

ISSUE #06 | JULY 2022

DIGITAL PULSE

DIGITAL TRANSFORMATION TO THE FORE

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MALAYSIA DIGITAL

MDEC Heralds Safe Passage into Endemic Phase



About MDEC

MALAYSIA DIGITAL ECONOMY CORPORATION (MDEC) is the agency under the Ministry of Communications and Multimedia Malaysia leading the digital transformation of the economy for 25 years. We aim to enable a progressive, innovation-led digital economy.

MDEC will continue to lead Malaysia towards becoming a globally competitive digital nation through the development and execution of the Malaysia Digital initiative, which aims to create substantial digital economic spill-over through equitable access to digital tools, knowledge, and income opportunities.

Predicated on a new framework built upon three primary components – Agility, Flexibility, and Relevance – Malaysia Digital is set to enhance Malaysia's value proposition to attract digital investments, firmly establishing Malaysia as the digital hub of ASEAN.



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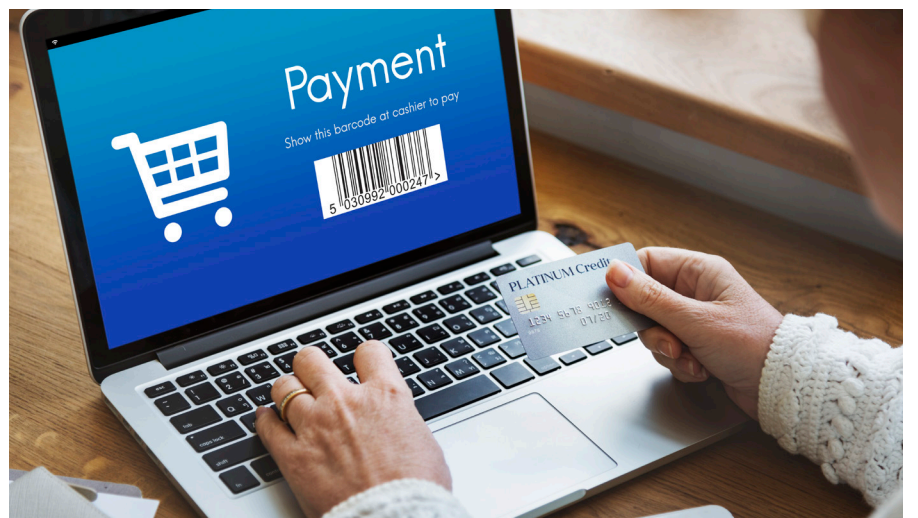
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Foreword

“You don’t have to see the whole staircase, just take the first step.”

THIS quote from Martin Luther King Jr. rings true. COVID-19 has shown that the future can be uncertain, sometimes terrifying. Yet, as we emerge from the pandemic and transition into the endemic phase, we must take our next steps with heaps of faith and optimism.

It’s worth noting that the digital economy has evolved to be more exciting, prolific, and full of potential. It contributes 22.6% to the national GDP and is expected to reach 25.5% by 2025 easily.

At the same time, the Department of Statistics Malaysia (DOSM) reported that total income for e-commerce transactions in 2021 had surpassed RM1 trillion – a sign that the Internet economy is the norm rather than the exception.

I would also like to inform our dear readers that we have rebranded our CONNECTING newsletter to **Digital Pulse** in line with our digital aspirations and meaningful steps taken into this exciting new digital economy. In this edition of Digital Pulse, we have a story on the ever-evolving and expanding digital creative industry.

Additionally, we delve into the Malaysian state of Johor as a prime digital investment destination. The “Southern Jewel of Malaysia” has become a hub for emerging digital technologies and one of the frontrunners in Malaysia’s journey into the Fourth Industrial Revolution (4IR). We look forward to elevate Johor into a Jewel of ASEAN further.

Also featured are the success stories of NHwithlove and Got Kimchi?, two enterprises which saw great success through MDEC’s programmes under Budget 2021, paving the way for how businesses can take advantage of the digital economy during and after the COVID-19 crisis.

