

PRESS RELEASE

InvestPenang inks MoU with HSBC Malaysia to attract high quality investments

Penang, Oct 26, 2021 – InvestPenang and HSBC Bank Malaysia Berhad (HSBC) have signed their first Memorandum of Understanding (MoU), that focuses on bringing high quality foreign direct investments into Penang and Malaysia, tapping into each party's comparative advantage as leverage.

With its strategic location in the ASEAN region and significant integration in the global supply chain, Penang is a preferred investment destination for multinational corporations (MNCs). This strategic public-private partnership aims to elevate the State's existing efforts in attracting high-quality investors, by riding on HSBC's international network which provides access to more than 90% of global GDP, trade and capital flows and key markets in more than 60 countries, while capitalizing on InvestPenang's investment promotion initiatives.

The MoU was signed by InvestPenang's Chief Executive Officer, Dato' Loo Lee Lian and Mr. Stuart Milne, Chief Executive Officer of HSBC Malaysia. Also present at the occasion were InvestPenang's Director, Dato' Seri Lee Kah Choon, and its top management team; as well as senior members from HSBC including Christina Cheah, Head of Global Banking, HSBC Malaysia and Shreyas Krishna, Head of Multinationals, Global Banking, HSBC Malaysia.

Following the gradual reopening of the economy, Dato' Seri Lee welcomed the collaboration to foster an active business climate. "The global supply chain reconfiguration and technological advancement have moved the needle in terms of business establishment. Corporates are being prompted to shift away from prioritising cost-cutting manufacturing measures and towards practices that ensure reliability, consistency and sustainability. On this note, the State government, via InvestPenang, stays committed to enhancing Penang's comparative and competitive advantages to remain on the priority list for corporates' footprint diversification."

"HSBC's international network bodes well in widening our reach. With the combined capabilities of both parties, I am confident that Penang will punch above its weight and be well-positioned in the global arena, amplifying MNCs' desire to make the State their strategic investment destination," he added.

"Attracting high quality investments is critical to support Malaysia's path to a high-income economy, creating quality jobs and shared prosperity. At HSBC, we believe that Penang is an ideal location for many multinationals to invest, taking advantage of a very well established ecosystem, a deep local supply chain and an ample supply of highly trained personnel", said Stuart Milne, CEO, HSBC Malaysia.

"In entering into this MoU with InvestPenang, HSBC today renews our longstanding commitment to the region where we opened our first branch back in 1884. Our international network connects Penang to the world and we look forward to deploying it in support of Penang's objective of accelerating its growth and development. In so doing, we are opening

up a world of opportunity for our customers while at the same time supporting the Penang State Government's ambitious plans for the region", Milne added.

The various reforms under the 12th Malaysia Plan (12MP) are aimed at making Malaysia a high-income, high-tech nation by 2025. This includes the growth of several strategic high quality and high-impact industries such as electrical and electronics (E&E) and global services. The MoU between InvestPenang and HSBC will focus on the major growth propellers for the economy, including E&E, healthcare as well as global business services, with targeted countries such as the US, China, Germany, France, Japan and Singapore, among others.

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About InvestPenang

InvestPenang is the Penang State Government's principal agency for promotion of investment. Its objectives are to develop and sustain Penang's economy by enhancing and continuously supporting business activities in the State through foreign and local investments, including spawning viable new growth centres. To realize its objectives, InvestPenang also runs initiatives like the SMART Penang Centre (providing assistance to SMEs), Penang CAT Centre (for talent attraction and retention) and i4.0 seed fund (a catalyst for the startup ecosystem).

About HSBC Malaysia

HSBC's presence in Malaysia dates back to 1884 when the Hongkong and Shanghai Banking Corporation Limited established its first office in the country on the island of Penang, with the permission to issue currency notes. HSBC Bank Malaysia Berhad was locally incorporated in 1984 and is a wholly-owned subsidiary of The Hongkong and Shanghai Banking Corporation Limited, founding member of the HSBC Group. In 2007, HSBC Bank Malaysia was the first foreign bank to be awarded an Islamic banking subsidiary licence in Malaysia, namely HSBC Amanah Malaysia Berhad. Today, HSBC Malaysia has a network of 67 branches nationwide, of which 26 are HSBC Amanah Malaysia Berhad branches. HSBC Malaysia offers a comprehensive range of banking and financial services including Islamic financial solutions. HSBC Malaysia has also led innovation in Malaysia by introducing Malaysia's first ATM and Electronic Touch Banking in the early 1980s. Today, HSBC Malaysia has launched innovative solutions such as HSBCnet for secure banking for businesses, Trade Transaction Tracker and Facial Recognition on supported mobile phones.