

Johor- Singapore SEZ

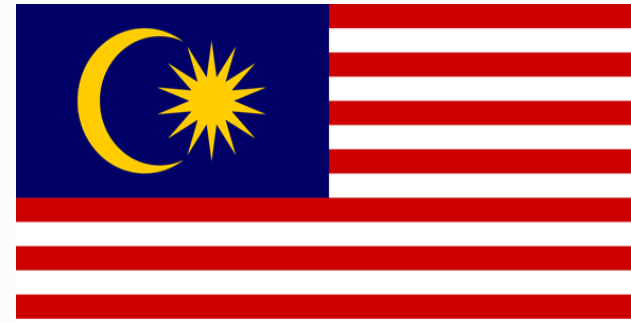
What's Special and Different

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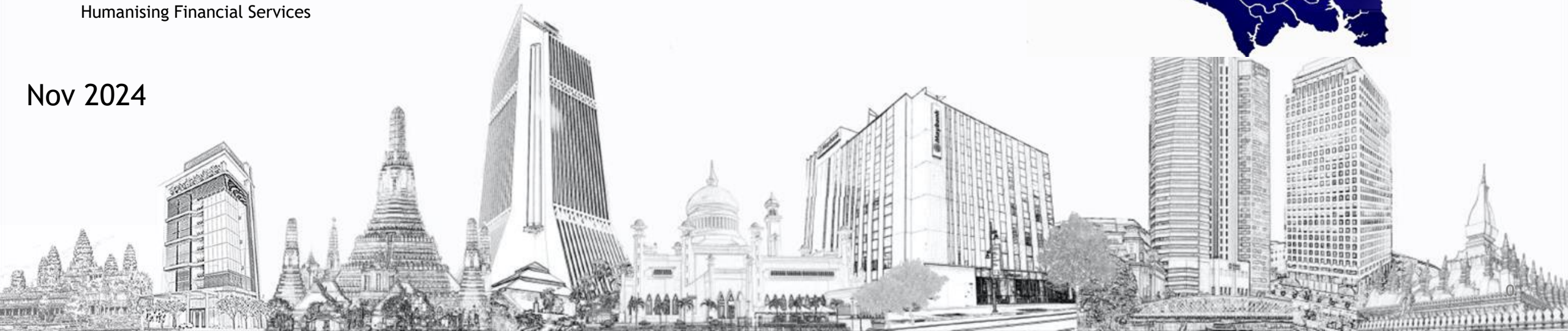
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Humanising Financial Services

Nov 2024





Johor- Singapore Special Economic Zone (SEZ): A Game Changer?

Span 3,505km,
Including Iskandar
and Pengerang

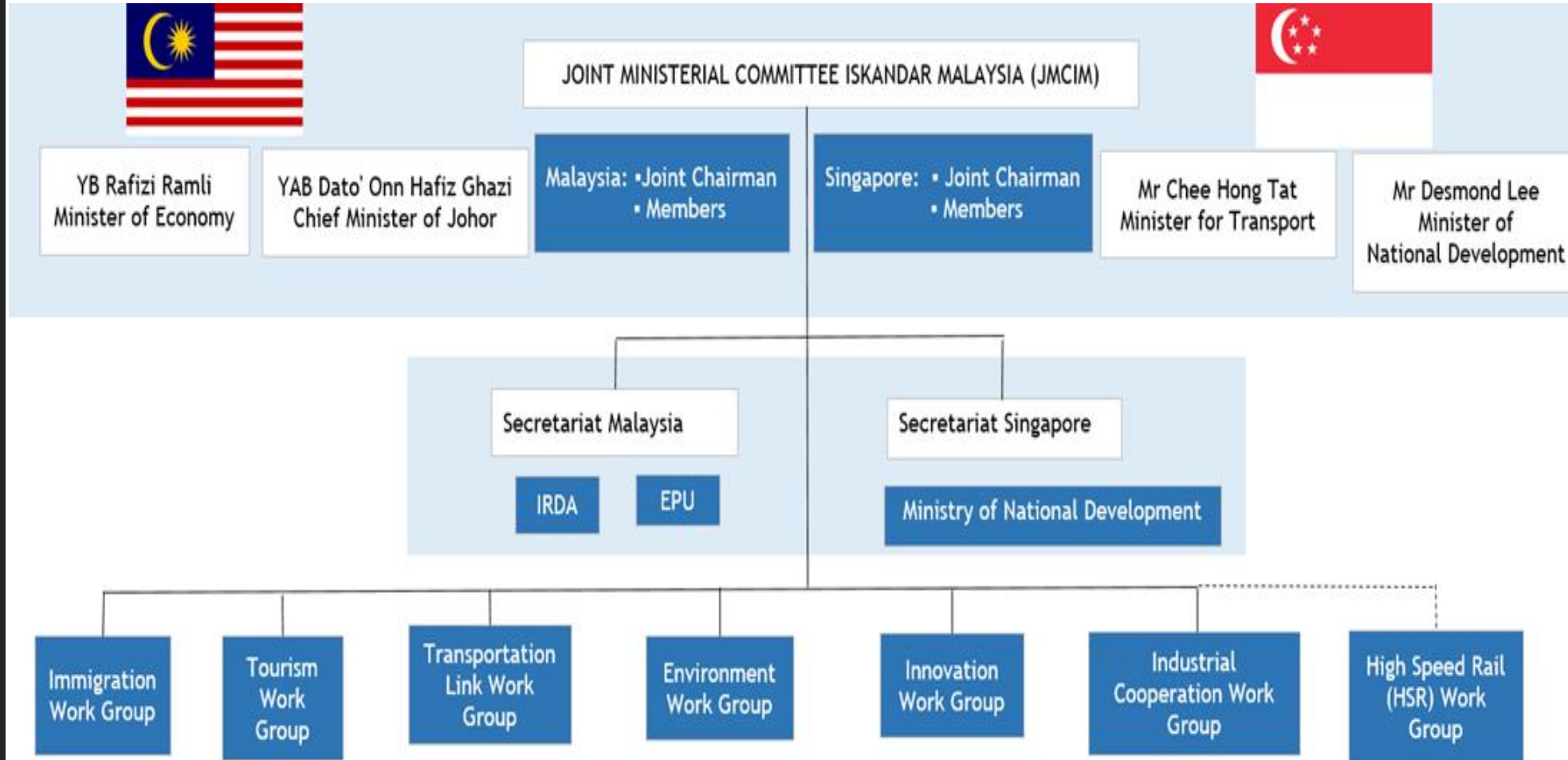
A Deal Will Likely
Be Signed in Dec
2024 at the
Malaysia-
Singapore Leaders
Retreat



Source: CNA

The Malaysia-Singapore Joint Ministerial Committee for Iskandar Malaysia (JMCIM)

Joint Ministerial Committee Iskandar Malaysia Governance Structure



Note: IRDA stands for Iskandar Regional Development Authority; EPU stands for Economic Planning Unit
 Source: Iskandar Regional Development Authority

Johor's Economy

Johor's GDP is about 9% of Malaysia's GDP and 7.5% of Singapore's GDP in 2023

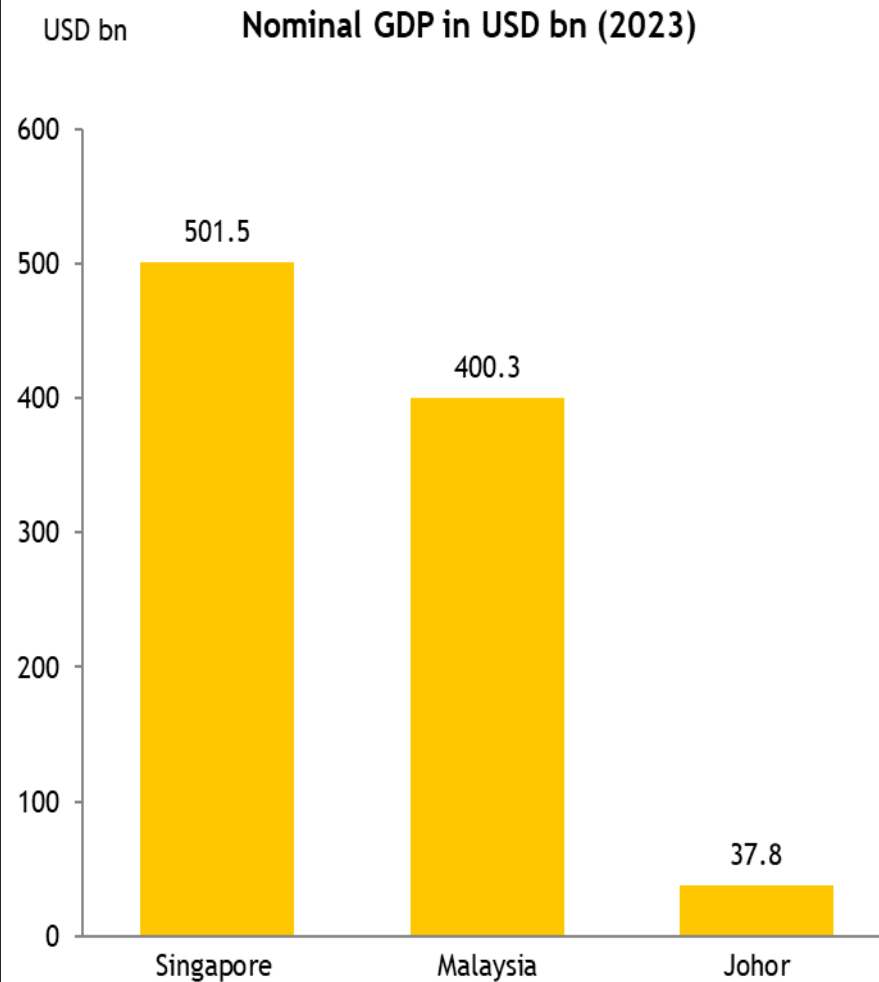
Nominal GDP
RM171.8bn

GDP per capita
RM41,902

Population 4.1m

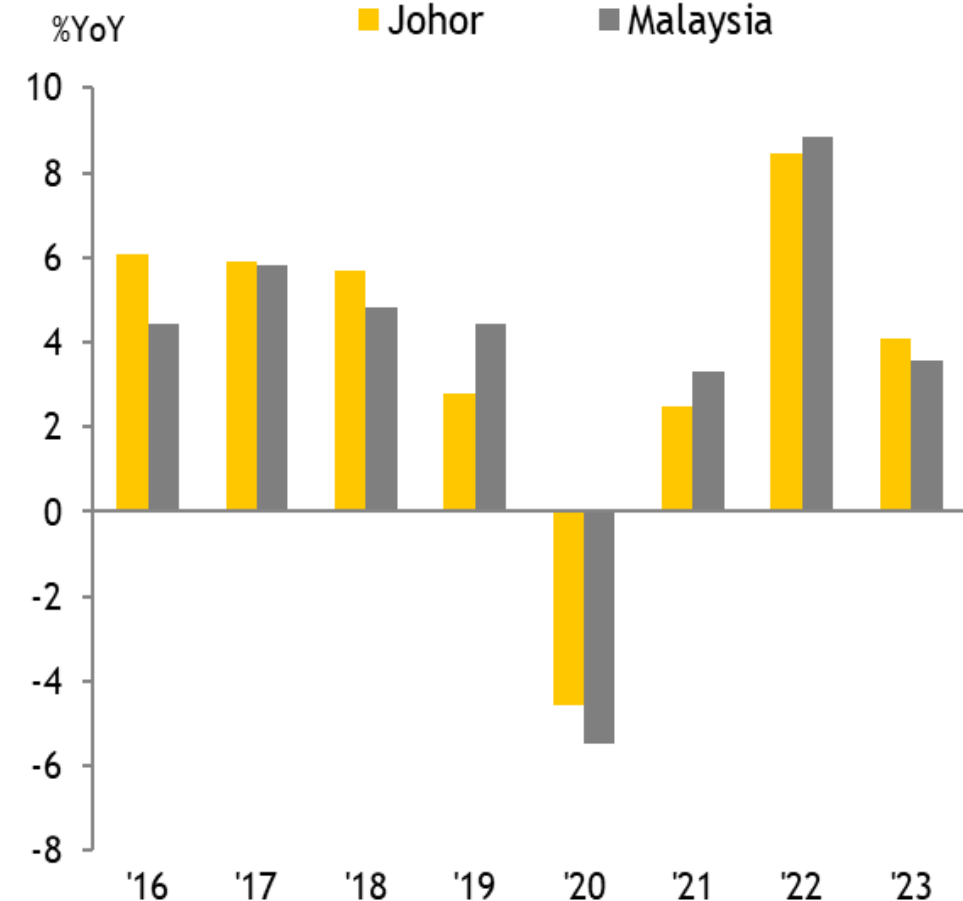
Labor Force 2.1m

Johor's Nominal GDP Equivalent to 7.5% of Singapore's GDP and 9.4% of Malaysia's GDP in 2023



