



Financial Solutions for Bilateral Investment

China-Malaysia Electronics Industry
Cooperation Seminar
23 April 2020

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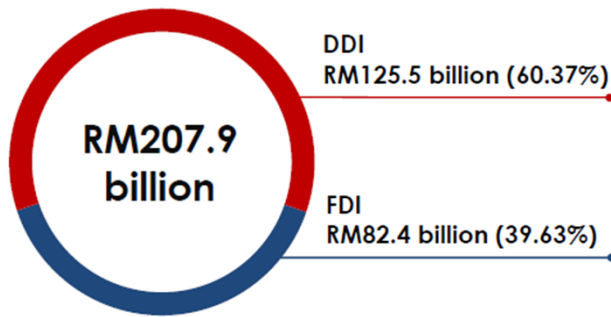


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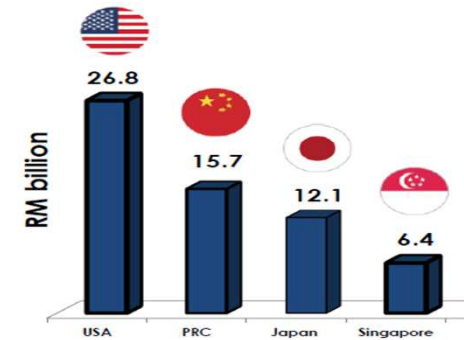
1. Snapshot of Investment in Malaysia - 2019

