

BUSINESS SOLUTIONS FOR FOREIGN CLIENTS



Audit » Valuation » Tax » Law » IFRS » Management consulting » Due Diligence

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ABOUT COMPANY

Audit and Consulting Group “DELOVOY PROFIL” is one of the largest Russian organizations in the area of providing audit and consulting services since 1995.

According to Expert RA rating agency annual ranking “DELOVOY PROFIL” is one of the leading Russian audit and consulting companies.

The list of the Group clients comprises the largest representatives of various industries as well as representatives of middle- and small-sized companies. During over 20 years of work the Group’s specialists complete more than 15 500 audit and consulting projects

Headquartered in Moscow, the Group comprises over 60 companies in 29 cities of Russia. Every year the Group becomes a holder of different professional awards confirming its reputation as one of the leading audit and consulting groups in Russia.

Ratings

In 2018 in accordance with the rating agency “Expert RA” data ACG “DELOVOY PROFIL” takes:



6th place in marketing and PR consulting

7th place in tax consulting

15th place in legal consulting

15th place among the largest companies, which provide valuation services

23rd place among the largest audit companies

28th place in financial consulting

Statutes and accreditations

Licence

For carrying out work related to information classified as state secret usage issued by Administration of the Federal Security Service of the Russian Federation for Moscow city and Moscow region №0103735 of September 27, 2018, valid until July 25, 2023.



Professional organizations membership

Self-regulating association of auditors “Sodrujestvo”, certificate №7893 of Dec 28, 2016.

Russian Society of Appraisers (RSA), certificate №1137 of March 27, 2019



Professional liability insurance

The professional liability insurance of the auditors is equal to One and half billion (1,500,000,000) rubles with SAO “VSK”. Insurance Contract № 180E037070153-0002 of July 01, 2018 effective until June 30, 2021.

The professional liability insurance of the appraisers is equal to Six Hundred Million (600,000,000) rubles with SAO “VSK”. Insurance Contract № 180E0B4070216-0002 of May 28, 2019 effective until August 23, 2021.



Accreditations. Certificates

- VEB.RF
- Sberbank of Russia
- PJSC “ROSNEFT”
- JSFC “Sistema”
- EBRD
- Inter RAO
- RusHydro PJSC
- Uralkali PJSC
- Magnitogorsk Iron & Steel Works PJSC
- Moscow City Arbitration Court
- Industrial Development Fund
- Certificate ISO 9001-2015
- International certificate TEGoVA



Figures and facts



**24 years
of development
and success**



**7 practices
More than
100 services**



**1030 employees
470 auditors**



**₽ 2,1 bln
professional
liability insurance**



**over 200
letters of
acknowledgement**



**over 15500 projects
during 24 years
of professional
experience**

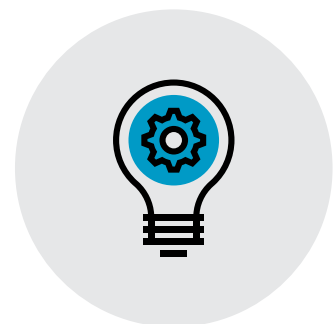


60 companies in the Group

Moscow and Moscow Region, Ryazan, Voronezh, Saint-Petersburg,
Kazan, Krasnoyarsk, Tumen, Kaliningrad, Saratov, Samara, Rostov-on-
Don, Barnaul, Belgorod, Tomsk, Ekaterinburg, etc.

THE GROUP SPECIALIZES IN

- ▶ RAS AUDIT
- ▶ SPECIAL PURPOSE AUDIT
- ▶ IFRS SERVICES
- ▶ LEGAL ADVICE
- ▶ VALUATION SERVICES
- ▶ TAX CONSULTING
- ▶ BANKING CONSULTING
- ▶ MANAGEMENT CONSULTING
- ▶ ACCOUNTING OUTSOURCING
- ▶ DUE DILIGENCE

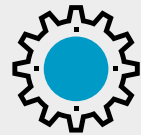


CONSULTING SERVICES

Assistance to foreign companies in establishing business in Russia



Organizational and legal support for businesses run by foreign companies in Russia



Assessment of the reliability of potential partners in Russia and the CIS



Assistance to foreign companies in investment projects implementation in Russia (including project expertise and partner selection)



ACG “DELOVOY PROFIL” offers a wide range of consulting services to its clients – companies with foreign capital, branches and affiliates of foreign companies operating in Russia.