Source: CEIC

Johor's Real GDP Grew +4.1% in 2023, Outpacing National Growth (+3.6%)



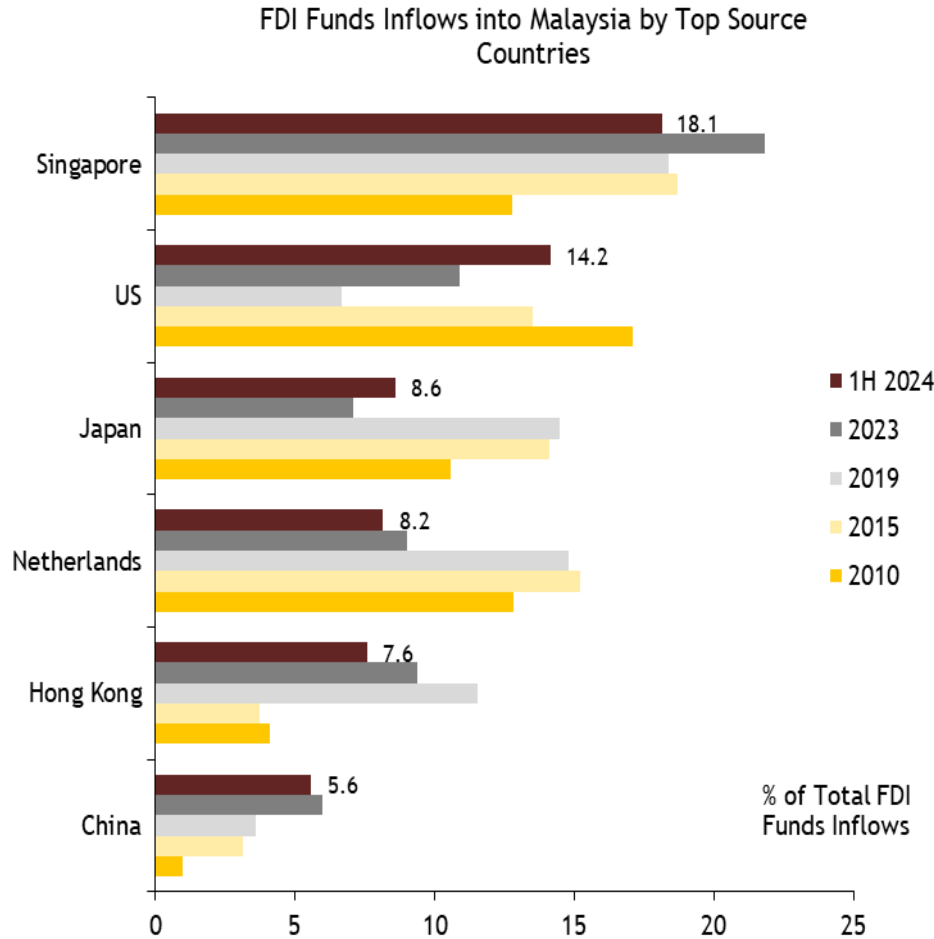
Source: CEIC

Malaysia- Singapore: Closely Integrated

Singapore - Top FDI
Investor in Malaysia

Second Largest
Investor in Iskandar
(after China)

Singapore #1 Investor in Malaysia in 1H2024,
Accounting for 18% of Total FDI Inflows

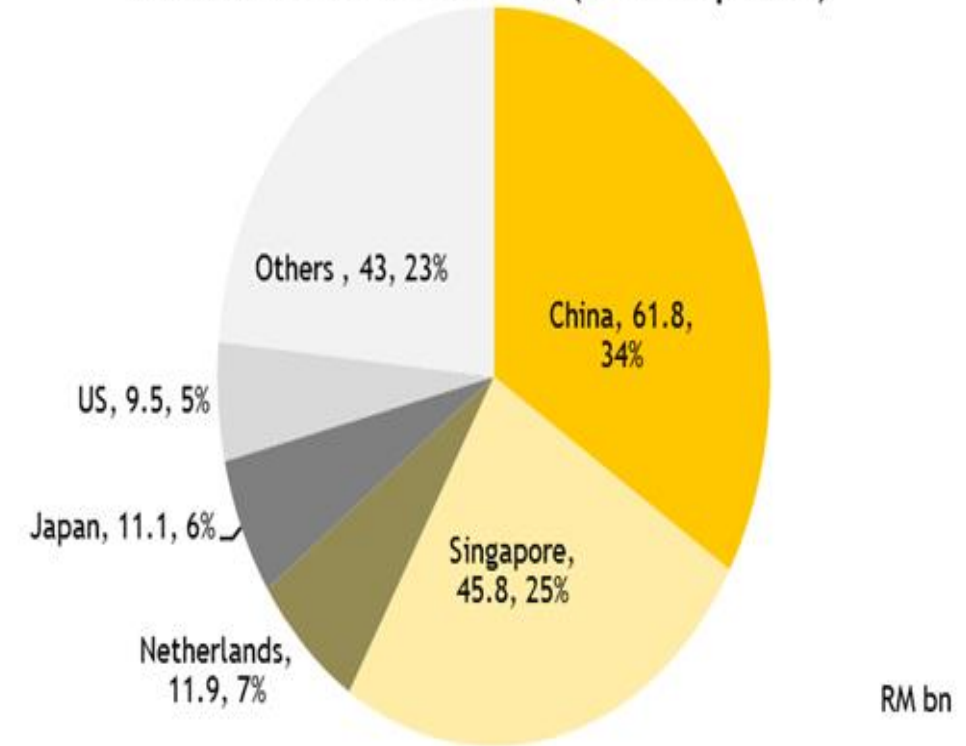


Source: CEIC

Cumulative FDI into Iskandar Reached
RM183bn as of Sep 2023, with China and
Singapore the Biggest Investors



Cumulative FDI into Iskandar (2006- Sep 2023)



Source: Iskandar Regional Development Authority, The Star
Malaysia

Malaysia - Singapore: Closely Integrated

Singapore - Main Tourism Source for Johor

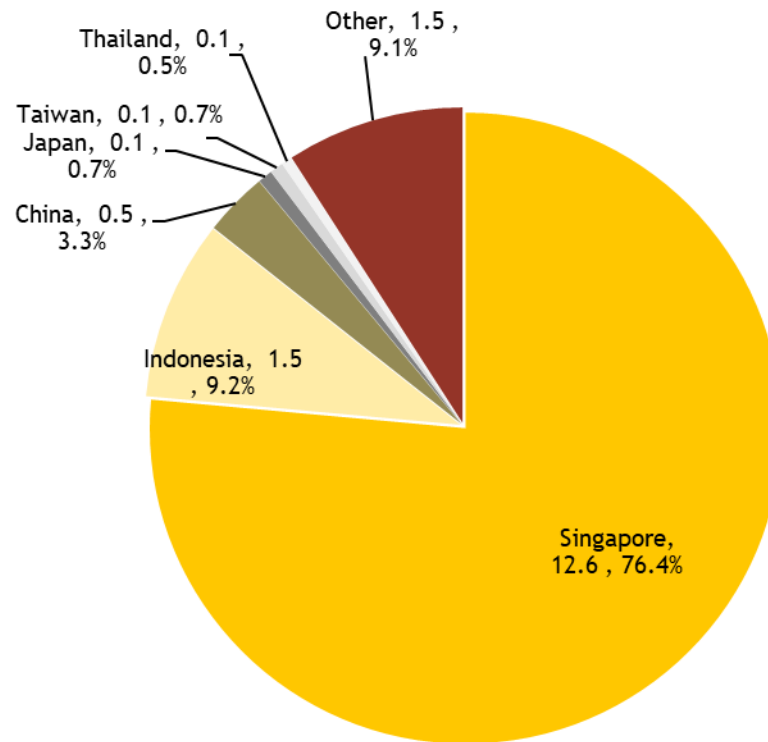
More than 300,000 Malaysians Commute to Singapore Daily

145,000 Vehicles Cross JB-CIQ Daily

Singapore Visitor Arrivals to Johor Reached 12.6mn in 2019, Accounting for 76% of Total Visitors

Foreign Tourist Arrivals to Johor (2019)

Unit: Million persons



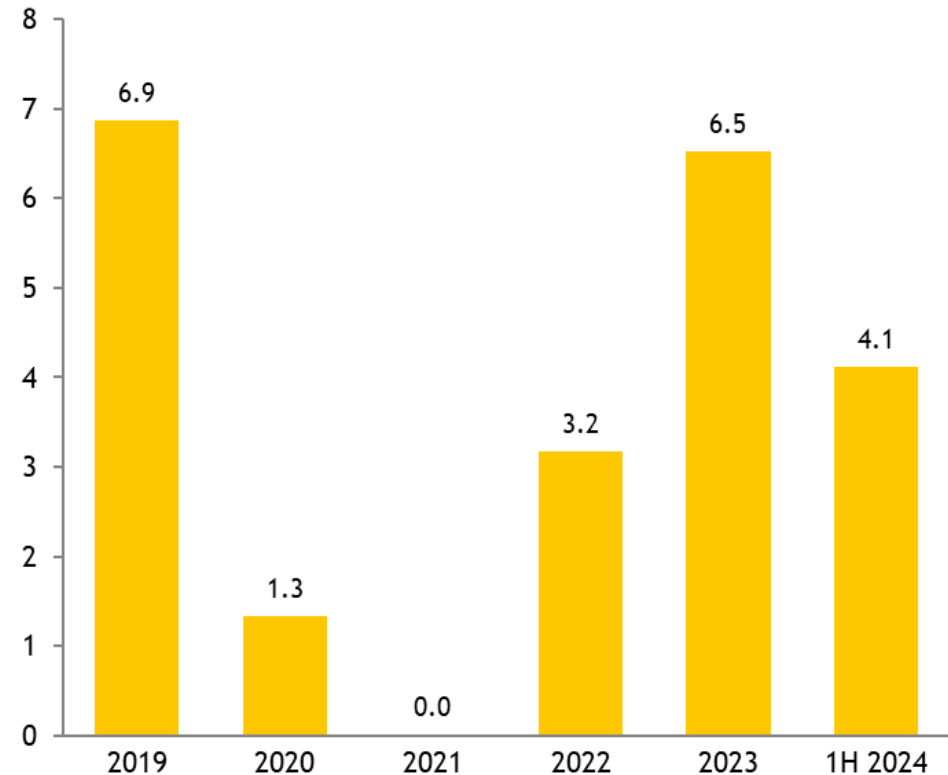
Source: "Basic Data on the State of Johor 2021" Report, Johor State Immigration Department

Number of Singapore Day-trippers to Malaysia in 2024 On Track to Surpass Pre-Pandemic Levels



