

LABUAN IBFC: ASIA'S PREMIER INTERNATIONAL FINANCIAL HUB



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

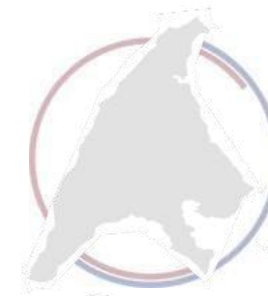
OUR ECONOMIC DRIVERS



International Business
& Financial Centre



Logistics



Tourism



Oil & Gas



Retail Trading



ORGANIZATION CHART MINISTRY OF FINANCE

MINISTER OF FINANCE
YAB DATO' SERI ANWAR BIN IBRAHIM

MINISTER OF FINANCE II
YB SENATOR
DATUK SERI AMIR HAMZAH AZIZAN

DEPUTY MINISTER OF FINANCE
YB PUAN LIM HUI YING

DEPARTMENT UNDER MINISTRY OF FINANCE

MALAYSIA TREASURY
SECRETARY GENERAL OF TREASURY
DATUK JOHAN BIN MAHMOOD MERICAN

ROYAL MALAYSIAN CUSTOMS DEPARTMENT
DIRECTOR GENERAL
DATO' ANIS RIZANA MOHD ZAINUDIN

ACCOUNTANT GENERAL'S
DEPARTMENT OF MALAYSIA
ACCOUNTANT GENERAL
NOR YATI AHMAD

VALUATION AND PROPERTY SERVICES
DEPARTMENT
DIRECTOR GENERAL
Sr ABDUL RAZAK YUSAK

LANGKAWI DEVELOPMENT AUTHORITY
CHIEF EXECUTIVE OFFICER
VACANT

AGENCY UNDER MINISTRY OF FINANCE

BSN
BANK SIMPANAN NASIONAL
CHIEF EXECUTIVE OFFICER
JAY KHAIRIL JEREMY ABDULLAH

BURSA MALAYSIA
BURSA MALAYSIA BERHAD
CHIEF EXECUTIVE OFFICER
DATUK MUHAMMAD UMAR SWIFT

THE CENTRAL BANK OF
MALAYSIA
GOVERNOR
DATUK SHAIK ABDUL RASHEED
ABDUL GHAFUUR

Suruhanjaya Sekuriti
Securities Commission
Malaysia
SECURITIES COMMISSION
MALAYSIA
CHAIRMAN
DATO' SERI DR. AWANG ADEK
HUSSIN

PPPSA
PUBLIC SECTOR HOME FINANCING
BOARD
CHIEF EXECUTIVE OFFICER
MOHD FARID DATO' HAJI NAWAWI

KWAP
RETIREMENT FUND (INCORPORATED)
CHIEF EXECUTIVE OFFICER
DATUK NIK AMLIZAN MOHAMED

PIDM
MALAYSIA DEPOSIT INSURANCE CORPORATION
CHIEF EXECUTIVE OFFICER
RAFIZ AZUAN ABDULLAH

LHDN
INLAND REVENUE BOARD
OF MALAYSIA
CHIEF EXECUTIVE OFFICER
DATUK ABU TARIQ JAMALUDDIN

EPF
EMPLOYEES PROVIDENT FUND
CHIEF EXECUTIVE OFFICER
VACANT

Labuan FSA
LABUAN FINANCIAL SERVICES
AUTHORITY
DIRECTOR GENERAL
NIK MOHAMED DIN NIK MUSA

MTB
MALAYSIA TOTALISATOR BOARD
CHIEF EXECUTIVE OFFICER
NOR HASHIMAH HASHIM



THE REGULATOR

Labuan Financial Services Authority
(Labuan FSA)

Labuan FSA a statutory body under
the Ministry of Finance, Malaysia

Labuan FSA - A Single Regulatory Authority

Prior 1996

Since 1996



- To promote and develop Labuan IBFC as Asia's premier international financial hub
- To act as the central regulatory, supervisory and enforcement authority of the Labuan IBFC
- To develop national objectives, policies and priorities for the orderly development and administration of the Labuan IBFC

