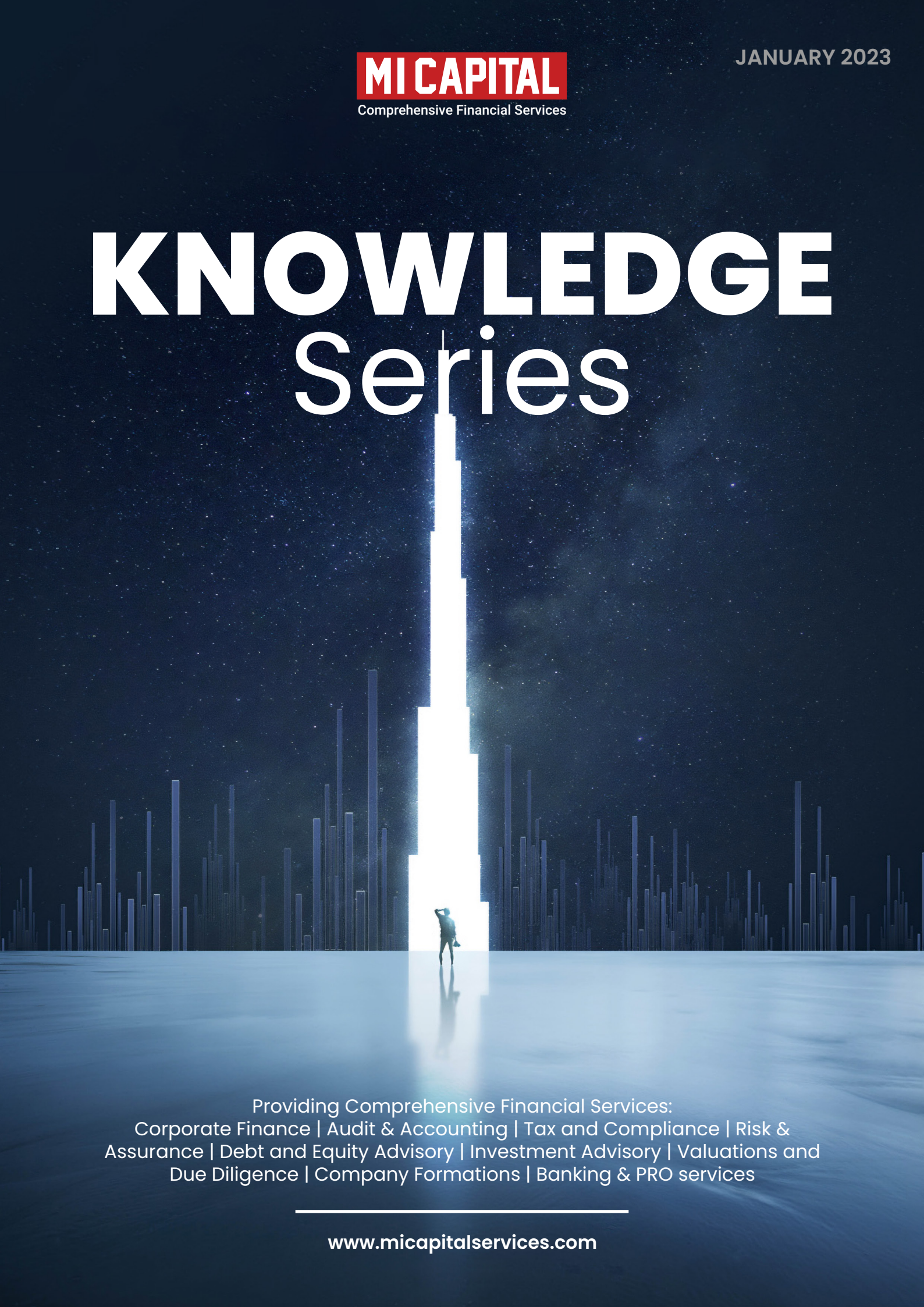


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Transfer Pricing under UAE CT regime

