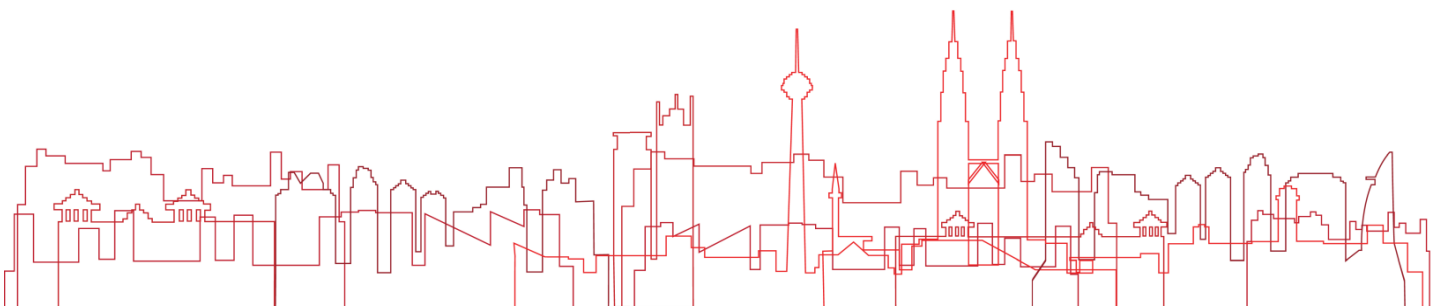


GREATER KUALA LUMPUR

**THE REGIONAL HEADQUARTERS LOCATION FOR
MULTINATIONAL COMPANIES IN ASIA**



A Quick Guide to Greater KL



MALAYSIA, THE RISING STAR OF ASEAN



ASEAN (Association of South East Asian Nations) is a new tier of emerging economies in South East Asia with a recorded combined gross domestic product (GDP) of \$2.4 trillion in 2013. This 10-nation bloc, with a total population of more than six hundred million people, has seen some of the most impressive growth rates in the world over recent years. This can be attributed to the region's GDP stability, strategic geographical position, and access to some of the world's largest and most dynamic economies. Overall, ASEAN is the 2nd fastest growing economy in Asia and 7th largest economy in the world with projections to become the 4th largest economy by 2050.

OVERVIEW OF MALAYSIA

Malaysia is a leading economy in ASEAN with a GDP growing at an average of 6.5% per annum for nearly 50 years. Supported by the National Transformation Programme (NTP), the country is on a strong path to becoming a high income/developed nation by 2020. Malaysia is a founding member of ASEAN, the East Asia Summit and the Organization of Islamic Cooperation, and a member of Asia-Pacific Economic Cooperation, the Commonwealth of Nations, and the Non-Aligned Movement. Malaysia's active participation in strategic trade and economic partnership agreements including the ASEAN Economic Community (AEC) and the Trans Pacific Partnership Agreement (TPPA) continues to shape its trade and growth directions. Rated as one of the best destination to do business globally, World Economic Forum (WEF) ranked Malaysia's economy as 6th in Asia and 20th in world as the most competitive, surpassing countries such as Australia, France and South Korea. In addition, Malaysia is ranked 18th among 189 countries in terms of Ease of Doing Business by the World Bank's Doing Business Report 2016.

MALAYSIA'S GLOBAL RECOGNITIONS

Relative to her global and regional peers, Malaysia is highly rated for her favourable pro-business environment. Malaysia is ranked high in the "ease of doing business" (18th) and the "business efficiency" (10th) global competitiveness indices.

Ernst & Young (EY) Southeast Asia Capital Confidence Barometer 2015 ranked Malaysia as the top five investment destinations. According to Bank Negara Malaysia, strong global investor interest saw Malaysia receive global FDI amounting to US\$9.9b (RM\$39.5b) in 2015.

After India and China, Malaysia is the next favourable destination among 55 countries for offshore/outsourcing services, according to A.T. Kearney's Global Services Location Index 2016.

Malaysia's global competitiveness rankings

3rd preferred global offshore destination
Rating score of 55 countries
AT Kearney: Global Services Location Index, 2016

5th most attractive investment destination
Survey among 123 executives
EY: Capital Confidence Barometer, Southeast Asia, 2015

10th position on business efficiency
Rating score of 61 countries
IMD: World Competitiveness Report 2015

18th position on ease of doing business
Rating score of 189 countries
World Bank: Doing Business Report 2016

Source: *EY, KL Calling Investor's Guide 4th edition

GREATER KUALA LUMPUR

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Greater Kuala Lumpur (Greater KL) is the most developed city in Malaysia, which is well-known as a leading commercial and financial centre in the region. Greater KL's significant progression is reflected in its development activities across Klang Valley, rising population and steady economic growth.

