Bumiputera Corporate Equity Ownership and Value Relevance within the Integrated Reporting Framework

Nahariah Jaffar[1♣], Norazlan Alias[2], Noor Adwa Sulaiman[3] and Zarehan Selamat[4]
[1]School of Economics and Management, Xiamen University Malaysia, Sepang, Selangor, Malaysia
[2]Faculty of Economics and Management, Universiti Kebangsaan Malaysia, Bandar Baru Bangi, Selangor, Malaysia
[3]Faculty of Business and Economics, University of Malaya, Kuala Lumpur, Malaysia
[4]Faculty of Management, Multimedia University, Cyberjaya, Malaysia

ABSTRACT

The purpose of this study was to examine the effect of disclosure of information on Bumiputera corporate equity ownership on value relevance of corporate information in the Malaysian companies within the Integrated Reporting Framework. Data were collected from annual reports of 603 companies for the year 2015. These companies were listed on the Main Market of Bursa Malaysia. Results showed that the disclosure of information regarding the Bumiputera corporate equity ownership, information related to three Integrated Report content elements, namely organizational overview and external environment, company's outlook, and basis of presentation; and total assets and book value were found to affect the firm value significantly and positively. However, the disclosure of the information concerning basis of presentation had a negative effect on value relevance of the companies' corporate information. The findings offer evidence pertaining the potential impact of information related to Bumiputera corporate equity ownership and content elements of an integrated report on the value relevance of corporate information in Malaysia.

Keywords: Bumiputera, Corporate Equity Ownership, Integrated Reporting, Value Relevance, Malaysia.

ARTICLE INFO

Article History:
Received: 19 October 2022
Accepted: 14 March 2023
Available online: 01 April 2023

♣ Corresponding author: Nahariah Jaffar, School of Economics and Management, Xiamen University Malaysia, 43900 Sepang, Selangor, Malaysia; Email: nahariah.jaffar@xmu.edu.my; Tel: +6013-2271501

INTRODUCTION

Companies are undergoing a change in corporate reporting which necessitates a more efficient method in transmitting relevant corporate information (Corp.info) to stakeholders. More detailed information is needed covering both financial and non-financial information. To fulfil the needs for such inclusive information, the International Integrated Reporting Council (IIRC) (2013) recommends integrated reporting (IR) and established the International Integrated Reporting Framework (IR Framework) in 2013. The goal of IR is to adopt a more integrated and effective approaches to corporate reporting that able to create value overtime (IIRC, 2013). The IR Framework presents eight content elements of an IR, namely organisational overview and external environment, governance, business model, risks and opportunities, strategy and resource allocation, performance, outlook, and basis of presentation.

In 2014, the Malaysian Institute of Accountants (MIA) established the Integrated Reporting Steering Committee (IRSC) to raise awareness amongst stakeholders and promote IR adoption in Malaysia. The 2011 Corporate Governance Blueprint issued by the Securities Commission of Malaysia, with the main theme of "Disclosures and Transparency", provides evidence that Malaysia is moving towards IR since it promotes an effective disclosure of non-financial information (Jamal & Ghani, 2016).

Nonetheless, the number of companies which are adopting IR in Malaysia is still low of which disclosure of the elements were not integrated (PwC, 2014). In the context of the Malaysian environment, Bumiputera corporate equity ownership (BCEO) is also considered as part of the Corp. info. The Eleventh Malaysia Plan (2016–2020) aimed at achieving 30% of BCEO by 2020 (EPU, 2015). However, on 13 August 2020 it was reported that the objective as per 2015 was not achieved yet (*Seksyen Penyata Rasmi*, 2020). Inadequate studies had investigated the potential impact of disclosing BCEO to encourage Bumiputera investors to invest in companies. Thus, this study aimed to find out how information disclosure about BCEO affects the value relevance (VR) of Corp.info within the IR framework. VR is the ability of financial statements to capture information that affects stock prices (Francis & Schipper, 1999). In this study, VR refers to the ability of Corp.info, which is information related to BCEO and IR content elements, disclosed in the annual report to capture and summarise the company value.