Total Approved Investment 2019

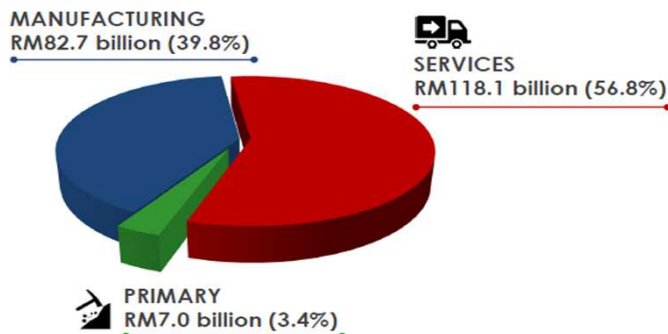





-  RM207.9 billion investments
-  5,140 projects
-  124,443 new jobs

Major Source of FDI 2019

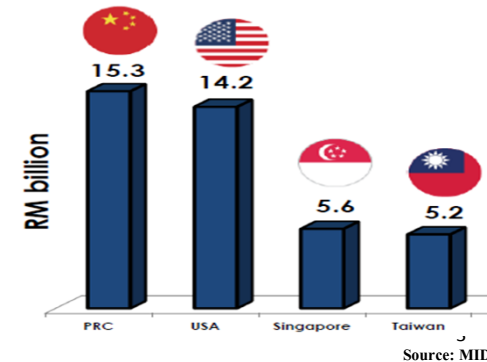


Total Approved Investment – by Sector 2019



-  RM82.7 billion investments
-  988 projects
-  78,606 new jobs

Manufacturing - Major Source of FDI 2019

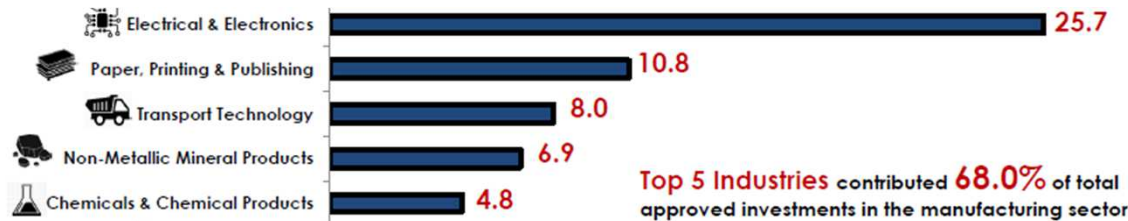


Source: MIDA

1. Snapshot of Investment on E&E Sector 2019

Approved Investment in Manufacturing by Industry

RM'billion



Approved E&E Investment by Sub-Sector 2019

E&E Sub-Sectors	Total Approved Investments	Approved Projects	Job Opportunities
Electronic Components	RM13.91 bil	45	6,448
Consumer Electronics	RM6.18 bil	28	4,111
Industrial Electronics	RM2.39 bil	37	7,041
Electrical Components	RM2 bil	21	2,384
Electrical Appliances	RM666.88 mil	12	1,579
Total	RM25.66 bil	157	22,936

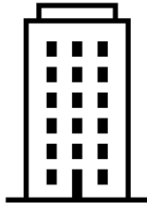
- Single Largest Contributor to Manufacturing Sector
- 7th Largest Exporter globally (2018/2019 Economic Impact Survey by MAEI)
- Top 5 Export Destination : Singapore, Hong Kong, USA, China and Japan
- Encourage investment : Industry 4.0, Electronics Manufacturing Ecosystem for precision engineering and oil & gas
- Research & Development initiative to improve manufacturing processes, new innovation on value chains, IP protection and D&D Activities

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Source: MIDA

2. Bank of China Integrated Financial Services



Stages	Intent / Preliminary	Origination / Initiation	Commission/Operating
Product / Services	Consulting, Matching	Merger and Acquisition loans, Project financing, Capital Expenditure	Working Capital Loans, Trade Finance, Global Cash Management



BOC Cross-border Integration Benefit:

- ▶ Information Interchange
- ▶ Funding Exchange Platform
- ▶ Convenient Financing Accommodation



2. Pre-Investment (Intent): Consulting/Matching

- ▶ As President Unit for Chinese Association Chamber of Commerce with more than 150 members provide a one-stop consultancy services to the new Investor from China
- ▶ Cordial Relationship with relevant Government offices/agencies with track record of organizing Road shows for Panda Bond, Investment Corporation and round table meeting.
- ▶ MOUs with Malaysia Investment Development Authority (MIDA), Malaysia External Trade Development Corporation (Matrade), Halal Industry Development Corporation (HDC) organizing events to promote reciprocal trade and utilization of Renminbi in trade settlement.
- ▶ MOU between China Special Channel, InvestKL and Chinese Association Chamber of Commerce to enhance bilateral investment corporation.
- ▶ Working closely with Chinese Enterprises in Malaysia, Chambers of Commerce, Malaysia-China Business Council, Professional bodies to provide value-added advisory services



2. Pre-Investment (Intent): Consulting, Matching

- Since 2014, Bank of China Group has established the '**BOC Global Cross-Border Matchmaking Services for SMEs**' to bridge China's domestic enterprises' participation and expansion into international market.
- The business matching services aims to solve difficulties normally faced by the enterprises venturing overseas, such as the unfamiliar environment and language, policy and law as well as financing.
- The group has also developed "BOC Global Matchmaking System App" to automate:

■ **ENROLMENT**

Online Application with Independent Choice of Targets Matching Partners

■ **AUTO-PAIRING**

Based on Enterprises Characteristics and Demands.



