





- Smart Investors Choose Kedah
- Kedah: Prime Investment Location for Site Selection
- Business Enablers: Availability of Incentives and Support





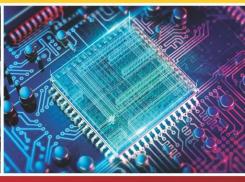




KEDAH TOPS MALAYSIAN INVESTMENT INFLOWS









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WELCOME MESSAGE

It gives me great pleasure to welcome you once again to another edition of *Invest Kedah Magazine*, for you to keep abreast with exciting and credible news on new investment possibilities in Kedah.

More than a year has passed since the pandemic due to COVID 19, which at first took us all by surprise. However, we have slowly learned to live with this new normal, as we try to bring back the life that we knew and the economy that we had enjoyed.

Within the context of industry, the Kedah State Government has been proactive in implementing a state-wide pandemic crisis mitigation operation, specifically at the denser industrial and economic areas such as Alor Setar, Sungai Petani and Kulim – where rigorous efforts on testing and inoculations of the vaccines were conducted to ensure that industry and economic activities can still strife amidst the challenges faced.

On the investment front, I am indeed grateful and happy to report that Kedah has done remarkably well. We have managed to secure RM42.6 billion (66.3% of Malaysia's total) investment in the manufacturing sector for first half of 2021. This has enabled Kedah to surge to the top of the list of the most investment inflows amongst the other states in Malaysia. This achievement would not have been possible without a good team effort. Thus, I want to convey my heartfelt gratitude to all stakeholders that have made this possible

Prominent among investors is Risen Energy Co. Ltd, one of the pioneers in the solar industry with extensive expertise in photovoltaic R&D. The company is projected to invest RM42.2 billion in Kulim Hi-Tech Park (KHTP). Risen Energy is expanding its global footprint by opening its latest production base at KHTP, in response to the strong support and facilitation provided by Kedah state and federal governments. The company is set to produce 3GW of high-efficiency photovoltaic module to meet growing global demand.



HON. DATO' WIRA DR KU ABD RAHMAN KU ISMAIL

Senior Executive Council Member for Industry & Investment; Science, Technology & Innovation; and Higher Education

In this edition, we are also featuring Jinjing Technology Sdn Bhd (Kulim Hi-Tech Park) and Inokom Corporation Sdn Bhd (Padang Meha, Kulim) for you to have a glimpse of their successful business ventures here in Kedah.

Against this exciting backdrop, we invite you to invest in Kedah, to take advantage of the presence of world-class infrastructure available and strong government support to ensure the success of your business. I would like to reiterate to all current and potential investors that when you are in Kedah, you can rest assure of our genuine care, commitment and dedication to your needs and requirements.

Stay safe and see you soon in Kedah!



Kedah continues to build on its strong appeal to investors in 2021, as evidenced by the influx of world-class companies joining the numerous reputable investors that have long established their pivotal footprints in the state for their global or regional market presence.

As a haven for investors since the 1970s, Kedah has continually proven to be an exceptionally stable, reliable and conducive location for FDIs and domestic direct investments to prosper.

Each investor in Kedah receives an attentive care from the State Government, through Invest Kedah, its dedicated investor relations arm that reports directly to the Chief Minister's Office.

Similarly, each investor also enjoys a comprehensive suite of advantages for their operations according to their requirements and needs: strategic location within Asia that boasts of world-class industrial infrastructure; a comparably reasonable-priced land lease; a superb supply of essential utilities and critical industrial support; as well as readily-available talents – educated, skilled or semi-skilled; a business-friendly environment, and much more.

To help convince you in selecting Kedah as your new or next investment site, we are pleased to feature in this Magazine Edition, three new companies representing Foreign Direct Investments (FDIs), and one well-established Malaysian company representing a large Domestic Direct Investment (DDI), who have chosen Kedah over others in Asia in their investment decisions.



SMART GLOBAL INVESTORS CHOOSE KEDAH



RISEN ENERGY CO., LTD

One of the World Solar Module Leaders Selects Kedah for their Manufacturing Expansion





Construction of Risen Energy's manufacturing facility in Kulim Hi-Tech Park, Kedah, its first in Southeast Asia, which is expected to be ready by end-2021.



Risen Energy's new manufacturing facility will be equipped with the technological capability and capacity to produce high-efficiency solar cells and solar modules for its growing global customers

Risen Energy Co., Ltd, the world's first 500W efficiency solar module maker, has now made the state of Kedah, Malaysia, their first production facility in Southeast Asia. With headquarters in Ninghai, China, Risen Energy is committing a staggering capex and opex investments over 15 years to produce the latest bi-facial technology solar products to cater to the growing global market.

RM42.2 bil capex is being invested in the current development of their Risen Solar Technology Sdn Bhd manufacturing facility on a 48.773-acre of land in Kulim Hi-Tech Park. Construction of the facility is due for completion by end-2021, while commercial activities are expected to begin in Q1 2022.

The facility is set to create over 3,000 employment opportunities comprising 800

Managerial, Technical and Supervisory (MTS) positions that will include 500 engineers, while annual production is planned for a capacity of 3GW for the first five years.

This facility will roll out 3GW solar cells and 3GW solar modules, and marketed under their Titan High Performance brand in two super-efficient PV module versions: RSM110-8-530-550M and RSM120-8-580-600MDG (21% and 21.2% efficiency respectively).

In Malaysia, Risen Energy Co., Ltd has garnered a sales revenue of RM200 mil from Large-Scale Solar Programmes (LSS) and Rooftop coverage segments. These projects include LSS projects in Sik, Kedah (50MW); Kelinchi and Terip in Negeri Sembilan (50MW each); and Kerian, Perak (45MW).

Key Development Strategies

As a leader in PV module export, Risen Energy takes globalisation as a key corporate development strategy and always emphasizes on forward-looking strategic layout. At present, its products are exported globally across predominant PV countries and regions in Europe, the USA, South Africa and Southeast Asia.

For internal business development, Risen Energy has rolled out several high-efficiency cell module manufacturing projects including facilities in Yiwu, Zhejiang Province (5GW), Chuzhou, Anhui Province (5GW) and Kedah, Malaysia (3GW).

By adopting a vertically-integrated layout strategy on its PV cells, PV modules and related products, Risen Energy has significantly improved on its core competitiveness in the global PV market.

In its rapid global business expansion, Risen Energy will hold true to its original corporate values by:

- Forging ahead through conquering higher grounds to seize new opportunities;
- Creating more outstanding PV products;
- Working synergistically with society to promote a global renewable energy cooperation; and
- Building a greener and sustainable future for mankind!

