



**KEYNOTE ADDRESS BY**

**YAB DATO' SERI ANWAR BIN IBRAHIM  
PRIME MINISTER OF MALAYSIA**

**FOR**

**ASEMIS ASEAN 2025 THE ONE YEAR ANNIVERSARY OF  
MALAYSIA'S NATIONAL SEMICONDUCTOR STRATEGY  
(NSS)**

**24 JULY 2025 (THURSDAY) | 3.30 PM  
ONE WORLD HOTEL, PETALING JAYA, SELANGOR**

Assalammualaikum warahmatullahi wabarakatuh dan salam sejahtera.

Tengku Zafrul

Steven Sim

Ketua Menteri Pulau Pinang

Timbalan Menteri;

Ketua Setiausaha Negara;

Rakan-rakan yang saya muliakan.

1. Saya ucap terima kasih dan penghargaan kepada MITI dan juga Dato' Seri Yong Su Hai dan Persatuan Semikonduktor Malaysia kerana menganjurkan satu *Summit* yang sangat bermakna memenuhi strategi kita yang kita luncurkan tahun lalu dengan NSS yang mahu meletakkan Malaysia bersama ASEAN. Memanfaatkan industry, mencabar teknologi baru yang akan membantu meningkatkan pertumbuhan dan perkembangan negara dan juga rantau kita.

2. Dan kebetulan setelah kita luncur ini, tadi saya diperingatkan oleh Tengku Zafrul, ini sebelum kemelut soal tarif. Dan sekarang dengan tarif oleh Presiden Trump dan ketegangan dagang di antara Amerika Syarikat dan negara China, keperluan menumpukan perhatian kepada Malaysia dan ASEAN itu lebih mendesak lagi.

Excellencies ladies & gentlemen,

3. Just over a year ago, I launched Malaysia's National Semiconductor Strategy, the NSS, outlining our aspiration to promote technology for the greater good and position Malaysia together as ASEAN partner as a leading partner in the global semiconductor industry.
4. So much has changed since then. The global tariff landscape has grown more volatile and unpredictable, alongside tighter export controls and a rising push for technological selfreliance. In this evolving environment, the NSS is even more critical in consolidating Malaysia's long-term economic and geopolitical global positioning.

5. In my view, true supply chain resilience means eliminating weak links, either by producing what we need effectively or securing reliable partnerships to access what lies beyond our domestic capabilities. In these volatile times, diversifying our options is not just wise, it is absolutely essential.
  
6. So, our journey in the semiconductor sector began more than fifty years ago, with Intel opening its first overseas production in Penang, that explains why the Chief Minister is here today. Today, we are a trusted and indispensable node in the global semiconductor supply chain, particularly in assembly and testing. But, the NSS is not about staying where we are. It is about moving forward, capturing more value through R&D, IC design, and advanced manufacturing.
  
7. The MITI Minister, Tengku Zafrul, just reminded us of the five headline targets for the NSS a while ago, on: investments; growing local companies; developing Malaysia as a R&D Hub; training 60,000 Malaysian engineers; and our RM25 billion in fiscal support to operationalise the NSS. While we have made progress across all fronts, we also need to learn from global shifts and re-prioritise, with resilience, determination, and neutrality in mind.

8. Most importantly, our mindset must shift from just having Made in Malaysia products to creating Made by Malaysian products. And this is the spirit that we had a series of discussions with our ASEAN partners how to utilize this experience working together to benefit our region. Now, established semiconductor ecosystem is wellpoised to help us move beyond an FDI-first model and focus on building homegrown champions.
9. This doesn't mean turning away investors, it's critical to attract them, but being more strategic and prudent. We want long-term collaborators who grow with us. And we will continue to welcome partners who strengthen our supply chains, transfer their knowledge and technologies, and deliver real value to Malaysians.
10. Accordingly, the most important target now is to deliver the10+100. This means building 10 Malaysian semiconductor and supply chain companies with revenues between RM1 billion and RM4.7 billion, and nurturing at least 100 more to approach the RM1 billion mark. These companies will not only export Malaysian products to the world, but also bring our knowledge, value creation and talent into ASEAN and together with

ASEAN to the global markets. They will be our flagbearers abroad, rooted at home.

11. The second shift in priorities is reorienting talent development. There is a global shortage of engineers, even in the most advanced economies. By training and upskilling our own engineers, Malaysia is also contributing to a broader regional, ASEAN-wide, effort. If we act as a community rather than as individual nations, we can address this shortage more effectively.
12. Malaysian companies should also work with partners across ASEAN to build infrastructure, enhance technical capabilities, and support the development of electronics industries in neighbouring countries. Companies such as Vitrox, Pentamaster, Greatech and SkyeChip are already internationally competitive. But these companies are still small in the global context. Hence, we must build on their success, creating opportunities for regional collaboration, new markets for our firms, and real industrial growth across ASEAN. Our NSS is targeting to build some of these Malaysian companies into a mini-Intel or a mini-TSMC within a decade.

