



**SENIOR MINISTER
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MEDIA RELEASE

**AUSTRIAN AT&S CHOOSES MALAYSIA
AS ITS FIRST PRODUCTION PLANT IN SOUTHEAST ASIA**

AT&S, the Austria-headquartered global manufacturing leader of high-end printed circuit boards (PCB) and integrated circuit (IC) substrates, has chosen Malaysia as its first production plant in Southeast Asia. Mr. Andreas Gerstenmayer, Chief Executive Officer (CEO) of AT&S met with YAB Tan Sri Muhyiddin Yassin, the Prime Minister of Malaysia, yesterday during a video conference to convey the official announcement.

AT&S' new facility in Kulim Hi-Tech Park, Kedah, to produce high-end PCBs and IC substrates involves a proposed total investment of RM8.5 billion (€1.7 billion) and will create 5,000 high-tech and high impact jobs. The construction of the facility is scheduled to begin in the second half of 2021 with commercial operations targeted to come on stream in 2024. This project is among the investments attracted by the Malaysian Investment Development Authority (MIDA) under the National Short-Term Economic Recovery Plan's (PENJANA) investment scheme, launched on 5 June 2020.

AT&S' high end PCB and IC substrates are used in mobile devices, industrial electronics, automotive applications as well as medical and health technology. As an international enterprise, the company has production facilities in Austria, India, China and South Korea.

At the meeting, I expressed optimism that the investment also holds out bright prospects for our local SMEs to benefit from the supply chain generated. The meeting was also attended by Mr. Arham Abdul Rahman, CEO of MIDA and AT&S Chief Operating Officer (COO) Mr. Ingolf Schröder. Also present were Malaysian Ambassador to the Republic of Austria Dato' Ganeson Sivagurunathan and Dr. Michael Postl, Austrian Ambassador to Malaysia, joining from Vienna and Kuala Lumpur, respectively.

Welcoming AT&S into Malaysia's vibrant electrical and electronics (E&E) ecosystem, the Prime Minister said, "AT&S' decision to invest here speaks volumes of its confidence in the Malaysian economy's capacity and promise of sustainable growth."

The Prime Minister expressed confidence that Malaysia's E&E industry's skilled talent pool, facilitative investment environment, as well as deep integration with international supply chains, offer the ideal mix for high-tech stakeholders. "Working hand in hand, AT&S' footprint in Malaysia will also further boost the development of our semiconductor ecosystem, enable opportunities for our local vendors in the field of advanced electronics and spur high-tech employment for Malaysians," the Prime Minister added.

In congratulating AT&S on their significant move to Malaysia for the business expansion, the Prime Minister applauded AT&S' commitment to Malaysia, with MIDA having worked closely with the Company since November last year to secure the project. "The Government of Malaysia will ensure timely approval of the implementation of the project and in this regard, AT&S is welcome to utilise the facility provided under the One Stop Centre (OSC) for Business Travellers," the Prime Minister said. Commending the hard work put in by MITI and MIDA to attract more quality investments globally, particularly in the areas of technology and innovation, the Prime Minister said, "This investment announcement represents a key win for Malaysia in proving our efforts to source for high-quality investments from international companies."

In explaining the choice for their strategic decision, AT&S CEO Mr. Andreas Gerstenmayer said, "After very intensive location scouting globally, Malaysia has emerged as the country in which we want to push ahead with our 'More than AT&S' strategy," adding that, "AT&S brings the latest generation of high-end technologies to the country and builds up a whole new technology sector. Beside manufacturing of high-tech products, a significant amount of R&D activities will be executed at this new location. Malaysia can benefit its position as a technology-country and can strengthen the region as a high-tech manufacturing hub in Asia."

Pointing out the perfect win-win-situation, AT&S COO Mr. Ingolf Schröder said, "The location in the Kulim Hi-Tech Park, Kedah is a perfect match to our expansion plans. Beside the excellent infrastructure and stable supply chain, the whole ecosystem has been aligned in the last decades, the semiconductor

industry has been in Malaysia for more than 30 years and the overall environment is very well developed.”

No doubt, AT&S’ latest investment is a testament to the confidence of foreign investors in Malaysia’s economic prospects as well as the human capital resource available to cope with the high-tech demands of high-impact industries. Coupled with the strong showing of investment approvals for the first quarter (Q1) of this year, totalling RM80.6 billion in the manufacturing, services and primary sectors, AT&S’ investment bodes well for Malaysia’s recovery efforts from the economic challenges of the COVID-19 pandemic.

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