About Risen Energy Co., Ltd

Risen Energy Co., Ltd. was founded in 1986 and listed as a Chinese public company (Stock Code: 300118) in 2010. The company is one of the pioneers in solar industry and has committed to this industry as an R&D expert, an integrated manufacturer from wafers to modules, a manufacturer of off-grid systems, as well as an investor, a developer and an EPC of PV projects.

Aiming to deliver the green energy worldwide, Risen Energy is developing international offices and sales networks in China, Germany, Australia, Mexico, India, Japan, USA and many more. With more than a decade of persistent efforts, Risen Energy has attained a module production capacity of 19.1GW. Amidst their rapid growth, they have successfully maintained their average debt ratio at around 0.6 from 2011 to 2020.

For more information, please contact: Email: marketing@risenenergy.com



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INVEST KEDAH MAGAZINE 1ST EDITION 2021

JINJING TECHNOLOGY MALAYSIA SDN BHD

INVEST KEDAH MAGAZINE 1ST EDITION 2021

JINJING TECHNOLOGY MALAYSIA SDN BHD

JINJING TECHNOLOGY MALAYSIA SDN BHD

Get on board an accomplished company and fly with them into the future.

"The past decade has seen strong growth in the deployment of renewable energy technologies, with the power sector leading the way, thanks to sharp cost reductions for solar photovoltaic (PV) and wind power." (World Energy Outlook 2019)

Green, renewable energies are undeniably destined to become the energies of choice in the foreseeable future. In fact, the International Energy Agency (IEA) has forecasted that the green energy segment will constitute 40 per cent of the total global energy generation in 2040, even though there are now global cities that are proudly sourcing between 70-100 per cent of their energy needs from green, renewable energies.

With their sights firmly focused on the high growth potential of the solar energy segment, Jinjing (Group) Co., Ltd has selected the Malaysian state of Kedah to build their first overseas high-quality solar glass manufacturing facility outside China; a strategic site selection choice indeed since they are located within an easy reach from their major customers – the major solar panel producers.

Jinjing Malaysia Manufacturing Faciltiy

The Jinjing Technology Malaysia Sdn Bhd (Jinjing Malaysia) facility is built on 80 acres (about 30.23 hectares) of industrial land in Kulim Hi-Tech Park for their Phase 1 and Phase 2 development, with future expansion plan in the cards once product demands soar beyond the current capacity.



An architect's aerial view of Jinjing Malaysia's manufacturing plant on 80 acres of industrial land in Kulim Hi-Tech Park, Kedah, Malaysia.

Jinjing (Group), who has been in the glass industry for more than 100 years hails from Boshan Zibo City of Shandong, China, has to-date invested RM600 million in Jinjing Malaysia while there is already a plan of investing another RM500 million in the next three years. The current investment includes the installation of two 600-tonne capacity solar glass production lines as well as supporting deep-processing production lines.

For their workforce, Jinjing Malaysia has initially recruited about 300 local employees. For their second phase of production, they are expected to hire another 600 local employees by the end of 2022. Skilled engineers, technicians and new college graduates make up the bulk of their employees.



Mr Cui WenChuan General Manager Jinjing Technology Malaysia Sdn Bhd

Jinjing ----- China's Green Industry Leader.

"Being one of the global leaders in high quality solar glass manufacturing, Jinjing is always focused on innovating and refining our solar glass manufacturing technologies to greatly benefit all our customers.

Concurrently, we are also devoting ourselves to emerge as a leader in the low-carbon technology revolution to benefit the society. It is our core mission to leverage our knowledge and skills in the areas of science and technology to positively impact the lives and livelihood of the people, and ultimately, it is our vision to contribute profoundly to a greener world."

About Jinjing Technology Malaysia Sdn Bhd

Jinjing Technology Malaysia Sdn Bhd (Jinjing), a company established in 2018 at Kulim Hi-Tech Park, Kedah is involved in the production of ultra-thin solar glass and ultra-clear glass. Jinjing is a subsidiary of Jinjing (Group) Co., Ltd, a Chinese public company from Boshan Zibo City of Shandong, China. In China, Jinjing was established in 1904 with more than 100 years' presence in the glass industry. Jinjing China has grown steadily over the years and owns 13 branches across China.

Jinjing Malaysia was the first manufacturing plant set up by Jinjing Group overseas where the Jinjing Group had invested 1 billion RMB (More than RM600 million) in Malaysia to set up 2 production lines. These two production lines in Phase 1 and Phase 2, have been set up with a 600-tonne capacity each, and each line will produce 25 million ultra-thin solar glass per year. The thickness of the ultra-clear glass ranges between 1.6mm and 6mm. These products will be used specifically for the automotive, electronics and solar industries.

For more information, please visit their website at: www.cnggg.cn/index.php?lang=en

JINJING TECHNOLOGY MALAYSIA SDN BHD

JOIN JINJING AND GROW WITH US TODAY!

WE ARE CHINA'S GREEN INDUSTRY LEADER IN ULTRA-THIN AND ULTRA-CLEAR SOLAR GLASS MANUFACTURING.

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WE OFFER HIGHLY-COMPETITIVE RENUMERATION AND CAREER DEVELOPMENT PATHS FOR COLLEGE AND UNIVERSITY GRADUATES.



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INOKOM CORPORATION SDN BHD



Aerial View of Inokom's Plant in Kulim

Inokom Corporation Sdn Bhd (Inokom) is truly a Malaysian success story in the automotive assembly industry as they have won many industry accolades for excellence. Best of all, of the many alternative



INOKOM

Approaching 3 Decades of Excellence in Automotive Assembly



Inokom Quality Inspection

Assembly Line

locations available to them in Malaysia, they have made the smart decision to choose Kedah for their operations.

Today, after more than two decades of operations, Inokom is still enjoying the best advantages of investing and operating in Kedah that ranges from strategic business incentives, the presence of local supply chain, the easy availability of local skilled workforce, and, most importantly, superb transportation and logistics network.

Inokom has an installed production capacity of 40,000 units of vehicles per annum within a 200-acre (80.9 ha) production plant in Padang Meha. Kulim. With more room to grow, they are now looking forward to ink new deals to assemble vehicles for global automotive brand leaders aside from the current lines producing BMW, MINI, Mazda and Hyundai models.