Intra-day Trips from Singapore to Malaysia

Million persons



Source: Tourism Malaysia

Malaysia - Singapore: Closely Integrated

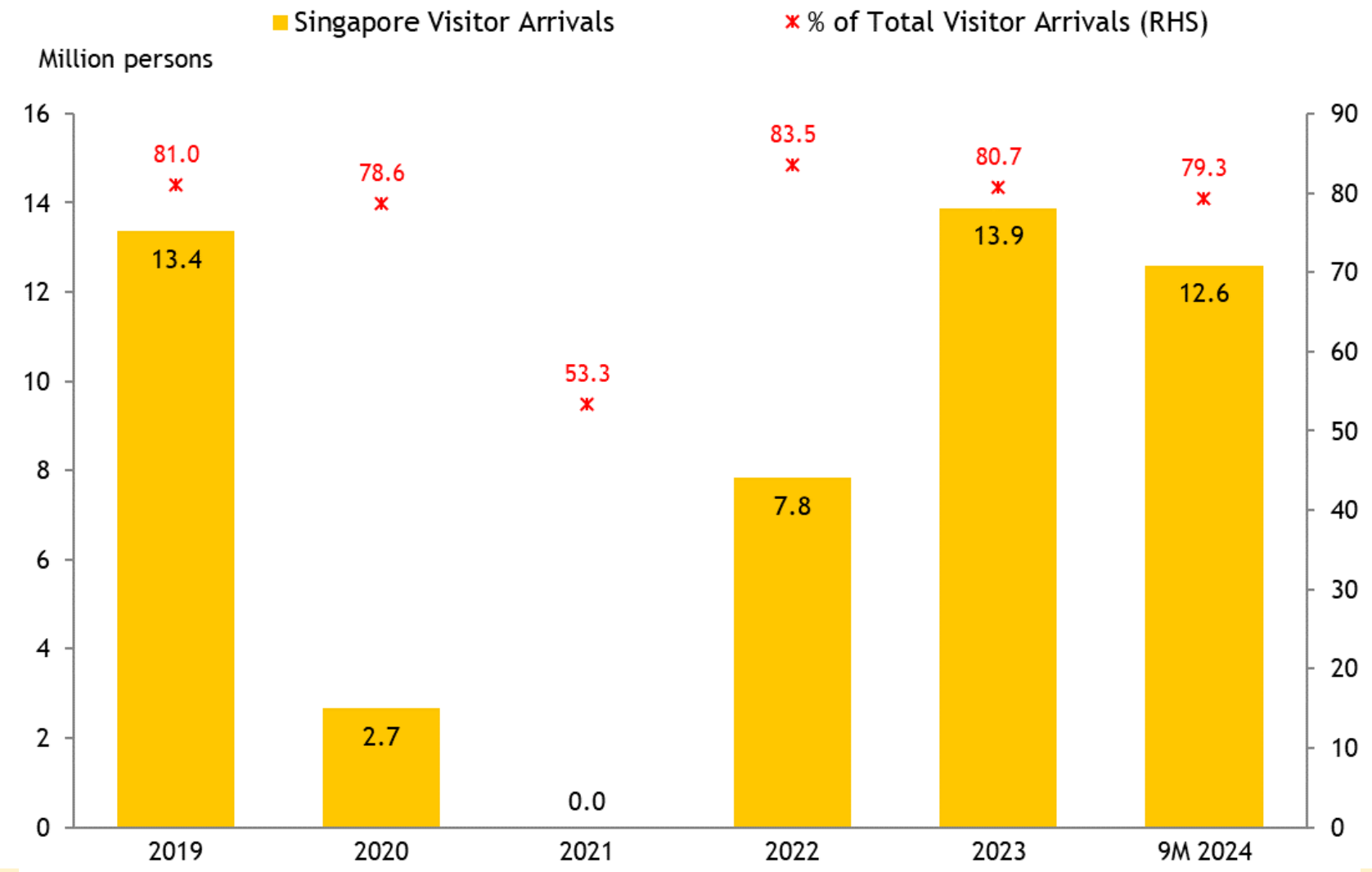
Singapore Visitor Arrivals to Johor Already Exceeded Pre-Pandemic Levels in 2023

Singapore Visitors Account for about 80% of Visitor Arrivals to Johor

Singapore Visitor Arrivals to Johor in Jan-Sep 2024 On Track to Reach Over 15m in 2024, Accounting for About 79% of Total Visitor Arrivals to Johor



Singapore Visitor Arrivals to Johor



Source: Tourism Malaysia, DOSM, Tourism Johor



Catalyst #1:

Support from the King & Both Governments

Sultan Ibrahim
Elected as Current
King for 5-Year
Term from 31 Jan
2024

Next Malaysia
General Election
Due By Nov 2027

“The Johor-Singapore friendship goes back to the time of Lee Kuan Yew and generations of Malaysians and Singaporeans have since been very good friends ... We often have tea and meals together. As I said, many things can be sorted out over a cup of tea.”

Sultan Ibrahim Iskandar of Johor, current King of Malaysia, 27 Aug 2023

“The Johor-Singapore SEZ will serve as a game changer for Malaysia’s economic growth and social strategy with Singapore, as well as strengthen ties between both countries.”

Malaysia PM Anwar on the Special Economic Zone, 18 Apr 2024

“Johor is Singapore’s gateway to Malaysia. More than neighbors, Singapore and Johor are partners linked by generations of friendship and kinship.”

Singapore PM Lee on Singapore-Johor relations, 11 Oct 2023

Catalyst #2: Improved Hard & Soft Connectivity

Rapid Transit System (RTS) About 80% Completed & Scheduled to be Operational at End-2026

Immigration, Customs & Quarantine Complex Integrated at Each RTS Station so Commuters Need Only Clear Immigration Once

Proposed RTS link between Woodlands and Bukit Chagar



Source: Straits Times Graphics, Maybank IBG Research

Key Facts of Rapid Transit System (RTS) Link

Category	Details
Length	4km
Capacity	10,000 people per hour in each direction
First-Year Estimated Daily ridership	41,400 pax
Full Daily Capacity	150,000 pax
Train journey time	6 mins
Frequency	3.6 mins (peak hours), 6 mins (off-peak)
Operating hours	6:00 am - Midnight

Source: MRT Corp (Malaysia), "Maju Johor 2030-Powering Johor into the New Economy Forum"- Keynote Speech

Autonomous Transit System(ART) Will Likely Follow Planned BRT Routes



Note: Phase 1 of IMBRT routes

Source: Iskandar Malaysia Bus Rapid Transit (IMBRT)



Seven Initiatives Outlined in JS-SEZ MoU Signed on 11 Jan 2024

Passport-Free QR Code Clearance System and Adoption of Digitalised Process for Cargo Clearance to Improve “Soft Connectivity”

Ques: Can Spore PRs/EP Holders Be Allowed into Johor Visa-Free? (Bintan- Batam Allows PRs Visa Free from 8 Oct 2024)

A One-Stop Business/ Investment Service Centre in Johor	Done
The Investment Malaysia Facilitation Centre Johor (IMFC-J)	
Adoption/ Implementation of a Passport-free QR Code Clearance System on Both Side	Done
Launching QR code in Mar-24 in Singapore; in June-24 in Malaysia	
Adoption of Digitised Processes for Cargo Clearance at Land Checkpoint	On-going
Co-organizing an Investor Forum	Done
Held the JS-SEZ Investment Forum in Jun 2024	
Facilitating Malaysia-Singapore Renewable Energy Cooperation in JS-SEZ	On-going
Curating Training and Work-based Learning Initiatives	On-going
Developing Joint Promotion Events between Johor and Singapore	On-going

Catalyst #3: Capturing Supply Chain Shifts

US Share of Imports from ASEAN Grown to 10% in 2023 from 7.3% in 2018

China's Share of US Imports Has Fallen Sharply

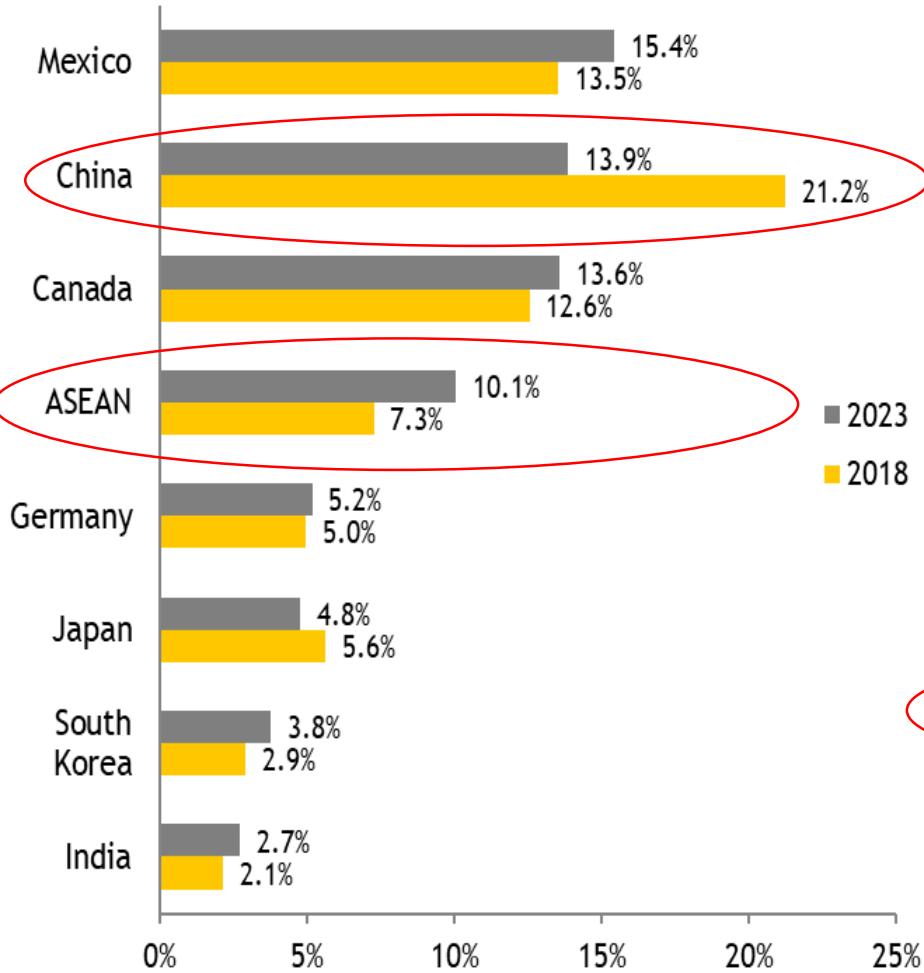
Share of Exports to US Has Risen for Both Singapore and Malaysia



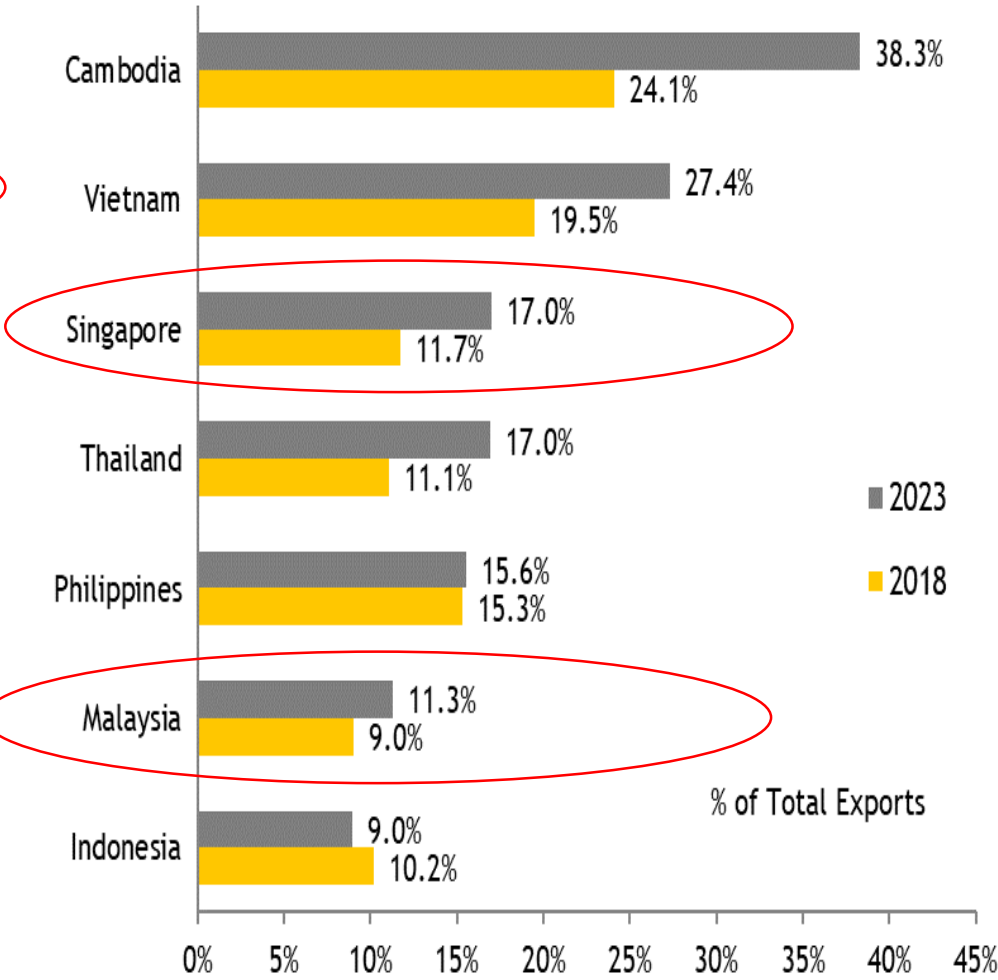
US - Share of Imports from China Has Collapsed Since Trade War; Visible Gain in Share of Imports from ASEAN

