



LABUAN IBFC: **THE LEADING INTERNATIONAL** **BUSINESS AND FINANCIAL CENTRE**

Where is Labuan?

Labuan is part of Malaysia, a Federal Territory under the Federal Government.

It is located on the major shipping lanes and air routes of the Asia Pacific region.

The jurisdiction is easily accessible from Kuala Lumpur and Kota Kinabalu.

Kuala Lumpur

LABUAN

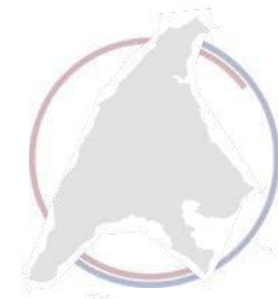
OUR ECONOMIC DRIVERS



International Business
& Financial Centre



Logistics



Tourism



Oil & Gas



Retail Trading

Labuan IBFC – Gateway to Asia Pacific

More than 30 Years of Intermediating Asia

- An international business and financial centre set up by Malaysia in 1990 to intermediate trade, finance, risk, and wealth.
- A tax-efficient substance enabling international business and financial centre jurisdiction to facilitate businesses, trading, and investments through financial services and a wide array of legal structures.
- Well-balanced legal and regulatory framework, proportionality in regulatory stance.
- Robust governing legislations passed by the Malaysian Parliament, administered by Labuan Financial Services Authority, a statutory body under the Ministry of Finance, Malaysia.
- Adheres to Malaysia's AMLCFT requirements and international standards and best practices set by multilateral global institutions.





THE REGULATOR

Labuan Financial Services
Authority

Labuan Financial Services
Authority a statutory body under
Ministry of Finance, Malaysia

LABUAN IBFC INCORPORATED SDN BHD

Official Government Promotional Agency for Labuan IBFC



Ministry of Finance, Malaysia



Labuan Financial
Services Authority



Labuan IBFC
Incorporated Sdn Bhd

To promote, develop and grow the financial services industry in Labuan IBFC towards becoming Asia Pacific's leading international business and financial centre

BOARD OF DIRECTORS



Datuk Iskandar Mohd Nuli
Executive Chairman
Labuan IBFC Inc.



