, as a result of elevated temporary control and safe distancing measures.

## Extension of time for holding Annual General Meetings ('AGMs') and filing Annual Returns ('AR')

In February 2020, the Singapore Exchange Regulation ('SGX RegCo') announced that it would grant a [two-month time extension](#) (until 30 June 2020) for certain issuers required to hold their AGMs to approve their 31 December 2019 financial results. While such extension initially stood to benefit issuers with a principal place of business, or with significant operations, in the People's Republic of China, **all listed and non-listed companies may now benefit from the automatic extension (regardless of their place of business or operations) in the following circumstances:**

- Where an AGM is due to be held during the period between 1 April 2020 and 15 April 2020, the Accounting and Corporate Regulatory Authority ('ACRA') will not impose any penalties on such companies, provided that the AGM is held within 60 days of the due date. These companies will also be entitled to a 60-day extension to file their AR.
- A 60-day extension for all listed and non-listed companies whose AGMs are due to be held between 16 April 2020 and 31 July 2020 (both dates inclusive). Companies previously granted time extension to hold their AGMs within this period will

also be given a further 60 days from the last date of extension.

- A 60-day extension for all listed and non-listed companies whose AR are due to be filed during the period between 1 May 2020 to 31 August 2020 (both dates inclusive).

These time extensions are granted pursuant to powers exercised by the Registrar of Companies, following the publication of the [Companies \(Amendment No 2\) Regulations 2020 \(No. S 227/2020\)](#). The following table summarises the applicable time extensions:

| AGM due date (original / as previously extended) | New AGM due date          | New AR due date           |
|--|---------------------------|---------------------------|
| 16 Apr 2020 - 30 Apr 2020                        | 15 Jun 2020 - 29 Jun 2020 | 15 Jul 2020 - 30 Jul 2020 |
| 1 May 2020 - 31 May 2020                         | 30 Jun 2020 - 30 Jul 2020 | 31 Jul 2020 - 29 Aug 2020 |
| 1 Jun 2020 - 30 Jun 2020                         | 31 Jul 2020 - 29 Aug 2020 | 30 Aug 2020 - 29 Sep 2020 |
| 1 Jul 2020 - 31 Jul 2020                         | 30 Aug 2020 - 29 Sep 2020 | 30 Sep 2020 - 30 Oct 2020 |

It also bears noting that automatic time extensions will be granted to certain issuers, for the release of unaudited full-year financial statements. In this regard, on 22 April 2020, SGX RegCo (in consultation with the Monetary Authority of Singapore ('MAS')) announced that it will grant automatic time extensions to the following issuers:

- For issuers with financial year-ends of 29 February 2020 and 31 March 2020, a two-month extension.
- For issuers with the financial year ending 30 April 2020, a one-month extension.

### Alternative arrangements for conduct of meetings

While companies may choose to defer their AGMs, companies and other bodies intending to proceed with meetings must ensure compliance with the prevailing safe distancing measures.<sup>1</sup>

For that purpose, the [COVID-19 \(Temporary Measures\) \(Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders\) Order 2020 \(No. S 269/2020\)](#) (the 'Order') was first issued on 13 April 2020, in exercise of the Minister's powers conferred by the COVID-19 (Temporary Measures) Act 2020. As at 29 April 2020, the Order has been amended twice, pursuant to [No. S 270/2020](#) and [No. S 318/2020](#).

The Order prescribes alternative arrangements for the conduct of:

- General meetings of companies;
- General meetings of variable capital companies ('VCCs') and meetings of classes of members of VCCs holding shares in respect of a sub-fund;
- General meetings of unitholders of registered business trusts;
- Meetings of unitholders of relevant unit trusts;
- Meetings of debenture holders.

### Applicable period

The alternative arrangements apply to meetings convened, held, conducted or deferred in the period beginning 27 March 2020, and ending on 30 September 2020.

### Checklist

To facilitate the conduct of meetings during the applicable period, SGX RegCo, ACRA and MAS have prepared a checklist incorporating the alternative arrangements prescribed in the First to Fifth Schedules of the Order, as well as other recommended practices for issuers and non-listed companies.

