

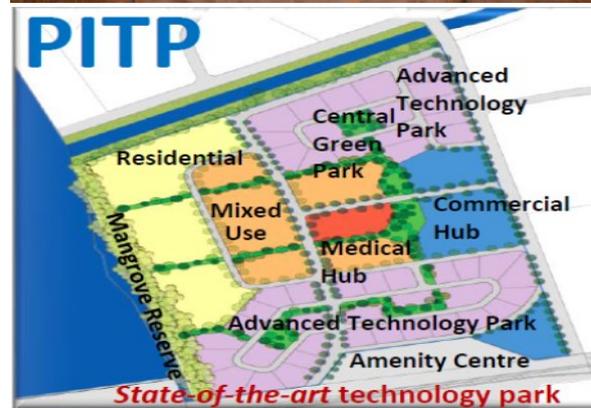
Penang Investment Updates (April– June 2014)

MoU Signing between Penang Development Corporation, Temasek and EDIS



Penang Development Corporation (PDC), Economic Development Innovations Singapore Pte. Ltd. (EDIS) and Temasek Holdings (Private) Ltd. inked a Memorandum of Understanding (MoU) on 23rd May 2014 to develop the Penang International Technology Park (PITP) and the Business Process Outsourcing Prime (BPO Prime). This collaboration will spur the development of both projects with the estimated project value of RM 11.3 billion. A joint venture company will be set up with PDC holding 51% and the remaining will be held by investors including Temasek Holdings (Private) Ltd.

The project management services will be provided by EDIS. The PITP and the BPO Prime, with a total size of 206.8 acres, are located in Batu Kawan and Bayan Baru respectively. Both have been identified as Penang's priority development projects and are part of the State Government's plan to fulfil Penang's aspiration to be among the Top 31 BPO hubs of the future. Both the projects will be completed over the next 5 to 10 years and about 25,000 to 30,000 high income jobs are expected to be created. The PITP and the BPO Prime are the catalysts to boost Penang's economy to a higher level; enabling Penang to be the ideal place for live, work, learn and play.



Penang Creative Industry Conference & Showcase (PCICS)

investPenang teamed up with the Multimedia Development Corporation (MDeC), The One Academy and Lemon Sky Animation to organise the 'Penang Creative Industry Conference & Showcase (PCICS)' on 6th May 2014. The PCICS was aimed to promote Penang as a Creative City and to attract talents and companies in the creative multimedia content industry to locate their operations in Penang. Chief Minister of Penang, the Rt Honourable Mr. Lim Guan Eng officiated the conference. In his speech, Mr. Lim Guan Eng stressed that the on-going State's initiatives to develop the state's infrastructure and to enhance the business environment will enable Penang to become an attractive destination for CMC investors. He emphasized that according to Frost and Sullivan, in 2011 the overall industry size for this creative multimedia industry was RM 13.422 billion and is expected to increase to RM 23.847 Billion in 2017 at CAGR of 10.05 % growth.

Mr. Kamil Othman, VP of the Creative Multimedia Department of MDeC mentioned that out of the total 2,314 MSC status companies in Malaysia, 1,764 are Information Technology companies, 309 are creative multimedia companies and 241 are Shared Services Outsourcing companies. Driven by the growing demand, the creative multimedia sector is expected to create job opportunities for 53,209 by 2017. Mr Kamil Othman also said that MDeC is also working very hard to promote the Innovation and Production of Content category with its market development and expansion facilitation plans such as MaC3 Facilities and MaC3 Funds.

Mr. Izwan Zainuddin, Chief Investment Officer of MyCreative Ventures Sdn Bhd, added that the philosophy of MyCreative Ventures is to support and ensure a sustainable future for the Creativity Multimedia industry. MyCreative Ventures was established after the announcement of Malaysian Budget 2012 by Ministry of Finance with an initial fund of RM200 Million to grow creative multimedia industry.

Mr. Tan Chin Wee, Group Executive Director of The One Academy (TOA) supports the State Government's initiative. The company looks to creating more talents to support the growth of creative industry with its 'Masters Train Masters' teaching philosophy. The One Academy provides students with opportunities to learn from the Best Industry Professionals. Mr Wong Cheng Fei, CEO of Lemon Sky Animation was a graduate from TOA.

Among the speakers at the Conference were Mr Wong Cheng Fei, CEO of Lemon Sky Animation, Mr Stefan M. Baier, Product Development Director of Streamline Studios, Mr Nicholas Collins, Director of Business Development of Codemasters Studios Sdn Bhd and Mr John Hughes, President & Chairman of the Board of Tau Films. The conference received overwhelming response, registering a total of 559 participants. The Honourable Dato' Haji Mohd Rashid Hasnon, Deputy Chief Minister 1 of Penang delivered the closing remarks.





www.penang.gov.my

www.toa.edu.my/penang



www.msomalaysia.my

www.lemonsky.tv

Roundtable Discussion on What's Hip & Happening in Shared Service Outsourcing (SSO) Industry

The 'What's Hip & Happening in SSO Industry' Roundtable Discussion was specially organised by investPenang Berhad on 27th May 2014 for relevant industry players with the objective to update them on the latest development in the SSO Industry as well as to look at the SSO incentives and initiatives which can help grow the SSO businesses in Penang.

Dato' Lee Kah Choon, Special Advisor to the Chief Minister of Penang, officiated the event and spoke on 'Penang, the Emerging SSO Industry Destination of Choice', emphasising on Penang's value propositions. Penang's conducive business environment and excellent infrastructure are contributing factors to KPMG's recognition of Penang as one of the Top 31 Business Process Outsourcing (BPO) locations of the future. In his speech, Dato' Lee mentioned that Penang has more than 40 years of industrial experience has experienced two growth transformations to become a successful industrialized economy and is now targeted to move up the value-chain by driving its third growth transformation to knowledge-intensive and innovation-led industries. With concerted support from the state government, Penang will become a strong competitor in SSO industry.

Also speaking at the Roundtable discussion, Mr. Zainal Abdul Rahman, Senior Deputy Director of MIDA, said that there a total of 3,350 SSO projects have been approved to establish regional operations in Malaysia. Mr. Michael Warren, Vice-President of MDeC mentioned that Malaysia is ranked 3rd in SSO industry in the past decade after India and China. The SSO industry in Malaysia has grown from a total of 150 companies in 2009 to 289 in 2013. The total revenue received in 2013 was RM12.8 Billion, an increase of 22% from RM10.45 Billion in 2012. 72,730 jobs were created in 2013.

Head of Outsourcing Malaysia, Mr. Justin J. Anthony, professed that Malaysia is the preferred location in terms of quality of overall infrastructure, roads electricity supply and telecom penetration compared to India, China and Poland. Malaysia also scores high in ease of doing business, ranked number 6 by World bank. Malaysia has also moved up to 12th position on World Competitiveness Overall Ranking in 2014.



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Upcoming Event(s)	
18 July 2014	Workshop on 'Increase Sales Team Productivity in Challenging Time' workshop
13 August 2014	Key Elements Of Success And Excellence In Growing A Global Shared Services Business – The Dell Experience
25 September 2014	Business Matching Seminar In Collaboration With Board of Trade Thailand

** Subject to changes. Please refer to our website for latest information*

As part of the Penang Government's initiatives to step up the development of the economic and business environments in Penang, its principal investment promotion agency, investPenang Berhad will be organizing business matching activities during the above up and coming events with the objective to encourage business collaborations towards the development of Penang's local supply chains.

Local suppliers are encouraged to attend these events as they are platforms to better understand the business development needs which will eventually assist them to spearhead their businesses.

The final dates of the events will be announced soon.

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