

Navigating the Waves of Change: Seizing Opportunities in South East Asia





Reveal your international potential

Summary

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01
About ALTIOS



About ALTIOS

Your Trusted Partner to Expand around the World

Since 1991, ALTIOS offers international market expansion solutions to small and mid-cap companies operating and investing globally.

We offer our clients unique support with 4 strategic pillars to make business abroad easy:

- **EXPANSION** into new markets (potential, go-to-market, business partnerships, and JVs)
- SET UP of employees and/or entities abroad (recruitment, payroll management, incorporation, accounting, tax)
- (iii) INVESTMENT through strategic cross-border acquisitions or industrial establishments

What makes ALTIOS unique is our integrated global network of 37 offices and 750+ professionals strategically positioned in the G30, allowing our clients to operate worldwide with efficiency and confidence.

/ Our Vision

We believe the world is an infinite source of unrevealed growth for ambitious companies keen to explore new territories if we smartly connect markets, people and cultures

- / Our Mission
 - We act as your trusted partner to support you at every step of your international journey, opening up new paths of development on a worldwide scale
- / Our Signature
 We reveal your international potential

Our Values
Listening
Team Spirit
Agility
Passion
Entrepreneurship





A Powerful Global Network

Choose where you want to take your business to the next level





Our Ecosystem

A true Global Connector for Sustainable International Expansion



MAXIMIZE LOCAL IMPACT & LONG-TERM GROWTH



Government Agencies

65+ Projects for International Trade & Investment



Trade Associations

130+ Strategic partners in 22+ countries



Investment Funds

115+ International growth projects for companies



Banks

8+ Global partnerships in 4 continents







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Singapore as a Hub

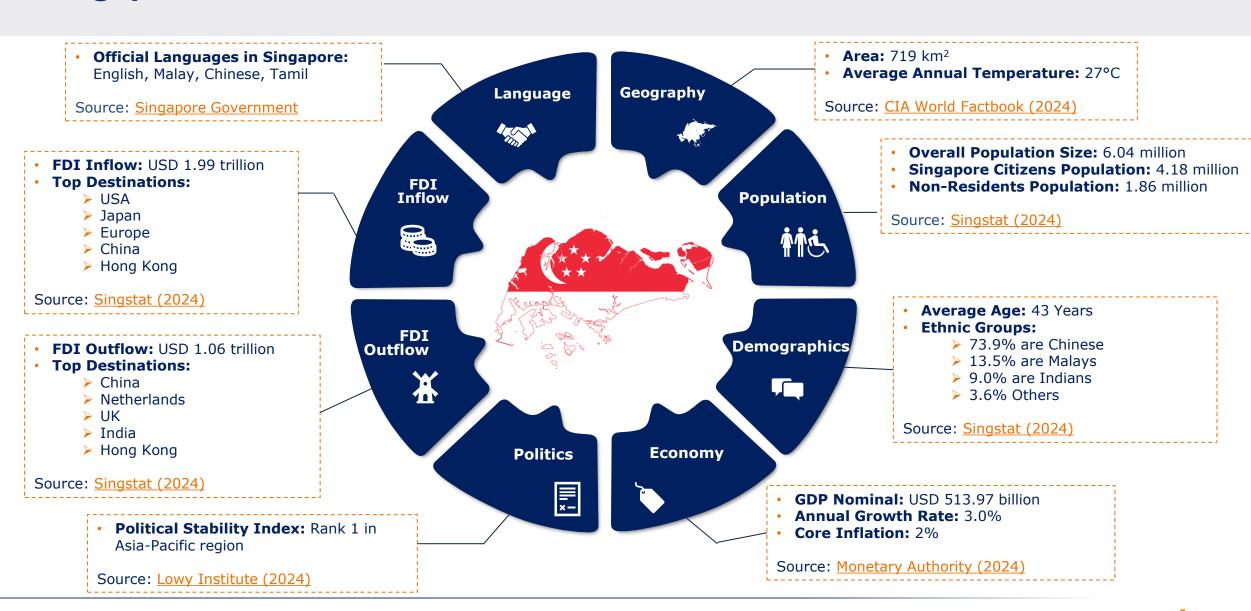


Singapore's position as an ideal regional hub for accessing the ASEAN region stems from a combination of factors that enhance its attractiveness for businesses, investors, and multinational corporations:

- Strategic Location and Infrastructure: Singapore's central position and world-class airport and port enhance efficient trade and logistics across ASEAN.
- Business-Friendly Environment: A transparent regulatory framework, low corporate taxes, and a strong financial sector create an ideal setting for regional business growth.
- Skilled Workforce and Innovation: Singapore's educated, multicultural workforce and robust tech ecosystem attract companies aiming to leverage talent and drive innovation in ASEAN.

Overview

Singapore as a Hub



Singapore as a Hub



Advanced Manufacturing

- Manufacturing makes up 21.6% of Singapore's GDP in 2022.
- Singapore is the 5th largest exporter of high-tech exports globally.
- Singapore produces 4 of the world's top 10 drugs and is among the world's top 10 exporters of machinery and equipment.
- Singapore ranked **3**rd for manufacturing value-add in 2021.

Source: EDB 2024



Biopharmaceuticals

- Singapore's biopharmaceutical exports have more than tripled over the past 20 years to USD 14.27 billion in 2022.
- 4 of the top 5 pharmaceutical companies by global revenue have manufacturing facilities in Singapore.
- Pfizer recently announced the development of a 762.1 million USD facility in Singapore.

Source: EDB 2024



Financial Services

- Singapore is a leading global financial center, contributing 13.8% to GDP.
- Singapore's financial sector expanded by 7% YOY in the first quarter of 2024.
- Singapore's assets under management industry grew 10% to reach 4 trillion USD.

Source: Finews. Asia (2024)

Singapore as a Hub

Document Preparation

Company Registration with ACRA

Corporate Bank Account Opening

Post-Registration Compliances

1 - 2 WEEKS

1 - 2 DAYS

2 - 4 WEEKS

1 - 2 WEEKS

- Proposed subsidiary name
- · Registered address in Singapore
- Business activities description
- Particulars of directors
- Particulars of shareholders
- Particulars of the company secretary
- Constitution of the company
- Copy of the Identity Card of Singapore for the ordinary residents involved in the company
- Passport copy and overseas residence proof for foreigners
- Certificate of incorporation and constitution of the parent company in its home country (if the shareholder is a corporate entity)
- Notarized version is required for non-English documents.
- Board resolution confirming the decision to incorporate the company in Singapore

Other Key Requirements



Submit application

to the regulator, the Accounting and Corporate Regulatory Authority (ACRA)



Minimum paid-up capital required for registration:

1 SGD



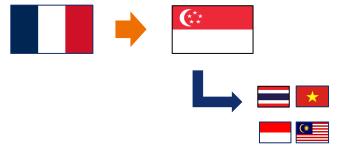
Must have a Singapore registered address

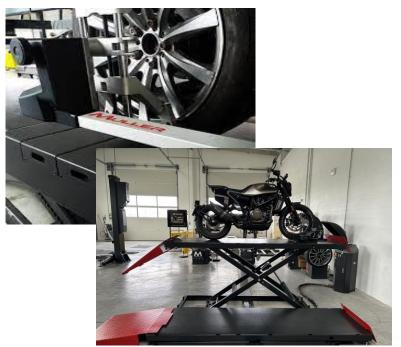
- 1. ACRA Annual Filing:
- Annual General Meeting (AGM)
- Filing of Annual Return (AR)
- Financial Statements
- 2. Corporate Tax:
- Corporate Income Tax Filing
- Goods and Services Tax (GST) Filing
- 3. Employment Obligations:
- CPF Contributions
- Employment Passes
- · Employment Act Compliance
- 4. Keeping Statutory Records
- **5. Business Licenses and Permits**
- 6. Accounting Records and Audit
- 7. Filing of Employee Income Tax



Case Study Example

Singapore as a Hub





THE COMPANY IS A LEADING MANUFACTURER OF EQUIPMENT FOR TECHNICAL CONTROL AND GARAGES

SUBSIDIARY SETUP & MANAGEMENT

Challenge

▶ The company sought ALTIOS to identify the strategic location for establishing its subsidiary, which will serve as its Asian hub.