Exports to US (as % of Total) Rising for Both Singapore & Malaysia

US Imports from Top Source Countries



Share of Exports to US (%)



Source: CEIC, Maybank IBG Research

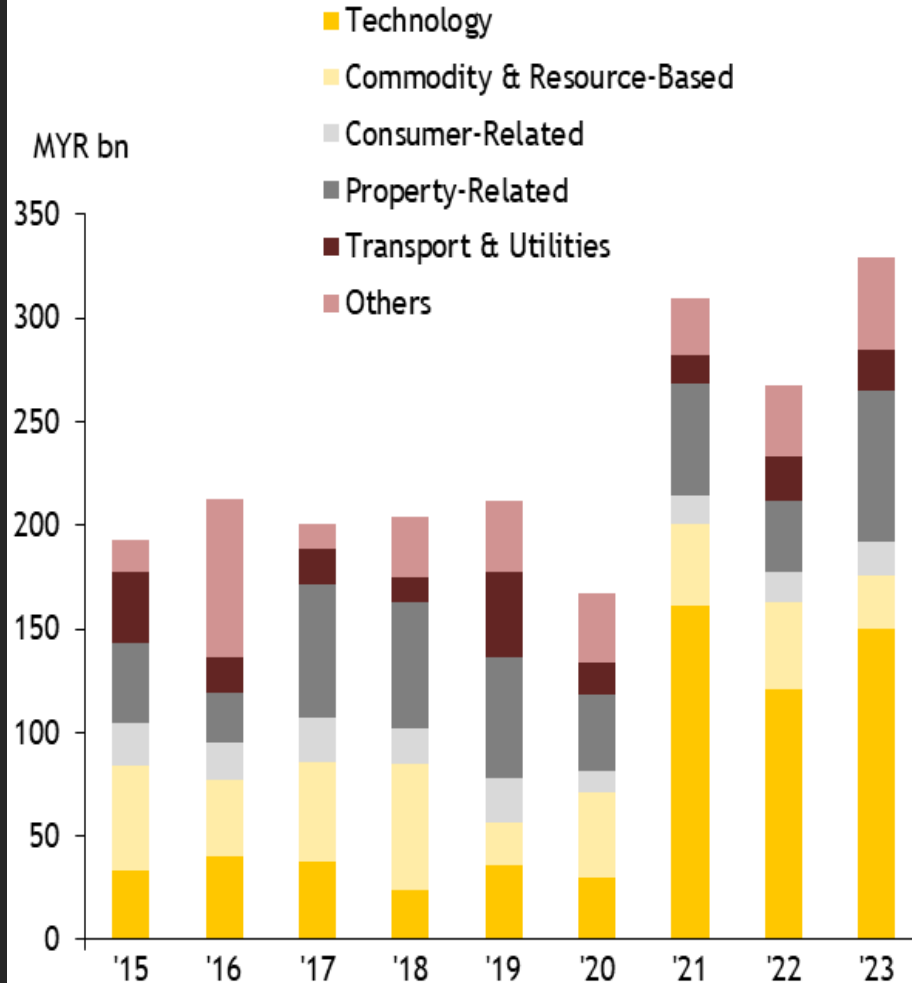
Note: Singapore data refers to NODX data
Source: CEIC, Maybank IBG Research

China as Leading FDI Source of FDI into Malaysia in Recent Years

Singapore's Share Growing

Benefits from FDI Influx into "Specific" Tech Industries Like Electronics & Electricals; Data Centres; Scientific & Measuring Equip

Malaysia - Total Approved Investments by Key Sectors (MYR bn)



Source: MIDA

Malaysia - Approved Manufacturing FDI by Countries, 2010-2017 versus 2018-2023



	2010-2017		2018-2023	
	MYR bn	% Share	MYR bn	% Share
Total	225.1	-	543.1	-
US	28.9	12.8	44.6	8.2
China (Including Hong Kong)	30.8	13.7	105.0	19.3
Europe	44.5	19.8	162.4	29.9
Japan	38.6	17.1	36.5	6.7
Singapore	25.0	11.1	85.3	15.7
South Korea	18.2	8.1	22.1	4.1
Taiwan	6.2	2.8	10.8	2.0

Source: MIDA

Catalyst #3: Malaysia & Singapore - Capitalizing on Shifting Supply Chains from China



Asia

More foreign companies moving manufacturing facilities from China to Malaysia amid trade tensions

TECH · SINGAPORE

Singapore carves out a space in the chip supply chain with a new \$7.8 billion plant from Europe's NXP and a TSMC-backed manufacturer

In September 2023, US-headquartered Global Foundries (GF) [officially opened its new S\\$5 billion wafer fab facility in Singapore](#) focused on end-markets such as automotive, 5G mobility, and secure devices.

Germany's top chipmaker [Infineon](#) in July 2022 said it will build a third wafer fabrication module in Kulim while Neways, a key supplier to Dutch chip equipment maker [ASML](#) , said last month it [will construct a new production facility in Klang](#).

BUSINESS

Chipmakers searching for 'China plus one' are finding Malaysia

YTL Power, Nvidia to bring the fastest supercomputers to Malaysia by mid 2024

Intel is building its first overseas facility for advanced 3D chip packaging in Malaysia.

Johor - Fifth Most Popular Investment Destination in Malaysia in 1H 2024

Driven by Investments in Both Manufacturing and Services

More Foreign than Domestic Investments

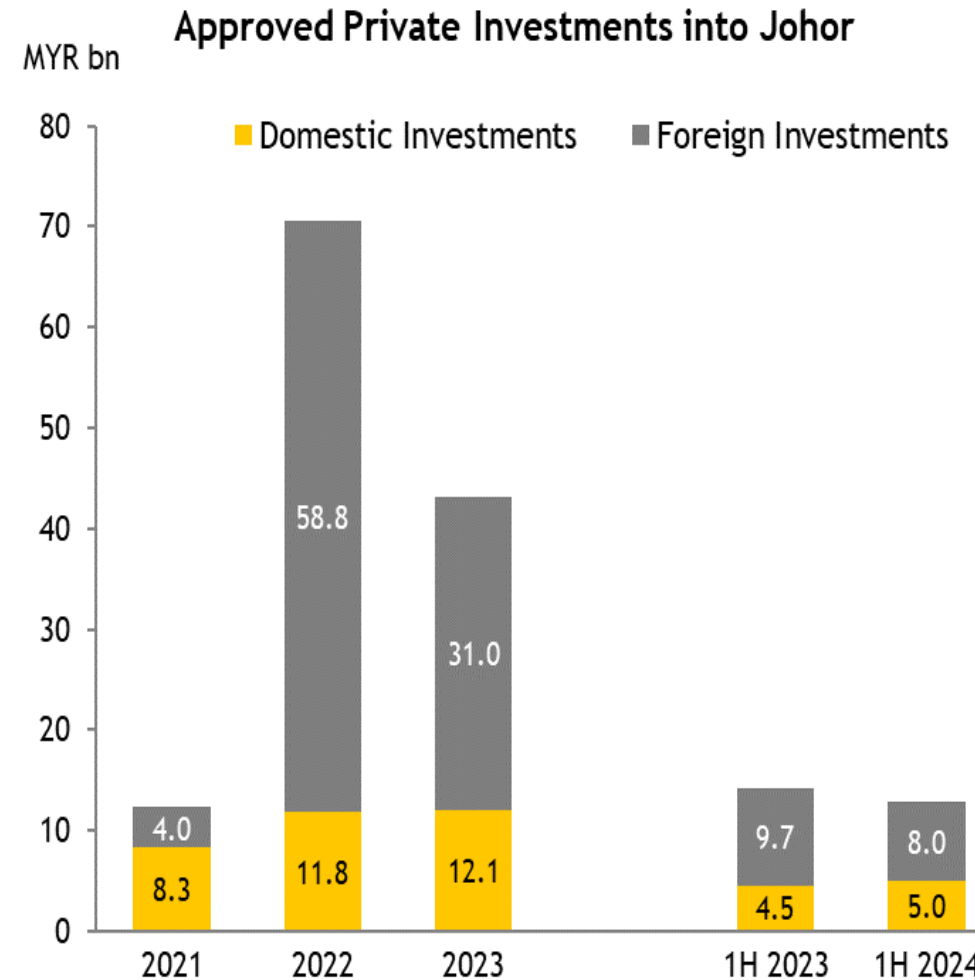
Ques: Can Goods Produced in SEZ Be Recognised as Goods from Spore to Benefit from Spore FTAs (to meet Rules of Origin requirements) - from SBWG Proposal

Johor Attracted RM12.9bn Investment in 1H 2024, Led by Manufacturing (+20%)

	Total (RM bn)	Manufacturing (RM bn)	Services (RM bn)
Kuala Lumpur	37.6	0.2	37.5
Selangor	35.0	7.3	27.6
Kedah	31.9	31.1	0.8
Pulau Pinang	13.1	5.0	8.1
Johor	12.9	6.0	6.9
TOTAL Malaysia	160	60.1	97.2

Source: MIDA

Foreign Investments the Main Driver for Johor with RM8bn in 1H 2024



Source: MIDA

Catalyst #3: Capturing Supply Chain Shifts amid US-China Rivalry

Integrating Johor's Lower Labor Costs, Abundant Land & Cheaper Energy with Singapore's Financial, Logistics & Advanced Manufacturing Capabilities

Ques: Establish Tax Incentives for Investments in JS-SEZ? Joint Promotion Agency?

Main Malaysia Tax Incentives Offered by MIDA (At the National Level)



Scheme	For Who?	Benefits
Special Tax Incentive (Relocation)	Introduced in 2020; Main objective is to attract manufacturing companies that intend to relocate operations to Malaysia following global supply chain disruptions	<p><u>For new company:</u></p> <ul style="list-style-type: none"> - 0% special tax rate for 10 years for new investment (RM300mn-RM500mn) - 0% special tax rate for 15 years for new investment (above RM500mn) <p><u>For existing company:</u></p> <ul style="list-style-type: none"> - Income tax exemption equivalent to Investment Tax Allowance (ITA) of 100% on the qualifying capital investment (excluding land) above RM300 million incurred within 5 years for an existing company in Malaysia relocating overseas facilities into Malaysia. <p><u>Special income tax treatment for individuals:</u></p> <ul style="list-style-type: none"> - Flat 15% rate for 5 consecutive years to non-citizen individuals holding C-Suite positions (vs. statutory rate: maximum marginal tax rate of 30% for income exceeding RM2mn)
Pioneer Status	Eligibility determined based on certain priorities, including level of value-added, technology used and industrial linkages.	<ul style="list-style-type: none"> - 5-year partial exemption from corporate tax; pays tax on just 30% of its statutory income. Strategic projects of national importance enjoy 10-year exemption on 100% of income - Unabsorbed capital allowances incurred during the pioneer period can be carried forward and deducted from the post-pioneer period income of the company - Accumulated losses incurred during the pioneer period can be carried forward and deducted from the post-pioneer period income of the company for a period of seven consecutive years.
Investment Tax Allowance	Same as Pioneer Status	<ul style="list-style-type: none"> - As an alternative to Pioneer Status, a company may apply for Investment Tax Allowance - Tax allowance of 60% (100% for strategic projects) on qualifying capital expenditure (factory, plant, machinery or other equipment used for the approved project) incurred within five years from date expenditure incurred - Company can offset this allowance against 70% of its statutory income for each year of assessment. Any unutilised allowance can be carried forward to subsequent years until fully utilised.

Source: MIDA* , compiled by Maybank IBG Research

*Reference information can be found at the following links: [here](#) and [here](#).