LITERATURE REVIEW

Studies on Integrated Reporting

Available literature on IR is limited. In the international setting, Lee and Yeo (2016) showed that higher firm valuation was positively associated with higher IR disclosures, especially for complex listed firms in South Africa. Nurkumalasari et al. (2019) discovered that IR did not affect firm value, and organizational complexity and external financing did not moderate the relationship between IR and firm value. Whereas, Suttipun and Bomlai (2019) found that there were significant positive relationships between institution-owned firms, board size, companies with corporate social responsibility awards and the level of IR disclosure in Thailand. Falatifah and Hermawan (2021) found that the level of IR disclosure had an impact in reducing the cost of equity of a company. Also, the effectiveness of the board of directors did not affect the level of IR disclosure.

In the Malaysian setting, one of the earlier studies by Mohd Safihie (2015) revealed that the presence of IR elements created value to companies. Additionally, IR assurance dimension had the highest disclosure score. Furthermore, mission and vision as well as risk and opportunities had positive and significant relations with IR elements. Meanwhile, Jamal and Ghani (2016) revealed that the real property companies did not achieve a satisfactory level of IR practices and company size played an important role in the extent of IR practices. In contrast, Chin et al. (2019) discovered that strategy and prospect disclosures influenced financial performance of companies in industrial product segment, while governance did not. A comparative analysis on public listed companies (PLCs) in Malaysia and Singapore by Abdullah et al. (2017) showed that PLCs in both countries reported similar IR information.

Balasingam et al. (2019) found that a growing number of companies in Malaysia adopted IR and cost, availability of information, readiness of information and ability of preparers were amongst the challenges of IR implementation. Likewise, Joshi et al. (2019) revealed that IR was not adopted widely in Malaysia with 56% of companies currently thinking of adopting IR. Respondents in this study acknowledged increased quality of financial reporting, compliance practices communication, transparency, and breakdown of functional silos as potential benefits of IR adoption. Tuan Hazam and Mansor (2020) revealed that the size of the local authorities affects overall IR implementation. Conceptually Hamad et al. (2020) suggested a potential moderating effect of sustainability reporting on the relationship between corporate governance mechanisms and IR disclosure. The literature review above suggests limited studies investigating on impact of IR disclosure on the value of Corp.info. Therefore, this study was timely in contributing to the literature on IR.

Value Relevance of Corporate Information

In the context of this study, Corp.info refers to all information (financial and non-financial) that was disclosed in the company annual reports. A number of studies had examined the effect of voluntary disclosure (VD) of corporate accounting information on VR which is represented by firm value. Some studies revealed that specific Corp.info, such as environmental quality (Plumlee et al., 2015), and executive compensation (Chung et al., 2015) were associated with firm value, which indicated VR of Corp.info. Furthermore, Alali and Foote (2012) found that value accounting information is of relevance with the use of accounting standards. On the other hand, Corp.info, such as intangible non-current assets (Shukor et al., 2009) had a negative association with the share market price of firms. Other studies (e.g. Belgacem & Omri, 2014) found that VD of Corp.info had an insignificant influence on firm value.

In summary, the literature offers inconclusive results regarding the VR of Corp.info. With the establishment of the IR Framework, this study is crucial in obtaining evidence about the potential impact of disclosure of Corp.info (BCEO and eight IR content elements) on firm value. A positive impact would mean the Corp.info is value relevant.

Bumiputera Corporate Equity Ownership

The term “Bumiputera” (son of the soil) is used in Malaysia to group together the Malays, natives of Sabah and Sarawak and other ethnic groups (Johan, 2017). The Malaysian government has developed a political agenda that aimed to address the issue of economic disparities between ethnic Bumiputera, especially Malay and non-Malays (Mohamad-Yusof et al., 2018). The Eleventh Malaysia Plan focusses at increasing Bumiputera ownership in company equity (EPU, 2015). Ownership of Bumiputera in the company equity is expected to enhance effective control and subsequently company value. From the IR perspective, the governance element represents effective control. Thus, this study aimed to examine whether BCEO disclosure within the IR framework has a positive impact on the company value.

A study by How et al. (2007) discovered that the initial public offerings with a higher share allocation to retail Bumiputera investors were the most underpriced. However, it performed the best in the long run. The study suggested that Malaysian regulators were successful in achieving ownership dispersion in the KLSE Second Board firms. However, the results revealed that share price performance was poor for companies with a higher share allocation for institutional Bumiputera investors. The Eleventh Malaysia Plan targets that institutional Bumiputera investors could contribute to more than 30% of effective control (EPU, 2015). The investigation on the impact of BCEO on share price performance is still lacking. Therefore, this study is warranted to investigate its impact through VD of the BCEO information.