Datuk Chin Chee Kee
Chairman,
Association of Labuan
Trust Companies



**Dato Howard Choo
Kah Hoe**
Chairman,
Labuan Investment
Banking Group

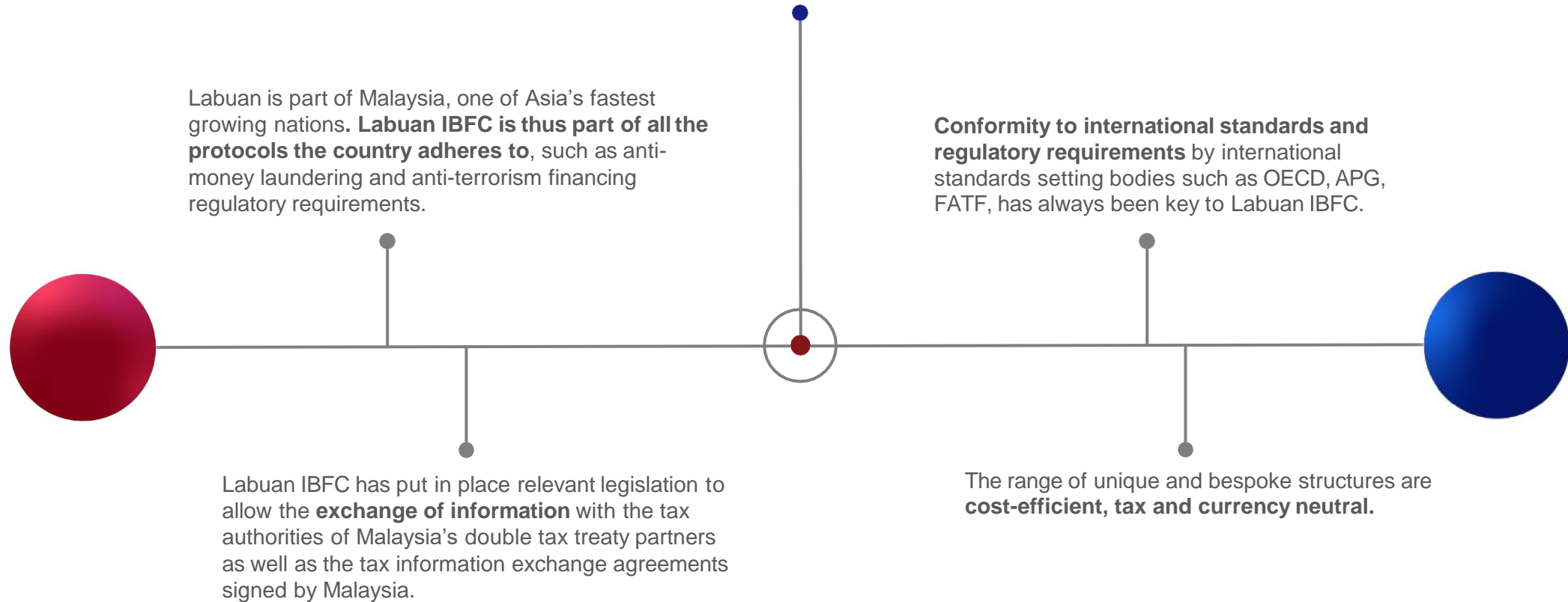