I would also like to take this opportunity to thank everyone who attended MDEC’s Hari Raya Open House. It was great to reconnect with our Keluarga Malaysia from across the country and celebrate the hard work and unending effort in making Malaysia a progressive and inclusive society.

I bid you all a good month ahead and that your journey into the new frontier finds success and great discoveries. Happy Reading!



Mahadhir Aziz
Chief Executive Officer, MDEC

Johor, the Southern Jewel of Malaysia

The state of Johor has long established itself as one of the most vibrant investment destinations in Southeast Asia, thanks to its strategic location and sustainable economic ecosystem

JOHOR has grown into a robust technology hub and a desired location for digital investments. It boasts high growth potential and rapid development that investors can leverage and a sustainable economic ecosystem that supports investors looking to expand or

establish their business in Malaysia. Iskandar Puteri is the largest urban integrated development in South-East Asia, comprising 9,712.5ha of signature developments aligned to Johor's identified sectors and industries under Johor Vision 2030.

Johor's 12 Focus Areas:



Agriculture



Digital and e-commerce



Entrepreneurship



Infrastructure



Human capital



Governance



Tourism



Rural development



Youth



Religious education and sustainability



Aid programmes



Welfare

Digital elements support these focus areas. For instance, in 2019, the state, via its agency Johor Corporation and subsidiary N2W Corporation Sdn Bhd, signed a joint venture agreement with British company SmartMed Global to develop LifeMed, a remote

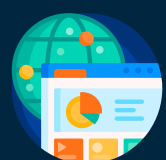
health diagnostics and monitoring solution.

Established in 2006, Iskandar Puteri has become a hub for emerging digital technologies and one of the frontrunners in Malaysia's journey in the Fourth Industrial Revolution (4IR).

Blockchain Village at Medini (BVAM)



The first for Malaysia, BVAM will serve as the central hub in promoting blockchain technology in the country, drive innovation and develop the required talent for this emerging sector with four (4) core strategic areas - Talent, Infrastructure, Promotion and Policy.

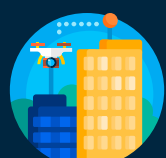


Aims to provide service providers with the platform to develop their technology further and encourage market adoption.



An extension of the GBS Iskandar programmes, BVAM is expected to generate RM562 million investment and bring in 1,200 high-value and knowledge-based jobs by 2022, besides generating new investments in Medini.

Drone and Robotics Zone Iskandar (DRZ Iskandar)



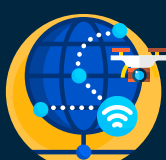
Aims to create a drone and robotics ecosystem in Iskandar Puteri.



It is projected to bring RM351 million in investments and generate 1,000 high-value jobs by 2025.



It also aims to attract 70 drone and robotics companies.



IIB launched two Drone Test Sites (DTS) - DTS 1 & 2, which cater for "visual line of sight" and "beyond visual line of sight" flights respectively. It provides a safe and real environment for innovators to test, fly, learn, and try new ways for unmanned aircraft to be integrated into the skies.

Driving these initiatives is Iskandar NEXT (New Economy, Experience and Talent), a campaign executed by Invest Johor in collaboration with Iskandar Investment Berhad (IIB) to boost digital innovation, emerging economics, and talent development.

Iskandar NEXT

- ▶ Encompasses advanced technology, artificial intelligence (AI) solutions, augmented reality/virtual reality (AR/VR), Blockchain technology, drone and robotics, global business services (GBS), next-generation technologies, food security and talent development.
- ▶ It is earmarked to deliver IIB's aspiration for Iskandar Puteri as the latest digital hub and destination of choice for industries relevant to 4IR.
- ▶ Collaboration between IIB and DHL Asia Pacific Innovation Centre in developing the strategy behind DRZ Iskandar as part of its efforts to promote Iskandar's initiatives around 4IR.
- ▶ Collaboration between IIB and MDEC, marking the launch of MDEC Global Test Incentives (GTI). It is an incentive programme which

aims to attract emerging digital technology companies to test their solutions in Malaysia. The GTI aims to position Malaysia as an Asean digital technology hub.

