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ECONOMIC IMPACT SURVEY 2022-2023



PREPARED BY
American Malaysian Chamber of Commerce



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ABOUT THE SURVEY



American multinational companies (MNCs) have played a vital role in driving global markets, transferring technical and management knowledge, and training the global workforce. They have championed global standards to ensure greater efficiencies and interoperability for Malaysia.

The American Malaysian Chamber of Commerce (AMCHAM) conducts the Economic Impact Survey (EIS) to measure its members' contributions to the Malaysian economy and provide a snapshot of the challenges and opportunities faced by them in the post-pandemic era.

The 2022/23 survey includes multiple economic sectors represented within the AMCHAM membership, with a focus on the electrical and electronics (E&E) industry, financial services, agribusiness, extraction, and energy.

81 AMCHAM member companies participated in the survey, 65 of which are American MNCs. Half of the respondents (42) are manufacturing companies, with E&E manufacturers being among the largest group of respondents.

It should be noted that while this survey provides an important snapshot from prominent AMCHAM member companies, it is not an exhaustive representation of the AMCHAM members' investments in Malaysia. The data provided is self-reported by companies and based on their submissions to global headquarters.

The survey's findings underscore the crucial role played by American MNCs in Malaysia, their partners and the relationship with the local ecosystem as it relates to their sustained contributions to the country's economy.

This year, AMCHAM member, Altair Engineering Sdn. Bhd. provided AMCHAM with data analysis support, *pro bono*. We are very grateful for their support and specifically to the team that painstakingly helped AMCHAM work through the numbers so that we could develop and generate this report for the Chamber and its stakeholders.

Please note the definition of the following icons used in this report:



Denotes responses from AMCHAM member companies, including American companies, and non-American companies with close American ties.



Denotes responses from American-owned companies.

ABOUT AMCHAM



The American Malaysian Chamber of Commerce (AMCHAM) has been the voice of U.S. businesses in Malaysia since it was established in 1978. AMCHAM is a membership-based, non-profit business association which serves as a platform to share knowledge and best practices, as well as to represent the interests of our member companies in the best way possible.

Our members are from a diverse range of industries in both manufacturing and services. Key sectors are E&E, including semiconductor, healthcare, fast moving consumer goods (FMCG), logistics, oil and gas, financial services, digital technology, and consultancy.

We represent approximately 300 companies, most of which are American MNCs operating in Malaysia. Our members come from diverse industries, including E&E, manufacturing, services, healthcare, FMCG, logistics, oil & gas, financial services, digital technology, consultancy and more.

AMCHAM actively engages with government agencies to support policies that enhance the business environment. Through networking events, seminars, and roundtable discussions, members have opportunities to connect and collaborate. AMCHAM also offers various programs and initiatives to support the professional development of its members. By cultivating strong partnerships and offering valuable resources, AMCHAM is a reliable partner for businesses seeking to flourish in Malaysia's dynamic market.

For more information, please visit <http://amcham.com.my/>

A MESSAGE FROM THE CEO



Malaysia is on the cusp of a new economic era. New technologies such as AI, policy priorities like the green transition, and emerging opportunities such as critical minerals have the potential to reinvigorate our industry and keep Malaysia at the heart of the global economy for another generation.

AMCHAM is a champion for that growth, and I am honored to be in this position because I firmly believe that U.S. investment is one of the core pillars of Malaysia's success. We are proud of the central role that AMCHAM plays in shaping Malaysia's success story, fostering regular engagement between its members and the Government at multiple levels.

AMCHAM's Economic Impact Survey sheds light on the remarkable contributions of just 81 members, U.S. companies and major suppliers, operating in Malaysia out of approximately 700 American companies and many thousands of their Malaysian suppliers. But the snapshot points to one simple conclusion: American companies continue to drive Malaysia's economy forward, just as they have for the past fifty years. Whether we look at the volume of investment – the United States continues to be Malaysia's top source of FDI – or the quality of investment – U.S. firms bring advanced technology, talent development initiatives, and are helmed by Malaysian C-suites – the story is the same.

American companies' significant investments are a considerable economic multiplier, making them valuable partners in fostering Malaysia's economic development. As a supporter of this extraordinary partnership, I am proud to continue to promote it.

Siobhan Das

Chief Executive Officer

American Malaysian Chamber of Commerce

EXECUTIVE SUMMARY



AMCHAM serves a crucial role in showcasing the contributions of our member companies towards Malaysia's economy. By quantifying and qualifying their impact, the survey aims to provide valuable insights to policymakers and stakeholders. These insights are pivotal in shaping policies that not only foster growth and resiliency but also promote sustainability within the economic framework of Malaysia.

HIGHLIGHTS

AMCHAM members, and U.S. investment writ large – are one of the foundational drivers of Malaysia's exports, economic growth, and technology goals. As the largest source of net FDI to Malaysia in 2022, based on Department of Statistics Malaysia numbers, U.S. investment is pivotal to growing Malaysia's economy and raising the standard of living for all.

The years 2022 and 2023 marked a significant phase of recovery for Malaysia's economy following the challenges posed by the COVID-19 pandemic. Despite facing a combination of growth and decline compared to the previous survey period, AMCHAM member companies have demonstrated notable resilience, with approximately 57% enjoying revenue growth and 63% anticipating growth over the coming year [p11].

The historical Foreign Direct Investment (FDI) of the 81 companies that participated in the survey amounted to RM172.6bn [p11]. This substantial figure underscores the longstanding and ongoing commitment of these companies investing in Malaysia, with a history dating back to the 1950s. Such continuous investment reflects confidence in Malaysia's economy and its potential for growth and development.

EXECUTIVE SUMMARY

Through the survey, we found that the impact of this significant investment is evident in the number of livelihoods supported by AMCHAM member companies. The survey indicates at least 148,778 [p11] individuals are employed by these companies in 2022/23. Such a considerable workforce not only represents job opportunities but also signifies the socioeconomic contributions of these companies to Malaysia.

In total, we recorded 2 agribusiness respondents, 3 oil & gas/energy respondents, 42 manufacturing respondents, 4 banking respondents, 4 insurance respondents and 26 general services respondents.

MANUFACTURING

Manufacturing companies accounted for half of the respondents to this year's survey, amounting to 42 submissions. Historically, these companies have invested RM92.2bn in Malaysia, of which RM19.4bn was capital investment for the years 2022/23 [p16]. 16% of members manufacture for export with an export value of RM199.4bn [p17] from 42 companies.

From the survey, manufacturing companies employed 126,185 people [p20] throughout Malaysia, with our E&E members making up 95% of the total hires, including at least 232 PhD holders and 4,219 master's degree holders who are part of the workforce [p20].

A total of RM1.92bn [p20] was allocated for R&D throughout 2022 and 2023, which emphasizes the significant presence of 33 member companies with patents in Malaysia.

The outlook for Malaysia within the manufacturing sector remains positive, with

at least 55% [p19] of companies anticipating growth over the coming year and 60% [p19] intending further investments in the next 5 years. Although both aspects saw a slight decrease from the previous years, the result remains hopeful.

SERVICES

The incorporation of members' contributions in services into the survey provides a comprehensive overview of American companies' involvement in various sectors of Malaysia's economy. The total capital investments by American companies recorded at RM1.3bn [p32] reflect their commitment to investing in Malaysia's services sector, contributing to its growth and development.

American insurance companies in Malaysia which participated in the survey played an essential role in providing insurance coverage for the local community, which amounts to an Annual Premium Equivalent (APE) of RM903mil and RM542mil worth of claims [p32]. However, these figures saw a decline from the previous EIS.

Members from the banking sector remained influential in supporting the growth by providing loan financing up to RM52.1bn [p32] in sectors such as manufacturing, services, property, healthcare, financial services, and construction.

AGRIBUSINESS, EXTRACTION & ENERGY

Our key findings illustrated that 39% of consolidated historical FDI was contributed by established extraction and energy company participants, and a considerable amount of RM2.7bn [p38] was spent during

EXECUTIVE SUMMARY



the year on local suppliers. By retaining 3,650 [p38] workers within the workforce, with 90% [p38] held by local Malaysians, these members also drive socioeconomic progress and the promotion of talent diversification in Malaysia.

LEARNING & DEVELOPMENT

In Malaysia, there is a growing recognition among employees on the importance of upskilling for career progression. As industries evolve and technologies advance, continuous learning and development have become essential for staying relevant and competitive in the job market. Training programs play a crucial role in this process, serving as vital tools for empowering individuals to enhance their skills and knowledge.

