

Sustainable **High Impact**, **High Value Investments** in Greater Kuala Lumpur

PERFORMANCE REPORT 2020



Invest KL Corporation (InvestKL) is an investment promotion agency tasked to attract global multinational corporations (MNCs) to set up regional hubs in the Greater Kuala Lumpur (Greater KL) area in Malaysia, one of Asia's most investor-friendly countries. Greater KL is Malaysia's centre of economic growth due to the government's business-friendly policies, world-class infrastructure, and quick access to fast-growing markets in the Asia Pacific region.

Established in 2011 under the purview of the Ministry of International Trade and Industry of Malaysia (MITI Malaysia), InvestKL's initial goal was to attract 100 Fortune 500 and Forbes 200 global MNCs by 2020. The agency has consistently brought in 10 or more MNCs into Greater KL every year since then, and reached the target of 100 MNCs in October 2020, ahead of schedule.

Looking ahead, InvestKL will extend its sights to the next 100 MNC investors in Greater KL, with a focus on high-tech, high-impact and high-value investments that will support Malaysia's path towards embracing Industry 4.0. Foreign investors benefit from InvestKL's investment facilitation acumen in formulating competitive fiscal packages, recommending investment sites, ensuring a pipeline of highly-skilled local talents, as well as fast-tracking expatriate and business relocations.

* As of December 2020

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CHAIRMAN'S MESSAGE

InvestKL has continued to outperform expectations year after year in fulfilling its mandate to attract global multinational corporations (MNCs) and 2020 was no different, chalking up 13 MNCs that established their regional hubs in Greater Kuala Lumpur.

Despite uncertainty in the face of a once-in-a-century global pandemic, investors continued to set up regional hubs in our thriving capital, and as a result, InvestKL reached its target of 100 global MNC investors eight months ahead of schedule in October 2020. We will continue to build on this success to facilitate the next 100 investors, with a focus on digital, technology, and sustainable MNCs.

Tenacity in The Face of Adversity

The Malaysian economy was not spared from the Covid-19 pandemic in 2020, with global travel all but grinding to a halt and the rise of social distancing affecting deal making and investment facilitation.

Nonetheless, Malaysia defied initial economic projections and ended 2020 with Gross Domestic Product (GDP) contracting by only 5.6%. The government's swift action to introduce economic stimulus packages amounting to RM305 billion – 20% of GDP – contributed four percentage points to the 2020 economic growth.

MNC Target Surpassed Despite Challenging Year

Despite the weaker economic environment, InvestKL stayed true to its course and reached its goal of 100 global MNCs by mid-October 2020, instead of its 10th anniversary target by June 2021. This is the culmination of consistently securing 10 or more MNCs yearly since InvestKL's 2011 inception.

InvestKL's success speaks of its ability to communicate to the global investment community that Malaysia's strong fundamentals of a rising middle income population, business-friendly environment, highlyskilled workforce and strong infrastructure and connectivity, are still intact.

The global rankings reflect this. Malaysia ranked 12th in the World Bank Doing Business 2020 Report, 29th in the Bloomberg 2020 Innovation Index and 33rd in the Global Innovation Index (GII) 2020.

Malaysia will continue to reform legislation and provide infrastructure support in an increasingly competitive global business arena, while remaining attuned to investor needs and adapting to Industry 4.0 and the digital economy.

InvestKL's efforts have not gone unnoticed, as the agency was named the 'Top Investment Promotion Agencies Asia-Pacific Regional' in 2015, 2017 and 2019 by Site Selection.

Datuk Seri Michael KC Yam SMW, DSNS

Making the Digital Shift in 2021

When the global economy revives and borders reopen, Malaysia will be well positioned to take advantage of the digital shift which Covid-19 has made permanent. A special World Economic Forum report on recovery postpandemic ranked Malaysia 5th in terms of creating a digital legal framework.

Malaysia's strong fundamentals of a young, educated, working middle-class and highly diversified economy has poised us to be among the fastest-recovering economies post-pandemic. The World Bank projects Malaysia's GDP to rise 6.7% in 2021, second only to China in the region.

InvestKL is committed to bringing in the next 100 global MNCs into Greater KL, in line with Malaysia's Shared Prosperity Vision 2030.

My gratitude goes to the Government of Malaysia, in particular the Ministry of International Trade and Industry for empowering InvestKL to achieve our mandate. I am also thankful for the cooperation and collaboration we enjoyed with agencies such as MIDA and MATRADE in finetuning incentives to attract MNCs.

