

SPEECH BY

Yang Berhormat Senator Tengku Datuk Seri Utama Zafrul

Tengku Abdul Aziz

Minister of International Trade and Industry

In Conjunction with

JOINT-VENTURE AGREEMENT SIGNING CEREMONY

Between

**Computer Forms Malaysia Berhad (CFM) and Energy
Absolute (EA) Public Company Limited (PCL) Thailand**

Thursday, 5th January 2023 | 1.00-1:45pm

Astor Ballroom, St Regis Kuala Lumpur

SALUTATIONS

YBhg. Datuk Wira Justin Lim,

Managing Director of Computer Forms Malaysia Berhad

Mr. Somphote Ahunai,

CEO of Energy Absolute Public Company Limited Thailand

Distinguished guests,

Ladies and gentlemen,

INTRODUCTION

Salam Sejahtera and a Very Good Afternoon.

1. First and foremost, I'd like to express my heartfelt appreciation to Computer Forms Malaysia Berhad, or CFM to this historic event.

2. It is an honour and privilege to witness the signing ceremony for a joint-venture agreement, which sees the forging of a strong business alliance between two public listed companies – our very own CFM and Thailand’s hugely successful Energy Absolute, or EA.
3. I was told that our Yang Amat Berhormat Prime Minister, Dato’ Seri Anwar Ibrahim, was briefed on the Joint Venture Company earlier today at his office by CFM and CA.
4. I believe he was pleased and fully supports this alliance because it signifies a promising strategic partnership that will drive Thailand’s and Malaysia’s sustainability agendas in the EV and RE sectors.
5. It is important that governments collaborate to align legal and regulatory frameworks in order to promote investments such as this joint-venture between CFM and EA. The combination of RE and greening public transportation will encourage inclusive economic growth that will benefit both Thailand and Malaysia.
6. As a Bursa Malaysia-listed company, CFM’s recent diversification into the EV and RE sectors through their

partnership with EA, one of Thailand's top ten listed companies, is commendable.

7. EA's operations in the manufacture and distribution of crude palm oil and biodiesel products, as well as the operation of four RE power plants and the development of EVs, batteries and charging infrastructure, will definitely complement CFM's existing operations and efforts to embrace EV and RE.
8. I'd like to congratulate CFM and EA on their unwavering commitment to set up a joint venture company that will help both countries achieve their net zero or carbon neutral targets.

GREENING MOBILITY IN PUBLIC TRANSPORTATION & SMART CITIES

Ladies and gentlemen,

9. According to the World Economic Forum in 2022, more than half the world population lives in cities – a figure that is expected to rise to 80% by 2050.

10. Closer to home, urban areas or cities housed 77% of the Malaysia's population, up from 34.2% in 1980. It is expected that by 2040, approximately 85% of Malaysia's population will live in cities, as migration from rural to urban areas increases due to economic and employment opportunities.
11. As a result, future developments must meet the needs of a rapidly urbanising population. The Government must act quickly to strengthen urban infrastructure despite challenges of climate change, economic uncertainty, supply chain disruptions and budget constraints.
12. And one of the key enablers for cities to be more resilient is through innovations in RE and EVs that are equipped with digital technology. This will support the transformation of our major cities into smart cities by 2050.
13. As such, the Government, including MITI, welcomes private sector initiatives like the one we're seeing today. The joint-venture, which will focus on the manufacturing of electric buses, trains and ferries – all equipped with digital technologies to improve operational efficiency and cost

effectiveness – is aimed at making Malaysia’s public transportation and cities greener in the near future.

INVESTMENT OPPORTUNITIES AND INCENTIVES

Ladies and gentlemen,

14. Governments around the world are grappling with a new challenge – striking a balance between supporting inclusive economic development and growth, ensuring secure and reliable energy access, and promoting environmental sustainability.
15. And we must not underestimate the magnitude and difficulty of the required balancing act. It is critical that we also consider the quality of employment as well as the quantity of jobs that we seek to create in order to compensate for potential job losses. At MITI, we strive to ensure that policies on green transition must be just and must promote social and economic equity.
16. At various international fora, I have always advocated a balanced and whole-of-nation approach towards climate

change mitigation and policy adaptation. And I must emphasise that a just transition is also at the heart of Malaysia's efforts to achieve carbon neutrality by 2050.

