

BERITA ONLINE
NEW STRAITS TIMES
TARIKH: 21 APRIL 2022 (KHAMIS)

NEW
STRAITS TIMES

UAE-based Hotpack's investment pledge a boost for Malaysia

By Adie Zulkifli - April 21, 2022 @ 8:49pm



Agriculture and Food Industry Minister Datuk Seri Dr Ronald Kiang (3rd-left) and Datuk Dr Nik Muhammad Zawawi Salleh (2nd-left) during the ground-breaking ceremony in Gurun. - BERNAMA PIC

GURUN: The RM400 million investment pledge by United Arab Emirates-based Hotpack Packaging Industries LLC will boost Malaysia's position as the regional biodegradable manufacturing hub for Asean in the next 10 years.

Hotpack's strategic partnership with local company Free The Seed Sdn Bhd would open up the opportunities for local players to tap into the worldwide biodegradable packaging demand projected to value around RM713.6 billion by 2032.

Agriculture and Food Industry Minister Datuk Seri Dr Ronald Kiandee said Hotpack was proposing to build 10 plants to manufacture biodegradable packaging products in the next 10 years.

"The construction of the first plant with a size of 3,200 sq m will begin in May and is expected to be completed by August," he said after performing the plant's ground-breaking ceremony next to Free The Seed's plant in Gurun.

Present were his deputy Datuk Dr Nik Muhammad Zawawi Salleh and two Kedah executive council members, Datuk Ku Abd Rahman Ku Ismail and Azman Nasrudin.

Also present were Bioeconomy Corporation chairman Senator Datuk Iskandar Dzulkarnaian Abdul Khalid and its chief executive officer Khairul Fidzal Abdul Razak.

"Being one of the biggest players in the Gulf Cooperation Council countries and with market presence of over 40 countries, this partnership will open up huge market opportunities for Malaysian companies.

"This collaboration will help to position Malaysia as the regional hub for biodegradable packaging in Asean region," said Kiandee.

He added that the investment was projected to create 300 jobs for the first three to five years and would increase to 1,200 skilled and semi-skilled jobs in the next 10 years.

Meanwhile, Iskandar Dzulkarnain said Free The Seed would be using its enzyme proprietary to process agriculture waste into new biodegradable products for Hotpack's global market, including in the Gulf nations.

"Free The Seed has been using its technology to turn padi straws waste into biodegradable packaging products for medical and industrial usage. This technology has enticed Hotpack to collaborate with a Malaysian company.

"Bioeconomy Corporation is glad to assist in bringing this special investment, which will enable Free The Seed to scale up by tapping into Hotpack's vast network and market opportunities especially in GCC.

"Furthermore, there is potential for both companies to co-develop a variety of biodegradable products for better market access, cost efficiency and to satisfy the global market demand for biodegradable packaging which is forecast to exceed RM713.6 billion by 2032.

The partnership between Hotpack and Free The Seed was the result of a business matching initiated by the Bioeconomy Corporation during Mafi's Sustainable Agriculture week at the Malaysian Pavilion in Expo 2020 Dubai in February.