- ▶ Iskandar Global Innovation and Technology Exchange or IGNITE is a series of hybrid events comprising webinars, workshops, and round-table discussions.
- ▶ Established the Emerging Technology Talent Programme (JDETT) to nurture and create talent to support Iskandar Puteri's tech sector.



Why Johor?

RM93.7 billion GDP in 2014.

3.61 million people, the 2nd largest population in Malaysia.

More than 10 universities offer a vibrant skilled community.

Two accessible international airports, including Senai International Airport.

Three major seaports.

6 hours of flight radius to major Asian cities and markets.

Resilient recovery after COVID-19

GDS Holdings Ltd began constructing its hyperscale data centre in Nusajaya, Johor. Additionally, **Bridge Data Centre**, one of the region's key data centre service providers in Singapore, has also announced the construction of its fourth hyperscale data centre (MY06) in Johor.

This involves an investment value of RM2.5 billion over the next five years. Phase 1 of the project is expected to complete by the end of 2022, with Phase 2 to begin shortly after.

MDEC, through the Malaysia Digital initiative, will support more investments in Johor. Malaysia Digital intends to galvanise public-private partnerships to accelerate Malaysia's transformation into a digital nation. Recently, MDEC CEO Mahadhir Aziz met with Johor's Menteri Besar, Datuk Onn Hafiz bin Dato' Ghazi, as well as Johor EXCO and the state's Investment, Trade, and Consumer Affairs Committee chairman YB

Lee Ting Han has reinforced this intention.

One of its strategic pillars is Digital Investments, where MDEC will facilitate and promote high-impact digital investments to increase the capacities and capabilities of Malaysia's digital economy via the Digital Investments Office (DIO).

With these in place, Johor and Malaysia will further ascend as a 4IR tech hub of ASEAN.

Moving Forward In An Evolving and Expanding Digital Creative Industry

Written by Mohan Low, Director - Digital Content Development of MDEC

MALAYSIA has the capabilities and great potential in the digital creative scene, as proven through the incredible work produced in recent years, particularly in animation and gaming. MDEC had moved rapidly since 2015 when Malaysia, together with its Southeast Asian counterparts, started focusing on developing the creative sector.

to be creative problem-solvers for the digital content industry. We see the importance of public-private-academia collaboration to fortify the quality of digital creative talent.

Provide support to creative players

MDEC has long played a role in supporting the growth of the creative sector in Malaysia through various initiatives, including providing grants.

MDEC, with the Ministry of Communication and Multimedia, has supported the industry with initiatives like Digital Content



Winner of Junior Sportscasting Challenge 2021, Syed Fitri Abharshah, aged 17, is making waves in MLBB League by being the youngest e-sportscaster in Malaysia.

Foster interest among the young

MDEC believes cultivating talent from an early age will propel them



Passion Republic Games was granted the DCF production grant for the development of GigaBash in 2020.

Creators Challenge and Digital Content Grant to help studios develop their IPs. The funds have been utilised to fund major projects that have been successful around the world.

Connect local creative players with regional and international investors

MDEC has actively participated in market access programmes such as Marche Du Film, Tokyo Games Show, Kidscreen Award and many more.



MDEC leads a delegation of studios to showcase their unique IPs and create business opportunities with international companies.

Continuous communication with creators and consumers

An open channel of communication with industry players helps provide the opportunity to understand what is working for these creators and what the challenges are while also guiding them to create products that consumers would want.



MDEC held a dialogue session with industry players and governmental bodies to get direct feedback on the ten-year-old Digital Content Ecosystem Policy (DEKD).



MDEC's CEO, Mahadhir Aziz, recently participated in Creative Industry Day, where he and the Digital Content Team spoke directly with industry leaders to understand the new challenges they are facing now that Malaysia has entered the endemic Covid-19 phase.

Embracing the spirit of collaboration

Committed to making Malaysia the digital hub of ASEAN, MDEC promotes collaborations within Malaysia and across the region to elevate the digital creative industry.