Among the 81 surveyed member companies, there is a strong commitment to employee development through dedicated internal resources and programs, contributing to Malaysia's goal of increasing its highly skilled

workforce to 35%, where 76% of respondents recorded to have a dedicated internal skills and training advancement facility or program in Malaysia. [p12]

DIGITALIZATION

This is the first time we are incorporating digitalization into our survey and found that the challenges faced by member companies regarding digitalization in Malaysia are significant and multifaceted. Many of our member companies expressed their concern regarding high costs, lack of government incentives and policies for digitization and supporting infrastructure.

Nevertheless, most of our member companies have digitized up to 70% of their business activities with 15 member companies being completely digital. Additionally, 63 companies rely on cloud-based technology, while only 15 companies do not.

EXECUTIVE SUMMARY



The integration of Artificial Intelligence (AI) into business activities is becoming increasingly prevalent among our members. 54 companies out of 81 respondents will be incorporating AI into their business activities in the next 3 years, which displays a positive foundation.

FUTURE EXPECTATIONS

American companies and companies with close American ties remain committed to supporting the Malaysian economy. Published statistics by the government already report the U.S. as the largest source of FDI in Malaysia with a total of USD38bn in new commitments within the last two years.

EIS offers valuable insights into a range of key areas that are top of mind for investors operating in Malaysia. These insights span from recovery mechanisms following the COVID-19 pandemic to incentive structuring,

regulatory issues such as customs, tax and immediate concerns relating to labor regulations.

The expansion of the EIS aims to comprehensively capture and represent the full extent of U.S. businesses in Malaysia. By broadening the scope of the survey accordingly, AMCHAM emphasizes on providing a better understanding of the contributions, challenges, and opportunities faced by U.S. businesses operating in Malaysia.

2022/2023 CONSOLIDATED HIGHLIGHTS

The American Malaysian Chamber of Commerce's Economic Impact Survey 2022/23 captures the contribution of 81 AMCHAM member companies to the Malaysian economy comprising of FDI, job creation, knowledge transfer, digitalization, and the support of local SMEs. This survey encompasses manufacturing and services for industries such as electrical & electronics (E&E), including semiconductor, banking, insurance, agribusiness, extraction and energy.



RM 172.6bn
Historical FDI



RM 121.5bn
Exports in goods and services



RM 83.6bn
Imports in goods and services



RM 23.7bn
Goods and services
sourced locally



10,085
Contracts worth more than
RM100k with local companies



RM 5.7bn
Taxes paid in 2022/23



RM 11.7bn
Salary payments



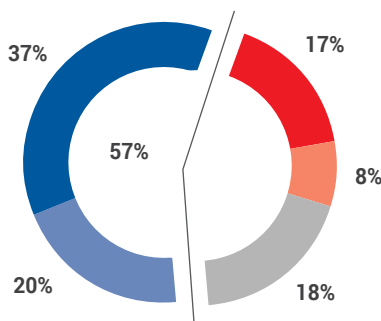
RM 1.3bn
Contributions to EPF/SOCSO



148,778
Livelihoods supported

ECONOMIC PERFORMANCE

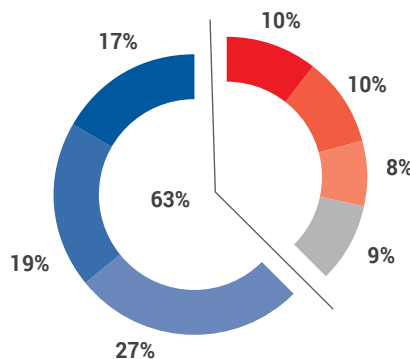
Strong performance, with **57%** of companies enjoying revenue growth



- Grew by >10%
- Grew by 5-10%
- Were largely flat
- Declined by >5%
- Declined by >10%

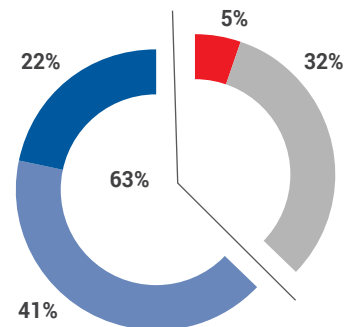
ECONOMIC OUTLOOK

Positive outlook
63% anticipates growth
over the coming year



- Expected growth of >10%
- Expected growth of 5-10%
- Expected growth of 0-5%
- Expecting to breakeven
- Expected contraction of 0-5%
- Expected contraction of 5-10%
- Expected contraction of >10%

63% of companies intend
further investment over the
next 5 years



- Increase significantly
- Increase
- Remain approximately the same
- Decrease

CONTRIBUTION TO LEARNING & DEVELOPMENT

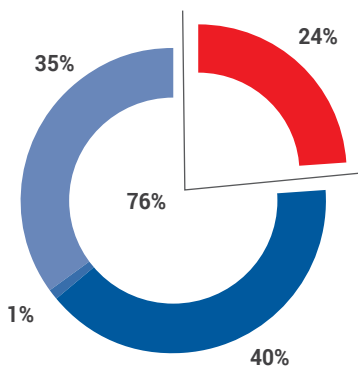
As Malaysia moves up various value chains and strives to remain globally competitive, the role of transforming workers into highly skilled talent cannot be underestimated. American companies, especially since their arrival in the 1970's have had a particular focus on developing local talent across the spectrum not just technical but in knowledge skills, such as services, and management, the value of which extends beyond initial CAPEX.

In Malaysia, employees are increasingly acknowledging the significance of upskilling themselves for their career progression. Training programs serve as vital tools in empowering individuals, allowing them to sharpen their skills and cultivate a strategic mindset.

Among the 81 surveyed member companies, there is a strong commitment, despite the barriers of cost and the lack of supporting local infrastructure, for employee development.

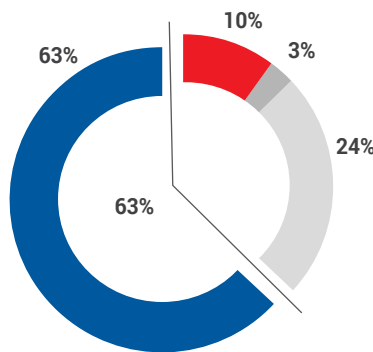
CONTRIBUTIONS TO EMPLOYEE SKILLS ADVANCEMENT & TRAINING

76% of respondents have a dedicated internal skills and training advancement facility or program in Malaysia



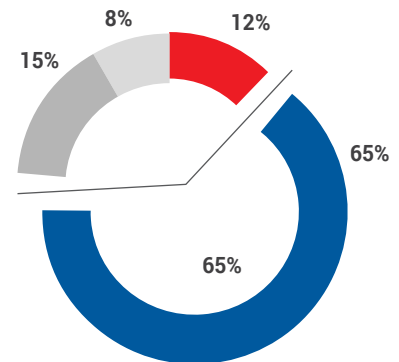
- Dedicated program in Malaysia
- Dedicated facility in Malaysia
- Dedicated facility & program in Malaysia
- None

63% of respondents provide both skills and academic-based opportunities for their employees, providing them with well-rounded professional development.



- Academic-based Opportunities Only
- Skills-based Opportunities Only
- Both
- None

65% companies provide fully funded training programs with a further **23%** supporting co-funded programs.



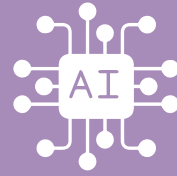
- Fully funded by the company
- Co-funded by the company & employees
- Co-funded by the company & third party
- None

DIGITALIZATION AT THE ENTERPRISE LEVEL

In the new age of digitalization, businesses are increasingly embracing technological advancements and artificial intelligence (AI) to streamline and improve business processes across areas such as payments, receivables and, e-invoicing.

BUSINESS ACTIVITIES UNDERGOING DIGITIZATION





80% of companies rely on cloud-based technology



81% of respondents are looking to incorporate AI into their business activities in the next 3 years.*

* Respondents = 78

Most of AMCHAM member companies have digitized up to **70%** of their business activities
20% of the respondents are fully digital

ARTIFICIAL INTELLIGENCE (AI) IN BUSINESS ACTIVITIES

Many member companies have started incorporating AI into their business activities, such as:



74%
Operations



62%
IT



28%
HR



23%
Finance



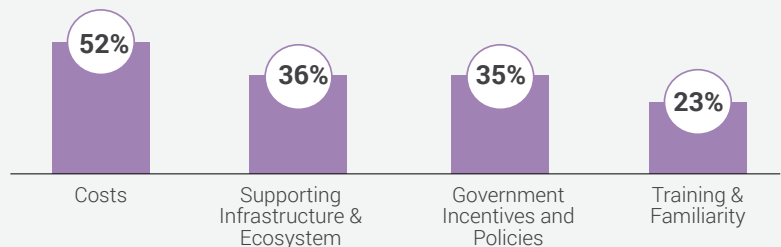
13%
Legal



26%
Others

BARRIERS TO MEETING DIGITALIZATION GOALS

While digitalization in business activities remains high, many of our member companies are hindered by high costs, lack of government incentives and policies for digitization & supporting infrastructure.