InvestKL's success would not be possible without constant engagement with key stakeholders including ambassadors, high commissioners, chambers of commerce, trade associations and MNCs.

I am proud of the InvestKL board and the team led by CEO Muhammad Azmi Zulkifli for soldiering through a tough 2020 and achieving its target of 100 global MNC investors in the first 10 years of its inception. Here's to the next 100 MNCs in the next 10 years.

Salam sejahtera and thank you.





CEO MESSAGE

In 2020, Covid-19 shuttered multiple businesses, forcing investors, regulators and talents to adapt to survive. Still, InvestKL persevered, delivering on our target to attract 100 global MNCs to open regional hubs in Greater KL by 2020.

For the next decade, we target to bring in 100 more MNCs to Greater KL in support of the Shared Prosperity Vision 2030, which calls for inclusive growth, where stakeholders both public and private prosper together.

Results and Resilience

InvestKL continuously surpassed our target of 10 new MNCs annually, and these boom years boosted us across the finish line in a year ravaged by Covid-19. Thanks to the team's valiant efforts, InvestKL exceeded our 2020 target of 100 MNC investments in mid-October.

Our 103 MNCs have contributed RM15.8 billion in investments and 14,111 regional highly-skilled jobs. Since our inception in 2011, RM11.4 billion of investments have been realised, while 10,411 highly-skilled regional jobs are on payroll.

In 2020, we attracted 12 MNCs with RM1.73 billion of investments. These companies in e-commerce, digital solutions, artificial intelligence and machine learning, and robotics have committed to create 1,527 jobs.

Meanwhile, InvestKL's solid reputation for supporting our MNCs continued through the pandemic, when we sprang into action to help existing investors such as U.S. industrial manufacturer Honeywell and German industrial gases giant Linde, operate safely and keep income flowing to over 3,000 SMEs in their value chains.



Refining and Recalibrating

Moving towards 2030, we are refining our mission to focus on attracting another 100 innovative, sustainable, and fast-growing companies especially those in tech and new digital technologies to contribute to the growth of Greater KL.

This supports the National Investment Aspiration (NIA), which outlines these goals for Malaysia: increase economic complexity, create high-value jobs, extend domestic linkages, develop new and existing clusters, and improve inclusivity.

A major component to attracting high-tech, highimpact, and high-value MNCs is having a supply chain of local SMEs ready to support them. The recentlyannounced NIA RMI billion High Tech Facility finances such SMEs and incentivises investors to help us grow local champions.

The NIA's message of inclusivity aligns with that of the 17 UN Sustainable Development Goals (SDGs), particularly SDGs 8-10, which promote decent work and economic growth, industry, innovation and infrastructure, and reduced inequalities.

The widespread impacts of Covid-19 on communities, businesses, and industries across the globe showed us that future economic growth must see everyone prospering together, and Malaysia is embracing this with the Shared Prosperity Vision 2030.

Through it all, we will continue to improve upon Malaysia's stellar global rankings: 12th in the World Bank Doing Business 2020 (ASEAN: 2nd) and 27th in the World Economic Forum's Global Competitiveness Report 2019.

We enter 2021 with cautious optimism that some normality will return once the vaccine rollout gathers steam. Greater KL stands future-ready to be Asia's next strategic investment hub, backed by the right balance of talent and dynamic business ecosystem to optimise regional operating models and to elevate MNCs' expansion into Asia Pacific.

To close, I want to thank my team who proved their mettle in a tough year. My thanks also to MITI, our Chairman and the Board of Directors for their support and guidance. InvestKL's success in exceeding the 100 MNCs target was thanks to strong ties forged with Ministers and Deputy Ministers, the KL Mayor, as well as various embassies and industry associations.

We look forward to adding value to existing investors and attracting new MNCs in line with NIA themes, with Greater KL as a strategic location for ASEAN and Asia Pacific.

Muhammad Azmi bin Zulkifli

GREATER KUALA LUMPUR

Gateway to Asia Pacific's Vibrant Market

Greater Kuala Lumpur (Greater KL) is a thriving domestic, regional and international hub situated at the centre of the iconic trade route between China and India, along the historic Straits of Malacca. Today, Greater KL consistently attracts investors looking for stable bases from which to direct their Asia Pacific operations and leverage opportunities that Industry 4.0 has to offer.