LABUAN IBFC INCORPORATED SDN BHD

Official Government Promotional Agency for Labuan IBFC



Ministry of Finance, Malaysia



Labuan Financial Services
Authority



Labuan International
Business and Financial Centre

To promote, develop and grow the financial services industry in Labuan IBFC toward becoming Asia's premier international financial hub

BOARD OF DIRECTORS



Datuk Iskandar Mohd Nuli
Executive Chairman cum CEO,
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

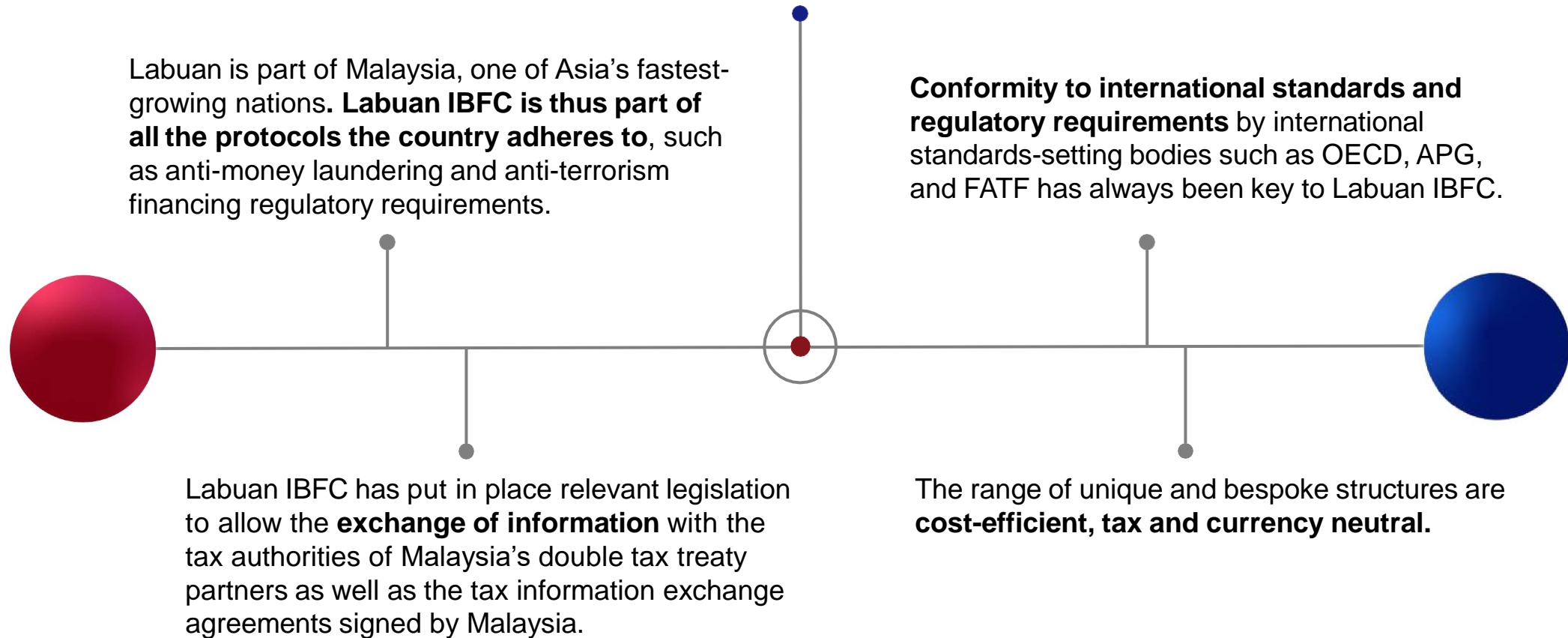


Mr. Nor Rashidi
Chairman, Association of
Labuan Banks



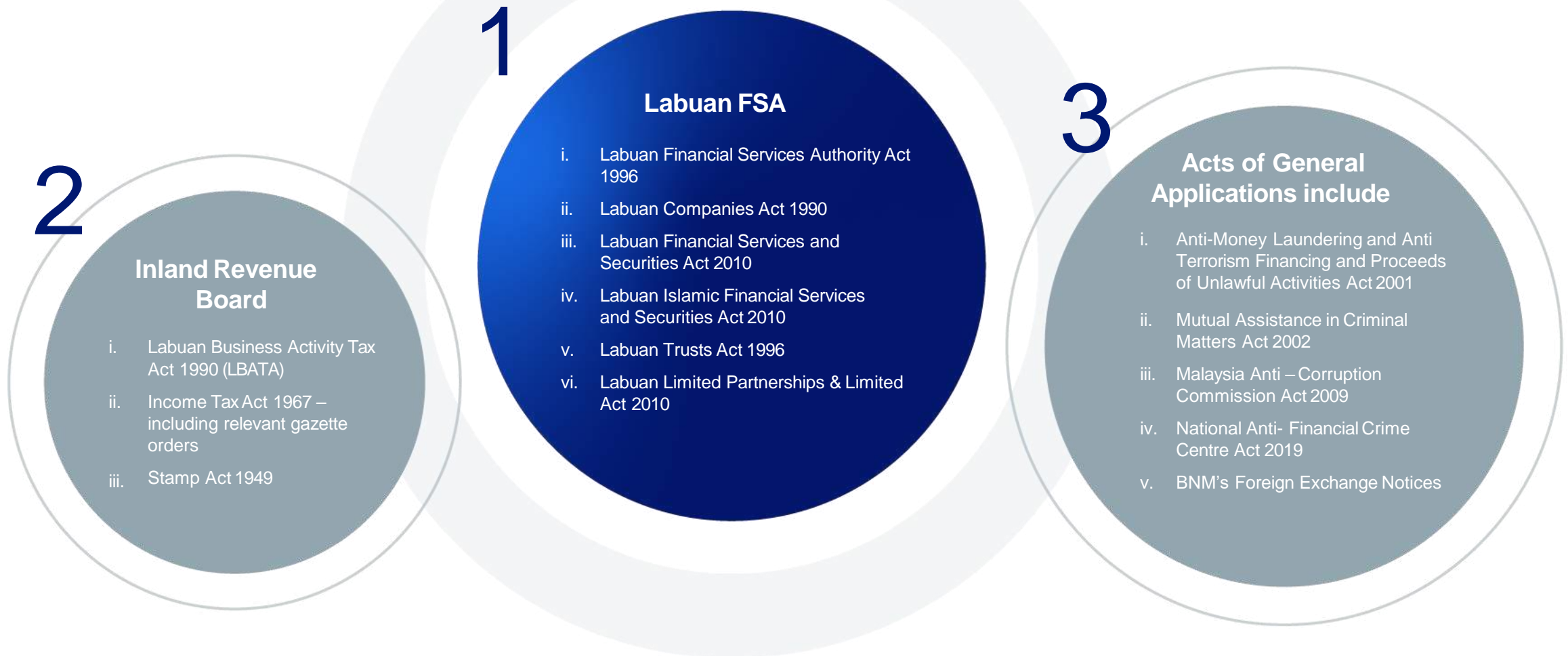
Mrs. Doreen Fadli
Head of Business Policy,
Labuan FSA

