



TRANSFER PRICING 101

-WHAT EVERY BUSINESS MUST KNOW-

HRD Corp Claimable Courses

Duration: 1 day

Time: 9.00am to 5.00pm

INTRODUCTION

In today's interconnected global economy, cross-border transactions between related parties have become an integral part of doing business. These arrangements, which may involve the transfer of goods, services, intellectual property, or financing between subsidiaries, affiliates, or parent companies, offer operational efficiency and strategic advantages. However, they also come under increasing scrutiny from the Inland Revenue Board (IRB) in Malaysia. The IRB's focus is on ensuring that all such transactions adhere to the Arm's Length Principle—the internationally recognised standard that requires related party transactions to be priced as if they occurred between independent entities under comparable circumstances.

Non-compliance with Malaysia's Transfer Pricing (TP) regulations carries significant consequences. Businesses found in breach risk not only substantial tax adjustments and penalties but also reputational damage that can affect stakeholder trust and future investment opportunities. In recent years, the IRB has stepped up its enforcement activities, conducting more targeted audits and applying stricter penalties for non-compliance. This heightened regulatory attention means that businesses can no longer afford to take a reactive approach; they must proactively ensure their TP policies, documentation, and practices are robust and compliant.

This full-day workshop, "Transfer Pricing 101: What Every Business Must Know," is specifically designed to address this growing compliance challenge. Tailored for business owners, CFOs, finance managers, accountants, and tax executives, the program equips participants with both the technical knowledge and practical skills to navigate Malaysia's TP requirements confidently. From understanding the core concepts and legal framework to learning effective documentation strategies and audit preparedness, the training covers the end-to-end TP compliance process.

Through a combination of expert-led lectures, real-world case studies, and interactive group activities, participants will not only grasp the theoretical aspects of TP but also learn how to apply these concepts in their daily operations. By the end of the session, attendees will have gained actionable insights, practical tools, and a clear roadmap to strengthen their organisation's TP compliance, reduce risk exposure, and enhance operational transparency in cross-border dealings.

LEARNING OBJECTIVES

- To provide participants with a clear understanding of Malaysia's TP framework and compliance requirements.
- To equip participants with the skills to identify related party transactions and assess TP risks.
- To guide participants in preparing Transfer Pricing Documentation (TPD) that meets IRB standards.
- To enable participants to select appropriate TP methods and perform economic benchmarking.
- To prepare participants to handle TP audits with confidence and implement effective risk management strategies.

LEARNING OUTCOMES

By the end of this training, participants will be able to:

1. Define transfer pricing and apply the **Arm's Length Principle** in real business scenarios.
2. Identify various types of related party transactions (RPTs) and understand their tax implications.
3. Prepare or review TPD in compliance with Malaysia's TP Rules and Guidelines.
4. Select and apply appropriate TP methods based on transaction characteristics.
5. Perform basic benchmarking analysis using available data sources.
6. Recognise common audit triggers and take proactive steps to manage TP risks.
7. Implement a TP compliance checklist for ongoing business operations.

WHO SHOULD ATTEND?

- ✚ Business owners
- ✚ CFOs,
- ✚ Finance Managers
- ✚ Accountants
- ✚ Tax Executives

METHODOLOGY

- ✚ Interactive Lectures
- ✚ Real-Life Case Studies
- ✚ Worked Examples
- ✚ Group Discussions & Q&A Session

PROGRAM OUTLINE

Module 1: Fundamentals of Transfer Pricing

- **Key Concepts**
 - Definition of TP, Arm's Length Principle
 - Types of related party transactions (sales, services, royalties, financing).
- **Legal Framework**
 - Section 140A ITA 1967
 - TP Rules
 - TP Guidelines.
- **Practical Insight**
 - Common myths and misconceptions about TP.
- **Activity**
 - "Spot the RPT" – participants identify related party transactions from real-life examples.

Module 2: Transfer Pricing Documentation (TPD) Essentials

- **Documentation Requirements**
 - Local File & Master File structure
 - Mandatory thresholds, timelines.
- **Core Components**
 - Functional analysis
 - Comparability analysis
 - Benchmarking.
- **Practical Guidance**
 - Examples of poor vs. good documentation.
- **Activity**
 - Quick review of a sample TPD extract to identify strengths and weaknesses.

Module 3: Transfer Pricing Methods & Benchmarking

- **TP Methods**
 - Comparable Uncontrolled Price (CUP)
 - Resale Price Method (RPM)
 - Cost Plus Method (CPM)
 - Transactional Net Margin Method (TNMM)
 - Profit Split Method.
- **Selection Criteria**
 - Pros and cons of each method
 - Transaction-specific considerations.
- **Benchmarking**
 - Use of databases, local comparable
 - Adjustments and comparability factors.
- **Activity**
 - “Method Matching Game” – apply methods to different business scenarios.

Module 4: TP Risk Management, Audit & Case Studies

- **Audit Risks**
 - Common triggers and IRB focus areas.
- **Audit Process**
 - What to expect during a TP audit.
- **Case Studies**
 - Analysis of Malaysian TP audit outcomes.
- **Compliance Tools**
 - Practical checklist and TP health check methods for businesses.
- **Activity**
 - Group discussion – “What went wrong?” review of real-life case study.

TRAINER'S PROFILE

Angeline Chua **(Bachelor's of Science (Hons) Accounting and Finance)**

Transfer Pricing Trainer | Tax Educator | Simplifying TP for Malaysian

Angeline is a Transfer Pricing and Tax Trainer dedicated to helping businesses in Malaysia navigate complex transfer pricing (TP) regulations and maintain compliance with confidence. She is the founder of her own advisory and training firm, where she specialises in transforming intricate tax concepts into clear, practical, and actionable knowledge for finance and tax professionals.

With over seven years of hands-on experience in TP advisory, compliance, and audit support, Angeline delivers training that is relevant, engaging, and tailored to real business challenges. Her expertise covers the full TP compliance cycle—from preparing documentation that meets IRB requirements, to handling queries during tax audits, to upskilling in-house teams for ongoing compliance.

Angeline's training approach blends technical accuracy with practical case studies, ensuring participants gain the skills and confidence to apply their knowledge effectively in day-to-day operations.

Angeline's Core Values

Angeline believes in delivering impactful training that makes a tangible difference in how participants approach transfer pricing and tax compliance. She strives to create a meaningful learning experience by ensuring every session is relevant to real business situations and challenges. Her approach is always practical and actionable, equipping participants with strategies and tools they can immediately apply in their work. At the same time, she keeps her sessions engaging and fun, fostering an interactive environment where learning is both enjoyable and effective.

Most recent trainings covered

- ✓ ***Get Ready for E-invoicing***
- ✓ ***E-invoicing Hands-On Practical Guide***
- ✓ ***Strategic E-invoicing for Business Success***
- ✓ ***Transfer Pricing Hands-On Practical Guide on Updating Your TP***
- ✓ ***Doc Before Filing of Form C***
- ✓ ***Introduction to Transfer Pricing***
- ✓ ***Transfer Pricing 101: What Every Business Must Know***
- ✓ ***Transfer Pricing Bootcamp for SMEs in Malaysia: Practical***
- ✓ ***Compliance & Risk Mitigation***
- ✓ ***Transfer Pricing & Withholding Tax Essentials for Cross-Border***
- ✓ ***Businesses in Malaysia***
- ✓ ***Navigating the Expanded SST Framework for Construction,***
- ✓ ***Rental, and Leasing Industries***
- ✓ ***SST Compliance - Practical Insights***

PARTICIPATION REGISTRATION & FEE

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Registration via online can be done thru our website at www.eliteedge.com.my

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