



Malaysia Expense Reimbursement Procedure

This guide outlines the rules and conditions for reimbursing business-related expenses in Malaysia. All reimbursements must comply with local regulations and Native Teams' internal accounting standards.

General principles

- Employers may reimburse employees for business-related expenses incurred while performing their official duties.
- There is no prescribed limit on the amount of expenses, provided they are wholly and exclusively incurred in the production of gross income.
- Classification of expenses as profit and loss items or fixed assets depends on the company's accounting policy. For tax purposes, the treatment is determined by the nature of the expense.
- Where possible, invoices or receipts should be issued in the company's name. However, exceptions apply to items such as airfare, hotel accommodation, client entertainment, and taxi fares.

Eligible expenses

The following business-related expenses may be reimbursed:

- ◆ **Travel expenses** – Flights, accommodation, petrol, tolls, and per diems.
- ◆ **Work-related purchases** – Office supplies and software.
- ◆ **Home office costs** – Including internet and electricity.
- ◆ **Client and business entertainment** – Meals or events with clients.
- ◆ **Medical expenses** – Including optical and dental treatments.
- ◆ **Other specific expenses** – As applicable and approved by the company.

Reimbursement conditions



1. Travel and transport

- **Tax exemption:** Petrol, toll, and travel allowances for performing official duties are exempted from tax up to RM6,000 per year.
- **Receipts:** Where possible, air tickets and hotel invoices should be issued in the company's name. However, documents issued in the employee's name are acceptable if original receipts are provided with a clear business purpose.



2. Work-related purchases

- Items such as office supplies or software subscriptions are reimbursable if they are necessary for business operations.
- The tax treatment depends on whether the item is a professional expense or a fixed asset, according to the company's policy.



3. Client and business entertainment

- Reimbursable with valid original receipts.
- Because restaurants typically provide standard receipts, those in the employee's name are accepted as long as the business purpose is stated on the claim form.



4. Medical expenses

- Specific medical expenses, such as optical and dental, are eligible for reimbursement according to company policy.

⚠ Documentation requirements

Employees must submit the following for every claim:

1. Original receipts or invoices

Must be itemised and clearly show:

- Vendor's name and address.
- Date of the transaction.
- Description of goods/services.
- Total amount paid.
- For SST-registered suppliers: The invoice must include the SST registration number and an SST breakdown.

2. Proof of payment

One of the following must be attached:

- Bank statement.
- Credit/debit card slip.
- Online banking confirmation.

3. Expense claim form

Must be signed and dated by the employee, stating:

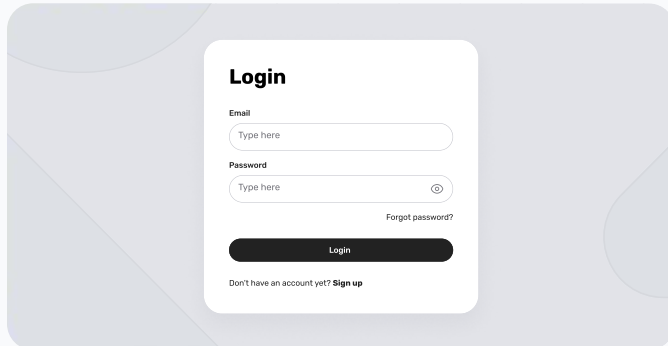
- Date and nature of the expense.
- Business purpose/justification.
- Cost centre or department code (if applicable).

Special considerations

- **Tax Exemption limit:** Official travel, petrol, and toll allowances are tax-exempt up to RM6,000 annually.
- **Receipt naming:** If it is not practical to get a receipt in the company name (e.g., taxis, restaurants), personal receipts are accepted if submitted with the claim form and business purpose.
- **Record-keeping:** All receipts, invoices, and approval records must be retained for at least seven years.
- **Review process:** Claims must be submitted to the relevant director, supervisor, HR, or finance department for review and approval.

