

MEDIA STATEMENT

Kuala Lumpur, 7 October 2022

Statement by Dato' Amirul Feisal Wan Zahir, Managing Director of Khazanah Nasional Berhad on Budget 2023

Budget 2023, themed 'Keluarga Malaysia, Makmur Bersama', and tabled by the Finance Minister in Parliament today comes amidst a backdrop of challenging global economic conditions including rising inflation, geopolitical tensions, social polarisation and continued recovery from the Covid-19 pandemic, on top of the ever-growing threat of climate change.

Against this backdrop, the Budget has been in line with the focus of the Ministry of Finance to be responsive to the short-term needs of people and businesses, and also on being responsible and reformist in building resilience. It forms a comprehensive policy package towards reinforcing Malaysia's economic recovery, strengthening Malaysia's overall resilience against future storms, advancing the agenda of inclusive and sustainable development, as well as implementing serious reforms for the nation to thrive in the new global environment.

Khazanah Nasional Berhad ("Khazanah") and our investee companies are excited to play our part in delivering the various initiatives within Budget 2023. Tenaga Nasional Berhad will pilot rural internet projects benefitting more than 60,000 rural residents as well as drive the clean energy transition through investing RM165 million in rooftop solar and EV charging infrastructure until 2025. In addition, through the MySTEP programme, Khazanah will play a key role among the GLCs in providing 35,000 job opportunities, and ThinkCity's urban regeneration initiatives will see RM10 million allocation to transform Kuala Lumpur into a creative and cultural hub.

Khazanah's impact-based foundation, Yayasan Hasanah, has been working closely with the government since the beginning of the COVID-19 pandemic to run 177 projects in collaboration with 125 Social Enterprises and Civil Society Organisations, altogether benefitting 1.2 million Malaysians. Yayasan Hasanah will receive RM100 million in Budget 2023 to continue its community-building efforts such as income enhancement, inclusive education, and health screening programmes.

As part of Khazanah's Advancing Malaysia agenda, Dana Impak is on course to help increase Malaysia's economic competitiveness and national resilience. Dana Impak will allocate RM1 billion for strategic investments for the nation across its six themes. Of this, RM230 million has been identified for digitalisation and technology, focusing on building up the domestic start-up ecosystem and talent pool, RM200 million for investments in projects which seek to increase agrifood smallholders' productivity and income, and RM150 million for supporting the development of nature-based solutions for Malaysia's carbon markets ecosystem.

Taking an ecosystems-based approach, Khazanah will continue to seek and implement projects along the six Dana Impak themes, namely, Digital Society and Technology, Quality Health and

Education for All, Decent Work and Social Mobility, Food and Energy Security, Building Climate Resilience and Competing in Global Markets. We believe this requires an all-of-Malaysia approach, and welcome partners as well as collaborators with shared goals.

Overall, Budget 2023 is another crucial step forward in Malaysia's journey towards growing a competitive, inclusive and sustainable economy. While global conditions remain challenging, Budget 2023 promises to steer us on the right course towards a more positive future, in tandem with Khazanah's overall long-term strategy of Advancing Malaysia.

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About Khazanah Nasional Berhad

Khazanah Nasional Berhad ("Khazanah") is the sovereign wealth fund of Malaysia entrusted to deliver sustainable value for Malaysians. In line with its long-term strategy of *Advancing Malaysia*, Khazanah aims to deliver its purpose by investing in catalytic sectors, creating value through active stewardship, increasing its global presence, as well as building capacity and vibrant communities for the benefit of Malaysians. For more information on Khazanah, visit www.khazanah.com.my.