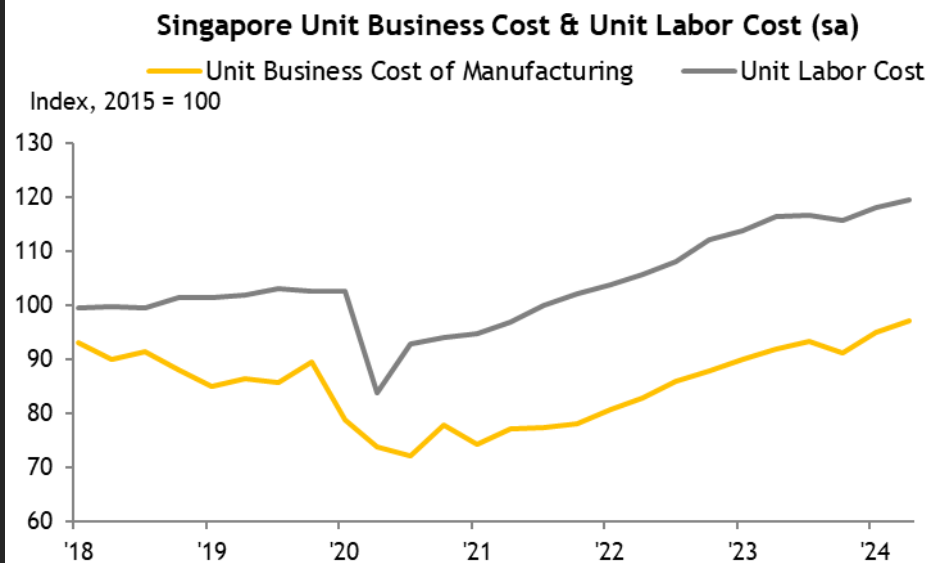
Catalyst #4:

Lower Operating Costs & Competitive Ringgit

Rising Business Costs In Singapore Have Increased The Need For A Hinterland, Which Johor Is Well-Positioned To Provide

Further Supported By a Favourable Ringgit

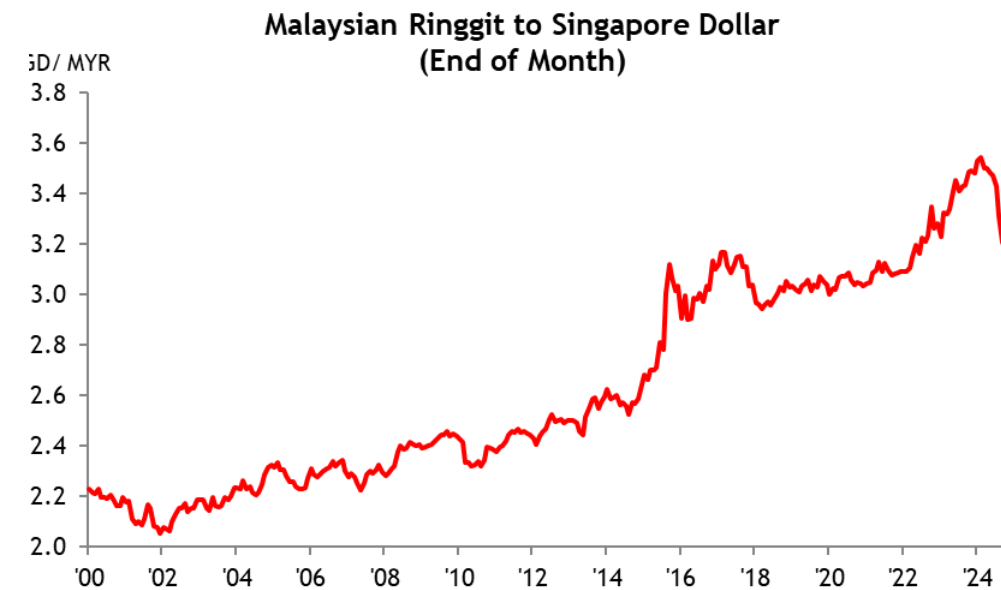
Singapore's Business & Labor Costs Have Soared After the Reopening



Latest data point as 2Q24

Source: CEIC

Ringgit Has Depreciated by More Than 60% Against Singapore Dollar Over the Last 20 Years



Latest data point as Oct 2024

Source: CEIC

Top 5 Current Challenges amongst Singapore Businesses (2023)

	SME	Large Company
Increase in business costs	58%	61%
Availability of manpower	54%	52%
Retention of manpower	40%	51%
Foreign workforce policies	39%	39%
Rental cost	37%	34%

Source: SBF, Maybank IBG Research

Catalyst #4: Lower Operating Costs & Competitive Ringgit

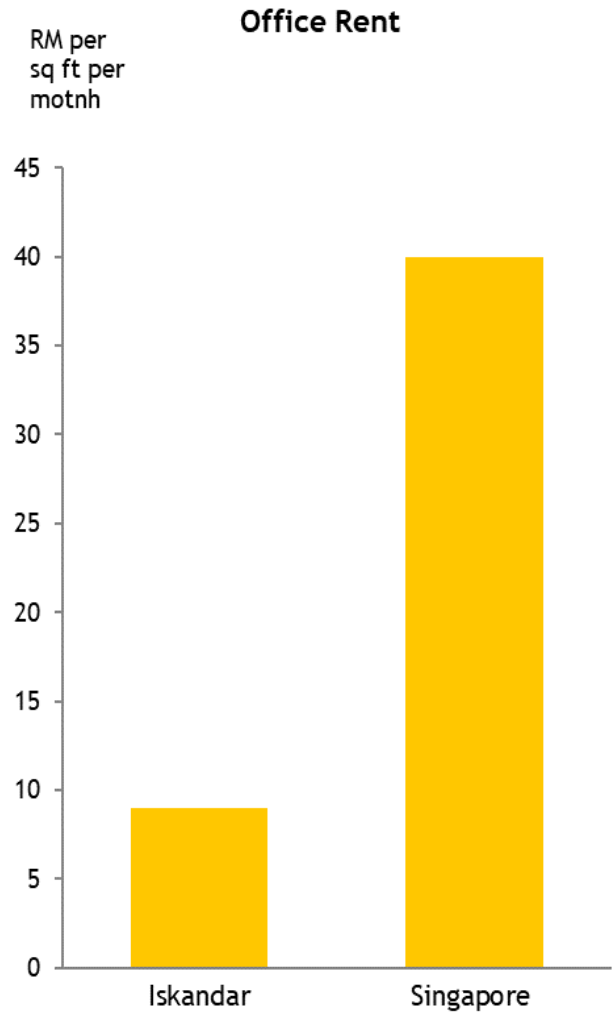
Rents in Iskandar are 65% Lower than Singapore for Factories

75% Lower for Offices

85% Lower for Housing

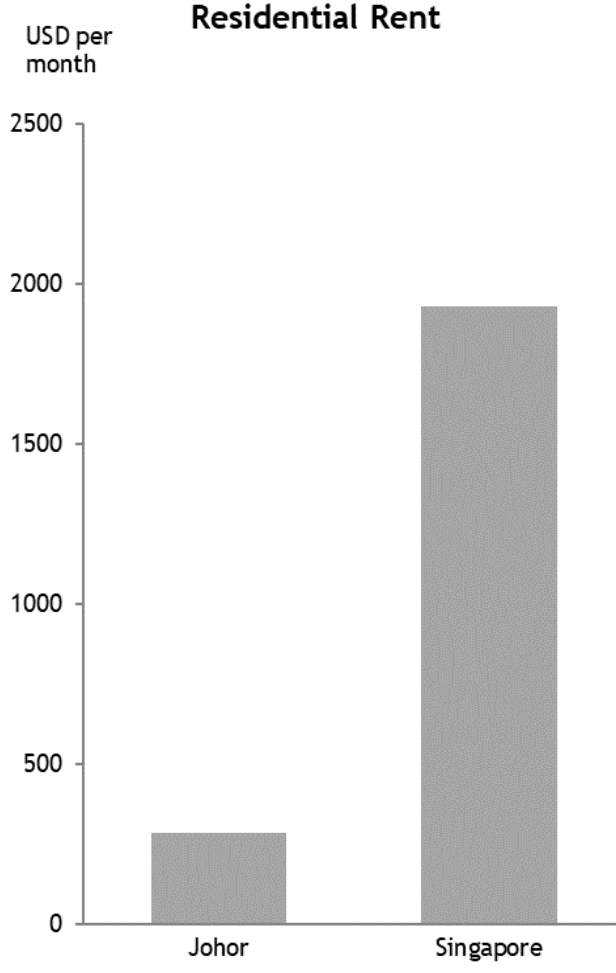


SG's Office Rent More than Fourfold of Iskandar



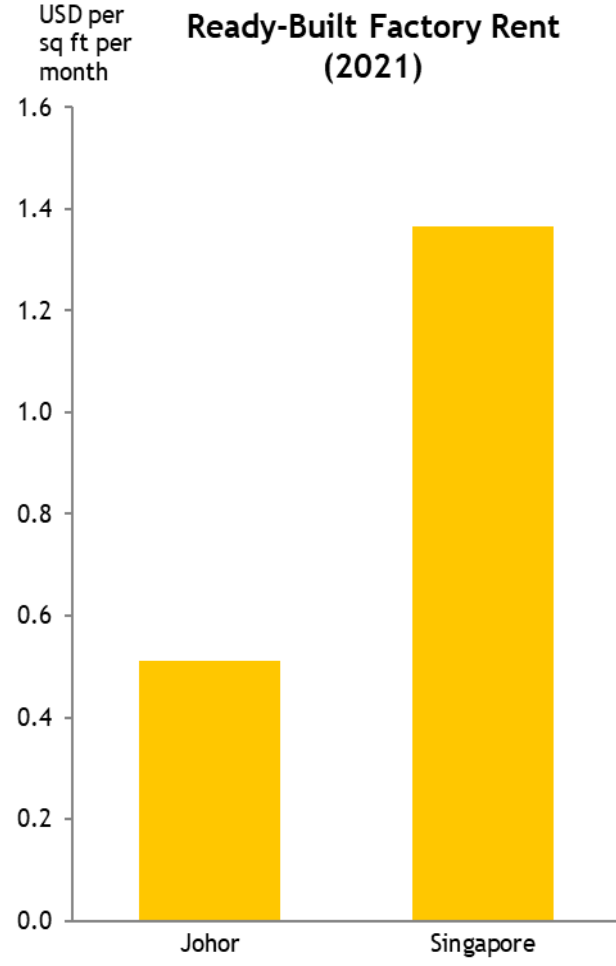
Source: News articles, Maybank IBG Research

SG HDB Apartment Rents More than Sevenfold of Johor Residential Rents



Source: Property Guru, Dot Property, Maybank IBG Research

SG Industrial Rents Nearly Triple of Johor



Source: MIDA, Mapletree Industrial Trust

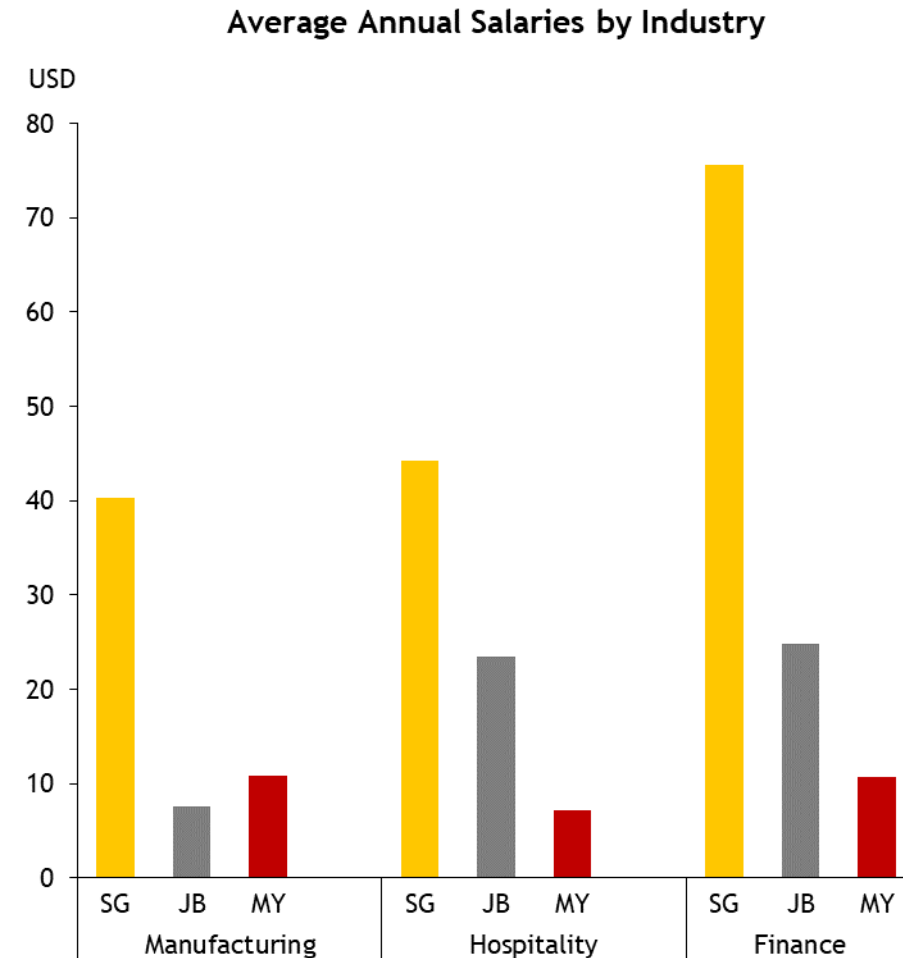
Catalyst #4: Lower Operating Costs & Competitive Ringgit