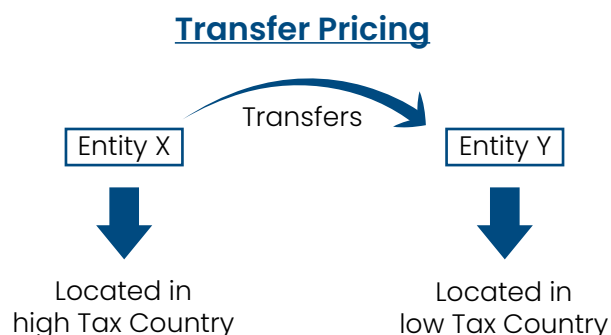


When the Ministry of Finance announced that corporate tax would be implemented in the UAE it confirmed that one of the new tax law would be introducing the transfer pricing, based on Organization for Economic Co-operation and Development ('OECD') principles. This will be something new for the UAE and many businesses will not be familiar with the principles of transfer pricing or the practical implications. How transfer pricing works, who might be affected and what business should do to prepare for transfer pricing under the UAE CT regime.

Well, basically where an entity located in a high tax country transacts or transfers goods/ services/ intangibles to its related party/connected person which is located in a low tax country at a price which differs significantly with the transactions undertaken with third parties/unrelated person, just to save the overall tax liability of the group transfer pricing comes into picture.

What is Transfer Pricing?

- "Transfer Pricing" means a price at which two related parties transact.
- In tax environment such transaction is undertaken between two associated enterprises and is often referred to as "Controlled" transaction.
- Therefore, we can say that Transfer Prices are at which enterprise transfers Physical Goods, Intangibles or Provide services to associated enterprises.
- Thus Transfer Pricing is the term used to refer to all pricing arrangements between related parties.



Transfer Pricing under UAE CT regime

Thus, Transfer Pricing comes into play for following circumstances:

- A) When Business is divided into more departments or divisions in the same country and:
 1. Management requires identifying activities of the business that generate value
 2. A division of the group provides services or transfers goods to another division of the same company and the profitability of each division is required to be determined
- B) In the case of cross-border transactions:

When transactions whether relating to tangible goods, services, finance, or intellectual property take place.

Between Entities under common ownership and control.

What is related party and connected party?

A **related party** is an individual or entity who has a pre-existing relationship with a business that is within the scope of the UAE CT regime through ownership, control or kinship (in the case of natural persons).

There are different rules for determining whether parties involved in a transaction are considered "Related Parties" for UAE CT purposes.

So related parties are

1. Two or more individuals related to the fourth degree of kinship or affiliation, including by birth, marriage, adoption or guardianship
2. An individual and a legal entity where alone, or together with a related party, the individual directly or indirectly owns a 50% or greater share in, or controls, the legal entity
3. Two or more legal entities where one legal entity alone, or together with a related party, directly or indirectly owns a 50% or greater share in, or controls, the other legal entity
4. Two or more legal entities if a taxpayer alone, or with a related party, directly or indirectly owns a 50% share of each or controls them
5. A taxpayer and its branch or permanent establishment Partners in the same unincorporated partnership
6. Exempt and non-exempt business activities of the same person

Now as there is no tax on personal income in the UAE, individual owners of taxable businesses may make excessive payments to themselves or persons connected with them. Hence, it is being proposed that, payments/benefits to connected persons by business to its connected persons will be deductible only if the business can demonstrate that the payment or benefit.

- a. Corresponds with the market value of the service provided ; and
- b. is incurred wholly and exclusively for the purposes of the taxpayer's business.

Connected Persons are different from Related Parties. A person will be considered as 'connected' to a business that is within the scope of the UAE CT regime if he or she is:

1. An individual who directly or indirectly has an ownership interest in, or controls, the taxable person
2. A director or officer of the taxable person
3. An individual related to the owner, director or officer of the taxable person to the fourth degree of kinship or affiliation, including by birth, marriage, adoption or guardianship
4. Where the taxable person is a partner in an unincorporated partnership, any other partner in the same partnership
5. A Related Party of any of the above

There are certain methods which are defined for calculating the transfer price between related parties & there are certain documentation & reporting requirements.



Transfer Pricing under UAE CT regime

Arms Length Principle

Now, all related parties or connected persons transactions will need to comply with transfer pricing rules & arms length principle as set out in the OECD transfer pricing guidelines. Now as earlier discussed, Transfer pricing applies during a contract with two or more enterprise associate parties. It is a way of acting like they are not connected, meaning that there isn't any question of a conflict of interest. It means they must deal as if two independent parties. Now, to determine that the contract/arrangement between related parties is at ALP, there are certain methods defined under OECD guidelines.

