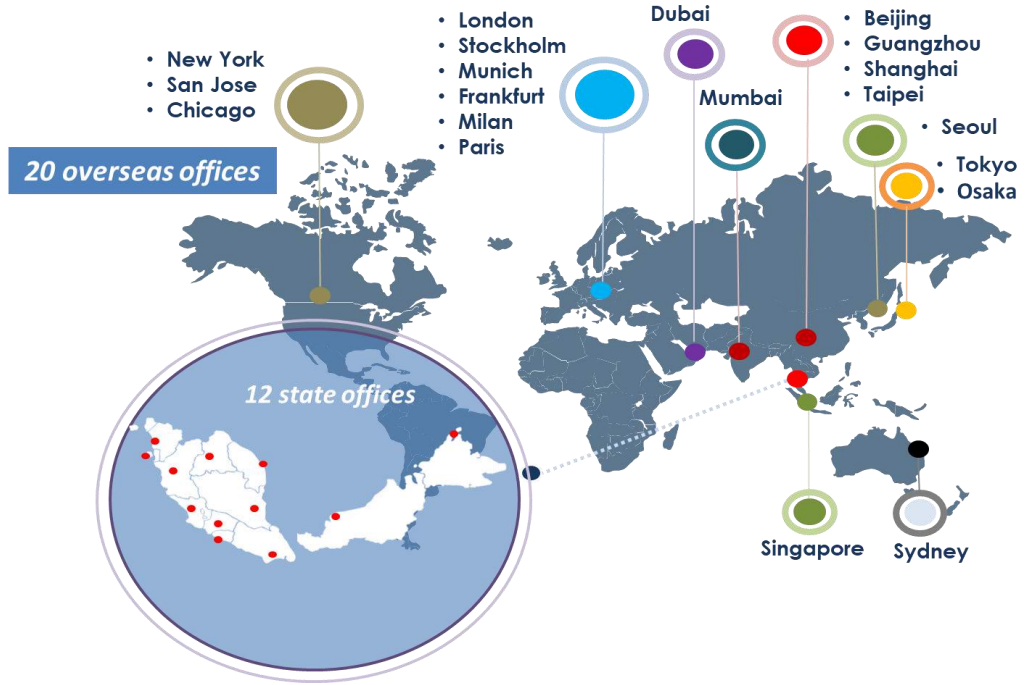


***“Make Malaysia Your
Global Supply Chain Hub”***

Malaysian Investment Development Authority (MIDA)

