

**THE FREE INDUSTRIAL ZONE, PENANG, COMPANIES' ASSOCIATION
(F R E P E N C A)**

Reports and Accounts

For the Six Months ended 30 June 2021

**THE FREE INDUSTRIAL ZONE, PENANG, COMPANIES' ASSOCIATION
(F R E P E N C A)**

NOTICE IS HEREBY GIVEN THAT the Mid-Year General Meeting of The Free Industrial Zone, Penang, Companies' Association (FREPENCA) will be held virtually on Tuesday, 14 December 2021 at 1.30 p.m. for the following purposes:-

1. To receive the Committee's Report on the working of the Association for the six months ended 30 June 2021.
2. To receive the Secretaries & Treasurers' Report and the unaudited accounts of the Association for the six months ended 30 June 2021.
3. To deal with such other matters as may be put before the meeting.

KENNEDY, BURKILL & COMPANY BERHAD
Secretaries & Treasurers

Penang, 30 November 2021

**THE FREE INDUSTRIAL ZONE, PENANG, COMPANIES' ASSOCIATION
(F R E P E N C A)**

**REPORT OF THE COMMITTEE FOR THE SIX MONTHS
ENDED 30 JUNE 2021**

COMMITTEE MEMBERS

PRESIDENT : Dr. David Lacey
OSRAM Opto Semiconductors (Malaysia) Sdn. Bhd.

VICE-PRESIDENT : Mr. Allen Tan
Nolato (Malaysia) Sdn. Bhd.
(formerly known as Nolato EMC Production Center Sdn. Bhd.)

COMMITTEE MEMBERS : Dato' Heng Huck Lee
Globetronics Technology Bhd.

Mr. Ruben Nyul
Flextronics Systems (Penang) Sdn. Bhd.

Mr. Low Eng Chuan
(Replaced by Mr. Elmar Friesnegger
subsequent to 30 June 2021)
B. Braun Medical Industries Sdn. Bhd.

Mr. Jeffrey Hwang
QDOS Flexcircuits Sdn. Bhd.

Mr. Alvin Yeoh
Motorola Solutions Malaysia Sdn. Bhd.

1. Your Committee is pleased to present its Report for the six months ended 30 June 2021.

COMMITTEE MEETINGS

2. The Committee had 3 formal meetings till to-date. In addition, a Frepenca Committee WhatsApp Group Chat had also been used for quick and responsive support among the Committee Members.

MEETING BETWEEN INVESTPENANG AND THE COMMITTEE

3. The Meeting between InvestPenang and the Committee of Frepenca was held virtually on 5 April 2021. The Meeting was chaired by Dato' Seri Lee Kah Choon and joined virtually by Dato' Loo Lee Lian, CEO of InvestPenang and also all the Committee Members. Some of the agenda items discussed during the Meeting were as follows:-

- a) Vaccination strategy, MySejahtera sign-up & expedited vaccination for manufacturing workers;
- b) Community welfare of industrial workers (standards of accommodation & amenities), availability of accommodation on Penang Island for contract/foreign workers;
- c) Opening of Indonesian border & hiring of foreign workers;
- d) Commuting by RapidPenang for FTZ routes;
- e) Supply chain regionalisation: combined demand and identification of local sources;
- f) FREPENCA & InvestPenang collaboration to promote Penang Industry and strengthen ecosystem;
- g) Talent development: InvestPenang coordinated engagement with Schools/Colleges/Institutes/Universities to promote Engineering, Mathematics, Science & Technology;
- h) To address the frequent water interruptions issue in Batu Kawan Industrial Park;
- i) Proposal for InvestPenang to organize sharing session with Royal Customs Department for better treatment or better trade facilitation in view of the increasing numbers of intergroup/intragroup companies (factories) over in mainland, Perai;

FREPENCA CIRCULARS

4. The following circulars were issued during the 1st half year:-

<u>Circular No.</u>	<u>Date</u>	<u>Subject</u>
1.2021	25 January 2021	Preliminary Notice of Virtual Annual General Meeting
2.2021	4 February 2021	Full Membership Application – Lam Research International Sdn. Bhd.
3.2021	9 February 2021	Survey Questionnaire for Year 2020
4.2021	9 February 2021	Virtual Annual General Meeting
5.2021	7 April 2021	Customs/Private Sector Dialogue
6.2021	28 May 2021	Full Membership Application – Micro Modular System Sdn. Bhd.

MEMBERSHIP

5. Membership statistics are as follows:-

(a) Full members as at 1.1.2021	70
Add: New Members:-	
Lam Research International Sdn. Bhd.	
Micro Modular System Sdn. Bhd.	2

Full members as at 30.6.2021	72
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Subsequent to 30.6.2021, Microchip Operations (M) Sdn. Bhd. and Stratus Automation Sdn. Bhd. have joined as Full Members, bringing the total number of Full Members to 74.