Solution

- ▶ ALTIOS analyzed their existing business model, client base, and business partners in the region, aligning them with future objectives, and conducted a detailed analysis of selected countries in the region
- ALTIOS identified Singapore as a strategic location.

Delivered Results

- ▶ ALTIOS opened a fully operational subsidiary allowing them to increase the company footprint.
- Established streamlined bookkeeping and payroll processes, ensuring timely and accurate compensation for all staff members. Subsequently followed up with additional support in the following markets: Malaysia, Vietnam, Thailand and Indonesia.

03

Other Key Markets

Malaysia 👙

Vietnam 🐯

Thailand 🖨





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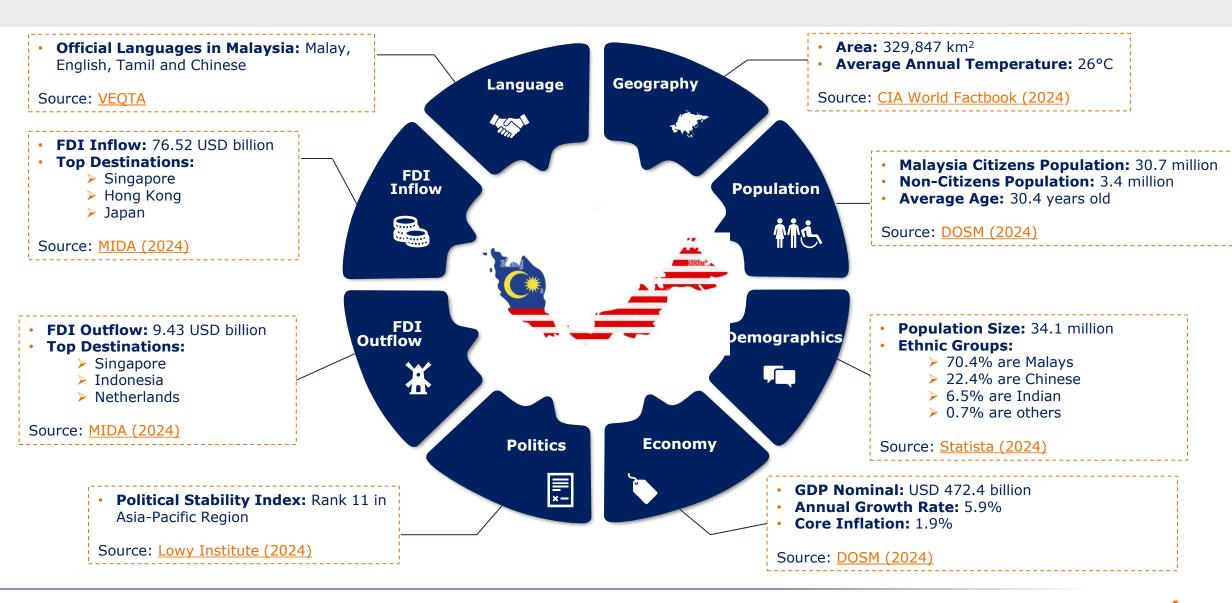


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Overview

Malaysia



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Malaysia



Electronics

- E&E sector contributed 5.8% to Malaysia's GDP in 2023, with USD 28 billion GDP target by 2025.
- Growth driven by semiconductors, IoT, AI, and automation.
- High-tech investments, R&D, and talent retention prioritized.
- Malaysia aims to enhance semiconductor packaging and boost competitiveness.

Source: MIDA (2024)



Digital Economy

- Malaysia's Digital Economy grew at its fastest rate since 2010.
- In 2022, e-commerce contributed over 40% of ICT's GDP, with a 13.3% share of national GDP, adding RM26.5 billion.
- ICT services, especially with the shift to 5G, show strong growth potential.

