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Equinix to Expand Digital Infrastructure Platform in Malaysia to Kuala Lumpur

An additional investment of more than \$100 million to help businesses capitalize on the country's digital transformation and economic growth

REDWOOD CITY, Calif., June 11, 2023 /PRNewswire/ -- As Malaysia continues to grow as a strategic regional hub for digital interconnection between businesses, [Equinix, Inc.](#) (Nasdaq: EQIX), the world's digital infrastructure company[®], plans to open its first data center in Kuala Lumpur in Q1 2024, following its expansion announcement last year to enter Malaysia with a data center in Johor. Spurred by strong cloud growth and e-commerce adoption, as well as its continued investment in 5G, Malaysia is one of the fastest growing data center markets in the ASEAN region, with much of the development attributed to Johor and Kuala Lumpur.¹ Equinix's expansion is expected to provide greater digital infrastructure capacity in Malaysia to address rising demand from local and global companies expanding in the country.



As Malaysia enters Phase 2 of its MyDIGITAL blueprint for a digital economy, demand for digital infrastructure is expected to remain robust. According to Synergy Research, Malaysia is already the third largest data center colocation market in the ASEAN region, and is forecast to have a compound annual growth rate (CAGR) of approximately 11% from 2022–2027.² With extensive global experience in supporting 5G development, Equinix's new facility aims to accelerate the digital vision laid out in the government's MyDIGITAL blueprint to establish Malaysia as a hub for colocation in ASEAN and a regional digital economic powerhouse. The new facility in Kuala Lumpur, named KL1, together with the recently announced JH1 in Johor, will also provide digital infrastructure that businesses need to capitalize on the country's digital economy.

Jeremy Deutsch, President, Asia-Pacific, Equinix, said, "Over the past several years, we have witnessed Malaysia emerge as an increasingly strategic location for global digital infrastructure, and we believe it to be an attractive destination for data center growth and investment. Following our initial investment in Johor, we are excited to add another data center in Kuala Lumpur. By expanding Platform Equinix[®] in the two most strategic metros in Malaysia, we will enable Malaysian businesses, as well as multinationals with a presence in Malaysia, to leverage a trusted platform to bring together and interconnect the foundational infrastructure to power their success. We believe the two data centers will fuel Equinix's

existing data center momentum and support Malaysia's aspirations as a digitally driven connectivity hub."

Highlights / Key Facts

- The KL1 IBX[®] data center will be located in Cyberjaya within Kuala Lumpur. Cyberjaya is a key part of the Multimedia Super Corridor in Malaysia, a government-designated zone to promote and boost Malaysia's digital economy. Scheduled to open in Q1 2024, the first phase of KL1 will provide an initial capacity of 450 cabinets and colocation space of 1,300 square meters. When fully built, it will provide a total of 900 cabinets and colocation space of 2,630 square meters.
- KL1 will enable global networks, content providers and enterprises to exchange high volumes of internet traffic via Equinix Internet Exchange[®]. Through one of the world's largest global peering solutions at scale, internet service providers will have access to new digital corridors to exchange data directly with other internet service providers, participating in the flourishing digital economy and e-commerce landscape in ASEAN.
- Malaysia has positioned itself as an attractive digital infrastructure and cloud services hub, providing additional capacity to meet neighboring Singapore's demand for digital infrastructure.³ With a strong leadership position in multicloud connectivity, KL1 and Equinix Fabric[®] will enable customers to deploy their infrastructure to connect with the world's leading cloud service providers, including Alibaba Cloud, Amazon Web Services (AWS), Google Cloud and Microsoft Azure, safeguarding their business-critical data in a private and secure environment.
- In Asia-Pacific, Equinix currently operates 51 data centers in 13 metros across Australia, China, Hong Kong, India, Japan, Korea and Singapore, with expansions announced in Indonesia and Malaysia.