Talent being the key ingredient to continued success in Industry 4.0, Greater KL's young, multilingual, highly-educated and highly-skilled workforce represents an in-built and sustainable talent pipeline for long-term investors.

With continuous improvement in transport and communications infrastructure, a highly diversified economy and consistent efforts to reform regulations to be more business-friendly, Malaysia ranked 12th out of 190 countries in the latest World Bank Doing Business 2020 Report.

Global Names, Regional Hubs

Greater KL's various advantageous features have made it a frontrunner in the race to attract global multinational corporations (MNCs) to set up regional Asia Pacific or Southeast Asian hubs. Since 2011, more than 100 Fortune 500 and Forbes 2000 constituents across a variety of sectors and geographic footprints have chosen Greater KL as their base from which to expand to or enter regional markets.

These include the U.S.' GE, Honeywell, Cargill and Schlumberger, Germany's Linde and AstraZeneca, the British -Swedish pharmaceutical giant. Closer to home, household Japanese brands such as Toshiba and Panasonic as well as China Communications Construction Co Ltd (CCCC), the largest construction company in the world by revenue. Malaysia's highly-skilled and multilingual workforce makes it an attractive proposition for global companies. According to the 2020 IMD World Talent Ranking, Malaysia ranked 6th position in the Asia Pacific in talent attraction, development, and retention.

Greater KL's high liveability factor, competitive business environment, and investment-friendly reforms have continually drawn MNCs to set up shop in the metropolitan area. Greater KL is ranked 10th in Asia's Top 10 Cities in Mercer's Quality of Living 2019 survey while the Global Power City Index 2020 ranked Greater Kuala Lumpur 14th on its liveability rankings, second in the Asia Pacific region.

Agile Policy Reforms Towards Industry 4.0

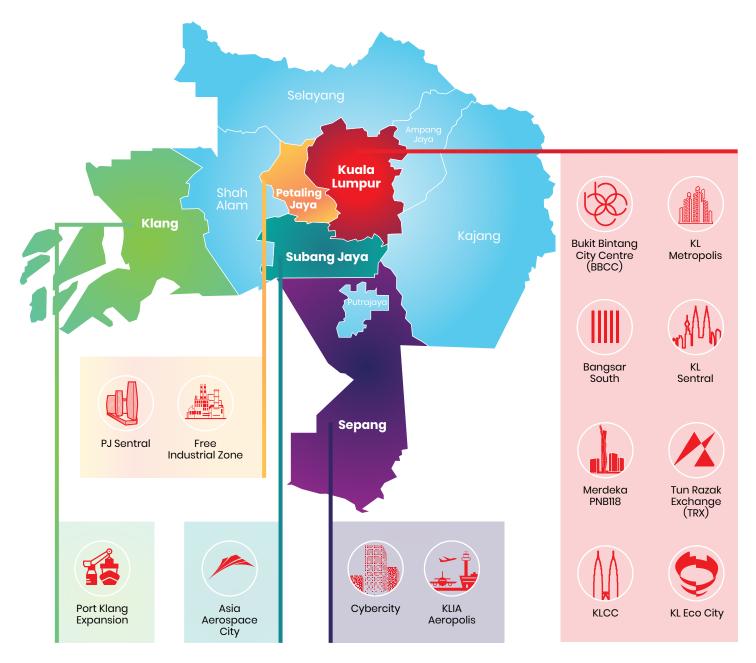
In addition to continuous investments in largescale infrastructure such as roads, rail and ports as well as 5G broadband connectivity, Malaysia has been one of the fastest developing nations to embrace Industry 4.0.

In 2018, the government launched the National Policy on Industry 4.0 (Industry4WRD) to drive digital transformation of the manufacturing and related services sectors. In 2019, this was followed by the launch of the Shared Prosperity Vision 2030 (SPV), which set the future economy as one of its guiding principles. As such, SPV prioritises exploration into the digital economy, automation, platform preparation, fintech, AI and blockchain.



