

Chairman's Message Year End 2024

“星星之火,可以燎原” (“a single spark can start a prairie fire”) illustrates the BlueChip spark that revitalized Malaysia’s semiconductor industry, demonstrating that one strategically crafted effort can ignite widespread influence and transformative outcomes.

For over fifty years, Malaysia’s semiconductor sector has predominantly relied on outsourced semiconductor assembly and test (OSAT) operations led by multinational corporations (MNCs). BlueChip’s mission is to kindle a catalytic flame, infusing fresh vitality into Malaysia’s semiconductor landscape and propelling the industry towards a new paradigm shift. We advocate a dual-faceted approach, where local and foreign enterprises, explore a path of research, innovation, and collaboration that will propel Malaysia’s semiconductor industry towards high-quality and resilient growth.

Looking back at 2024: Breakthroughs and Milestones

In April 2023, BlueChip Venture Capital Fund was officially established. This pioneering move embodied our insight into Malaysia’s unique neutral position, offering an optimal response to U.S.-China geopolitical dynamics, while injecting strong momentum into the development of the national semiconductor industry and driving wealth creation.

The year 2024 was a pivotal period for Malaysia’s semiconductor sector. BlueChip’s impactful vision set in motion a chain reaction of groundbreaking milestones. These achievements laid a strong foundation for the industry’s next phase of growth, much like fertile soil giving rise to new life after a rejuvenating fire.

Let us revisit the most critical and meaningful activities led by BlueChip in 2024:

- **February:** BlueChip together with strategic investment partners Hopu-Arm and NRL Investment Fund, met with Economy Minister Rafizi Ramli, receiving high praise and recognition. BlueChip is regarded as a pioneer in driving national semiconductor development through Venture Capital Funds.
- **April:** At the KL20 Summit, BlueChip collaborated with the sovereign wealth fund Khazanah Nasional Berhad and the Retirement Fund (KWAP) to launch a RM3 billion ASEAN Investment Initiative. This landmark partnership, witnessed by Prime Minister Anwar Ibrahim, underscored a collective commitment to advancing the semiconductor industry.

- **May:** During the SEMICON SEA 2024 conference, the Malaysian government unveiled the RM25 billion National Semiconductor Strategy (NSS), signaling a significant step towards enhancing the Malaysia's position in the global semiconductor sector while showcasing bold government stewardship.
- **June:** BlueChip invited Economy Minister Rafizi Ramli to visit the Suzhou Industrial Park (SIP), to observe its development model and oversee the signing ceremony of the Sino-Malaysia (Suzhou) Integrated Circuit Industry Research Institute (SMII-IC). This initiative deepened Malaysia-China cooperation and provided valuable expertise for the development of industrial parks in Malaysia.
- **August:** Malaysia's first IC design industrial park in Selangor was officially inaugurated, followed by the announcement of a semiconductor IC design industrial park in Penang. This initiative was a direct result of BlueChip's proposal to Selangor's leadership in February. The Economy Minister highlighted this move as a key success in elevating the semiconductor value chain and driving the industry towards upstream development.
- **November:** BlueChip initiated a strategic engagement with Selangor Menteri Besar Amirudin Shari, who led a delegation to the Suzhou Industrial Park. The delegation gained a deep understanding of the Park's development model and evaluated the two-fold strategy of collaboration between MNCs and local enterprises, with the goal of strengthening Malaysia's semiconductor value chain. BlueChip has been working to facilitate the establishment of an offshore innovation center in Selangor by Suzhou Industrial Park, furthering its vision to build a version of Suzhou Industrial Park in the state.

Looking ahead to 2025, the BlueChip spark will continue to burn brightly. As the saying goes, “打铁还需自身硬, 绣花要得手绵巧” (“To forge iron, one must be strong; to embroider, one must be skillful”). BlueChip's founding team is composed of a group of elite professionals with a shared vision for our country, combining global expertise in semiconductors, artificial intelligence and finance. We are fortunate to benefit from Malaysia's National Semiconductor Strategy and the exceptional leadership shown by the country's leaders at critical moments, granting us with unprecedented opportunities for development.

Our goal is clear: to transition Malaysia's semiconductor industry from an MNC-centric model to one that empowers local industries. Drawing inspiration from thriving industrial parks like Suzhou, we are committed to carving a unique path for Malaysia, rising to higher levels in the global semiconductor value chain and building a more self-reliant, innovative, and sustainable industry ecosystem.

Thank you for being part of our incredible journey. Together, let us embrace new challenges ahead, unite in purpose, and create an even more brilliant future!