

# PM DENIES ADDENDUM IMPACT ON INVESTORS

**Anwar says economy remains stable, with strong investment figures and minimal capital outflow**

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**P**RIME Minister Datuk Seri Anwar Ibrahim has dismissed claims that foreign investors are losing confidence in Malaysia's economy due to concerns about the royal addendum issue, pointing to strong investment figures and stable stock market performance.

In response to a question from member of parliament Wan Ahmad Fayhsal Wan Ahmad Kamal (PN-Machang) regarding foreign share sales, Anwar said while there had been some capital outflow, it was minimal, amounting to 0.2 per cent of the total RM2 trillion market capitalisation.

"Thailand lost four times that amount in the same period, while Indonesia lost double.

"So where is this talk that the market is crashing due to the addendum coming from?"

Anwar said this in reference to the controversy surrounding the royal addendum that allegedly allowed former prime minister Datuk Seri Najib Razak to serve the remainder of his prison sentence under house arrest.

Anwar, who is finance minister, said foreign shareholding in Malaysia had remained stable, standing at 19.4 per cent up to last month, a slight change from 19.5 per cent in 2023 and 19.7 per cent by the end of 2024.

He said the gross domestic product had demonstrated growth while investment value increased by 10.7 per cent in 2024 compared with the previous year.

"Investments by corporations such as Infineon, Geely, Amazon and Microsoft reflect strong investor confidence."

He attributed Malaysia's market downturn to global trends, saying Indonesia, the Philippines and Thailand had experienced losses at a higher rate, though Malaysian corporations continued to perform well.

Opposition leader Datuk Seri



Prime Minister Datuk Seri Anwar Ibrahim says foreign holdings in Malaysian companies remain stable. BERNAMA PIC

Hamzah Zainudin (PN-Larut), in a supplementary question, expressed concerns about the stagnant stock market and suggested that the lack of reform in policies was deterring foreign investors.

Acknowledging the need for reforms, Anwar said: "If the argument is that the stock exchange needs reforms, I agree.

"There have been leadership changes at Bursa Malaysia for this purpose, and while some early proposals have been made, I agree that further improvements are necessary."

Separately, he addressed the controversy surrounding the royal addendum.

"Once the court case is concluded, I will respond, and I want to see whether the opposition leader will be present."

Anwar, visibly frustrated, rejected accusations that he was evading the issue, adding, "Where would I run to? Yes, you can shout. Shout as much as you want, I know the facts.

"But if you want me to insult the monarchy, I cannot do that. In this matter, you can check. I have indeed contacted the rulers."

The royal addendum relates to a document issued by a former Yang di-Pertuan Agong, which granted Najib, convicted in the 1MDB scandal, permission to serve part of his 12-year sentence under house arrest following a pardon.

Anwar said he had to respect the legal process and the court's decisions.

"The opposition does not care. They ignore sub judice (before the court) because they believe they are above the law."

In a related matter, he said the government was continuing to explore new strategies to position Malaysia as an attractive and competitive investment destination.

He said several initiatives had drawn significant interest from investors, including the Johor-Singapore Special Economic Zone, which has received positive feedback not only from Singapore but also from other countries.

"Our collaboration with Thailand aims to develop the northern states of Peninsular Malaysia — Perlis, Kedah, Kelantan, and Terengganu — with the four southern provinces of Thailand."

He said this during the Minister's Question Time in the Dewan Rakyat.

"We have held two meetings, and I have another on Feb 18 to discuss how this growth can be achieved."

He said this in response to a supplementary question from Syerleena Abdul Rashid (PH-Bukit Bendera), who asked about the government's efforts and incentives to boost Malaysia's competitiveness as an investment destination.