GREATER **KUALA LUMPUR**

Exciting Business Hubs and Major Developments



AT A GLANCE

Population 8.44 million by 2020

Size

Climate 2,793 km2 Tropical

Time Zone GMT+8

Languages

English, Malay, Cantonese, Mandarin, Tamil and Indigenous Gross Domestic Product (GDP)

Greater KL generates more than 40% of Malaysia's US\$332 billion (RM 1.342 trillion) GDP in 2020

INTERNATIONAL RANKINGS

st

in Southeast Asia for Cost of Doing Business (Source: KPMG CoDB Index 2020)



in Southeast Asia for Ease of Doing Business (Source: World Bank 2020)



in Southeast Asia for Most Business Friendly (Source: Wharton School Open for Business Ranking 2020)

BUSINESS POTENTIAL

3.2 Bil Global middle-class population rising in Asia by 2030 (OECD Observer)





US\$2.7 Tri

For Southeast Asia energy supply, transmission and efficiency measure

US\$8 Tri New infrastructure in Asia (Asian Development Bank)





41.5 Mil Malaysia's Population by 2040 (Department of Statistics Malaysia)

US\$3.11 Tri ASEAN GDP 662.16 Mil population in ASEAN (Statista)



EXCELLENT ECOSYSTEM

3rd In Asia for English Proficiency Index 2020 (Education First)

343,000 Total Graduates in Malaysia for 2019 (Department of Statistics Malaysia) 76 Double Tax Agreement Offered in Malaysia (Inland Revenue Board Malaysia) 20th in Asia and 63rd Worldwide for World's Best Airport (Skytrax 2020)



BUSINESS RANKINGS

2nd **Best Countries to Start Business** U.S. News and World Report 2020

Best Digital Legal Framework

Best Global Offshoring Location

A.T Kearney Global Services

Location Index 2019

Global Competitiveness Report SE 2020



5th

3rd



27th **Most Competitive Country**

Global Competitiveness Index 4.0 2019 World Economic Forum

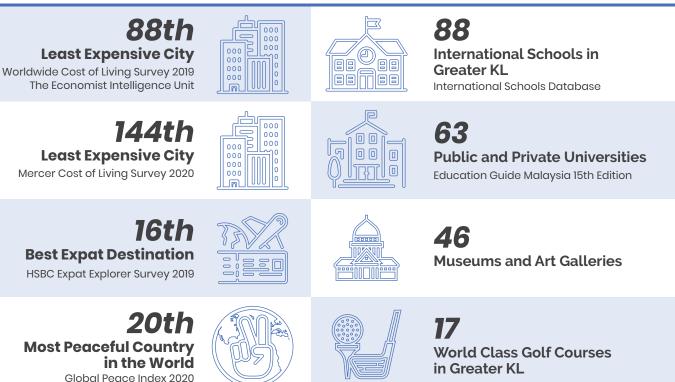
12th **Ease of Doing Business**

World Bank Doing Business Report 2020

15th **For Financial System Market** Global Competitiveness Index 4.0 2019

World Economic Forum

LIFESTYLE-FRIENDLY



9

InvestKL ACHIEVEMENTS

Since Inception 2011 - 2020

Multinational Companies Invested In Greater KL

RM15.813 Billion

Approved/Committed Investments

14,111

Regional High-Skilled Jobs Created

2020 HIGHLIGHTS

RM1.728 Billion Approved/ Committed Investment

12 Multinational Companies Secured **1,527** High-Skilled Regional Jobs





2020 INVESTORS

BAO ZUN



Winnie Tsang Finance Controller





KL will be the launch pad for Baozun to establish their business in Asean focusing on operations, digital marketing and business development work.

ASEAN OPERATIONS HUB IN GREATER KUALA LUMPUR

MEIKO CLEAN SOLUTIONS SOUTH EAST ASIA REGIONAL HUB

MEIKO is the world's leading global technology and service provider in ware-washing, cleaning and disinfecting.

Baozun, one of the largest e-commerce platform player from China. The centre here in Greater

The regional hub here in Kuala Lumpur will focus on functions in strategic business planning, project design & engineering, strategic sourcing and product customisation.

PCCW Solutions®

Rudolf Kitzbichler Managing Director of MEIKO Clean Solutions (SEA)



Ramez Younan Managing Director, PCCW Solutions





Dr Sharon Lim Chief Financial Officer





Larbi an Lier Senior Vice President Asia Elanco Animal Health

PCCW SOLUTIONS REGIONAL DELIVERY CENTRE

PCCW Solutions KL operations including its delivery center and data center offer a wide range of services including digital solutions, IT and business process outsourcing, cloud computing, system development and solutions integration, data centers hosting and managed services, e-commerce and IoT solutions.

