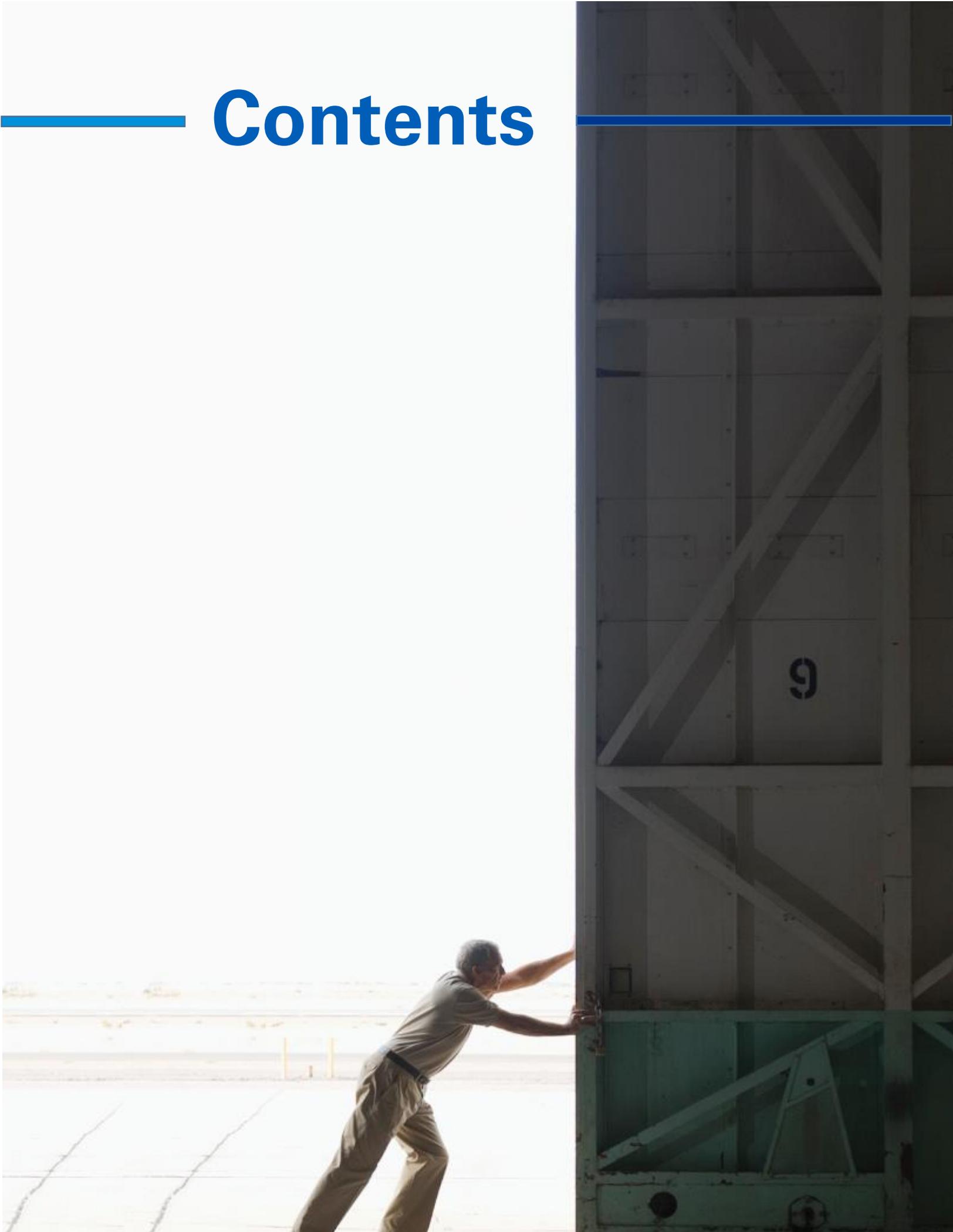


Contents





Page 4

About KPMG



Page 6

Audit



Page 8

Tax



Page 10

Advisory



Page 14

Our value

About KPMG

KPMG is a global network of professional firms providing audit, tax and advisory services, with a focus on practical and clear solutions that our clients and stakeholders value.

KPMG delivers a globally consistent set of multidisciplinary services based on deep industry knowledge. Our industry focus helps KPMG professionals develop a rich understanding of clients' businesses and the insight, skills, and resources required to address industry-specific issues and opportunities.

In 2012, KPMG Mongolia was established to grow KPMG's presence in Mongolia. KPMG Mongolia has a team of local and international professionals providing a full range of audit, tax, advisory and consulting services.

The team brings together the international expertise and credentials of KPMG and the local Mongolian knowledge and experience to form one of Mongolia's leading advisory firms.

