

# DIGITAL PULSE

A SPOTLIGHT ON THE DIGITAL HUB OF ASEAN

Tech Trends in Islamic  
Digital Economy

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Society 2.0: Zack  
Kass Predicts the  
Pervasive Influence  
of Artificial  
Intelligence (AI) in  
Our Daily Lives

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Navigating ASEAN's  
Digital Decade

**FUSANG MALAYSIA  
LISTS WORLD'S 1ST  
SOVEREIGN-LINKED  
TOKENISED SUKUK**

# ABOUT MDEC

## ABOUT MALAYSIA DIGITAL ECONOMY CORPORATION (MDEC)

Malaysia Digital Economy Corporation (MDEC), a government agency under the purview of the Ministry of Digital, was established in 1996 to lead Malaysia's digital economy. Beginning with the implementation of the MSC Malaysia initiative, we have since then catalysed digital transformation and growth all over the nation. By offering greater incentives and governance for growth and re-investment, we aspire to bolster Malaysia's status as the digital hub of ASEAN, opening new doors and driving shared prosperity for all Malaysians.

Malaysia's central geographical location in ASEAN, its young and digitally-savvy population, multicultural and multilingual tapestry, easy access to capital and regional markets, ease of doing business, certainty of business operating environment and legal system, comparative value and high standard of living, makes it the natural choice to land and grow your digital business here.



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# FOREWORD



**TS. MAHADHIR AZIZ,**  
CEO of MDEC

**“DIGITAL TRANSFORMATION IS THE SILENT REVOLUTION SHAPING A FUTURE WHERE CONNECTIVITY, INNOVATION, AND EFFICIENCY CONVERGE TO REDEFINE THE VERY FABRIC OF OUR WORLD.”**

**QUOTED** by Tim Cook, CEO of Apple Inc., the digital revolution is not a distant future; it is our present reality. Digital Pulse plays a pivotal role in keeping our readers informed about the latest trends, innovations, and disruptions in the Malaysian and global digital arena. In a world where change is the only constant, staying ahead requires adaptability and a deep understanding of the evolving digital landscape.

Throughout 2023 and before, we have witnessed remarkable transformations in the digital space, from the rapid adoption

of emerging technologies to the dynamic shifts in the financial sector. In the arena of digital finance, we have delved into the revolutionising impact of fintech, the changing dynamics of traditional banking, and the emergence of cryptocurrencies.

In this edition of Digital Pulse, we had the opportunity to sit down with the CEO of Fusang, Asia’s first digital exchange for security tokens and crypto, to dive deeper into digital asset exchange and how the Malaysian digital landscape can contribute to global fintech growth. Malaysia is strengthening its position on the global stage, and MDEC aims to bridge the gap between international trends and the unique dynamics of our local market.

AI-driven solutions merged with humanistic values will enhance the customer experience within the financial sector and beyond. As we navigate the intricate landscape of fintech in Malaysia, it is imperative to recognise that the solidification of AI’s potential within this sphere is not merely a technological advancement but a strategic imperative that will define Malaysia’s trajectory in the worldwide digital economy.

We also look into key factors driving global growth, focusing on Malaysia’s strategic position in the digital economy and the encouragement of international investors in ASEAN’s digital evolution, underscoring the nation’s pivotal role as a hub for technological innovation and economic advancement in the rapidly evolving digital landscape.

We hope to provide valuable information for potential investors to understand this vibrant nation’s investment landscape. Reach out to us today! Happy reading.



# FUSANG MALAYSIA TRANSFORMING TRADITIONAL FINANCE THROUGH BLOCKCHAIN - LISTS WORLD'S 1ST SOVEREIGN-LINKED TOKENISED SUKUK

Step into a realm where traditional finance and blockchain synergy takes centre stage. In this exclusive interview, Henry Chong, Executive Director of Fusang Malaysia, unveils the intricate details of how their regulated digital asset exchange is spearheading a positive transformation in the digital finance landscape

**How would you explain what Fusang does to those less familiar with the digital finance scene? What is the underlying technology to make this happen?**

As a regulated digital asset exchange, Fusang aims to bridge traditional finance with blockchain innovation. Fusang enables the tokenisation of real-world assets, from real estate to private equity into fractional, tradable digital tokens. We provide issuers

with enhanced liquidity and offer investors unprecedented access to new investment classes via our regulated and fully licensed ecosystem of financial intermediaries.

Fusang Exchange leverages blockchain benefits like 24/7 trading, transparency and smart contracts, while embedding compliance through a regulated network model.

# THE FUSANG NETWORK

STOCK EXCHANGE SERVING REGULATED FINANCIAL INSTITUTIONS ONLY



 REGULATED DIGITAL SECURITIES STOCK EXCHANGE

## Fusang is Asia's first digital exchange for security tokens and crypto. What drives you to become Asia's first, and what do you attribute this success to?

As CEO of Fusang, I've always believed in the potential for blockchain technology and digital assets to transform financial markets. Seeing the inefficiencies and barriers to entry in traditional finance, I felt compelled to drive change by pioneering regulated infrastructure that could bridge institutions to the possibilities of tokenisation.

Our success is rooted in the vision and expertise of our team, who built Fusang from the ground up to meet the highest regulatory standards while leveraging the latest innovations. In addition, by embedding compliance into our technology and offering a secure gateway to digital finance, we've attracted trust and momentum. But most of all, the team's tireless commitment to creating a more inclusive and efficient digital capital market is what I attribute our success to thus far – and we're just getting started!

## Congratulations on listing the world's 1st institutional tokenised sukuk backed by a sovereign-linked instrument. What has been the most instrumental factor enabling you to achieve this before anyone else?