AUDIT, ACCOUNTING AND TAX CONSULTING

1. QUALIFIED AUDIT SERVICES

Provided in accordance with international standards such as IFRS and GAAP (for the local European and U.S. markets)

A longstanding business reputation gained on the Russian market through successful practices, high positions in national rankings of audit companies secure the confidence of investors, creditors and other users of reports audited by our company.

For multi-branch and holding companies we offer audit of consolidated financial statements that combine several business entities' statements.

Audit can be carried out on a comprehensive basis that involves all aspects of your business in Russia, or selectively covering only certain areas of it.

2. COMPREHENSIVE ACCOUNTING SERVICES

Services concerning comprehensive and individual areas of accounting under RAS, IFRS and GAAP standards, as well as relevant corporate standards

By entrusting your business's accounting in Russia to qualified experts of ACG "DELOVOY PROFIL", you can save costs on equipping workplaces of your accountants, remuneration of their labor, reduce risks of accounting, ensure completeness in payment of all taxes and duties under Russian law, and avoid double taxation on cross-border transactions. Our company offers parallel accounting services under both Russian and international standards.

Certain types of business transactions can also be outsourced, including employee payrolls, secondary accounting activities, etc.

ACG "DELOVOY PROFIL" has an experienced staff of experts that are ready to conduct remote bookkeeping for you. Foreign companies with an extensive business network in Russia are offered comprehensive accounting services for all their Russian divisions with the formation of a consolidated financial report that can be further submitted to relevant headquarters.

3. TRANSFORMATION OF FINANCIAL STATEMENTS

Services regarding reports' transformation for Russian companies and bringing them in line with international standards such as IFRS and GAAP, as well as corporate standards

Russian accounting standards, although being mandatory in Russia, do not provide a reliable reflection of the value of a company's assets and liabilities.

Therefore, the statements submitted under RAS often fail to meet the requirements of a foreign creditor, investor or business owner. Consequently a branch, representative office or subsidiary you open in Russia must keep parallel records of business transactions under the

standards your company normally uses (which is quite expensive) or transform the statements prepared under RAS into the standards adopted by you and used internationally. You can feel safe in entrusting this task to ACG "DELOVOY PROFIL" experts.

Our company is able to carry out the transformation of consolidated financial statements of all Russian divisions that are part of a multi-branch company.

4. FINANCIAL ANALYSIS

Analysis of the financial state of companies helps in valuating the solvency/credit worthiness of your Russian partners, reduces risks of commercial operations, and assesses the investment potential of companies

A set of tools used for a company's financial state valuation, along with the techniques worked out by ACG "DELOVOY PROFIL" analysts make it possible to provide an expert opinion on the reliability of a contractor in any business area (retail, industrial, finance and credit, etc.) and get a clear understanding of the risks in its business.

5. TAX CONSULTING

Is assigned to optimize the taxation of Russian branches, affiliates and subsidiaries of your company

Experts of ACG "DELOVOY PROFIL" specialize in tax consulting offering maximum utilization of the methods provided by Russian and international tax laws to reduce the tax burden on trade or business as a whole in order to improve their efficiency and avoid double taxation.

In this regard, ACG "DELOVOY PROFIL" experts offer the following services:



Resolution of tax disputes

in the event of claims filed by tax authorities, including use of all methods of pre-trial settlement, as well as representation in court proceedings.



Transfer pricing services

preparation of Notification of Controlled Transactions and Transfer Pricing Documentation in order to develop and implement economically supportable transfer prices of transactions with related parties.



Tax risks management

forecasting, tax risks valuation, and the construction of a system to minimize risks.



Tax examination of transactions

making it possible to assess all tax consequences and risks of a particular transaction or investment at the stage of its planning.



Advising

on all tax issues regarding your business and personal assets in Russia.

VALUATION SERVICES

ACG “DELOVOY PROFIL” experts enjoy proven techniques that allow accurate valuation of any asset (tangible, intangible or financial) in order to determine its fair value. Valuation services may be rendered both on the domestic and international markets.

The impeccable business reputation of our company secures individuals’ interested in the results of the valuation confidence. In this regard, ACG “DELOVOY PROFIL” offers our foreign partners a wide range of services including:

VALUATION OF AN ENTERPRISE as a complex property taking into account:

- All assets and liabilities.
- Business reputation.
- Well-established relationships with counterparts in Russia and abroad.
- All other factors that determine the actual value of the business.

The valuation is necessary when deciding on a merger / takeover, investment, and credit.

VALUATION OF SECURITIES

Valuation of securities (equities, shares in chartered capital) of Russian companies for the benefit of foreign owners, shareholders, creditors and investors.

