

**Transcript of Opening Remarks by SMS Low at the SBF Future Economy Conference
Closing Panel Discussion on the Impact of Restructuring on 14 May 2026**

First, I want to say a big thank you to Mr Teo Siong Seng, Chairman of SBF, as well Ping Soon and his team at SBF. And of course, Mr Mark Lee. As he has shared, we've known each other for a long time, and I think many of you in the room will know me, even from my EDB days. Scanning the room, actually some of you, I've known since my EDB days, which was indeed a quarter of a century, 26 years ago.

I am very happy to see many of our business leaders, not just from SMEs, but MNCs [as well], in this room. I also see many of our TACs. And on behalf of the MTI family, we want to thank SBF, as well as the TACs, that have come together to create awareness on this Future Economic Conference, where we can come together to announce the recommendations of ESR. I think it is quite amazing. This is something that you only see happen in Singapore. I want to say a big thank you to SBF.

I also want to say a big thank you to the rest of you, because it has been a very long, one and a half days – quite intensive, with a lot of topics to talk about. And you guys have shown that you have the staying power. So really, thank you for staying for this last session.

And like what Mark has mentioned before, if I could perhaps focus on the last two [points], which is transition. In fact, Mark talked about [how] two years ago, together with Neil and many of you, Mark and myself, we were co-chair for the Alliance for Action for Business Competitiveness.

And if you remember two years ago, post-COVID, we were also facing a lot of global supply chain issues, and we wanted to come together to future-proof our companies based in Singapore, especially our SMEs. And back then, we triaged it into three pillars – land, manpower and regulatory agility.

We spent a total of 10 months, from February to November 2024, and there's a reason why I'm doing this recap now. That particular report was delivered to PM Lawrence Wong and the Government. And within a few short months, by March last year, during the Committee of Supply [Debates] in Parliament, some of the Ministries had indeed actually tackled and responded to the recommendations by announcing policy refinements. And some of those recommendations also spill over to this year's COS.

I want to say that the ESR, although it happens, say, every few years, but actually the Government coming together with TACs, with the companies, together with the unions, is something that we need to cherish here, especially during times of uncertainty – to really come together collectively, to apply our minds so that we can really apply our unique strengths together and ensure Singapore continues to remain future-proof.

Now, the first part of Mark's question is, how can we balance between resilience and competitiveness? Actually, I don't want to tackle it in a very binary way. It's really not so binary, black or white. Now, if we take a step back, compared to two years ago, I think we can accept that, post-COVID, change is really the only constant, and we are seeing this geopolitical dislocation. And if I can identify just three, of course, you can say there are much more. I think the first one that confronts all of us, that we can say that all countries are affected, all companies – including large companies – are affected, by the geopolitical situation, whether is it the unresolved Russia-Ukraine conflict or the Middle East energy crisis that itself has resulted in reshaping of cost structures for everyone, for every sector, every company is also reshaping the supply chain.

And the second thing is, we are also seeing a shortening of industry and business cycles. Back then, when I was in EDB, I think we only see one business cycle every seven years. Now, it is compressing itself. The industry and the business cycle is shortening together, compounded by the AI-driven changes.

And a lot of us, if we see it as half glass empty, would think it is all doom and gloom. But I think, given that what we have in Singapore is very special, I would like us to challenge ourselves to think of it as half glass full.

I want to apply a simple “ABC”. I think if, moving forward, especially riding on the rollout of the ESR recommendations, all of us can pull together, including MTI colleagues, including unions and not just businesses, apply an “ABC” type of mindset, internalise these “ABC” priorities.

First is continue to be agile and be adaptable.

B, be resilient. And we accept, that by being resilient, there is a cost. There is a cost to building buffers. There's a cost to building that resilience. But I think if you see what is unfolding over the last few years, if you look at your turnover, and you realise that 60% of your turnover comes from one customer, I think you know you need to diversify. You need to diversify your markets. You need to diversify your customers, your partners, your supply chains. That is a form of resilience.

And the third one, C, is be prepared to change and transform. Many of us, I think, we tackle transformation when there are disruptions. But I think moving forward, if we can come together to harness it as a standing capability, always be prepared to transform.

And if we have that mindset up and down the ladder within the company, and also together as Singapore Government together with TACs, and companies and unions, it means that we are always scanning the landscape, even supposedly during peacetime, scanning the landscape for new, emerging dangers, emerging opportunities as well.

And we are also stress-testing the assumption that seemed to work yesterday, but it may not work tomorrow. It may still well work today, but it's a very, very different

mindset, isn't it? And when you have that mindset to be prepared to transform by anticipating the changes and the trends and opportunities, actually you will have to always be prepared to question your business and revenue models that have worked well for us in the past.

So A- adaptability, agility, and that's not just physical but it's also mental agility, right?

B, be resilient. And resilience doesn't have to be mutually exclusive with competitiveness. I think when we tackle the word competitiveness, especially in [ESR] Committee One, which AgMin Jeffrey and myself co-chair. I think the business leaders in this room know that by the mere fact you're in this room, you know that competitiveness can no longer be defined by purely efficiency. Competitiveness is also a composite portfolio of your resilience quotient - in your company, are you able to withstand shocks and disruption, etc. Be resilient.

The third one- prepare to change and transform.

Now I'll just take one more minute to share a little bit on how the ESR recommendations is a reflection of all this context, as well as the "ABC" priority, and how the ESR recommendations will signal to the Government that we will need to boost our support, to support you, to translate that "ABC" into really helping you to internalise those capabilities.

For example, one of the recommendations is really to support companies to scale up and get plugged into the regional economies as well as overseas markets that experience very high growth. So by really riding on those waves of change, we can talk more a bit later.

And secondly, we will want to also turbocharge our support for the companies, especially through TACs like SBF, like SMF, like SCCCI, ASME, etc, by supporting the TACs and the SME centres to help our companies, perhaps do a simple diagnostics of where you are in terms of a resilience quotient and how we can support you better on that front.

One example is the Business Adaptation Grant that was launched just six months ago. That's an example of how we are prepared to go all out in helping TACs, helping companies to really beef up the resilience as well as transformation.