Your first point of contact

Truly International



Steps & Options for Investors



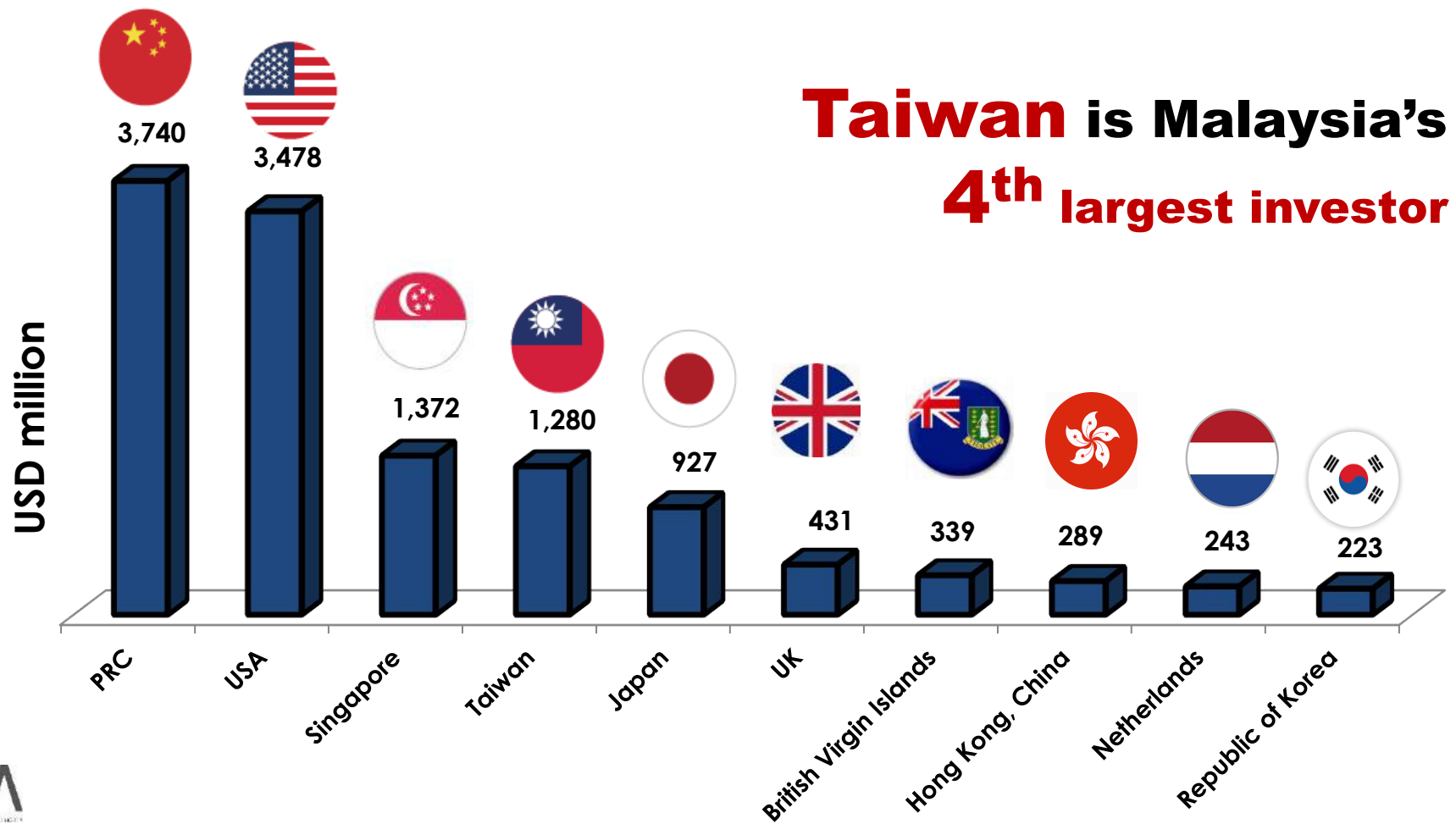
Services Provided - Promotion to Implementation

PROMOTION	APPROVAL	IMPLEMENTATION
<ul style="list-style-type: none"> Data on Industries Seminars and Briefings One-On-One Meetings Roundtable Meetings Meetings with companies operating in Malaysia Visits to production facilities and service providers Visits to potential locations 	<ul style="list-style-type: none"> Manufacturing License Tax Incentives Expatriate Posts Import Duty Exemptions Representative/Regional (RE/RO) Office Principal Hub/OHQ 	<ul style="list-style-type: none"> Handholding (MIDA State Offices) Industry Talent Management Post Investment Incentives Coordination and Collaboration Office (ICCO) Compliance and Monitoring

Malaysia Host Over 5,000 Companies from More than 60 Countries in the Manufacturing Sector



