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BLOOMBERG

Daim: To eradicate poverty, act as Malaysians first

Ensure children get the best education and put less importance on race

BY SUPRIYA SURENDRAN

KUALA LUMPUR: Poverty in Malaysia can be eradicated, but Malaysians need to “think that they are Malaysians first” and not put too much importance on race, said Tun Dr Daim Zainuddin (pic).

At the same time, the former finance minister stressed that children must be provided the best education — “the best investment” Malaysia can make, he said, as given the right education, they would be able to think logically and independently, and be able to compete.

“We can achieve it (the eradication of poverty) provided we are united, and we must tell ourselves that we are Malaysians first. Why are we not taking advantage of [our diversity], which is a God given to us?, asked Daim, who was the key speaker at a session organised by the Asian Strategy and Leadership Institute (Asli), entitled *Poverty in Malaysia: Reality vs Perception*.”

He talked about the need for Malaysians to be united, to grow the country’s economy and in the process, eliminate poverty, rather than to continuously raise “unnecessary, emotional” issues, which do not help anyone.

“Let us take advantage of our diversity, and let us fight those who are against unity. Do not forget that together we defended this country [in the past], where many Malaysians died for this country.”

The Asli event was conceived following a preliminary report by the United Nations (UN) Special Rapporteur on extreme poverty and human rights Professor Philip Alston, in August, stating that Malaysia’s poverty could actually be between 15% and 20%, compared to official government statistics claiming it was a mere 0.4% in 2016.



THE EDGE FILE PHOTO

Daim, 81, did not refute the UN numbers, but qualified that the definition of poverty is complex, depending on parameters and thresholds used. But he pointed out that Malaysia has seen vast economic growth since its independence in 1957.

When asked about the effectiveness of the New Economic Policy — implemented in 1971 to eradicate poverty and to reduce inter-ethnic economic disparities, leading to the 30% bumiputera quota that is still widely in place nearly five decades later — he said: “I do not know where the 30% figure came from, whether there was a study done on it. Originally it (the quota) was only meant for shares in the stock market.”

“However, what is important, whether it is 30% or 50%, we want all Malaysians to live well and have a good income. If we have good income, all this talk about you and I will go away.”

“This percentage is not important, the important thing is, let us

Daim sees a future in coconuts for Malaysian agriculture

BY SUPRIYA SURENDRAN

OVER the past 14 years, Malaysia’s total acreage of coconut plantations has been reduced by a significant 30% — an alarming rate of decrease, former finance minister Tun Dr Daim Zainuddin indicated, given his belief that the future of local agriculture lies in coconuts.

He was less bullish on oil palm, Malaysia’s most coveted agribusiness crop. Unless the oil can be used for more value-added products, for instance food products, he does not see a bright future for the country’s most popular crop.

According to official statistics, total planted coconut acreage has shrunk to 85,000ha from about 120,000ha in 2005. However, total acreage for oil palm grew exponentially to 5.8 million ha as at last year.

“In the 1960s, agriculture contributed to around 28% of Malaysia’s gross domestic product, and today it is only about 8%,” he said.

“The future is in coconuts, and not palm oil,” he asserted at a conference organised by the Asian Strategy and Leadership In-

stitute yesterday entitled *Poverty in Malaysia: Reality vs Perception*.

Prodded to explain, Daim who has been an advocate of agriculture and food security in the country of late, and who owns some 500 acres (202ha) of coconut plantations, remarked: “Unless they do more research, in the case of palm oil by turning it into let us say, more food, then there is a future.”

In terms of land usage, rubber plantations come a distant second after oil palm. But smallholders are suffering as rubber prices have slipped.

Known for his sharp business acumen, Daim said he is trying to make the agriculture industry “sexy” for farmers, many of whom are still poor. “I am trying to make agriculture sexy through technology, sexy in the sense that money is made.”

In a recent interview with *The Edge Malaysia* weekly on food security, he suggested farmers consider planting ginger, chilli, onions, garlic, cabbage, sweet corn, cucumber, eggplant, okra, long beans, potatoes, avocado, coconuts, asam jawa, figs, grapes

and mangoes as the country is importing too many of these items even though there is a local market for the produce.

Moreover, Malaysia’s imported food bill exceeds RM50 billion.