Studies on Corporate Ownership Versus Value Relevance

Studies on corporate equity ownership impact on the VR of Corp. info are limited. Shamki and Al-Arussi (2015) investigated the effects of ownership structure on the VR of earnings and book value (BV) in Jordan. The results showed that domestic and total shareholder numbers significantly reduced the VR of individual and aggregate BV but not earnings. In addition, the number of foreign shareholders did not affect the VR of both accounting variables. However, domestic and total shareholders had a greater impact on the VR of BV than on earnings. In combination, the share price was more responsive to BV than earnings when the impact of ownership structure was included.

In comparison, a study by Chau et al. (2002) revealed that the extent of an outside ownership was positively associated with VD. Meanwhile, Ho and Tower (2011) found that ownership concentration showed a positive association with VD. Also, firms with higher foreign and institutional ownership had a significantly positive association with VD levels, while firms with family ownership exhibited lower VD. In another study, Haddad et al. (2015) discovered that VD was positively associated with government ownership and negatively associated with the proportion of shares held by management. In addition, family domination was a significant factor in explaining variations of VD. Ngoc and Hung (2015) revealed that the largest owner tended to disclose more information to the market. Gonzalez-Gonzalez and Ramirez (2016) discovered that companies with a lower ownership concentration would tend to disclose voluntarily on carbon information with a higher transparency level because it reduced the information asymmetry between the company and its shareholders.

The Agency Theory and Hypotheses

This study used the Agency Theory to illustrate the link between BCEO and eight IR content elements, and the firm value which represented the VR of Corp.info. According to Jensen and Meckling (1976) an agency relation was referred to as a contract under which one or more persons (the principal[s]) become engaged by another person (the agent) to perform some services on their behalf, which involved delegating some decision-making authority to the agent.

However, if both parties of the relation were utility maximisers, then there is good reason to believe that the agent will not always act in the principal's best interests which generates agency costs. As such, managers who ultimately bear the monitoring and bonding costs will voluntarily disclose information to assure the investors that they are acting in the best interest of investors' decision-making process (Morris et al., 2004). Ngoc and Hung (2015) revealed that largest owner disclosed more information to the market if his asset was tied to the share price because of fear that the market could reduce their share price and punish them for their misconduct. VD of BCEO through the IR framework represent the effectiveness of Bumiputera control in Malaysian companies.

Past research documented mixed results concerning the effects of Corp.info and firm value. For instance, Khanifah et al. (2020) revealed that Islamic banks with higher levels of corporate governance disclosure reported higher operating performance. Ghani et al. (2016) revealed that the level of operational and risk management information disclosed affected the financial performance of companies. Nonetheless, they found that the level of disclosure of operational information did not impact the increase in earnings and efficiency of assets management.

This study was in line with the Agency Theory and the aims of the IR to provide a comprehensive report, whereby it was expected that managers will voluntarily disclose a substantial amount of Corp.info. For example, the BCEO and information related to the eight IR content elements must meet the informational needs of investors. With such disclosure, it was expected that the VR of Corp.info would increase. The foregoing discussion leads to the development of the following hypotheses:

H1: Disclosure of BCEO information has a positive effect on firm value.
H2: Disclosure of organisational overview and external environmental information has a positive effect on the firm value.
H3: Disclosure of governance information has a positive effect on the firm value.
H4: Disclosure of business model information has a positive effect on the firm value.
H5: Disclosure of risks and opportunities information has a positive effect on the firm value.
H6: Disclosure of strategy and resource allocation information has a positive effect on the firm value.
H7: Disclosure of performance information has a positive effect on the firm value.
H8: Disclosure of outlook information has a positive effect on the firm value.
H9: Disclosure of presentation information basis has a positive effect on the firm value.