> Mr Rizal Jailan Managing Director Inokom Corporation Sdn Bhd

"Inokom Corporation Sdn Bhd has been thriving since 1997 as a preferred automotive assembly solutions provider for both the domestic and export markets. Our vast experience of having served global automotive brand leaders, specifically from Germany, Japan and Korea, has given us the extra edge in adhering to higher technology assembly standards.

Similarly, our local workforce have also benefited tremendously from their continuous exposure to advanced technological skills and engineering precision throughout the entire automotive assembly processes. 100% of Inokom's 1,900 employees are Malaysians as they continue to tap skilled or semi-skilled workers from the local communities surrounding Kulim for many forthcoming projects.

Inokom is most grateful to Invest Kedah for their wholehearted support and cooperation extended to our continuing corporate initiatives and new business expansions.





Current

Inokom is currently producing 4 global brands, 13 models and +/-50 variants of **BMW, MINI**, **Development** Mazda and Hyundai, through their 3 principal clients.

BRAND	MODEL
BMW	
MINI	

MAZDA



Brands and models of vehicles being assembled in *Inokom's production facility.*

About Inokom Corporation Sdn Bhd

Inokom's core business is in the assembly of passenger cars, multi utility vehicles, sport utility vehicles, multi-purpose vehicles and light commercial vehicles. Their production facility, which first commenced production in 1997, is located at Padang Meha, Kulim District, Kedah occupying 200 acres (80.9ha) of freehold land. Inokom is owned by a consortium of corporate shareholders which comprises Sime Darby Motors Sdn Bhd (51%), Sime Darby Hyundai Sdn Bhd (5%), Hyundai Motor Company of South Korea (15%), and Bermaz Auto Berhad (29%).

Since its establishment in 1992, Inokom Corporation Sdn Bhd has evolved into a premium automotive assembly plant. With the mandate given by their customers, they have assembled various models under the marque of BMW, MINI, Mazda and Hyundai. The synergy of their relationship with their principals and customers stems from their stringent policy in efficiently producing vehicles of high-quality, at a competitive cost. The vehicles rolled out from the plant meet the highest standards expected by their customers and this has allowed each brand to expand the distribution of Inokom-assembled vehicles into the ASEAN markets.

For more information, please visit their website at http://www.inokom.com.my or email them at inokomcorporate@inokom.simedarby.com

BUKIT KAYU HITAM INDUSTRIAL PARK PHASE 3

The Optimal Location for **Industries and SMEs**

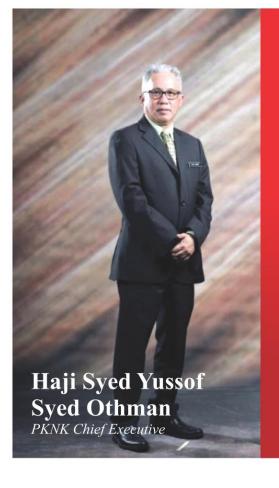


Many industries including Small-and-Medium Enterprises (SMEs) will find it most timely, viable and advantageous to locate their operations at the new Bukit Kayu Hitam Industrial Park Phase 3 (BKHIP Phase 3) in Kedah, Malaysia.

"We welcome well-established companies and SMEs to locate your operations in the new Bukit Kayu Hitam *Industrial Park Phase 3 to take advantage of the ready* infrastructure and high economic growth potential of the BKH Special Border Economic Zone (BKH-SBEZ)."



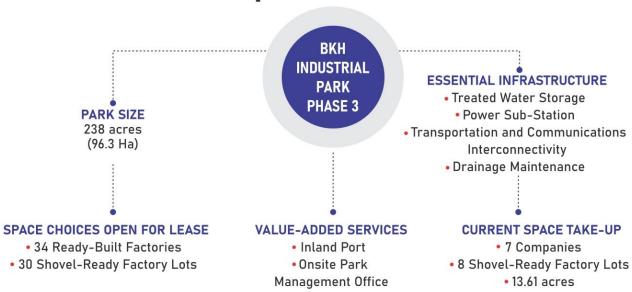
Bukit Kayu Hitam Industrial Park Phase 3 forms an integral part of the Bukit Kayu Hitam Special Border Economic Zone (BKH SBEZ), a self-contained township development in the fast-growing, cross-border Northern Malaysia-Thailand trade



Key Location Advantages

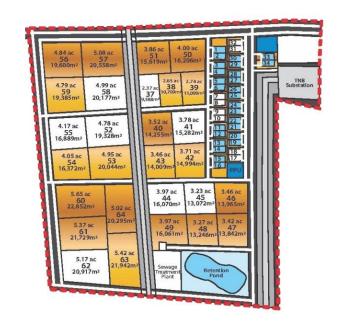
- 1. Strategic location (5km to CIQ Bukit Kayu Hitam and 29km to the Malaysia-Thailand border).
- 2. Centrally-located within a fast-growing Malaysia-Thailand, cross-border trade activities, and the new, sustainable and integrated Special Border Economic Zone (SBEZ) development.
- 3. Inter-connected with an existing and continually-upgraded world class infrastructure.
- 4. Superb utilities and transportation interconnectivity.
- 5. Easy access to abundant educated skilled and semi-skilled workers.
- 6. Plentiful lifestyle choices available within a 40km radius.
- 7. Bukit Kayu Hitam Industrial Park Phase 3 is exclusively developed by Perbadanan Kemajuan Negeri Kedah or Kedah State Development Corporation – a highly reliable, proven and reputable industrial park developer in Kedah since the 1970s.

BUKIT KAYU HITAM INDUSTRIAL PARK PHASE 3 (BKHIP PHASE 3) Development Overview



- 1. The 238.52-acre BKHIP Phase 3 development is fully-completed and is ready for occupation.
- 2. The leasing tenure is for 60 years with an option to extend lease for additional 38 years.
- 3. Special Covid-19 Economic Stimulus Package: From now until April 2022, purchasers will enjoy a 25% lease price reduction (RM7) off the original lease price of RM28 per sq. ft.
- 4. Investors or companies can select spaces from these raw vacant land or ready-built SME factory lots.

Lot Number	Type of Space	Number of Lots	Size
01 - 34	SME Factory	34	140 ft x 80 ft / 42.67 m x 24.38 m (11,200 sq. ft / 1,040 sq. m)
35 - 39	Industrial	5	+/- 2.00 acres (87,200 sq. ft / 8,094 sq. m)
40 - 49	Industrial	10	+/- 3.00 acres (130,680 sq. ft / 12,141 sq. m)
50 - 55	Industrial	6	+/- 4.00 acres (174,240 sq. ft / 16,187 sq. m)
56 - 64	Industrial	9	+/- 5.00 acres (217,800 sq. ft / 20,234 sq. m)



Layout Plan of Raw Vacant Land and Ready-Built Factories Lots

5. The industrial park is developed with supporting infrastructure, facilities and amenities with strategic business incentives being offered to qualifying investors.