I credit our success to the team's expertise in digital asset innovation and the support from our Regulators at the Labuan Financial Services Authority.

By combining a thorough understanding of Shariah principles with cutting-edge tokenisation technology, we were able to structure a compliant sukuk token that bridges the benefits and possibilities of blockchain with the needs of Islamic investors.

Fusang has also been extremely lucky to work with like-minded entities invested in nurturing a next-generation Islamic bond market. Our joint integrated capabilities spanning regulation, blockchain, and Islamic finance were key to driving this breakthrough for the industry.

# FUSANG DEPOSITORY RECEIPTS ("FDRs")

## LEGAL RIGHTS TO DEPOSITED ASSETS

Fusang Depository Receipts ("FDRs") are similar to other depository receipt programs such as American Depository Receipts ("ADRs") and Hong Kong Depository Receipts ("HDRs"). Depository receipts are tradable instruments that represent a beneficial interest in an underlying asset, such as shares or bonds. FDRs are issued by Fusang as Depository, and can be listed for trading on the Fusang Exchange. All underlying assets are secured by third-party custodians. FDRs can be directly redeemed in exchange for the underlying asset. New issuance and listing of FDRs through Fusang Exchange requires the appointment of a Type 3 Listing Sponsor.

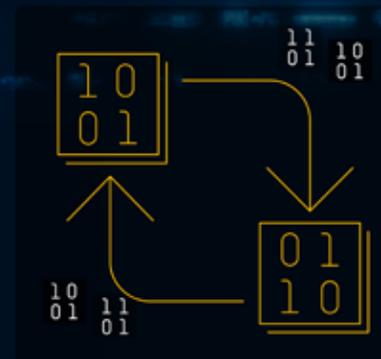


Asset Bridge

Institutional Scale Investments



Fusang Depository Receipts (FDRs)



Exchange of assets

 REGULATED DIGITAL SECURITIES STOCK EXCHANGE

Blockchain technology is used as the transparent and immutable record-keeping ledger for asset ownership within the Fusang Depository.

We strongly believe that the future of Malaysia's leadership in Islamic finance is in digital Islamic financial innovation. The Malaysia Digital (MD) status awarded by MDEC also played a part in successfully issuing this tokenised sukuk.

### What are the main benefits of digitalising a sukuk beyond being easily traded?

With the power of tokenisation and blockchain, the tokenisation of this Sukuk has proven that the distribution and accessibility of high-quality liquid assets can now span a broader range of investor classes. The promise of inclusion through fractionalisation is evidenced through the issuance of this tokenised sukuk. We are excited and motivated that the next significant tokenisation of an Islamic instrument may be retail accessible.

Our exchange, an institutional-only network of members, also provides additional benefits such as enhanced data integrity and transparency through distributed ledgers and improved liquidity via 24/7

trading and automation through smart contracts for processes like dividend payouts. Overall, Fusang brings securities markets into the digital age. As I have said, we are here to complement, not disrupt traditional capital market processes. The focus should be on something other than the technology, which serves to enable transparency, speed and distribution. Instead, importance should always be placed on the underlying asset quality.

### How do you envision the growth of digital assets in ASEAN, and what areas will drive adoption?

With its youthful population and burgeoning startup ecosystem, ASEAN is ripe for digital disruption. Improved internet access and mobile connectivity open up blockchain possibilities, especially in emerging markets. The potential for financial inclusion among the underbanked through digital banking is immense. As regulators establish frameworks in Singapore, Malaysia, and beyond, we anticipate increased institutional participation.

Fusang aims to facilitate innovation responsibly by collaborating with regulators across ASEAN, providing trusted access to blockchain technology's vast potential. It's a pivotal moment, and ASEAN is emerging as a leader in the future of digital assets due to its nimbleness as a collective group.

**Recently awarded Malaysia Digital (MD) status, what's your 5-year plan for expanding Fusang's investment in Malaysia? How are you partnering with MDEC for growth?**

Fusang Malaysia's key functions of blockchain research, compliance and client servicing will be based in Malaysia. In addition, we intend to roll out back-end blockchain solutions to the Exchange's network members, enabling all of its license holders to have quick access to enabling technologies. Our MD status will allow us to fast-track all our plans, and partnering with MDEC adds value and recognition.

**What is your perspective on the quality of digital talent in Malaysia and Fusang's talent strategy?**

Malaysia's tech workforce impresses with top-notch engineering and product talent. Their ability to deliver complex fintech solutions matches global standards. As a Malaysian, I am proud that our talent pool stands out for adaptability, creativity and

a collaborative spirit. Fusang's focus on innovative tech like blockchain and smart contracts resonates with professionals eager for cutting-edge solutions. I am pleased that our expansion plans offer growth opportunities for local talent, making Fusang an employer of choice for blockchain professionals. In addition, our agile work culture is designed to empower teams to deliver in an open and inclusive environment.

**COMMITTED TO  
SUBSTANTIAL TEAM  
AND OPERATIONS  
EXPANSION IN MALAYSIA,  
FUSANG LEVERAGES THE  
COUNTRY'S THRIVING  
DIGITAL INNOVATION  
HUB AND TALENT POOL.  
WITH MDEC'S SUPPORT,  
IT AIMS TO ESTABLISH  
MALAYSIA AS ITS GLOBAL  
HEADQUARTERS.**



**FUSING SHARIAH PRINCIPLES WITH CUTTING-EDGE TOKENISATION, WE CRAFTED A COMPLIANT SUKUK TOKEN, BRIDGING BLOCKCHAIN BENEFITS WITH ISLAMIC INVESTOR NEEDS. COLLABORATING WITH LIKE-MINDED ENTITIES, OUR INTEGRATED CAPABILITIES IN REGULATION, BLOCKCHAIN, AND ISLAMIC FINANCE DROVE THIS INDUSTRY BREAKTHROUGH."**

**HENRY CHONG,  
EXECUTIVE DIRECTOR OF FUSANG MALAYSIA**



### **As ESG gains prominence, how does Fusang integrate it into operations?**

ESG principles and practices are integral to Fusang's culture, and tokenisation is one of the best tools to advance ESG-related aims. We believe the synergy between fintech, blockchain and ESG principles creates the necessary momentum towards the complete and holistic adoption of the UN Sustainable Development Goal.