The [checklist](#) is found as an Annex to the Joint Statement by SGX RegCo, ACRA and MAS dated 13 April 2020 (the 'Checklist'). The same should be read in conjunction with SGX's Frequently Asked Questions on the Holding of General Meetings (updated as at 13 April 2020).

SGX RegCo has clarified that provisions in the SGX Listing Rules requiring otherwise than provided by the Checklist will not apply during the applicable period, provided an issuer adheres to the Checklist. The Checklist also applies to VCCs and non-listed unit trusts, with the necessary modifications.

#### 1. Notice of meeting

*Non-listed companies and entities:* Notice of a meeting may be sent by electronic means, provided that, (i) the notice is first sent to all of the company/entity's members, at an email address notified by the member to the company/entity; and (ii) the notice is published on the website of the company/entity (if available).

*Listed companies:* Notice of a general meeting (including adjourned or postponed meetings) must be published at least 14 days before the meeting, on (i) SGXNET; and (ii) the website of the company (if available). However, this does not affect the period of notice required to pass a special resolution. Issuers are also strongly encouraged to provide at least 21 calendar days' notice to shareholders.<sup>2</sup>

*Content:* For both listed and non-listed companies, all notices of general meetings must contain all of the following:<sup>3</sup>

- Date and time of commencement of the meeting;
- Resolutions to be proposed;
- Particulars of the electronic means by which the meeting will be conducted (eg by 'live' webcast);

<sup>1</sup> Including measures prescribed by the [Infectious Diseases \(Measures to Prevent Spread of COVID-19\) Regulations 2020](#) (No. S 185/2020) ('Infectious Diseases Regulations') and the [COVID-19 \(Temporary Measures\) \(Control Order\) Regulations 2020](#) (No. S 254/2020) ('Control Order Regulations').

<sup>2</sup> Paragraph 1.3 of the Checklist.

<sup>3</sup> Paragraph 1.5 of the Checklist.

- Arrangements for shareholders/members to participate in the meeting by electronic means (by video and/or audio);
- Instructions to shareholders/members on how they may:
  - Access any documents or information relating to the business of the general meeting;
  - Submit their questions ahead of the meeting (including the timeframe for doing so), and how the substantial and relevant questions will be responded to prior to, or at, the meeting;
  - Cast their votes (as well as the manner of submission of proxy forms, and the timeframe for doing so).

## 2. Conduct of meeting

Meetings may be convened, held or conducted by electronic means (be it wholly or in part).

*Electronic means:* Where listed and non-listed companies conduct general meetings through electronic means, this should be done at no cost to the shareholders/members. Shareholders/members must at least be allowed to contemporaneously observe the proceedings of the meeting by audio and video means (eg by 'live' webcast). In addition, arrangements must also be made for contemporaneous observation of the proceedings by audio-only means (eg a telephone number).<sup>4</sup>

*Time-limited exemption:* In order to conduct general meetings by electronic means, issuers may require certain essential persons to be in the same physical location (eg chairman of the meeting, CEO, company secretary, technical administrator, share registrar or scrutineer). Issuers and their service provider(s), if any, may obtain a time-limited exemption for this purpose, provided that: (i) the number of persons at the same physical location is limited to six persons or less; and (ii) the arrangement at the physical venue complies with the safe distancing measures prescribed by the Control Order Regulations and the Infectious Diseases Regulations.

*Attendance and right to be heard:* Provisions may be made for attendance at the meeting, and for the right to be heard at the meeting, by electronic means. A

representation may be read out at a meeting by electronic means.

*Right to speak on a resolution:* Prior to a meeting, the company/entity should permit a member/ unitholder/ issuer or trustee of debentures to send to the chairman of the meeting, by post or email, the matters which he/she wishes to raise at the meeting. The company/entity should also inform of any cut-off time within which questions must be submitted.<sup>5</sup>

- For each such matter deemed substantial and relevant (and sent within a reasonable time before the meeting), the Board of Directors and/or management must provide a response prior to, or at, the meeting. The company/entity may provide that such response is to be made by electronic means.
- Issuers are also encouraged to adopt the following practices:<sup>6</sup>
  - Questions (including subsequent clarifications sought and follow-up questions) should be addressed promptly, to facilitate shareholders' votes.
  - Questions may be addressed prior to the general meeting through publication on SGXNET and the issuer's website (if available), and/or any virtual information session that the issuer may organise.