17. Greening our transportation sector to reduce carbon emissions is an area that MITI is passionate about. To that end, collaborations like the one between CFM and EA are critical to developing an eco-friendly and viable transportation system based on EV and RE.
18. This also includes their plan to begin developing energy storage and charging facilities in the near future to produce lithium-ion batteries. That will be a true defining moment for Malaysia, as Energy Absolute's AMITA battery facility in Thailand perfectly illustrates their energy storage capabilities.
19. It is also exciting to note that there are plans to invest in several renewable energy sources in the future, as EA already has resources and capabilities in Thailand for solar and wind energy.

Ladies and gentlemen,

20. To further encourage such private sector initiatives, MITI collaborates closely with our agencies to encourage both domestic and foreign investments in the EV and RE sectors.
21. Last year, the National Investment Aspirations charted the Government's proactive and agile measures to secure a robust investment economy capable of propelling exponential and inclusive growth.
22. This is complemented by efforts from various ministries, such as the introduction of the Low Carbon Mobility Blueprint, the National Automotive Policy, the Green Investment Tax Allowance and Green Income Tax Exemption, tax incentives to encourage EV adoption, the New Energy Policy, and the establishment of the Voluntary Carbon Market by our stock exchange, Bursa Malaysia.

MARKET GROWTH POTENTIAL FOR EV AND RE

Ladies and Gentlemen,

23. According to Fortune Business Insights, the EV market will grow at a compounded annual growth rate of 24.3% to approximately 1.3 trillion US dollars by 2028.
24. Meanwhile, Statista predicts that the global RE market will continue to grow, reaching 1.1 trillion US dollars by 2027.
25. In order to fully capitalise on such opportunities, particularly in Malaysia's EV sector, MITI is committed to driving efforts to attract more EV investments and meeting the national target of 15% total industry volume, or TIV, for EV and hybrid by 2030, and 38% TIV by 2040. The goal for charging infrastructure is to have 10,000 public charging stations by 2025.
26. To accomplish these objectives, the National EV Taskforce, or NEVT, was formed, led by MITI and comprised of relevant Government ministries and agencies, to carry out the implementation of EV development strategies. NEVT reviews and implements new strategies to promote a competitive EV industry in Malaysia to ensure that these strategies remain relevant.

27. In a broader sense, the NEVT platform coordinates and implements the Government's EV-related initiatives from various policy documents and strategies, with the primary goal of removing barriers to greater EV market adoption, improving EV charging infrastructure, and encouraging more ecosystem investments.

28. The discussions are dynamic, with engagement with all relevant stakeholders. CFM and EA are welcomed to provide input to the Government through this platform.

CLOSING REMARKS

Ladies and Gentlemen,

29. Before I conclude, I'd like to wish Datuk Wira Justin and the CFM management team every success in this exciting venture, as you are part of Malaysia's transition towards a carbon neutral nation.

30. I'd also like to take this opportunity to thank Mr Somphote Ahunai, CEO of Energy Absolute, for your confidence to invest in Malaysia. Rest assured that the Government will always be open to suggestions and ideas on how to

expand the EV and RE sectors, as well as how both Thailand and Malaysia can work better in these areas.

31. The Government believes that raising awareness about the importance of ESG is critical across all business sectors. We simply cannot afford to return to business as usual, given the devastating impact of climate change and extreme weather events which we have witnessed all over the world recently. Just like the pandemic, no country is immune to such impact, and it takes a concerted and harmonised effort to ensure such disasters can be avoided in the future.

32. Therefore, government collaboration is required to align educational, legal, and regulatory frameworks on the ESG and sustainability fronts in order to ensure a just transition and inclusive economic growth that benefits nations. This is where I'm pleased to share that a lot has been done at the regional level, where various sustainability and climate changes initiatives have been implemented through ASEAN.

33. On that note, I am hopeful that more business opportunities and collaborations will emerge between both countries in the near future. I believe we can continue to collaborate

more in the areas of ESG and sustainability, paving the way for a better and more resilient future for both nations.

Thank You.