

OFFICIATING SPEECH BY

YANG BERHORMAT MULIA SENATOR TENGKU DATUK SERI UTAMA ZAFRUL BIN TENGKU ABDUL AZIZ

MINISTER OF INVESTMENT, TRADE & INDUSTRY MALAYSIA.

AT THE CONSTRUCTION COMMENCEMENT CEREMONY OF MCE AUTO HUB

DATE: 19 April 2024 UMW HIGH-VALUE MANUFACTURING PARK IN SERENDAH

Yang Berbahagia Tan Sri Dato Abdul Rahman bin Mamat,

Chairman of MCE Holdings Berhad;

YB Tuan Ng Sze Han,

Selangor State Exco for Investment, Trade and Mobility;

YB Datuk Hj Rizam Ismail

Selangor State Exco for Rural Development, Unity and Consumers Committee;

YB Tuan Papparaidu Veraman

Selangor State Exco for HR & Poverty Eradication;

Yang Berbahagia Dato' Hassan Azhari Hj Idris

CEO of Invest Selangor;

Yang Berusaha Dr Goh Kar Chun,

Group Managing Director of MCE Holdings Berhad;

Distinguished guests Members of the Media Ladies and Gentlemen Assalamualaikum Warahmatullahi Wabarakatuh, Good Afternoon and Salam Malaysia Madani,

- First and foremost, I would like to extend my heartiest congratulations to the management and the staff of Multi-Code Electronics Industries (M) Berhad.
- Thank you Tan Sri Abdul Rahman Mamat and Dr Goh Kar Chun for inviting me to this Construction Commencement Ceremony of the MCE Auto Hub today.

MALAYSIA'S NATIONAL AUTOMOTIVE POLICY TO RIDE ON GLOBAL AUTO TRENDS

- 3. Initiatives by our local automotive companies are always a source of great excitement for us at MITI.
- 4. Globally, the automotive industry is undergoing a profound transformation, driven by tech breakthroughs and changing consumer expectations. EVs, autonomous driving, connectivity, shared mobility, sustainability, and data analytics are the key trends that will shape the industry's future.

- Automakers and industry players must embrace these trends, adapt their strategies, and invest in R&D to stay competitive in this rapidly evolving landscape.
- 6. MITI is constantly examining these trends to enable us to craft specific policies that will drive Malaysia's automotive industry towards a safer, greener, and more connected future of mobility.
- The automotive industry remains a crucial economic sector for Malaysia and holds tremendous potential for us to become an automotive regional hub within ASEAN.
- Further, guided by the New Industrial Master Plan (NIMP) 2030, the Government is committed to nurturing highvalue and innovation-driven sectors such as E&E, and other growth sectors such as EVs, Renewable Energy (RE), and Carbon Capture, Utilization, and Storage (CCUS).
- 9. These sectors will redefine Malaysia's manufacturing sector, which contributes roughly 80 - 85% to Malaysia's total exports, with exports of E&E products being the single largest source, representing 40.4% of exports of goods.

- 10. More notably, the manufacting sector also provides jobs for approximately 17% of Malaysia's workforce. Out of this, the local automotive industry ecosystem provides jobs for 700,000 people, who altogether produce around RM40 billion or four percent of Malaysia's GDP.
- The Automotive Parts and Components sector alone feature 600 suppliers, and collectively employ more than 50,000 workers.

MCE AUTO HUB TAKES MALAYSIA A STEP FURTHER TOWARDS BECOMING A REGIONAL AUTOMOTIVE HUB

Ladies and Gentlemen,

- 12. Given all those great figures, we are thrilled to learn that today's event commemorates the beginning of construction for the first phase of MCE's new facility with an initial investment of RM50 million.
- 13. The development of the MCE Auto Hub is a testament to the government and MITI's strategic policy push towards fostering growth and innovation in Malaysia's automotive sector.

- 14. This significant milestone marks the inception of a 10-year plan to strengthen MCE's position in the automotive electronics space, as the automotive industry increasingly transitions into the EV era.
- 15. With MCE's commitment to an overall investment between RM150 million to RM200 million in the next 10 years, the company is poised to stay ahead of the curve in technological advancements.
- 16. This new facility will also boost its production capabilities to meet the rising demand for more sophisticated electronic components and systems for both EVs and internal combustion engine (ICE) vehicles.
- 17. It reflects Malaysian automotive players' readiness supported by strong policies – to adapt to evolving market needs while proactively innovating their products and processes to remain competitive globally.

Ladies and Gentlemen,

- We can all be proud of MCE's remarkable journey as a homegrown automotive parts manufacturer over the past three decades.
- 19. Founded in Johor in 1990, MCE has evolved into one of Malaysia's leading original equipment manufacturers (OEMs) in automotive electronics and mechatronics parts and a vital contributor of our local automotive manufacturing and industrial ecosystem. Congratulations to MCE!
- 20. On that note, I am happy to share that as announced by the Prime Minister a few days ago, **MITI is drawing up a comprehensive Semiconductor Strategic Plan to ensure that Malaysia continues to remain a preferred investment destination for this strategic sector.**
- 21. And because semiconductors also feed into the automotive sector, we foresee that this will also help MCE to continue producing technologically sophisticated products designed and made in Malaysia.

- 22. This will certainly solidify its position as a leading supplier of automotive electronics and mechatronics parts to meet the surging demand for advanced electronic components and systems.
- 23. So, as we embark on this transformative industrial journey together, I would like to congratulate MCE once again on the successful commencement of the construction of the MCE Auto Hub.
- 24. Once completed, I am confident that the MCE Auto Hub will significantly enhance MCE's prominence within our vibrant automotive manufacturing ecosystem.
- 25. And now, it is indeed my pleasure and privilege to officiate the Construction Commencement Ceremony of the MCE Auto Hub. With that, I wish MCE every success and look forward to the opening of the facility soon.
- 26. Wabillahi taufiq wal hidayah, wassalamualaikum warahmatullahi wabarakatuh. Thank you.