METHODOLOGY

Research Design

The 2015 annual reports of companies listed on the Main Market of Bursa Malaysia were examined. A total of 603 companies were used after companies in financial sector and those with incomplete information were excluded. Companies in financial sector were excluded as they are regulated and supervised by Bank Negara Malaysia (BNM) (Central Bank of Malaysia) of which subjected to strict regulatory control that may introduce bias toward other companies (Haron et al., 2010). Although the IR Framework was issued in late 2013, annual reports of 2014 were excluded from this study because normally companies are given a one-year transitional period to adopt a new standard. The same rule was applied in this study by assuming that a grace period of one year was specified for companies to be familiar with the IR requirements. As such annual reports of 2015 were used for analysis.

Model, Variables and Measurement

This study adopted the Ohlson's model (1995) to examine the relations amongst the BCEO and information related to the IR eight content elements and firm values. This study model included three control variables, which were company size (LOGTA), profitability (ROE) and leverage (LEV). It was expected that larger companies had higher disclosure levels as compared to smaller companies (e.g. Craig & Diga, 1998), companies with higher leverage incurred higher monitoring costs (Jensen & Meckling, 1976) and high-performing companies disclose more Corp.info to signal their superior performance to the market (Wallace & Naser, 1995). The measurements of the dependent, independent and control variables are tabulated in Table 1. Ohlson's model (Ohlson, 1995) suggested that a company share price is a function of both the earnings and BV of equity. Similar to other studies, such as by Abdullah et al. (2017), content analysis on the annual reports was performed to measure the presence of information related to the BCEO and eight IR content elements. The model for this study was as follows:

$$
\begin{aligned}
MVjt = {} & \beta 0 + \beta 1BUMIjt + \beta 2ELEMENT1jt + \beta 3ELEMENT2jt \\
& + \beta 4ELEMENT3jt + \beta 5ELEMENT4jt + \beta 6ELEMENT5jt \\
& + \beta 7ELEMENT6jt + \beta 8ELEMENT7jt + \beta 9ELEMENT8jt \\
& + \beta 10EPSjt + \beta 11BVjt + \beta 12LOGTAjt + \beta 13ROEjt \\
& + \beta 14LEVjt + e
\end{aligned}
$$

Table 1: Measurements of Dependent, Independent and Control Variables

Variable	Measurement
Dependent Variable	
Market value (MV)	BV and earnings per share (EPS)
Independent Variables	
BCEO (BUMI)	Ownership and/or institutional ownership through unit trust. Dummy variable; 1 = if the information was disclosed; and 0 = if not disclosed
Organisational overview and external environment (ELEMENT1)	Information related to organisational overview and company external environment in the annual reports. Dummy variable; 1 = if the information was disclosed; and 0 = if not disclosed.
Governance (ELEMENT2)	Information related to governance of the company in annual reports. Dummy variable; 1 = if the information was disclosed; and 0 = if not disclosed.
Model (ELEMENT3)	Information related to company business model in the annual reports. Dummy variable; 1 = if the information was disclosed; and 0 = if not disclosed.
Risk (ELEMENT4)	Information related to risks and opportunities of company in the annual reports. Dummy variable; 1 = if the information was disclosed; and 0 = if not disclosed.
Strategy (ELEMENT5)	Information related to strategy and resource allocation of company in the annual reports. Dummy variable; 1 = if the information was disclosed; and 0 = if not disclosed.
Performance (ELEMENT6)	Information related to performance of company in the annual reports. Dummy variable; 1 = if the information was disclosed; and 0 = if not disclosed.
Outlook (ELEMENT7)	Information related to outlook of company in the annual reports. Dummy variable; 1 = if the information was disclosed; and 0 = if not disclosed.
Basis (ELEMENT8)	Information related to basis of presentation of company in the annual reports. Dummy variable; 1 = if the information was disclosed; and 0 = if not disclosed.
Control Variables	
Size (LOGTA)	LOG total assets were used as proxy for the company size.
Profitability (ROE)	Return on total equity.
Leverage (LEV)	Total debt to total assets ratio.