Supporting Infrastructure	Business Incentives
 Treated water storage tank Telecommunications Interconnectivity Power / Electricity sub-station Accessibility to global logistics network: airport, seaport and railway road, expressway and highway logistics and warehousing solutions Drainage and sewage maintenance Inland port Onsite Park Management Office 	 Qualifying park tenants enjoy MIDA Business Incentives that include: Pioneer status Investment tax allowance (ITA) Income tax exemption Import duty exemption on raw materials,













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Mobile: +6012-535 2720 Email: khalid@pknk.gov.my General Line: +604-775 2455 19 INVEST KEDAH MAGAZINE 1ST EDITION 2021
AT&S INVESTS RM 8.5 BIL





Austrian AT&S Investing RM8.5 Bil (€1.7 Bil) in New PCB and IC Substrates in KHTP, Kedah.

Kedah has received yet another significant RM8.5 billion investment from AT&S (Austria Technologie & Systemtechnik Aktiengesellschaft), an Austrian global leader in high-end printed circuit boards (PCB) and integrated circuit (IC) substrates.

The production campus will be built on a 56.1-acre site in Kulim Hi-Tech Park (KHTP) Industrial Zone 4, its first production site in Southeast Asia. Piling is scheduled to begin in October 2021 with commercial operations targeted for 2024. Once fully completed, it is expected to open up 7,000 high-tech and high impact job opportunities for Kedahans and Malaysians.

A delegation from the ATS top management and the Austrian Embassy had recently made a courtesy visit to the Chief Minister of Kedah, YAB Tuan Haji Muhammad Sanusi Md Nor, at his office in Wisma Darul Aman, Alor Setar. The delegation from AT&S comprised its COO, Mr Ingolf Schroeder; Director Executive Investment Project, Mr Markus Sterba; and Director Strategy and Transformation, Mr Vittorio Villari; and they were accompanied by HE Austrian Ambassador, Dr. Michael Postl, and the Commercial Counsellor of the Austrian Embassy, Mr Reinhart Zimmermann.

On hand to receive the members of delegation at the Chief Minister's Office were Senior Kedah State Executive Council Member on Industry & Investment, Hon. Dato' Wira Dr Ku Abd Rahman Ku Ismail; Kedah State Secretary, YB Dato' Paduka Ammar Dato' Sheikh Mahmood Naim; Kulim Technology Park Corporation Sdn Bhd Group CEO, Haji Mohd Sahil Zabidi; Deputy Kedah State Secretary (Development), Dato' Norizan Khazali; MBI Incorporated CEO, Haji Muhammad Sobri Osman and MIDA Foreign Investment Deputy Director, Ms. Nurullydia Ahmad.





Kedah Chief Minister, YAB Haji Muhammad Sanusi Md Nor (3rd, right) hosting the visit of a delegation from AT&S in the presence of Senior State Executive Council Member for Industry & Investment; Science, Technology & Innovation; and Higher Education, Hon. Dato' Wira Dr Ku Abd Rahman Ku Ismail (2rd, right) and Kedah State Secretary, YB Dato' Paduka Ammar Dato' Shaikh Mahmood Naim (right).



Sitting from Left: Austrian Embassy Commercial Counsellor, Mr Reinhart Zimmermann; AT&S Strategy and Transformation Director, Mr Vittorio Villari; AT&S Investment Project Director Executive, Mr Markus Sterba; AT&S Chief Operations Officer, Mr Ingolf Schroeder; HE Austrian Ambassador, Dr Michael Postl; Senior Kedah State Executive Council Member on Investment & Industry, Hon. Dato' Wira Dr Ku Abd Rahman Ku Ismail; Kulim Technology Park Corporation Sdn Bhd Group CEO, Haji Mohd Sahil Zabidi; Kulim Municipal Council President, Dr Haji Nadzman Mustafa; MIDA Foreign Investment Promotion Division Deputy Director, Mdm Nurullydia Ahmad; and Kulim Technology Park Corporation Sdn Bhd Sales & Marketing General Manager, Mr Zulkefli Ahmad.

A momentous album of the hosts comprising the Kedah State Government, Invest Kedah, Kulim Technology Park Corporation Sdn Bhd, Kulim Municipal Council and MIDA with the visiting delegations from the Austrian Embassy in Malaysia and AT&S.

In the afternoon, the AT&S delegation moved to Kulim Hi-Tech Park for a meeting with Kulim Technology Park Corporation Sdn Bhd (KTPC) and Majlis Perbandaran Kulim Kedah (MPKK). The meeting was chaired by Hon. Dato' Wira Dr Ku Abd Rahman Ku Ismail in the presence of Kulim Technology Park Corporation Sdn Bhd Group CEO, Haji Mohd Sahil Zabidi; MPKK President, Dr Haji Nadzman Mustafa; Invest Kedah COO, Mr Noor Ikhsan Abd Aziz; and Kulim Technology Park Corporation Sdn Bhd GM (Sales & Marketing), Mr Zulkefli Ahmad.

This was followed by a drive-through tour around Kulim Hi-Tech Park and concluded with a visit to the actual AT&S new campus project site.



Senior Kedah State Executive Council Member on Industry & Investment, Hon. Dato' Wira Dr Ku And Rahman Ku Ismail, presenting a memento to AT&S Chief Operations Officer, Mr. Ingolf Schroeder, during his visit to Kulim Hi-Tech Park (KHTP). Looking on is Kulim Technology Park Corporation Sdn Bhd Group CEO, Haji Mohd Sahil Zabidi.





WHY INVEST IN KHTP

World class infrastructure for hi-tech industries

KHTP meets all the meticulous location criteria of global investors in high technology, advances manufacturing industries and R&D.

With the presence of high quality infrastructure, complementary industrial support ecosystems and sustainable development practices, global investors are assured that their investments and operations are secure.

Special and flexible incentives for promoted hi-tech industries

Investors in the high-tech industry can expect business incentives that are both flexible and attractive. Investors are welcome to demonstrate their levels of investments as incentives given would be tailored to these levels.

Very stable political and social-economic environment

Malaysia is reputed internationally as among the most peace-loving, multi-ethnic country blessed with natural resources and hard-working citizens that can sustain its long-term socio-economic vision and plans. Malaysia is also among the best locations in the world to do business.