Source: DOSM (2024)



Biotechnology

- The National Biotechnology Policy (NBP), launched in 2005, supports agriculture, healthcare, and industrial sectors.
- By 2024, biotechnology aims to contribute **USD 462M** to GDP.
- USD 346M in revenue and USD 193M in new investments achieved in 2024.
- NBP 2.0 includes **7** strategies, and **19** policy measures.

Source: MIDA (2024)



Malaysia

Document Preparation

Company Name & Business Registration with SSM

Bank Account Opening & Capital Injection

Post-Registration Compliances

2 - 3 WEEKS

1 - 2 WEEKS

2 - 4 WEEKS

2 - 4 WEEKS

- Company Name
- Registered address
- ID Documents (Owners & Directors)
- Memorandum & Articles of Association (M&A)
- Form 24 Appointment of Directors & Secretaries
- Form 49 Details of Directors, Managers & Secretaries
- Statutory Declaration
- Paid-up Capital Proof
- Audited Financial Statements (Certified copies)
- Power of Attorney
- Standing/Certificate of Incumbency (for foreign companies)

Other Key Requirements



Submit application

to the regulator, the Companies Commission of Malaysia (SSM)



Minimum paid-up capital

required for registration of a Private Limited company:

1 MYR



Must have a Malaysia registered address

- 1. SSM Filing
 - Annual General Meeting (AGM)
 - Filing of Annual Return
 - Audited Financial Statement
- 2. Corporate Tax Filing
 - Filing of Corporate Tax Return (Form C)
 - Tax Estimate Submission
 - Goods and Services Tax (GST)
- 3. Employment Obligations:
 - EPF and SOCSO Contributions
 - Foreign Employee Permits
- 4. Maintaining Statutory Registers:
- **5.** Business Licenses and Industry-Specific Permits
- **6.** GST Returns (for SST)



Malaysia



THE COMPANY IS A LEADING DESIGNER AND MANUFACTURER OF PROFESSIONAL TOOLS FOR SURFACE TREATMENT

STRATEGIC STUDY

Challenge

▶ The company tasked ALTIOS with conducting a strategic study to identify the best market for expansion in Southeast Asia, whether through acquisition or greenfield investment.

Solution

▶ ALTIOS assisted the client in identifying the best country for their strategic plan by studying Thailand, Malaysia, Vietnam, Indonesia, and Singapore, focusing on product specifics, manpower needs, regulations, and costs for land, labor, and water and other criterias.

Delivered Results

ALTIOS successfully identified Malaysia as the optimal market for the company to achieve growth in Southeast Asia through greenfield investment.

Overview

Vietnam



Source: CIA World Factbook (2024)

FDI Inflow: USD 36.61 billion

Top Destinations:

- Singapore
- Japan
- Hong Kong
- > China
- > Republic of Korea

Source: Ministry of Planning and

Investment (2023)

- FDI Outflow: USD 420.9 million
- **Top Destinations:**
 - Canada
 - Singapore
 - Laos
 - Cuba

Source: Minitry of Planning and

Investment (2023)

Political Stability Index: Rank 12 in Asia-Pacific Region

Source: Lowy Institute (2024)



Source: CIA World Factbook (2024)

- **Population Size:** 100.77 million
- **Population Growth Rate**: 0.89%
- **Ethnic Groups:**
 - > 85% are Kinh
 - > 15% Others

Source: CIA World Factbook (2024)



- > Urban population: 40.6% (Ho Chi Minh City, Hanoi, Da Nang, Hai Phong)
- > Rural population: 59.4%

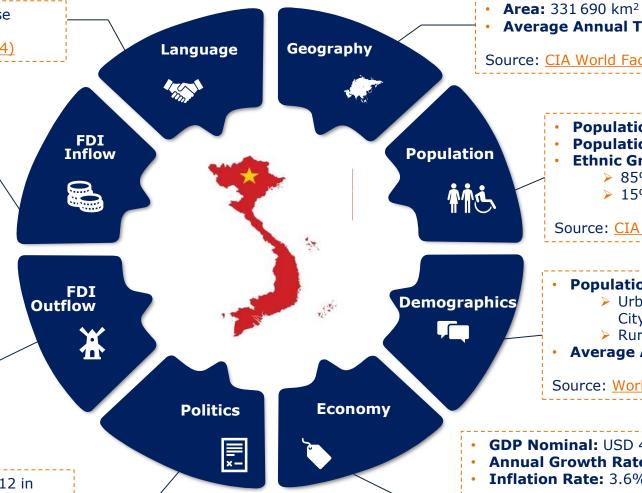
Average Age: 32.9 years old

Source: Worldometers (2024)