TAISEI GLOBAL OPERATION HUB FOR GENERAL OPERATION & LEGAL DESK IN GREATER KUALA LUMPUR

Taisei's hub in Greater Kuala Lumpur aims to provide Project Administration functionalities to all Taisei's overseas projects across the world for better governance and control. In Malaysia, the flagship projects include the KLIA Main Terminal Building with many other projects across the Asia region.

ELANCO ANIMAL HEALTH

Elanco Animal Health Incorporated (NYSE: ELAN) is a global leader in animal health dedicated to innovating and delivering products and services to prevent and treat disease in farm animals and pets, creating value for farmers, pet owners, veterinarians, stakeholders, and society as a whole. With nearly 70 years of animal health heritage, we are committed to helping our customers improve the health of animals in their care, while also making a meaningful impact on our local and global communities. At Elanco, we are driven by our vision of Food and Companionship Enriching Life and our Elanco Healthy PurposeTM ESG/Sustainability framework - all to advance the health of animals, people and the planet. Learn more at www.elanco.com.





ALCON GLOBAL SERVICES HUB IN GREATER KUALA LUMPUR



Nathan Vaidyanathan Alcon Head of Asia-Pacific

Hapag-Lloyd



Barbara Smith Managing Director

RICOH imagine. change.



Joji Tokunaga Managing Director Ricoh Asia Pacific Pte Ltd & Ricoh Asia Pacific Operations Limited

kamstrup



Knud Bonde Managing Director





Sujit Reddy General Manager

Alcon is the largest eye care devices company in the world - with complementary businesses in Surgical and Vision Care. The company is headquartered in Geneva, Switzerland with presence in more than 70 countries worldwide.

Greater Kuala Lumpur is the top location choice mainly due to the availability of talent across all key functions including finance, procurement, supply chain, enterprise resource planning, IT, Medical affairs and quality assurance with a wide range of Asian languages and cultural proficiencies.

In its quest to elevate digital fluency, Alcon has implemented various Business Intelligence tool like Qliksense, Tableau, PowerBI and Cognos which helps in advanced analytics for business planning, predictive capabilities and data discovery. Alcon globally has initiated key technology advancement in the area of Machine learning (ML) to deliver scalability to the business and increase efficiency using Robotics Process Automation (RPA).

HAPAG LLOYD ASEAN QUALITY SERVICE CENTRE

Hapag-Lloyd is a global Top 5 container liner shipping company with a strong focus on providing industry-leading reliable and prompt quality service to its customers. The Hapag-Lloyd Quality Centre in Greater KL is supporting this vision, being the first of its kind in South East Asia. It covers business activities within the geographical areas of South East Asia and further qualified areas are considered to be added to the scope.

RICOH REGIONAL CENTRE OF EXCELLENCES (RCOES) IN GREATER KUALA LUMPUR, MALAYSIA

Ricoh is empowering digital workplaces through innovative technologies and digital services enabling individuals to work smarter. For more than 80 years, Ricoh has been driving innovation and is a leading provider of document management solutions, IT services, communications services, commercial and industrial printing, digital cameras, and industrial systems.

Ricoh has established three Regional Centre of Excellences in Greater Kuala Lumpur, namely Global Service Delivery Centre, Customer Care Centre & Refurbish Centre. The Centre will be equipped with cloud solutions, Robotic Process Automation (RPA), IoT, big data and Al-enabled judgment tools and technology, while focusing on its Sustainable Development Goals pledged by Ricoh Global Group, which demonstrates Ricoh's leadership and commitment to the region, industry and society.

With Malaysia's well-developed infrastructure, international connectivity, a skilled and cosmopolitan labour force, we can deliver a superior customer experience and timely support to customers in the region.

KAMSTRUP ASIA PACIFIC REGIONAL HEADQUARTERS IN KUALA LUMPUR

Kamstrup is world leading manufacturer of system solutions for smart energy and water metering. With over 75 years of experience in advanced metering technology, Kamstrup has offices in more than 20 countries around the world and is owned by the Danish energy company OK. The smart metering solutions offered by Kamstrup empower utilities and societies to reduce water loss and increase energy efficiency by providing them with the insight to act and the data to target their efforts. Kamstrup has setup their Asia-Pacific regional headquarters in Kuala Lumpur in September 2019 to manage the growing needs of the APAC water and energy market. The regional headquarter in KL manages the requirements of all APAC countries including the subsidiaries in India and China.

