

**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 2022

**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 at Level 6, Chengal 1 Room, B10 Building, B. Braun Medical Industries Sdn. Bhd., Bayan Lepas FIZ 2, 11900 Bayan Lepas, Penang on Monday, 29 August 2022 at 11.30 a.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 2022.
2. To receive the Secretaries & Treasurers' Report and the unaudited accounts of the Association for the six months ended 30 June 2022.
3. To authorize the Committee to expend a sum of up to RM12,500 to cover the cost of holding the annual Dialogue with the Chief Minister and the CEO Networking Dinner to be held on 14 October 2022.
4. To deal with such other matters as may be put before the meeting.

KENNEDY, BURKILL & COMPANY BERHAD
Secretaries & Treasurers

Penang, 15 August 2022

**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 2022**

COMMITTEE MEMBERS

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

VICE-PRESIDENT : Mr. Allen Tan
Nolato (Malaysia) Sdn. Bhd.

COMMITTEE MEMBERS : Mr. Ruben Nyul
Flextronics Systems (Penang) Sdn. Bhd.

Mr. Jeffrey Hwang
QDOS Flexcircuits Sdn. Bhd.

Mr. Elmar Friesnegger
B. Braun Medical Industries Sdn. Bhd.

Mr. Solomon Lorthu
Motorola Solutions Malaysia Sdn. Bhd.

Ms. Heng Charng Yee
Globetronics Technology Bhd.

1. Your Committee is pleased to present its Report for the six months ended 30 June 2022.

COMMITTEE MEETINGS

2. The Committee had 2 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.
3. The Committee will have a meeting before the Mid-Year General Meeting on 29 August 2022.

FREPENCA CIRCULARS

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

<u>Circular No.</u>	<u>Date</u>	<u>Subject</u>
1.2022	7 February 2022	Preliminary Notice of Virtual Annual General Meeting
2.2022	14 February 2022	Notice of Virtual Annual General Meeting
3.2022	25 February 2022	Survey Questionnaire for Year 2021
4.2022	2 March 2022	Full Membership Application – Dexcom (Malaysia) Sdn. Bhd.
5.2022	28 April 2022	Customs/Private Sector Dialogue
6.2022	19 May 2022	Full Membership Application – Bruker (Malaysia) Sdn. Bhd.

MEMBERSHIP

5. Membership statistics are as follows:-

(a) Full members as at 1.1.2022	74
Add: New members:- Dexcom (Malaysia) Sdn. Bhd. Bruker (Malaysia) Sdn. Bhd.	2
Full members as at 30.6.2022	76
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(b) Associate members as at 1.1.2022 and 30.6.2022	4
	===
(c) Honorary member as at 1.1.2022 and 30.6.2022	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. Song Chee Ming (to be assisted by En. Yazid Mohd Yusoff) B. Braun Medical Industries 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	Mr. Ooi Shing Tat Flextronics Systems (Penang) Sdn. Bhd.
(b) <u>Environment, Health & Safety</u> Encik Basri Umar	Globetronics Technology Bhd.
(c) <u>Customs</u> Mr. Yip Hon Keat	Brady Technology 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) <u>IT</u> Mr. Teoh Chee Hoe	Motorola Solutions Malaysia Sdn. Bhd.
(g) <u>Mainland Companies</u> Mr. Allen Tan	Nolato (Malaysia) Sdn. Bhd.

FREPENCA WEBSITE

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

44TH ANNUAL GENERAL MEETING

8. The 44th AGM was held virtually on 28 February 2022. The Meeting was joined virtually by representatives from 28 member companies.

MEETING BETWEEN PERBADANAN BEKALAN AIR PULAU PINANG ("PBA") AND THE COMMITTEE

9. Subsequent to 30 June 2022, Penang experienced water interruption from 6 to 11 July 2022. This had caused many member companies to shut down their operations temporarily until the supply of water had resumed. A meeting between PBA and the Committee was held on 25 July 2022 to understand the recent water interruption and discuss resilience, risk factors and measures to reduce impact of such failures in future.

PENANG SOCIO ECONOMIC RECOVERY CONSULTATIVE COUNCIL ("PSERCC") INDUSTRY/SMI/SME WORKING COMMITTEE

10. Frepenca was appointed as a member of PSERCC Industry/SMI/SME Working Committee by its Chairman, YB Dato' Haji Abdul Halim, Penang State EXCO for Trade, Industry and Entrepreneurship Development. The Working Committee shall include the following functions:-

- (a) Identify current economic issues to ensure sustainable economic growth and mitigate the impact of global economic uncertainties;
- (b) Identify issues and challenges that impede economic growth and propose appropriate remedial measures to stimulate economic growth; and
- (c) Formulate strategies to stimulate economic growth, attract foreign and local investments and determine socio-economic development for the well-being of the people.

2 Working Committee Meetings were held virtually during the 1st half year and both attended by the President of Frepenca.

