

## Media Release

For immediate release

# MCKIP celebrates 10 years of successful bilateral and investment opportunities

***A catalyst of growth in the East Coast Economic Region, MCKIP has attracted investors in heavy and medium industries to spur commercial activities, job creation, technology transfer, tourism flows and people-to-people connectivity.***

KUANTAN, 7 April 2023 – The Malaysia China Kuantan Industrial Park (MCKIP) celebrates its 10th anniversary, marking a decade of successful collaboration between Malaysia and China. Established in 2013, MCKIP has since become a leading industrial hub in the East Coast Region, attracting investments from various industries and driving economic growth.

MCKIP, together with IJM-owned Kuantan Port, commemorated its 10<sup>th</sup> anniversary with Malaysian and Chinese government and business stakeholders with series of activities at the "Year of Investing in China" (Embracing ASEAN) programme in MCKIP and Kuantan Port today.

In Kuantan Port, the Kuantan Port-Beibu Gulf Port-Sichuan-ChongQing Multimodal Transport Route and the inauguration ceremony of the Kuantan New International Land-Sea Trade Channel were launched by YB Anthony Loke, Minister of Transport Malaysia together with Mr Liu Ning, Secretary of the CPC Guangxi Zhuang Autonomous Regional Committee. The delegates were also brought on a site visit to Kuantan Port's New Deep Water Terminal and MCKIP show gallery.

The delegates adjourned to MCKIP, located 15 minutes away from Kuantan Port to witness the ground-breaking ceremony of the Malaysia China Kuantan International Logistics Park (MCKILP), Alliance Steel's expansion and the Hebei Puxin Paper projects. The event concluded with another tour of Camel Power and Alliance Steel major projects that have successfully set up shop in MCKIP.

"The series of events, including the site visits, launching of key land-sea corridor projects and ground-breaking of three major projects in MCKIP underscore the progress that the industrial park has made over the years," said Mr. Lee Chun Fai, Chairman of MCKIP and Group CEO of IJM Corporation Berhad.

"We have come a long way in the past decade when MCKIP was borne out of a catalyst to revitalise the industrialisation of the East Coast Economic Region. Fast forward to today, MCKIP has emerged as a leading industrial hub in the region – driving the development of new industries, attracting global investments and creating job opportunities for the local community," Mr. Lee added.

MCKIP is a joint venture between a Malaysian consortium led by IJM Corporation Berhad and a Chinese consortium led by Guangxi Beibu, a state-owned logistics company. Launched in 2013, MCKIP, along with the China-Malaysia Qinzhou Industrial Park (CMQIP), are the first sister parks in different countries, creating a new model of "Two Countries, Twin Parks" bilateral investment cooperation. An important component of the Belt Road Initiative (BRI), the sister parks are intended to drive the development of industrial clusters, enhance the regional supply chain management and optimise the flow of trade and investment which runs between Malaysia and China – connected via the sister ports of Kuantan Port and Qinzhou Port.

Spanning over 3,500 acres, MCKIP 1 and 2 are fully taken up and have attracted heavy and medium industries such as steel and non-ferrous metals, high-end equipment and advanced materials manufacturing. MCKIP has realised RM14.55 billion in investments and RM15.45 billion more has been committed. The industrial park is estimated to hit a gross development value of RM45 billion when completed. Since 2018, the Chinese counterparts' Alliance Steel and Camel Power Battery as well as IJM-owned Industrial Concrete Products Sdn Bhd spun pile manufacturing facility have been operating in the industrial park.

Mr Lee said: "A BRI success story, MCKIP's 10<sup>th</sup> anniversary milestone is not just a celebration of its growth and success, but also a testament to the successful cooperation between Malaysia and China, creating a pathway for future investments and economic development in the region. We are proud to have played a part in driving this initiative forward, and we look forward to continuing to do so in the years to come"

In July 2022, IJM sealed a strategic partnership with China Harbour Engineering Company for the development of the Malaysia-China Kuantan International Logistics Park (MCKILP) in MCKIP 3 – an integrated mixed development and logistics hub on a 640-acre site in MCKIP.