As organisations in Mongolia expand their business operations and international companies seek to enter the domestic market, KPMG's blend of international expertise and local knowledge ensures the firm is well positioned to serve clients in an increasingly complex yet exciting market.

Our client focus, commitment to excellence, global mindset and consistent delivery have helped us build trusted relationships, which are at the core of our business and reputation.

KPMG Mongolia offers a range of services that help you achieve your goals and address your challenges

Strengthening reporting: Many of KPMG's services support the drive towards better governance and more effective reporting. Demands for higher standards of accountability, performance and corporate governance have brought new requirements for more comprehensive, accurate and insightful financial reporting. Increasingly, to receive the confidence they need from the capital markets, companies will be expected to explain their responses to business risks, and the link between objectives and performance.

Raising finance: Faced with constantly increasing competition and the need for funds to act swiftly and respond to changes in the market, many companies operating in Mongolia are looking at different ways to raise capital particularly for large mining and infrastructure projects. Raising equity or debt gives companies the financial resources to pursue sustained growth and achieve a variety of other strategic goals. However, choosing a professional advisor is critical. We can assist and provide services to our clients at every stage of the listing process.

Growing value: Many companies operating in Mongolia seek growth through joint ventures, mergers and acquisitions. Quality partners can be hard to find and require a considerable investment of time and effort. In this context, KPMG Mongolia can provide the rapid and professional support which is critical in enabling companies to respond to opportunities and secure value.

Sustaining performance: Companies are under constant pressure to deliver improved results while managing a wide range of risks that can threaten the very survival of the business. It is important for companies to identify and manage all the risks surrounding the business while addressing the most pressing problems. They must also continue to build value and communicate effectively with the relevant stakeholders. KPMG Mongolia's breadth of experience makes them uniquely placed to help

companies achieve a single and holistic view of their risks.

Structuring the business: Many companies are faced with the challenge of operating within the local requirements of many countries, with different legal, regulatory and fiscal standards. In many cases the organisation has been formed over time through a variety of acquisitions and alliances, with each separate business having its own legacy systems, procedures and standards. This can lead to a high level of complexity, but also the potential for efficiency gains through organisational or tax restructuring, improved processes and more effective information management.

Our industry focus helps professionals from KPMG Mongolia develop a rich understanding of clients' businesses and the speed, agility and skills required to address industry-specific issues and opportunities.

KPMG professionals operate in multi-disciplinary teams, focusing on our clients' needs and their industries. We place particular emphasis on consolidating industry knowledge and delivering services through dedicated teams that operate in all industries and sectors.

At KPMG, we understand that each industry has its own opportunities, issues and challenges. Our business has established industry or sector groups, enabling targeted, industry-specific experience and advice instead of solutions to be delivered where needed. For our clients, this focus on industry and country-specific knowledge means we can deliver trained professionals who have an intimate knowledge of your specific business issues, as well as an overriding commitment to strive for the highest quality services.

Through education, industry-focused training, and first-hand experience, our professionals have gained an in-depth understanding of the issues faced in a range of key industries.

Audit

Integrity, quality and independence are the building blocks of KPMG's approach. Our audit process does more than just assess financial information. It enables our professionals to consider the unique elements of the client's business - its culture, the industry in which it operates, competitive pressures, and the inherent risks.



KPMG’s member firms have developed a globally consistent audit process that is designed to concentrate on the key areas of risk, based on a company’s operational characteristics and performance profile. Our partners and professionals are trained to look closely at all aspects of financial reporting so they are better able to isolate risk.



Tax

KPMG's tax professionals analyse organisations and proactively identify tax-related opportunities and challenges. With a thorough understanding of industries and regulations KPMG professionals deliver tax advisory and planning services that help organisations adopt efficient tax treatments, enhance compliance and improve cash flow.



Combining an intimate knowledge of Mongolian tax laws and regulations, with experience dealing with foreign investment enterprises, KPMG's Tax practice aims to deliver quality tax services. We have a team of professionals, with an extensive experience and excellent knowledge of Mongolian tax procedures, who can assist the clients in navigating the complex Mongolian tax system. Our advice regularly helps in arranging the most efficient tax structuring, potentially bringing about real cash savings, whilst complying with local requirements.

We provide the following services:

Tax advisory services

- Review and analyze tax laws, related regulations, instructions and guidelines
- Review and analyze Double Tax Treatments of Government of Mongolia
- Transfer pricing advisory
- Tax health check
- Tax due diligence
- International tax advisory
- Corporate establishment and liquidation
- Investment and tax stabilization related services
- Tax structuring advisory
- Tax audit support
- Training and seminars regarding tax laws, related acts

Tax compliance services

- Preparation and submission of tax returns based on information provided by the client
- Timely legislative updates

Payroll management services

- Payroll calculations
- Preparation of PIT and SHI reports
- Payroll related advisory

Global Mobility Services

- Immigration services for expatriates
- Registration and de-registration at tax authorities
- PIT and SHI calculations, preparation of reports
- Tax exemption related advisory
- Advisory related to work permissions for foreign citizens
- Advisory related to carrying business by foreign citizens in Mongolia



Advisory

KPMG's Advisory professionals assist clients through a range of services relating to business transformation, risk management, M&A and capital management. Together, these services can help address a client's strategic needs in terms of growth (creating value), governance (managing value), and performance (enhancing value).