5 accepted methods defined under OECD guidelines for Transfer Pricing.

1. Comparable Uncontrolled Price (CUP) Method
2. Cost Plus Method (CPM)
3. Resale Price Method (RPM)
4. Profit Split Method (PSM)
5. Transactional Net Margin Method (TNMM)
6. Such other method as may be prescribed by the board

For selecting the appropriate method following aspects are generally considered by the enterprise :

1. Nature of activity under consideration
2. Availability, coverage, and reliability of data
3. Degree of comparability existing between the controlled and uncontrolled transactions and extent of assumption made.

TP Documentation :

The key documentation requirements in the OECD guidelines are known as Master File, Local File and Country-by-Country Reporting (CbCR). It seems likely that groups that fall within the scope of UAE transfer pricing will need to maintain the Master and Local Files. CbCR has already been introduced to the UAE.

The Master File is intended to give a global overview of a multinational enterprise's business operations, its transfer pricing policies for the group, and details of the economic activities of the individual group companies. The Master File covers the multinational as a whole but in some cases, it might be separated into different parts to cover different service lines or

There are different approaches to compliance that the UAE might take in connection with Local and Master files. In addition to the OECD requirements, it is possible the UAE will also introduce some additional annual compliance obligations. As an example, in Saudi Arabia, affected businesses are required to make an annual declaration confirming that the group has a transfer pricing policy, and that the policy has been properly applied to all controlled transactions. The declaration must be signed-off by a qualified auditor. Compliance obligations of this type are not unusual, and the UAE might introduce something along similar lines.

What should businesses do now?

Multinationals should start to make an assessment of their current position and current transfer pricing policy (if there is one). This will help to identify if there are transactions that are likely to be affected by transfer pricing, whether those transactions are likely to meet the type of arm's length test that will be applied in the future, and whether there is adequate and robust documentation to support the valuation. The assessment of transfer pricing should be part of a broader assessment of the likely impact of corporate tax, which all UAE businesses should be undertaking before the tax is implemented.

VAT on Designated Zones

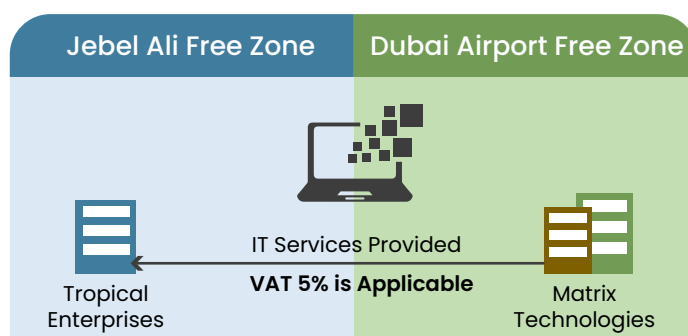
The VAT treatment on **services received** in the Designated Zones is different compared to that on goods purchased in the Designated Zone in UAE. In case of goods, purchases within the Designated Zone and outside the State are considered to be outside the scope of the VAT. Similar benefits are not extended for the supply of services to the Designated Zone.

In this article, we will understand the VAT treatment of services received by Designated Zone under following scenarios:

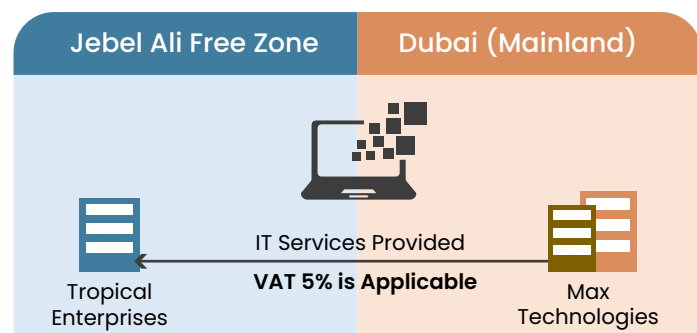
- **Services received from Designated Zone**
- **Services received from Mainland**
- **Services received from outside the UAE State**

Services received from Designated Zone

Supply of services between Designated Zones in UAE is taxable at 5%. This is because, the place of supply for services supplied within the Designated Zone is considered to be within the State.