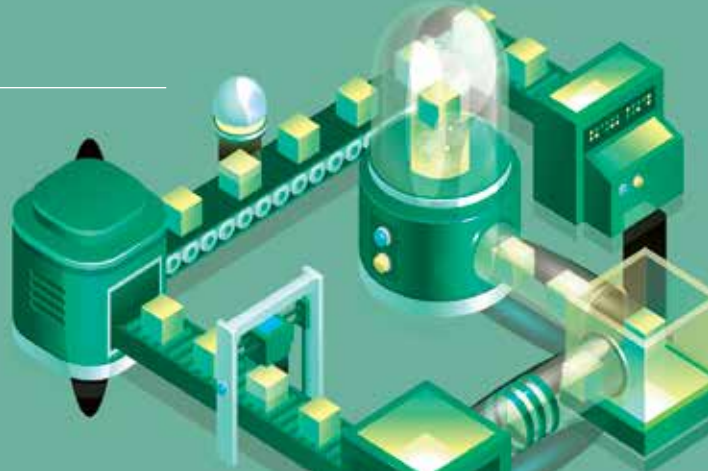


SECTION 1.1 MANUFACTURING CONSOLIDATED



FINANCIAL IMPACT

RM 92.2bn
Historical FDI data
since 1960*



INVESTMENT AND ECONOMIC CONTRIBUTION IN 2022/23



RM 19.4bn
Capital Investment



RM 56.1bn
Operational Expenditure



RM 1.9bn
Research & Development
(R&D)



RM 4.83bn
Employee Salaries (Gross)



RM 1.4bn
Training & Education
(including HRDF)



RM 18.6bn
Capital Investment



RM 55.9bn
Operational Expenditure



RM 1.9bn
Research & Development
(R&D)



RM 4.6bn
Employee Salaries (Gross)



RM 1.4bn
Training & Education
(including HRDF)

Explanatory Notes:



*42 companies



36 U.S. companies

CONTRIBUTION TO TRADE



Exported Goods & Services:
RM 199.4bn



Imported Goods & Services:
RM 69.8bn



TRADE SURPLUS
RM 129.6bn



Exported Goods & Services:
RM 118.5bn



Imported Goods & Services:
RM 69.3bn



TRADE SURPLUS
RM 49.2bn

Malaysia's total exports
of manufactured goods

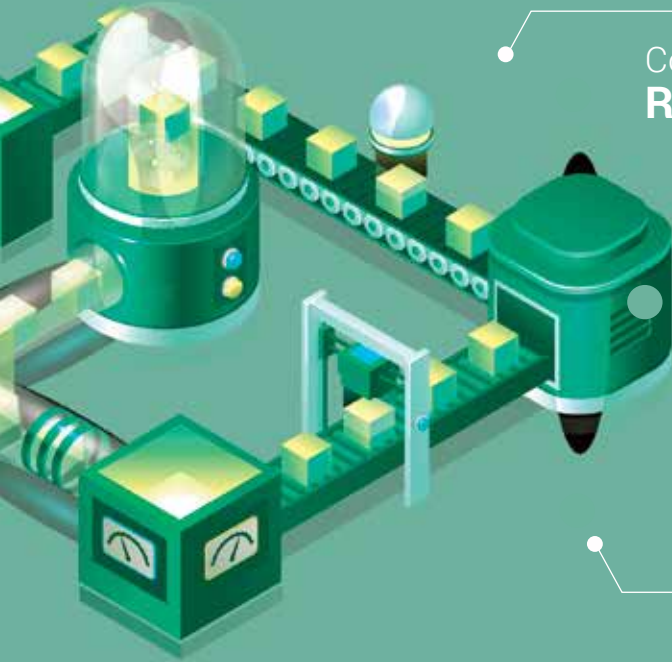
RM 1217bn

Source: MATRADE

RM 199.4bn
Total Exported Good
& Services



SUPPORTING THE DOMESTIC ECONOMY



Counting only contracts worth
RM 100k annually,

we have identified **7,910**
relationships with local
suppliers (goods & services)

with an average of **193**
relationships per respondent.



RM 23.3bn

Total value of goods and
services supply contracts with
local companies in 2022/23



RM 863.4mil

Total taxes paid in 2022/23
(both corporate income tax
and personal income tax)



7,291

Relationships with
local suppliers

RM 22.97bn

Value of
contracts

RM 855.7mil

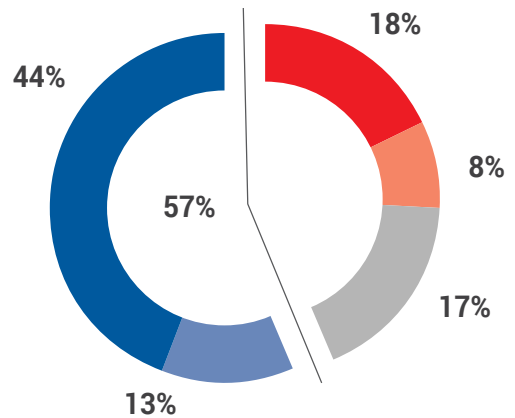
Taxes paid

FINANCIAL PERFORMANCE & EXPECTATIONS

SECTOR PERFORMANCE

More than half of manufacturing firms witnessed an increase in revenue, while nearly a quarter faced a downturn.

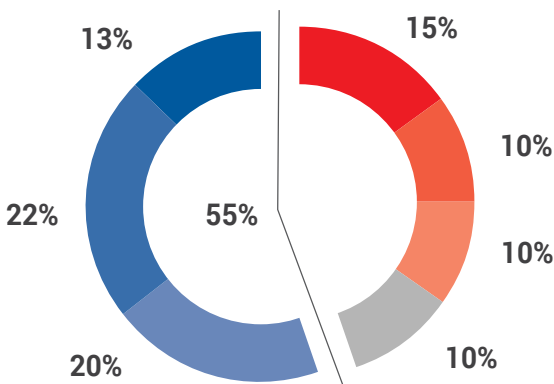
- Grew by >10%
- Grew by 5-10%
- Were largely flat
- Declined by >5%
- Declined by >10%



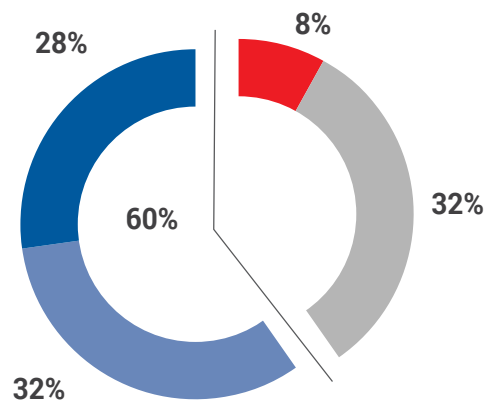
SECTOR OUTLOOK

The outlook for the manufacturing sector is positive, with about **55%** of companies anticipating growth in the upcoming year.