ALD MHC MOBILITY SERVICES MALAYSIA SDN BHD

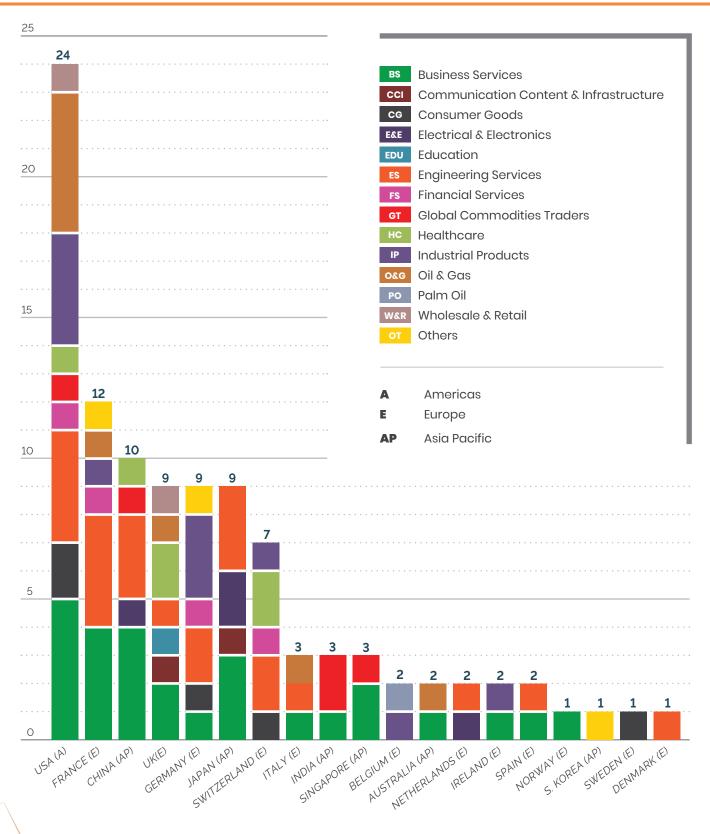
ALD Automotive ('ALD') and Mitsubishi HC Capital ('MHC') launched a joint venture in Malaysia in August 2020 to develop a multi-brand, full service vehicle operating lease business. The JV brings together ALD, a leading global player in full service vehicle leasing and MHC, a leading international financial services group with a diversified leasing and finance portfolio across the ASEAN region.

The JV will develop its business through combining the strengths of both partners; their respective international client base, industry expertise, local knowledge and financial strength which are expected to provide a key advantage to successfully develop and serve international and local clients. This collaboration is part of an ASEAN strategy and both groups expect to follow this initial launch with further joint ventures over the coming years to cover the main countries in the region. In due course, Malaysia is expected to become a regional hub to support and manage the growth of the business throughout the region.

MNCS IN GREATER KL

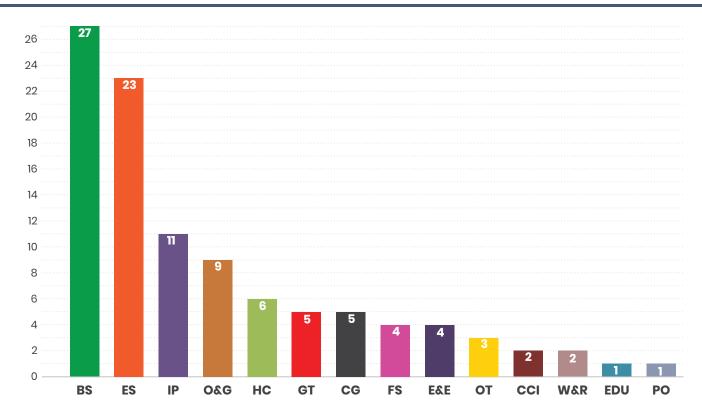
Profiles of MNCs under InvestKL as of 31 December 2020