This ambitious project will transform MCKIP into a premier international industrial and logistics hub in the East Coast Economic Region of Malaysia. MCKILP aims to attract foreign direct investment of up to USD4 billion, create 20,000 jobs, and churn out an annual production value of up to USD3 billion from investors. The development of MCKILP is timely and will provide critical infrastructure that will bolster Malaysia's logistics and supply-chain resilience and connectivity. By 2027, MCKIP and Kuantan Port will be integrated with the East Coast Rail Link (ECRL), a highly-anticipated land-bridge which will connect the east coast to the west coast of Malaysia, further enhancing the logistics network in the country.

"We are confident MCKIP and Kuantan Port will continue to play its role in implementing the consensus reached by the leaders of Malaysia and China to further strengthen our relations by creating more economic opportunities for our respective businesses and people, enhance bilateral trade and investment relations," Mr. Lee added.

- end -

### Photos and captions



**Picture 1 (left):** The Kuantan Port-Beibu Gulf Port-Sichuan-ChongQing Multimodal Transport Route and the inauguration ceremony of the Kuantan New International Land-Sea Trade Channel were launched by YB Anthony Loke, Minister of Transport Malaysia together with Mr Liu Ning, Secretary of the CPC Guangxi Zhuang Autonomous Regional Committee.

**Picture 2 (right):** MCKIP, together with IJM-owned Kuantan Port, commemorated its 10th anniversary with Malaysian and Chinese government and business stakeholders with series of activities, including the ground breaking ceremony of MCKILP, Alliance Steel's expansion and the Hebei Puxin Paper projects.

### **About Malaysia-China Kuantan Industrial Park (MCKIP)**

MCKIP was launched in 2013 and is the first industrial park in Malaysia to be jointly developed by both Malaysia and China and to be accorded the “National Industrial Park” status. An important component in the China-Malaysia supply chain, MCKIP’s target industry clusters include: steel and non-ferrous metals, machinery & equipment manufacturing, clean technology & renewable energy, oil & gas and petrochemical, electric & electronic, and research & development.

MCKIP is the sister park of China-Malaysia Qinzhou Industrial Park (CMQIP) and these two parks have been identified by the Malaysian and Chinese governments as an “Iconic Project for Bilateral Investment Cooperation” that will drive the development of industrial clusters in both countries.

MCKIP, is a 51:49 joint venture between two consortiums from Malaysia and China. The Malaysian consortium consists of a public-private partnership spearheaded by Kuantan Pahang Holding Sdn. Bhd. comprising IJM Land Berhad, Sime Darby Property and the Pahang State Government.

The remaining 49% stake of the Chinese consortium is led by the state-owned conglomerate Guangxi Beibu Gulf International Port Group and the Qinzhou Investment Development Co., Ltd.

### **About Kuantan Port Consortium Sdn Bhd**

Kuantan Port Consortium Sdn Bhd (Kuantan Port), is owned by IJM Corporation Berhad and Beibu Gulf Holding (Hong Kong) Co. Ltd. on a 60:40 equity holdings basis.

Strategically located on the eastern seaboard of Peninsular Malaysia and in the heartland of petrochemical industries, Kuantan Port has developed into a major petrochemical, bulk, and container terminal in the east coast region. Supported with excellent port facilities and services, a vast market outreach, and a strong network of global shipping connections, Kuantan Port will be a catalyst for the rapid expansion of the industrial and manufacturing activities in the East Coast Industrial Corridor.

With the completion of its New Deep Water Terminal, Kuantan Port is envisaged to be the main gateway to China and the Far East and shall act as a transshipment hub for minor ports in the region.

### **About IJM Corporation Berhad**

IJM Corporation Berhad (“IJM”), formed in 1983, today ranks as one of Malaysia’s leading conglomerates with an international footprint forged by its four core businesses: construction, property development, industry (quarrying and the manufacture of building materials) and infrastructure concessions. IJM holds leading positions across all its business divisions. Its growth is the direct result of strong leadership, dedicated employees, financial prudence and commitment to good governance and quality.

The Group presently has a market capitalisation of around RM6.6 billion and as of December 2021, the Group employed over 3,000 employees and had total assets of RM21.8 billion.

For more information, visit [www.ijm.com](http://www.ijm.com)

For media enquiries, please contact:

Ms. Mandy Chen, Corporate Communications, at [mandychen@ijm.com](mailto:mandychen@ijm.com) or + 60 12 607 6121

Mr. Shane Guha Thakurta, Investor Relations, at [shanethakurta@ijm.com](mailto:shanethakurta@ijm.com) or + 60 3 7985 8041