GDP Nominal: USD 465.81 billion **Annual Growth Rate: 5.8%**

Inflation Rate: 3.6%

Source: International Moneytary Fund (2024)





Vietnam



Manufacturing

- Manufacturing is a key industry in Vietnam, contributing 23.8% to GDP in 2023.
- Manufacturing value added is projected at USD 105.2 billion in 2024.
- Vietnam's manufacturing sector includes textiles, electronics, machinery, footwear, and food processing.
- Vietnam aims to be a global manufacturing hub, focusing on attracting foreign direct investment

Source: Statista (2023); Statista (2024)



Agriculture

- Agriculture contributes 12% of GDP in 2023 and employs 39% of the workforce.
- The sector includes crops (rice, coffee, rubber), livestock, fisheries, and forestry, with key products like coffee and shrimp.
- Government programs aim to modernize agriculture, focusing on high-value crops and improved irrigation for better productivity and sustainability.

Source: Statista (2023)



Energy

- Vietnam's energy mix comprises coal, hydroelectric power, natural gas, and a growing share of renewable energy (solar, wind).
- Vietnam aims for net-zero emissions by 2050 and plans to increase renewable energy to 30% by 2030 through Power Development Plan VIII (PDP8).

Source: The Power Development Plan 8

Vietnam

Document Preparation

Investment Registration
Certificate (IRC)
Application

Enterprise Registration
Certificate (ERC)
Application

Post-Registration Compliances

3 WEEKS

2 WEEKS

2 WEEKS

4 WEEKS

- Subsidiary name
- Registered address
- · Business activities
- Directors, shareholders, and company secretary
- Constitution/charter
- Passport and residence proof for foreigners
- Parent company's incorporation cerfiticate
- Notarized translations (if applicable)
- Board resolution for the incorporation

Other Key Requirements



Submit application

to the regulator, the Department of Planning and Investment



No minimum paid-up capital requirement for most businesses

however, certain regulated industries may require specific minimum capital



Must have a Vietnam registered address

- 1. Ministry of Planning and Investment Filing:
 - Annual Business Registration
 - Corporate Governance Reporting
- 2. Corporate Tax:
 - Corporate Income Tax Filing (CIT)
 - Value Added Tax (VAT)
 - Foreign Contractor Tax (FCT)
- 3. Employment Obligations:
 - Social Insurance and Health Insurance Contributions
 - Work Permits
- 4. Audited Financial Statements:
- 5. Labor Reporting













AN ITALIAN MANUFACTURING COMPANY SOUGHT TO EXPAND ITS MANUFACTURING FACILITIES TO A STRATEGIC LOCATION IN SOUTH EAST ASIA (SEA)

MARKET STUDY SEARCH SELECTION

Challenge

An Italian manufacturing company has appointed ALTIOS to assist with a market study and identify suitable locations to support the company's strategic expansion objectives in Southeast Asia, focusing on Italian products.