KPMG's [Management Consulting group](#) assists our clients in improving and transforming business performance through strategic and operational re-engineering and better leverage of technology investments. We help develop strategies relating to Finance Transformation, Supply Chain Management, IT Strategy Implementation, Cost Optimisation, Business Integration, Business Intelligence as well as ERP Advisory Services.

[Business Performance Services \(BPS\)](#)

We help clients improve the operation of their business through a range of services such as margin enhancement, outsourcing risk management, finance functions and process improvement, post-merger integration, cost optimisation and performance measurement. BPS can help organisations improve their operating margins by focusing on both cost management and process efficiency and also assists clients to make informed decisions about outsourcing, shared services and joint venture possibilities. As better operating practices are incorporated across the enterprise, this can help provide greater confidence to external investors, business partners and the markets.

[IT Advisory](#)

Our services allow our clients to harness the full potential of information technology in line with their business strategy and vision whilst also supporting or driving compliance with laws and regulation. Offering services through the life cycle, our IT Advisory professionals can also assist our clients through the implementation process to achieve measurable results.

[Shared Services and Outsourcing](#)

We help clients develop outsourcing strategies and execution plans, establishing appropriate

governance structures, developing organisational footprints and requirements, understanding and reducing jurisdictional risks, and managing the transition to a standardised shared service or outsourced environment.

[Global Infrastructure Advisory Service](#)

We have a team of professionals dedicated to infrastructure advisory and can assist clients with the following:

- Business case analysis
- Policy & regulatory frameworks
- Planning & feasibility
- Project management
- Operational due diligence
- M&A advisory
- Valuations
- PPPs and project finance
- Financial structuring
- Tax planning & structuring
- Bid preparation / evaluation
- Model audit

[Global Mining Advisory](#)

Through our work with mining companies operating in Mongolia, we have developed a solid understanding of opportunities, issues and challenges facing the mining industry of Mongolia and can assist clients with the following:

- M&A advisory
- Valuations
- Project finance
- Financial structuring
- Tax planning & structuring
- Financial & tax due diligence
- Bid preparation & evaluation



KPMG's [Risk Consulting group](#) is built on addressing clients' urgent strategic and operational challenges, as appropriate in today's environment. The practice focuses on key risk areas relating to accounting and reporting, finance and treasury, regulatory compliance and controls.

[Accounting Advisory Service](#)

We help our clients on a range of important matters that have significant accounting ramifications, including converting to International Financial Reporting Standards (IFRS), initial public offerings, merger and acquisition activity, cross-border transactions, improving the speed and quality of financial reporting (Quality Close) and improvements in the financial reporting process chain.

[Internal Audit, Risk and Compliance Services \(IARCS\)](#)

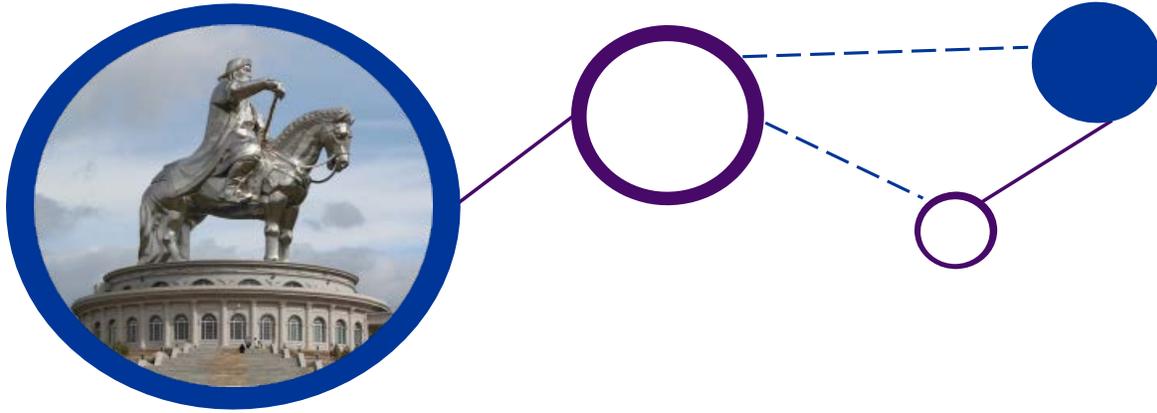
We help organisations improve their corporate governance practices, risk management and internal control systems by focusing on strategic and operational risk issues spanning different functions and operating units. We provide governance, risk and compliance services to support compliance with listing rules and other regulatory requirements, helping develop integrated frameworks that unify governance, risk, compliance and assurance functions.