THE RESEARCH HAS HELPED MDEC TO COMPARE THE INDUSTRY'S POSITION WITH NEIGHBOURING COUNTRIES AND IS A CRITICAL DATA POINT FOR THEM AND THE LOCAL GOVERNMENT IN DETERMINING ACTIONS AND PROGRAMMES. SINCE REGIONAL BOUNDARIES DO NOT CONSTRAIN THE DIGITAL GAMES INDUSTRY, IT WOULD BE GREAT TO WORK MORE IN THE FUTURE WITH MDEC IN CONNECTING GAME COMPANIES AND BUSINESSES FROM DIFFERENT COUNTRIES."

- CIPTO ADIGUNO, CHAIRMAN OF AGI

MDEC has done a few research papers regarding the digital creative industry for Southeast Asia and worked with associations like Asosiasi Game Indonesia (AGI) and Singapore Games Association (SGGA) to receive optimal data SEA-wide.

The creative economy holds a global market worth USD432 billion in 2020. This significant number is anchored by creative industry ecosystems around the world. These creative ecosystems are made of people, policies and programmes, which is exactly what we at MDEC will consistently focus our efforts on now and in the years to come.

Testimonials:



Magnus Games Studio, a recipient for the grant initiatives from MDEC. The grants helped them realise their dream of producing a game worthy of global standards, allowing them to expand their studio from six to a team of forty within three years. Magnus also acts as a mentor for the DC3 grant (previously known as IPCC) to encourage smaller companies to get funds to kickstart their projects from a grassroots level to be a global phenomenon potentially.



Les Copaque received the BCi2 Grant, and the amount received was handy in cushioning some of the cost of completing their most recent animated feature film *Upin & Ipin: Keris Siamang Tunggal*, in 2019.

The Buyers Flying In, a programme which they participated back in 2013, was the start of their meeting with MDEC, which eventually led to closing the deal of having their secondary IP that is *Pada Zaman Dahulu* to be acquired by a prominent international broadcaster.



GRANT

Grants Aim to Push for Innovation, Digitalisation and 4IR Technology Adoption

MDEC has announced the 2022 edition of the Global Technology Grant (GTG) and 4IR Catalyst Grant (4ICG) and is calling for new applicants

Up to **RM2,000,000** worth of grants are available to each successful applicant for commercialisation or digitalisation.



THE GTG AND 4ICG GRANTS PROVIDE TECH COMPANIES THE NECESSARY FUNDING TO GO FURTHER WITH THEIR PRODUCTS AND SERVICES ASIDE FROM FOSTERING TECHNOLOGY CHAMPIONS, ATTRACT INVESTMENT AND INCUBATE INNOVATION FOR THE DIGITAL ECOSYSTEM.”

- MAHADHIR AZIZ, CEO OF MDEC



GTG IS OPEN TO TECHNOLOGY COMPANIES OR START-UPS:

1

By providing access to funding for research or innovation, development and commercialisation of innovative commercial products or services.

2

That are ready to venture into their first global market or want to expand their existing global presence with further product and service commercialisation, with a maximum project duration of two years.

3

*Locally-owned or foreign-owned.

4

To set up Centres of Excellence in Malaysia (for technology companies).

4ICG IS DESIGNED FOR:

1

The purpose of co-creation, problem-solving and commercialisation of 4IR solutions with a project duration of 1 year.

2

Technology solution providers who are able to demonstrate that they have secured the commitment of the end-user to fund their share of the project cost at the time of application.

3

*Locally-owned or foreign-owned companies.

4

Proposed solutions to the end user developed on the foundation of artificial intelligence (AI), Internet of Things (IoT), blockchain, cloud computing and big data analytics.

*with the former receiving up to 50% of the total project cost or RM2 million, whichever is lower, while the latter receiving 30 % of the total project cost or RM2 million, whichever is lower.

Applications for both the GTG and 4ICG are now open until **30 June 2022**. For more details about the requirement, eligibility and timelines, visit <https://mdec.my/gtg/> or <https://mdec.my/4icg> to find out more.

MDEC Tech Trends: Pandemic-Induced Growth of Digital Payments Propel Malaysia into Next Fintech Wave

Changing preferences and continued government efforts are driving cash displacement in Malaysian consumers



has more than quadrupled in the last ten years, increasing from 49 in 2011 to over 221 transactions per capita in 2021, according to Bank Negara Malaysia's (BNM) most recent data.