Salary Levels in Johor Are 80% Lower for Manufacturing, 40% Lower for Hospitality

Electricity Tariffs About 60% Lower in Johor than Singapore for Businesses

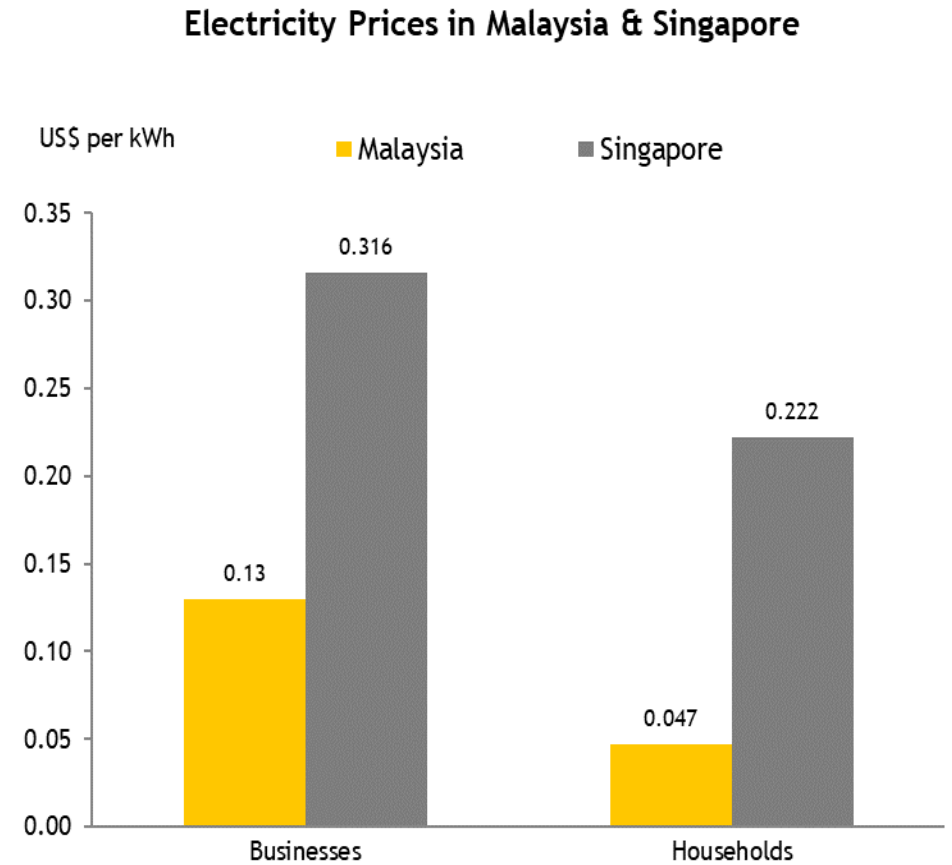
... and 80% Lower for Households

Average Annual Salaries Are Much Lower in Johor Than in Singapore



Source: Statista, Payscale, Glassdoor, Maybank IBG Research

Electricity Tariffs for Businesses in Malaysia is Around 40% of Singapore



Note: For households, data is calculated at the average annual level of household electricity consumption. For businesses, data uses 1,000,000 kWh annual consumption

Source: Global Petrol Prices



Catalyst #5: Easing Talent & Labour Shortages

Quotas and Levies Raising Manpower Costs in Spore

Scarcity of Local Workers Given Current Low Resident Unemployment Rate

Ques: Should Spore Reduce Levies & Relax DRCs for “Commuters”? (Less Competition for Housing & Space)

Singapore - Quota and Monthly Levy Rate for Work Permit Holders in Services

Services Sector		
Quota	Basic-skilled	Higher-skilled
Tier 1: Up to 10% *	S\$450	S\$300
Tier 2: > 10% & ≤ 25%*	S\$600	S\$400
Tier 3: > 25% & ≤ 35%*	S\$800	S\$600

*Denotes to percentage of total workforce
Source: Singapore Ministry of Manpower

Singapore - Quota and Monthly Levy Rate for Work Permit Holders in Manufacturing

Manufacturing Sector		
Quota	Basic-skilled	Higher-skilled
Tier 1: ≤ 25%*	S\$370	S\$250
Tier 2: > 25% & ≤ 50%*	S\$470	S\$350
Tier 3: > 50% & ≤ 60%*	S\$650	S\$550

*Denotes to percentage of total workforce
Source: Singapore Ministry of Manpower

Singapore - Sector Dependency Ratio Ceilings (DRC)

Sector	DRC
Construction	83.3%
Process	83.3%
Marine shipyard	77.8%
Manufacturing	60%
Services	35%

Note: DRC specifies maximum share of foreign workers (S Pass and Work Permit holders) in a company.
Marine shipyard DRC will reduce to 75% in 2026 from current 77.8%.
Source: Singapore Ministry of Manpower

Catalyst #5: Easing Talent & Labour Shortages

Faster & Shorter Commute Can Help Ease Manpower Shortages in Singapore

Drawing Malaysian Workers from Other States

Ques: Introduce a Favorable “SEZ Visa” to Attract More Singaporeans & Foreign Nationals to Live or Work in Johor?



Johor’s Labor Force at 2.1mn Persons, Equivalent to 54% of Singapore’s Labor Force in 2023

About 88% of Employees in Johor Are Skilled and Semi-Skilled

Johor Offers a “Premium” Salary, Particularly Related to SEZ



	Minimum Wages
Johor - Diploma Holders	RM4,000 (\$\$1,200)
Johor - Degree Holders (Related to SEZ)	RM5,000 (\$\$1,500)
Average Malaysia Local Company	RM1,700

Source: CEIC

Note: Employed persons for Singapore only for residents, skill category follows Malaysia’s definition

Source: DOSM, MIDA, Singstat, Socio-Economic Research Centre

Source: CNA

Catalyst #5: Easing Talent & Labour Shortages



About 58% of Singapore Businesses Found it Challenging to Hire Skilled Labour in Johor

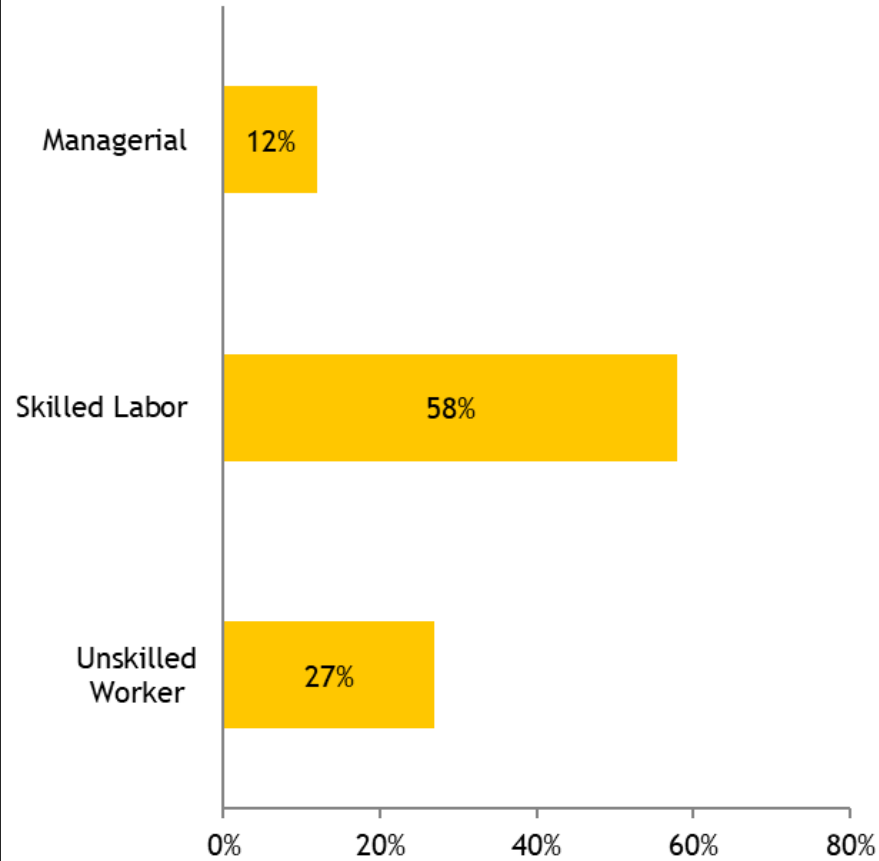
Malaysia Employment Pass Issues - A Major Manpower Obstacle in Johor

Above 60% of Spore Businesses Face Challenges to Hire Skilled Labor in Johor

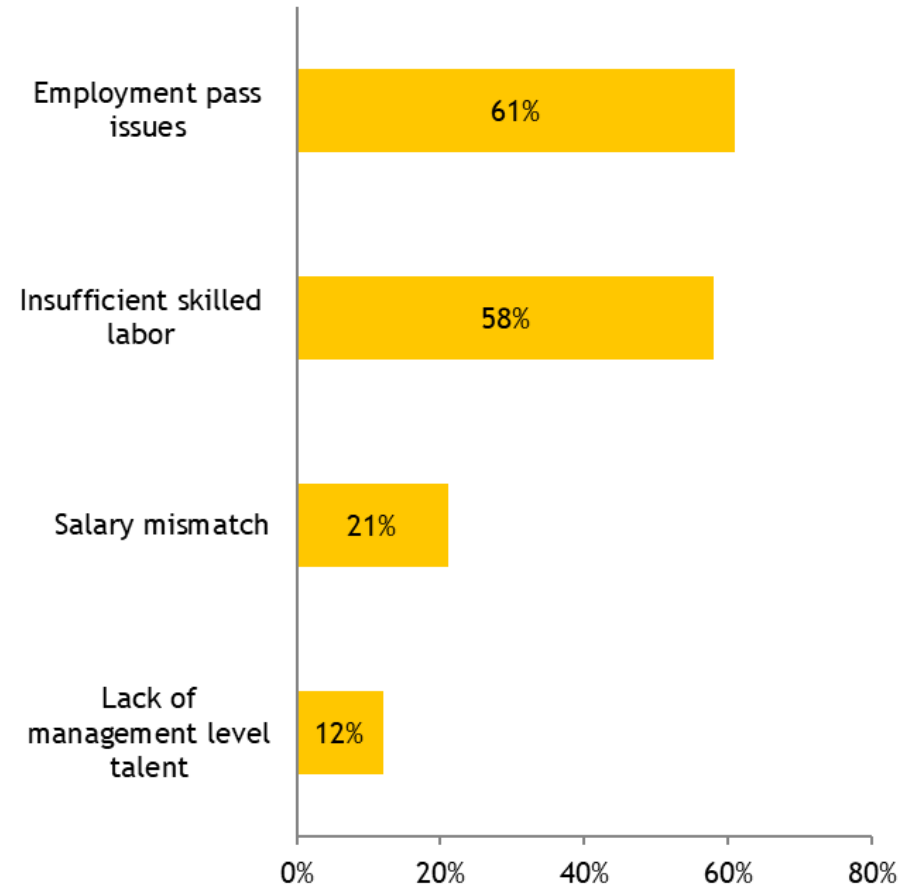
Majority of Them Cited Employment Pass as Main Factor for Manpower Crunch