BY COUNTRY





BY SECTOR



BY REGIONS



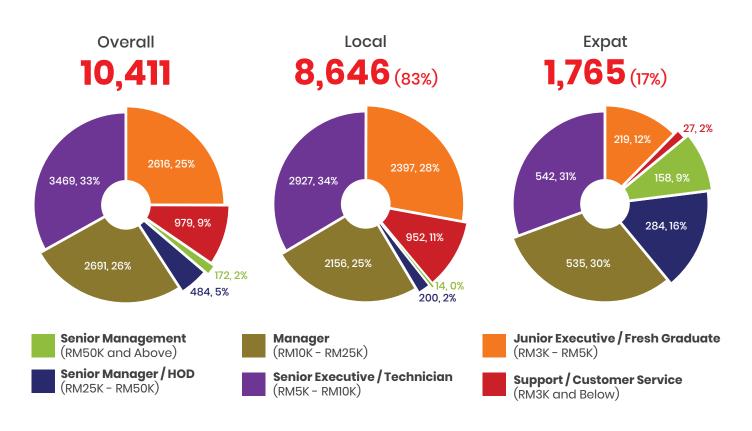
BOOSTING MALAYSIAN ECONOMY

Supporting the Shared Prosperity Vision 2030

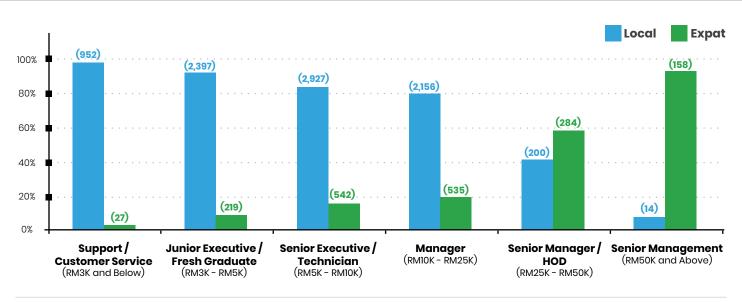


REGIONAL JOBS REALISED

Salary Analysis (31 December 2020)

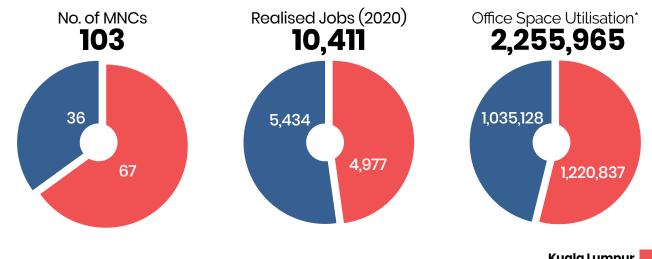


LOCALS vs EXPATS (Salary Scale)



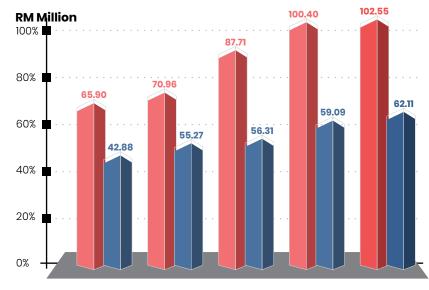
SPILLOVER TO

Space Utilisation Analysis



Kuala Lumpur

Estimated Annual Rental (2020) RM 164.7 Million



Average Rental: Kuala Lumpur RM7/sqf• Selangor RM5/sqf•

The 103 MNCs would occupy 124 FLOORS of Petrongs Twin Towers

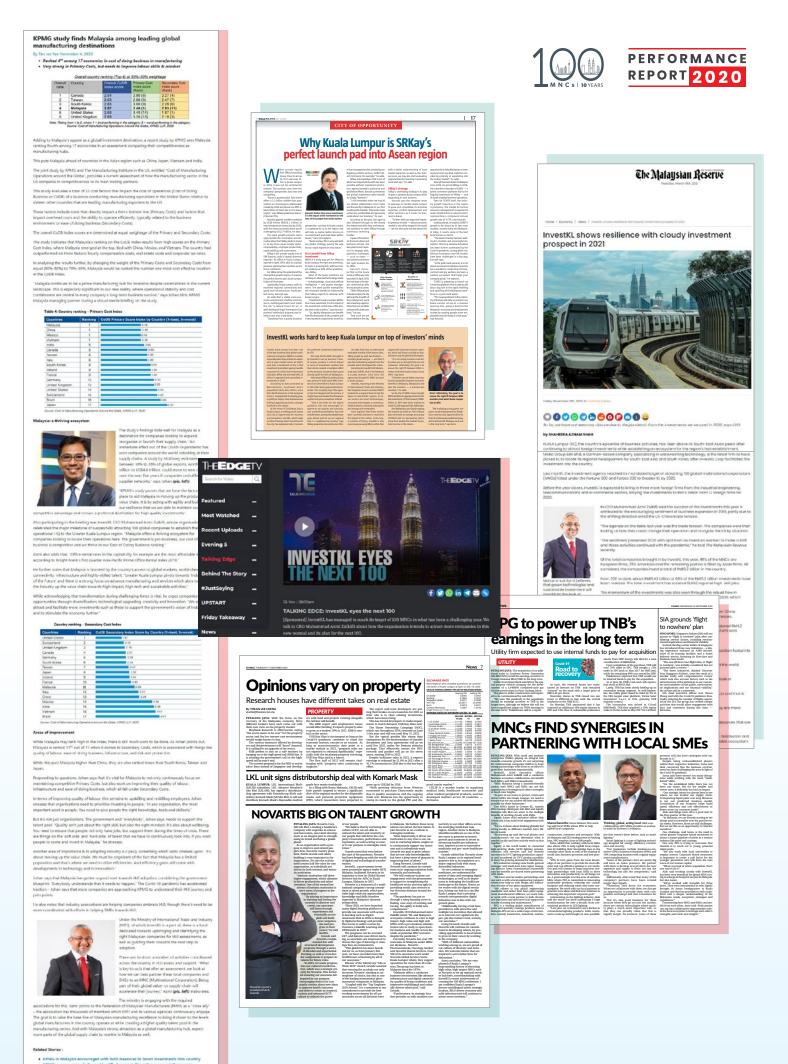
* Petronas Twin Towers average NLA / floor – 18,000 sqf

