



MALAYSIAN INVESTMENT DEVELOPMENT AUTHORITY
INVEST IN MALAYSIA > **YOUR PROFIT CENTRE IN ASIA**



Core functions



MALAYSIAN INVESTMENT DEVELOPMENT AUTHORITY

FIRST POINT OF CONTACT

Placement of representatives in MIDA:



Royal Customs Department, Immigration, Malaysia Energy provider (TNB), TM Net, and Department of Labour in MIDA

Truly International:



- *20 overseas offices*
- *12 state offices*

1 PROMOTION

- Foreign Direct Investment
- Domestic Investment
- Manufacturing & Selected Services

EVALUATION

2

- Manufacturing Licenses
- Tax Incentives
- Expatriate Posts
- Duty Exemption
- Principal Hub & selected services

3 POST INVESTMENT

- Assist companies in the implementation & operation of their projects
- Facilitate exchange & coordination among institutions engage in or connected with industrial development
- Advisory Services

MONITORING

4

- Licensing & Incentive Compliance and Monitoring
- Determination of effective date of incentives
- Issuance of Pioneer Certificate

5 PLANNING

- Planning for industrial development
- Recommend policies & strategies on industrial promotion and development
- Formulation of strategies, programmes and initiatives for international economic cooperation

Prominent Foreign Companies in Malaysia



Over more than 5000 companies
from 50 countries

REALISED MANUFACTURING PROJECTS FROM TURKEY (AS OF DEC 2018)



INVESTMENT



PROJECTS



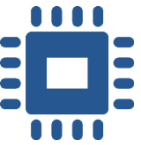
EMPLOYMENT

€234.78 million	3	400
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Promoted Activities

Manufacturing Sector



Advanced Electronics



Medical Devices



Aerospace – MRO



Machinery & Equipment



Transportation Technology



Food Technology



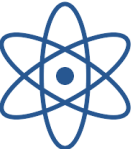
Oil and Gas



Biotechnology



Pharmaceuticals



Advanced Materials



Specialty Chemicals

Services Sector



Hotel & Tourism



Green Technology



Medical Tourism



R&D



Logistics



Principal Hub



Offshore & Outsourcing Activities



ICT Services



Education & training

45 Sub Sectors
liberalised since
2009

Status : Machinery & Equipment

SPECIALISED MACHINERY & EQUIPMENT FOR SPECIFIC INDUSTRY

568 COMPANIES



Prominent players are Vitrox, MI Equipment, SRM, BESI, VAT, Muehlbauer, Cohu

GENERAL INDUSTRIAL MACHINERY & EQUIPMENT, COMPONENT & PARTS

616 COMPANIES



Prominent players are Favelle Favco, MHE Demag, KNM, Dunham Bush, BBS Automation, UWC

POWER GENERATING MACHINERY & EQUIPMENT

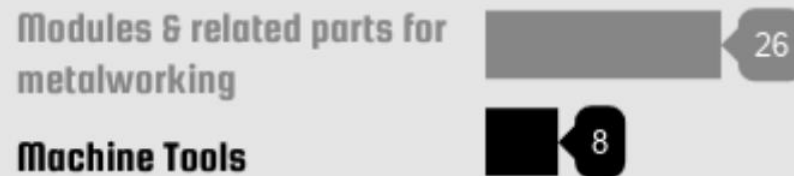
63 COMPANIES



Prominent players are Mechmar Boilers, Sime Darby, CS Wind, WZS

METALWORKING & TOOLS

34 COMPANIES



Prominent players are Aida Engineering, Makino Asia, Sunfluid Engineering,

Engineering Supporting Industries

Industry Status and Capabilities

Metal Stamping

- Precision tolerances
- End-user industry : E&E, automotive

149

Heat Treatment

- Carburizing, nitriding, vacuum handling, quenching, annealing, normalizing, tempering
- End-user industry : Automotive, shipyard, cement, aluminium extrusion

17

Surface Engineering

- Electroplating, PVD, CVD, Phosphating, Anodizing,
- End-user industry : semiconductor, aerospace, E&E and automotive

125

Engineering Supporting Industries

Industry Status and Capabilities

Mold, Tools & Dies

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

Machining

- Precision up to 1µ and size up large format up to 6 meters
- Multi axis/ ultra precision free form machining
- End-user industry : Semiconductor, E&E, aerospace, oil & gas



- Mass production high-pressure and low-pressure die casting
- Custom-made sandcasting
- End-user industry : Automotive, telecommunication

Metal Casting

Engineering Supporting Industries

Industry Status and Capabilities

Forgings

8

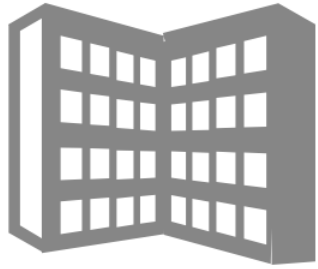
- Mostly small parts (less than 20kg with a capability to go up to 5MT)
- Open, drop, press, roll and cold forging
- End-user industry : Automotive, E&E

800

Metal Fabrication

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

Investment Policies



Equity Ownership

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

Repatriation of Income

Freedom to repatriate capital, interest, dividends and profits

Employment of Expatriates

Key Post (Post that are filled permanently by foreigner)

Term Post (filled by foreigner for period 1-5 years)