60% of companies intend further investment over the next 5 years



- Expected growth of >10%
- Expected growth of 5-10%
- Expected growth of 0-5%
- Expecting to breakeven
- Expected contraction of 0-5%
- Expected contraction of 5-10%
- Expected contraction of >10%



- Increase significantly
- Increase
- Remain approximately the same
- Decrease

CREATING HIGH-SKILLED JOBS



126,185
Jobs created

88%
Fulfilled by
Malaysians



232
PhD Holders



4,219
Master's Degree Holders



26,320
Bachelor's Degree Holders



121,258
Jobs created

89%
Fulfilled by
Malaysians

PROGRESSING UP THE VALUE CHAIN

During 2022/23:

17
New business activities

Including expansions on:



**Product
lines**



**Development
programs**



**Business
contracts**



**R&D
centers**



**Logistic
centers**



Vendor Development Programs

Over the last five years,
369 have been undertaken by
28 member companies



33
Number of AMCHAM member
companies with patents
in Malaysia

RM 1.92bn
Invested in R&D
Activities in 2022/23

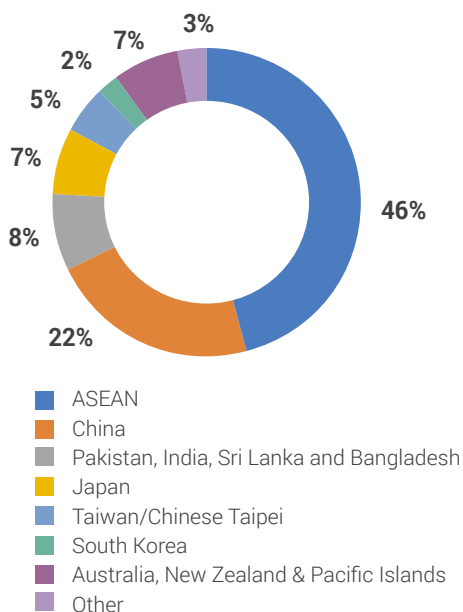
4
Global R&D
Centers

7
Regional
R&D Centers

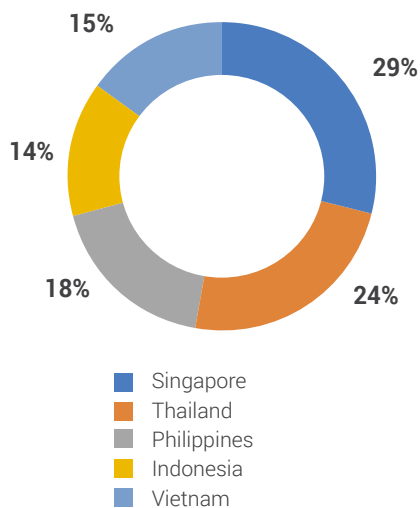
18
Corporate
Design Centers

Manufacturing Footprint across ASEAN & Asia-Pacific

ASIA-PACIFIC



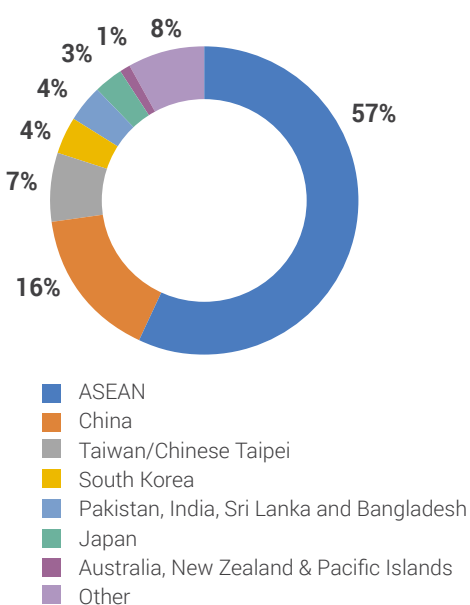
ASEAN



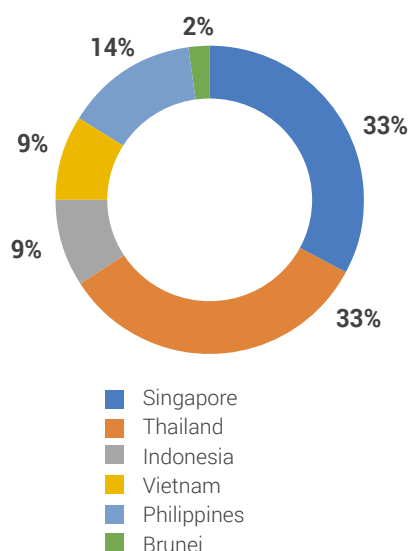
Respondents do not report any presence in Brunei, Cambodia, Laos & Myanmar

Companies that are Operationally Integrated across the Asia-Pacific

ASIA-PACIFIC



ASEAN



Respondents do not report any integrated activity in Cambodia, Laos & Myanmar

BUSINESS FUNCTIONS



81%
Manufacturing
Components



10%
For Local
Consumption



71%
For Export



61%
Manufacturing
Finished Products



10%
For Local
Consumption



51%
For Export



24%
Engineering/
Repair services



7%
For Local
Consumption



17%
For Export



29%
Shared Services
(Intra-company/group)