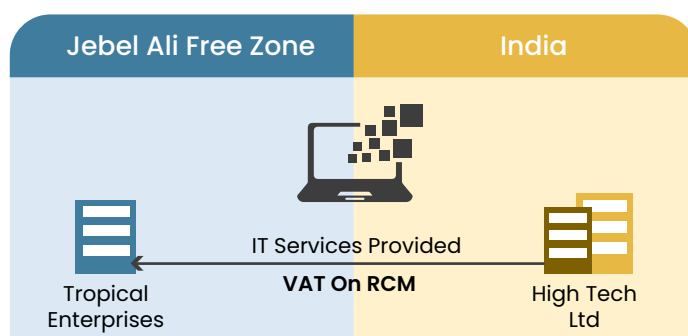
Services received from Mainland in UAE



The supply of services to Designated Zone from the mainland (inside the State) are taxable and VAT at 5% should be charged on the supply of services. For example, Tropical Enterprises, located in the Jebel Ali free zone, received IT Services from MAX Technologies, located in the Dubai mainland.

Services received from outside the UAE State

Services received in Designated Zone from outside the UAE State will be taxable on a reverse charge basis. The recipient of such services needs to account for VAT under reverse charge basis and accordingly pay VAT while filing the VAT Returns. For example, Tropical Enterprises located in the Jebel Ali Free Zone received services from High Tech Ltd, located in India.



Conclusion

For the purpose of VAT in UAE, Designated Zones will be treated as being outside the State and outside the Implementing States. Though it is considered to be outside the State, movement of Goods from a place in the State to the Designated Zone will not be considered as an export of Goods. This implies that supply of goods from the mainland to the Designated Zone will not be zero-rated and the standard rate of VAT will be applicable.

VAT on Designated Zones

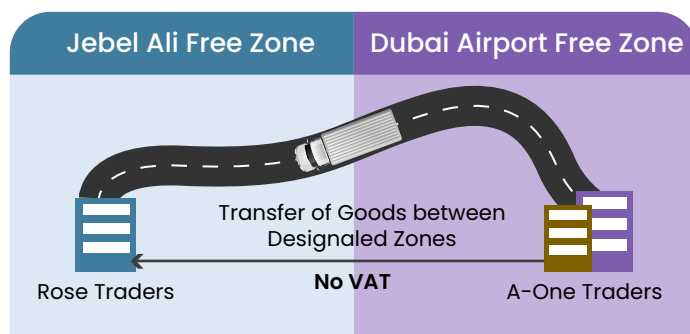
On the other hand, **goods imported** from a place outside the State to a Designated Zone will not be considered as imports. This means, that the import of goods from other countries will not be taxable and it will be considered as out of the scope of UAE VAT.

In this article, we will understand the VAT treatment of goods purchased into Designated Zone under the following scenarios:

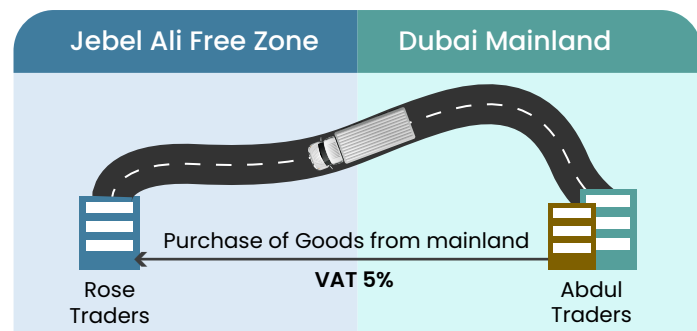
- **Goods purchased from Designated Zone in UAE**
- **Goods supplied from Mainland**
- **Goods supplied from outside the UAE State**

Goods purchased from Designated Zone in UAE

Supply of goods between Designated Zones will not attract VAT. For example, Rose Traders located in Jebel Ali Free Zone purchased goods from A-One Traders, Dubai Airport Free Zone.



