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COMPANY INCORPORATION | TRUSTEE & FIDUCIARY | BACK OFFICE | iGAMING

MALTA

Malta is an EU member State and OECD compliant jurisdiction, boasting an attractive tax regime, approved by the European Commission and an open market economy, meeting the demands of the global market, through a liberal foreign investment policy and double taxation treaties with an ever-increasing number of countries.

Comprehensive and tailor-made corporate structures, mirroring the needs, interests and business opportunities of investors and traders are achievable through the various corporate vehicles recognized under Maltese law, in particular the Malta limited liability company.

MALTA LIMITED LIABILITY COMPANY

A Malta limited liability company is incorporated within twenty four (24) hours from receipt of the relative documentation. The formation and maintenance costs of Maltese corporate entities are relatively low providing a cost effective jurisdiction which caters for both large corporate entities and small/medium sized businesses. The limited liability company, is the most common form and may have the status of a public or private company whilst allowing for multiple activities including those of a 'holding' and 'trading' nature.

Registration of the Company mainly involves the reservation of the Company's name, the deposit of the issued share capital into a local bank account opened in the name of the Company (working capital not a fixed deposit) and the submission with the Maltese Registrar of Companies of a memorandum and articles of association signed by the shareholders.

The share capital of the Company may be denominated in any currency. The minimum issued share capital is € 1,165 and 20% must be paid up at the time of incorporation. The shares in the Company are usually subscribed by at least two shareholders, however the Companies Act also for the incorporation of a single member company.

The Company must have a registered office in Malta which may also be used as the business address of the Company and have at least one director (either a corporate entity or a person) and a company secretary (who must necessarily be a person). Both director and company secretary may be of any nationality and do not need to reside in Malta.

The Company is required to fulfill the following ongoing and annual compliance matters:

- To register for income tax purposes upon registration and submit a tax return every year.
- To submit an annual company return (containing information about the Company, its shareholding, shareholders and officers) with the Maltese Registrar of Companies;
- To prepare and file annual financial statements in accordance with the International Accounting Standards and to have the financial statements audited.

TAXATION

The effective tax liability of Maltese registered corporate entities carrying out trading activities is of five percent (5%).

The taxation of Maltese registered corporate entities is levied on a worldwide basis, with a corporate tax rate of 35%. However, the Malta tax refund system, approved by the EU Commission, grants the shareholders a refund of the tax already paid by the Maltese company depending on the nature of its profits. The shareholder's entitlement to the tax refund arises upon a distribution by the company of its profits, through a dividend.

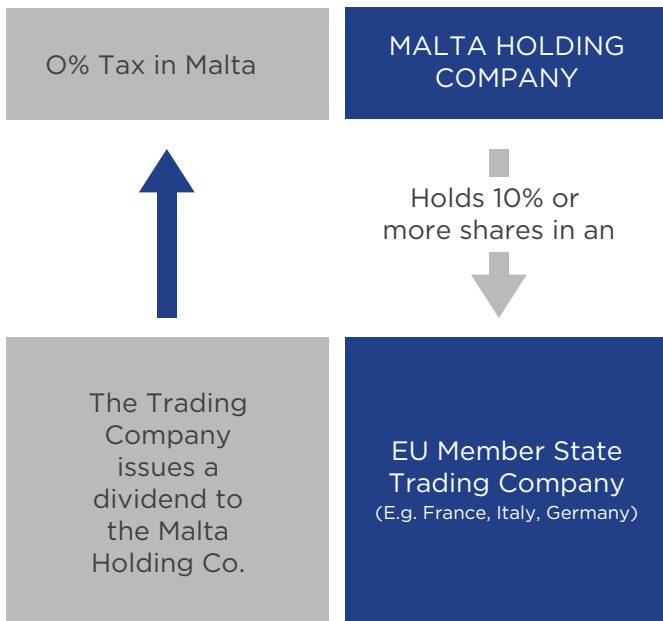
The extent of the refund depends on the nature and source of the profits and can be generally summarized into four types:

- Full refund, where the profits derive from a Participating Holding (profits received from equity shares held by a Maltese company in a foreign company, subject to certain conditions being satisfied – the participation exemption);
- 6/7ths refund – producing an effective tax liability of 5% [This is the typical refund due on trading profits];
- 5/7ths refunds – producing an effective tax liability of 10% [this refund applies to income consisting of passive interest & royalties];
- 2/3rds refund due where the corporate entity has claimed double taxation relief.