Available Skilled and semi-skilled workers

Industrialisation, especially in the electrical and electronics industry, began in Malaysia in the early-70s. This has enabled Malaysia to focus on producing more skilled and semi-skilled workers to supply the high demand for such workers by factories that has continued to invest and expand their operations.

Available Supply Chain

This is among the most important reasons why high-tech investors chose Kulim HTP to locate their high-tech manufacturing facilities. Logistics. Specialised chemicals. Equipment maintenance. And more.

Dedicated local authority

The Local Authority is a specialised administrative body that has contributed much to the sustainability of KHTP Development.

The Central Security Command and park-wide CCTV cameras enhance public safety and security in KHTP.

Secured boundaries

The whole park has CCTVs installed at critical hotspots and is watched 24 hours by a Central Monitoring station. There is a Police Station within the park which Is then backed up by the Kulim District Police Station in close vicinity. KTPC also provides a 24-hour mobile security monitoring complementing those provided by the Police.

Reasonable cost of living

Food and housing for workers are much more reasonable than big cities nearby. This is a pull factor registering a steady working population growth in Kulim HTP.

For more information: **L** +6 04-403 2420 +6 04-403 1973 Suite 3.01-3.02, 3rd Floor, KHTP Business Centre, Kulim Hi-Tech Park, 09090 Kulim, Kedah, Malaysia.

KRC ATTRACTING INVESTMENT FROM INDUSTRY PLAYERS



Hong Seng Gloves Sdn Bhd, a subsidiary of Hong Seng Consolidated Berhad (HSC). Recently, the Group had entered into a sublease agreement with NCIA to sublease 102.6 acres of industrial land to build a World Class Integrated Butadiene

Acrylonitrile Copolymer Latex (NBL) with 480KTPA installed capacity and a glove manufacturing facility in KRC.



KRC - POSITIONED AS A REGIONAL SPECIAL DESIGNATED AREA FOR THE RUBBER INDUSTRY IN ASEAN







KRC under the umbrella grouping called the IMT-GT or the Indonesia, Malaysia, Thailand-Growth Triangle held a workshop in July this year to share ideas and strategies for the betterment of the industry.

KRC READY FOR BUSINESS

Multitude of advantages await rubber and rubber-related industry investors

Kedah Rubber City (KRC), the crown jewel of Malaysia's rubber sector economic development, is set to attract global investors with compelling valued propositions. From bolstering diverse upstream and downstream economic activities to opening up abundant job opportunities, KRC is meticulously developed to accomplish its true potential to emerge as the most vibrant investment location in ASEAN for global investors.

As Malaysia enters the Covid-19 pandemic recovery phase, NCER is again opening its doors to welcome investors from all over the world to leverage the impressive and beneficial KRC development of high potential to full advantage.

At the heart of the NCER Strategic Development Plan (NCER SDP) is KRC – a dedicated rubber industrial park situated in Padang Terap, Kedah that serves the growing demands of consumers, and spans the entire spectrum of the commodity; from rubber trees to the finished products.

Aspiring investors, specifically those in the rubber-related industries, can certainly consider investing in the KRC for these distinct corporate objectives and more: business expansion, R&D, lower operational and acquisition costs, or production facilities relocation.

In reaffirming that the entire NCER is ready for business, Northern Corridor Implementation Authority (NCIA) Chief Executive, Datuk Seri Jebasingam Issace John and the NCIA team has wholeheartedly pledged to assist potential investors in facilitating the latter's investment journey in KRC.

"NCIA welcomes all investors to KRC to discuss their plans, needs and requirements to make this regional hub a feasible and profitable operational base for them."

"With NCIA's integrated human capital programmes and Kedah's enhanced economic and talent ecosystem, investors will be able to tap on the comprehensive supply chain and available skilled workforce, as well as take advantage of a holistic network of surrounding industries, institutions of higher learning and skilled development centres," he said.

Datuk Seri Jebasingam further emphasised on the presence of existing Malaysian rubber industry value-chain linkages as a highly significant catalyst to business growth in the investors' favour. This factor will invariably establish KRC as the first dedicated rubber industrial park in the country and, in time, is expected to accelerate and elevate the Malaysian rubber industry to emerge as ASEAN's high-value rubber manufacturing hub.

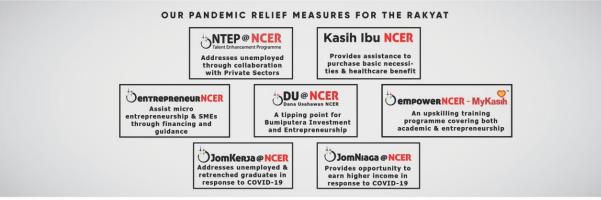
KRC is the perfect platform for rubber-related industries as the country has over 400,000 smallholders that form a critical part of the rubber industry as well as up to three million smallholders and their family members in the region.

The future for KRC which focuses on seven (7) main clusters certainly looks very bright, as the thematic industrial park is seen to have the potential of attracting a total of RM10 billion worth of investments and is expected to create more than 14,500 job opportunities by 2030.

All being said, and at the rate that the development is progressing, KRC is moving towards becoming the next successful catalytic economic development in the Northern Corridor Economic Region (NCER). The development of KRC focuses on the greater interests of three main stakeholders: the investors, the rubber industry valuechain players and the population living in the NCER. Most importantly, KRC has the full support of both the Federal and Kedah State Governments and this will ultimately ensure that the industrial park development will be fully feasible, viable and sustainable in the long term.