**Mr. Gerard Roy
Suresh Sharma**
Chairman,
Labuan International
Insurance Association



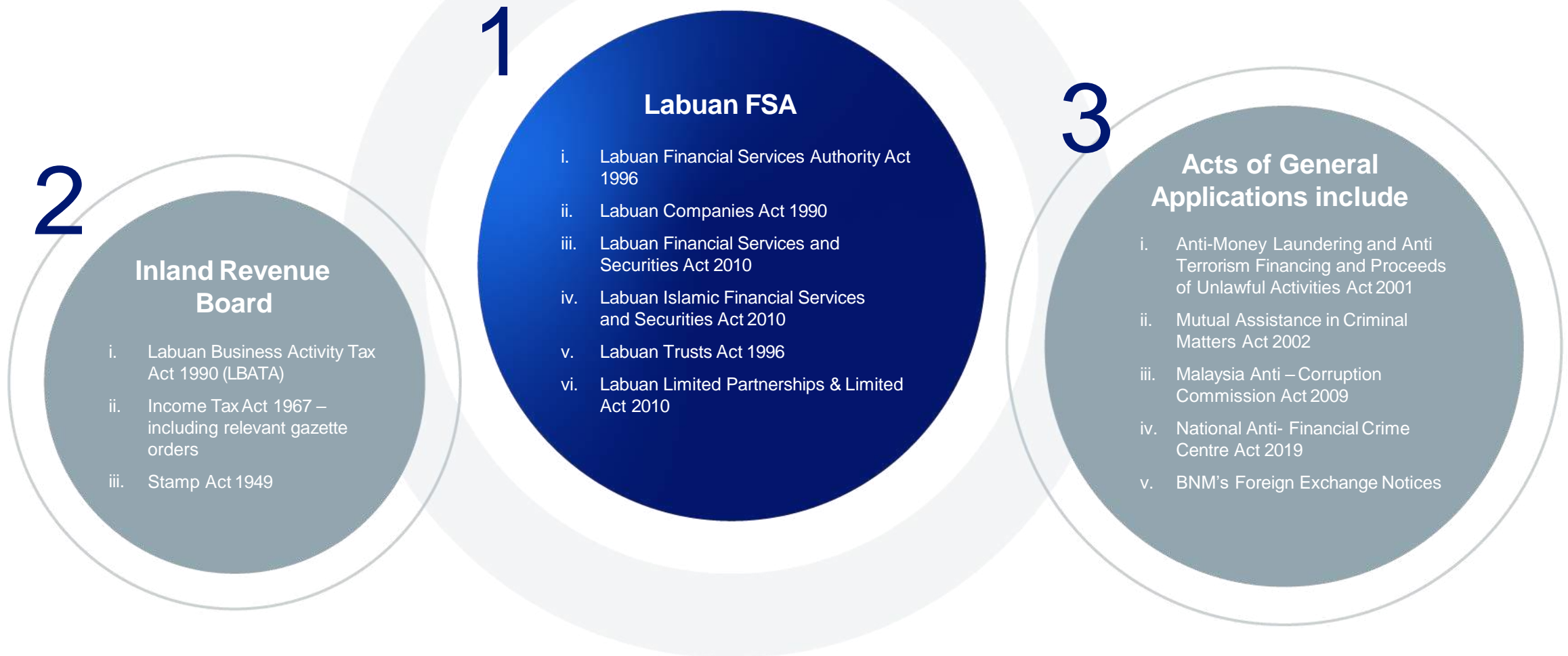
Mr. Nor Rashidi
Chairman,
Association of Labuan
Banks