17%
Sales and
Marketing



17%
Global or Regional
Logistics Center



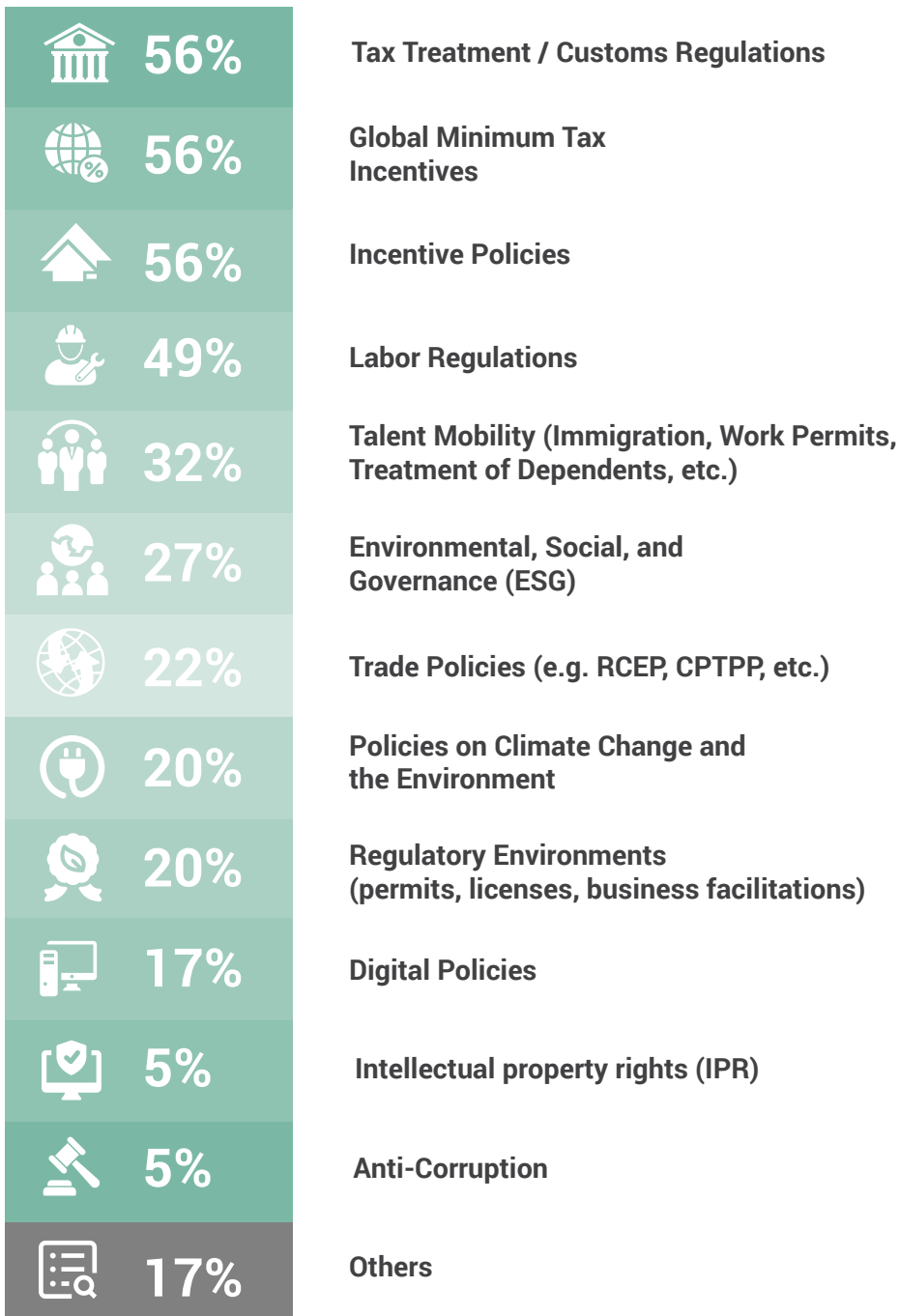
12%
International
Procurement Center



29%
Research / Design
& Development

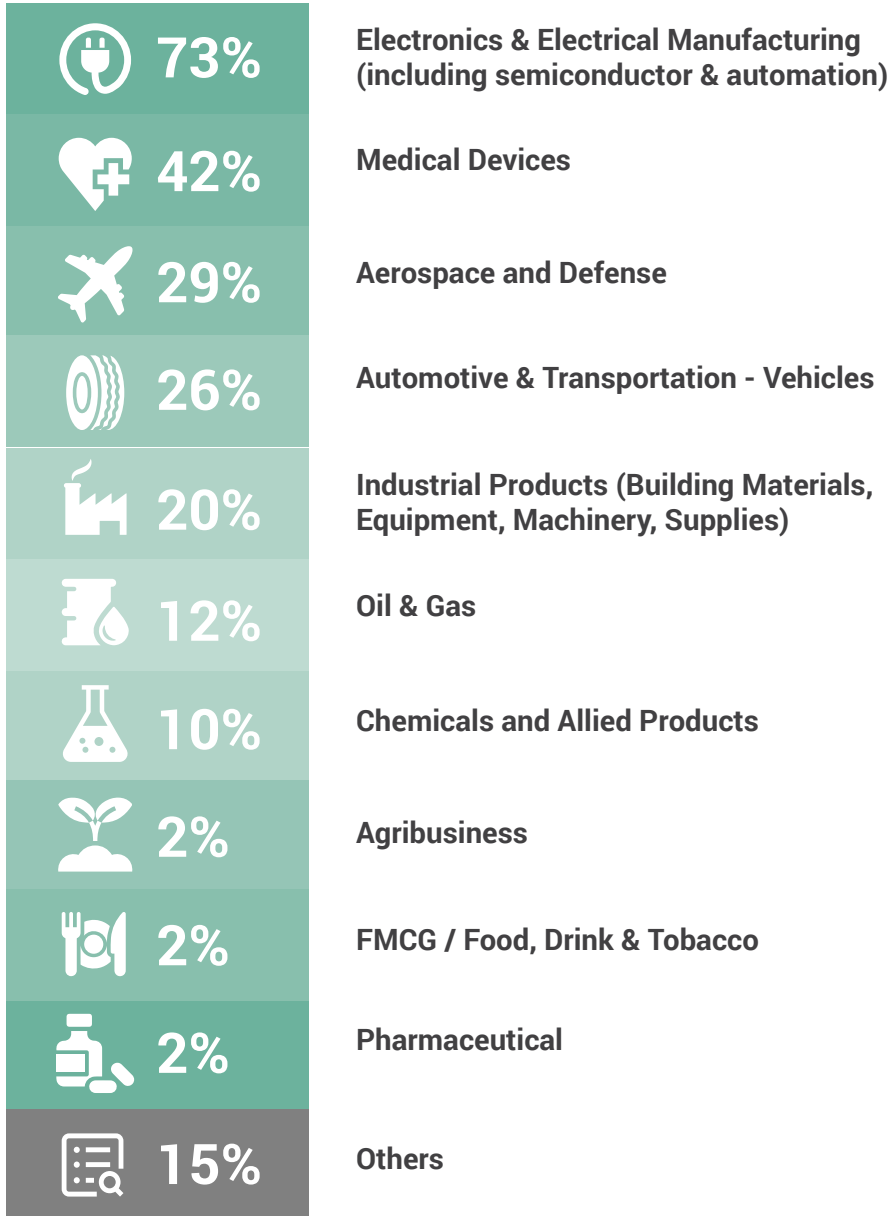
FUTURE POLICY CONCERNS

Global supply chains have been impacted not only by cost and risk assessments, but also by the regulatory environment of the country. The tax environment, including customs regulations and global minimum tax lead the respondents' policy concerns, and play a pivotal role in shaping business decisions for manufacturers.



GLOBAL INDUSTRIES SUPPORTED

AMCHAM's manufacturing member companies contribute to global value chains across various industries.



SECTION 1.2 MANUFACTURING

Electrical and Electronics Companies



FINANCIAL IMPACT

Now in its fifth decade in Malaysia, the electrical and electronics (E&E) industry, including semiconductors, has laid a robust foundation for growth, from corporate infrastructure, knowledge and technical workers, to robust ecosystem that relies heavily on localized sourcing. In doing so, these building blocks have continuously served as a springboard for the development of other sectors and value chains, notably automotive, medical devices, aerospace, industrial and service related industries.

The E&E industry, including semiconductors, contributes significantly to the country's economy, making up approximately 7% of Malaysia's GDP*. AMCHAM member companies contribute to 20% of Malaysia's E&E exports valuing RM 575.45bn. There were 33 respondents to this section.

INVESTMENT AND ECONOMIC CONTRIBUTION IN 2022/23



RM 16.2bn
Capital
Investment



RM 53.9bn
Operational
Expenditure



RM 1.9bn
Research &
Development (R&D)



RM 4.4bn
Employee Salaries
(Gross)



RM 1.4bn
Training & Education
(including HRDF)

*Source: MATRADE

CONTRIBUTION TO TRADE



Exported Goods & Services:
RM 117.9bn



TRADE SURPLUS
RM 51.1bn



Imported Goods & Services:
RM 66.8bn

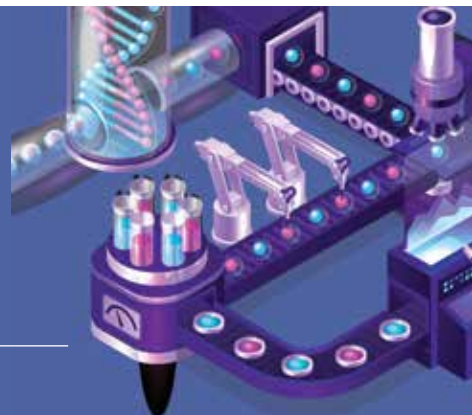


20%
Contributed by
AMCHAM member
companies

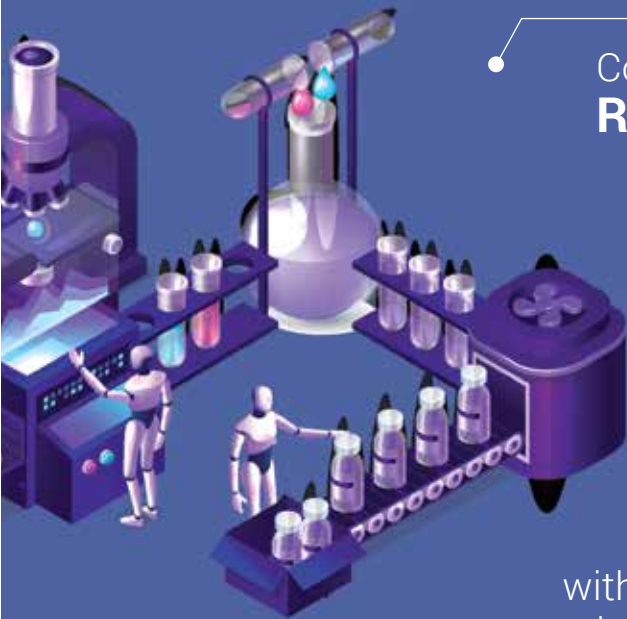
RM117.9bn
Total Exported
Good & Services

Malaysia's total export
value for E&E products
in 2023 =
RM 575.45bn

Source: MATRADE



SUPPORTING THE DOMESTIC ECONOMY



Counting only contracts worth **RM 100k** annually,

we have identified **7,286** relationships with local suppliers (goods & services)

with an average of **228** relationships per respondent.



RM 21.1bn

Total value of goods and services supply contracts with local companies in 2022/23



RM 790.8mil

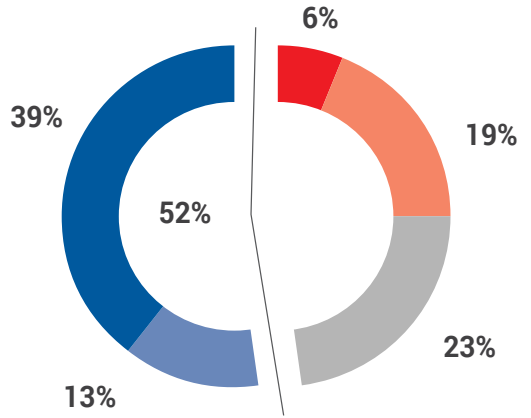
Total taxes paid in 2022/23 (both corporate income tax and personal income tax)

FINANCIAL PERFORMANCE & EXPECTATIONS

SECTOR PERFORMANCE

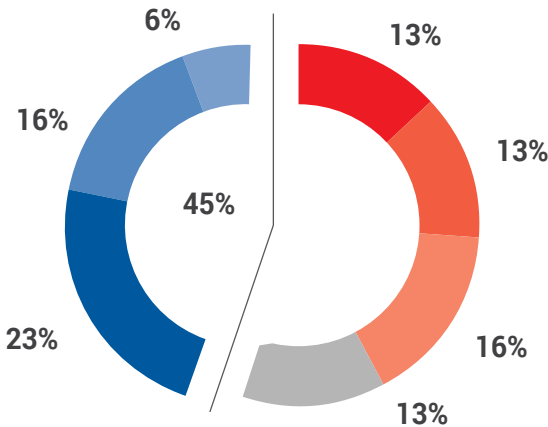
Mixed performance for 2022/23, with approximately **52%** enjoying revenue growth and **23%** were largely unchanged.