■ **LIVE UPDATE**

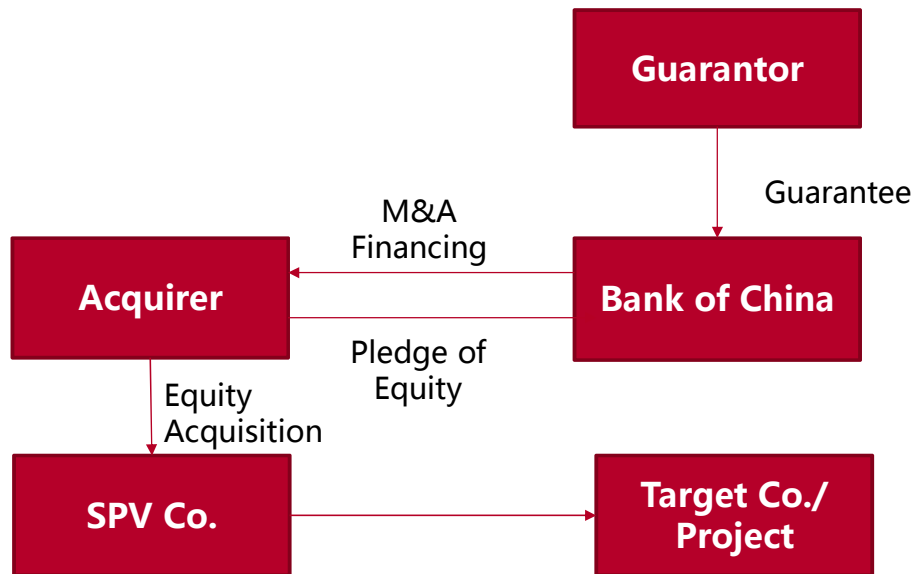
Real time status update during B2B participation, on the spot link to new cooperation opportunities

■ **VIDEO LINKS (Multiple Parties)**

Up to 1,000 corporate users can be online simultaneously, with 200 pairs can talk over video link at the same time.



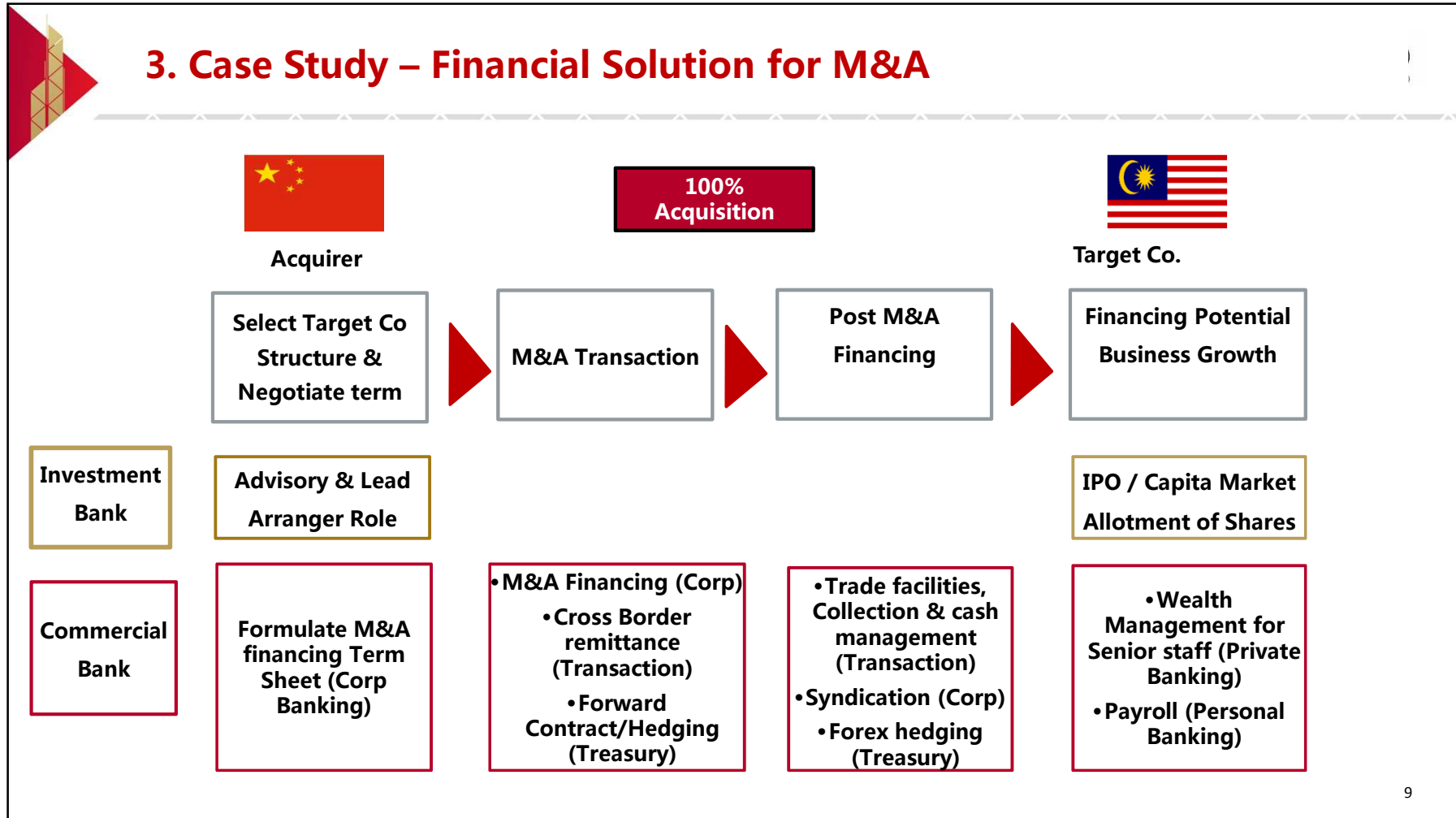
3. Origination / Initiation Stage : M&A Financing

