

1. Good afternoon everyone. I am Oka Hiroshi, Ambassador of Japan to Malaysia. I thank you, HSBC, for having me in this investment webinar. I believe this webinar is timely and fitting, given that the stable COVID-19 situations in Malaysia has successfully moved the country to the recovery phase. The number of new cases has remained close to zero for the last couple of weeks and the government has allowed the expatriate visa holders to enter the country. The fatality rate and the reproductive rate which are 1.4% and 0.3% respectively are much lower than in Japan. I would like to congratulate both the government and the people of Malaysia on this globally recognized achievement.

2. Malaysia offers a variety of unique advantages for investors. These are the advantages which are not affected by COVID-19. First, political stability. As is well known, no coup de'etat has ever taken place in Malaysia since independence and the change of government as a result of the election two years ago took place without any single blood being shed. This political stability of Malaysia stands out in a world where authoritarian tendencies are increasingly prevalent. Secondly, English is well spoken widely in the society and you don't need a help of an interpreter to talk with Malaysians. Thirdly, high quality supply chain networks are readily available to support Japanese businesses. Malaysia is in fact a base for maintenance of Airbus aircrafts throughout South East Asia. These advantages have made Malaysia a preferred destination for investment particularly in E&E (electrical and electronic) sector, which still accounts of about 30-40% of Malaysian export.

3. Recently, with the Malaysian income rising exceeding 10,000 US\$ per capita, service sector in Malaysia offers another new opportunity for investment. Furthermore, Malaysia can be a gateway to Islamic countries. The Halal certificate of Malaysia is so highly regarded by the Islamic countries that any “made in Malaysia” products acquiring Malaysian Halal certificate can have an easy access to the emerging Islamic markets beyond Malaysia. Manufacturing and services sectors combined, Japan is in fact the largest investor in Malaysia in 2019, accounting for more than one-third of total the Foreign Direct Investment inflows into Malaysia. Currently, approximately 1,400 Japanese companies are established in Malaysia.
4. Since 1981 when the Look East Policy started, more than 17,000 Malaysians have studied higher education in Japan and they are now playing leading roles in Malaysia. For instance, secretary general of the Ministry of Finance, who is the top post of the civil service in the ministry, is the graduate of Hiroshima University. The presence of extensive networks of Malaysian alumni who have studied in Japan provides you with unique advantages to facilitate your operations in Malaysia.
5. Malaysia has been playing a significant role in the global supply chains, especially in the E&E sector. As the global supply chain has been disrupted by the Covid-19 and would be affected by the rising tensions between US-China, I believe Malaysia offers a good investment opportunity to diversify manufacturing bases and to strengthen the resilience of global supply chains. The Malaysian government is also eager to introduce sophisticated digital

technologies to transform its economies and societies in the post COVID-19 phase.

6. To attract investment, the Malaysian government has put in place concrete incentives in the recently announced National Economic Recovery Plan (PENJANA). The Government of Japan is also extending its fully supports to the Japanese companies aiming at investing in Malaysia through various measures such as subsidies to promote diversification of the supply chain. We, the Embassy of Japan and JETRO Kuala Lumpur office are ever ready to provide support and assistance to Japanese companies before and after they invest in Malaysia.
7. I hope many Japanese companies will take this opportunity to look into the investment opportunities in Malaysia and I look forward to seeing you in Malaysia.
8. Thanking again HSBC for organizing this webinar, I hope everyone will you have a very fruitful time in this webinar today.