## 3. Minutes of meeting

Minutes of meetings of listed companies, listed registered business trusts, listed relevant unit trusts and debentures listed on an approved exchange must be published on: (i) SGXNET and; (ii) the website of that company/entity (as the case may be), if available, within one month after the date of the meeting.

The minutes should record:<sup>7</sup>

- Substantial and relevant comments or queries from shareholders in relation to the agenda of the general meeting;
- Responses from the Board of Directors; and
- Responses from management.

<sup>4</sup> Paragraph 6 of the Checklist.

<sup>5</sup> Paragraph 3.1 of the Checklist.

<sup>6</sup> Paragraph 3.2 of the Checklist.

<sup>7</sup> Paragraph 11.2 of the Checklist.

#### 4. Quorum

*Listed and non-listed companies (incorporated in Singapore):* A quorum may be formed by two members of the company (or one member, if permitted by the company's constitution) personally or electronically present.

*VCCs:* A quorum may be formed by two members of the VCC (or one member, if permitted by its constitution) or two members of the class of members of the VCC (or one member, if permitted by the VCC's constitution) personally or electronically present.

*Registered business trusts, relevant unit trusts (including REITs) and debenture holders:* A quorum may be formed by unitholders/debenture holders personally or electronically present, and satisfying the relevant quorum requirements. The relevant quorum requirements are to be determined by the proxies submitted by the unitholders/ debenture holders prior to the meeting.

*'Electronically present':* A member/unitholder/issuer or trustee of debentures is deemed electronically present at a meeting if he/she:

- Attends by electronic means;
- Is verified by the share registrar/company secretary (as the case may be) as attending the meeting by electronic means; and
- Is acknowledged by the chairman of the meeting to be present by electronic means.

#### 5. Laying and production of documents

*Listed companies, listed registered business trusts and listed relevant unit trusts:* All documents to be laid or produced before a general meeting must be published on SGXNET and the issuer's website (if available), together with the notice of the meeting. While the Order provides for publication at an online location (the address of which is to be sent with the notice of the meeting), this form of publication has not been included in the Checklist.

*Non-listed companies, VCCs, non-listed registered business trusts and non-listed relevant unit trusts:* All documents required to be laid or produced before a general meeting may be sent together with the notice of the meeting. In this regard, companies/entities which are unable to send documents electronically (in

accordance with the Companies Act (Cap 50, 2006 Rev Ed) and their constitutions) are encouraged to defer their meetings, until it is safe to hold such meetings.<sup>8</sup>

#### 6. Voting by proxy

Unless remote electronic voting is permitted by the constitution, shareholders and members (of issuers and non-listed companies) should vote by proxy only, and only the chairman of the meeting may be appointed as proxy.

A company/entity should allow the submission of proxy forms through electronic means, as an alternative to physical delivery of the instrument of proxy. The notice of the general meeting must specify how proxy forms may be submitted, and the timeline for doing so.<sup>9</sup>

Where a proxy is delivered to a company/VCC/registered business trust/relevant unit trust before 13 April 2020, appointing a person other than the chairman of the meeting as proxy to vote, the following shall apply:

- The proxy will continue to be valid if the member/unitholder has indicated how he/she wishes to vote on each such resolution, and he/she has been given an opportunity to withdraw the appointment but has not done so.
- In the case of adjourned or postponed meetings, and in addition to the point above, the resolutions proposed at the adjourned or postponed meeting must be the same as those proposed at the meeting. In this regard, there should not be any amendments to the ambit of the resolutions, or addition of new resolutions.<sup>10</sup>

As for investors in the Central Provident Fund ('CPF') and Supplementary Retirement Scheme ('SRS'), votes should be submitted to the investor's CPF Agent Bank or SRS Operator at least 7 working days before the general meeting.<sup>11</sup>

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<sup>8</sup> Paragraph 2.3 of the Checklist.

<sup>9</sup> Paragraph 5.1 of the Checklist.

<sup>10</sup> Paragraph 5.3 of the Checklist.

<sup>11</sup> Paragraph 5.2 of the Checklist.

*In light of the constantly changing circumstances, this is a general overview and should not be treated as legal advice. The information presented is correct to the date of its publication.*

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