Ques: Can Iskandar Grow and Train Up a Critical Labor Pool? Joint Spore-Johor Training/Technical Centres

Challenges in Hiring Specific Types of Manpower



Factors Contributing to Manpower Crunch



Source: Singapore Business Federation, "Johor-Singapore Special Economic Zone Proposal: Greater Together: Two Economies, One EcoSystem", Jul 2024

Catalyst #6: The Green Transition

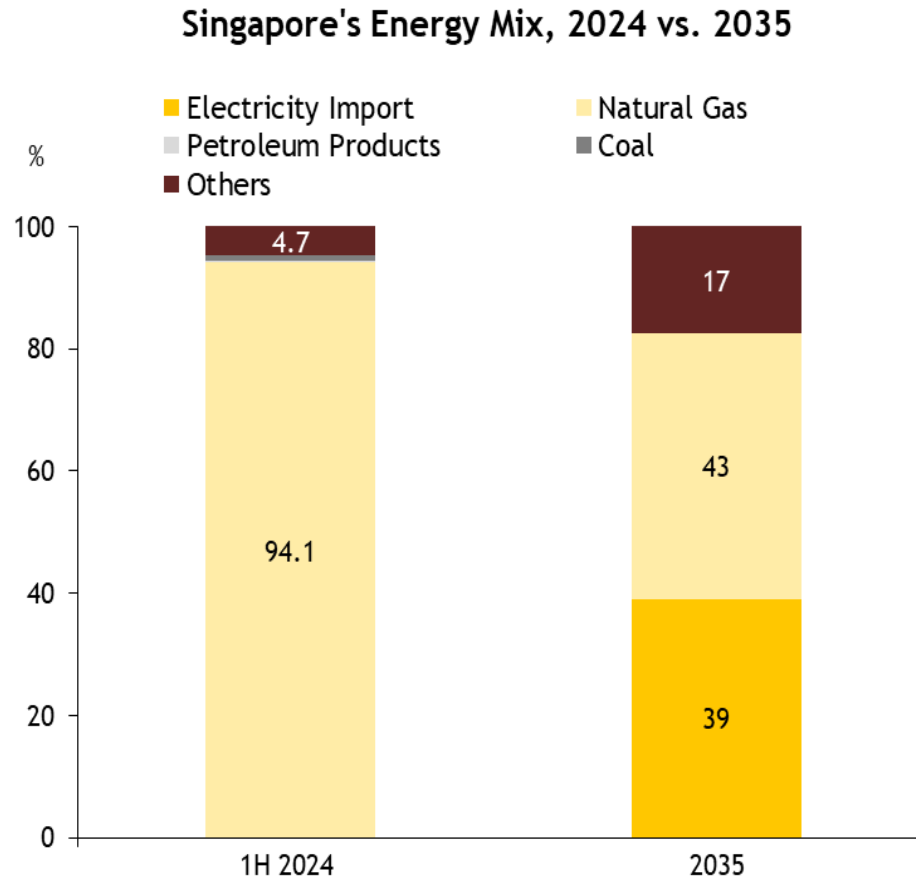
Singapore Targets to Import 39% of Energy Mix from Renewable Sources by 2035

Malaysia Lifted Its Renewable Energy (RE) Export Ban to Spore in 2023; Export Up to 300MW of RE for a Start

Ques: Scope for Malaysia to Move Faster & Spore to Import More RE?

Speed up expansion and upgrade of ASEAN Power Grid?

Singapore Targets to Import Nearly 40% of Energy Mix from Renewable Sources by 2035



Note: "Others" for 2024 include solar and municipal energy waste. "Others" for 2035 could include solar, various forms of hydrogen, biofuels, nuclear power and geothermal power.
Source: Energy Market Authority, Maybank IBG Research Estimates

Singapore's Renewable Energy Import Agreements



Country	Annual Capacity	Date Announced	Details
Vietnam	1.2GW	Oct 2023	Sembcorp will develop offshore wind and other capacity with Petrovietnam Technical Services for export to Singapore, via new 1000km subsea cables.
Indonesia	3.4GW	2.0GW in Sep 2023; Another 1.4GW in Sep 2024	Electricity will be sourced from solar power projects developed by Keppel Energy, Pacific Medco Solar Energy, Adaro Solar International, EDP Renewables APAC, Vanda RE, Singa Renewables and Shell Eastern Trading. These companies aimed to commercial operating from 2028
Cambodia	1GW	Mar 2023	Keppel inked long-term agreement with Cambodia's Royal Group Power Company to import primarily solar-powered electricity through onshore overhead high voltage transmission lines and subsea high voltage transmission cables.
Australia	1.75GW	Oct 2024	Imported electricity will harness solar power from Australia's Northern Territory, transmitted to Singapore via new subsea cables over a distance of approximately 4,300km

Source: Reuters**, EMA, compiled by Maybank IBG Research
**Reuters, Singapore expands low-carbon power import agreements", 24 Oct 2023.

Data Centre Investment Boom

Malaysia Emerging as ASEAN Data Centre Hub

Largest in Terms of Under Construction and Commitments

MW	Total Live	Total under construction	Total Committed	Total Early Stage
ASEAN				
Cambodia	17	5	11	-
Indonesia	236	65	541	677
Malaysia	280	159	766	2,016
Philippines	61	50	86	422
Singapore	988	69	387	1
Thailand	66	44	132	400
Vietnam	46	10	42	45
Other Asia-Pac Markets				
Australia	1,054	294	1,449	1,127
China	4,517	919	1,536	324
India	768	568	1,723	3,224
Hong Kong	621	124	454	45
Japan	1,454	357	1,500	972
New Zealand	79	15	57	110
South Korea	660	274	764	1,129
Taiwan	253	47	52	18

Johor Set to Attract RM17bn of Data Centre Investments in 2024

In May 2024, Out of 32 Operational DCs in Malaysia, Johor Has 17 DCs - 13 in Operation & 4 under Construction



TECH

Malaysia is emerging as a data center powerhouse amid booming demand from AI

PUBLISHED SUN, JUN 16 2024-8:55 PM EDT

Amazon Web Services announces MYR 25.5 billion investment in Malaysia

Business

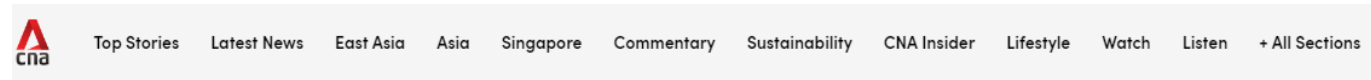
Microsoft to invest US\$2.2 billion in cloud and AI services in Malaysia

THE BUSINESS TIMES

Equinix opens first two data centers in Malaysia

Johor and Kuala Lumpur sites up and running

Singtel-TM joint venture to develop data centres in Malaysia, enhance digital connectivity



Asia

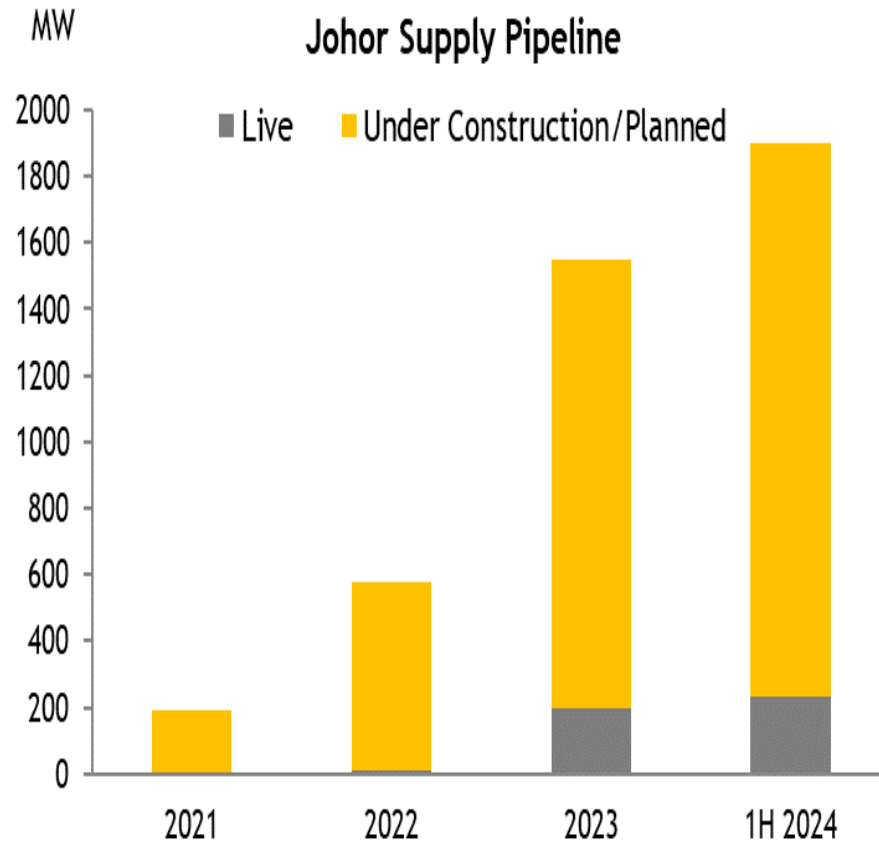
Google to invest US\$2 billion in data centre and cloud services in Malaysia