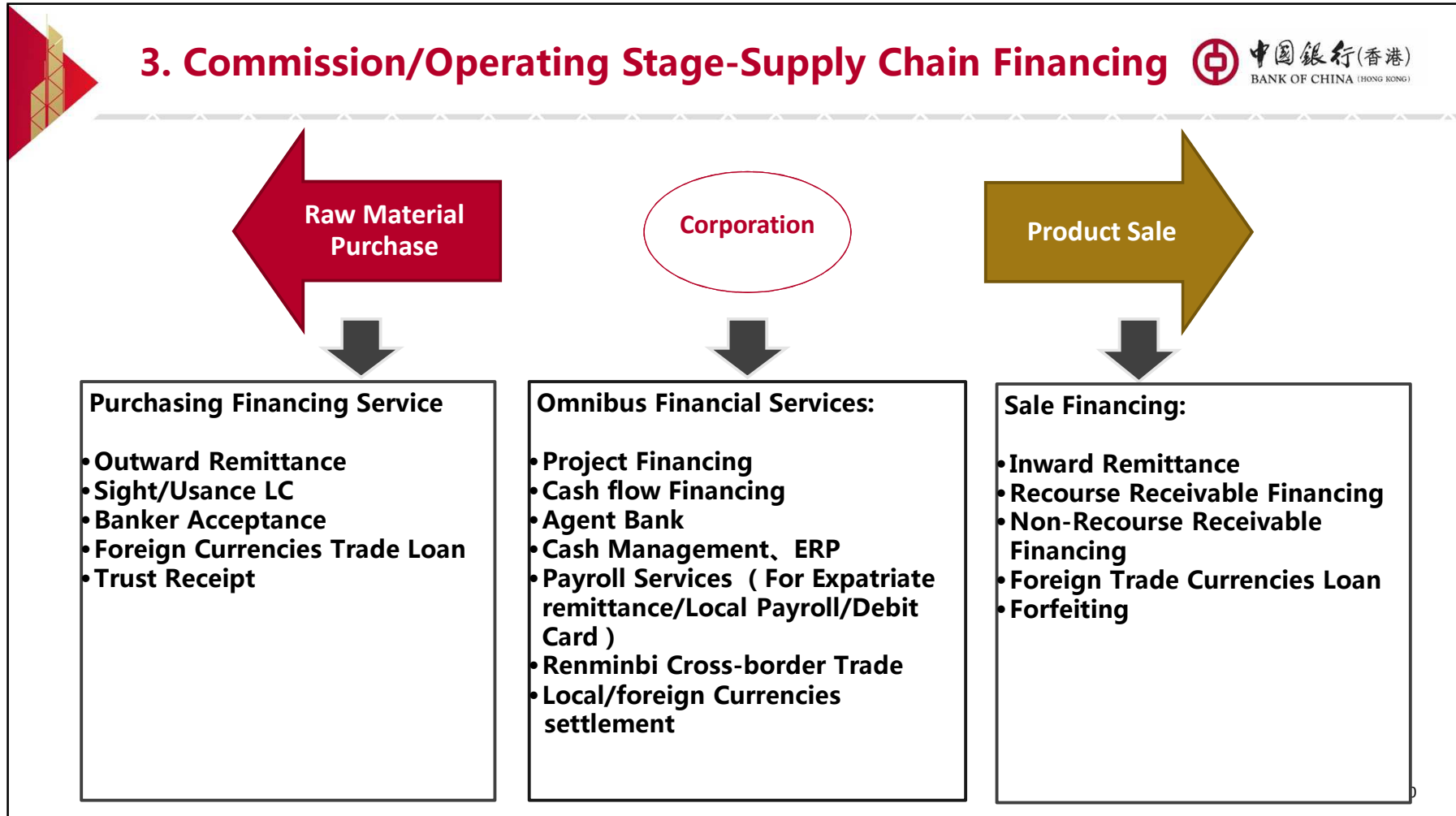


BOC Group, capitalized on its international and cross border integration, provide M&A / project financing based on variety of guarantee models:-