2019年按照投資來源已批准製造業投資額

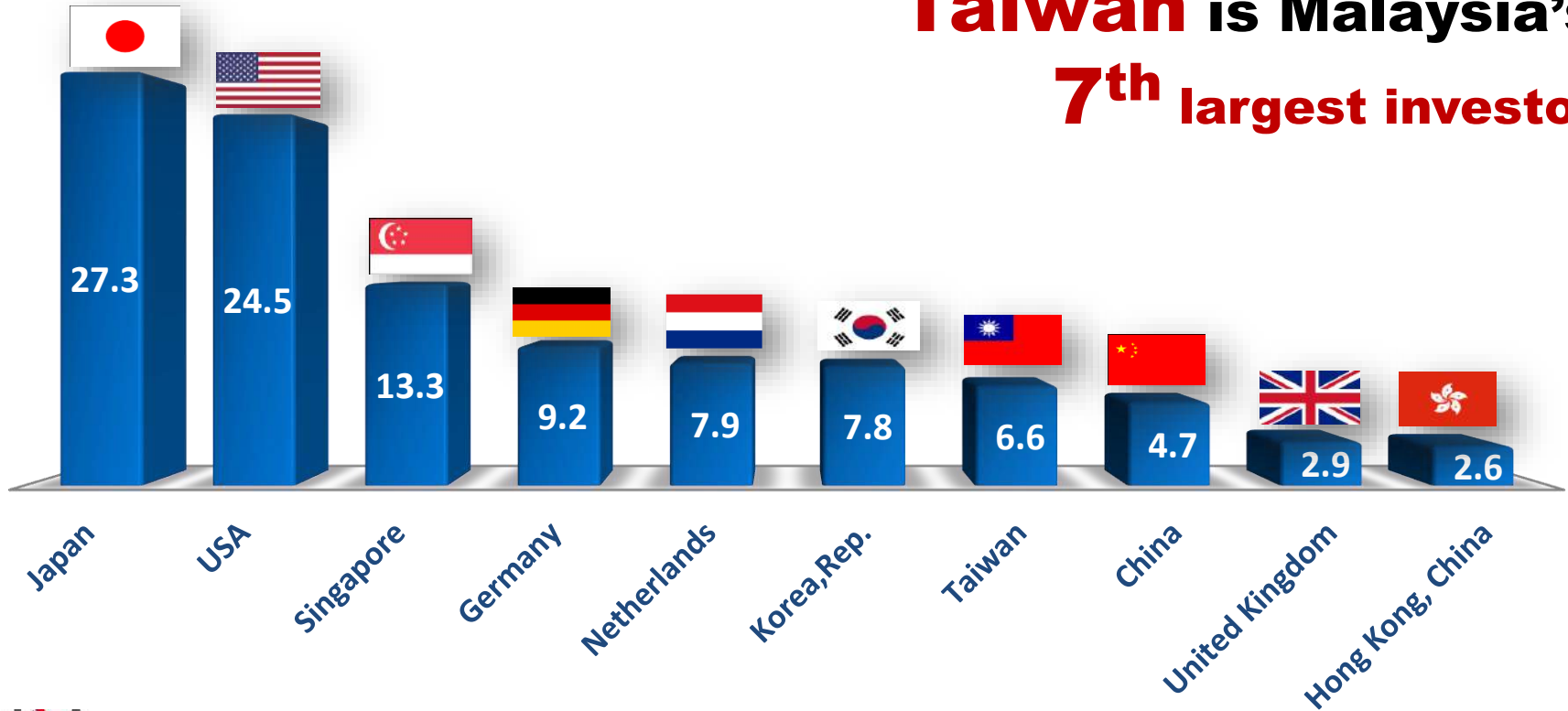


Implemented Projects By Major Sources as at Dec 2019

截至2019年按照投資來源已實現投資

USD Billion

Taiwan is Malaysia's
7th largest investor



Major Taiwan Companies Operating In Malaysia 已在馬來西亞運營的臺灣企業



Malaysia is Gaining Traction as a Regional/Global Operations Hub

Regional/Global Operations/Principal Hubs



Procurement Hubs

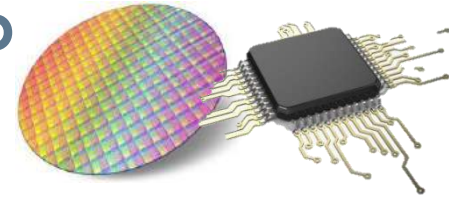


Distribution Hubs



Make Malaysia Your Global Supply Chain Hub

Electrical and Electronics (E&E) Industry - A Case In Point



4.5%
of GDP

USD 18.2 billion of
USD327 billion
economy

38.1%
of Exports

USD 88 billion of
USD233 billion of
merchandise exports

22.5%
of total
Employment

586,000 workers of
2.5 million workforce
in the manufacturing
sector

10.4%
Annual
Productivity
Growth
Rate

E&E is a leader
in productivity
gains

Malaysia Offers Comprehensive and Matured E&E Ecosystem



R&D /
IC DESIGN

WAFER
FABRICATION

ASSEMBLY

TEST

EMS

FOREIGN



LOCAL



Talent



Enablers



Targeting
Niche
Technologies

Similar Ecosystem in Other Growth Areas

Electrical & Electronics	Machinery & Equipment	Chemical	Medical Devices	Aerospace	Other Sectors
<p>The Electrical & Electronics industry is the leading industry in Malaysia's manufacturing sector, contributing significantly to the country's exports and employment</p>	<p>The Machinery & Equipment industry is one of the key areas for growth and development, focusing on high value-added and high technology M&E</p>	<p>The Chemical industry is one of the catalytic industries in the country with rapid growth due to the availability of oil and gas as a feedstock</p>	<p>The Medical device industry spans an extremely wide range of industries from rubber and latex, plastics, machinery and engineering support and electronics</p>	<p>The Aerospace industry has been designated as a strategic sector with high growth potential in the country's industrialisation and technological development programs</p>	<ul style="list-style-type: none"> Automotive Transport Textiles Pharmaceutical Metal Food processing Services