Johor Has Emerged
As a Key Beneficiary
of Data Centre
Investments In The
Region

Johor Set to Attract
US\$3.8bn of Data
Centre Investments
in 2024

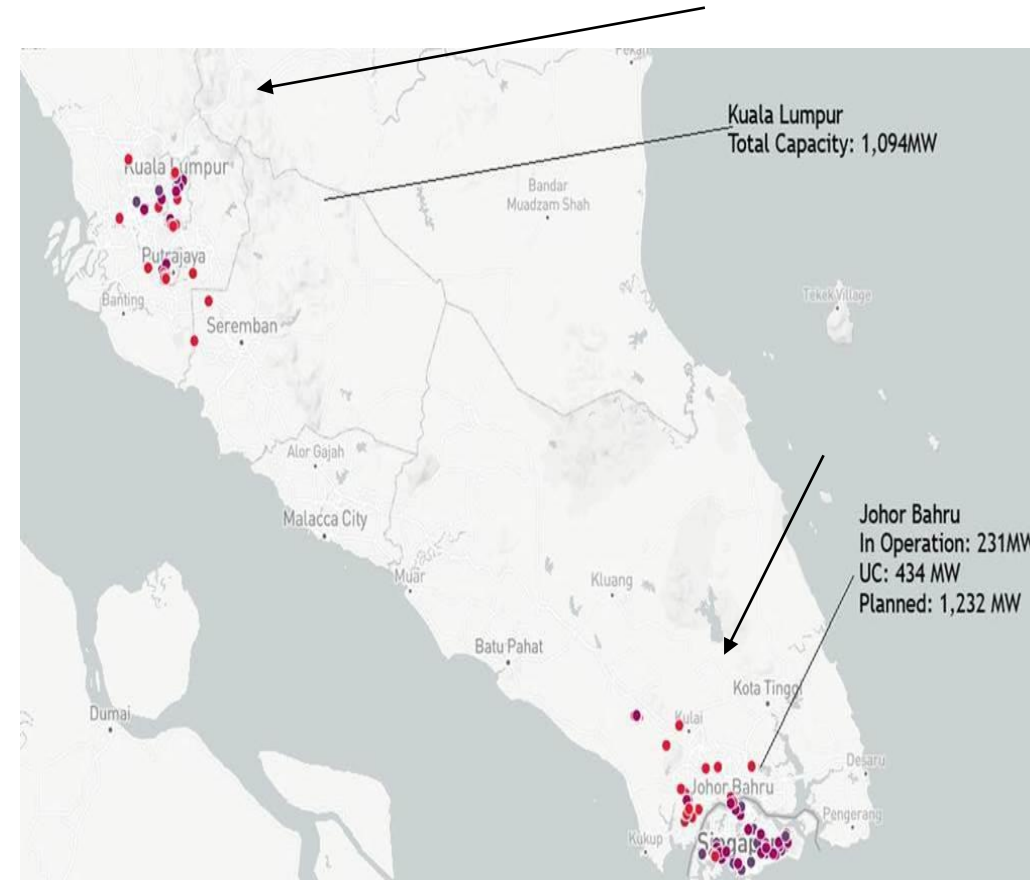


Data Centre Construction Commitments in Johor Surging in 2023-2024



Source: Maybank IBG Research, Cushman & Wakefield, DC Byte

Latest Data Centre Development in Kuala Lumpur and Johor Bahru as of 1H 2024



Source: Cushman & Wakefield

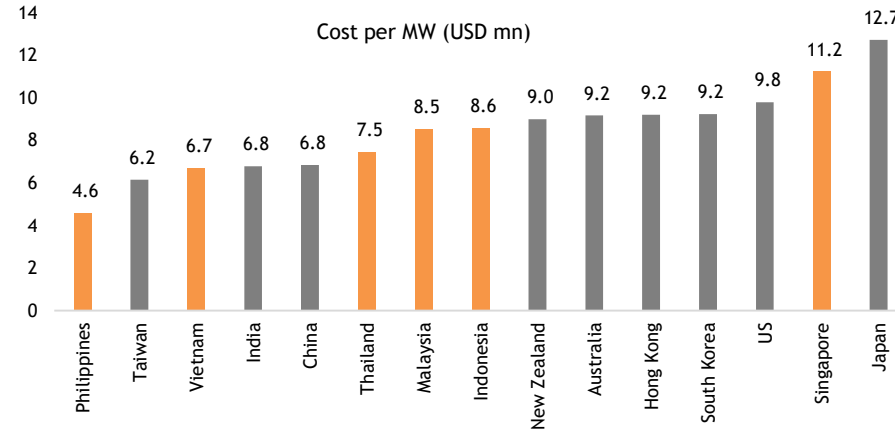
Lower Construction Cost

Less Water Stress in Malaysia and Vietnam

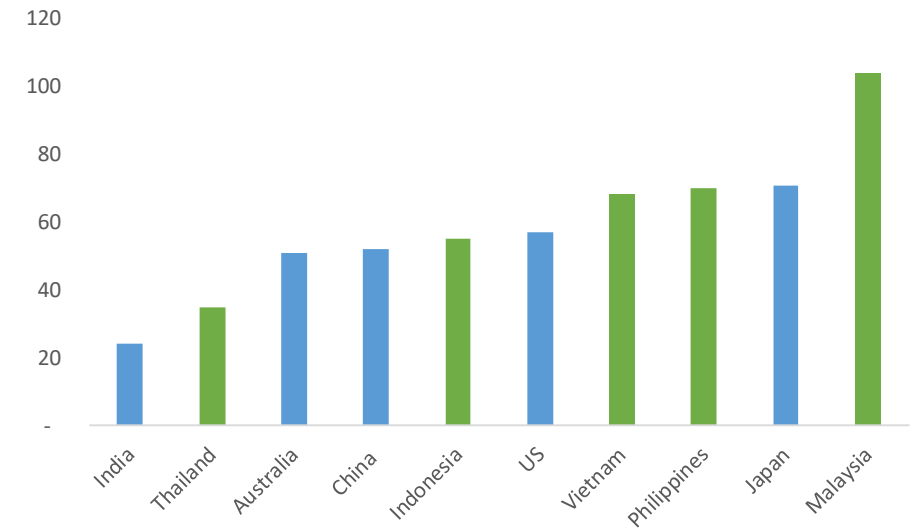
Lower Electricity Tariffs

Younger Grid Infra, Sufficient Reserve Margin

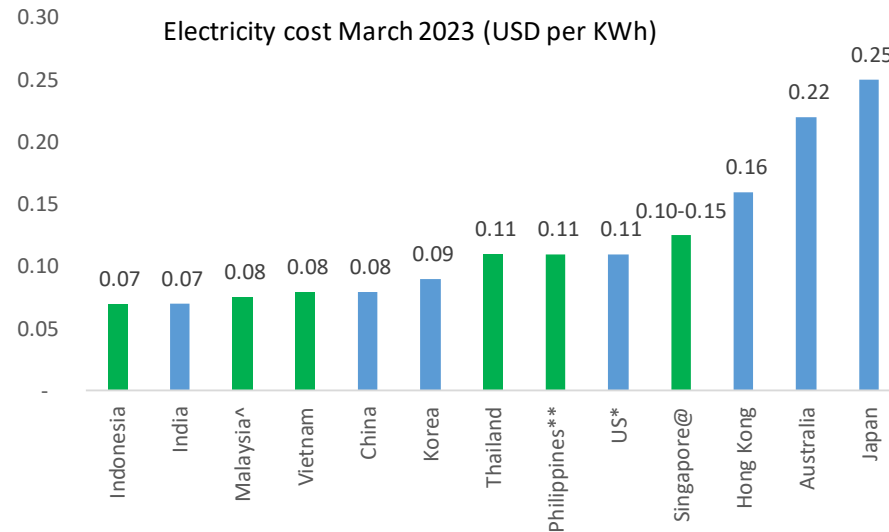
ASEAN Data Centre Construction Cost on Lower Side of Global Average



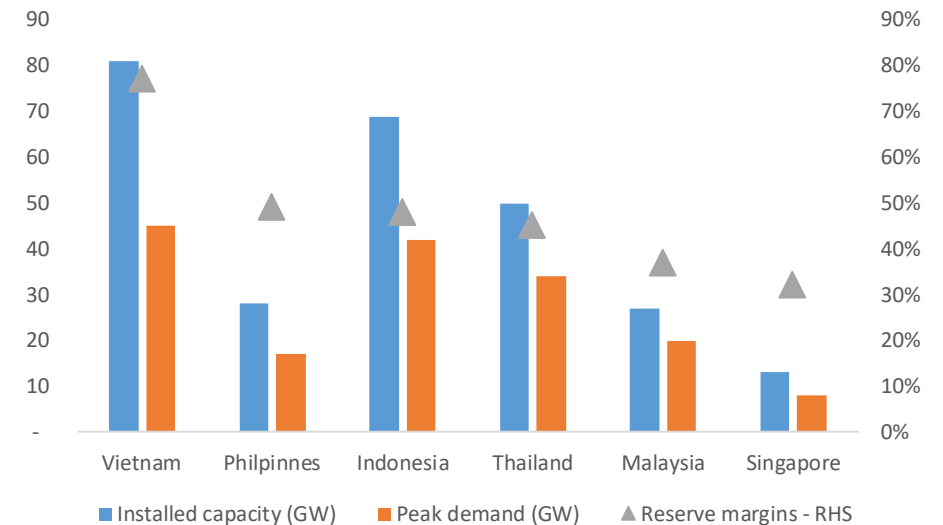
Water Stress Ranking: Malaysia Least Stress



Average Electricity Tariffs Lower in ASEAN



ASEAN Power Infrastructure: Installed Capacity, Peak Demand and Reserve Margins



Source: CEIC, Maybank, "ASEAN Data Centre Wave: Ride the Multi-Year Data Centre Wave," September 2024.

Forest City Special Financial Zone - a Part of SEZ

Announced New Incentives for Financial Firms and Individuals That Will Take Effect from 1Q 2025

Ques: Can Financial Zone Take Off Without BNM Relaxing Capital Controls?

	Forest City	Singapore (130 Scheme - Resident Fund)	Singapore (13U Scheme-Enhanced-Tired Fund)		
Available from	1Q 2025	2022			
Eligible Fund	New funds located in Pulau 1, Forest City SFZ	New fund entity		No need to be a new fund	
Tax Rate	0% for the first 10 years and can be extended for another 10 years, if certain conditions are met	0% on "specified income" from "designated investments" such as trading income from stocks and shares. Examples of income excluded from the scope of tax exemption are income from real property situated in Singapore, investment in physical gold, and artworks			
Asset under management (AUM)	At least <u>RM30mn</u> (\geq RM50mn for additional 10 yrs)	At least S\$10mn at the point of application, 2-year grace period to increase AUM to S\$20mn		At least S\$50mn in Designated Investments	
Local investment requirement	At least 10% of the AUM or RM10mn, whichever lower	At least 10% of the AUM or S\$10mn, whichever lower, invested in prescribed local investments, climate-related investments and/or blended finance structures with substantial involvement of FIs in Singapore			
Operating expenditure	At least RM500k spend locally (\geq RM 650k for additional 10 yrs of tax exemption)	Tiered spending framework		Tiered spending framework	
		AUM range	Min. local business spending	AUM range	Min. local business spending
		< S\$50mn	S\$200k	< S\$100mn	S\$500k
		S\$50mn \leq AUM < S\$100mn	S\$500k		
\geq S\$100mn	S\$1,000k	\geq S\$100mn	S\$1,000k		
Employees	Minimum 2 (4 for additional 10 yrs of tax exemption) full-time employees with a minimum monthly salary of RM10k , at least 1 is an investment professional	Minimum 2 full-time investment professionals, of whom at least 1 is not a family member			
Individual Income Tax Rate	15% flat concessionary tax rate	Progressive tax rate (no concessionary rate)			

Malaysia My Second Home (MM2H)

Special SEZ MM2H Scheme

With Lower Fixed Deposit Requirement and One-off Fee, But Retains Property Purchase Requirement

Ques: Lower MM2H Criteria for Singaporeans in SEZ?

Singaporeans Account for Less than 2% of 56K MM2H Holders

New MM2H Guidelines											
Category	Eligibility Criteria	PR Eligibility	Offshore Monthly Income (MYR)	Liquid Assets to Show (MYR th)	Fixed Deposit (US th)	Fixed Deposit Withdrawal	MM2H Visa Validity & Renewal Fees (MYR)	Work Eligibility	One-off Fee (MYR)	Min Value of Property Purchase (MYR th) (NEW)	Purchase Requirements
Silver	1. Foreigners from countries with diplomatic relations with Malaysia 2. At least 25 years old 3. Applications submitted through the MM2H One-Stop Centre 4. Have been in Malaysia for at least 90 cumulative days per year	No	N/A	N/A	150	Max withdrawal of 50% of FD principal value	5 years (1,500)	No	1,000	600	Both first-hand and second-hand property purchases allowed
Gold		No	N/A	N/A	500		15 years (3,000)	No	3,000	1,000	
Platinum		No	N/A	N/A	1000		20 years (5,000)	Yes	200,000	2,000	
SEZ/SFZ		Same as above, except reduced minimum age of 21 years old	No	N/A	N/A		Ages 21-49: \$65K Ages ≥50: \$32K	10 years (300)	No	1,000	
2021 MM2H Guidelines											
N/A	1. Above 35 years old 2. Have been in Malaysia for at least 90 cumulative days per year	N/A	40,000	1,500	MYR1,000	Up to 50%	10 years	Part-time	5,000	N/A	

Johor- Singapore SEZ: Stumbling Blocks



1. Incentives & Privileges May Be Too Focus on “Forest City,” Rather Than Broader Region of SEZ
2. Existing Incentives of Low Taxes May No Longer Apply Under “Global Minimum Tax” (15%) Rules
3. Infrastructure: Old Electricity Grid and Water Shortages Could Stall Investment Boom (eg. Data Centers Are Energy & Water Hungry, More Volatile Climate Conditions)
4. SEZ Agreement & Concessions May Be At Risk From Changes in Government (eg. Spore-KL High-Speed Rail)
5. A Trump Presidency - 60% Tariffs on China and Blanket 10%-20% Tariffs on Rest of the World, and Targeting “Conduit” Countries - Could Dampen FDI and Supply Chain Shifts
6. Labor Shortage & Labor Flow Currently Too “One Way” (Johor to Singapore)
7. Is this a “Johor-SEZ” or a “Johor-Singapore SEZ”?

Maybank Full Report: [Johor-Singapore SEZ: What’s Special and Different](#), 10 May 2024.

APPENDIX I: TERMS FOR PROVISION OF REPORT, DISCLAIMERS AND DISCLOSURES (*continued*)



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