But he acknowledged frustrations among players and entrepreneurs in the sector. “So I have been advocating to the government, if you are serious, please put your money where your mouth is.”

“I have written to all the state governments, who think I want the land. I said ‘no I don’t want the land, I said you set aside the land, we only want 30-year leases on the land, where we do all the planning, so they said ok.’

“So proposals were sent [by a few companies] and a meeting was held with government officials, but the proposals were rejected because of no experience.”

According to reports, Malaysia’s food import bill ballooned from RM10.5 billion in 1998 to RM51.28 billion in 2017 while food exports increased from RM6.15 billion in 1998 to RM31.84 billion in 2017. The food import bill has ballooned to almost RM60 billion this year.

give the best education to all, because the best investment in this country is education. With the right education, we teach our children to think logically, so that we do not accept silly interpretations and our children are able to compete.

“Therefore, we must tell every Malaysian, that we are all Malaysians and under the Constitution, we are all equal.”

Previously the chairman of the Council of Eminent Persons, Daim said what he wants for Malaysia of the future is peace and unity.

“I want Malaysians to think like Malaysians. Let us work together, because this is a beautiful country. No nation in the world has what we have, which is diversity. Which other country in the world has what we have?”

Daim said he supports the government’s Shared Prosperity Vision 2030 (SPV 2030), but cautioned that it must be implemented properly.

In his welcome address, Asli chairman Tan Sri Dr Jeffrey Cheah highlighted his support for the SPV 2030, saying it not only lays out the goals of poverty eradication, but most importantly spells out the pathways to achieving them.

Widad to buy out Menang’s concession asset for RM122m

BY TAN XUE YING

KUALA LUMPUR: Widad Group Bhd, whose parent company Widad Business Group (WBG) has put in a bid to take over toll concession PLUS Malaysia Bhd for RM5.3 billion, continues its acquisition trail with the purchase of Menang Corp (M) Bhd’s concession business for RM122 million cash.

The concession, which manages UiTM Seremban 3 campus in Negeri Sembilan, is housed under Menang subsidiary Inovatif Mewah Sdn Bhd.

The acquisition comes one month later following its announce-

ment on buying a 90% stake in Serendah Heights Sdn Bhd, the owner of the concession to develop and maintain the UiTM campus in Jasin, Melaka, for RM95.89 million.

According to Widad, the latest acquisition will give the company an additional integrated facilities management (IFM) concessionaire worth RM838 million, bringing its total order book to about RM3 billion.

“The cash consideration for the purchase of Inovatif Mewah shall be raised from a combination of internally generated funds and bank borrowings. It (the acquisition) represents a strategic opportunity for us to

further strengthen our IFM segment which is currently the biggest revenue contributor for the company at about 50%,” said Widad group executive chairman Datuk Feizal Mustapha.

Menang announced to Bursa Malaysia that a heads of agreement was executed yesterday between Widad Group and Inovatif Mewah shareholders which are Menang’s two wholly-owned subsidiaries — Menang Development Sdn Bhd (MDSB) and Menang Industries (M) Sdn Bhd (MISB) plus a minority shareholder, Tentu Selesa Sdn Bhd.

Under the agreement, MDSB and MISB will dispose of their 71% equity

interest in Inovatif Mewah, while Tentu Selesa will let go of its 29% stake, subject to terms and conditions of a share sale and purchase agreement which will be entered later.

The announcement confirms *The Edge Malaysia* weekly’s report earlier, quoting sources as saying that Menang Corp is in talks with parties to sell its concession businesses.

With the effective 71% stake, Menang is expected to receive RM86.62 million from the divestment, or 18 sen per share based on the share capital of 480.8 million.

Menang, via Inovatif Mewah, built and managed the UiTM Seremban

3 campus in Negeri Sembilan under the concession agreement signed in May 2010. The concession has 14 years before it expires in 2034.

Menang said its board believes the proposed disposal is timely and “provides the group with an opportunity to monetise its concession asset at a reasonable price.”

The proposed disposal, expected to be completed within seven months, will help strengthen the company’s financials by lowering its gearing and providing future working capital. Its total borrowings were RM254.66 million as at June 30, of which RM207.9 million were long-term debts.