EVALUATION REPORTS’ EXPERTISE

Expertise of reports on valuation conducted by other appraisers.

Our own standards and methodologies developed and successfully tested make it possible to reduce the terms and lead to high-quality results and compliance with applicable laws, standards of professional practice, and current market situation.

VALUATION OF INTANGIBLE ASSETS, including appraisal of:

- Brand name (logo, trademark).
- Company brand and reputation (goodwill).
- Value of patents and licenses.
- “Know-how” technologies and software products.

VALUATION OF ASSETS

Valuation of machinery, industrial equipment (including mini-factories, production lines) and vehicles in order to substantiate their fair value.

VALUATION OF REAL ESTATE IN RUSSIA

In order to determine the fair value of buildings and structures.

VALUATION OF A FAIR LEVEL OF ROYALTIES

Rental rates, rent and other periodic payments.

INVESTMENT, MARKETING CONSULTING

▶ VALUATION OF AN INVESTMENT PROJECT

Investment project valuation is carried out from the point of cost-efficiency and feasibility of investing in its implementation.

▶ DEVELOPMENT OF BUSINESS PLANS

Development of business plans for the implementation of an investment project in accordance with international standards and/or the requirements of a particular investor/creditor.

▶ BUSINESS PLANS EXPERTISE

Investment projects' business plans expertise.

▶ MARKET RESEARCH

Market research on production and sale markets, work and services in Russia and CIS.

▶ BRANDING, RE-BRANDING AND POSITIONING

Branding, re-branding and positioning of your company on Russian and CIS markets.

▶ MARKETING STRATEGY DEVELOPMENT

Development of a marketing strategy in promoting your products, work and services on Russian and CIS markets.

MANAGEMENT CONSULTING

Management consulting services offered by ACG “DELOVOY PROFIL” may deal with all aspects of production and business activities of the Russian branch or subsidiary of your company or its parts, including industrial policy, marketing and sales, logistics, organizational structure and personnel, finance and investment.

▶ **MARKETING CONSULTING**

Assigned to increase sales efficiency.

▶ **ORGANIZATIONAL DEVELOPMENT**

Development of an optimal business structure in Russia securing high recourses' response.

▶ **STRATEGIC CONSULTING**

Set to determine a business model for your business in Russia.

▶ **INTERIM MANAGEMENT**

Interim management (temporary management) is not limited to practical recommendations: business of a foreign customer in Russia is supported by a skilled manager that carries out transformations in place, that ensure the achievement of maximum effect in preparing a reserve for the future.

Comprehensive consulting projects developed for our foreign partners enhance the manageability, efficiency and competitiveness of your business in Russia at all stages of its implementation.



LEGAL ADVICE

LEGAL SUPPORT

Legal support for the state registration of a legal entity in Russia during its creation, reorganization and liquidation, as well as support for the introduction of changes in the constituent documents, including the implementation of a comprehensive independent review of a business (due diligence) in support of mergers, acquisition, and takeovers.

PROJECT DEVELOPMENT AND LEGAL REVIEW

Project development and legal review of foreign customer contracts either being concluded or already concluded, other legal documents to ensure that they meet the requirements of Russian and international law.

PROTECTION

Protection and representation of foreign companies in pre-trial and trial settlement of disputes in Russia.

ASSISTANCE IN THE DEVELOPMENT

Assistance in the development of optimal schemes for a business in Russia (including both the very business model and the organizational and legal form of the company's business, as well as its separate parts — taxation, investment methods, etc.).

ADVISING

Oral and written advising of foreign clients on Russian civil, corporate, land, tax, labor, currency, customs, administrative and other areas of law.

COLLECTING DEBTS

Collecting debts and losses related to the non-performance of contractual obligations by Russian counterparts.



DUE DILIGENCE

ACG “DELOVOY PROFIL” professionally performs Due Diligence procedures with its team of auditors, appraisers and lawyers that are capable of rendering a wide range of services, including:

- ▶ **OPERATIONAL DUE DILIGENCE**
committed to approving the goals set up by a business plan.
- ▶ **FINANCIAL DUE DILIGENCE**
carried out in order to provide an assessment of the financial health of investees, partners, and contractors.
- ▶ **TAX DUE DILIGENCE**
representing tax assessment of a transaction in order to prevent tax risks.
- ▶ **LEGAL DUE DILIGENCE**
aimed to check all legal and regulatory issues of an expected transaction.
- ▶ **MARKETING DUE DILIGENCE**
used to assess the market position of an investee, contractor or competitor.
- ▶ **ORGANIZATIONAL DUE DILIGENCE**
applied to assess the human resource capacity of the company.
- ▶ **IT DUE DILIGENCE**
allowing the objective assessment of information and technical support of a business.