NCER INITIATIVES AND KEY ENABLERS



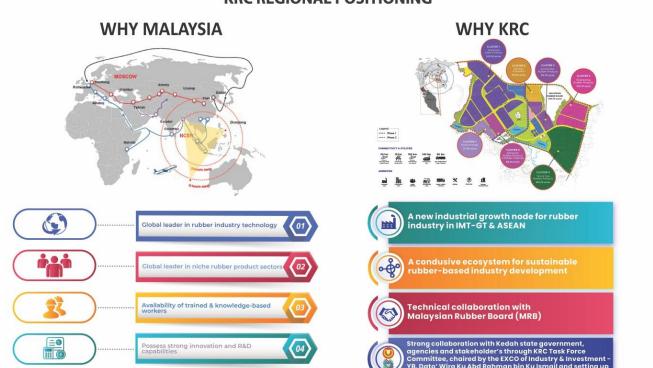




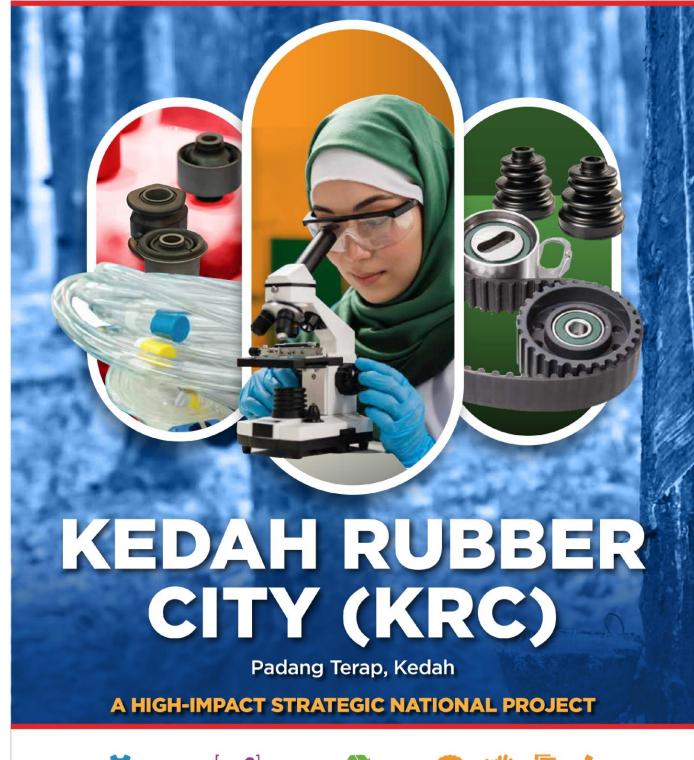


KRC REGIONAL POSITIONING





























KEDAH STATE GOVERNMENT PIKAS (PPV) PROGRAMME Public-Private Partnership Covid-19 Industry

Public-Private Partnership Covid-19 Industry Immunisation Programme (PIKAS) rolls out vaccines to 71,000 industrial workers in Kedah.



Senior State Executive Council Member for Industry & Investment; Science, Technology & Innovation; and Higher Education, Hon. Dato' Wira Dr Ku Abd Rahman Ku Ismail (centre) presenting Invest Kedah's contribution to the Kubang Pasu District Health Department Director (left), in the presence of Invest Kedah Chief Operating Officer, Mr Noor Ikhsan Abd Aziz.

In July 2021, Invest Kedah and Kulim Technology Park Corporation Sdn Bhd were entrusted by the Kedah State Government to organise and implement the first phase of the state-wide PIKAS or Public-Private Partnership Industrial COVID-19 Immunisation Programme (PPV) to 71,000 industrial workers comprising 31,772 workers in the Kuala Muda District (Minebea Electronics Motor (M) Sdn Bhd PPV); 37,000 workers at Kulim Hi-Tech Park (KHTP Sports Complex PPV); and 1,716 workers at Kubang Pasu district respectively.





In September 2021, the programme entered into its second phase with the opening of IPDA Darul Aman PPV and KISMEC PPV. These two PPVs had delivered 8,000 Covid-19 vaccinations to industrial workers in Kubang Pasu, Kota Setar dan Kuala Muda districts.

Concurrently, KKTP Sports Complex PPV had also begun its second phase of operations on 1 September 2021 delivering a total of 11,500 doses to meet encouraging demands from industry players around Kulim.

"The vaccination programme was one of the initiatives of the Malaysian Federal Government in collaboration with government and private agencies including the Ministry of International Trade and Industry (MITI), Malaysian Investment Development Authority (MIDA) and Invest Kedah Berhad to accelerate herd immunity, especially among industry players in Kedah.

The State Government is targeting more than 100,000 industrial workers in Kedah to receive 2 doses of vaccines by October 2021. We have now achieved more than 50% of our target through PIKAS as well as the National Covid-19 Immunisation Programme."







HON. DATO' WIRA DR KU ABD RAHMAN KU ISMAIL

Senior Executive Council Member for Industry & Investment; Science, Technology & Innovation; and Higher Education

The additional PPVs is organised to meet popular demands from industry players who are required to be fully-vaccinated in order to obtain permission from the Ministry of International Trade and Industry (MITI) to run their operations in their respective industries. These are manufacturers who are not classified under the essential services category in the National Recovery Plan (NRP) Phase 1 and 2.

In addition, the manufacturing sector will only be allowed to run their operations on the condition that they are located in the NRP Phase 1, 2 and 3, and are permitted to increase their production capacity based on the percentage of their employees been fully-vaccinated.







^{*} Excerpt from a Press Conference at PIKAS PPV-Institut Perguruan Darul Aman on 7 September 2021.