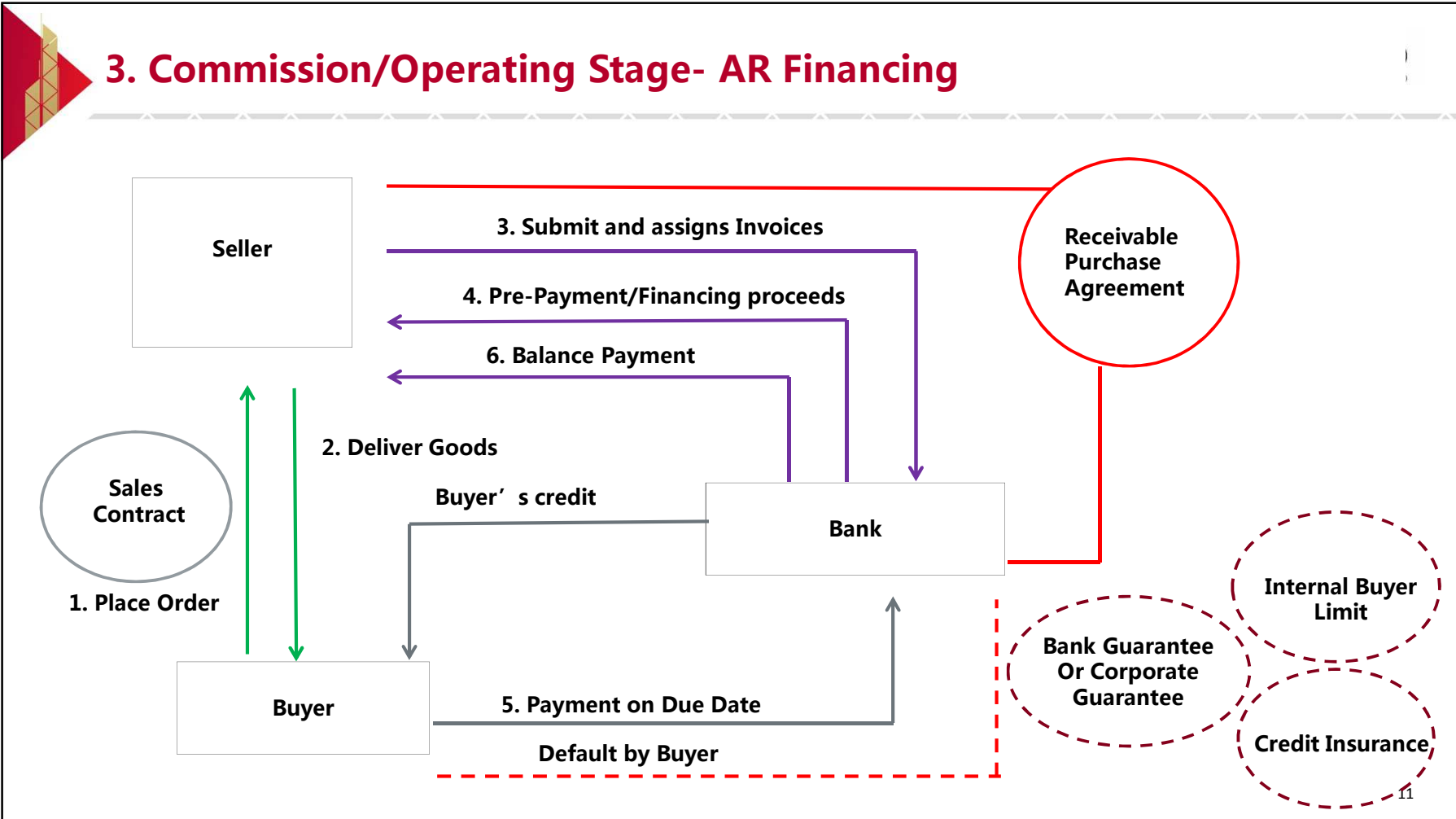
- ▶ Cross-border direct guarantee/pledge;
- ▶ Financial Guarantee;
- ▶ Credit Limit Splitting;
- ▶ Export Credit Insurance