PACKAGED SOLUTIONS

ACG “DELOVOY PROFIL” experts are ready to provide foreign corporate clients a wide range of business support services in Russia, including:



Informational, analytical, and consulting support for your business in Russia and CIS. Possession of relevant information about the state of Russian and neighboring markets enables us to perform maintenance on your projects during the entire period of their implementation, including marketing, logistics, finance, accounting, tax, IT-consulting, audit and legal support.



Search for business partners and counterparts in Russia and CIS and assessment of their solvency and creditworthiness.



Development of strategies for establishment and improvement of business in Russia and CIS taking into account situation and prospects, risks and barriers that might affect the implementation of the project.



Investment projects' expertise, their legal, marketing, consulting and administrative support.



Development of schemes for international transactions, legal and consulting support, advice on investment and credits.

ACG “DELOVOY PROFIL” enjoys highly-qualified auditors, accountants, financiers, lawyers, appraisers, marketing professionals, HR and IT consulting experts, and project managers ready to help you make the right decision, minimize risks, and optimize costs associated with the development of your business in Russia.

MAP OF SERVICES

RAS AUDIT

- Mandatory audit
- Audit of consolidated accounting statements
- Preparation for accounting report's audit
- Consulting on audit

SPECIAL PURPOSE AUDIT

- Tax accounting audit
- Cost audit
- HR audit
- Internal controls audit
- Review engagement
- Other special purpose audit
- Express-audit

FINANCIAL CONSULTING

- Inventory services
- Forensic
- Contractors analysis
- Analysis of licence (partnership) agreement on terms' observance
- Financial analysis
- Analysis of accounting policies applied and review of corporate accounting policies application by the group's entities
- Valuation of the pay system of credit organization

IFRS SERVICES

- Audit of financial statements prepared according to IFRS
- Restatement of IFRS financial statements
- Consolidation of IFRS financial statements
- Preparation and audit of IFRS financial statements of Russian affiliates of international companies
- Consulting on IFRS
- Methodological IFRS automation processes support
- Analysis of IFRS implementation readiness
- Preparation of pro forma IFRS financial statements
- First-time adoption of IFRS

VALUATION SERVICES

- Cadastral value contestation
- Business valuation
- Real assets valuation
- Investment projects valuation
- Property assets revaluation
- Intangible assets and intellectual property valuation

- Machinery and equipment valuation
- Lease rate evaluation
- Valuation for IFRS purpose
- Valuation of stocks
- Valuation report expertise

TAX RELATED SERVICES

- Consulting on accounting and tax records
- Consulting on corporate taxation
- Tax planning
- Transfer pricing
- Controlled foreign companies
- Tax risk management
- Transactions tax analysis
- Consulting on tax disputes
- Field tax inspection analogue
- Support during the field and desk tax inspections
- Identification of tax reserves
- Methodological accounting documents development
- Consulting on future contracts taxation
- Individual taxation. Tax deductions

MANAGEMENT CONSULTING

- Costs cutting
- Strategic consulting
- Marketing expenses optimization
- Business processes optimization and reengineering
- Organizational designing
- Marketing consulting
- IPO-diagnostics
- Project management
- Organization of management accounting
- Budgeting
- Business plans, business cases, investment projects and memorandums development and expertise
- Document management
- Reorganization maintenance
- Training
- IT-consulting

LEGAL SUPPORT

- Corporate law services
- Controlled bankruptcy
- Tax disputes
- Defense of intellectual property rights
- Legal support in construction and development
- Legal support of the foreign economic activity

- Judicial practice
- Registration and accreditation of companies in Russia
- Legal support of transactions in securities
- Legal support of investment projects
- Corporate restructuring
- Legal support of foreign business in Russia

ACCOUNTING CONSULTING

- Accounting policy development
- Accounting scheme development
- Record-keeping system development
- Consolidated accounting system development
- Consulting on accounting
- Internal system optimization

ACCOUNTING OUTSOURCING

- Accounting record-keeping development
- Record-keeping recovery
- Accounting records maintaining
- Tax records maintaining
- Methodological maintaining
- HR consulting
- Accounting and tax record-keeping express analysis