RESULTS

This study performed the analysis by using the Statistical Package for the Social Sciences (SPSS) software. Multiple regression results as shown in Table 2 shows that variables (BUMI, ELEMENT1, ELEMENT2, ELEMENT3, ELEMENT4, ELEMENT5, ELEMENT6, ELEMENT7, ELEMENT8, LOGTA, LEV, ROE, EPS and BV) statistically and significantly predicted MV at F (14,588) = 10.417, p = 0.000, R^2 = 0.199, adjusted R^2 = 0.180. The variables explained 18% of the variability of MV and the model was a good fit of the data. The coefficients showed that BUMI (BCEO), ELEMENT1 (organisational overview and external environment), ELEMENT7 (company outlook), ELEMENT8 (basis of presentation), LOGTA and BV statistically and significantly affected the MV at p= 0.041, p=0.023, p=0.085, p=0.079 and p=0.000, respectively. However, the effect of ELEMENT8 on MV was at beta = -2.159, denoting that the higher the level of information disclosure related to basis of presentation, the lower would be the VR of Corp.info. Meanwhile, ELEMENT2 ELEMENT3, ELEMENT4, ELEMENT5, ELEMENT6, LEV, ROE and EPS were not statistically significantly affecting the MV.

Table 2: Multiple Regression Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.446[a]	0.199	0.180	3.245

a. Predictors: (Constant), LOGTA, LEV, ROE, EPS, BV, BUMI, ELEMENT1, ELEMENT2, ELEMENT3, ELEMENT4, ELEMENT5, ELEMENT6, ELEMENT7, ELEMENT8.

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1535.924	14	109.709	10.417	.000[b]
	Residual	6192.355	588	10.531		
	Total	7728.278	602			

a. Dependent Variable: Market value; b. Predictors: (Constant), LOGTA, LEV, ROE, EPS, BV, BUMI, ELEMENT1, ELEMENT2, ELEMENT3, ELEMENT4, ELEMENT5, ELEMENT6, ELEMENT7, ELEMENT8.

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	-18.711	5.726		-3.268	0.001
	BUMI	0.548	0.268	0.076	2.046	0.041*
	ELEMENT1	17.318	7.603	0.137	2.278	0.023*
	ELEMENT2	-2.351	3.137	-0.035	-0.749	0.454
	ELEMENT3	-2.566	3.541	-0.043	-0.725	0.469
	ELEMENT4	-5.365	4.126	-0.072	-1.300	0.194
	ELEMENT5	1.873	1.402	0.077	1.335	0.182

ELEMENT6	6.374	5.588	0.070	1.141	0.255
ELEMENT7	103.905	60.204	2.153	1.726	0.085**
ELEMENT8	-105.033	59.738	-2.159	-1.758	0.079**
LOGTA	1.119	0.227	0.196	4.940	0.000*
LEV	0.589	0.586	0.038	1.005	0.316
ROE	-2.453E-11	0.000	-0.025	-0.578	0.563
EPS	7.386E-06	0.000	0.016	0.424	0.672
BV	0.627	0.079	0.342	7.907	0.000

a.Dependent Variable: Market value; *At 5% significant level; ** At 10% significant level

DISCUSSION

In summary, hypotheses H1, H2 and H8 were supported. The disclosure of BCEO information was found to have positive effect on the firm value. In other words, they are value relevant. The disclosure of information related to two IR content elements, which were organisational overview and external environment as well as outlook had positive effects on the VR of Corp.info. These findings supported the expectation of the Agency Theory, whereby disclosure of more Corp.info would result in higher satisfaction of shareholders, which would subsequently enhance the VR of Corp.info. Similarly, as disclosure of information related to the eight IR content elements were on voluntary basis, the findings corroborated Morris et al. (2004), which advocated that voluntarily disclose of a greater amount of information may satisfy the informational needs of shareholders. In addition, these findings supported previous studies, such as those by Lang et al. (2003) and Plumlee et al. (2015), which revealed a positive effect of VD on the company value. The findings supported Lee and Yeo (2016) who demonstrated that firm valuation was positively associated with IR disclosures. Besides, the positive effect of information disclosure related to organisational overview and external environment on the VR of Corp. info marks the inclination of companies to report what they did and the circumstances under which they operated for the public. Additionally, the positive effect of disclosing information related to company outlook on the VR of Corp.info indicated the disposition of the companies to disclose their strategic information, such as challenges and uncertainties that they were likely to encounter in pursuing their strategy to the public.