Goods supplied from Mainland to the Designated



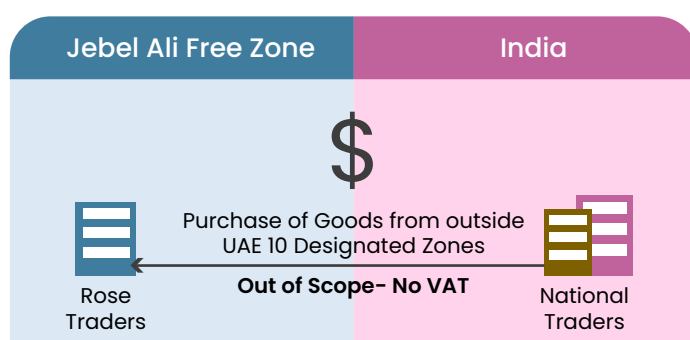
Movement of goods from a place inside the State to the Designated Zone will not be considered as export of goods. Thereby, the standard rate of VAT will be applicable on such purchases by the taxable person in Designated Zone. The Input VAT paid on such purchases can be recovered by adjusting with output VAT liabilities.

For example, Rose Traders located in Jebel Ali Free Zone purchased goods from Abdul Traders, located in Dubai mainland.

Goods supplied from outside the UAE State into Designated Zone

Goods purchased into Designated Zone from outside the UAE State will not be considered as imports and will be out of the scope of UAE VAT. As a result, there will be no VAT implications on such purchases.

For example, Rose Traders located in Jebel Ali Free Zone purchased goods from National Traders, located in India.



In the above illustration, goods are purchased into Jebel Ali Free Zone (Designated Zone) from India. The purchase of goods by Rose Traders from National Traders will be considered out of the scope of UAE VAT. Thereby, VAT is not applicable.

Conclusion

Unlike the goods, which are VAT free when supplied between Designated Zones, the supply of services does not enjoy similar benefits. The reason being, the place of supply of services is considered to be inside the State of UAE if the place of supply is in the Designated Zone. This implies, that for any services supplied within the Designated Zone, the standard rate of VAT at 5% will be levied.

VAT on Designated Zones

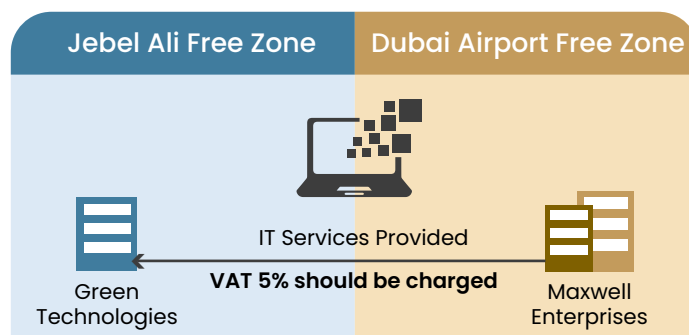
In this article, we will understand the VAT treatment on **services supplied** from the Designated Zone in the following scenarios:

- **Services supplied from Designated Zone to another Designated Zone**
- **Services supplied from Designated Zone to Mainland**
- **Services supplied from Designated Zone to outside the UAE State**

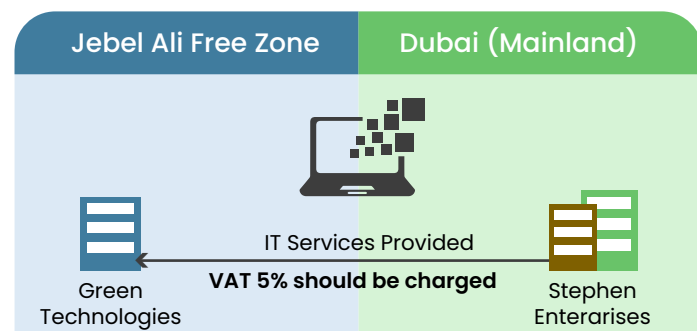
Services supplied from Designated Zone to another Designated Zone

Supply of services between Designated Zones is taxable at 5%. This is because, the place of supply for services supplied within the Designated Zone is considered to be within the State.

For example, Green Technologies, located Jebel Ali free zone, provided IT Services to Maxwell Enterprise, located in Dubai Airport Free Zone.