ACCORDING to the Visa Consumer Payment Attitudes 2021 study, 7 out of 10 Malaysians have tried to go cashless in 2021.

You're not alone if you're holding less cash in your physical wallet than in your digital e-wallets.

The average number of digital payment transactions per capita

Last year alone, over **7.2 billion** transactions were made with electronic payment (e-payment) channels in Malaysia, growing **30%** year-on-year (YoY), making it the fastest growing year since 2006.

Did you know?

According to a custom study by IDC together with MDEC on Malaysia's digital payments market, the country's e-commerce gross transaction value (GTV) is expected to reach US\$6 billion (RM25.2 billion) in 2022, doubling from the US\$3 billion (RM12.6 billion) in 2019.

The study forecasts e-commerce GTV to total US\$13 billion (RM54.6 billion) by 2025, with almost all transactions conducted using digital payments.

Digital payments use and acceptance in Malaysia has risen significantly over the past decade, but this cashless revolution went mainstream during the COVID-19 pandemic.

COVID-19's impact on digital payments

In 2020, at the height of the Movement Control Order (MCO) in Malaysia, the nation saw 3 million new mobile banking service subscriptions. Shifting customer preferences necessitated digital-enabled consumption channels, driving e-wallet usage and adoption to new heights.

IDC survey in 2020 :

- ◆ 42.8% of customers change their payment preferences towards cards, contactless and mobile payments.
- ◆ Over 400,000 new firms registered for QR code payment acceptance - 164% increase from 2019.

The Malaysian government further fuels cashless adoption:

- ◆ Introduced the e-Tunai Rakyat programme and the ePENJANA initiative, which grant consumers cash handouts through e-wallets like Touch 'n Go (TNG), Boost and Grab.
- ◆ Allocated RM1.2 billion to boost the Malaysian economy, stimulate consumption and promote digital adoption as part of both initiatives.

Under Budget 2021, MDEC:

- ◆ Ran the Go-eCommerce Onboarding and Shop Malaysia Online campaigns.
- ◆ Aims to onboard Malaysian businesses to eCommerce and ePayment systems while encouraging online consumption.
- ◆ The initiative generated over RM6.45 billion in sales for Malaysian businesses during its six-month campaign period, totalling over 153.92 million transactions.



As of 2020, Malaysia has produced 233 Fintech firms, consecutively achieving double-digit growth in 2019 and 2020.

While the world approaches COVID-19 endemicity and a gradual return to normalcy, the Malaysian government has continued encouraging e-wallet adoption via targeted cash handouts.

Earlier this year, the ePemula initiative gave RM150 in e-wallet credit to youths aged 18 to 20 and full-time students, allocating RM300 million under Budget 2022.

FinTech Booster Initiative by MDEC & BNM:

- ◆ A capacity-building programme.
- ◆ To facilitate local and foreign Fintech startups build their products and services in Malaysia.
- ◆ Conducted over 30 public workshops to assist startups navigate the regulatory and legal environment.

Driving Malaysia's Fintech sector

Malaysia is increasingly moving towards 'Fintech 4.0', marked primarily by the emergence of scale in the platformisation of finance. With the increased adoption of e-wallets, e-commerce, BNPL, and other digital financial services, Fintech companies, banks, and payment providers have direct access to customer purchasing behaviours and demographics.

Indeed, as Malaysia's population becomes increasingly familiar with the conveniences of e-payment channels and digital financial services, our relationship with finance will continue to shift permanently to "digital first" in the New Normal.

MDEC's Business Mission to Jakarta Strengthens Malaysia-Indonesia Collaboration In Driving Asean's Digital Economy

Valuable insights and networking opportunities for Malaysian companies looking to expand their businesses in Indonesia



One for the album ... Participants pose for a photo at the sidelines of the Business Mission in Jakarta

MDEC's recent visit to Indonesia is its first Business Mission to Indonesia since borders reopened in March 2022.