Major Incentives in M&E and ESI Industry

PIONEER STATUS

Income tax exemption of 70% or 100% for a period of 5 or 10 years

INVESTMENT TAX ALLOWANCE

60% or 100% on qualifying capital expenditure for 5 years

Reinvestment Allowance

60% on qualifying capital expenditure for 15 consecutive years

Import Duty Exemption

For raw materials / components and machinery and equipment

Special Incentives for M&E

01

Pioneer Status

Income tax exemption ranging from 70% or 100% for a period of 5 or 10 years

02

Investment Tax Allowance

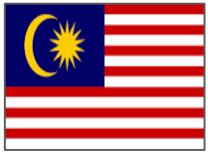
60% or 100% on qualifying capital expenditure for 5 years

Quantum

- **Targeted Machinery & Equipment**
- Level of Investment
- Level of Technology and R&D
- Transfer of Technology
- Spin off / Outsourcing

Targeted M&E

- Specialised process machinery or equipment for specific industry
- Robotics and factory automation equipment
- Machine tools
- Material handling equipment
- Packaging machinery
- Modules and components for the above M&E



Why Malaysia?

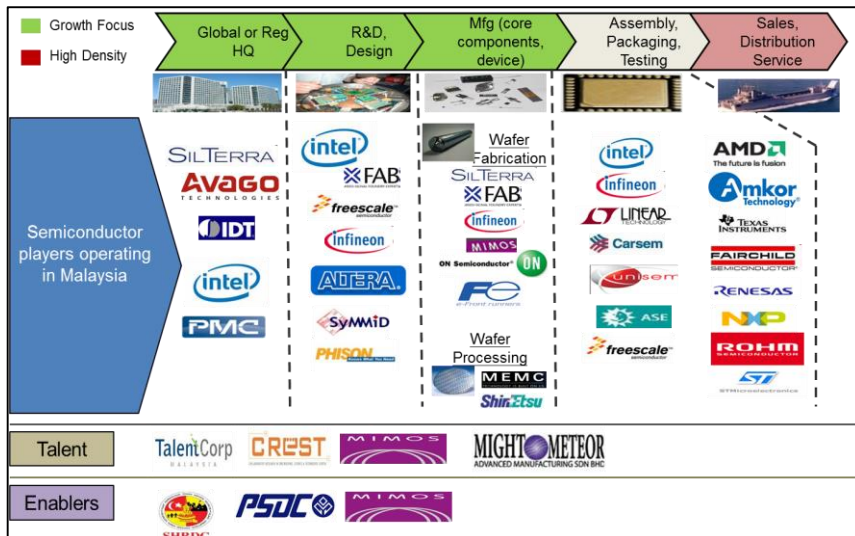
Malaysia's Competitive Advantage

Located in the Heart of South East Asia



Developed Ecosystem

Example: Semiconductor

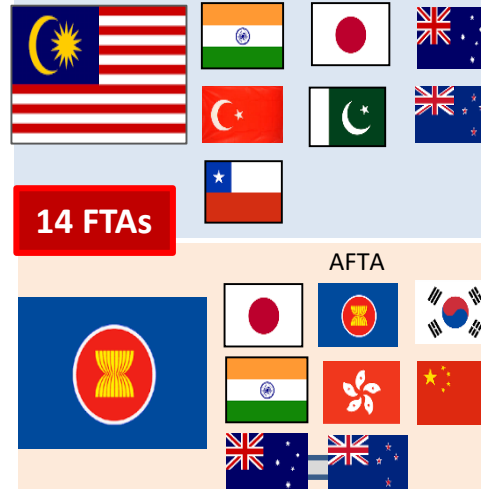


Talented Human Capital



- **Public Universities:** 20
- **Private Universities:** 70
- **Private Colleges:** 410
- **Polytechnics:** 33
- **TVET Training Institutions:** 32
- **Private University Colleges:** 34
- **Community Colleges:** 91
- **Higher Institution Centres of Excellence (HICoE):** 14

Greater Market Access



Hub for MNCs



Regional Distribution and Supply Chain Centre for ASEAN in Malaysia



Procurement Hub for Asia in Malaysia



Leveraged on the complementations in the region



Malaysia as its ASEAN Regional HQ

World Class Infrastructure



Port Klang
#11 Busiest port in the World

Industrial estates:
over 500

Free Industrial Zones:
18



Our Ranking

1st

“Most Attractive Emerging Market in Asia”

(Bloomberg’s Emerging Market Scorecard, 2018)

“Destination of the Year”

(*International Medical Travel Journal (IMTJ) 2018*)

The Most Developed Islam Economy

(*Thomson Reuters 2018/2019*)

Dominant position in Islamic Finance Development Indicator

(*ICD- Thomson Reuters*)

2nd

“Ease of Doing Business Within ASEAN”

(World Bank’s Doing Business Report, 2018)

“Global Competitiveness among ASEAN Countries”

(World Economic Forum’s Global Competitiveness Report, 2017/2018)

Most attractive emerging market in the World

(*Bloomberg 2018*)

Digital Readiness in ASIA based on the 2018 UNCTAD Business to Consumer (B2C) e-commerce index.

5th

3rd

Protecting investors

(*World Bank Doing Business 2017 Report*)

Global offshoring destination
(*A.T. Kearney Global Services Location Index™ 2016*)

15th

Doing Business Report 2019

World Bank

22nd

Most competitive economy in overall performance
(*IMD’s World Competitiveness Yearbook 2019*)

THANK YOU



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