Supporting Quotes

- **John Dinsdale, Chief Analyst & Research Director, Synergy Research Group**
"Malaysia is a vibrant market for digital infrastructure, driven by a strong economy, growing demand for digital services, a favorable location and increasing investments from the world's leading hyperscale operators. That is opening up major long-term growth opportunities for leading data center operators."
- **YBhg. Datuk Wira Arham Abdul Rahman, Chief Executive Officer of the Malaysian Investment Development Authority (MIDA)**
"Equinix's decision to expand its data center investment in Malaysia with locations in Johor and Kuala Lumpur demonstrates the company's confidence in Malaysia's potential as a top-tier data center destination. The establishment of the two new data centers will play a pivotal role in accelerating the development of the nation's digital economy. These data centers will act as catalysts for digital innovation, enabling businesses to harness the power of advanced technologies such as cloud computing, artificial intelligence and big data analytics. As the principal national promotion agency, MIDA remains committed to supporting Equinix's growth and success in Malaysia as we continue to propel Malaysia's digital economy to greater heights."
- **Mahadhir Aziz, Chief Executive Officer of Malaysia Digital Economy Corporation (MDEC)**
"Equinix's investment and expansion in Malaysia propels us closer to our vision of firmly establishing Malaysia as the digital hub of ASEAN. The Malaysia Digital (MD) national strategic initiative serves as a catalyst to revolutionize our digital capabilities, bolstering our value proposition to attract digital investments and propel the digital

economy forward. We are committed to supporting Equinix's presence in Malaysia and to fostering the growth of the nation's data center industry through various PEMANGKIN initiatives. KL1 not only fortifies Malaysia's digital infrastructure but also accelerates our ongoing digital transformation. This move signifies unwavering confidence in Malaysia's resilient and robust data center ecosystem, its digitally skilled talent pool, and world-class infrastructure."

- **Datuk Muhammad Azmi Zulkifli, Chief Executive Officer of InvestKL**

"I am pleased to learn of Equinix's growing presence in Malaysia. This growth story is an affirmation of the country's ease of doing business, strong economic fundamentals and competitiveness which further positions us as the emerging digital hub in Asia. It is no surprise that the KL1 data center has been strategically placed in Kuala Lumpur. Kuala Lumpur offers a vibrant tech ecosystem, robust digital infrastructure and dynamic talent that is well-enabled to support Equinix's investment goals and aspiration of supporting Malaysia's digital transformation."

Additional Resources

- [Equinix Enters Malaysia with \\$40M Data Center Investment](#) [press release]
- [Equinix Expands to Indonesia with \\$74M Data Center Investment](#) [press release]
- [Southeast Asian Markets are Emerging as a Powerhouse for Digital Growth](#) [blog]

About Equinix

[Equinix](#) (Nasdaq: EQIX) is the world's digital infrastructure company[®]. Digital leaders harness Equinix's trusted platform to bring together and interconnect foundational infrastructure at software speed. Equinix enables organizations to access all the right places, partners and possibilities to scale with agility, speed the launch of digital services, deliver world-class experiences and multiply their value, while supporting their sustainability goals.

Forward Looking Statements

This press release contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially from expectations discussed in such forward-looking statements. Factors that might cause such differences include, but are not limited to, risks to our business and operating results related to the current inflationary environment; foreign currency exchange rate fluctuations; increased costs to procure power and the general volatility in the global energy market; the challenges of acquiring, operating and constructing IBX and xScale[®] data centers and developing, deploying and delivering Equinix products and solutions; unanticipated costs or difficulties relating to the integration of companies we have acquired or will acquire into Equinix; a failure to receive significant revenues from customers in recently built out or acquired data centers; failure to complete any financing arrangements contemplated from time to time; competition from existing and new competitors; the ability to generate sufficient cash flow or otherwise obtain funds to repay new or outstanding indebtedness; the loss or decline in business from our key customers; risks related to our taxation as a REIT and other risks described from time to time in Equinix filings with the Securities and Exchange Commission. In particular, see recent and upcoming Equinix quarterly and annual reports filed with the Securities and Exchange Commission, copies of which are available upon request from Equinix. Equinix does not assume any obligation to update the forward-looking information contained in this press release.

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¹ [Knight Frank SEA-5 Data Centre Opportunity Index](#)

² Synergy Research Group, Colocation Forecast, December 2022

³ <https://techwireasia.com/2023/04/malaysia-is-now-the-most-attractive-data-center-investment-market/>



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WHERE OPPORTUNITY CONNECTS

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