Solution

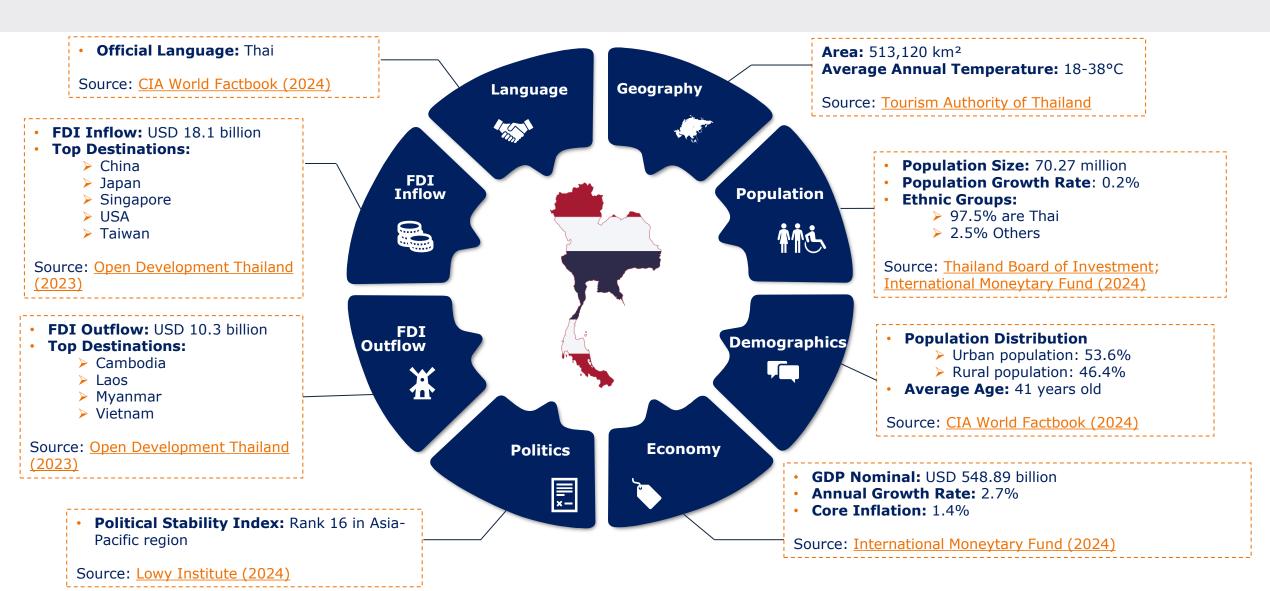
- ALTIOS was appointed to conduct market study to help the clients understand the scope and opportunities in SEA based on their products.
- ALTIOS has also facilitated the process of identifying and screening key locations for the clients to establish their manufacturing facilities in SEA.

Delivered Results

▶ The market study followed by an acquisition of 4M USD in Vietnam.

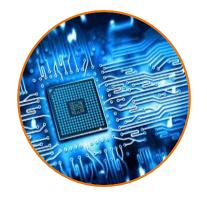
Overview

Thailand





Thailand



Electrical and Electronics

- Thailand ranked 13th as the largest manufacturing hub for electronics globally in 2019.
- Thailand produced 1.6 billion units of intergrated circuits, and exported of electrical, electronic equipment was USD 11.6 billion in Q1/2024.
- Thailand draws foreign electronics manufacturers with its central Asia-Pacific location, low labor costs, and government support for investments.

Source: Statista (2024)



Digital Economy

- The Digital Economy is projected to be crucial for all industrial sectors in Thailand, contributing 25% to GDP by 2027.
- 37 data center and cloud service projects that have received approval from the BOI, with investments exceeding USD 2.8 billion.
- Thailand is rapidly becoming a digital economy hub, driven by strategic initiatives and global investments.

Source: <u>The Government Public Relations</u> Department (2024)



Automative Parts

- Thailand's auto parts industry is rebounding strongly post-pandemic, with total sector earnings reaching USD 37.6 billion in 2022.
- Thailand is the 11th largest automotive producer globally, supported by over 2,200 manufacturers.
- The shift towards EVs is a key trend, with the government promoting zero-emission vehicles.

Source: Ministry of Commerce

Thailand

Document Preparation

Company Name & Business Registration with DBD

Company Registration Application

Post-Registration Compliances

1 - 2 WEEKS

1 WEEK

2 - 3 WEEKS

2 - 4 WEEKS

- Company name reservation
- Memorandum of Association
- Articles of Association
- List of shareholders
- · Details of directors
- Company secretary details (if applicable)
- · Registered office address in Thailand
- Evidence of capital payment (if applicable)
- Tax identification number registration