We can also help organisations improve their performance and decision - making through the establishment of an Enterprise Risk Management system or through continuous auditing and monitoring approaches.

[IT Advisory](#)

We assist our clients in identifying managing and mitigating IT-related risks. We provide assurance for technology enabled business processes such as SAS 70, WebTrust and Systrust. Core service offerings include information security assessments, ERP systems controls reviews and IT internal audit.





KPMG’s **Deal Advisory group** comprises four divisions, providing transaction services, corporate finance, restructuring services, and forensic accounting advice. Whether you aim to buy a business, raise capital, investigate fraud, improve performance or wind down operations, our professionals can devise and help implement practical and commercial strategies to achieve your goals.

Transaction Services

We provide assistance to clients on mergers and acquisitions, particularly with respect to financial and commercial due diligence, analysis on financial projections, cash flows, management information, systems and controls, and staff compensation. The team also provides vendor due diligence and assistance for clients divesting their business.

Corporate Finance

We help clients with M&A origination and deal management, target search, capital raising, strategic and financial analysis, pricing analysis, valuation, negotiation support and financial structuring. We can advise on project management of a merger or acquisition, from inception through to completion and ultimately, in some cases, an IPO or trade sale exit. Corporate Finance also has teams dedicated to the financing of infrastructure and other capital intensive projects.

Debt Advisory

We provide our clients with insights into the loan and debt capital markets, particularly around issues relating to liquidity, pricing, market shifts and other

structural changes. We can provide advice on capital structuring and analysis of funding options and assist with arrangements for debt funding. We will also look for opportunities to advise clients on event-driven financing situations, where clients are considering a significant and/ or transformational event that will impact the company’s current or future financing needs.

Restructuring Services

We work alongside lenders, stakeholders and all levels of management to develop restructuring strategies that improve a company’s balance sheet, profit & loss and cash flow. We can provide background support to the executive team and assist them in renegotiating their finances, providing a robust challenge to the business plan that underpins their refinancing proposals. Operational Restructuring seeks to provide the skills needed for turnaround planning and implementation to restore profitability and build a platform for growth.

Forensic

We provide fraud risk management, forensic investigations, contract compliance and litigation support services, dealing with matters such as quantification of loss and preparation of expert witness reports. Fraud risk management helps identify and assess early signs of fraud and determine the appropriate fraud policy to deal with them.

Fraud and misconduct investigations include large-scale and multi-jurisdiction investigations, as well as documentation analysis, IT recovery, document management and other analytical techniques.

Our value

KPMG's values lie at the heart of the way we operate and define our culture and our commitment to the highest principles of personal and professional conduct.

At KPMG, we take our values and reputation seriously. This professional reputation is vital to the success of our business, the integrity of our clients and the personal development of our people.

What does this mean in practice?

We lead by example - at all levels acting in a way that exemplifies what we expect of each other and our clients.

We work together - bringing out the best in each other and creating strong and successful working relationships.

We respect the individual - respecting people for who they are, and for their knowledge, skills, and experience as individuals and team members.

We seek the facts and provide insight - challenging assumptions, pursuing facts, and strengthening our reputation as trusted and objective business advisors.

We are open and honest in our communication - sharing information, insight and advice frequently and constructively and managing tough situations with courage and candour.

We are committed to our communities - acting as responsible corporate citizens and broadening our skills, experience, and perspectives through work in our communities.

Above all, we act with integrity - constantly striving to uphold the highest professional standards, provide sound advice and rigorously maintain our independence.

A Heart for the Community

With more than 174,000 people around the world, we believe that our actions have an impact on the world that we are trying to build for ourselves and for future generations. This belief strongly reflects who we are as an organisation.

Corporate social responsibility (CSR) has been a constant factor for us and is led by our senior leadership. CSR is about working together with our clients, non-governmental organisations (NGOs), stakeholders and local government to deliver solutions to social and environmental issues.

CSR at KPMG in Mongolia

KPMG in Mongolia has been involved in a number of activities to support the community. Since its establishment in May of 2012, KPMG has announced and awarded a scholarship to over a dozen students with the intent of encouraging their great academic performance, involvement in extra-curricular activities and commitment to serving society. KPMG has also performed pro bono work for Christina & Noble Children's Foundation in Mongolia. This is a reflection of our commitment to corporate social responsibility and our belief that we, as a firm and as individuals, have a responsibility towards the greater community.



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