Hypotheses H3, H4, H5, H6, H7 and H9 were rejected. The information disclosure related to six IR content elements, which were governance, business model, risk and opportunities, strategy and resource allocation, performance, and basis of presentation, did not have positive effects on the VR of Corp.info which contrary to the prediction of the Agency Theory. Moreover, since the disclosure of IR content elements were voluntary these findings did not support previous studies, such as by Lang et al. (2003) and Plumlee et al. (2015) which found that VD had positive effects on a firm value. The insignificant results denoted that the shareholders' decision-making was not influenced by the related information of these IR content elements. Nonetheless, these results were consistent with other studies, such as by Belgacem and Omri (2014), which also concluded that VD did not impact the firm value. For hypothesis H3 (that there is no effect of governance information on the VR of Corp.info), this might be due to regulatory requirements that required companies to provide Corporate Governance Statement in their annual reports. Therefore, this had established awareness amongst investors, concerning the action of companies to maintain a strong corporate governance. This action was a known initiative that to some extent, although it strengthened investors' confidence, would not be primarily impacting the investors' decision.

Hypothesis H4, H5 and H6 were rejected indicating that business model, risks and opportunities, and strategy and resource allocation information were not associated with the VR of Corp.info. It could be due to the fact that based on the study data the companies disclosed only a moderate amount of business model, risks and opportunities, and strategy and resource allocation information. One potential reason could be due to the unwillingness of the companies to disclose such strategic information to the public. Similarly, Hashim et al. (2014) found that companies, on average, revealed moderate amount of strategic information. Pertaining to hypothesis H7, the information related to performance of the companies had no effect on the VR of Corp.info. This could be due the perception of investors, whereby company performance such as the extent which organisation had achieved its strategic objectives for the period was not the relied primary information when they made their investment decision. This could be due to the fact that investors primarily relied on the financial performance data in their decision-making. Nonetheless, this result was still considered surprising for the reason that performance information was essential to stakeholders, particularly investors for their economic decisions. Also, it was important to note that although the result of hypothesis H9 was significant, the direction was negative. This means that the higher the level of information disclosure related to basis of presentation, the lower would be the VR of the Corp.info. This could be that the investors might have different perspectives regarding what matters should be included in their company annual reports and it should be quantified or evaluated to the public. The positive effects of the control variables (LOGTA and BV) on the VR of company Corp.info were consistent with the literature (Kargin, 2013).

CONCLUSION

Results showed that after the establishment of IR Framework, the information disclosure on BCEO and information related to two IR content elements, namely organisational overview and external environment, including the company outlook, had a significant positive impact on the VR of Corp.info. These findings offer some insights about the potential positive impacts on the company value if IR was adopted. Furthermore, the positive effect of BCEO information disclosure was expected to encourage possible actions from relevant parties to attain the government's policy in increasing BCEO, which subsequently enhances the company value. When company value is enhanced, this may attract more investors. This study recommends that the adoption of IR may be enhanced by promoting and enlightening the corporate reporting community through professional seminars by relevant professional accounting bodies. Other researchers, such as Jamal and Ghani (2016), recommended regulators to develop strategies in promoting IR in PLCs. Besides, several studies, such as by Lee and Yeo (2016) showed that the benefits of IR outweigh its costs, and that IR can reduce the information asymmetry between corporate insiders and external capital providers. Furthermore, top management should play a significant role in the adoption of IR, as advocated by Hashim et al. (2014), in which top level management, such as the Board had a significant role in controlling and monitoring the disclosure practices of voluntary information.

ACKNOWLEDGEMENTS

This research was financially supported by the Fundamental Research Grant Scheme (FRGS)(Project ID: FRGS/1/2016/SS01/MMU/02/8) Ministry of Higher Education Malaysia. The researchers would like to thank the Ministry of Higher Education and Multimedia University in accomplishing this research.

REFERENCES

Abdullah, W.N., Mat Husin, N., Mohamad Salleh, S. & Alrazi, B. (2017). Integrated Reporting: A comparison between Malaysian and Singapore public listed companies, 8th International Economics and Business Management Conference.

Ahmed, K. & Nicholls, D. (1994). The Impact of Non-financial Company Characteristics on Mandatory Disclosure Compliance in Developing Countries: The Case of Bangladesh, *The International Journal of Accounting*, 29(l), 62-77.

Alali, F.A., & Foote, P.S. (2012). The value relevance of International Financial Reporting Standards: Empirical evidence in an emerging market, *The International Journal of Accounting*, 47, 85–108.