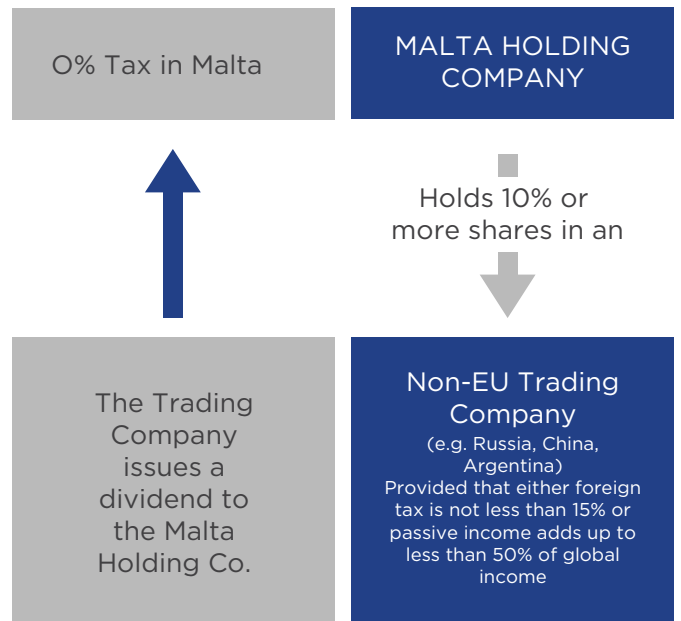
The benefits of the Malta tax refund system are generally maximised in a two-tiered corporate structure, composed of a 'Malta Holding Company' (MHC) and a 'Malta Trading Company' (MTC). The MHC holding all the shares in the MTC, so that dividends distributed by the MTC to the MHC out of the taxed profits of the MTC would not be subject to further taxation in the hands of the MHC, entitling the MHC to request the refunds above indicated.

The Malta Company, whether trading or holding or both, is a corporate vehicle which is utilised in tax structures involving other foreign jurisdictions, due to its low taxation, flexibility and access to EU laws, directives and incentives.