Other Key Requirements



Submit application

to the Department of Business Development (DBD) under the Ministry of Commerce



No minimum paid-up capital requirement for most businesses

however, certain regulated industries may require specific minimum capital



Must have a Thailand registered address

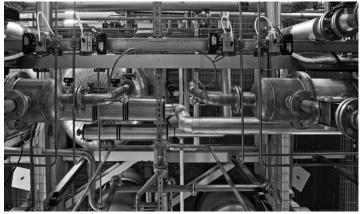
- Department of Business Development (DBD) Filing:
 - Annual General Meeting (AGM)
 - Filing of Annual Return
 - Audited Financial Statements
- 2. Corporate Tax Filing (Revenue Department):
 - Corporate Income Tax Return (Form PND.50)
 - Withholding Tax (WHT)
 - Value Added Tax (VAT)
 - Specific Business Tax (SBT)
- 3. Employment Obligations:
 - Social Security Fund Contributions
 - Work Permits for Foreign Employees
- 4. Board of Investment (BOI) Compliance
- 5. Record-Keeping and Reporting



Thailand







A RENOWNED FRENCH COMPANY WANTED TO ENTER THE THAI MARKET AND ESTABLISH A STRONG PRESENCE.

MARKET STUDY - SUBSIDIARY SET-UP

Challenge

▶ The renowned French chemical company faced challenges entering the Thai market, needing a clear understanding of market dynamics and navigating complex regulations.

Solution

- ALTIOS was appointed to conduct a comprehensive market survey, analyzing the industry landscape, product fit, competition, and business models.
- Assisted with partner identification, connecting the client with trusted local partners.
- Managed the legal and administrative processes for setting up the client's subsidiary.

Delivered Results

▶ ALTIOS provided a one-stop solution, helping the company gain market insights, mitigate risks, and successfully enter the Thai market.

Comparative Analysis

• The summary below ranks the South East Asia regions based on their economy and demographics, which will shape their future trajectory for trade and FDI with major global economies.

	(i)			
	Singapore	Malaysia	Vietnam	Thailand
Population (in million)	6.04	34.1	100.77	70.27
GDP Nominal (USD in billion)	513.97	472.4	465.81	548.89
Growth Rate (in %)	3.0	5.9	5.8	2.7
Core Inflation (in %)	2.0	1.9	3.6	1.4
GDP (in USD) per capita by country (World Bank, 2023)	84,734	11,649	4,347	7,172
Average Age (in years old)	43	30.4	32.9	41



04 Energy and Sustainability in the Region

1st Switch: Natural Gas

Maintain natural gas imports as it is the "cleanest" fossil fuel

2nd Switch: Solar Achieve at least 2 GWp by 2030

3rd Switch: Regional power grids

To overcome land constraints and import low-carbon energy

4th Switch: Low-Carbon Alternatives

To further reduce the national carbon footprint



The Singapore government has set an ambitious target to quadruple its solar energy deployment by 2025 as part of its commitment to achieving net-zero emissions by 2050. The Singapore Green Plan 2030 aims to enhance sustainability efforts across various sectors, promoting renewable energy adoption.

Key Initiatives

- Singapore aims for 2 GW of solar capacity by 2030 through rooftop and floating installations.
- By 2035, it plans to import 4 GW of low-carbon electricity, meeting about 30% of its energy needs.
- The deployment of advanced energy storage systems and the National Hydrogen Strategy will enhance energy reliability and support decarbonization.

Source: Singapore Energy Green Plan 2030





Annual Growth Rate (CAGR 2024 -2029)

4.7%

Electricity Generation in RE(2024)

1,157 kWh

New Funding (2024) – Future Energy Fund

USD 5.0 bn

Source: Statista & EMA (2024)



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Solar Energy 1,933 MW

Mini Hydro 6,200 MW

Biogas 124 MW **Biomass** 904 MW

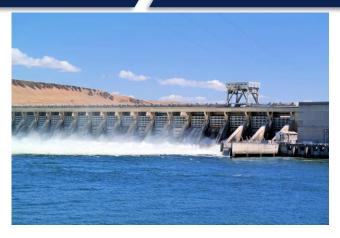


The Malaysia Renewable Energy Roadmap (MyRER) aims to boost RE capacity from 23% in 2020 to 31% by 2025 and 40% by 2035, reducing carbon emissions by up to 60%. It projects economic benefits of USD 4.6 billion by 2025 and 47,000 new jobs. Current RE sources include solar, biomass, biogas, and hydropower.