<p>Subsectors:</p> <ul style="list-style-type: none"> Electronic components Consumer electronics Industrial electronics Electrical products 	<p>Subsectors:</p> <ul style="list-style-type: none"> Specialised M&E for specific industries General industrial M&E, parts and components Power generating M&E Machine tools 	<p>Subsectors:</p> <ul style="list-style-type: none"> Petroleum products & petrochemicals Plastic products Rubber products Chemical & chemical products Oleochemicals 	<p>Subsectors:</p> <ul style="list-style-type: none"> Consumables Surgical instruments, clinical device & implants Healthcare equipment 	<p>Subsectors:</p> <ul style="list-style-type: none"> Engineering & design Aero-manufacturing System integration Maintenance, Repair and Operations (MRO) 	



Medical Devices

	Consumables	Implants & Surgical Instruments	Healthcare Equipment				
Technology	Latex/Plastic	Metal	Machining				
Products	Medical Gloves, Contraceptives, Catheters, Wound Care, Ophthalmology, IVD, SUD	Pacemakers, Orthopedics, Surgical Instruments	Electronic Modules, Life Science Instruments, Electrodes, Hospital Beds				
Companies							
Supporting Infrastructure							
	Sterilization	Packaging	Certification	Testing	Industry Group	Education Training	Regulatory
	Machinery & Engineering Supporting Industry		Electronic Manufacturing Services		Medical Compounds	Clinical Research Center	



Aerospace

Regulator					
Supporting Government Agencies	Eng. & Design	Aero Manufacturing	System Integration	MRO	
	Research & Technology				
	Training & Education				

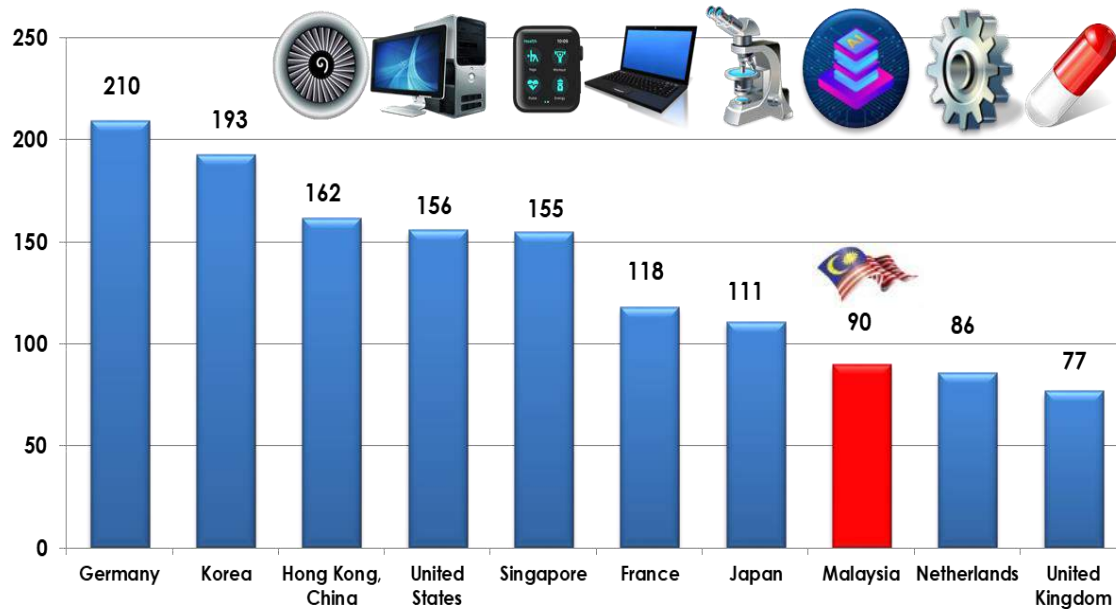


Photovoltaic

	R&D	Metallurgical Silicon	Poly-Silicon	Ingot	Wafer	Cell	Modules	Balance of System
FOREIGN	SUNPOWER				NUO	Jinko Solar	Jinko Solar	ABB
	Hanwha Q CELLS					JA SOLAR	flex	HUBER-SUHNER
	Jinko Solar		OCI	LONGI 隆基	LONGI 隆基	Hanwha Q CELLS	LONGI 隆基	Schneider Electric
LOCAL						SUNPOWER	LONGI 隆基	BARYSOL
						LONGI 隆基	Hanwha Q CELLS	Jinko Solar
							B Solar TIF (Multi-crystalline)	InnoTech Synergy
							PVHTECH	
Supporting Industries	Chemical & raw material		Equipment / machinery	Industrial gas	Production supply	System Integrator		

