



INDONESIA

JURISDICTIONAL OVERVIEW

Indonesia, officially the Republic of Indonesia, is a country in Southeast Asia and Oceania. Indonesia achieved independence from the Netherlands in 1949. The nation's capital city is Jakarta.

Indonesia is Southeast Asia's largest economy and has delivered consistently high annual growth. It has a well-diversified trading economy with oil and gas being the country's largest export followed by other mining products, palm oil, agricultural products etc.

Indonesia is an attractive investment destination. Abundant natural resources, a large and growing domestic market combined with an improving investment climate, and technically trained work force are a few of the country's salient advantages.

OTHER BASIC FACTS

> Time zone	Greenwich Mean Time +7
> Official language	Bahasa Indonesia. English is also commonly used.
> National currency	Rupiah (IDR)

KEY CORPORATE FEATURES OF WHOLLY-OWNED FOREIGN INVESTMENT COMPANIES (PMA) IN THE FORM OF LIMITED LIABILITY (PT)

TYPE OF COMPANY

> Penanaman Modal Asing, or PMA	This is the only type of company allowed for foreign investment. It must take the form of a limited liability company (PT). Foreign entrepreneurs can set up a PMA in Indonesia either by setting up: <ul style="list-style-type: none">> A limited liability company which is 100% foreign owned; or> A limited liability company through a joint venture with Indonesian partners
> Shelf company availability	No
> Estimated time for incorporation	3 to 6 months

SHARE CAPITAL

> Permitted currencies	Rupiah (foreign currency equivalent may be stated in brackets in the Articles of Association for purposes of future capital repatriation)
> Minimum issued capital	At least 25% of the approved authorized capital must be issued and paid-up or minimum of USD100,000
> Authorised capital	No formal minimum capital requirements. The amount of capital to be invested in a foreign-owned company is subject to approvals by the Investment Coordinating Board (BKPM) based on the commercial feasibility and scale of the project.
> Par / Nominal value	Yes



DIRECTORS

> Minimum	One (1)
> Corporate director	Not Allowed
> Local director requirements	Non-Indonesian citizens may not be directors in a PMA unless an expatriate resident in Indonesia with a work permit sponsored by that company
> Location of meeting	Indonesia or place where the company has its business activities
> Minimum number of meetings	Per Articles of Association
> Publicly accessible records	Yes

SHAREHOLDERS

> Minimum	Two (2), which may be a combination of two individuals, two corporate or a combination
> Bearer shares	Not Allowed
> Corporate shareholders	Allowed
> Local shareholder requirements	A foreign investment company may be 100% foreign-owned, whereby the minority shareholder must hold at least 1% or have an investment of USD1,000. However, there are restrictions on foreign ownership in certain business sectors (eg. Investment in infrastructure) which require a proportion of Indonesian shareholding. A 100% foreign-owned PMA is required to sell at least 5% of the company's share(s) to an Indonesian citizen or entity within 15 years of commercial start-up.
> Location of meeting	Indonesia
> Minimum number of meetings	One (1) annually
> Publicly accessible records	Yes

COMPANY SECRETARY

> Minimum	Not required
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REGISTERED OFFICE

> Requirements	None. A foreign investment company is basically free to choose where in Indonesia they will set up operations
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ACCOUNTS

> Records	Kept in Indonesia
> Preparation of accounts	Yes
> Audit requirements and filing	No requirement to prepare audited financial statements unless assets of the company exceed Rp.25 billion.
> Publicly accessible records	No

ANNUAL REQUIREMENTS

> Annual Return	Yes
> Tax Filing	Yes

GENERAL

> Legal System	Civil Law
> Corporate Redomiciliation	No
> Double Taxation Treaty Access	Yes
> Exchange Control	Yes
> Taxation	Corporate tax rate of 25% on taxable profits



KEY CONTACTS



RAYMOND WONG
Regional Managing Director
Kensington Trust Group

T: +603 2202 1929
E: malaysia@kensington-trust.com



LINDA P.L. WONG
Managing Director
Kensington Trust Singapore Limited

T: +65 6635 1728
E: singapore@kensington-trust.com

ABOUT JTC KENSINGTON

JTC Kensington is the brand name of Kensington Trust Group, a part-owned associate of JTC, offering trust, fiduciary and corporate services and fund administration. JTC is a publicly listed, global professional services business with deep expertise in fund, corporate and private client services.

Every JTC person is an owner of the business and this fundamental part of our culture aligns us with the best interests of all of our stakeholders.

Our purpose is to maximise potential and our success is built on service excellence, long-term relationships and technology capabilities that drive efficiency and add value.

We value shared ownership

- > We operate around the principle that if our people have a stake in the business, they will do a better job for our clients.

We value relationships

- > We aim to work with clients who share our belief in the importance of building strong relationships over time.

We invest in our people

- > Over 85% of our employees hold a relevant professional qualification or are working towards this through our dedicated JTC Academy.

We embrace technology

- > We operate a variety of best-in-class systems to deliver and maintain an impeccable standard of administration and use technology to innovate in both service delivery and efficiency.



REGULATION AND TERMS OF BUSINESS

JTC Kensington is the brand name of Kensington Trust Group, a part-owned associate of JTC Group. Kensington Trust Group entities that carry on regulated business are (respectively): regulated by the Labuan Financial Services Authority, the Companies Commission of Malaysia and the Monetary Authority of Singapore.

JTC Group entities that carry on regulated business are (respectively): regulated by the British Virgin Islands Financial Services Commission; the Cayman Islands Monetary Authority; the Guernsey Financial Services Commission; the Jersey Financial Services Commission; the Commission de Surveillance du Secteur Financier and the Ordre des Experts-Comptables (Luxembourg); the Financial Services Commission (Mauritius); De Nederlandsche Bank (Netherlands); the South African Financial Sector Conduct Authority (FSCA) as an authorised financial services provider; chartered and regulated to provide trust services by the South Dakota Division of Banking in South Dakota (USA); a member of l'Association Romande des Intermédiaires Financiers (Switzerland)*; licensed by the Isle of Man Financial Services Authority and by the Abu Dhabi Global Market (ADGM); registered with the Dubai Financial Services Authority, the US Securities and Exchange Commission and the Commodity Futures Trading Commission (USA); authorised by the Department of Justice and Equality of the Republic of Ireland to operate as trust or company service provider and authorised and regulated by the Central Bank of Ireland and by the Financial Conduct Authority (UK).

* l'Association Romande des Intermédiaires Financiers (ARIF) is a self-regulatory body approved by the Swiss Financial Market Supervisory Authority (FINMA) for the supervision of financial intermediaries covered by Article 2 para 3 of the Swiss Federal Law on Combating Money Laundering and Financing of Terrorism in the Financial Sector (LBA). ARIF is also recognized by FINMA as a professional organization for the outlawing of rules of conduct relating to the exercise of the profession of independent asset manager within the meaning of the Swiss Federal Act on Collective Investment Schemes (CISA).

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