### **How do you see Malaysia's potential as a destination for blockchain and Islamic digital economy investors?**

With its forward-thinking regulators, flourishing Islamic finance sector, and world-class talent, Malaysia is poised to become a global leader in Shariah-compliant blockchain innovation. Our tokenised sovereign-backed Sukuk is a testament to Malaysia's capability to bridge Islamic wealth, technological innovation, and leadership in Islamic finance. The alignment

of (decentralised finance) solutions with Islamic principles positions Malaysia to spearhead an ethical digital economy. I have no doubt the nation possesses all the elements necessary to attract investors seeking blockchain and Islamic finance innovation.

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**Fusang Malaysia Sdn Bhd, an MD status company, is the blockchain research and development arm of the entire Fusang Group of companies, spanning offices in Malaysia and Hong Kong. The key commercial relationship for Fusang Malaysia is with Fusang Exchange Ltd, a digital stock exchange powered by blockchain technology and smart contracts. Fusang Exchange, fully licensed and regulated by Labuan Financial Services Authority, recently tokenised and listed the world's first sovereign-backed institutional sukuk based on the underlying sukuk issued by the International Islamic Liquidity Management Corporation.**



**In action ... Henry Chong, Executive Director of Fusang Malaysia, speaking at the ASLI Banking & Finance Summit 2023.**



The Islamic Digital Economy (IDE) is our key to success, offering a trillion-dollar opportunity in various sectors like food, fashion, media, travel, pharmaceuticals, and cosmetics. Islamic finance is growing steadily, projected to reach US\$2.8 trillion by 2025. Malaysia is embracing AR & VR, cybersecurity, blockchain, AI, and IoT innovation to thrive in the IDE. The future looks bright, full of possibilities and prosperity.



## Tech Trends in Islamic Digital Economy

The rapid advancement of technology and the support of investment activities allows Malaysia to leverage its unique position to secure a sizeable market share within the Islamic Digital Economy





# Islamic Digital Economy is a Trillion dollar opportunity driven by multiple industries

**\$2  
Trillion**

The global Islamic economy generated from 6 economy sectors including (in US\$ billion):

- Halal Food: \$1,267
- Modest Fashion: \$295
- Media & Recreation: \$231
- Travel: \$102
- Pharma \$100
- Cosmetics: \$70

**\$3.6  
Trillion**

Islamic Finance Assets with 7.8% year on year growth from 2020 to 2021

**+7.5%  
CAGR**

Projected CAGR of the 6 sectors (halal food, modest fashion, media & recreation, travel, pharma, cosmetics) with the growth of +7.5% from 2021 to 2025 reaching \$2.8 trillion by 2025



## Substantial investments in the Islamic Economy in 2020/2021 indicative of future potential

**\$25.7  
Billion**

Investments in the Islamic economy in 2020/2021, with the share of the investment by top 4 sectors:

- Islamic Finance 66.4%
- Halal Food 15.5%
- Halal Pharma 8.0%
- Media 5.0%

**Underpinned by strong fundamentals**



**1.9 billion Muslims  
Population Globally**



**Malaysia ranked 1st in the  
Global Islamic Economy  
Indicator** in the State of the  
Global Islamic Economy  
Report 2022 followed by  
Saudi Arabia and the United  
Arab Emirates

# Islamic Digital Economy opportunities in 5 hotspots

## Augmented & Virtual Reality in Islamic Media & Recreation:

Enables the audience to get an immersive and engaging experience when provided with the interactive modules without having to be present physically.

AR and VR could be implemented in gaming, organize live concerts, display arts, attend museums, as well as in books to provide a more engaging experience.

## Cybersecurity in Islamic Finance

Protect customers' data against identify theft, money laundering, application breaches, data leaks, and malware attacks.

The industry players in Malaysia can adopt Zero Trust, cybersecurity model, to have a better visibility into its organization's security risks.

## Blockchain in Halal F&B

Empowers traceability and fraud protection ability and ease food quality auditing for safe consumption.

Future function can be identified with automation in inputting data in an unchangeable manner, which will boost overall efficiency, resolve conflict, and counter fraud by a Malaysian industry players.

## Artificial Intelligence (AI) in Islamic Media & Recreation

Provides an automated content generation, personalized user experience, detecting copyright infringement, predictive analytics for marketing purposes, and chatbots that provide virtual assistance.

The industry players in Malaysia could leverage on AI to generate backing tracks to accompany the singers' vocals.

## Internet of Things (IoT) in Islamic Finance

Utilised as everyday device that can be connected to the internet and produce data will enable the financial products and services to be highly personalised and the delivery to be frictionless.

IoT will play bigger role to improve security by tracking suspicious activities and give real-time alerts to customers when someone is trying to access their account information.



## Technology Enablers



Malaysia ranks **1<sup>st</sup>** in Global Islamic Economy Indicator for media and recreation industry.



