## Malaysia Key Economic Indicator

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area (km²)</td>
<td></td>
<td>330,803</td>
<td></td>
</tr>
<tr>
<td>Real Gross Domestic Product</td>
<td>7.4%</td>
<td>5.1%</td>
<td>5.6%</td>
</tr>
<tr>
<td>Population in millions</td>
<td>28.1</td>
<td>29.0</td>
<td>29.49</td>
</tr>
<tr>
<td>Work Force in millions</td>
<td>12,303.9</td>
<td>12,675.8</td>
<td>13,119.6</td>
</tr>
<tr>
<td>Export (RM in million)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oils &amp; Animal and Vegetable fats</td>
<td>54,139.4</td>
<td>73,252.2</td>
<td>63,497.8</td>
</tr>
<tr>
<td>Mineral Fuels, Lubricants, and Other</td>
<td>101,958.4</td>
<td>123,203.6</td>
<td>142,798.4</td>
</tr>
<tr>
<td>Materials Chemistry</td>
<td>40,618.3</td>
<td>46,208.8</td>
<td>46,152.9</td>
</tr>
</tbody>
</table>

Source: Department of Statistic, Malaysia
East Coast Economic Region is a resource rich region and established to promote growth in a viable, equitable and sustainable manner.
### ECER Key Facts

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>Estimated 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Population</strong></td>
<td>4.2 million (14% of national population)</td>
<td>5 million</td>
</tr>
<tr>
<td><strong>Workforce</strong></td>
<td>1.6 million</td>
<td>2 million</td>
</tr>
<tr>
<td><strong>GDP Growth</strong></td>
<td>6.2%</td>
<td>7.2%</td>
</tr>
<tr>
<td><strong>GDP Per Capita</strong></td>
<td>RM5,900</td>
<td>RM15,720</td>
</tr>
</tbody>
</table>

Rich with an abundance of natural resources which form the basis for transforming the economy.
Economic growth in the East Coast will leverage on abundant natural and human capital resources in the Region.

**NATURAL RESOURCES**
- Palm Oil
- Iron Ore
- Abundant land
- Islands
- Beaches
- Fisheries
- Oil & Gas
- Livestock
- Palm Oil
- Oil & Gas
- Agriculture
- Tourism
- Education

**CLUSTERS**
- Manufacturing
- Oil, Gas & Petrochemical
- Agriculture
- Tourism
- Education

**HUMAN CAPITAL/EDUCATION**
- Hardworking
- Enterprising
- Creative
ECER SPECIAL ECONOMIC ZONE (ECER SEZ)

Focus Nodes & Free Zones

- Port City
  - Kuantan Port City (Integrated Development)
  - Kertih Port

- Industrial Parks
  - Kertih Integrated Petrochemical Complex
  - Kertih Biopolymer Park
  - Kemaman Heavy Industrial Park
  - Kemaman Boat Building & Repair Park
  - Kuantan Integrated Bio Park
  - Malaysia-China Kuantan Industrial Park
  - Pahang Technology Park
  - Gambang Halal Park
  - Gebeng Integrated Petrochemical Complex
  - Pekan Automotive Industrial Park

- Tourism Zones
  - Cherating Tourism Town
  - Kuala Pahang Tourism Zone
  - Kemasik-Kijal Tourism Zone

ECER SEZ is a concentrated of high-impact projects supported by good infrastructure development.

**ECR SEZ Statistics**

- **USD 32 B** Investment by 2020
- **250,000** New Jobs
- **387,481** hectares
REGIONAL POSITIONING OF THE ECER

- Positioned as infrastructure and logistics hub.
- Eastern Gateway to almost 4 billion population of ASEAN, Asia Pacific & Far East, with US$17 trillion combined GDP.
- Major Tourism Destination.
- Exporter of Resource-based and Manufacturing products.
- Positioned as infrastructure and logistics hub.
LINKAGES TO GOVERNMENT INITIATIVES

VISION 2020

GOVERNMENT SUSTAINABILITY COMMITMENT

To reduce the carbon footprint by 40% in terms of emission intensity of GDP by 2020 compared to the 2005’s levels.
BIOECONOMY TRANSFORMATION PROGRAMME (BTP)

Private Investments: USD 3.3 B

New Jobs Creation: 33,154

AGRICULTURE
- Herbal Cluster
- Fisheries
- Dairy Cattle
- Goat & Sheep

Development of Agricultural Biotechnology

HEALTHCARE
- Pharmaceutical
- Nutraceutical

Development of Healthcare Biotechnology

INDUSTRIAL
- Biopolymer
- Biochemical
- Bioremediation

Development of Industrial Biotechnology
Value chain integration will result in ZERO waste output.
BIOECONOMY MEGACLUSTER APPROACH – THE DEFINITION