- Grew by >10%
- Grew by 5-10%
- Were largely flat
- Declined by >5%
- Declined by >10%



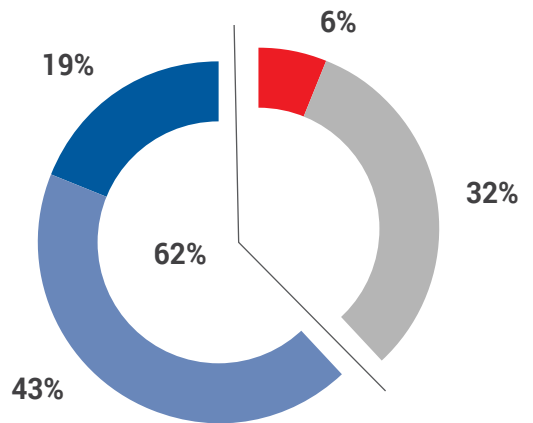
SECTOR OUTLOOK

45% E&E member companies are anticipating growth over the coming year while **13%** are expected to breakeven.



- Expected growth of >10%
- Expected growth of 5-10%
- Expected growth of 0-5%
- Expecting to breakeven
- Expected contraction of 0-5%
- Expected contraction of 5-10%
- Expected contraction of >10%

62% of E&E member companies intend further investment over the next 5 years.



- Increase significantly
- Increase
- Remain approximately the same
- Decrease

CREATING HIGH-SKILLED JOBS



119,704
Jobs created

87%
Fulfilled by
Malaysians



224
PhD Holders



4,027
Master's Degree Holders



24,774
Bachelor's Degree Holders

PROGRESSING UP THE VALUE CHAIN

During 2022/23:

15
New Business Activities
Including expansions on:



**Product
lines**



**Development
programs**



**Business
contracts**



**R&D
centers**



**Logistic
centers**



Vendor Development Programs

Over the last five years,

352 Vendor Development Programs
have been undertaken by
23 Member Companies



839 patents
Patents Developed in
Malaysia

RM 1.92bn
Invested in R&D
Activities in 2022/23

4

Global R&D
Centers

6

Regional
R&D Centers

17

Corporate
Design Centers

4

Others

BUSINESS FUNCTIONS



84%
Manufacturing
Components



9%
For Local
Consumption



75%
For Export



68%
Manufacturing
Finished Products



9%
For Local
Consumption



59%
For Export



31%
Engineering/
Repair services



9%
For Local
Consumption



22%
For Export



38%
Shared Services
(Intra-company/group)



22%
Sales and
Marketing



22%
Global or Regional
Logistics Center



16%
International
Procurement Center



38%
Research / Design
& Development

SECTION 2 SERVICES



FINANCIAL IMPACT

The services sector incorporates general services, healthcare, ICT, FMCG, banking, and insurance. Notably, the insurance and banking sectors contribute to bolstering Malaysia's economy, with the two main components highlighted below.

INVESTMENT AND ECONOMIC CONTRIBUTION IN 2022/23



RM 1.3bn
Capital
Investment



RM 1.1bn
Operational
Expenditure



RM 13.1bn
Historical FDI



RM 6.4bn
Employee's Salaries
(Gross)



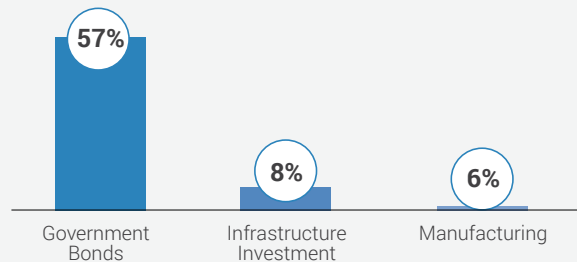
RM 14.7mil
Training & Education
(including HRDF):

INSURANCE SECTOR

RM1.6bn
Total Investment
in Malaysia

100% of insurance companies expect their investments in Malaysia to increase over the next 5 years:-

Of which were invested into the following categories:



Insurance companies continues to play a significant role in providing insurance coverage across Malaysia:

RM 903mil
Total Annual Premium
Equivalent (APE)

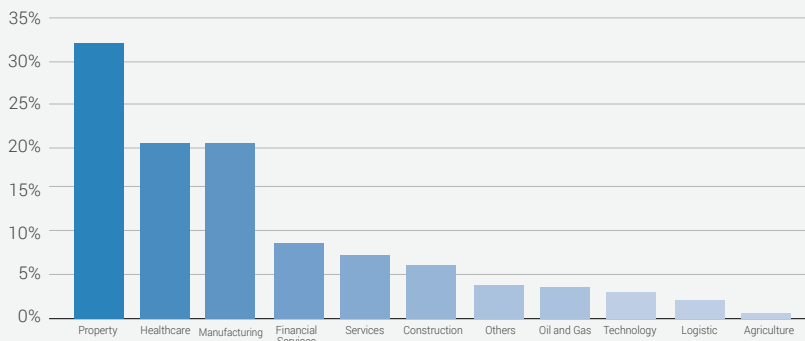
RM 542mil
Total Claims

BANKING SECTOR

RM52.1bn
Aggregate Loan
Book Size
(Onshore)

75% of member companies in the banking sector expect their investments in Malaysia to increase over the next five years and reported a high annual revenue gain.

Overall Aggregate Loan Book Exposures (Onshore & Offshore)



SUPPORTING THE DOMESTIC ECONOMY

Counting only contracts worth
RM 100k annually,

we have identified **1,427**
relationships with local
suppliers (goods & services).

RM 3.2bn taxes paid in
2022/23 (both corporate and
personal income tax)

CREATING HIGH-SKILLED JOBS



18,943
Jobs created

86%
Fulfilled by
Malaysians



109
PhD Holders



1,671
Master's Degree Holders



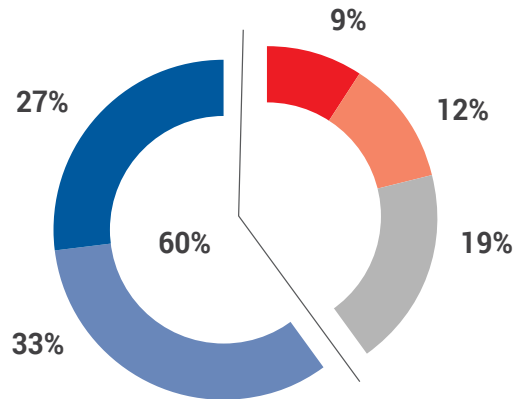
11,474
Bachelor's Degree Holders

FINANCIAL PERFORMANCE & EXPECTATIONS

SECTOR PERFORMANCE

Mixed performance for 2022/23, with approximately **60%** enjoying revenue growth and **19%** remaining the same as in previous years

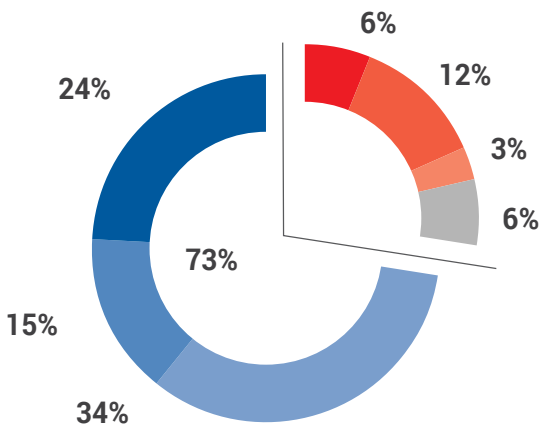
- Grew by >10%
- Grew by 5-10%
- Were largely flat
- Declined by >5%
- Declined by >10%



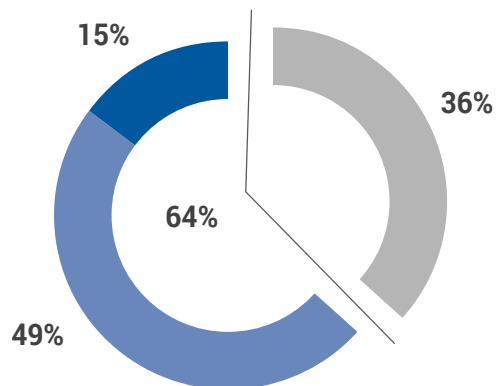
SECTOR OUTLOOK

Outlook is positive, with at least **73%** anticipating growth over the coming year.

