

# GLOBAL INNOVATIVE MEDICAL FIRMS PICK GREATER KL AS REGIONAL HUB

GLOBAL medical technology and pharmaceutical firms are turning to Malaysia as their investment destination, as they chart their mid-to-long term growth strategy across the region.

For biopharmaceutical company AstraZeneca, the focus going forward will be on achieving growth through a science-led innovation strategy, its country president and managing director Dr Sanjeev Panchal said.

In March, it was reported that AstraZeneca will invest more than RM500mil in Malaysia over the next five years for a new headquarters and to roll out new robotic and cognitive technology.

With more than RM500mil in investment across 2019 to 2023 in strategic segments of its business operations, including medical, finance, clinical studies and commercial, the company will bring innovation by expanding its footprint in Malaysia, said Sanjeev.

"Beyond accelerating our innovation pipeline to patients in Malaysia, AstraZeneca is working with healthcare stakeholders to address gaps in disease management through 'beyond the pill' ecosystem a patient-centric approach.

"These includes strong portfolios of medical educations, diagnostics, research, diseases prevent activities and various programmes to increase affordability and access to innovative medicines, designed to achieve better healthcare outcomes for patients in Malaysia."

Meanwhile, global medical tech-



**Innovative expansion:** Sanjeev says AstraZeneca will bring innovation by expanding its footprint in Malaysia.

nology company Edwards Lifesciences (Edwards) is focusing on creating more awareness of the services it provides, said Japan, Asia and Pacific strategy and business operations director Erik Ramp.

"In Malaysia, there's growing awareness of structural heart disease, which is what we treat. We work closely with Institut Jantung Negara and they are seeing more people coming in and asking about the devices and therapies that we provide. It's a positive sign as it means that patients are becoming more aware of the treatments that are available.

"The diseases that we treat are not just exclusively to Malaysia. They can happen to anyone anywhere in the world. Worldwide, treatment



**People power:** Roach says AstraZeneca invests substantially to upskill and develop its people.

rates for heart valve disease are traditionally very low, so it's good that people are becoming more aware and speaking to their doctors."

Back in April, it was reported that Edwards will be investing RM100mil in Malaysia over the next five years through its new regional business service centre, which is located at KL Eco City.

"We set up the office here in April 2019 and have grown our headcount from zero employees to 37. We've been able to establish a finance, IT and marketing departments to support our operations in Japan, Asia and Pacific," said Ramp.

"We expect a lot of our growth next year and the coming years, especially from our businesses in Japan and China. They are two of our biggest growth countries and as

that grows, so will our support services here."

He added that the RM100mil investment will comprise mostly payroll, training and development, travel budgets and capital expenditure.

AstraZeneca Asia Pacific global finance services head Madeleine Roach said the group conducted an in-depth study before deciding on a location to set its regional hub.

"We always do a thorough study of the sites that we pick and where we want to establish. Because of the investment requirements, it needs to become a hub where we can find really good talent.

"We invest a lot in upskilling and developing our people because we want to see our people advance in their careers," she said.

Roach said AstraZeneca will also be rolling out an academy to boost its employee skills.

"The academy will focus on core skills from understanding our systems to our brands in the company, to looking into some technical areas like tax, investor relations and areas that they may not necessarily be exposed to.

"The academy will go live in October," she said.

Separately, Edwards' Ramp said one of the challenges of setting up base in Malaysia is that not many people are aware of the services that the company offers.

"We are dedicated to very focused areas of medical technology. We treat structural heart disease, which is a subset of cardiovascular disease and when everyone thinks cardiovascular disease, they think heart attack. We also have technologies that help in the monitoring and treatment of those with critical illness.

More people become aware of Edwards when they or someone they know is affected by heart valve disease or a critical illness, so it is not necessarily a company that the general public knows – which can present challenges for recruiting.

"We need to spend time telling our story and what we do, that the diseases we treat may be a small part of cardiovascular dis-



**Leaving a mark:** Ramp says Edwards Lifesciences will be making an impact on people's lives in Malaysia.

ease but it's also deadly if it goes untreated. Our employees have a great opportunity to make an impact on people's lives here in Malaysia and all around the world."