Held from 16 to 20 May 2022 in Jakarta, the Business Mission is an extension of MDEC's GAIN Programme (Gateway, Amplify, Investor, Nurture), which serves to accelerate local technology companies to the global stage.

HIGHLIGHTS OF THE BUSINESS MISSION:

1

Garnered over RM100 million in qualified digital opportunities.

2

Allowed MDEC, Malaysian tech companies and other agencies to reestablish opportunities before the COVID-19 pandemic.

3

Revisit and reactivate the on-the-ground Business Support Ecosystem in Jakarta.

4

Facilitated meetings between two VC funders, AC ventures and KEJORA, on the latest funding programmes available.

5

Value creation for Malaysian and Indonesian companies for capacity building and market expansion.



INDONESIA HAS BEEN ONE OF MALAYSIA'S STRATEGIC TECHNOLOGY PARTNERS, THANKS TO THEIR FAST-GROWING AND INNOVATIVE DIGITAL ECOSYSTEM. THROUGH THE GAIN PROGRAMME, WE HAVE BEEN ABLE TO DEEPEN COLLABORATION, BRING BUSINESS OPPORTUNITIES, MINDSHARE, AND AWARENESS AMONG OUR NATIONS' GOVERNMENT AND AGENCIES. IT ALSO ALLOWS STARTUPS IN MALAYSIA AND INDONESIA TO EXPAND THEIR REACH, EXPERIENCE, AND CONNECTIONS."
- MAHADHIR AZIZ, CEO OF MDEC

18 meetings were held in the Business Mission between government and private stakeholders. This included discussions between the Malaysia External Trade Development Corporation (MATRADE) Jakarta and Indonesia's Ministry of Communication and Information Technology (KOMINFO) and talks with Indonesian entrepreneurship ecosystem enabler KUMPUL. These discussions include topics on potential joint projects in Fintech, Agritech, Cybersecurity, and e-government sectors.



Since 2018, MDEC has run seven Business Missions (three as part of Digital Export Acceleration Missions and four under the GAIN Connex Programme), which connected more than **40 Malaysian tech companies** to Indonesian partners, with a total opportunity value of more than **RM370 million in digital exports.**

MDEC will continue to identify opportunities to promote Malaysian portfolio companies for their Direct Intervention exports and ecosystem support in Indonesia and ASEAN.

The CEO Imperative: Advancing ESG to Establish a Sustainable Digital Economy

Ts. Mahadhir Aziz, CEO of MDEC provides critical answers and actions on its direction in ESG & Sustainability Reporting



THERE is increasing regulatory and stakeholder demand for businesses to disclose non-financial metrics of their operations' environmental and social impact. Organisations are urged to better manage these risks, progressing in a way that delivers both a decent rate of return and wider environmental and social benefits and greater

accountability. There is also increasingly strong evidence of a connection between good corporate practices and financial performance - an ethics premium. According to Ethisphere's Ethics Index, the world's most ethical companies outperformed a comparable index of 24.6% from January 2017 to January 2022.

Firstly, what exactly is ESG?

Environment, social and governance - or ESG - refers to a set of criteria used to measure an organisation's performance in areas such as carbon emissions, contributions to society and boardroom diversity. In addition to regulatory and stakeholder demands for disclosure of performance against these criteria, investors globally are increasingly using these - alongside traditional financial metrics - to evaluate potential investments. ESG rating also allows an organisation's sustainability performance to be measured against industry peers.

Why is sustainability disclosure important to digital companies in Malaysia?

For companies' continuous improvement and stakeholder decision-making.

To provide insights into organisations' sustainability initiatives as increasing pressure from a wide range of stakeholders is compelling businesses to prove their ESG effectiveness, accountability, and transparency through disclosures.

A holistic approach, incorporating triple-bottom-line, i.e. People, Planet and Profit considerations, will also serve as a sound business model that supports continuity and competitiveness in the longer term.

Why is it important to Malaysia's digital economy?

Our Prime Minister has committed that Malaysia will become carbon neutral as early as 2050 and will take into account ESG principles in government decision-making. This requires a concerted, whole-of-nation effort and a high level of green commitment and investment to achieve our climate change goals and step up the country's competitiveness.