64% of companies intend further investment over the next 5 years.



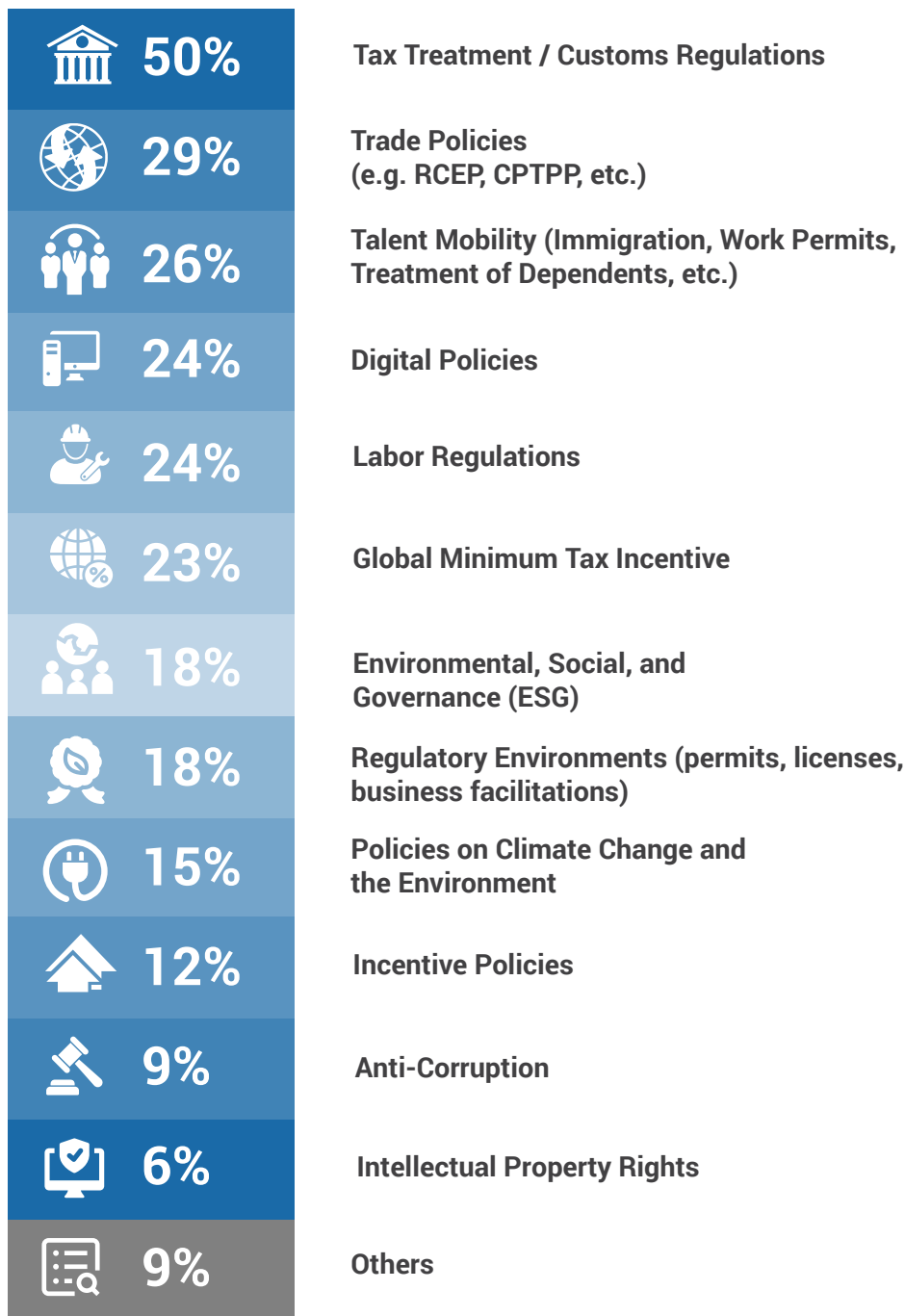
- Expected growth of >10%
- Expected growth of 5-10%
- Expected growth of 0-5%
- Expecting to breakeven
- Expected contraction of 0-5%
- Expected contraction of 5-10%
- Expected contraction of >10%



- Increase significantly
- Increase
- Remain approximately the same

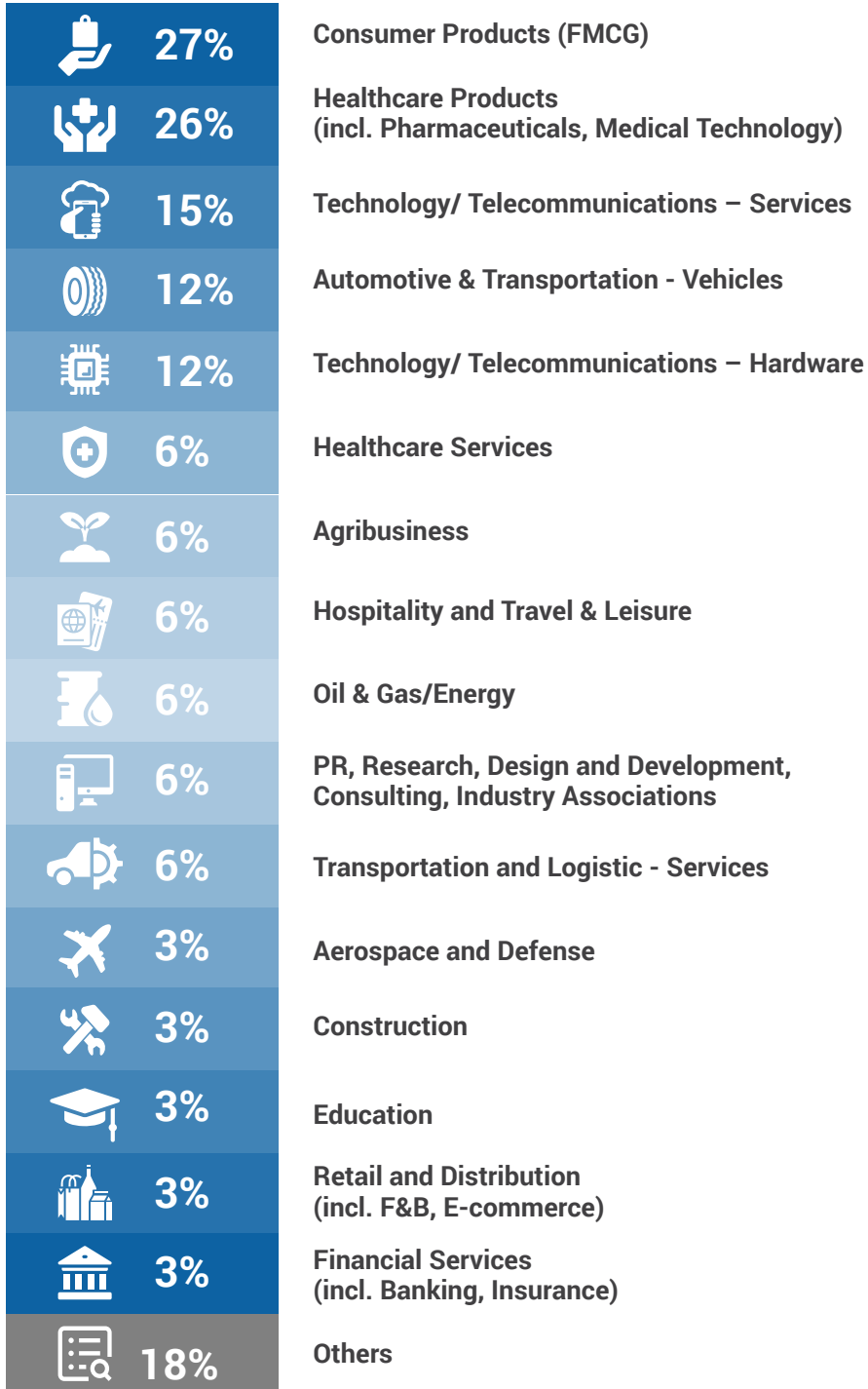
FUTURE POLICY CONCERNS

The services sector has undergone significant transformation throughout the post-pandemic era adapting to new operational settings. There are increasing concerns around tax treatment and trade policies, signaling a need for a more streamlined and efficient operational landscape.



