

PLEASE TRACK AGAINST DELIVERY



**SPECIAL ADDRESS BY
THE HONOURABLE RAFIZI RAMLI
MINISTER OF ECONOMY
LAUNCH OF DANA ASAS EKUINAS**

**21 March 2023 | TUESDAY | 2.30 PM |
Sime Darby Convention Centre**

Central message:

- **To create an innovative economy, governments have a critical role in identifying high-growth companies ready to scale.**
- **Once more Malaysian companies are able to succeed at a national, regional, and global scale, more creative and brave Malaysians would be encouraged to try their hand at entrepreneurship.**

SALUTATIONS

- **Y.Bhg. Dato' Nor Azmie Diron, *Secretary-General, Ministry of Economy,***
- **Yang Mulia Raja Tan Sri Dato' Seri Arshad Raja Tun Uda, *Chairman, Ekuinas,***
- **Yang Berusaha Tuan Syed Yasir Arafat Syed Abdul Kadir, *CEO, Ekuinas,***
- **Ekuinas Board of Directors,**
- **Ekuinas Senior Management Team,**
- **Colleagues from the Ministry of Economy,**
- **Members of the media,**

Distinguished guests,

Ladies and gentlemen.

I am delighted to be invited to today's event. I would firstly like to congratulate Ekuinas for launching a new fund, **DANA ASAS**, with a RM100 million capital commitment. This is a timely impetus in this administration's efforts to transition to an innovation-led growth model that would heavily depend on our ability to identify high-growth companies to lead the way.

2. As an economy, we are not short of creative ideas that have commercial potential. In fact, the mid-market Bumiputera companies that Ekuinas is targeting under this fund is a testament to that. These companies are led by individuals who have proven ideas with excellent operational track records to back.

3. The challenge, however, is that having good ideas and operational ability do not guarantee that your company will grow into one of the biggest giants in the

region. Large-scale success often depends on the additional lifts you get along the way.

4. Did you have access to **additional capital** to establish another business vertical? Do you have the **right advice and skills** to get into a different market? Did you have the **vital networks and mentors** to open another door for you when you get stuck doing the same thing over and over again?

5. These questions are not merely good-to-haves; they represent the fundamental questions entrepreneurs go through everyday, and they could either make or break a venture. Sometimes a business stays small or goes bust not because of a lack of trying, but they lack that crucial outside support, especially when the entrepreneurs are from a less fortunate background.

6. The basic promise of a fund like **DANA ASAS** is that if you have a good idea, and you have proven your business acumen by bringing it from zero to a middle-market company, you deserve to go big.

7. By providing these companies capital ranging RM10 million to RM30 million per investment, and holding it for 5 to 7 years, DANA ASAS has a real chance to strengthen business operations and drive growth.

8. There is also a wider national significance in doing something like this: **Governments play an indispensable role in jumpstarting the wheels of innovation.**

9. First, **governments are meant to create a conducive environment where innovation can best thrive**. This means our institutions must be world-class. Transparency, rule of law, ease of doing business, and anti-corruption — these are indisputable must-haves in a system. Malaysia may not have been a shining example of these fundamental institutional values in the past, but this administration is adamant to reflect them.

10. Budding entrepreneurs should not be spending most of their time thinking about government bureaucracy and red-tapes when they could be thinking about refining the UI/UX of their products. Hiring outside experts should not take 6 months when it could be done in half the time.

11. Second, and more importantly, **governments have a critical role in leading technological innovation**. It has been perceived that private sector

funding was the main reason for the greatest inventions and high-tech successes in the past, not governments. If anything, it was thought that governments have stood in the way.

12. But more and more research and evidence has shown that the **largest technological successes in modern history, like the establishment of Silicon Valley, were led by critical public funding, either directly or indirectly**. As Mariana Mazzucato widely wrote, governments are not meant to only *fix* the market — it is only meant to ***shape and create the market***.

13. This is especially evident for technologies and ventures that have a more cutting-edge, riskier profile.

14. This administration understands that **innovation and risks come hand in hand**. We cannot create a culture of innovation without being tolerant with occasionally missing the mark or something not working out at all. Because if we are sincere and diligent in our pursuits, every venture we undertake will have lessons that can be learned, whether through success or failure.

15. This is a familiar story to every entrepreneur. I have not met a single successful entrepreneur who had not also accumulated many failures in the past. We must adopt a generous outlook to opportunities — by understanding the **process of iteration and redoing is part and parcel** to ensuring that good ideas have the best chance to flourish.

16. Once more businesses have the chance to scale up to national, regional, and global scale, **more creative and brave Malaysians will try their hand at entrepreneurship**. That is important so that we learn that working for someone and taking a salary in an office job is not the only option available to us. There is also the adventure of creating something from nothing, having total ownership and independence of your ideas, and changing the world with something that we've created.

17. I believe that Ekuinas will continue to identify and holistically assist high-growth mid-market companies to scale up. Especially for those who are not as well-networked or well-known, but have a fierce thirst for success. This is part of our larger mission to create an innovative Malaysia.

18. Thank you once again for having me.

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Dengan lafaz *bismillahirrahmanirrahim*, saya dengan suka citanya, melancarkan **DANA ASAS** Ekuinas.

Wassalamualaikum warahmatullahi wabarakatuh and thank you.

RAFIZI RAMLI
Minister of Economy
21 March 2023