Services supplied from Designated Zone to Mainland



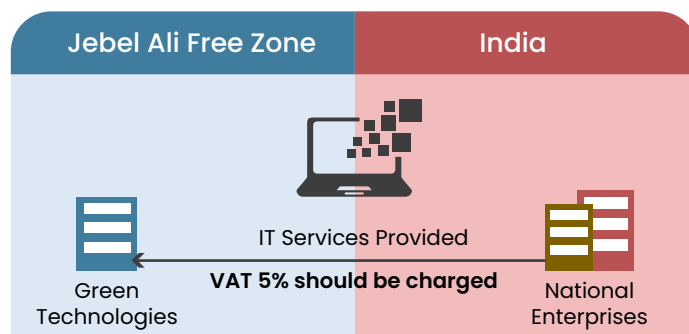
The supply of services from the Designated Zone to mainland (inside the State) are taxable and VAT at 5% should be charged on the supply of services.

For example, Green Technologies, located in the Jebel Ali free zone, provided IT Services to Stephen Enterprises, located in the Dubai mainland.

Services supplied from Designated Zone to Mainland

The supply of services from the Designated Zone to mainland (inside the State) are taxable and VAT at 5% should be charged on the supply of services.

For example, Green Technologies, located in the Jebel Ali free zone, provided IT Services to Stephen Enterprises, located in the Dubai mainland.



Services supplied from Designated Zone to outside the UAE State

Services supplied from Designated Zone to outside the UAE State will be considered as exports and will be zero-rated supplies.

For example, Green Technologies located in the Jebel Ali Free Zone supplied services to National Enterprises, located in India.

UAE visit visas: 6 recent changes



The UAE has introduced several changes in its visa procedures as part of the sweeping reforms known as the Advanced Visa System, which came into effect in October 2022. Introduced by the Federal Authority for Identity, Citizenship, Customs and Port Security (ICP), it was one of the largest residency and entry permit reforms in the UAE.

Since then, several developments have happened in the visit visa system of the country. In the latest move today, the fees for issuing Emirates ID, visit, and residency visas in the UAE have been increased.

From new fee to in-country extension being suspended, multiple processes have been revised. Here's everything you need to know-

No visit visa extensions from within the country:

Visit visa holders do not have the option to extend their visas beyond its stipulated term from within the country. Those with a visiting visa but wanting to continue staying in the country must exit the UAE and then re-enter on a new visit visa. Visitors have the option of extending their visas for one month at a cost after that they must exit the country either through air or land and can re-enter.

Increase in fee:

The fees for issuing Emirates IDs and visas increased. The new costs apply to all services rendered by the Federal Authority for Identity, Citizenship, Customs and Ports Security (ICP), as confirmed by a representative. As per the new rules, Emirates ID will now cost Dh370 instead of Dh270; and the fee to issue a one-month visit visa is Dh370 instead of Dh270.

Overstay fine:

Visitors who overstay their visit visa duration must pay their overstay fine and obtain an out pass or leave permit at an additional cost before exiting the country. This is applicable to visitors who are exiting through Dubai. The out pass is not required by visitors you are leaving from other emirates.

5-year multiple entry visa:

With the visa, tourists can enter the UAE multiple times on self-sponsorship and remain in the country for 90 days during each visit. Holders can extend the visas for 90 days in addition to the initial 90 days without leaving the country. According to authorities, the visa allows families outside the country to spend more time with their loved ones in the UAE. People applying for the multiple entry visa need to provide supporting documents including bank statement for the last six months with a balance of \$4,000 or its equivalent in foreign currencies, proof of UAE health insurance, copy of the flight ticket and proof of residence, like an invitation letter from friends and family in the UAE.

60 days visas resumed:

The issuing of 60 days visit visas was resumed in the UAE after the reforms. Currently, 30-day visit visas and 60-day visit visas are being issued for those wanting to visit the country.

Entry permit to visit relatives or friends:

As per the current amendment, a visitor can apply for this entry permit if he/she is a relative or friend of a UAE citizen or resident. It does not require them to go through a travel agency. The friend or relative can sponsor the visitor by paying a refundable deposit of Dhs. 1000.

Abu Dhabi Golden Visa now valid for 10 years for all categories

The long visa is available to top talent from around the world who wish to live, work and grow in the emirate for years to come.

The validity of the golden visa in Abu Dhabi has been raised from a period of five years to 10 years for all categories. The ten-year Golden Visa offers a wide range of residency options for professionals and researchers in the fields of science and knowledge, such as doctors, specialists, scientists, and inventors. The holders of this Golden Visa can sponsor their spouses, children, and parents regardless of age, with the addition of new main categories and sub-categories based on recommendations from the relevant offices such as the Abu Dhabi Office for Residents.