The growth dynamics of Greater KL as follows:

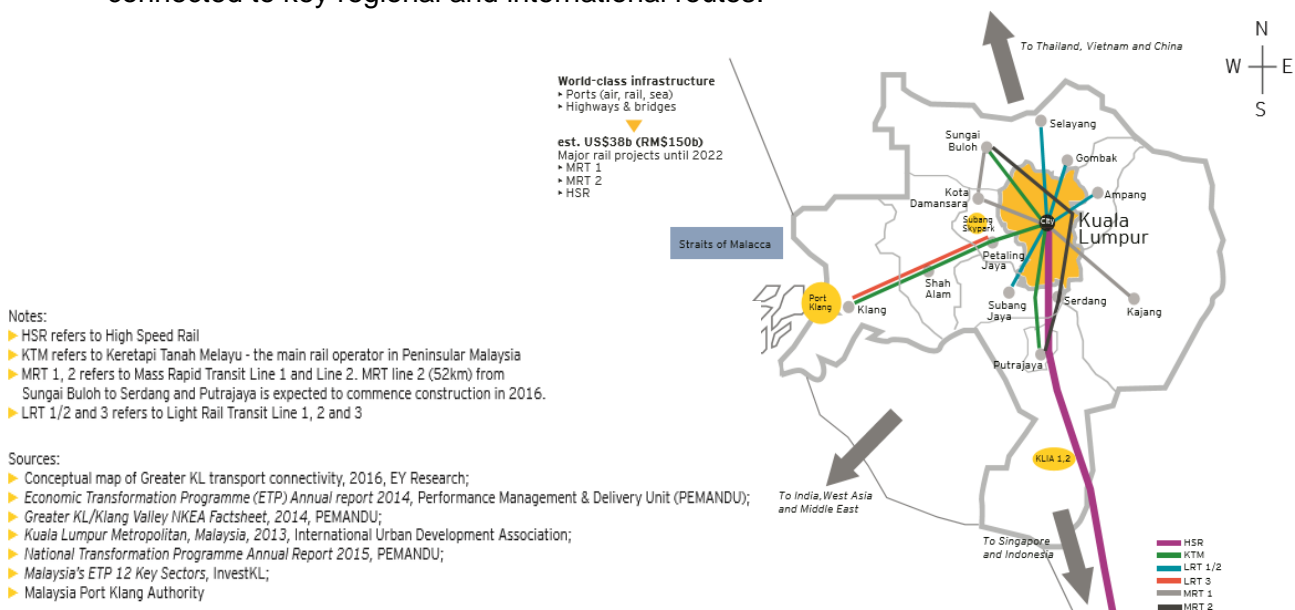
- ▶ Greater KL is made up of 10 municipalities, encompassing an area that is 11 times larger than KL city center.
- ▶ Greater KL's population of 7.2 million is anticipated to expand 6% Compound Annual Growth (CAGR) to reach 10 million by 2020.
- ▶ The size of Greater KL economy reflected by Gross National Income (GNI), is expected to grow from US\$75b to US\$98b at 3% CAGR in view of global economic conditions.



KL TRANSFORMING TO BE A GLOBAL METROPOLIS

The ongoing transformation of KL is part of Malaysia's National Transformation Programme (NTP). By 2020, KL aspires to be among the top 20 global metropolises.

Malaysia's capital city epitomises the quality and connectivity of the country's transport infrastructure. The KL city centre is already well-connected with a multi-network of city and suburban roads/highways, rail and air transport networks which connect intra-city, inter-state and to regional and international cities. Kuala Lumpur International Airport (KLIA), Malaysia's main international airport, located at the periphery of KL, is well connected to key regional and international routes.



Source: *EY, KL Calling Investor's Guide 4th edition

As the capital city of Malaysia and a leading city in the region, KL has been on a progressive transformation track, supporting Malaysia's aspiration to be a fully-developed nation by the year 2020.

With Malaysia's highly trade-oriented economy, KL has evolved to become a dynamic hub serving both her domestic market and even the region's needs. KL is already a pivot point and a headquarters (HQ) address for global and regional businesses with over 3,600 Multinational Companies (MNCs) having their global and regional representative's offices in Malaysia.

With KL accelerating to be the leading regional city with its world-class infrastructure and dynamic pool of diverse-skilled young and experienced talent, her aspirations to be the next major regional HQ hub is a reality.

