

THE EDGE BILLION RINGGIT CLUB GALA DINNER 2014

11/08/2014

HOTEL HILTON, KUALA LUMPUR

Assalamualaikum Warahmatullahi Wabarakatuh,
Good Evening dan Salam 1Malaysia;

Yang Berhormat Senator Dato' Seri Abdul Wahid Omar,
Minister in the Prime Minister's Department

Yang Berbahagia Dato' Tong Kooi Ong
Executive Chairman, The Edge Media Group

Esteemed members of The Edge Billion Ringgit Club,

Tan Sri-Tan Sri, Puan Sri-Puan Sri, Dato'-Dato', Datin-Datin

Ladies and Gentlemen,

1. Firstly, I would like to thank The Edge for inviting me to address the audience at tonight's gala dinner and awards ceremony.

2. I understand that since its launch in 2010, The Edge Billion Ringgit Club (BRC) awards has grown in grandeur to become the coveted accolade that recognizes the best performing companies listed on Bursa Malaysia. To uphold the elite standards of the BRC awards, the rankings were done in a transparent manner based on the key criteria of profitability and returns to shareholders.

3. This club has not only served as a namesake for prestige, but also as a platform where corporation leaders and industry front-runners gather to exchange updates and strategic business direction in line with the country's ambitions.

4. I am pleased to know that in this year's BRC list, 178 companies succeeded in their assessment to be part of the club amongst the 900 companies listed on Bursa Malaysia. This is a notable increase from the 144 companies which made it to the 2013 list, which augurs well for Corporate Malaysia who has performed excellently in the last year. Another noteworthy figure that caught my attention was the market value of the 178 BRC members which stood at RM 1.54 trillion as at 31st March 2014. This figure translates to almost 91% of the total market capitalization of Bursa Malaysia.

5. It goes without saying that you all have truly earned your place to be here. I would therefore like to extend my congratulations to all of you, with further commendations to those who will be winning awards tonight.

Ladies and Gentlemen,

6. Malaysia is currently undergoing a transitional stage that will determine the future of our nation. As we move toward developed nation status, we need to urgently transform our economy and society so as to be more competitive globally.

7. Since the introduction of Economic Transformation Program (ETP) in 2010, the Malaysian Government has put in place many initiatives to ensure that we are on track, where we see business-friendly policies being introduced and implemented. Businesses are being assisted by bold and ambitious measures to transform our economy, which will in turn ensure that we are a more attractive and favourable investment destination. We are investing in and promoting new growth industries that will provide significant opportunities for the private sector to participate in developments.

8. In order to make the private sector the new engine of growth, businesses need open, transparent and even-handed economic stewardship. Through greater liberalisation and deregulation, we aim to create a more competitive environment for the private sector to thrive.

9. The imperative to take action now is more compelling than ever given the current global economic conditions. To meet the challenges of ensuring sustainable growth amidst a highly competitive environment, Malaysia must tap into the innate entrepreneurial spirit of her people to innovate and stay ahead of the competition. We have to re-invent and continue to revitalise our economy to enjoy further growth.

10. The Edge Billion Dollar Club companies are examples of such successes. You have done well in the domestic and international markets. And you have done well because of the exceptional quality of your products and services.

11. But a word of caution here, ladies and gentlemen. Competitiveness is a relative attribute, and it is constantly changing. You can be competitive one day and be in the dumps the next. Just look at the list of winners from the early years of this programme. How many of these companies are still winners? How many have disappeared from the list? Let us also look at the list of 'excellent' companies celebrated by world-renown management gurus ten or fifteen years ago. How many of these have survived the test of time? How many can still be considered outstanding companies today?

12. This is a lesson to note for all of us: it is difficult enough to acquire competitiveness; but it is even more difficult to maintain it. The market place is a brutal one. You have to work hard to be competitive, and harder still to stay competitive. This requires continuous and relentless effort. Take your foot off the pedal for a second and someone is likely to overtake you.

13. That is why the Government is attempting to inculcate a culture of continuous improvement in our local economy.

14. We will continue to strengthen our global competitiveness through efforts targeted at enhancing Malaysia's investment environment and promoting policies that would increase trade, harness talents to achieve higher productivity growth, intensify efforts to reduce regulatory burden, as well as strengthen the country's technological capabilities.

15. I can go on and on about what we are doing to make our economy competitive. I can tell you about how we have reduced the cost of doing business by simplifying our laws and getting rid of unnecessary rules and regulations. I can tell you about how we have improved the delivery of public services and made the Government more transparent and accountable.

16. But you already know all these. Institutions like the World Bank, and research organisations like the World Economic Forum and the Institute of Management Development, too, have recognised our efforts. That is reflected in our steady climb up the ladder of global competitiveness rankings.

17. Therefore, it is heartening to note that in the World Competitiveness Yearbook 2014, Malaysia has been recognised as the 12th most competitive economy among the 60 economies ranked. This placed Malaysia ahead of economies like United Kingdom (16th), Australia (17th), Finland (18th), New Zealand (20th), Japan (21st) and Korea (26th); just to mention a few. We will not stop there. We aim to be among the top 10 most competitive economies in the next few years.

18. The point of all this, ladies and gentlemen, is to impress on you that improving our national competitiveness is a very important objective, and that we all have a responsibility to achieve this. Individually and collectively. Small companies and big companies alike. We are a small nation. But if we want to compete, we need to punch above our weight.

19. Malaysia's captains of industry, like those present here today, play an integral role in helping us to realize these goals. That is why they are so important to this country. And

that is why we want to say “thank you” to them, and well done.

Ladies and Gentlemen,

20. Today, Malaysia’s labour force includes a young, local, educated and productive workforce which is sustained by the Government’s continuous support for human resource development.

21. In line with our strong commitment towards education, the Ministry of Education has released the National Education Blueprint which is a 12-year plan to ensure that our education system grows in tandem with the competitive global economy. With education being our number one priority, our 2014 national budget allocated RM100 million to enhance educational performance and skills training. While there are 20 public and 21 private universities, there are over 400 colleges, polytechnics and industrial training institutes in the country.

22. Complementing Government efforts, the private sector has set up a number of educational institutions that generate a larger pool of skilled professionals and semi-professionals. As an education hub within the region, Malaysia not only draws international students but has attracted foreign universities to our shores as well, displayed by the opening of branch campuses around the country.

23. Besides formal education options, public training institutions such as technical schools, industrial training institutes, polytechnics and skills development centres have sprouted to meet the ever growing requirements of the industrial sector.

24. Apart from this, we have also embarked on public-private partnership initiatives such as the Trust Schools and Teach for Malaysia Program. These initiatives are to harness the strengths and expertise of the private sector and non-governmental organizations to provide further impetus in improving the quality of our schools and promoting efficiencies and effectiveness of the education delivery system.

25. As the Minister of Education, I must also congratulate The Edge for the initiative they have taken through The Edge Education Foundation to promote financial literacy and to improving English amongst our school-children. I am told that this year, 50% of the money raised at The Edge Rat Race in October will be used to fund these two programs in selected schools, with the rest going to other charities for the needy.

26. I’m also delighted to know that The Edge is working with the Securities Commission (SC) to develop the next generation of Malaysian investors, through the setting up of investors clubs in colleges and universities and providing them with the tools to learn

the skills of investing.

27. I hope that BRC members will lend their support to these initiatives as the youthful generation of school and university students are the potential future shareholders of your companies.

28. Lastly, allow me to congratulate all the BRC members and winners once again, and I wish you all a rewarding night as well as every success in the future. Thank you.