Malaysia E-commerce expected to reach **US\$5.9 billion** in 2024 from **US\$4.3 billion** in 2020



Malaysia Halal F&B to reach **US\$85.2 billion** in 2030 from **US\$51.9 billion** in 2018

## Future Outlook in Islamic Digital Economy



### Muslim Content

- Strong demand from both Muslims and Non-Muslims
- Future monetization opportunities to other products and services



### Halal F&B

- Blockchain to drive the Halal sector into the future
- 24/7 complete traceability, transparency and Halal quality assurance



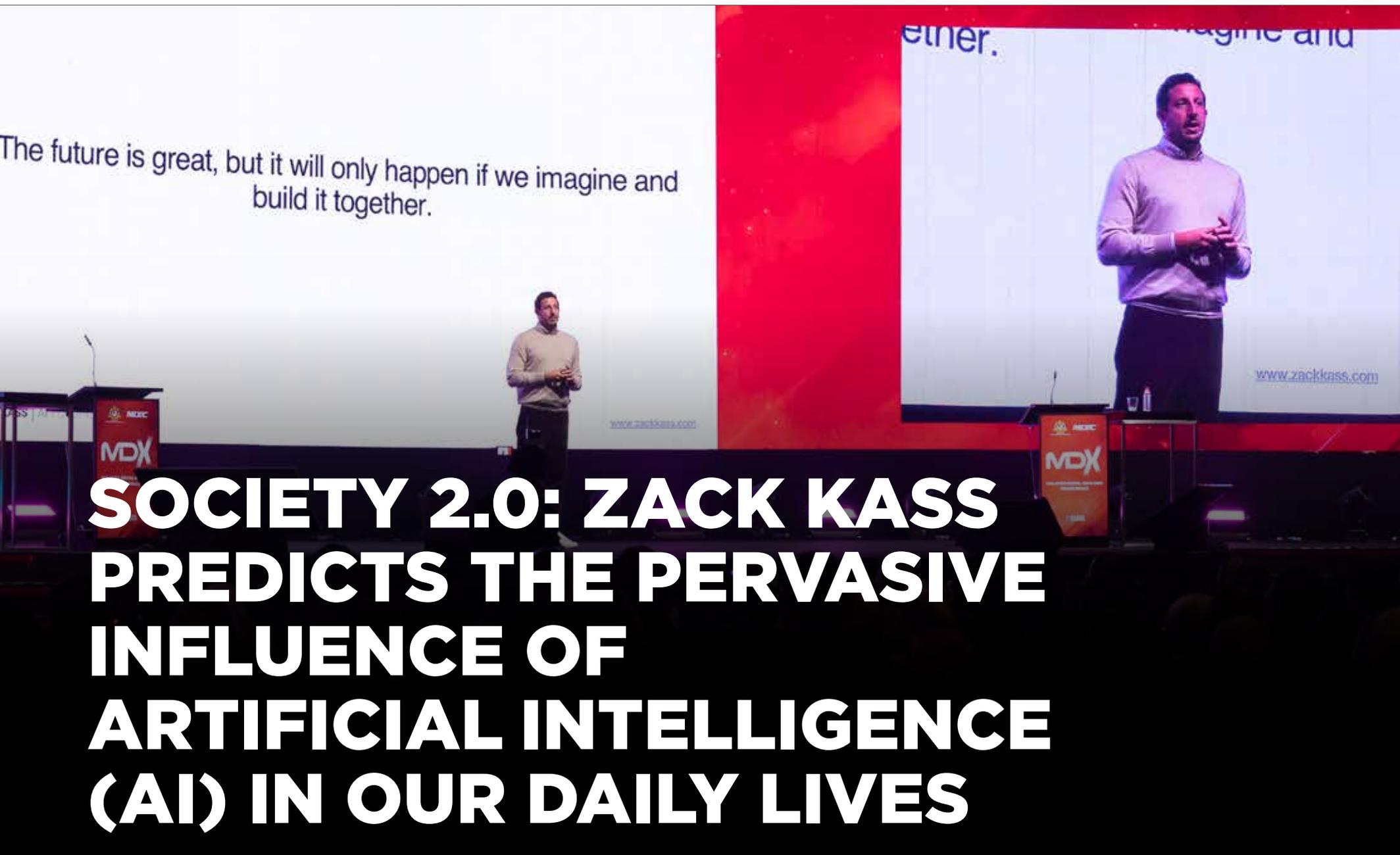
### Modest Fashion

- AI to provide better personalization and styling to consumers
- Modest fashion market supports future ESG initiatives



### Challenger Bank

- Positive thrust from BNM in the Financial Sector Blueprint 2022-2026
- Social national agenda i.e., underserved and unserved will support digital banking model



# SOCIETY 2.0: ZACK KASS PREDICTS THE PERVASIVE INFLUENCE OF ARTIFICIAL INTELLIGENCE (AI) IN OUR DAILY LIVES

AI expert delved into the profound challenges and opportunities embedded within the dynamic AI landscape in his keynote speech at the recent Malaysia Digital Expo 2023 (MDX 2023)

**AS** we navigate from the intricate realms of AI's technicalities to the societal fabric it intertwines, a crucial shift beckons—one that extends beyond the mere potential of technology. In this dynamic landscape, we must recognise AI's transformative power and acknowledge the profound societal responsibilities accompanying its rapid evolution. The call is resounding for influential figures to play a pivotal role in steering society towards a more inclusive and equitable embrace of AI.

Zack Kass, former Head of Go-To-Market at OpenAI, expressed genuine concern for the impending digital divide: "Adopt this technology. It will dramatically improve your lives, and you will be better positioned to help people around you adopt it effectively and safely."

## SCIENTIFIC PURSUIT OF AI

Kass underscores the scientific essence of AI, propelled by researchers dedicated to fundamentally advancing the world. Emphasising collaboration, he notes that the core pursuit of AI is scientific, with researchers eager to collaborate. Despite acknowledging potential shifts as commercial viability grows, he emphasises the pivotal role of collaboration, citing Google's transformative 2017 paper on transformers as a milestone in modern AI theory.

