



**MINISTRY OF
INVESTMENT, TRADE AND INDUSTRY**

SPEECH

BY

YB SENATOR TENGKU DATUK SERI UTAMA ZAFRUL AZIZ

FOR

THE OCI M REGIONAL HQ OFFICE LAUNCHING

11.30 AM – 12.30 PM - 21 APRIL 2024 (SUNDAY)

EQ PLAZA

Mr. Lee WooHyun

Chairman of OCI Holdings

Mr. Kim Teak Jung

Vice Chairman of OCI Holdings

Distinguished Guests

Members of the Media

Ladies and Gentlemen

Salam Aidilfitri dan Salam Sejahtera, annyeong haseyo.

1. A very good morning and thank you for inviting me to celebrate the official launch of OCI Malaysia's (OCIM) Regional Headquarters Office in Kuala Lumpur.
2. This signifies a significant step forward not only for OCIM but also for the continued growth and prosperity of our nation. The entrance of foreign companies like OCIM into our economy holds the promise of unlocking vast benefits across various sectors.
3. This move also reaffirms our nation's attractiveness as a preferred destination for foreign investment, while underscoring global companies' confidence in our economy, infrastructure, and skilled workforce. It also demonstrates Malaysia's capacity to provide a conducive environment for companies to thrive, innovate, and expand their operations.

WELCOMING MORE SOUTH KOREAN INVESTMENTS

Distinguished guests,

4. In 2023, our main sources of FDIs into Malaysia were Singapore, the US, China and Japan. **We are optimistic that South Korea will climb up the rank in no time, especially when most of the investments from South Korea are in the chemical and petrochemical sector, which is one of the focus sectors under the New Industrial Master Plan (NIMP 2030).**
5. Of the 11 priority segments, chemicals has been identified as one of the high-impact, high-growth sectors that would contribute to the NIMP overall targets.
6. The specialty chemicals market is substantial. And there is an opportunity for Malaysia to capture that business by producing specialty chemicals domestically, capturing both domestic market demand and export opportunities.
7. Our strategies are also laid out in our Chemical Industry Roadmap 2030, which aims for our chemical industry to be ranked first in ASEAN in terms of FDI inflow by 2030.
8. On that note, it is encouraging to note the significant investments that OCIM has made over the years¹ in the chemicals and petrochemicals space. Collectively, OCIM and its JV partners have committed close to RM16 billion in Malaysia – a huge contribution to the Malaysian economy.

¹ OCIM first entered Malaysia in 2017 with an initial investment of RM3 billion, although it had earlier secured the takeover of Tokuyama Malaysia Sdn Bhd which resulted in its expansion into multiple portfolios in the chemical and petrochemical segments.

9. We value your support in helping us develop greater industrial linkages domestically and abroad. We also **appreciate OCIM's latest investments amounting to RM7 billion, which I was informed will be used to produce polycrystalline silicon for semiconductor and solar cells as well as Epichlorohydrin (ECH).**
10. **The manufacturing of ECH in Malaysia will strengthen the value chain of epoxy manufacturing, contributing towards increasing the competitiveness of the chemical industry in Malaysia.** All these will help Malaysia produce higher value-added and complex products.
11. Further, **I would also like to invite OCIM to support our local demand in the near future as Malaysia moves in aggressively into the front-end semiconductor value chain, and green sectors such as EV development, renewable energy, and carbon capture, utilisation and storage (CCUS) – where all of these would require cutting-edge technology, products and services.**

MALAYSIA AS A REGIONAL HUB FOR GLOBAL INVESTORS

Ladies and Gentlemen,

12. Having established a strong manufacturing base in Malaysia and becoming a global exporter of chemical products through OCI Malaysia, I see OCI Holding's decision to establish its new Regional Headquarters in Kuala Lumpur, Malaysia as a major step ahead. This is also an endorsement of how MITI and its agency, MIDA have worked diligently to improve the investor's journey in this country.

13. I was informed that **this headquarters hub will consolidate services functions for OCI Japan, China, Philippines and Malaysia from the setting of financial budgets, development of business plans to identification of new growth investment initiatives.**
14. Apart from that, **the Regional Headquarters will also manage and support a network of OCI Group of subsidiaries and affiliates across multiple countries, including investment ventures in chemicals and energy solutions not only in Southeast Asia but also globally, from the new office in Malaysia.**
15. I also understand that it will become the company's new home to house **your regional management team** which will provide various service support, including sales and marketing, HR and finance.
16. We are indeed excited with this decision, which we perceive as **a key win for Malaysia as it is aligned with the Government's aspirations under the Twelfth Malaysia Plan to transition into a Global Services Hub by 2025.**
17. OCI Holding's decision **strongly positions us as a preferred destination for MNCs not only to access global talent and increase higher-skilled, higher-valued talent pool in Malaysia, but also for group-wide services.**
18. To OCI Holdings, we thank you for placing your trust in Malaysia for over 7 years not just for your manufacturing operations, but from today, also as a base for servicing your operations for the entire region.

19. We will reciprocate that trust by facilitating your business and investments to the best of our ability. I am happy to share that OCI Holding now joins other Korean companies which have similarly expanded from manufacturing operations to their strategic supply chain management services functions in Malaysia, such as Lotte Chemicals².

CLOSING

Ladies & Gentlemen,

20. In closing, my heartfelt congratulations again to OCIM on the establishment of your Regional HQ Office in Kuala Lumpur.
21. As a nation deeply ingrained in global trade, Malaysia is always open for business. I would also like to add that **for investors and businesses alike – THIS IS WHERE GLOBAL STARTS!**
22. On that note, and in the name of God, Most Gracious, Most Merciful, I hereby officiate the launching of OCIM Regional Headquarters in Kuala Lumpur, Malaysia. May this be the beginning of many more successes for OCI Holdings, OCIM and Malaysia.
23. Thank you and have a great Sunday ahead. Assalamualaikum wbt.

² Who initially served as a South East Asian Hub and since have expanded their scope to managing their entire supply chain activities from Malaysia, including production planning and procurement, marketing strategy development to logistics management & distribution beyond the region.