- Connect Linkages Between Existing Industries
- Leveraging On Current Availability Of Feedstock And Infrastructure
- Enhancing Infrastructure For Development Of Total Ecosystem
- Driven By High Impact Projects With Significant Size Of Investment
- ECER Malaysia is well positioned to be a premier bioeconomy megacluster
ECER MEGACLUSTER APPROACH

Focus Nodes & Free Zones
- Kertih Integrated Petrochemical Complex
- Kertih Biopolymer Park
- Kemaman Heavy Industrial Park
- Kuantan Integrated Bio Park
- Malaysia-China Kuantan Industrial Park
- Pahang Technology Park
- Gambang Halal Park
- Gebeng Integrated Petrochemical Complex
- Pekan Automotive Park
FEEDSTOCK AS THE FOUNDATION FOR MEGACLUSTER

Kertih Biopolymer Park

Kuantan Integrated BioPark

1 M ha
forest and oil palm plantation

4.6 M mt
Dry Weight Biomass

Biopolymer, biochemical and bioremediation focus

Private Investments:
USD 3B

New Jobs Creation:
9,010
KERTIH BIOPOLYMER PARK (KBP) KERTIH, TERENGGANU

Located in Kertih, Terengganu

Asia’s Largest Second Generation Biorefinery Complex

**KERTIH BIOPOLYMER PARK**

<table>
<thead>
<tr>
<th>Accessibility</th>
<th>Kertih Airport: 8km</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Kertih Port: 3km</td>
</tr>
<tr>
<td>Location</td>
<td>Kertih, Terengganu</td>
</tr>
<tr>
<td>Total Area</td>
<td>140 ha</td>
</tr>
<tr>
<td>Type of Preferred Industry</td>
<td>Biomass, Biopolymer</td>
</tr>
</tbody>
</table>

**140 ha**
**USD 2 B**
**750 New Jobs**

Phase 1
Phase 2
Kertih Biopolymer Park (KBP)
Kertih Industrial Area
First in the world production of L-Methionine using fermentation process and Asia’s first Thiochemicals platform

Steam producer from biomass

World's first bio-isobutanol from biomass manufacturing plant

FUTURE EXPANSION PLAN

FUTURE INVESTOR

SME

HI-ESSENCE CABLE
FEEDSTOCK FOR KERTIH BIOPOLYMER PARK (KBP), TERENGGANU

36,000 Hectares Leucaena leucocephala Plantation

Wood Chip Mill

LOCAL FEEDSTOCK

Wood Chips

Cellulosic Sugar

Conversion Process

Fermentation Process

Biomethionine

Bio-Isobutanol

INTERMEDIARIES: Ammonia, Hydrochloric acid etc from the Petrochemical Clusters

1

Animal Feed

“Drop-In” Chemicals

“Drop-In” Fuels

DOWNSTREAM INDUSTRIES

INTERMEDIARIES: Ammonia, Hydrochloric acid etc from the Petrochemical Clusters
SYNERGY WITH THE KERTIH INTEGRATED PETROCHEMICAL COMPLEX

Support Infrastructure:
Kertih–Kuantan Railway System
Two bulk transport port and One liquid cargo port
Kertih Centralized Emergency & Fire Fighting Services (CEFS)
PETRONAS Centralized Utility Facilities (CUF)
KUANTAN INTEGRATED BIOPARK
KUANTAN INTEGRATED BIOPARK (KIBP), PAHANG

<table>
<thead>
<tr>
<th>KUANTAN INTEGRATED BIOPARK</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Accessibility</strong></td>
</tr>
<tr>
<td>- Existing Kuantan Port     : 5km</td>
</tr>
<tr>
<td>- Kuantan City             : 15km</td>
</tr>
<tr>
<td>- Kuantan Airport          : 20km</td>
</tr>
<tr>
<td>- Connected to East Coast Highway</td>
</tr>
<tr>
<td><strong>Location</strong></td>
</tr>
<tr>
<td>Kuantan, Pahang</td>
</tr>
<tr>
<td><strong>Infrastructure Readiness</strong></td>
</tr>
<tr>
<td>Provide first level of infrastructure such as water, electricity, telecommunication, stp.</td>
</tr>
<tr>
<td><strong>Total Area</strong></td>
</tr>
<tr>
<td>245 ha</td>
</tr>
<tr>
<td><strong>Type of Preferred Industry</strong></td>
</tr>
<tr>
<td>Downstream palm oil industries (food and non-food)</td>
</tr>
</tbody>
</table>
**FEEDSTOCK AVAILABILITY IN KIBP**