Balasingam, S., Arumugam, D. & Hui, A.K. (2019). The challenges in adopting and implementing Integrated Reporting in public listed companies in Malaysia, *International Journal of Recent Technology and Engineering*, 7(5S), 127-133.

Belgacem, I., & Omri, A. (2014). The value relevance of voluntary disclosure: Evidence from Tunisia Stock Market, *International Journal of Management, Accounting and Economics*, 1(5), 353-370.

Chau, K.G., Sidney J. & Gray, J.S. (2002). Ownership structure and corporate voluntary disclosure in Hong Kong and Singapore, *The International Journal of Accounting*, 37, 247–265.

Chin, K.F., Juma, M.E. & Nga, CL J. (2019). Using the Ohlson model to assess the adoption of Integrated Reporting <IR> practices of Malaysian public listed companies, *City University eJournal of Academic Research*, 1(2), 69-82.

Chung, H., Judge, W.Q. & Li, Y. (2015). Voluntary disclosure, excess executive compensation, and firm value, *Journal of Corporate Finance*, 32, 64-90.

Craig, R. & Joselito Diga, J. (1998). Corporate Accounting Disclosure in ASEAN, *Journal of International Financial Management and Accounting*, 9(3), 246-274.

Economic Planning Unit (EPU). (2015). Eleventh Malaysia Plan 2016-2020: Anchoring growth on people. Malaysia: Prime Minister's Department

Falatifah, M. & Hermawan, A.A. (2021). Board of directors' effectiveness, voluntary integrated reporting and cost of equity: Evidence from OECD countries, *International Journal of Business and Society*, 22(1), 443-460.

Francis, J. & Schipper, K. (1999). Have financial statements lost their relevance?. Journal of Accounting Research, 319-352.

Ghani, K.E., Tarmezi, N., Said, J. & Yuliansyah, Y. (2016). The Effect of Risk Management and Operational Information Disclosure Practices on Public Listed Firms' Financial Performance, *International Journal of Economics and Management*, 10(S2), 235 – 252.

Gonzalez-Gonzalez, J. M., & Ramirez, C. Z. (2016). Voluntary carbon disclosure by Spanish companies: An empirical analysis, *International Journal of Climate Change Strategies and Management*, 8, 57-79.

Haddad, E.A., AlShattarat, K.W., Abu Ghazaleh, M.N. & Nobanee, H. (2015). The impact of ownership structure and family board domination on voluntary disclosure for Jordanian listed companies, *Eurasian Business Review*, 5, 203-234.

Hamad, S., Draz, M.U & Lai, F. (2020). The impact of corporate governance and sustainability reporting on Integrated Reporting: A conceptual framework, *SAGE Open*,, 1–15.

Haron, H., Ibrahim, D. D. N., Jeyaraman, K., & Chye, O. H. (2010). Determinants of internal control characteristics influencing voluntary and mandatory disclosures: A Malaysian perspective. *Managerial Auditing Journal*, *25(2)*, 140–159.

Hashim, H.M., Nawawi, A. & Salin, A.P.A.S. (2014). Determinants of strategic information disclosure – Malaysian evidence, *International Journal of Business and Society*, 15 (3), 547- 572.

Ho, L.P. & Tower. G. (2011). Ownership structure and voluntary disclosure in corporate annual reports of Malaysian listed firms, *Corporate Ownership & Control*, 8 (2), 296-312.

How, J., Jelic, R., Saadouni, B., & Verhoeven, P. (2007). Share allocations and performance of KLSE second board IPOs, *Pacific-Basin Finance Journal*, 15, 292-314.

Integrated Report: The International Integrated Report Framework. International Integrated Reporting Council, 2013.

Jamal, J. & Ghani, K.E. (2016). Integrated Reporting practices among real property listed companies in Malaysia, *Malaysian Accounting Review*, 15(1), 251-274.

Jensen, M.C., & Meckling, W.H. (1976). Theory of the firm: Managerial behavior, agency costs and ownership structure, *Journal of Financial Economics*, 3(4), 305-360.

Johan, S. (2017). What defines a bumiputra, https://www.thestar.com.my/opinion/online-exclusive/a-humble-submission/2017/07/27/what-defines-a-bumiputra-as-we-debate-this-issue-it-is-important-for-us-to-get-all-the-terminology-r/retrieved: 7-3-21?. Retrieved on 7 March 2021.