STRENGTHENING THE REGIONAL/GEOGRAPHIC COLLABORATION BETWEEN FREPENCA, PDC, INVESTPENANG, PSDC, PSC, ETC.

- 11. The regional/geographic collaboration between Frepenca, PDC, InvestPenang, PSDC, PSC, etc. should be strengthened where Frepenca brings inputs/concerns from the industry and also shares the best practices or methodologies, etc to 'raise the standard' across the Penang manufacturing sector. InvestPenang should also be invited to attend the quarterly member engagement meetings and work to strengthen Frepenca as the voice of industry in the State of Penang. To make this work, your Committee would need to follow through on many of the initiatives which had been discussed during the previous Committee Meetings, to change the perception of Frepenca from a 'complaining' association to a 'campaigning' one which drives change for both members and the region.

CUSTOMS

- 12. 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

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

CEO NETWORKING LUNCH & DINNER

- 14. Your Committee will host a Networking Lunch for CEOs immediately after the Mid-Year General Meeting to be held on 29 August 2022 with the objective of bringing together CEOs.
- 15. Subsequently, your Committee will host another Networking Dinner for CEOs immediately after the annual Dialogue with the Chief Minister of Penang to be held on 14 October 2022. A resolution will be proposed at the forthcoming Mid-Year General Meeting to authorize the expenditure up to RM12,500 to cover the cost of holding the annual Dialogue with the Chief Minister of Penang and CEO Networking Dinner. Kindly note that the expenditure exceeding RM5,000 can only be incurred with members' prior approval at the General Meeting.

PENANG'S 50TH ANNIVERSARY OF INDUSTRIALISATION

16. Frepenca's 50th Anniversary of Penang's E&E Industry Celebration will be organized as part of the State of Penang's year-long celebration in marking Penang's 50th anniversary of industrialisation ("State Celebration"). The State Celebration will culminate in a grand dinner on 2 December 2022 where the Penang State Government will present awards to the industry pioneers. Your Committee will arrange for a meeting with Dato' Loo Lee Lian (InvestPenang), Co-Vice Chairperson, State Celebration's Organising Committee to discuss how Frepenca can contribute towards the State Celebration. An extraordinary general meeting would be called to obtain members' prior approval on the contribution sum at a later date only if it exceeds RM5,000.

For and on behalf of the Committee

DR. DAVID LACEY
President

Penang, 15 August 2022

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

Secretaries & Treasurers' Report – 30 June 2022

1. The Secretaries and Treasurers are pleased to present their report on the accounts for the six months ended 30 June 2022.

OPERATIONS

2. The Association recorded a surplus of RM26,524 (2021: RM22,673) during the six months.
3. At the Annual General Meeting held on 28 February 2022, members present agreed to fix the rate of subscriptions for 2022 at RM2,000 per annum.

FIXED DEPOSITS

4. The fixed deposits of RM240,000 are lodged with Public Bank Bhd, Bishop Street, Penang, on tenures between 1 to 6 months.

**KENNEDY, BURKILL & COMPANY BERHAD
Secretaries & Treasurers**

Penang, 15 August 2022

**THE FREE INDUSTRIAL ZONE, PENANG, COMPANIES' ASSOCIATION
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**Income And Expenditure Account For 6 Months Ended
30 June 2022**

	<u>30.6.2022</u> RM	<u>30.6.2021</u> RM
INCOME		
Entrance fee	500	500
Subscription fees	78,751	74,838
Interest received on fixed deposits	1,435	1,332
	<u>80,686</u>	<u>76,670</u>
EXPENDITURE		
Secretaries & treasurers' fees	48,000	48,000
Bank charges	1	1
Printing & stationery	602	555
Telephone & postages	1,172	1,064
Audit fee	1,250	1,250
Service tax	3,137	3,127
	<u>54,162</u>	<u>53,997</u>
Surplus before tax	26,524	22,673
Taxation	-	-
Surplus after taxation	<u><u>26,524</u></u>	<u><u>22,673</u></u>

**THE FREE INDUSTRIAL ZONE, PENANG, COMPANIES' ASSOCIATION
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Statement of Financial Position As At 30 June 2022

	<u>30.6.2022</u> RM	<u>30.6.2021</u> RM
CURRENT ASSETS		
Subscription fees receivable	15,000	9,000
Interest receivable	-	776
Fixed deposits	240,000	200,000
Cash at bank	88,364	146,454
	<u>343,364</u>	<u>356,230</u>
TOTAL ASSETS	<u><u>343,364</u></u>	<u><u>356,230</u></u>
FUNDS AND LIABILITIES		
Accumulated Fund		
Balance as at 1st January	238,474	198,031
Surplus for the period	26,524	22,673
Balance as at 30 June	264,998	220,704
OTHER FUNDS	6,867	6,867
Total Funds	271,865	227,571
CURRENT LIABILITIES		
Subscriptions received in advance	68,249	70,162
Other creditor & accruals	3,250	58,497
TOTAL FUNDS AND LIABILITIES	<u><u>343,364</u></u>	<u><u>356,230</u></u>