**UPSTREAM**
- 700,000 HA OIL PALM PLANTATION
- 10,000 HA WOODY BIOMASS

**FEEDSTOCK**
- 2.8 M MT CRUDE PALM OIL
- 2.0 M MT DRIED BIOMASS
- 1.2 M MT DRIED WOODCHIPS

**DOWNSTREAM**
- Advanced Carbohydrates
- Biofertilizer
- Surfactants
- Biomaterials
- Food/Feed
- Phytonutrients

- New Jobs Creation: 8,300
- Private Investment: USD 1B
SUPPORTING INFRASTRUCTURE

KUANTAN PORT CITY

- Sport Complex / Sport University
- Maritime Training Centre
- Commercial
- Industrial Area
- Newly Planned Residential Areas
- Tourism
- Kuantan Port
SUPPORTING INFRASTRUCTURE

KUANTAN PORT EXPANSION

- Upgraded and expanded as the main gateway to the Asia Pacific Region.
- Include construction of a new deep water terminal

NEW KEY FEATURES:

- (a) 18-metre draught
- (b) 200,000 DWT Vessel
- (c) 4700m Length of Breakwater
- (b) 700m Arrival/Turning Basin
- (c) 2.6 km Stopping distance
- (d) 6,040m Berth length
- (e) 295ha Land area
Over 3,000 acres of combined areas ready for investment within Kuantan Port City.
SUPPORTING INDUSTRIES FOR THE MEGACLUSTER
PHARMACEUTICAL AND NUTRACEUTICAL BASED INDUSTRIES INITIATIVES

RESOURCES

- Herbal Product - Pasir Raja
- Derivative Sugar
- Raw Materials from Muadzam Shah, K. Berang
- Oleochemicals
- Livestock
- Fisheries Products - Merchong & Kuantan

OUTPUT

- Skin Products
- Processed Foods
- Gelatine
- Herbs extract
- Pharmaceutical
- Cosmetic

Strategic development for downstream processing in pharmaceutical and nutraceutical based industries.

**New Jobs Creation:** 12,881

**Private Investment:** USD360M
HUMAN CAPITAL DEVELOPMENT

Collaborating with other government agencies such as TalentCorp and BiotechCorp to develop human capital program to meet investors requirements.

**Malaysia**
- Total Graduates in Malaysia: 185,000
- Science and Technical Graduates: 20,000

**Within ECER**
- Total Graduates: 10,000
- Science and Technical Graduates: 2,000

Collaborating with other government agencies such as TalentCorp and BiotechCorp to develop human capital program to meet investors requirements.
10 REASONS TO INVEST IN ECER

1. Strong support from Federal and State Governments with pro-business and liberal investment policies

2. Advantageous geographical orientation - Eastern Gateway of Malaysia to Europe, US & Asia Pacific

3. Strong resources endowment - crude oil, natural gas, tin, timber, palm oil, rubber and others

4. Abundance of land to set up diverse range of business facilities

5. Good accessibility and connection by highways, airports, seaports and railway

6. Competitive wage rates compared to the West Coast states

7. Multilingual workforce speaking two or three languages, including English & Mandarin

8. Large & established foreign business community in all business sectors


10. ECERDC is the One-Stop Center for investor management facilitating the incentive application for approval
The following incentives can be granted to qualified investors in ECER:

**Fiscal Incentives**
- Income tax exemption equivalent to 100% of qualifying capital expenditure (Investment tax allowance) for 5 years
- Stamp duty exemption for industrial park development, agriculture and tourism projects
- Import duty and sales tax exemption on raw materials, components, machinery, equipment, spare parts and consumables that are not produced locally and used directly in the production activity
- Facilitation Fund

**Non-Fiscal Incentives**
- Competitive Land Prices
- Industrial park ready with infrastructure
- Flexibility in employment of expatriates
- Facilitation of human capital development
The Malaysian Government is committed to ensuring that Malaysia remains a competitive and business-friendly location.

ECERDC is chaired by Prime Minister of Malaysia.

“The East Coast Economic Region (ECER) of Malaysia is now well-positioned to receive more investments, both from international and domestic investors.

I am very pleased with the progress achieved by ECER Malaysia to date, and the Malaysian Government is committed in ensuring that the projects and programs in the region will be implemented as planned.

On that note, I would like to extend my personal invitation to all investors to come and discover ECER Malaysia: a dynamic, distinctive and competitive region.”

Malaysian Prime Minister
Yang Amat Berhormat Dato' Sri Mohd Najib Bin Tun Abdul Razak
COME AND DISCOVER ECER MALAYSIA
YOUR UNIQUE BIOECONOMY INVESTMENT DESTINATION.

For more information please contact:
ECER Secretariat
Tel: +603-2035 0021 or +603-2035 0022
Fax: +603-2035 0020
Email: secretariat@ecerdc.com.my
Web: www.ecerdc.com.my