Although the industry has an ostensibly clean business model, studies estimate that the global digital economy's share of Greenhouse Gas (GHG) emissions ranges from 1.8% to 2.8% and is rising, as is energy usage. However, to counterbalance this, studies also show that smart digital solutions have the potential to reduce global GHG emissions by up to 15% by 2030 across a variety of areas from agriculture to energy, manufacturing and transport.

Further, the "Digital with a Purpose" report by the Global Enabling Sustainability Initiative (GeSI) suggests that digital tech solutions can positively contribute to 103 out of the 169 United Nations Sustainable Development Goals. Malaysia's expanding digital economy, which targets to contribute at least 25.5% of GDP

by 2025, reflects these global trends and clearly has a critical role in the nation's shift to more sustainable economic practices on both fronts.

Why should digital companies embrace ESG?

I firmly believe that a strong sustainability profile will give Malaysian businesses a competitive edge in the global digital marketplace.

Undoubtedly, ESG factors have a greater influence on digital companies, from customer behaviour to investor and stakeholder expectations to reporting requirements. Many exemplary companies already exist in the industry that is fully committed to ESG and sustainability, such as Astro, Axiata, Digi, Media Prima and TM to name a few. However, many businesses still have a limited understanding of the positive impact of embracing sustainability on corporate performance and are hesitant to commit.

What help can MDEC offer?

I pledge that we will play our part fully. I believe that MDEC can make a significant contribution by raising awareness and understanding

What questions should an organisation ask before starting its sustainability journey?

An organisation that is aiming to make sustainability its core value and part of its corporate strategy should consider:

- ◆ What are the issues that we need to focus on, and why?
- ◆ How do we create appropriate goals and develop a road map to implement them?
- ◆ What new strategies can we design for better stakeholder value?
- ◆ How do we accurately disclose our sustainability impact to create trust?

of sustainability issues across the digital economy and helping companies take the first step to commit to ESG. MDEC is currently working with several partners on solutions to address this, including pledges to deliver concrete action to reduce climate impact. I will be announcing this soon.

Local Businesses Find Footing in eCommerce

Malaysian initiative B2021 helps MSMEs in post-pandemic world

BELANJAWAN 2021 or B2021 campaign aims to help local micro, small and medium enterprises (MSMEs) adopt e-commerce as the new way of doing business and widen their market reach.



Yana made Kimchi as a hobby and eventually turned it into an online business

Got Kimchi?

Yana Azmi Tan runs a successful online shop called Got Kimchi?, which sells a variety of halal Korean food. It started as a hobby, with a capital of RM200 used to make only fresh Kimchi. She began selling Kimchi to her connections and eventually on Facebook and Instagram. With demand growing, Yana began exploring Shopee as an alternative business channel.

Challenges faced during pandemic

- ▶ Decreased in-store sales.
- ▶ Not able to do mass production due to limited workforce.
- ▶ Store closures due to national lockdown resulted in the loss of walk-in customers.

B2021 Campaign - Impact on business

- ▶ Tremendous increase in online sales.
- ▶ Recorded the highest sales of 6 figures in June 2021.
- ▶ E-commerce platform reached out to a larger audience from across the country.

Advantages of using eCommerce platforms

- ▶ The process of selling and buying is ongoing despite not having to meet customers physically.
- ▶ E-payment is more thorough and reduces the risk of mismanagement.
- ▶ Opportunity to explore the global market, especially in South East Asia.



NHwithlove pivoted its decision to start the online journey to survive the pandemic

NHwithlove

NHwithlove is an online store that offers 100% plant-based, non-alcohol, non-paraben and cruelty-free botanical products such as soaps, scented candles, room sprays, bath bombs and skincare goods. Joanne Lee, the founder, aims to create a business that could impact people through passions and beliefs. Initially started as a handcraft workshop in November 2019, the sudden lockdown in March 2020 had pivoted its decision to start the online journey to survive the pandemic.