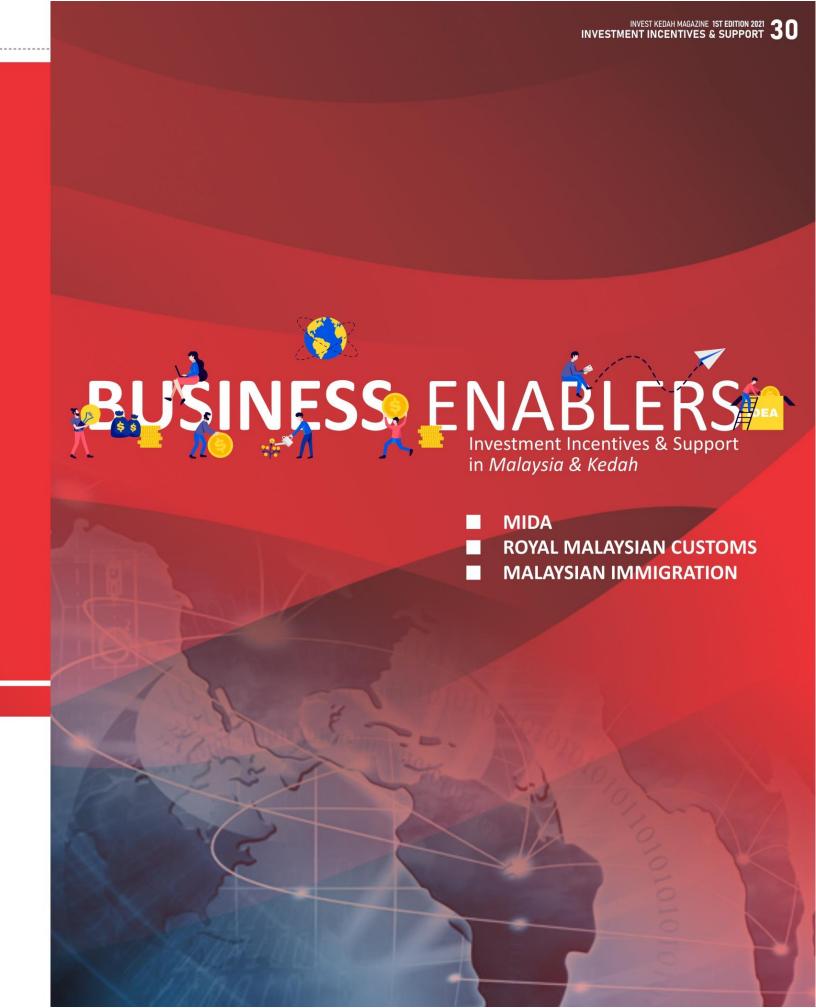
ABOUT PIKAS(PPV) **PROGRAMME**





PIKAS or the Public-Private Partnership Industrial COVID-19 Immunisation Programme was launched by the Ministry of International Trade and Industry (MITI) to complement the National COVID-19 Immunisation Program (PICK) in accelerating the immunisation of the people by focusing on workers in the manufacturing sector, to achieve herd immunity in the community.

PIKAS is a public-private partnership programme that is supported by the private sector that agrees to provide facilities at workplaces, convention centres and exhibition centres as Private Vaccination Centres (PPVs) that consists of both medical and non-medical staff, and security services.



2. Expatriate Services Division (ESD) Royal Malaysian Customs Department

The Expatriate Services Division (ESD) was established to provide efficient, effective and innovative services for expatriates and companies during their submission of expatriate applications for immigration matters.

Launched in June 2014, the ESD is a one-stop centre for facilitating work permit approval of expatriates to as short as five (5) working days instead of them having to visit different divisions for the same permit or pass application.

Preference is given to foreign talents employed in the 12 areas/industries under the National Key Economic Areas (NKEA), as outlined in the Economic Transformation Programme (ETP) of the Malaysian Government: Electrical & Electronics, Healthcare, Financial Services, Oil, Gas & Energy, Agriculture, Education, Tourism, Wholesale & Retail, Palm Oil, Communication Content & Infrastructure, Business Services and Greater Kuala Lumpur/Klang Valley.

Business Enablers: Incentives and support services

Malaysia has today become a success story after having elevated itself into an export-driven economy that is propelled by high technology, knowledge-based and capital-intensive industries. Similarly, Kedah has also moved up many economic notches with the constant inflow of FDIs and DDIs into its industrial parks and economic zones.

In this edition, we would like to offer you a glimpse into the latest business enablers comprising business incentives and business support services that you are able to enjoy when you invest in Kedah. Imagine benefiting from these business enablers on top of receiving a holistic package of location advantages that include infrastructure, human resources and quality of life. Invest Kedah will be your most authoritative window to all the business opportunities, incentives and support in Kedah.

LMW Application Flow Chart

In Malaysia, a Manufacturing Bonded Warehouse is known as Licensed Manufacturing Warehouse (LMW) which was established under section 65/65A of the Malaysian Customs Act 1967. The manufacturing activities in this licensing shall comply with the interpretation of manufacturing as provided under

section 2 (1) of the Customs Act 1967.

1. Licensed Manufacturing Warehouse (LMW)

An LMW is a manufacturing unit (factory) granted to any person for warehousing and manufacturing approved products on the same premise. It is primarily intended to cater for export-oriented industries. Customs duty exemption is given to all raw materials and components used directly in the manufacturing process of approved produce from the initial stage of manufacturing until the finished product is finally packed and ready for export.

LMW companies are subject to an export sales quota of 80% and local sales of 20% based on the sales value of finished goods within 12 months (during the current licensing period). The flexibility on this sales quota is subject to the approval of the Malaysian Investment Development Authority (MIDA).



Submit Application Form from nearest Customs Office (Department: Pusat Pelesenan Bersetempat, PPB)

2 weeks - 1 month

PPB visit to manufacturer's factory

1 month

PPB to issue LMW approval letter

Manufacturer to pay Warehouse License Fee

1 week

Cawangan Industri to issue LMW code

Manufacturer to register Customs System (Forwarding Agent)



Overview of one-stop centre processes provided by ESD to save applicant's time when expatriates apply for work permits or passes.

3. MIDA – Special Tax Incentives

Companies setting up their industrial operations or facilities in Kedah can take advantage of a lower cost of operations on top of receiving an easy access to abundant talents, multimodal logistics connectivity, businessfriendly environment and superb industrial infrastructure and/or support services. Find out from Invest Kedah how your company too can take advantage of the most Attractive, Competitive and Flexible Investment Incentives that other companies have enjoyed since their initial and throughout their operational setup in Kedah.

BUSINESS INCENTIVES FOR INVESTORS

TAX INCENTIVES

SECTORS

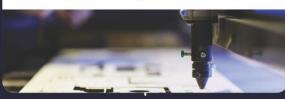
Primary

Manufacturing

Services

SECTOR

High-Technology Manufacturing



INCENTIVE CATEGORIES

Pioneer Status

(Up to 70% income tax exemption)

Investment Tax Allowance *Subject to qualification criteria

INCENTIVE CATEGORIES

Pioneer Status

(Up to 100% income tax exemption)

Investment Tax Allowance *Subject to qualification criteria



2021

MALAYSIA RM66.9 **INVESTMENT** Total investments approved: PERFORMANCE Primary RM107.5 IN FIRST HALF billion 69.8% from Jan-June 2020 RM34.1 Foreign Investments: RM62.5 billion 58.1%

Domestic Investments: RM45.0 billion

Malaysian Investment Development Authority (MIDA)

KEDAH DRAWS HIGHEST INVESTMENT INFLOWS IN 1H 2021 Compelling, conducive and robust business environment for investors to prosper

Kedah has kept its FDI and DDI inflows firmly perched on top in the first half of 2021 compared to the regular bellwether Malaysian states. In the same period, Kedah has recorded RM43.6 billion in approved investments, three times the inflow of the next ranking state, Selangor.

As such, Kedah has proven to be on tops on the minds of investors in their quest and search for the optimal location in ASEAN to build their manufacturing facilities or expand their business. Rightly so since Kedah has been maintaining the investment inflow momentum since the 1990s with the launch of Kulim Hi-Tech Park, the leading high-tech park in this region.

"Kedah's success in achieving RM43.6 billion investment inflows in the first half of 2021 is very much in line with Kedah Development Plan 2035. Much of it is attributed to the close collaboration among the Kedah State Economic Planning Division, Invest Kedah and Kulim Technology Park Corporation Sdn Bhd with the assistance of many key government departments and agencies.