In tracing the evolution of AI models, Kass highlights the transformative impact of the modern transformer in 2017. The theory of the modern transformer in 2017 made a single argument: that machines should process data in parallel, not in straight lines.

Drawing parallels to how the human brain processes information, he reveals the shift from linear processing to parallelisation significantly enhances the effectiveness of AI models, particularly in tasks like writing.

Moreover, a notable trend emerges in decreasing costs for these advanced AI models, a factor that significantly enhances their commercial viability. Delving into the specifics, the swift reduction in costs from GPT-3 to GPT-4 becomes a poignant illustration of the exponential growth in the commercial accessibility of cutting-edge AI models.

This diminishing cost factor is not merely a financial detail but a pivotal driver in the widespread integration of AI into everyday tools and products.

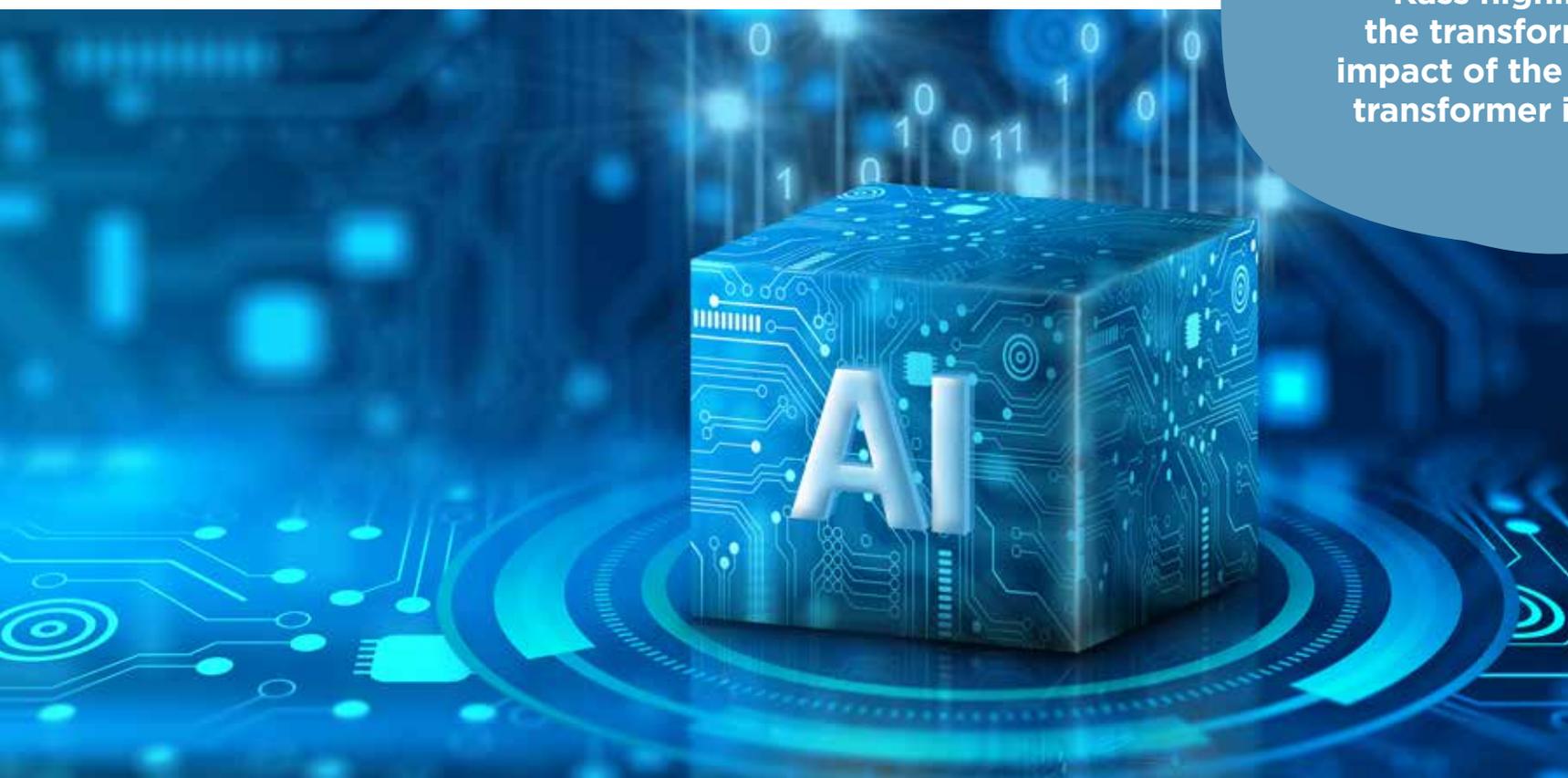
### **AI AS A UTILITY: A CORE INFRASTRUCTURE**

Looking ahead, Kass envisions a fundamental shift in the role of AI, foreseeing it as a utility comparable to the internet or the power grid. "I think it's going to become a layer of infrastructure that lives at the core of society," he said. This perspective positions AI not merely as a technological tool but as an integral part of the societal fabric, influencing various aspects of human existence.

**AS THE COST BARRIERS LOWER, DEMOCRATISING ACCESS TO ADVANCED AI BECOMES A REALITY, EXTENDING ITS TRANSFORMATIVE POTENTIAL TO A BROADER POPULATION. IN ESSENCE, THE DECREASING COST OF THESE MODELS SERVES AS A CATALYST, BREAKING DOWN BARRIERS AND PAVING THE WAY FOR A MORE INCLUSIVE ADOPTION OF AI IN OUR DAILY LIVES.**

The landscape is undeniably shifting, as the rising accessibility and affordability of AI models metamorphose them into a pervasive force. Yet, amid the anticipation of the boundless benefits, a critical juncture emerges where we must consciously acknowledge the challenges entwined with this transformative journey.