Challenges faced during pandemic

- ▶ Discontinued its handcraft workshop due to the national lockdown.
- ▶ Rental payments were due despite not making sales.
- ▶ Unable to generate traffic and create exposure through its eCommerce platforms due to lack of promotional budget.

B2021 Campaign - Impact on business

- ▶ Given subsidies and support to boost sales and exposure.
- ▶ Provided with advertisement credit for three months and subsidised seller vouchers.
- ▶ Three months exclusion from transactional fees that help reduce operational costs.
- ▶ Profits gained were used for business development.

Advantages of using eCommerce platforms

- ▶ Require low startup and operational costs as physical stores are not needed.
- ▶ Business is not constrained by location or time.
- ▶ Positive reviews from customers act as an advertisement tool.
- ▶ Online store is open 24/7, which allows customers to purchase at any time and increase sales.

MDEC's Thorough Efforts in Establishing the Best Digital and Tech Ecosystem

MDEC's recent endeavours

MDEC's Raya Open House

MDEC has organised the 2022 Open House in conjunction with Hari Raya Aidilfitri, recently attended by friends from K-KOMM, strategic and media partners, industry players, as well as MDEC staff.



The event is a testament to MDEC's firm belief that we as Malaysians have stood the tough test of the pandemic, heralding the endemic stage with much positivity. It shows how important partnerships between government agencies like ourselves can be when working toward common goals.



New Project Development by the DIO

GDS Holdings Ltd, a leading developer and operator of high-performance data centres in China, announces the start of its hyperscale data centre campus construction in Nusajaya, Johor.

The development of this project is supported by the Digital Investments Office (DIO), a collaborative platform between MDEC and MIDA.

MDEC and MIDA visit Invest NS

MDEC, with its distinguished partner, Malaysian Investment Development Authority (MIDA), visited Invest NS (Negeri Sembilan) HQ to discuss its

unique investment plans for the

digitalisation of Green Digital Valley, Smart Farming, a Halal Global Hub for F&B, healthcare, cosmetics, pharmaceutical industry and supporting the growing number of Data Centre players in the state.



Jelajah Aspirasi Keluarga Malaysia (JAKM)

MDEC was involved in the success of the Jelajah Aspirasi Keluarga Malaysia (JAKM) held at the Sabah International Convention Center (SICC). They shared various information on programmes and grants that can benefit entrepreneurs in Sabah and help them adapt digitally in business.

Opening ceremony of Games Bagus

In support of the games development industry in Malaysia, MDEC was invited to present a Special Address at the opening ceremony of the Games Bagus programme.

Organised by The U.S. Embassy Kuala Lumpur, in collaboration with Biji-biji Initiative and Synapze, Games Bagus aims to empower Malaysian game creators to produce socially conscious games that address issues of importance to Malaysian communities including climate change, civic engagement and women's empowerment.



LGMS launches its prospectus

MDEC congratulates LGMS, a member of the GAIN programme, for launching its prospectus as it seeks to raise RM45.7 million from its listing on the ACE Market of Bursa Malaysia.



Leading cybersecurity companies like LGMS are an important Tech Enabler in building a robust digital ecosystem and ensuring our National Digital Sovereignty.



E-Commerce Industry Roundtable (EIR) #1/2022

The roundtable themed “Spearheading E-Commerce Innovation: Addressing the Digital Talent Needs of the Industry” was held on 21 April 2022, involving representatives from Ministries,

Agencies and industry. The EIR is a focused and thematic forum under the National E-commerce Strategic Roadmap (NESR) to facilitate sharing of best practices and highlight opportunities for private-public collaboration. The outcome of the roundtable was reported to the Steering Committee of MED4IRN chaired by YB Dato’ Sri Mustapa Mohamed, Minister in the Prime Minister’s Department (Economy).

GovInsider and Stripe’s Webinar

GovInsider partnered with Stripe to organise a webinar titled ASEAN’s Quest to Transform the Digital Economy. The webinar gathered digital leaders from Malaysia, Singapore and Thailand on ASEAN digital economies.



MDEC shared insights on how Malaysia and MDEC are nurturing the startup ecosystem through capacity-building programmes like GAIN Connex and funding facilitation.

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