Background



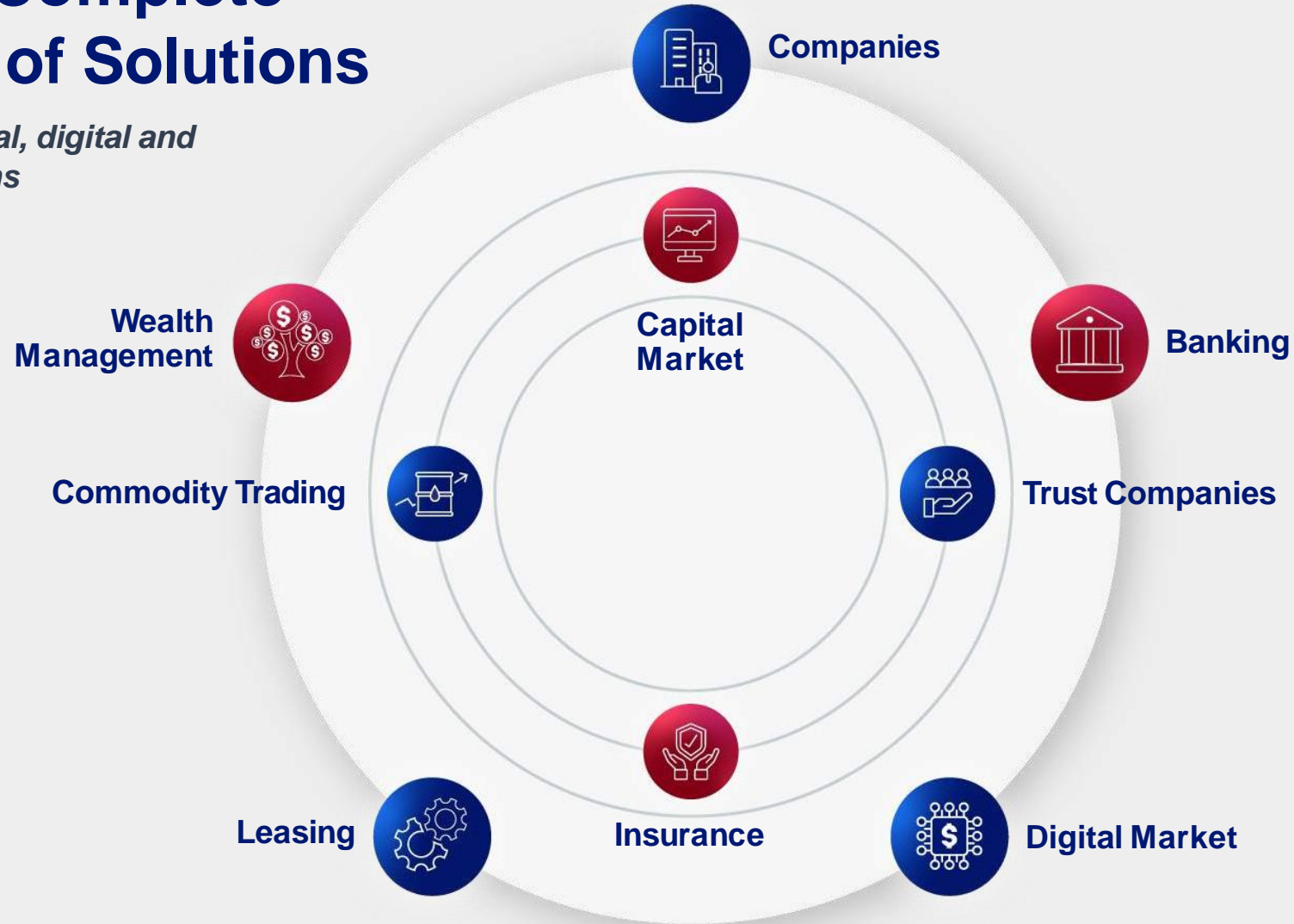
A Comprehensive Suite of Legislation

Adherence to International Standards and Best Practices



Creating A Complete Ecosystem of Solutions

Available in conventional, digital and Shariah-compliant forms



Fiscal Structure and Corporate Entity Benefits

Tax Structure

- Income from Labuan trading activities (as defined) taxed at 3% of net audited profits
- Non-trading income (e.g. from investment holding activities) attracts no tax
- Clear and prescribed Substance Requirements based on business activities via a Gazette issued by Parliament of Malaysia
- Fiscal Regime is perpetual not time bound

Other Benefits

- Exemption from withholding tax on dividends, interest, royalties, service fees and lease payments to non-residents
- Exemption from stamp duty
- Access to most of Malaysia's 70+ double taxation agreements*
- 100% foreign ownership
- Access to live in Malaysia

** Labuan entities enjoy the benefits of most of Malaysia's tax treaties, but certain treaties have specifically excluded Labuan entities from treaty benefits*

Business and Investment Activities



Home to International Brands

Banks



Insurance & Captives



Trust Companies



Leasing



Labuan International Trading Companies (LITCs)



Digital Financial Services



Why Labuan IBFC?



REGIONAL OPPORTUNITIES

Southeast Asia is estimated to be the 4th largest economy by 2050, investors and businesses can gain access to the region via Labuan IBFC



EASE OF DOING BUSINESS

Ease of doing business with cost – effective solutions and structures



SUBSTANCE CREATION AND TRANSPARENCY

Complying with the latest global regulatory standards including requirements for transparency and substance creation



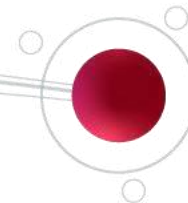
WELL - REGULATED JURISDICTION

A robust regulatory framework to ensure entities remain in compliance with international best standards



