

Unlocking value

Some questions you may want to consider

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| Formulating strategy & making decision | Feasibility study | <ul style="list-style-type: none">• How does market demand look?• What operating model should I use to best address this demand?• What are the business management, labour, infrastructure, tax, and supply chain considerations that are necessary for business success? |
| | Operations and business fit | <ul style="list-style-type: none">• What kind of presence should I have in Asia?• Can I house certain high value-add business activities in Singapore and locate other operations/functions (e.g. manufacturing, backroom support, shared services, etc.) in Iskandar Malaysia? |
| | Site location evaluation | <ul style="list-style-type: none">• Where do I locate my competency centre?• What are the opportunity costs?• What is the cost/benefit analysis of alternative sites? |
| Implementing strategy & executing investment | Entry strategy / Deal execution | <ul style="list-style-type: none">• Do I set up a new business or buy an existing one?• How do I execute an investment or an acquisition of a business?• What are the commercial, financial and tax risks to consider? |
| | Business planning | <ul style="list-style-type: none">• How do I translate my strategic objectives into actionable plans?• What mechanism should I put in place to ensure business benefits are realised? |
| | Investment and licensing application | <ul style="list-style-type: none">• What government/regulatory approvals and documents do I need?• How long will it take to obtain relevant approvals? |
| | Tax planning and structuring | <ul style="list-style-type: none">• How should I structure my investment to optimise tax efficiency?• Are there any available tax incentives in Singapore and Malaysia for my investment? |
| | Set-up operations | <ul style="list-style-type: none">• What should the optimal organisation and governance structures be?• How do I put in place a robust performance management and KPI framework?• What are the business process and IT infrastructure requirements? |

Here’s how we can help you

- **Work with you to answer investment questions** - we bring in-depth local investment and business knowledge to get you up to speed with the Singaporean and Malaysian business environment.
- **Adapt to the Singaporean and Malaysian business environment** - having previously advised many foreign investors, we can share their experiences of adapting to work and living in Singapore and Malaysia. This brings you a practical perspective of what to expect from both the Singaporean and Malaysian business environment.
- **Leverage on our relationships built with regulators and government authorities** - we'll bring the necessary expertise and resources to help you build a strong foundation for investment choices you make while optimising tax incentives and efficiencies.
- **Drive the implementation of your preferred operating model** – we have significant functional and programme management expertise in defining and customising business processes, organisational and IT infrastructure requirements.
- **Help you make informed investment decisions** – Our deal experts have experience in a variety of industries, and can help you understand critical matters and devise practical solutions.

Let’s chat

Whether you’re looking to build, diversify or do something new with your business, we’d like to help. Come talk to us.



Jennifer Chang

Partner - Tax Advisory
PwC Taxation Services Sdn Bhd, Malaysia

+603 2173 1828
jennifer.chang@my.pwc.com



Abhijit Ghosh

Partner - Tax Advisory
PwC Services LLP, Singapore

+65 6236 3888
abhijit.ghosh@sg.pwc.com



Lorraine Yeoh

Executive Director - Tax Advisory
PwC Taxation Services Sdn Bhd, Malaysia

+603 2173 1499
lorraine.yeoh@my.pwc.com



R. Raghunathan

Partner - Advisory Business Consulting
PricewaterhouseCoopers LLP, Singapore

+65 6236 3258
r.raghunathan@sg.pwc.com



Lawrence Yee

Executive Director – Consulting
PwC Capital Sdn Bhd, Malaysia

+603 2173 1284
lawrence.yee.ming.keat@my.pwc.com



Ganesh Gunaratnam

Executive Director – Deals
PwC Capital Sdn Bhd, Malaysia

+603 2173 1694
g.gunaratnam@my.pwc.com

PricewaterhouseCoopers
Level 10, 1 Sentral
Jalan Travers, Kuala Lumpur Sentral
P O Box 10192, 50706 Kuala Lumpur, Malaysia

Telephone: +603 2173 1188
Facsimile: +603 2173 1288
E-mail: pwcmsia.info@my.pwc.com
Website: www.pwc.com/my

PricewaterhouseCoopers Services LLP
8 Cross Street
#17-00 PwC Building
Singapore 048424