Joshi, L.P., Sallehhuddin, A., Munusamy, P. & Deshmukh, A. (2019). Benefits and adoption of Integrated Reporting: Perceptions of the Malaysian corporate accountants, *International Journal of Knowledge-Based Organizations*, 9(4), 50-64.

Kargin, S. (2013). The impact of IFRS on the value relevance of accounting information: Evidence from Turkish firms, *International Journal of Economics and Finance*, 5(4), 71-80.

Khanifah, K., Hardiningsih, P., Darmaryantiko, A., Irynatik, I. & Udin, U. (2020). The Effect of Corporate Governance Disclosure on Banking Performance: Empirical Evidence from Iran, Saudi Arabia and Malaysia, *Journal of Asian Finance, Economics and Business*, 7(3), 41-51.

Lang, M.H., Lins, K.V., Miller, D. (2003). ADRs, analysts, and accuracy: does cross listing in the U.S. improve a firm's information environment and increase market value?, *Journal of Accounting Research*, 41(2), 317–345.

Lee, K. W. & Yeo, G. H. (2016). The association between integrated reporting and firm valuation, *Review of Quantitative Finance and Accounting*, 47(4), 1221–1250.

Mohd Safihie, F.S. (2015). Integrated Reporting and Value Creation: Evidence from Malaysian Companies. Dissertation for Master of Accountancy, UiTM: Malaysia.

Mohamad-Yusof, N.Z., Wickramasinghe, D. & Zaman, M. (2018). Corporate governance, critical junctures and ethnic politics: Ownership and boards in Malaysia, *Critical Perspectives on Accounting*, 55, 33–52.

Morris, R.D., Susilowati, I., & Gary, S.J. (2004). Financial reporting practices of Indonesian companies before and after the Asian financial crisis, *Asia-Pacific Journal of Accounting & Economics*, 11(2), 1-27.

Ngoc, T.B.P. & Hung, M.Q. (2015). Ownership structure and information disclosure: An approach at firm level in Vietnam, *Academy of Accounting and Financial Studies*, 19(3), 235-251.

Nurkumalasari, S.I., Restuningdiah, N. & Sidharta, A.E. (2019). Integrated Reporting disclosure and its impact on firm value: Evidence in Asia, *International Journal of Business, Economics and Law*, 18(5), 99-108.

Ohlson, A.J. (1995). Earnings, Book Values, and Dividends in Equity Valuation, *Contemporary Accounting Research*, 11(2), 661-687.

Plumlee, M., Brown, D., Hayes, R.M., & Marshall, R.S. (2015). Voluntary environmental disclosure quality and firm value: Further evidence, *Journal of Accounting & Public Policy*, 34(4), 336-361.

PwC (2014). The State of Integrated Reporting in Malaysia: An analysis of the Bursa Malaysia's top 30 companies' annual reports.

Seksyen Penyata Rasmi (2020). Penyata Rasmi Parlimen. https://www.parlimen.gov.my/files/hindex/pdf/KKDR 11112020.pdf. Retrived on 7 March 2021.

Shamki, D. & Al-Arussi, A. (2015). Ownership Structure Impacting Value Relevance of Accounting Information, *International Journal of Emerging Research in Management & Technology*, 4(1), 5-11.

Shukor, Z.A., Ibrahim, M.K., Kaur, J. & Hamezah, H.M. (2009). The value relevance of intangible non-current assets during different economic conditions and accounting environments, *Malaysian Accounting Review*, 8(2), 43-66.

Suttipun, M. & Bomlai, A. (2019). The relationship between corporate governance and integrated reporting: Thai evidence, *International Journal of Business and Society*, 20(1), 348-364.

Tuan Hazam, R.S. & Mansor, N. (2020). Implementation level of Integrated Reporting at Malaysian local authorities, *International Journal of Accounting, Finance and Business*, 5(26), 118-128.

Wallace, R.S.O. & Naser, K. (1995). Firm-specific determinants of the comprehensiveness of mandatory disclosure in the corporate annual reports of firms listed on the stock exchange of Hong Kong, *Journal of Accounting and Public Policy*, 14(4), 311-368.