Malaysia Ranked 8th in Exports of High Technology Products 2018

USD Billion



Source: World Bank



Strong Engineering Supporting Industry



MOULD & DIE

- 446 companies
- Precision specifications by international semiconductor industry requirements
- End-user industry: Automotive, E&E



METAL CASTING

- 95 foundries
- Mass production high-pressure and low-pressure die casting
- End-user industry: Automotive, Telecommunication



MACHINING

- 325 companies
- Precision up to 1µ and size up to 2 mtr
- End-user industry: Semiconductor, E&E, Aerospace, Oil & Gas



METAL STAMPING

- 148 companies
- Precision tolerances less than 1µ, presses capacity up to 600 tons
- End-user industry: E&E, Automotive



SURFACE ENGINEERING

- 125 companies
- 85% are foreign owned/JV
- Electroplating, Phosphating, Anodizing
- End-user industry: Semiconductor, E&E, Automotive



HEAT TREATMENT

- 17 companies
- Carburizing, nitriding, vacuum handling, quenching, annealing, normalizing, tempering
- End-user industry: Automotive, Shipyard, Cement, Aluminium Extrusion



FORGING

- 8 companies
- Mostly small parts (less than 10MT)
- Open, drop, press, roll and cold forging
- End-user industry: Automotive, E&E



METAL FABRICATION

- 800 companies
- Simple household items to steel structure for skyscrapers and offshore oil drilling platform

Business Friendly Investment Policies

友善商業的投資政策



✓ Equity Ownership 可100%持股

Foreigners are allowed to hold 100% equity ownership in the manufacturing and selected services sectors



✓ Repatriation of Income 可自由匯出所得

Freedom to repatriate capital, interest, dividends and profits.
No restrictions



✓ Employment of Expatriates 可聘僱非馬來西亞籍人員

- **Key posts** (posts that are permanently filled by foreigners)
- **Term posts** (posts that are filled by foreigners for a period of 1-5 years)

Intellectual Property (IP) Protection 保障智慧財產



Malaysia's IP laws are in conformance with international standards

- Member of the World Intellectual Property Organisation (WIPO)
- Signatory of the Paris Convention and Berne Convention which govern IP rights
- Signatory of the Agreement on Trade-Related Aspects of IP Rights (TRIPS) under the WTO

Investment Guarantee Agreements (IGAs)