Telephone: +65 6236 3388
Facsimile: +65 6236 3300
Website: www.pwc.com/sg

www.pwc.com

Right place,
right time

Reaping the benefits of
the Iskandar-Singapore
growth corridor



The 5 Cs of Iskandar Malaysia & Singapore

Operational excellence and cost efficiency are 'must haves' for today's global businesses. As MNCs look to grow their businesses in Asia in a cost effective manner, the Iskandar Malaysia-Singapore twinning model could be an effective operating model to adopt. The increased collaboration between Malaysia and Singapore in Iskandar Malaysia brings benefits derived from:

- leveraging on each country's strength and resources (land, labour, infrastructure)
- increased connectivity and proximity
- access to free trade agreement and tax treaty work

Connectivity

Strategic location at the heart of Asia, accessible by air, land and sea



Catchment

Access to a population of 600 million in Southeast Asia



Capabilities

Competent multi-lingual and multi-cultural talent pool



Cost-competitive

Affordable real estate and talent with lower rental and salary level

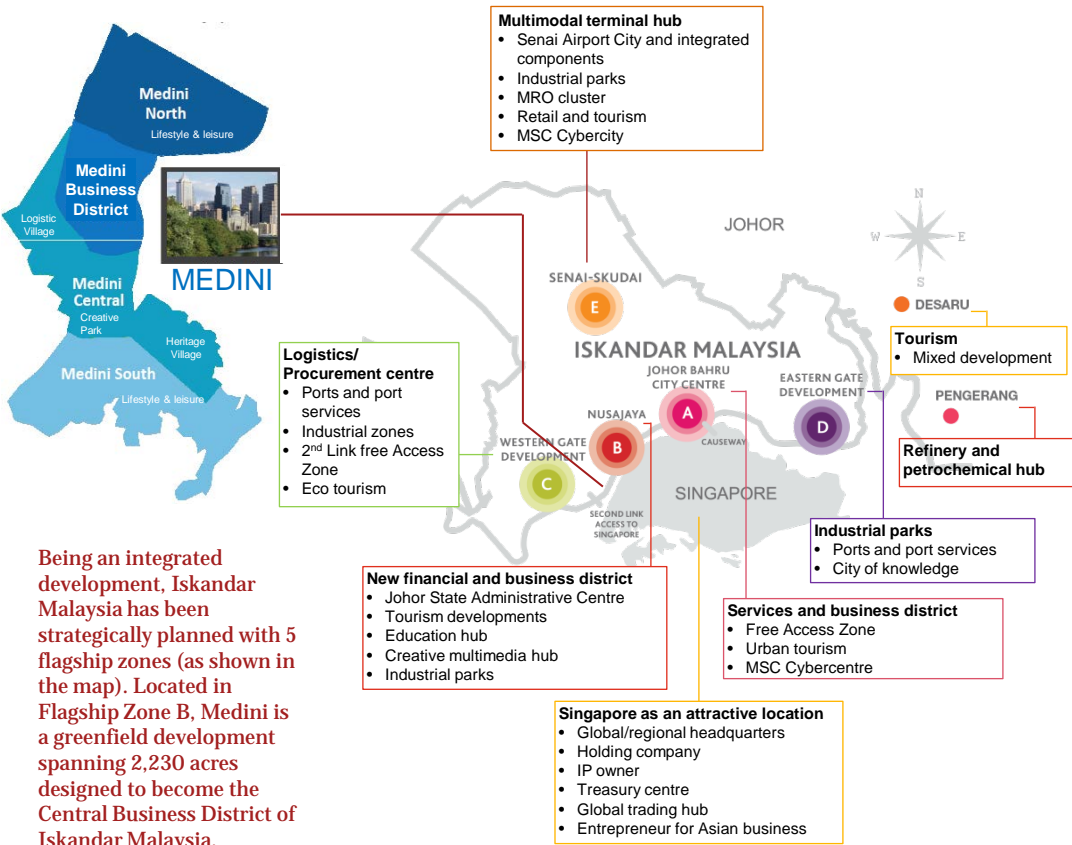


Conducive environment

Resilient economy, ease of doing business with various fiscal and non-fiscal incentives



Medini and the 5 Flagship Zones



Attractive incentives in Iskandar Malaysia & Singapore

Iskandar Incentive & Support Package

Currently, there are various tax and non-fiscal incentives available to the following approved companies operating in Medini (the first approved node in Iskandar Malaysia).