3. Case Study – Financial Solution for M&A

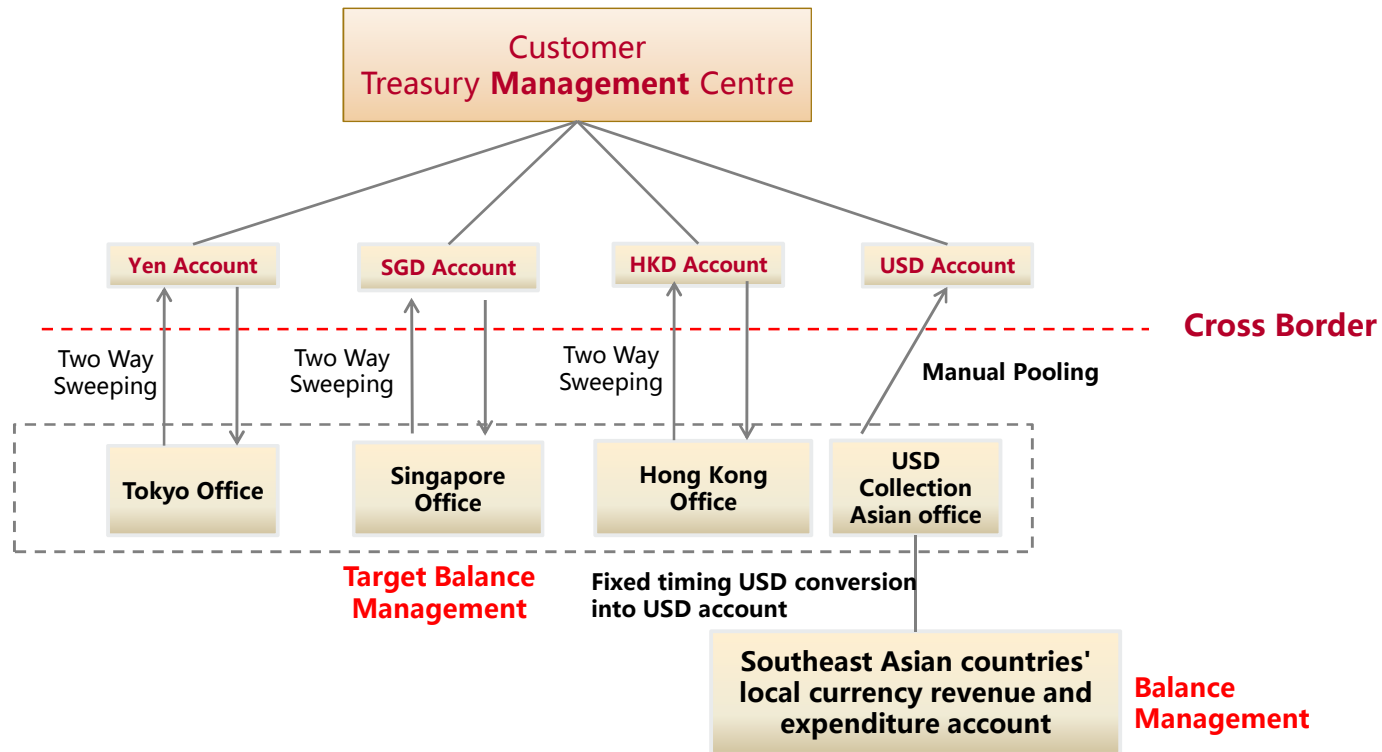




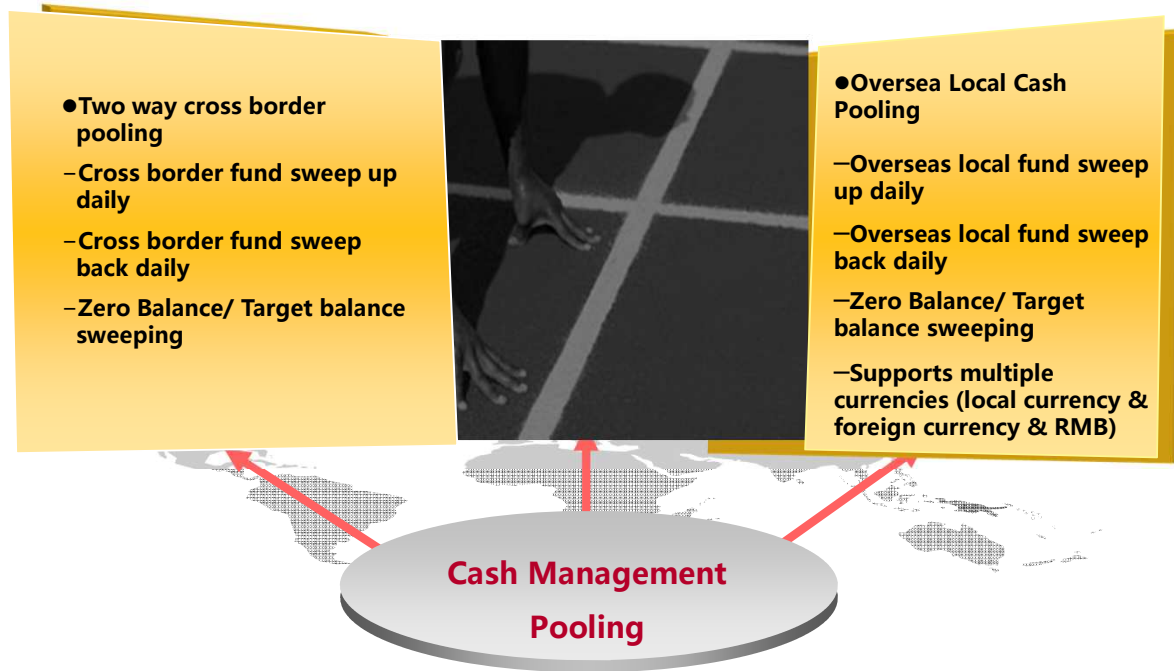
3. Commission/Operating Stage- AR Financing



3. Commission/Operating Stage : Global Cash Management



3. Commission/Operating Stage : Global Cash Management





Thank You