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2020 MEDIA HIGHLIGHTS







KPMG: e-commence platforms identified as most disruptive over next three years
Digitalisation: The key survival skill for SMEs under Covid-19

For more technology news and the latest updates, follow us on Facebook, Twitter or Linkedin

Contributing to the frontliners during the **COVID-19 PANDEMIC**

InvestKL facilitated MNCs contributions & CSR activities in 2020 throughout the Covid-19 pandemic #KitaJagaKita



Protecting the frontliners of Royal Malaysian Police (PDRM) with contribution of 7,500pcs face masks at Bukit Aman by InvestKL MNC Linde Malaysia.



TusStar Malaysia Incubator, through InvestKL's facilitation, donated face masks to Kementerian Wilayah Persekutuan, to aid frontline officers during this Movement Control Order. The donation was received by YB Tan Sri TPr Annuar Hj Musa, Federal Territories Minister.



Linde Malaysia supporting our frontliners with a contribution of RM100,000 to the #COVID19 fund by Ministry of Health. Presented by Anuj Sharma, Managing Director of Linde Malaysia to YB Dato' Sri Adham bin Baba, Minister of Health Malaysia.



Oleon Malaysia produces 6,500 litres of disinfectant hand gel and handover to Ministry of Health Ministry and the Fire & Rescue Department to meet the shortage during the Covid-19 crisis.



Vanke Malaysia stepped up to donate face masks and PPE suits to frontliners of PDRM, bomba KL, PDRM, CGSO and Hospital KL, ensuring the frontliners welfare during the MCO and fight against Covid-19.



CPCG and Universe Group, through the facilitation of InvestKL, donated face masks to PDRM to aid frontline officers during the MCO. The donation was received by Datuk Seri Mazlan Lazim, KL CPO and witnessed by YB Dato Sri Dr Santhara, Deputy Minister of Federal Territories. CPCG established their regional Technical Competency Centre for ASEAN, here in Greater KL.





With the generous contribution from Bank of China, InvestKL donated face masks to KWP (Ministry of Federal Territories) to benefit the frontline enforcement officers during the Movement Control Order.



Novartis Malaysia donated 10,000 bottles of hand sanitisers to Hospital Kuala Lumpur.



With the generous contribution from Bank of China, InvestKL donated face masks to DBKL (City Hall) to benefit the frontline enforcement officers during the Movement Control Order.



Ricoh Malaysia Sdn Bhd donated 200 face shields to Hospital Kuala Lumpur(HKL), which was received by Datuk Dr. Heric Corray, Director of HKL.



Bertling contributed a 40 ft refrigerated container to frontline heroes at DBKL.



China Construction Bank, through the facilitation of InvestKL, donated face masks and thermometers to aid frontline enforcement officers in Kuala Lumpur, comprising officers from DBKL, PDRM and Angkatan Tentera Malaysia, during this Movement Control Order. The donation was received by YB Dato Sri Dr Santhara, Deputy Minister, Ministry of Federal Territories.



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