投資保障協議

Malaysia has signed IGAs with more than 60 countries

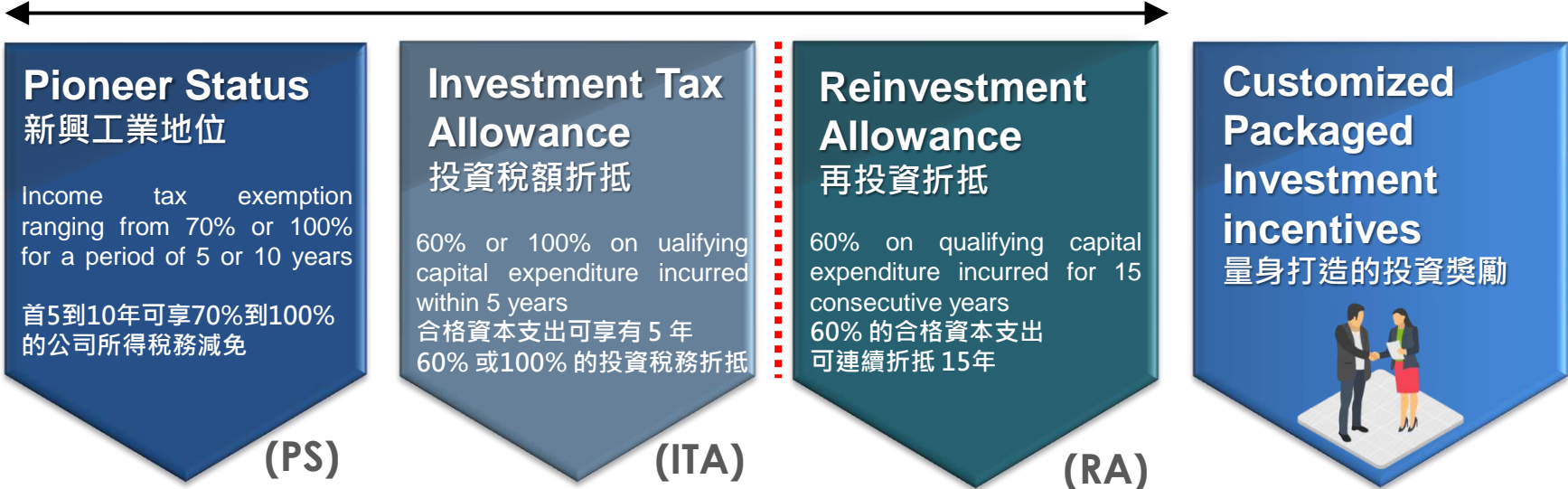
馬來西亞已與超過60國簽署 IGAs



Competitive Investment Incentives

有競爭力的投資稅務獎勵

A. Major Incentives 重點租稅優惠 **20-25 years**



B. Special Incentives for Industry 4.0 工業4.0的特別稅務獎勵

- Industry4WRD Readiness Assessment
- Automation Capital Allowances (Automation CA)
- Industry4WRD Intervention Fund
- Digital Transformation Acceleration Programme (DTAP)
- Industry Digitalisation Transformation Fund (IDTF)
- Domestic Investment Strategic Fund (DISF)/ High Impact Fund (HIF)
- Business Loan Guarantee Scheme
- Smart Automation Grant
- Incentives for Vendor Development Programme
- Special Incentives for Electrical & Electronics Industry

Moving Forward- Seizing the Opportunity

Short-Term Economic Recovery Plan

繼續前進-把握機會 短期經濟復甦計畫



Incentives to Encourage Foreign Manufacturing Companies to relocate to Malaysia 鼓勵外國企業把製造基地搬遷到馬來西亞的優惠獎勵

New Company 新公司

- ❑ 0% tax rate for 10 years for new investment in manufacturing sectors with capital investment between **RM300 - RM500 million**
製造業領域的新投資--資本金額介於馬幣3-5億 可享10年免稅
- ❑ 0% tax rate for 15 years for new investment in manufacturing sectors with capital investment above **RM500 million**
製造業領域的新投資--資本金額達馬幣5億以上 可享15年免稅

Existing Company 現有公司

- ❑ 100% Investment Tax Allowance for 5 years for existing company in Malaysia relocating overseas facilities into Malaysia with capital investment above **RM300 million**
在馬來西亞現有的公司, 把海外生產基地搬遷到馬來西亞 且資本金額超過馬幣3億, 可享5年 100%的投資賦稅減免



Additional Reinvestment Allowance for Existing Companies
現有公司的額外投資賦稅減免



Automatic Approval of Manufacturing License
自動核發製造業執照



Project Acceleration and Coordination Unit (PACU)
項目加速和協調單位

Malaysian Talent – Made in Taiwan 馬來西亞赴台學生

11,102 Students

Are currently studying in Taiwan in the fields of

- Electrical Engineering
- Computer Science
- Information Engineering
- Chemical Engineering
- Medical Laboratory & Biotechnology
- Mechatronics Engineering
- Physics
- Medicine
- Nutritional Science
- Food Science
- Animal Science
- Applied Psychology
- Occupational Therapy
- Analytical Chemistry
- Business Administration
- Mass Communications
- Digital Media Design
- Fashion Styling Design
- Communication Arts
- Theatre Arts

And more...

in these Universities



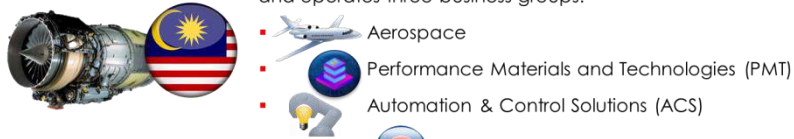
Our Success Stories

Honeywell in ASEAN

Honeywell Malaysia operations started in 1985 and has a presence in six cities across Malaysia



- In 2017, Honeywell made Malaysia its ASEAN Regional HQ and operates three business groups:



Singapore

Industrial Cyber Security Center of Excellence (CoE) in Asia



Thailand

Electronic Materials Manufacturing



Vietnam

Software-enabled technologies and leading solutions for oil and gas, aerospace, buildings and manufacturing