13. In short, Malaysia must build on its local strengths to serve a larger regional and global purpose. By strengthening our domestic ecosystem, we are also helping to raise ASEAN's industrial capacity. Through these efforts, Malaysia can truly become the Indispensable Middle, a trusted partner that connects ASEAN to the world.

Ladies and Gentlemen,

14. Even as we recalibrate our priorities, we must also strengthen our strategy by introducing new, essential elements. Over the past year, we have continued engaging with industry players across Malaysia and abroad, to better understand their challenges. These consultations have helped us identify where targeted support is most needed.

15. I'm pleased to share some key achievements on the NSS, one year after its launch:

- a. First, as of March 2025, we have secured more than RM63.0 billion of investments, with RM5 billion from domestic sources, and RM58 billion from foreign sources. Notable projects include Carsem's

advanced packaging for energy efficiency, EV, connectivity and AI; NXP's semiconductor products, Infineon's world's largest 200mm silicon carbide (SiC) power fab, Syntiant's MEMS microphone and sensors; and Plexus' manufacture and re-manufacture of Printed Circuit Boards.

- b. Secondly, in terms of growing 10 semiconductor companies with revenue >USD1 billion; and 100 with revenue >RM1 billion, I am proud to share that Malaysia now has at least thirteen (13) homegrown companies (across the semiconductor value chain) congratulation!. An emerging as potential national champions. Nine (9) of them, including Carsem, Inari, Pentamaster, ViTrox, and Kelington, Not much Malaysian names, but nonetheless they are each expected to generate over RM500 million in revenue this year. A rose is a rose. So the rule sounds English, but still they are Malaysian. It comes to profitability now. The other four (4) are IC design and development firms with strong momentum, such as OppStar, SkyeChip, Infinecs, and Experior, each recording annual revenue growth above 25 percent. Fifty years from now, much less 50 years is the Zafrul target. Mine is

much less. we want Malaysia to be able to look back at this moment as the tipping point when the country began grooming its very own Fortune 500 tech companies.

- c. Thirdly, on creating 60,000 engineers alluded to earlier and given how tight the labour market is for skilled tech talent, I am happy to share that CREST (an agency under MITI), and HRD-Corp (an agency under the Ministry of Human Resource), are entering into a collaboration to develop a robust tech talent pipeline for the semiconductor industry from 2025 - 2030. This is a key commitment under NSS, for which our proposed allocation is RM1.2 billion over 5 years.
16. Moving forward, we are now ready to provide stronger backing for the NSS, I want to reiterate this commitment more support for under the NSS strategy, particularly in growing our 10+100 national champions. This enhanced support will focus on three key areas.
  17. First, we will unlock more catalytic capital to support earlystage R&D, product development, and ecosystem scaling. This includes a suite of targeted financing instruments, matching funds, and customised incentives,

alongside continued investments by our GLICs, all aimed at strengthening local semiconductor capabilities and advancing Malaysia's position in the global value chain. To date we have received a commitment of more than RM2 billion in various forms to support the industry's development, from the Government and other stakeholders' crowd-in capital. This includes support by GLICs like Khazanah and KWAP (under the GEAR-uP initiative), Bank Negara Malaysia and through partnerships with global players.

18. Second, we will elevate our semiconductor diplomacy through deeper Government-to-Government cooperation, expanding market access for Malaysian firms and forging trusted technology partnerships. As Chair of ASEAN 2025, Malaysia will lead efforts to strengthen regional collaboration, positioning ASEAN as a resilient and competitive hub in the global semiconductor value chain.
19. Third, in strengthening our talent ecosystem via the CRESTHRD Corp initiative mentioned earlier, we will also drive stronger collaboration across public, private, and academic institutions which is key to my mind, to build a future-ready and industry-relevant workforce. In parallel, we will also intensify our R&D efforts through

strategic collaboration between government, industry, and academia, ensuring Malaysia builds focused capabilities and remains competitive in a rapidly evolving, high-tech global landscape.

20. Malaysia remains committed to connecting current technological capabilities with future humanity-enhancing innovations. Our NSS is a clear roadmap to achieving that aspiration. It is, as I mentioned a year ago, a means for Malaysia to advance and democratise technology for the good of all humanity.
21. As we move forward, we will adapt and course-correct, guided by resilience and agility. While the implementation of the NSS may evolve with time, Malaysia's commitment to being a leading global partner, and the Indispensable Middle, will remain steadfast.
22. Therefore, ladies and gentlemen, we are here to build, in Malaysia, for Malaysians, and beyond. With globally competitive companies and talent, we aim to drive shared progress across ASEAN and invite all of you to be part of this journey.

Terima kasih.

Thank you.