In tracing the evolution of AI models, Kass highlights the transformative impact of the modern transformer in 2017.





# NAVIGATING ASEAN'S DIGITAL DECADE

In an exclusive interview with Digital Pulse, Sumana Rajarethnam, Director at the Economist Intelligence Corporate Network, Southeast Asia, sheds light on the pivotal factors driving global growth, Malaysia's strategic position in the digital economy, and the overarching theme of encouraging international investors to participate in the evolution of ASEAN's digital landscape actively

## What is driving global growth?

Forecast growth of 2.2% in 2024 will be slower than the estimated 2.5% expansion this year, with still-firm growth in Asia and a recovery in Europe partially offsetting a slowdown in the US. Moderate stimulus will stabilise China's economy. Easing inflation in response to more helpful supply conditions will persuade most major central banks to hold off on further policy rate increases, although rate reductions are forecast to appear in the second half of 2024.

## What is the outlook for the United States?

EIU expects US real GDP growth to slow to less than 1% in 2024 as the sharp rise in interest rates and still-high inflation start to weigh on consumer spending.



**SUMANA RAJARETHNAM,**  
DIRECTOR AT THE ECONOMIST  
INTELLIGENCE CORPORATE NETWORK,  
SOUTHEAST ASIA

This would still be a soft landing for the US economy, thanks to resilient consumer demand and a wave of public investment directed toward infrastructure and industry.

The Inflation Reduction Act (IRA) has already bolstered 116 projects, injecting a substantial US\$76 billion into the economy. Moreover, a staggering figure of US\$391 billion is on the horizon, indicating that this ambitious target could be surpassed.

Further, the competitive landscape triggered by “Buy American” requirements is sparking a subsidy race on the global stage.

**What has changed in China?**

In the intricate tapestry of China’s economic landscape, key indicators have taken unexpected turns, shaping a narrative

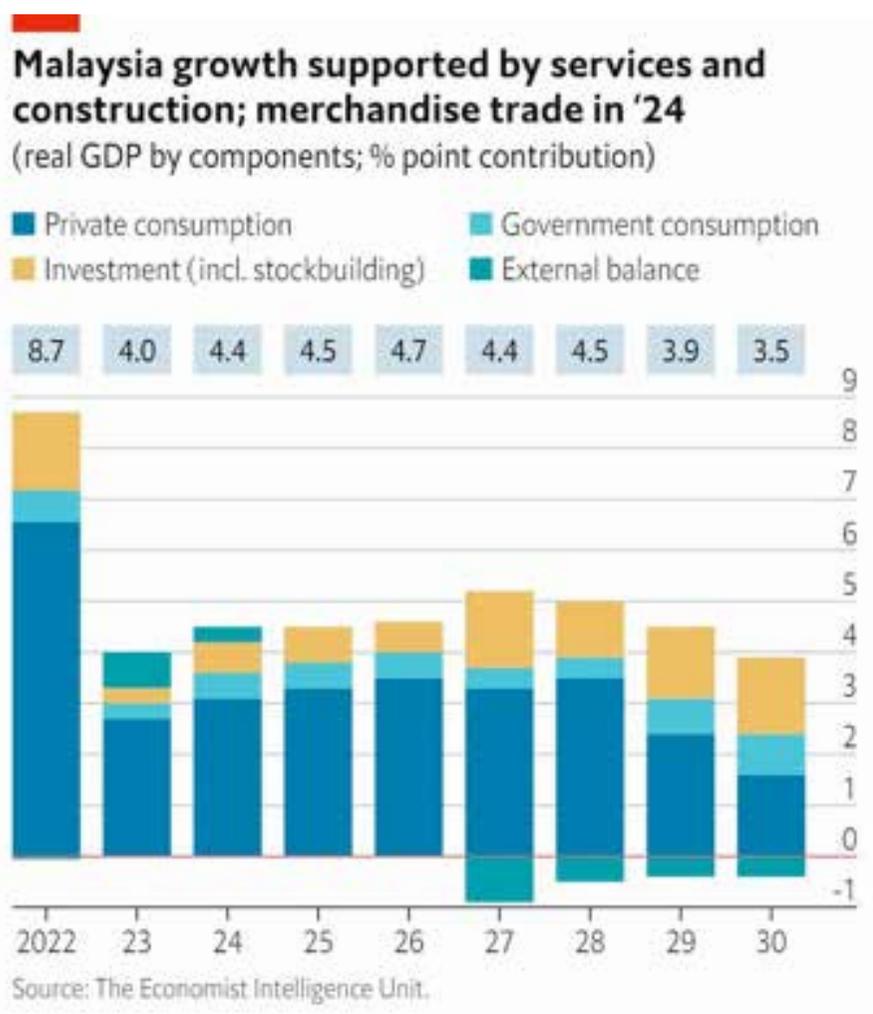
that demands attention. Foreign Direct Investment (FDI) and Foreign Portfolio Investment (FPI) are on a swifter decline than anticipated, signalling challenges on the economic front. While the services sector stands resilient, manufacturing grapples with COVID-induced cyclical weaknesses.

EIU estimates that China’s economy will expand by 5.5% in real terms in 2023, beating the official target of 5%, buoyed by robust consumer spending and expanded fiscal spending late in the year. The growth figure, high by international comparison, nonetheless belies some thorny economic issues, including continued stress in the property sector and a debt overhang facing local governments. Efforts to resolve these risks will prevent a systemic financial crisis, but the resulting deleveraging and retrenchment will hinder growth in the coming years. Thus, we forecast that real GDP growth will reach 4.9% in 2024 and decelerate further.