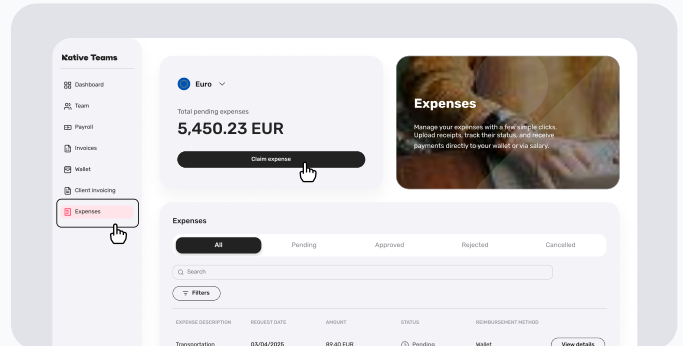
Expense Submission Process

Submitting via **Native Teams** Platform



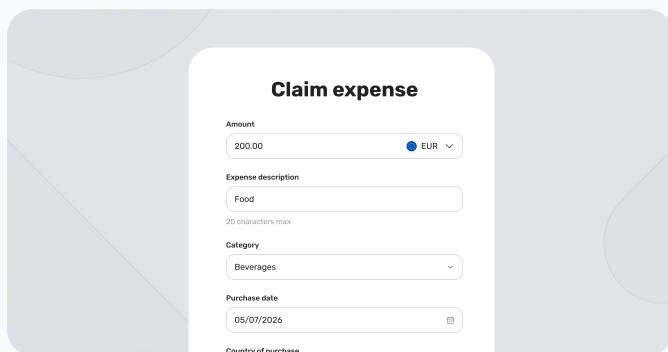
STEP 1

Log in to your Native Teams account.



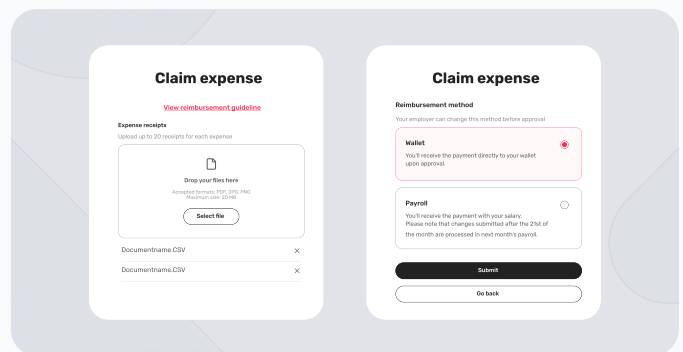
STEP 2

Click on the **Expenses** section on the left side menu and then on the **Claim expense** button.



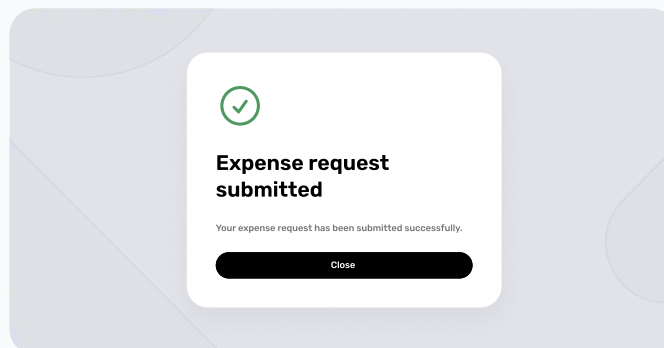
STEP 3

Fill in the required fields for the amount, expense description, category, purchase date, and country of purchase.



STEP 4

Attach a proof and select your reimbursement method: wallet or payroll.



STEP 5

Submit the claim and wait for your employer's approval of the reimbursement.

! Submission deadlines

- All expense claims must be submitted by the **10th of the month** to be processed in the same payroll cycle.
- Claims submitted after the 10th will be included in the following month's payroll.
- If the 10th falls on a weekend or public holiday, the deadline will be brought forward to the previous working day.



Native Teams legal entity - Malaysia

◆ **Entity name:** PELAGONIAN TECHNOLOGIES SDN. BHD

◆ **Entity registration number:** 202401030623 (1576472-M)

◆ **Address:** 1-19-03, Menara Bangkok Bank, Laman Sentral Berjaya, No. 105, Jalan Ampang, 50450 Kuala Lumpur, Malaysia

Native Teams

For any questions regarding expense reimbursements, please contact
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