Background



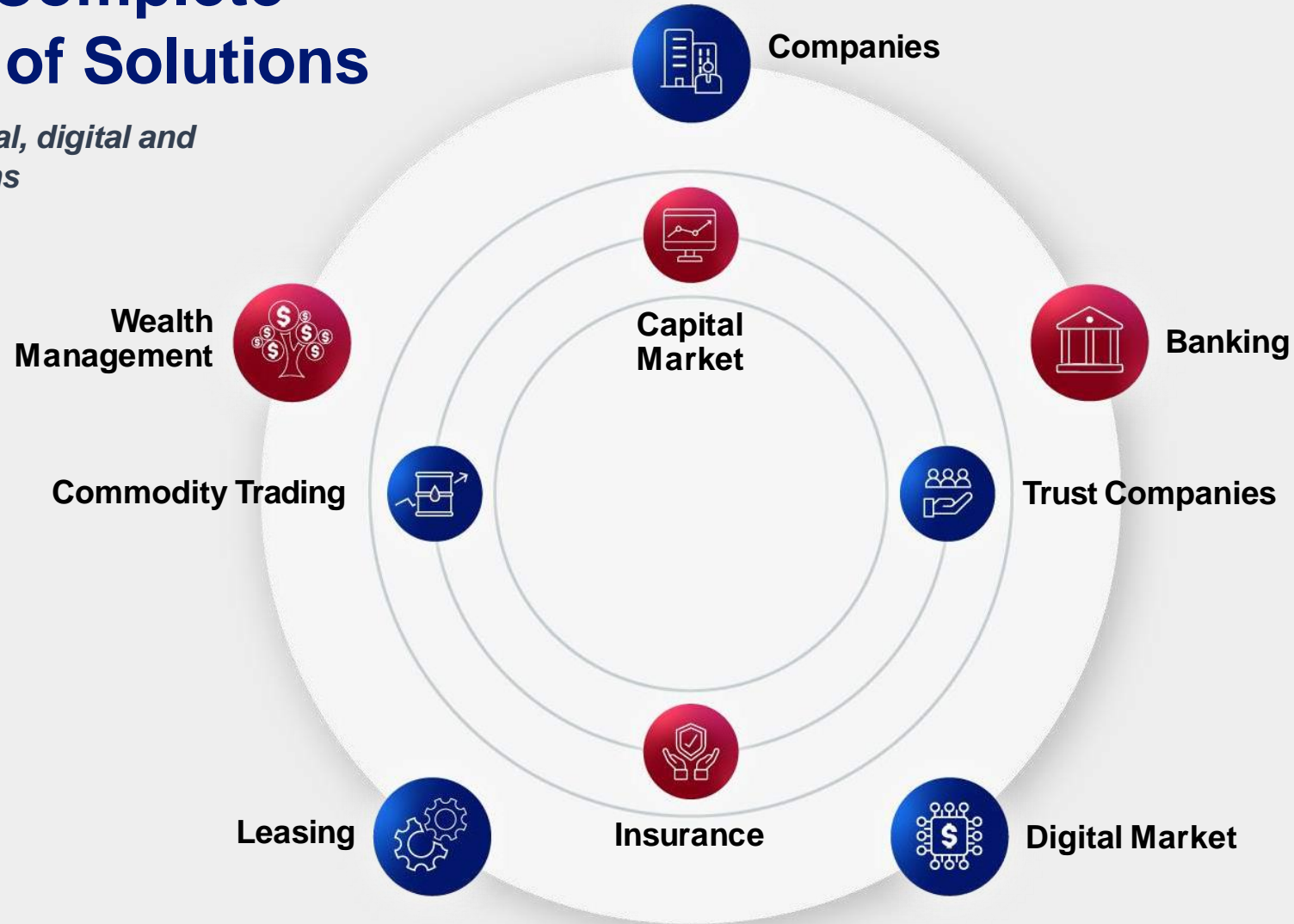
A Comprehensive Suite of Legislation

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

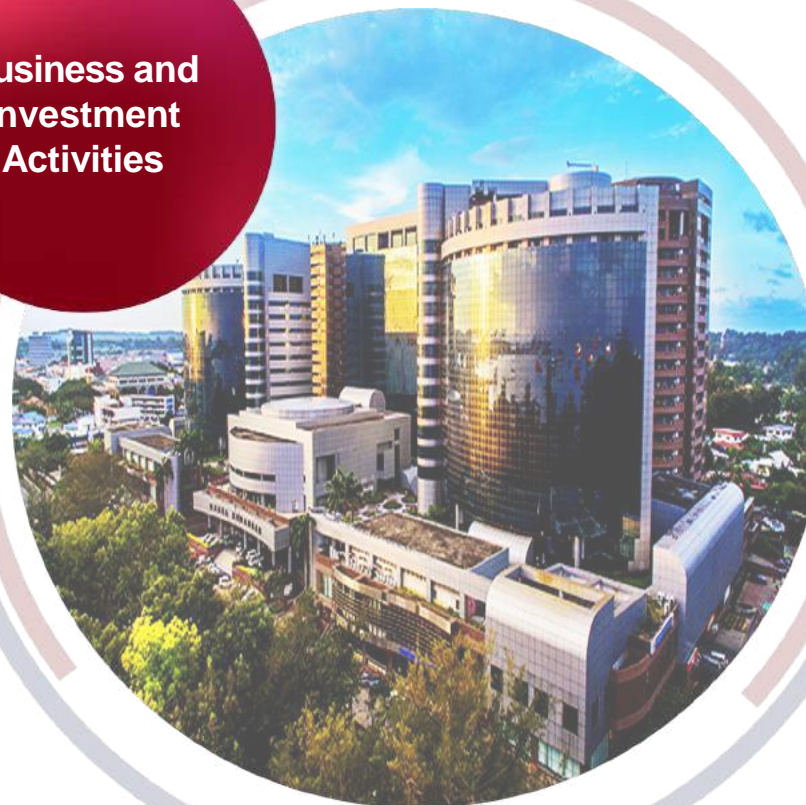
- Income from Labuan trading activities (as defined) taxed at 3% of net audited profits
- Non-trading income (e.g. from investment holding activities) attracts no tax
- Clear and prescribed Substance Requirements based on business activities via a Gazette issued by Parliament of Malaysia
- Fiscal Regime 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