THE GREATER KL BUSINESS PROPOSITION



Centrally Located

- Greater KL lies at the centre of the high-growth and robust Asian markets, with a potential catchment of 4.4 billion people.
- Strategic location in Asia, linking the Far East to Southeast Asia, Europe and the Middle East.
- Within a 4 to 8-hours flight radius of the region's key business centres such as Beijing, Dubai, Hong Kong, Seoul, Sydney, Shanghai and Tokyo.



Credible

- Malaysia is ranked 18th among 189 countries in terms of Ease of Doing Business by the World Bank's Doing Business Report 2016.
- The country's National Transformation Programme (NTP) is spinning off enormous business and investment opportunities in its targeted 12 key sectors.
- Ranked 5th most attractive investment destination by EY:Capital Confidence Barometer, Southeast Asia and 10th position on business efficiency among 61 countries by IMD: World Competitiveness Report 2015.



Cost Competitiveness

- In comparison to other Asian cities, Greater KL stands out as a cost competitive location on business cost dimensions which includes office rentals and high-value talent at competitive salaries.
- Gross effective rental for KL Central Business District (CBD) prime office rate is US\$17/sqm/month, the lowest among Asian cities.
- In Greater KL, the average salary for an engineer is USD 1000 to USD 3000 a month.
- Greater KL is one of the least expensive cities to live in, coming in at 113th place in Mercer's 2015 Worldwide Cost of Living survey covering 207 cities in 5 continents.

Among KL's strategic high-growth investment sectors, which are on the radar of investors, both local and international players, include:

- ▶ Global business services (including Knowledge Process Outsourcing)
- ▶ Engineering construction services
- ▶ Aerospace (aviation, avionics and maintenance, repair & overhaul)
- ▶ Halal products/services
- ▶ Financial services (including Islamic finance)
- ▶ Oil and gas activities (including downstream activities).

GREATER KL, ASEAN'S OPTIMAL PRINCIPAL HUB LOCATION



In today's increasingly challenging global business environment, businesses are shifting towards 'high value, high impact' central operating models to optimise cost and maximise operating efficiency.

Developed in line with an evolving regional management and global supply chain trend, Malaysia launched the Principal Hub incentive in April 2015 to attract multinationals (MNCs) to locate their regional headquarters operations in Malaysia.

By definition, a Principal Hub is a locally incorporated company that uses Malaysia as a base for conducting its regional and global operations to manage, control and support its key functions including management of risks, decision making, strategic business activities, trading, finance, management and human resource.

1

Competitive corporate tax rates* - 0%, 5% or 10% depending on the value of committed business investments

2

Allows 100% foreign equity participation; Foreign Exchange Administration flexibilities

3

Flexible qualifying criteria including no limit on drop shipment

4

Customs duty exemptions

5

Ease in expatriate employment

AVAILABILITY OF HIGH SKILLED TALENT

One of Greater KL's many attractions includes access to an educated, skilled and cost effective workforce alongside an ecosystem that encourages strategic partnerships. Survey Results by IMD World Talent Report 2015 ranks Malaysian workforce at 15th ahead of countries such as Japan, Thailand, Indonesia and India.

As the most vibrant and populous city in Malaysia, Greater KL attracts a third of all university graduates because of the ample job opportunities as well as generous training and development programmes, as a result attracting a third of all university graduates. There are nine public universities, and over 25 private universities in Greater Kuala Lumpur, and public universities alone produce 113,000 graduates annually covering major fields such as finance, oil and gas, engineering, healthcare and business services.