Tying up with InvestKL has helped Edwards to create that much needed awareness, said Ramp.

"InvestKL has helped us in terms of the talent market here, as well as helping us connect with other multinational companies (MNCs)," he said.

For AstraZeneca, InvestKL has been invaluable in helping it explore new opportunities and possibilities, said Sanjeev.

"InvestKL has facilitated multiple engagements with government agencies, as well as other MNCs, hence strengthening our company positioning as one of the preferred healthcare MNC-committed firm to support Greater Kuala Lumpur's proposition as a regional business hub."

"Apart from that, with this collaboration, InvestKL has assisted and supported the company to increase our visibility among the stakeholders and directing us to the preferred stakeholders to achieve our target as the biggest healthcare MNC in Malaysia," he said.

InvestKL acting chief executive officer Muhammad Azmi Zulkifli meanwhile is optimistic about the prospects of attracting more MNCs like AstraZeneca and Edwards into the country, moving forward.

"Given the country's ease in doing business, its transparency, efficiency and being investor-friendly, Malaysia is well positioned to become an innovation hub for MNCs looking to grow their business within Asean."

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## RSM TAX SEMINAR 2020 BUDGET

Organised by : RSM Tax Consultants (Malaysia) Sdn Bhd (283706-D)  
in collaboration with The Institute of Taxation Sdn Bhd (125828-W)

Date : 31 October 2019, Thursday

Time : 8.30am - 5.00pm

Venue : Hotel InterContinental, Jalan Ampang, Kuala Lumpur

### ABOUT RSM TAX SEMINAR ▶

The Honourable Finance Minister, Mr. Lim Guan Eng tabled the 2020 Budget on 11 October 2019. Join us at this year's RSM Tax Seminar which will highlight the latest tax and SST developments and provide participants with a practical understanding of the key tax changes presented in the 2020 Budget Proposals.

### HIGHLIGHTS ▶

- Analyses of the 2020 budget proposals
- Updates on Post Special Voluntary Disclosure Program
- Changes to the SST legislation
- Understanding of the SST requirements
- Analysis of recent landmark tax cases
- Latest update on Transfer Pricing requirements
- Issues impacting foreign companies/expatriates



### WHO SHOULD ATTEND ▶

- Chief financial officers, Tax directors, Financial controllers, Tax executives, Finance managers, Accountants and those keen to find out the implications of the 2020 Budget proposals.

### HAVE QUESTIONS?

Please contact Ms. Maya or Ms. Lynda at 03- 2610 2831 / 2832

Email : askus@rsmmalaysia.my

Fax : 03-26916886

## Guan Eng: Current definition of govt debt inadequate

**PETALING JAYA:** The World Bank Group's present definition of government's debts that only includes direct debts borrowings is inadequate, Finance Minister Lim Guan Eng says.

In a statement issued on Wednesday, he said government guarantees or liabilities that have been committed or crystallised due to default by the principal borrowers, are not covered.

"This does not give a correct or accurate picture of the government actual debt position.

"In fact, this loophole permits manipulation by limiting direct debt and pushing everything else to government guarantees or liabilities to hide the actual heightened or worsening government debt position," he said in a speech on Oct 19.

He was delivering his speech as chairperson of the Constituency of Brunei, Fiji, Indonesia, Laos,

Malaysia, Myanmar, Nepal, Singapore, Thailand, Tonga and Vietnam at the development committee ministerial meetings of the World Bank in Washington.

Lim also said the WBG must also establish debt transparency to build a foundation that promotes clarity, consistency and certainty, he said.

He urged the WBG to continue to expand its analytical works and policy recommendations for middle-income economies to facilitate their transition to developed high income status.

He also highlighted that heightened trade tensions, subdued investment and the breakdown of multilateralism aptly summarised the challenges for emerging market and developing economies (EMDEs), like the region, to maintain the growth momentum and safeguard its financial and macroeconomic stability.