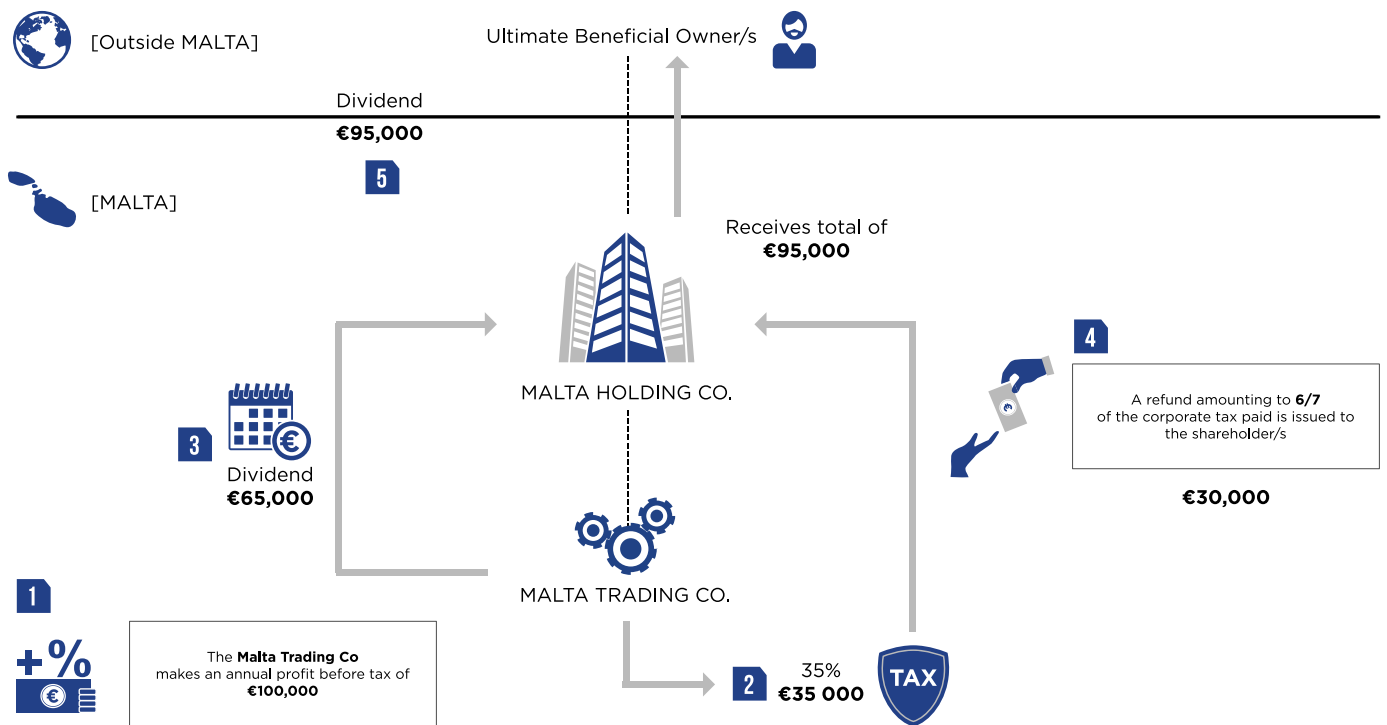
HOLDING MALTA EU Structure



HOLDING MALTA NON-EU Structure



The 6/7ths Refund - Working Model



DF CORPORATE SERVICES LIMITED - OUR SERVICES

DF Corporate Services Limited is duly authorised and fully licenced by the Malta Financial Services Authority (MFSA) to act as a Company Service Provider (CSP) and provide trustee and fiduciary services.

DF Corporate Services is an associate undertaking of DF Advocates, an established Maltese law firm. We assist clients in setting up a tailored tax efficient corporate structure, knowledgeable of the professional management and compliance issues inherent to an identified structure, enabling the client to take full advantage of the fiscal benefits Malta has to offer by providing back office, management and accounting services.



LOCATION
Mediterranean,
Malta - Europe

OFFICIAL LANGUAGES
Maltese
English

CAPITAL
Valletta

TIME ZONE
UTC +1

CURRENCY
Euro (€)

GOVERNMENT TYPE
Parliamentary Democratic

ROME
1 hr 30 min

ISTANBUL
2 hrs 30 min

FRANKFURT
2 hrs 45 min

PARIS
3 hrs

MADRID
3 hrs

AMSTERDAM
3 hrs

LONDON
3 hrs 30 min

MOSCOW
4 hrs

DUBAI
5 hrs 25 mins

Major cities that
are close to Malta



EDWARD SALIBA B.A. LL.D.
Partner - DF Advocates, Malta
Director - DF Corporate Services Limited

Main areas of Practice:

- Corporate and Commercial law;
- Fiduciary & Trustee Services;
- Corporate Taxation

Dr. Saliba is a partner at DF Advocates and is one of the three executive directors of DF Corporate Services Limited, heading and supervising all fiduciary relations and related legal and administrative matters.

Edward advises on issues relating to corporate taxation and company maintenance, general commercial law, remote gaming, fiduciary services and trusts. His primary, present commitments include:

- Advising local and foreign clients on the setting up of their local and overseas businesses through applicable corporate vehicles and tax efficient structures,
- Provision of legal and corporate advice to various companies operating in various industries including the gaming and information technology industries;
- Advising foreign corporate entities on distribution and agency agreements and ancillary competition, consumer and employment matters.

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