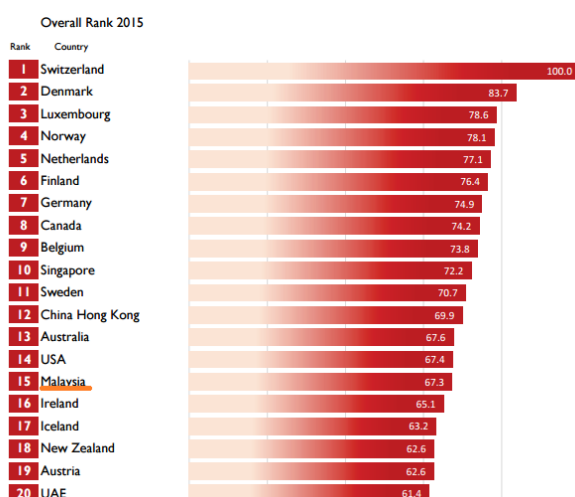


Chart: World Talent Report 2015 by IMD

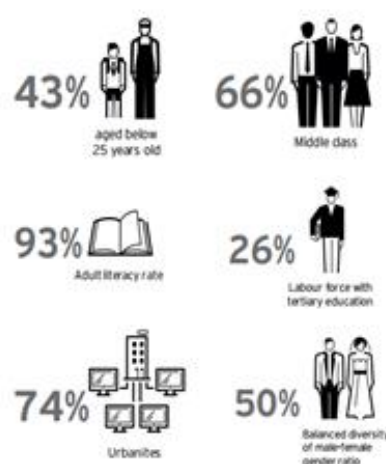


Chart: Malaysia's Talent at a Glance

Source: * EY, KL Calling, Investor's Guide – 4th Edition * IMD World Talent Report 2015

LIVE IN GREATER KL



Greater KL is a vibrant, multicultural and growing city that is recognised as one of the world's top liveable cities. The city is rated as the 2nd most liveable city in Southeast Asia by EIU 2025 City Competitiveness report (one of the only two Southeast Asian cities to have made into its world top 100). Greater KL is also notable for the affordable cost of living, world-class shopping, award winning golf courses, parks, entertainment and dining options. All of this contributes to a fulfilling and refined standard of international living and the reason why Greater KL is so appealing. When the enviable standard of living is combined with Greater KL's proven business and economic advantages – scoring especially well in global competitiveness, ease of doing business, and cost of living – Greater KL is a clear and easy choice to call home.

KL CITY'S EASY ACCESS TO QUALITY EDUCATION, HEALTHCARE FACILITIES AND AMENITIES

KL city and Greater KL is host to a wide range of international schools and quality healthcare facilities and amenities.

4	foreign full-campus universities
20	local full-campus universities
29	international schools offering 13 diverse curriculums
10	major private hospitals
10	specialist private hospitals
14	public hospitals

INTERNATIONAL SCHOOLS



The International School of Kuala Lumpur



The British International School of Kuala Lumpur



Lycée Français Kuala Lumpur



Deutsche Schule Kuala Lumpur



The Japanese School of Kuala Lumpur

KL CITY'S BALANCED ECOSYSTEM OF GREEN SPACES

Despite, the rapid urbanisation of KL city, there are vast green belt areas, including nine major recreational parks and three forest reserves. Within inner city areas or 4km driving distance from KLCC, there are pockets of green parks and reserves such as KLCC Park, Taman Tasik Titiwangsa and Bukit Nanas Forest Reserve.

Projects under the NTP are expected to make Greater KL a cleaner, greener and better connected place to live.

Golfers will find themselves in the center of it all – Malaysia is home to more than 200 golf courses and 15 are located in Greater KL.

It's nature lover's paradise – Greater KL is surrounded by a wide diversity of natural attractions, and overlooks spectacular views of mountain ranges and the city's skyline.



The City Hall (DBKL) targets to plant 100,000 large-coverage trees in and around the city centre by 2020. This includes establishment of pocket parks to encourage outdoor activities.

The Klang River cleaning and beautification have been undertaken to breathe new life into the riverside. By 2020, over 100km of the river will be made safe for recreational use, with the government planning further developments and commercial activities.

Source: *EY, KL Calling, Investor's Guide – 4th Edition

FAST TRACK YOUR BUSINESS WITH INVESTKL



Set up as a government entity under the purview of the Ministry of International Trade and Industry (MITI), the Ministry of Federal Territories and PEMANDU (Performance Management and Delivery Unit under the Prime Minister's Department), InvestKL forms a centre for multinational firms to set up their business in Greater KL.

InvestKL is mandated to attract large global multinationals such as Fortune 500 and Forbes 2000 companies to establish their regional business, innovation and talent hubs in Greater KL, providing a gateway for companies to grow their business in Asia.

Our team of specialists are here to guide businesses in establishing their presence here, ensuring a facilitative and expedited process. We are pleased to aid investors through the investment process:

- Collaborating in the formation of an effective business strategy for Greater KL, Malaysia and Asia
- Formulating the most competitive fiscal and non-fiscal packages
- Introducing investors to the various specialised business hubs in Greater KL
- Providing post investment services
- Proposing talent management programmes
- Recommending the best investment location
- Helping make investors feel “at home” in Greater KL with familiarisation programmes
- Ensuring seamless transitions from investors' current locations

InvestKL invites companies seeking to leverage competencies and efficiencies in this region to consider locating their regional and global hub in Greater KL. For more information on how InvestKL can serve your investment needs, contact any of our investor relations directors for more information:

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