

Document:	Keynote for Datuk Seri Tajuddin Atan Chief Executive Officer, Bursa Malaysia
Event:	Focus Malaysia's Best Under Billion Awards 2017
Date:	13 October 2017 (Friday)
Time:	7.30pm to 10.15 pm (Speech - 8pm-8.20pm)
Venue:	Ruby Ballroom, Level G, One World Hotel, Bandar Utama City Centre

Assalamualaikum warahmatullahi wabarakatuh

1)	Mr. Clifford Hii Group Executive Director of HCK Capital Group Berhad
2)	Mr. Toh Lye Huat Editor in Chief of Focus Malaysia
3)	Mr. Dan Loh Chief Operating Officer of Focus Malaysia

Distinguished guests,
Ladies & gentlemen,

Good evening.

1. I am truly honoured to be here at Focus Malaysia's **third annual Best Under Billion Awards 2017.**
2. It is wonderful to look around the room and see so many familiar faces - the **captains of many different industries** from the public listed companies (PLCs) listed on Bursa Malaysia.

3. I would like to commend Focus Malaysia for conceptualising an event that recognises the achievements of businesses that are so often left under the radar but which deserve to be applauded and commended.
4. As at end September 2017, Bursa Malaysia has 725 PLCs with a market cap of under RM1 billion on the Main Market, Ace Market and our new LEAP market. 'Under a billion' companies therefore make up 80.4% of companies listed on the Exchange, which I believe is a sizeable force to be reckoned with.

Supporting smaller companies

Ladies and gentlemen

5. As the national exchange, Bursa Malaysia has recognised that smaller companies have needs which we can help to address. These needs include achieving higher visibility for your companies and gaining greater access to capital.
6. Towards helping companies such as your own to gain higher visibility, we successfully launched the Mid and Small Cap Research Scheme together with the Securities Commission Malaysia in May 2017. As was shared during the launch, the objective of the scheme is to help raise the profile of small and mid-sized companies, through coverage reports by research houses.

7. I'm pleased to share that since its launch we have seen good initial exposure with a total of 66 initiation coverage reports issued so far, and a target of 100 coverage reports for the year.
8. In terms of new options for SMEs to access capital, we launched our new LEAP Market in July this year. As you may know, the objective of the LEAP Market is to identify those companies which are of high potential and to help them by providing a platform to raise capital through sophisticated investors.
9. Towards correcting any misunderstandings about this new platform, Bursa Malaysia has conducted and continues to conduct advocacy programmes to better inform both issuers and investors on the LEAP Market.
10. Further to this, I am glad to announce that the first listing on LEAP by Cloudaron Group Berhad on 3 October 2017 was very well received. The company closed 50% higher on its first day and its share price has almost doubled since.
11. To summarise then, these two key initiatives help small and medium companies to profile themselves and become more transparent while also allowing them to raise capital. My hope is that these initiatives will help companies with a market capitalisation of under RM 1 billion to grow, and, if I may say, help to uncover some hidden gems.

Supporting Business Expansion

Ladies and Gentlemen

12. Malaysia is home to the largest number of listed companies in ASEAN, some of which have businesses that reach far beyond the borders of this region.
13. For local companies looking to expand regionally or globally, the capital market remains one of the most, if not the most, viable avenue to raise much needed capital. In this regard Bursa Malaysia recorded the highest amount of funds raised in the last five years in the ASEAN region at US\$30.4 billion.
14. As it is, almost half of our listed companies derive their revenue from their overseas operations. Additionally, some listed issuers which have diversified their business abroad are doing well financially as they are able to reward their shareholders with periodic dividend payments. Over two-thirds (69%) of total dividend paid out to shareholders in 2016 came from listed companies with both domestic and overseas operations.
15. Therefore, for those of you who have regional, or even global aspirations, Bursa Malaysia can help to facilitate this. I say capitalise on your listing status to further raise funds from the capital market.