Indonesia

Footwear and Avionics



Philippines

Solutions for urbanization, transportation, energy, e-commerce and logistics, defense and industrial safety



Myanmar

Services

BMW Operations in Malaysia



Manufacturing	Dealership	Parts Distribution	Talent Management
<ul style="list-style-type: none"> BMW Inokom Plant BMW Engine Plant ➢ 10 CKD Models 	<ul style="list-style-type: none"> 23 BMW/MINI Dealer Network ➢ BMW (23) ➢ Mini (10) ➢ Motorrad (9) 	<ul style="list-style-type: none"> BMW Parts Distribution Centre ➢ Serves 23 Countries 	<ul style="list-style-type: none"> National Sales Centre (NSC) Regional Training Centre (RTC) Group Data Centre

Total Industry Volume (TIV) **10k** Annually

Kulim, Kedah	Various Cities	FIZ, Senai Airport	Cyberjaya
406	1,475	120	105

Model Line Up



Localisation



B Braun

B. BRAUN GROUP ASIA PACIFIC

B. BRAUN MEDICAL INDUSTRIES SDN. BHD.

10 production plants

- Malaysia (largest site)
- China
- Vietnam
- Japan
- India
- Indonesia
- Thailand

81 dialysis centres

- Malaysia
- India
- Korea
- China
- Philippines
- Vietnam
- Thailand
- Singapore

Total Sales (2019)
EUR 1.3 bil
(RM0.3 billion)

Total Employment
16,713 (as of 2019)

Investment: RM4.4 bil (USD 1.0 bil)

Total Sales: RM2.23 billion

Market
95% export (Europe, USA & Asia)
Export Value: RM2.1 bil
(USD 490 mil)

Total Employment: 7,651

CoE for Intravenous Access
Established in 2006

Awarded IPC Status in 2000

Products
Safe IV Catheters, Hypodermic Needles, Special Needles, Elastomeric Pumps, Surgical Instruments and Pharmaceutical Solutions



700+ Active Suppliers
RM1414 million (USD 96 Mil)

Logistics	RM59 mil
Packaging Materials	RM57 mil
Resins & Chemicals	RM22 mil
Components	RM14 mil



BE Semiconductor Industries N.V.



- HQ in Duiven, the Netherlands
- Global manufacturing operations in seven countries with 2,000 employees.
- Worldwide leading assembly equipment supplier with #1 and #2 ranking in key products and dominating 28.5% of global market share
- Broad portfolio: die attach, packaging and plating. Future strategic diversification in substrate and water level packaging
- Revenue: € 592.8 million

Products



Semiconductor Back-end Process by Besii

	Die Attach	Wire Bond	Packaging	Plating
Die Attach Assembly	Best	Best	Best	Best
Wire Bonded Substrate Assembly	Best	Best	Best	Best
Flip Chip Substrate Assembly	Best	Best	Best	Best
Water Level Packaging	Best	Best	Best	Best

Collaboration with local vendors
337 Malaysian

Annual R&D Expenditure
1.1% of total sales

Reinvestments by Existing Companies

Announcement of New Projects in Q1 2020



6 May 2020: Keysight Technologies, Inc., the world's leading technology company headquartered in Santa Rosa, California, announced the opening of its new **Regulatory Test Laboratory** in Pulau Pinang. The test laboratory will deliver accredited electromagnetic compatibility (EMC) testing services for manufacturers of electronic devices and mission-critical industries across wireless communications, IIoT, automotive, healthcare and medical applications.



2 June 2020 : B. Braun, one of the largest medical technology companies in the world, headquartered in Germany, announced the expansion of its portfolio of **testing capabilities for healthcare solutions** related to intravenous access, surgical technologies, intravenous systems, central venous puncture and pain control; in Penang. The Global Test Centre based in Penang expand its scientific measurement from 200,000 per annum to 600,000 per annum.



3 June 2020: Bosch, a global supplier of technology and services, is set to build a manufacturing facility in Penang focusing on semiconductor components and sensor testing. The company plans to build a **manufacturing facility focusing on the business of semiconductor components and sensor testing**. The construction of the plant is scheduled to begin in 2021 and completion of the production area and first series production to commence in 2023. Some 400 associates are expected to work at the new facility.



MIDA TAIPEI 馬來西亞投資發展局 臺北辦事處
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Thank You
#staysafe