**Let’s talk about Malaysia - what lies ahead?**

A snapshot of Malaysia’s economic landscape reveals a projected acceleration in real GDP growth to 4.4% in 2024, propelled by the resurgence of demand in crucial export markets like China and the US. Factors contributing to this growth include diminishing inflation, implementing monetary easing, and fostering an environment conducive to increased private consumption and investment.

Emphasising the nation’s resilience, domestic demand takes centre stage as the primary driver for growth, a pivotal role considering the tepid nature of external demand. The monetary stance is set to remain neutral until 2024, marking the conclusion of the Bank Negara Malaysia’s (BNM) tightening cycle.



However, the economic outlook has cautionary notes. Lingered risks, including potential inflationary pressures from rising food prices and a weakened ringgit, suggest that a prompt return to easing measures might be on a different horizon.

The 12th Malaysia Plan (12MP) outlines clear objectives, yet its aspirations are ambitious. The target of achieving an annual growth rate of 5 - 5.5% from 2023 to 2025, as

set by the Medium-Term Review (MTR), is ambitious, particularly considering the challenges posed by external conditions.

Institutional reforms and the effective implementation of fiscal consolidation are critical to the plan's success. These factors serve as key enablers, paving the way for the initiation of small-scale projects that can be piloted for broader economic impact.

## MALAYSIA SEES IMPROVEMENTS IN ITS BUSINESS ENVIRONMENT

*\*Business environment score of 7.39 places Malaysia in 8th place regionally*



### Policy Towards: Private Enterprise and Competition

**2023-24:** The government emphasises public-private partnerships in sectors such as infrastructure and sustainability.

**2025-27:** The local equity rule, requiring all firms to offer a 30% equity stake to bumiputera, remains in place for domestic and foreign investors, but no further increases are expected.



### Foreign Trade and Exchange Controls

**2023-24:** Malaysia's role in the RCEP and CPTPP helps it to expand export markets.

**2025-27:** The Comprehensive Economic Partnership agreement between Malaysia and the UAE is implemented.



### Policy Towards: Foreign Investment

**2023-24:** Investment incentives for foreign companies that prioritise high-value jobs and provide opportunities for domestic firms to be a part of the global supply chain.

**2025-27:** Foreign investment increases in advanced electronics manufacturing, biotechnology, "industry 4.0" and electric vehicles.



### The Labour Market

**2023-24:** The overall labour market will be tight, but youth unemployment and underemployment remain.

**2025-27:** The retirement age is raised from 60 to 65. The minimum wage is raised again, following a large increase in 2022.

*\*Out of 17 countries: Australia, Bangladesh, China, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, Pakistan, Philippines, Singapore, South Korea, Sri Lanka, Taiwan, Thailand and Vietnam.*

*Source: The Economist Intelligence Unit*



# APPLY FOR THE MALAYSIA DIGITAL (MD) STATUS

Ignite your business with the prestigious MD Status, awarded by the Malaysian Government through MDEC. Elevate your company's profile and gain access to a myriad of incentives, rights, and privileges specially tailored to propel your success.

## REACHING GREATER POTENTIAL VIA 9 PROMOTED SECTORS

Digital Finance	Islamic Digital Economy	Digital Trade	Digital Agriculture	Digital Tourism	Digital Content	Digital Services	Digital Health	Digital Cities

## SUPPORTED BY 10 TECH ENABLERS

Generative AI	Web3 (Creative Media Technology)	5G (Advance Network Connectivity)	Cybersecurity	Blockchain
Embedded Software	Drone Tech	Robotics & Automation	Data Centre & Cloud	Internet of Things (IoT)



FIND OUT MORE ABOUT MALAYSIA DIGITAL HERE



# IN CASE YOU MISSED IT

## Business and tech news round-ups



### [Indian-ASEAN Summit Eyes RM500 Million Investments into Malaysian Startups](#)

Dec: The Indian-ASEAN Startup Summit (IASS) has recently kicked off the two-day 'India-Malaysia Startup Bridge', aiming to boost bilateral ties and attract investments

of RM500 million into Malaysia's startup ecosystem. The substantial investment is expected to flow directly or through strategic partnerships between Malaysia and India. IASS Chair Datin Malliga Subramaniam said the anticipated RM500 million investments will be a testament to immense faith in the collaborative potential of the India-Malaysia startup landscape. She said that with over 600 startups participating, IASS is not just a gathering but a melting pot of ideas and opportunities. It is a platform where cross-border collaboration is encouraged and actively facilitated, she added.



### [NVIDIA to Partner Malaysia's YTL Power in US\\$4.3 Billion AI Development Project](#)

Dec: YTL's utility unit will partner with US technology giant NVIDIA to develop AI infrastructure in Malaysia in a \$4.3 billion investment deal. The first phase is expected to be operational by mid-2024, YTL Power International said in a statement on Friday. Reuters reported earlier, citing sources, that NVIDIA and YTL were in advanced talks to partner over AI infrastructure, including

supercomputers and cloud computing, with the project to be hosted at a data centre in Johor. Under the deal, the companies will collaborate on building Malaysia's fastest supercomputers using NVIDIA AI chips and with YTL Power International also utilising NVIDIA's AI cloud computing platform to build a large language model in Bahasa Malaysia, YTL Power said. The announcement confirmed the project would be hosted at YTL's data centre park in Kulai, Johor.