We are indeed very grateful to Hon. Dato' Wira Dr Ku Abd Rahman Ku Ismail, Senior State Executive Council member for Industry and Investment, for his expert guidance and advice throughout the process of making critical strategies and decisions in developing the essential infrastructure and maintaining the momentum of Kedah's investment inflows.

Going forward, we are working diligently to perform even better in the next quarter by giving more reasons for investors to choose Kedah as their next investment, manufacturing or business destination."

Mr Muhamad Mahazi Haji Ibrahim

Invest Kedah CEO

2,110

(:	Singapore	RM43.5 billion
	Republic of Korea	RM6.3 billion
	Netherlands	RM5.1 billion
# L	British Virgin Islands	RM3.0 billion
•	Japan	RM0.6 billion

Kedah RM43.6 billion RM13.3 billion Selangor

W.P. Kuala Lumpur RM11.9 billion Sarawak RM9.6 billion Johor RM6.6 billion

35 INVEST KEDAH MAGAZINE 1ST EDITION 2021
KEDAH TOPS INVESTMENT INFLOWS IN 1H 2021

INVEST KEDAH MAGAZINE 1ST EDITION 2021 36 KEDAH TOPS INVESTMENT IFLOWS IN 1H 2021

INVESTMENTS IN KEDAH 1H 2021 FACT & FIGURES

Kedah continues to perform remarkably in recording record investment inflows to the State in the first half of 2021 due to its resolute approach in attracting high-value and high-tech in both FDIs and DDIs. The following tables illustrates how Kedah has fared thus far in 2021. All the figures shown are courtesy of the Malaysian Investment Development Authority (MIDA).

APPROVED INVESTMENTS IN MANUFACTURING SECTOR BY STATE

APPROVED INVESTMENTS IN MANUFACTURING SECTOR BY STATE

	NO.of Projects	Employ- ment	Domestic Investment (RM)	Foreign Investment (RM)	Total Investment (RM)
Kedah	24	4,417	240.35	42,318.73	42,559.08
Selangor	122	9,179	4,062.46	576.99	4,639.45
Sabah	7	518	62.23	4,299.64	4,361.87
Perak	21	3,807	462.88	3,594.79	4,057.67
Johor	84	7,103	2,391.30	1,379.71	3,771.02
Melaka	10	2,193	204.11	3,264.38	3,468.49
Sarawak	4	116	49.39	1,425.04	1,474.43
Pulau Pinang	55	2,705	699.78	585.88	1,285.66
Negeri Sembilan	12	1,074	308.75	276.50	585.25
Pahang	7	277	9.16	438.33	447.49
W.P.Kuala Lumpur	13	558	217.80	1.63	219.43
Terengganu	6	210	43.79	0.00	43.79
Perlis	1	46	12.28	0.00	12.28
Kelantan	1	17	2.91	0.00	2.91
Total	367	32,220	8,767.21	58,161.62	66,928.83

APPROVED
MANUFACTURING
PROJECTS IN KEDAH

JANUARY-JUNE 2021



APPROVED INVESTMENTS BY INDUSTRY IN KEDAH JANUARY-JUNE 2021



Industry	Investments in RM
Electrical & Electronics	42,232.16
Chemicals & Chemical Products	124.53
Rubber Products	117.08
Basic Metal Products	31.30
Plastic Products	17.05
Fabricated Metal Products	16.29
Machinery & Equipment	13.87
Food Manufacturing	6.68
Paper, Printing & Publishing	0.11
TOTAL	42,559.08

APPROVED INVESTMENTS BY LOCATION IN KEDAH JANUARY-JUNE 2021

Location	No	RM MIL
Kulim High Tech Ind.Park	1	42,231.66
Bakar Arang IE	2	110.97
Sungai Petani	2	68.82
Sungai Petani IE	4	52.56
Padang Meha IE	1	29.30
Kulim	2	17.38
Taman Makmur IE	1	17.05
Lunas	1	9.00
Kulim IE	2	7.05
Jitra	1	6.68
Sungai Lalang (MIEL) IE	1	4.90
Gurun IE	1	2.00
Kuala Ketil IE	5	0.00
TOTAL	24	42,559.08



KEDAH INVESTMENT HOTSPOTS

Kulim Hi-Tech Park (KHTP)

Kota Perdana Special Border Economic Zone, **Bukit Kayu Hitam**

Kota Perdana Special **Border Economic Zone (KPSBEZ)**

Kedah Science & Technology Park (KSTP)

Development Size:

4,491 acres (Industrial: 2,114 acres)

New Development:

Phase 4A (250 acres) and Phase 5 (445 acres)

Location:

Kulim, Kedah

Key Industries:

Electrical & Electronics, Semiconductor. Solar Manufacturing, Wafer Fabrication, Medical Devices and other Advanced Industries.

Developer:

Northern Gateway Sdn Bhd

Development Size: 4.364.51 acres

Location:

Bukit Kayu Hitam, Kubang Pasu

Key Industry:

Mixed industry cluster, services and automotive and medical hub

Developer:

Perbadanan Kemajuan Negeri Kedah (PKNK) and Northern Corridor Implementation Authority (NCIA)

Development Size:

1.938 acres

Location:

Bukit Kayu Hitam Industrial Area

Key Industry:

Green Technology, R&D, Manufacturing, ICT, Advanced Materials, Biotechnology, Agro-Sciences and Halal Science

Kedah Rubber City

Development Size: 1,244.88 acres

Location:

Ladang Bukit Ketapang, Padang Terap

Key Industry:

Catalytic anchor tenants, Specialized latex, rubber products, precision engineered rubber products & green rubber products

Bukit Selambau Industrial Area

Development Size:

155.3 acres

Location:

Bukit Selambau, Sungai Petani

Key Industry:

Heavy Industries (Mixed industry cluster)

Kedah Aerotropolis

Development Size: 9,841 acres

Location: Sidam Kiri

Key Industry:

Kulim International Airport (KXP), Sidam Logistic Aerospace & Manufacturing (SLAM), Commercial & Mixed Residential

Gurun Industrial Park (KPG)

Development Size: 378.81 acres

Location: Gurun, Kuala Muda

Key Industry: Heavy Industries

(Mixed Industry Cluster, Automotive, Transport Equipment and Chemical Products

Padang Meha, Kulim

Location: Kulim

Key Industry: Heavy Industries (Mixed industry cluster)