INTERNATIONAL DIRECTION

- Solutions for the foreign companies
- International tax planning

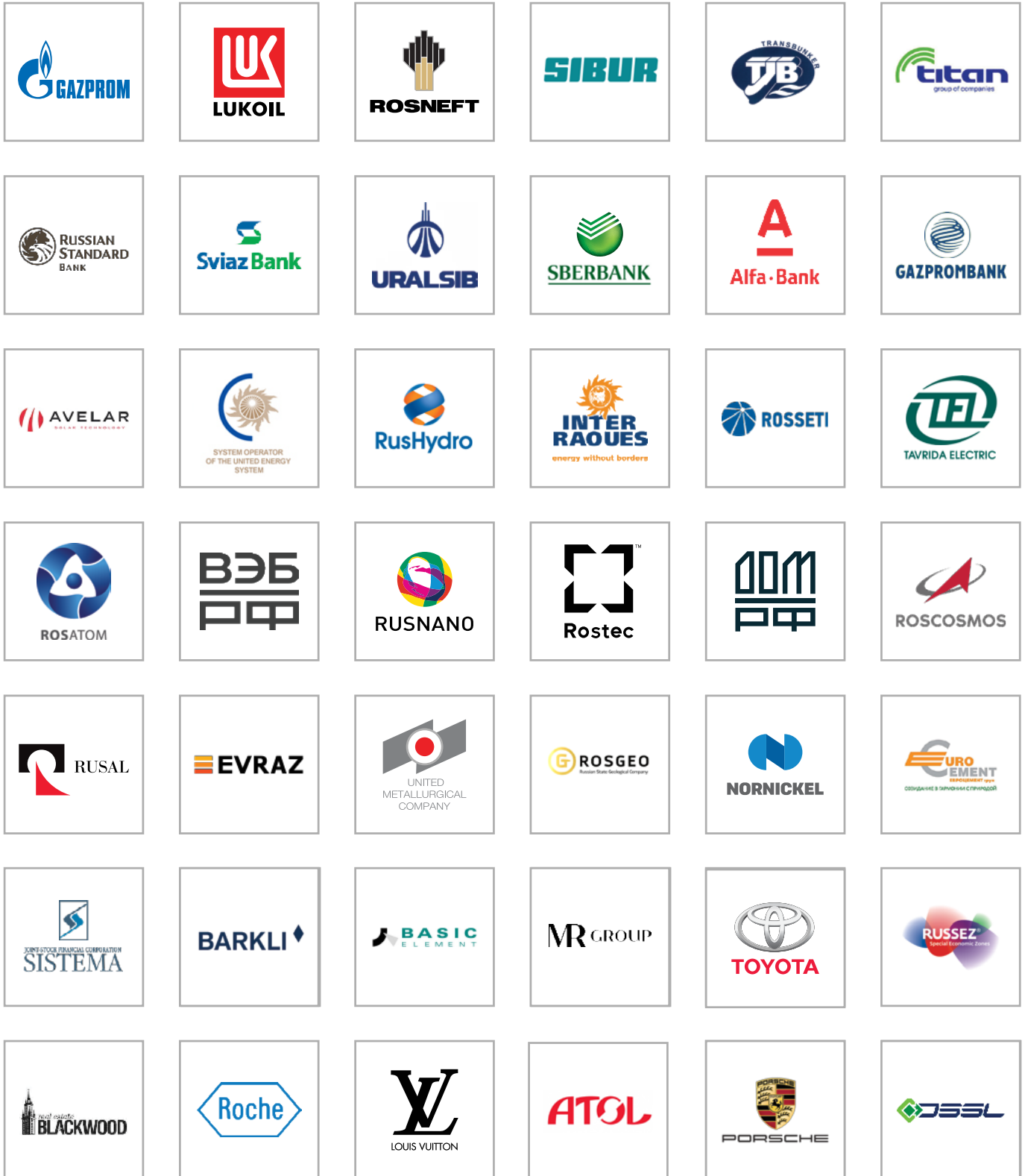
DUE DILIGENCE

- Operational, financial, tax and legal Due Diligence
- IFRS for Due Diligence
- Valuation for Due diligence
- M&As Due diligence

BUSINESS DEVELOPMENT. BRANDING

- Branding and rebranding
- Brand book development
- Corporate identity development
- Style book drafting
- Presentation, prospects, marketing and commercial materials design
- Annual report preparation and styling
- Naming
- Corporate mission and values development
- Monitoring of business rivals

CLIENTS



Full list of the clients with filters according to the industry and services are available on official website in the Section CLIENTS www.delprof.ru/en/clients/



**DELOVOY
PROFIL**

AUDIT
& CONSULTING
GROUP



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