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| Approved developers | <ul style="list-style-type: none">Income tax exemption up to year of assessment (YA) 2015 on disposal of any right or rights over land in MediniIncome tax exemption up to YA 2020 on rental or sale of buildings in MediniWithholding tax exemption up to 31.12.2015 on payments to non-residents for technical services, interest and royalties |
| Approved development managers | <ul style="list-style-type: none">Income tax exemption up to YA 2020 for provision of management supervisory or marketing services to an approved developerWithholding tax exemption up to 31.12.2015 on payments to non-residents for technical services |
| IDR-status companies | <ul style="list-style-type: none">10-year income tax exemption OR 100% Investment Tax Allowance for 5 years on certain qualifying activities* within Medini, subject to conditions10-year withholding tax exemption on payments to non-residents for technical services and royaltiesCertain import duty and sales tax exemptions |

* Qualifying activities in the 6 services sectors

Tourism

- Hotels
- Theme parks, amusement and family entertainment centres and cultural centres
- Conference and exhibition centres
- Regional operation of hotel and leisure services



Healthcare and related services

- Hospitals and alternative medicine centres
- Integrated dental and orthodontic services
- Healthcare R&D
- Integrated laboratory services



Financial advisory and consulting services

- Islamic financial services
- Business process outsourcing/offshoring
- Corporate consultancy and advisory service



Educational services

- Universities
- Colleges
- Skills training institutions
- R&D institutions
- Regional training centres



Creative industry and related services

- Creative and design services
- Creative talent management services
- Film and television
- Games and animation
- Online and mobile content generation and advertising, aggregation and enablers
- Creative R&D
- Distribution and marketing of creative content
- Visual and performing arts
- Integrated media and content services
- Regional training centres



Logistics and related services

- Integrated supply chain services
- High value supply chain services and solutions



Other Iskandar Malaysia incentives

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|---------------------------------------|---|
| Residents of Medini | <ul style="list-style-type: none">Real Property Gains Tax exemption on certain disposal of real property in Medini, subject to conditions |
| Malaysian & foreign knowledge workers | <ul style="list-style-type: none">Reduced tax rate of 15% for workers residing in Iskandar Malaysia and working in qualifying activities within the five flagship zones, subject to conditions |
| Foreign knowledge workers | <ul style="list-style-type: none">Exemption on import and excise duties, and sales tax on import or purchase of one car by foreign knowledge workers working with Approved Companies and residing in Iskandar Malaysia, subject to conditions |

Iskandar Flagship incentives

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| New investment in 4 star and above hotel or resort project within the 5 flagship zones | New private higher education institutions within the 5 flagship zones | New traditional complementary medicine centre within the 5 flagship zones |
| <ul style="list-style-type: none">5-year income tax exemption OR 100% Investment Tax Allowance for 5 years, subject to conditionsExemption of import duty and sales tax on machinery and equipment used directly in the qualifying activities, subject to conditions | | |

Companies which do not qualify for Iskandar Malaysia incentives may be considered for other available tax incentives subject to meeting the relevant prescribed conditions. Some of these incentives include, but not limited to:

- Pioneer Status
- Investment Tax Allowance
- Special Incentive scheme approved by MOF on a case-by-case basis
- Operational Headquarters/Regional Headquarters
- International Procurement Centre
- Regional Distribution Centre
- MSC-Malaysia status
- BioNexus status

Incentives available in Singapore

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| To assist Singapore-based companies to venture overseas (including Iskandar) | <ul style="list-style-type: none">Financial and risk management support for foreign investments (such as the Internationalisation Finance Scheme, Loan Insurance Scheme and Trade Credit Insurance Scheme)Political Risk Insurance Scheme to subsidise the premiumsGrants to develop talent200% tax deduction for qualifying expenses incurred on overseas business development, investment study trips or participation in overseas trade fairsIntegrated Investment Allowance on qualifying equipment used for approved projects outside SingaporeLand Productivity Grant to defray certain consultancy costs/overseas relocation costsOther grants to support |
| Tax incentives for inbound investments in Singapore | <ul style="list-style-type: none">Reduced corporate tax rate (0% - 15%) on incremental income from qualifying value-add headquarter activities/functionsReduced tax rate on qualifying finance and treasury activitiesReduced tax rate on qualifying offshore tradeReduced withholding tax rate on royalty payments to access advanced technology and know-howGrants to develop R&D capabilities in strategic areas of technologyGrants to encourage capability development in applying new technologies, industrial R&D and professional know-howWriting-down allowances for Intellectual Property acquisition |