Malaysia as an Investment Destination

Ladies and gentlemen

16. To help attract and retain investors in your companies we must continue to promote Malaysia as an attractive investment destination. To do this we need to continue to promote the key value propositions of our marketplace. One of these propositions is our position as the leading Islamic capital market. We are recognised globally for having the most comprehensive ecosystem for enabling Islamic capital market businesses and transactions.
17. The wide range of Shariah-compliant products and services, which promote good socio-economic values as an alternative to conventional finance, has further contributed to the appeal of our Islamic capital market. Such investments have also been looked at as ethical, so by the same breath, when investors are looking for ethical or sustainable investments, our Islamic Capital Market is inclusive of this.
18. We believe our niche and reputation in this market will continue to attract foreign Islamic funds to invest in our Shariah-compliant PLCs or ethical investments, which stands at 678 companies, or 75% of the total PLCs listed on the Exchange.

Ladies and gentlemen

19. Another value proposition for investors is seen in how Bursa Malaysia places significant emphasis on maintenance of market integrity with sound corporate governance

practices and adequate levels of investor protection. I'm proud to say that our market governance and strength of investor protection are among the best in emerging markets, if not at par with developed markets.

20. The Exchange also believes that there is a strong value proposition for PLCs to adopt, practise and report on sustainability in a meaningful manner. Bursa Malaysia has for some time now been supporting disclosure of non-financial information. As far back as 2007, we implemented rules requiring PLCs to disclose their corporate social responsibility (CSR) activities in the annual report. This laid the foundation for sustainability reporting in Malaysia.

21. Evidence has shown that businesses that actively embrace and embed sustainability practices tend to have a lower risk profile and better brand image. Organisations that look at their business holistically might discover untapped segments of the market which they can leverage to create opportunities for new revenue streams in addition to operating as a responsible corporate citizen.

22. According to the Global Sustainable Investment Review 2016, Malaysia was the largest market for sustainable investing in Asia excluding Japan, commanding 30% of investments last year. With global sustainable investments hitting US\$23 trillion and expecting to grow further, adopting sustainability practices is not only wise, but has proven to be profitable.

The Future

Ladies and gentlemen

23. As we move towards developed market status, Bursa Malaysia has made, and continues to make, concerted efforts to further develop our capital market. We will see further liberalisation to promote competition and liquidity in the industry. In the Securities Market, we have liberalised Regulated Short Selling, and we have also provided 100% clearing fee rebate for ETF market makers. And as mentioned, we launched the MidS Research Scheme. In the derivatives market, the Exchange introduced the Green Lane policy to shorten the time to market for futures brokers and general clearing participants. We also decoupled clearing participantship from trading participantship to allow for standalone clearing participants.
24. To further promote innovation, we have our new and innovative LEAP Market and our Bursa Malaysia-i, the world's first end-to-end Shariah investing platform.
25. As the broad-based improvement continues for Malaysia, it is with much pride that we continue to strengthen our status as a destination for investors looking for an advanced emerging capital market with tremendous growth opportunities.
26. While we are proud of the success that we have achieved thus far, we are certainly not resting on our laurels. Malaysia will continue to step up to remain ahead of the

curve and to evolve and solidify our position as a vibrant capital market.

27. And we should do this together. Only by collaborating can we create a vibrant and robust capital market ecosystem.

28. I would like to conclude by saying that it's a great pleasure to be here with you this evening. Thank you for your contributions in making the capital market a dynamic place to be.

29. To the organisers at Focus Malaysia and those of you at HCK Capital Group Berhad, I would like to thank you all very much for inviting me to join you here this evening. This is the second year in a row that you have invited me to attend as your Guest of Honour and I am very grateful to be here.

30. To all the nominees, I want to wish you all the very best of luck!

Thank you.

Wabillahi taufiq wal hidayah Wassalamualaikum warahmatullahi wabarakatuh.