GLOBAL INDUSTRIES SUPPORTED

AMCHAM member companies in the services sector input into supply chains for a wide range of industries across the globe



SECTION 3 AGRIBUSINESS, EXTRACTION & ENERGY



FINANCIAL IMPACT

INVESTMENT AND ECONOMIC CONTRIBUTION



RM 958mil
Capital
Investment



RM 4.4bn
Operational
Expenditure



RM 2.5mil
Research &
Development (R&D)



RM 67.2bn
Historical FDI data

Although only five companies in these sectors responded, the inputs are significant enough to allocate a separate section as these sectors are growing in importance.



RM 492mil
Employee Salaries
(Gross)



RM 13mil
Training &
Education
(including HRDF)



RM 832mil
Exported Goods &
Services



Counting only contracts worth
RM 100k annually,

we have identified **388**
relationships with local
suppliers (goods & services).

3,650
Jobs created

90%
Held by
Malaysians

RM 2.7bn
Total value of
contracts

RM 1.6bn
Taxes paid

SURVEY RESPONDENTS

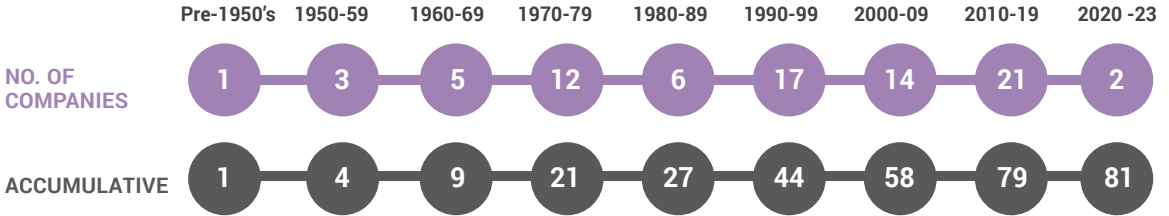
Image courtesy of PNB Merdeka Ventures Sdn Berhad.



INVESTMENTS LANDSCAPE

LONG-TERM INVESTORS

YEAR OF FIRST INVESTMENT IN MALAYSIA:



NUMBER OF INVESTMENT IN:

PENANG	50
KUALA LUMPUR	36
SELANGOR	26
JOHOR	22
MELAKA	11
SABAH	9
KEDAH	8
SARAWAK	8
NEGERI SEMBILAN	7
PAHANG	6
LABUAN	6
PERAK	5
PUTRAJAYA	2
KELANTAN	2
TERENGGANU	2
PERLIS	0



SURVEY RESPONDENTS 2022/23

- Abbvie Sdn. Bhd.
- Advanced Energy Industries ^
- AECOM Perunding Sdn. Bhd.
- Agilent Technologies LDA Malaysia Sdn. Bhd. ^ *
- Alltech Biotechnology Malaysia Sdn. Bhd.
- Altair Engineering Sdn. Bhd.
- AmMetLife Insurance Bhd.
- Analog Devices Sdn. Bhd. ^ *
- Asia School of Business
- Bank of America Malaysia Bhd.
- Ben Line Agencies (Malaysia) Sdn. Bhd.
- Benchmark Electronics (M) Sdn. Bhd. ^ *
- Boston Scientific Medical Device (Malaysia) Sdn. Bhd. *
- Cargill Holdings (M) Sdn. Bhd. *
- Chubb Insurance Malaysia Bhd. *
- Citibank Bhd.
- Clorox (M) Sdn. Bhd. *
- COGDEV Malaysia Sdn. Bhd.
- ConocoPhillips Asia Pacific Sdn. Bhd.
- Danisco Malaysia Sdn. Bhd.
- Davis Standard (M) Sdn. Bhd.
- Dell Global Business Center Sdn. Bhd. ^ *
- Dexcom (Malaysia) Sdn. Bhd.
- Edwards Lifesciences
- EQ Kuala Lumpur
- ExxonMobil Exploration and Production Malaysia Inc *
- First Solar Malaysia Sdn. Bhd.
- Flextronics Malaysia ^ *
- Foresight Asia Pacific Sdn. Bhd.
- Fu Hao Manufacturing (M) Sdn. Bhd.
- GlaxoSmithKline Pharmaceutical Sdn. Bhd.
- Halim Hong & Quek
- Hershey Malaysia Sdn. Bhd.
- HID Global Sdn. Bhd. ^ *
- Honeywell International Sdn. Bhd.
- HP Malaysia Manufacturing Sdn Bhd. ^ *
- HSBC Bank Malaysia Bhd. *
- IBM Malaysia Sdn. Bhd.
- In-Tech Electronics Sdn. Bhd. ^
- Intel Technology Sdn. Bhd. ^ *
- J.P. Morgan Chase Bank Bhd *
- Jabil Circuit Sdn. Bhd. ^ *
- Johnson & Johnson Sdn. Bhd. *
- Keysight Technologies Malaysia Sdn. Bhd. ^ *
- Lake Region Medical Sdn. Bhd. *
- Lam Research International Sdn. Bhd. ^ *

Please note the definitions of the following in this respondent list:

American companies highlighted in black

^ company in E&E sector

*** returning participant from the 2020/21 EIS**

SURVEY RESPONDENTS 2022/23

- Lumileds Malaysia Sdn. Bhd. ^ *
- Mattel Malaysia Sdn. Bhd. *
- MetLife *
- Micron Memory Malaysia Sdn Bhd. ^ *
- Mondelez Malaysia Sales Sdn Bhd. (MMS)
- Motorola Solutions Malaysia Sdn Bhd. ^
- **NationGate Solution (M) Sdn Bhd. ^ ***
- Nexperia Malaysia Sdn. Bhd. ^ *
- NI Malaysia Sdn Bhd ^ *
- **NXP Malaysia Sdn. Bhd. ^**
- Oracle Corporation Malaysia Sdn. Bhd.
- PepsiCo Malaysia Sdn. Bhd.
- Pfizer (Malaysia) Sdn. Bhd.
- Philip Morris (Malaysia) Sdn. Bhd. *
- Plexus Manufacturing Sdn. Bhd. ^ *
- **PS-engage Global Government Relations Pte. Ltd.**
- **PricewaterhouseCoopers Malaysia**
- Rapiscan Systems Sdn. Bhd. ^ *
- **RGA Global Reinsurance Company Ltd, Labuan Branch**
- Roncelli Plastics Sdn. Bhd. ^
- Samtec Asia Pacific (M) Sdn. Bhd. ^ *
- Sanmina-SCI Systems (M) Sdn. Bhd. ^ *
- Seagate International (Johor) Sdn. Bhd. ^ *
- Sensata Technologies Malaysia Sdn. Bhd. ^ *
- SMART Modular Technologies Sdn. Bhd. ^ *
- **Smith & Nephew Operations Sdn. Bhd. ^ ***
- Spirit Aerosystems Malaysia Sdn. Bhd. *
- SunPower Malaysia Manufacturing Sdn. Bhd.^ *
- Synergy Sterilisation (M) Sdn. Bhd. *
- Texas Instruments Electronics Malaysia Sdn. Bhd. ^ *
- Texas Instruments Malaysia Sdn. Bhd. ^ *
- **VERITAS Architects Sdn. Bhd.**
- Viatris Sdn. Bhd. *
- WD Media (Malaysia) Sdn. Bhd. ^ *
- Zebra Technologies Malaysia Sdn. Bhd.

Please note the definitions of the following in this respondent list:

American companies highlighted in black

^ company in E&E sector

*** returning participant from the 2020/21 EIS**

An aerial photograph of the Petronas Towers in Kuala Lumpur, Malaysia, with a park and a lake in the background. The image is split vertically by a white triangle pointing downwards. The top half shows a park with a large, irregularly shaped lake and greenery. The bottom half shows the two towers of the Petronas Twin Towers, with a large circular skylight visible between them.

ECONOMIC 
IMPACT SURVEY 
2022-2023



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