(b) Associate members as at 1.1.2021	5
Less: Resignation:-	
Bukit Jambul Hotel Development Sdn. Bhd.	(1)

Associate members as at 30.6.2021	4
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(c) Honorary member as at 1.1.2021 and 30.6.2021	1
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FREPENCA CONVENORS

6. We express our appreciation to the following who are serving as Frepenca Convenors:-

(a) <u>TNB/PBA/MBPP/MPSP/PDC</u>	
FIZ I	Mr. C. W. Phoon OSRAM Opto Semiconductors (Malaysia) Sdn. Bhd.
FIZ II	Mr. J. L. Lim Cypress Semiconductor (Malaysia) Sdn. Bhd.
FIZ III	Ms. Dorothy Chai Test Tooling Solutions (M) Sdn. Bhd.
FIZ IV	To be appointed
Technoplex	Encik Neil Ramdzie bin Zakaria Motorola Solutions Malaysia Sdn. Bhd.
BKIP	To be appointed
(b) <u>Environment, Health & Safety</u>	
Encik Basri Umar	Globetronics Technology Bhd.
(c) <u>Customs</u>	
Mr. Cheah Hup Lim	Keysight Technologies Malaysia Sdn. Bhd.
(d) <u>Security</u>	
Mr. James Mohan	TF AMD Microelectronics (Penang) Sdn. Bhd.
(e) <u>Human Resources</u>	
En. Mohamed Anwar	Motorola Solutions Malaysia Sdn. Bhd.

- (f) IT
Mr. Teoh Chee Hoe Motorola Solutions Malaysia Sdn. Bhd.
- (g) Mainland Companies
Mr. Allen Tan Nolato (Malaysia) Sdn. Bhd.
(Formerly known as Nolato EMC
Production Center Sdn. Bhd.)

FREPENCA WEBSITE

7. Emanon Sdn. Bhd. was appointed to maintain our website at <http://www.frepenca.com>.

43rd ANNUAL GENERAL MEETING

8. The 43rd AGM was held virtually on 25 February 2021. The Meeting was joined virtually by representatives from 26 member companies.

PENANG MANUFACTURING INDUSTRY ADVISORY COUNCIL

9. Frepenca was invited by InvestPenang to become a member of Penang Manufacturing Industry Advisory Council ("PMIAC") which was a joint effort between the Penang State Government and the industry associations in addressing the Covid-19 related issues, development of talent pool, improving on community welfare of industrial workers and meeting standards of accommodation and amenities and collaboration of supply chain sourcing. During the 1st half year, the President, Vice-President and a member company's representative joined virtually the Brainstorming session with InvestPenang in the formation of Penang Manufacturing Industry Roundtable (now known as PMIAC) and PMIAC Council Meeting held on 26 April 2021 and 25 May 2021 respectively. The President acted as a spokesperson of Frepenca at the Press Conference of PMIAC held on 28 May 2021.

CUSTOMS

10. The Customs Convenor continued to attend meetings convened by the Customs Department and any new Customs procedures and regulations are then communicated to members.

SECURITY

11. The Security Sub-committee continued to hold regular meetings to discuss security issues affecting the member companies.

18TH FREPENCA CORPORATE GOLF

12. The Committee unanimously agreed that the holding of 18th Frepenca Corporate Golf be deferred to mid-2022 after the Covid-19 situation in Penang has further improved.

For and on behalf of the Committee

DR. DAVID LACEY
President

**THE FREE INDUSTRIAL ZONE, PENANG, COMPANIES' ASSOCIATION
(F R E P E N C A)**

Secretaries & Treasurers' Report – 30 June 2021

1. The Secretaries and Treasurers are pleased to present their report on the accounts for the six months ended 30 June 2021.

OPERATIONS

2. The Association recorded a surplus of RM22,673 (2020: RM17,335) during the six months.
3. At the Annual General Meeting held on 25 February 2021, members present agreed to fix the rate of subscriptions for 2021 at RM2,000 per annum.

FIXED DEPOSITS

4. The fixed deposits of RM200,000 are lodged with Public Bank Bhd, Bishop Street, Penang, on tenures between 1 to 6 months.

KENNEDY, BURKILL & COMPANY BERHAD
Secretaries & Treasurers

Penang, 30 November 2021

**THE FREE INDUSTRIAL ZONE, PENANG, COMPANIES' ASSOCIATION
(F R E P E N C A)**

**Income And Expenditure Account For 6 Months Ended
30 June 2021**

	<u>30.6.2021</u>	<u>30.6.2020</u>
	RM	RM
INCOME		
Entrance fee	500	250
Subscription fees	74,838	71,000
Interest received on fixed deposits	1,332	3,644
	<u>76,670</u>	<u>74,894</u>
EXPENDITURE		
Secretaries & treasurers' fees	48,000	48,000
Bank charges	1	6
Printing & stationery	555	712
Telephone & postages	1,064	1,048
Audit fee	1,250	1,250
CEO Networking Lunch	-	2,862
Service tax	3,127	3,142
Sundry expenses	-	529
	<u>53,997</u>	<u>57,549</u>
Surplus before tax	22,673	17,345
Taxation	-	(10)
Surplus after taxation	<u>22,673</u>	<u>17,335</u>

THE FREE INDUSTRIAL ZONE, PENANG, COMPANIES' ASSOCIATION
(F R E P E N C A)

Statement of Financial Position As At 30 June 2021

	<u>30.6.2021</u> RM	<u>30.6.2020</u> RM
CURRENT ASSETS		
Subscription fees receivable	9,000	19,500
Interest receivable	776	2,508
Fixed deposits	200,000	200,000
Cash at bank	146,454	29,085
	<u>356,230</u>	<u>251,093</u>
TOTAL ASSETS	<u>356,230</u>	<u>251,093</u>
FUNDS AND LIABILITIES		
Accumulated Fund		
Balance as at 1st January	198,031	164,855
Surplus for the period	22,673	17,335
Balance as at 30 June	220,704	182,190
OTHER FUNDS	6,867	6,867
Total Funds	227,571	189,057
CURRENT LIABILITIES		
Subscriptions received in advance	70,162	60,786
Other creditor & accruals	58,497	1,250
TOTAL FUNDS AND LIABILITIES	<u>356,230</u>	<u>251,093</u>