Key Initiatives

- Government to invest USD 7.6 bn to promote energy development.
- Net Energy Metering 3.0 Scheme only 300 MW quota needed for installation of solar panels.
- Green Technology Financing Scheme 2% annual rebate on RE loans

Source: SEDA (2024)





Green Investment Leads (2024)

USD 580.6 M

Total Approved Projects (2024)

399

Green Investment Target by 2030

USD 69.7 bn

Source: MIDA (2024)

Solar Capacity (targeted by 2030-2050) From 9% to 34%

Wind Capacity argeted by 2023- 2050

(targeted by 2023- 2050)
From 19% to 27%

Others Capacity

(targeted by 2030 - 2050) **From 73% to 39%**



The Vietnamese Power Development Plan 8 (PDP8) prioritizes renewable energy, targeting 50% of power generation from solar and wind by 2030. It aims to enhance energy security, reduce coal dependence, and lower greenhouse gas emissions for a greener future.

Key Initiatives

- PDP 8 sets a structured investment goal of around USD 135 billion by period 2021-2030 to attract domestic and foreign investments through public-private partnerships.
- The plan targets renewable energy to comprise 30.9% to 39.2% of the energy mix by 2030, aiming for 50% by 2050, emphasizing a shift from coal to solar and wind.
- PDP 8 proposes 2 inter-regional renewable energy industrial and service centers, including: (i) electricity production, transmission and consumption; (ii) renewable energy equipment manufacturing industry, construction, installation, related services.

Source: The Power Development Plan 8





Power Capacity Serving Domestic Demand (2020)

69 GW

Power Capacity Serving Domestic Demand (2030)

(excluding export, existing rooftop solar power, renewable energy to produce new energy)

150 GW

Power Capacity Serving Domestic Demand (2050)

(excluding export, existing rooftop solar power, renewable energy to produce new energy)

490-573 GW

Source: The Power Development Plan 8



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Solar Capacity (target by PDP 2024) 24,412 MW

Wind Capacity (target by PDP 2024) 5,345 MW Biomass Capacity (target by PDP 2024) 2,681 MW

Thailand's Power Development Plan (PDP) 2024 targets 51% renewable energy by 2037, up from 20%, as part of the 2024 National Energy Plan for carbon neutrality by 2050. It focuses on solar, wind, biomass, and small nuclear reactors, while enhancing energy security and sustainability.

Key Initiatives

- The PDP aims to increase renewable energy from 20% to 51% by 2037, focusing on solar, wind, and biomass, with significant investments planned in these areas.
- The plan includes 600-megawatt small modular reactors to enhance energy stability while ensuring safety and efficient land use.
- PDP 2024 aims to cap electricity costs at under 4 baht per unit, helping to alleviate financial burdens on consumers and businesses.

Source: Power Development Plan 2024





Renewable Energy Consumption (2023)

0.33 EJ

Total Capacity of Solar Energy (2023)

3,000 MW

Total Approved Projects (2023)

\$ 1.1 billion

Source: Statista (2023)



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05 Conclusion



Market Entry Strategy



Studying The Market

Performing a market analysis to assessing a **market's potential** for a specific company, analysing the competitive landscape, the competitors' positioning, its total addressable market, potential partners and clients, and how to reach them is quintessential prior to entering the market.



Leveraging On Public Support

Take advantage of public support schemes to innovative companies such as:

- Tax deductions
- Tax holidays
- Feed in Tariffs
- Financing schemes / green loans



Building Local Relationships

Having a local partner can be detrimental to the project's success because they possess the right contacts, networks and have deep knowledge on local processes.

Beyond local partnerships, being part of **trade associations** that have a strong foothold in the industry will provide an advocacy platform.



Setting up & External Growth

Governments look favorably on foreign companies that have a long-term presence in the local market-through a **local office** or a **local agent** can influence a project's outcome.

You could also enter the market through a **joint venture** or a **takeover** of an entity.



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