### **Malaysia May Emerge as ASEAN Hub**

Dec: Market insiders have stated that Malaysia stands as the top destination in Southeast Asia for electricity-guzzling data centre investment, with a raft of new and emerging investments that will hit nearly 1,000 megawatts (MW) in five years. From just 113MW of take-up in 2022, the capacity is expected to hit more than 900MW in phases over the next five years due to lower land, energy and labour costs compared to Singapore, they added. So far, six new data centres have been completed, which will consume about 292MW of electricity, Kenanga Research analyst Teh Kian Yeong wrote. The analyst said that Tenaga Nasional Bhd had signed electricity supply agreements with eight data centres for 2,000MW, adding that a total demand of 7,000MW of electricity from data centres was expected by 2035.



### **MDX 2023: Pivot to Digital Requires Shift in Tech, Mindset and Policy**

Today, various tech platforms have emerged as communication tools and a catalyst for driving digital transformation within the public sector and education. Zoom Head of Asia-Pacific Ricky Kapur highlighted the significant shift towards advanced digital solutions in governance and educational systems, a trend that is rapidly gaining momentum globally. He spoke at the Malaysia Digital Expo (MDX) 2023 launched by Prime Minister YAB Dato' Seri Anwar Bin Ibrahim on 6 November. Ricky's observations, especially in dynamic regions like India, Singapore and Malaysia, reflect a growing trend in government interest in technological advancements. He said the increasing adoption of various tech platforms for diverse applications went beyond traditional communication needs and into areas such as the legal system, with hybrid courts becoming common. In healthcare, telehealth services have become almost mainstream during the pandemic.

The logo for MDX (Malaysia Digital Expo) features the letters 'MDX' in a bold, white, sans-serif font. The 'M' and 'D' are connected, and the 'X' is formed by two intersecting lines. The logo is set against a red background with a pattern of small white dots.



### **Taiwan to Recognise Bitcoin as a Legal Tender**

Dec: Taiwan has announced its intention to recognise Bitcoin (BTC) as a legal tender. This bold move, the first of its kind in Asia, will impact the global crypto market greatly and spark conversations about the future of digital currencies in the region. Taiwan, a nation known for its technological innovation and progressive outlook, is taking significant strides concerning crypto regulation. On October 27, Taiwan's legislative body formally proposed a draft crypto act for discussion. If this draft is passed into law, it could take effect as soon as next year, ushering in a new era of regulatory clarity in digital assets. The proposed crypto act was approved at the first reading in Taiwan's Parliament, known as the Yuan. The new regulations are aimed at addressing various challenges, including concerns about money laundering and consumer protection.

# TAKE IT EASY

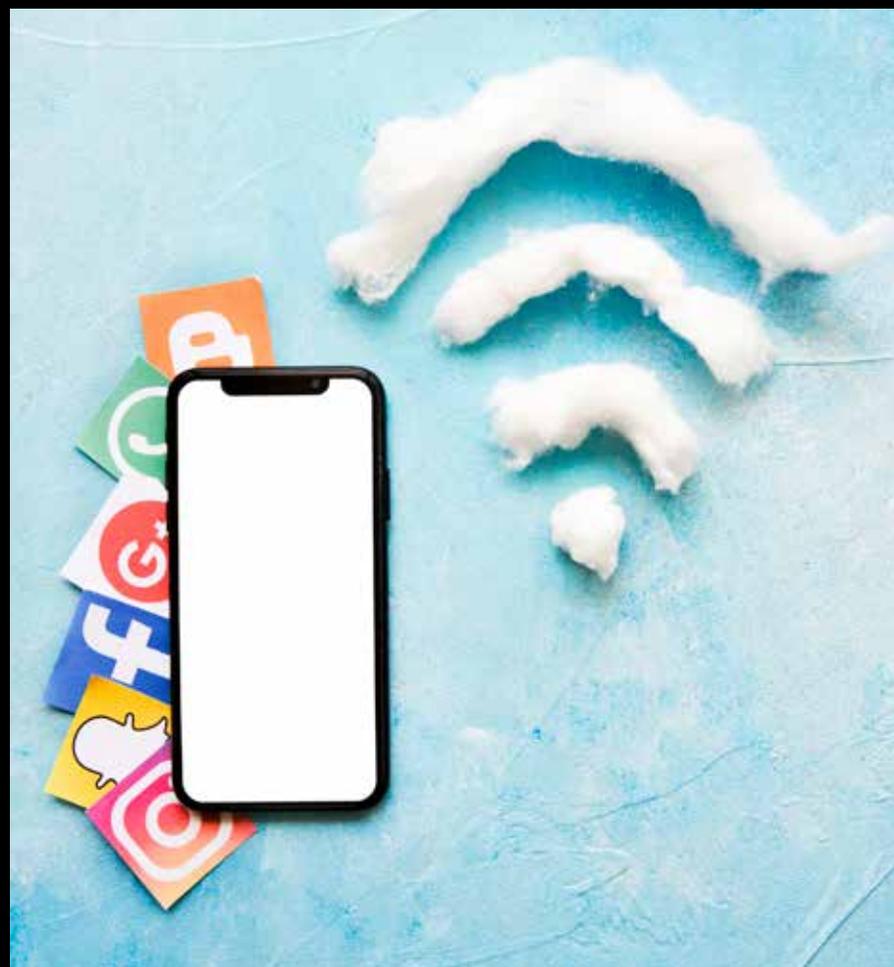
Light takes on technology that makes the world go round



I told my computer I needed a break, and now it won't stop sending me vacation ads.

My password is a joke. At least, that's what my computer keeps telling me.

Why did the computer go to therapy?  
It had too many unresolved issues.



Why did the Wi-Fi get invited to the party?  
It had the best connection.





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