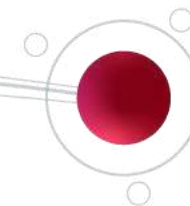
WELL-REGULATED JURISDICTION

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

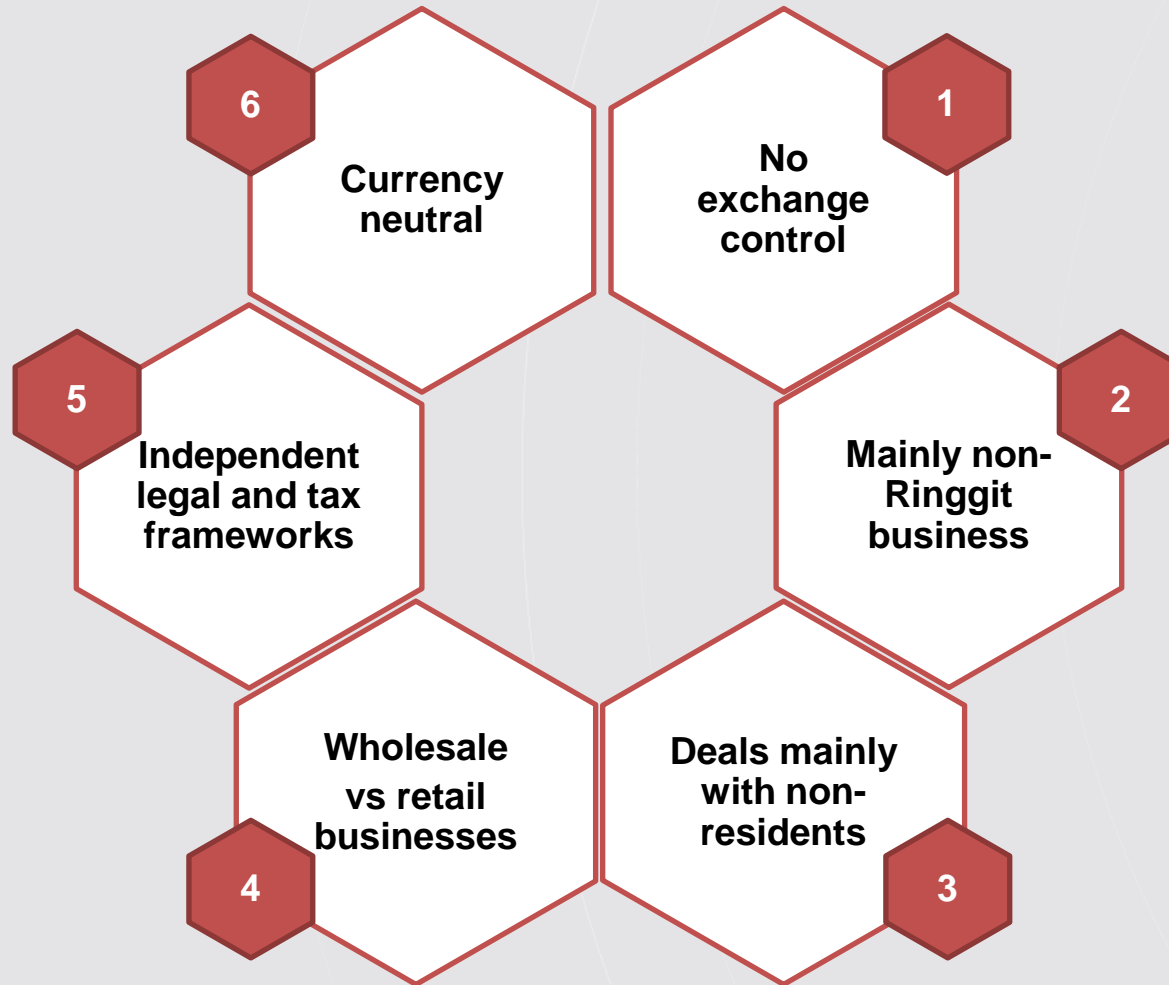


EFFICIENT AND FLEXIBLE TAX SYSTEM

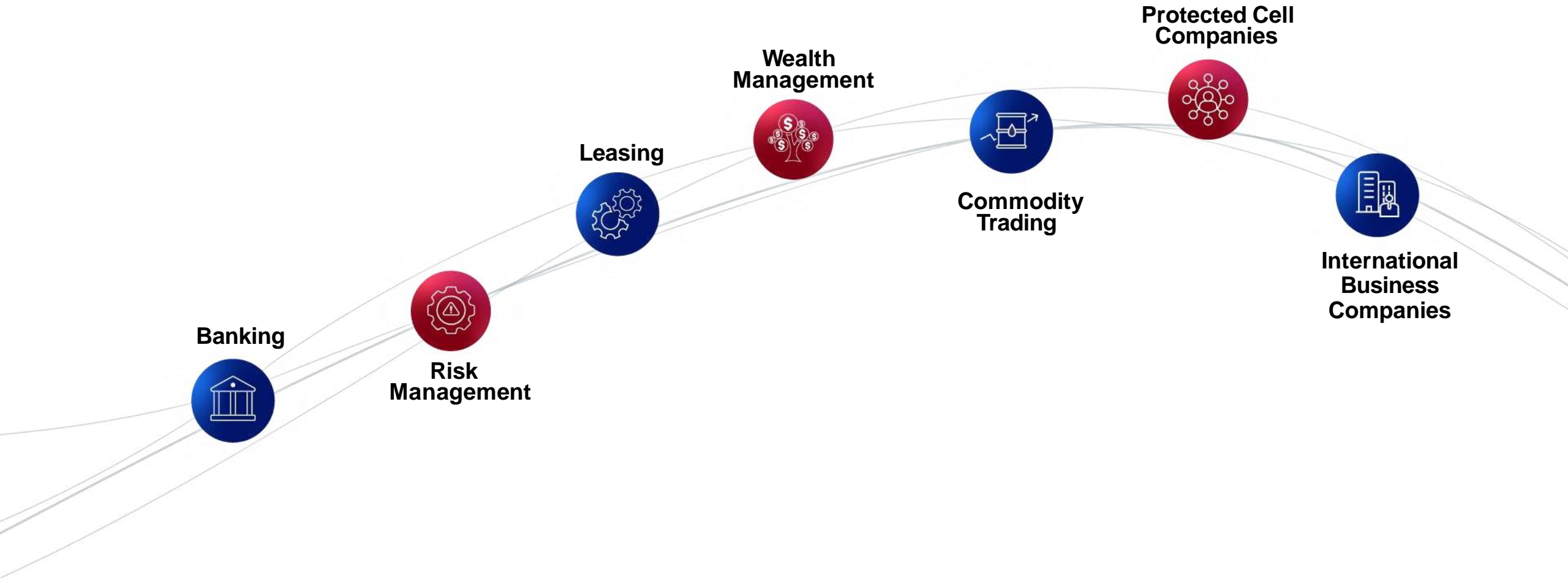
Simple and straightforward tax system to carry out a Labuan business activity as defined by the Labuan Business Activity Tax Act 1990



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

Conforms to international standards and best practices

Well-balanced legal & regulatory framework

Cost-efficient & substance-enabling

Simple tax system

Currency-neutral business & financial centre

Single regulatory authority

Variety of solutions & structures in conventional, Islamic and digital forms

Asia's Premier International Financial Hub



Disclaimer

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Thank You
Terima Kasih