EFFICIENT AND FLEXIBLE TAX SYSTEM

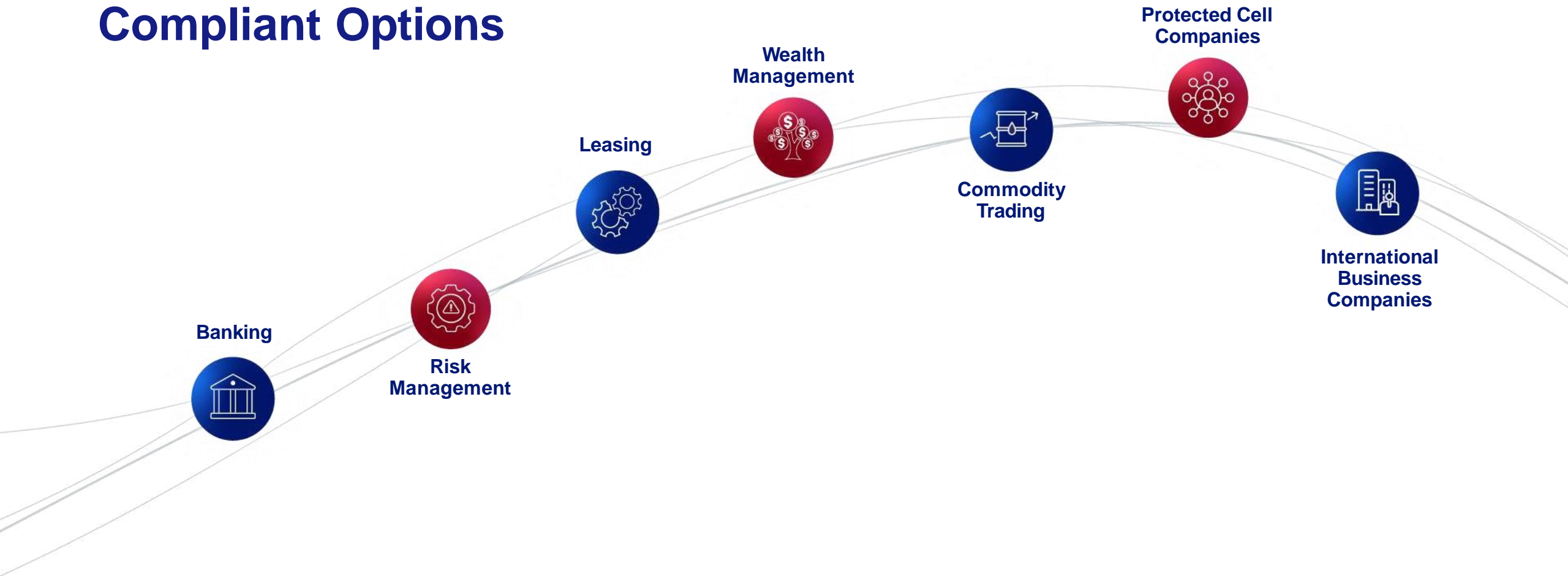
Simple and straightforward tax system to carry out a Labuan business activity as defined by the Labuan Business Activity Tax Act 1990



Labuan IBFC's Key Business Characteristics



Wide Array of Solutions and Structures Including Shariah – Compliant Options



Globally-Recognised Industry Memberships and Recognitions



Client Charter and Key Approving Processes: Licensing and Business Setup in Labuan IBFC

Licensing Approval

1 Month

Application for Licence

- Conduct due diligence on applicants
- Vetting on individual or corporate directors or shareholders – WC, KYC360, UN Sanction list
- Assessment on proposed business plan
- Compliance with Acts, G/L, core principles

Due Diligence of HRJ

Conduct “enhanced due diligence”

Issuance of Conditional Approval including payment of fee

Fee depending on type of licence

Non-Licence

1 Day

Pre-Incorporation

- Appoint a Labuan Trust Company (LTC) to act as resident secretary/agent
- Conduct due diligence on prospective client

Reservation of Name

24 hours approval and reserved for 3 months

Incorporation of Company

- Documents M&A
- Statutory declaration
- Consent of proposed directors
- Particulars of directors, S/H and secretaries etc.

Payment of Fees

- Incorporation/registration fee: depending on paid-up capital
- Annual fee - RM2,600 for Labuan companies / RM5,300 for foreign company

Established
1990

> 800
Licensed entities

> 70
DTAs

**One-stop
regulator**

**Adheres to
global financial
standards**

**Modern and comprehensive
legal framework**

Asia's widest range of legal and corporate structures

**Asia's only private
client foundations**

(Conventional and Islamic)

**Asia's self-insurance
centre of choice**

**Asia's only protected
cell company**

for risk and wealth

**Leader in digital financial
services and Islamic finance**

**Asia's fastest growing
reinsurance market**

In Asia, By Asia, For All



Disclaimer

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Thank You
Terima Kasih