Earlier, the UAE government had launched the Golden Residency Program to provide long-term residency permits, which allows the holder to reside in the country without the need for a guarantor.

Abu Dhabi boasts several high-growth sectors such as creative industries, research and development, healthcare, agriculture and financial services as well as a thriving ecosystem for start-ups.

The Abu Dhabi Golden Visa also offers long-term residency to investors and innovators.

The long-term visa is available to top talent from around the world who wish to live, work and grow in Abu Dhabi for years to come. The Abu Dhabi Golden Visa offers a wide range of visa options for talented professionals such as doctors, scientists, inventors, real estate investors, entrepreneurs, athletes and creatives.

The Golden Visa holder enjoys exclusive benefits including: a multiple-entry visa for a period of 6 months to complete the Golden Visa procedures, and a renewable residence visa for a period of 5 or 10 years.

The Golden Visa holder can also stay outside the UAE for more than 6 months, and they are entitled to obtain residence permits for family members including the husband and children.

The maximum number of support service labourers who can be brought to the UAE cancelled, and family members can stay in the country for the duration of their residency validity, even in the event of the death of the sponsor who held the Golden Visa.



'UAE Digital Economy Council' in 2023



Omar bin Sultan Al Olama, Minister of State for Artificial Intelligence, Digital Economy, and Remote Work Applications has highlighted the UAE government's commitment to implementing the directives of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President, Prime Minister and Ruler of Dubai, in consolidating the country's status as a global hub for the digital economy and a platform for digital innovation to boost the national economy.

The first meeting which discussed consolidating the UAE's status as a global hub for the digital economy and a platform for digital innovation to boost the national economy, emphasized the importance of empowering national talents to excel technological areas and augmenting the digital economy's contribution to non-oil GDP, which was chaired by Al Olama, and included members of the council such as Younis Haji Al Khoori, Under-Secretary of Ministry of Finance; Abdullah Al Saleh, Under-Secretary of the Foreign Trade and Industry at the Ministry of Economy; Majed Sultan Al Mesmar, Director-General of the Telecommunications and Digital Government Regulatory Authority (TDRA); Saif Humaid Al Dhaheri, Vice chairman of Financial Infrastructure and Digitisation Department in Central Bank of the UAE; Sameh Abdulla Al Qubaisi, Director-General of Economic Affairs at Abu Dhabi Department of Economic Development; and Hanan Ahli, Deputy Director of the Federal Competitiveness and Statistics Centre.

Al Olama said that the UAE understands the significance of attracting talent and building a conducive technological environment to promote an advanced economy.

During the meeting, the council approved the formation of seven sub-committees led by members of the council, to cover all goals of the UAE digital economy strategy in areas such as technological infrastructure and blockchain, e-commerce, financial technologies, investment in the digital economy sector, attracting skills and supporting startups.

Additionally, a committee was formed to specialize in digital economy statistics and prepare an annual report to measure the performance and indicators of the digital economy in the UAE and ensure sustainable progress in the digital economy.

The Ministry of Economy presented the digital trade law, the new national economic record system, and the commercial law, while the Federal Competitiveness and Statistics Centre team presented the methodology used to measure the digital economy performance in the UAE and its contribution to the GDP, which is a main objective of the UAE digital economy strategy.

The council also discussed strategic performance indicators for the digital economy and ways to enhance the UAE's global position in developing the future digital economy model.

Crypto Bank Account Opening in Dubai

Cryptocurrency is a type of digital currency that has military-grade encryption. This is done to prevent people from altering them. Although bitcoin is the most well-known version, there are numerous others such as Ethereum that have special features.

The idea of crypto bank account is still new to most people when it comes to cryptocurrency. One may save, exchange, and spend cryptocurrencies. Opening a bank account to deal in cryptocurrencies requires handling a fair bit of paperwork.

The Need to open a Corporate Bank Account in Dubai-

Due to the implementation of Common Reporting Standards (CRS), financial institutions have to report the data of account holders. Nowadays, even Swiss Banks can't guarantee 100% secrecy of their customers' data. But the banks operating in the UAE are not liable to report the account holders' data to the government officials. Moreover, banks in the UAE have a strong economic performance. International financial organizations cannot influence them, which ensures the safety of your crypto assets.

Furthermore, by opening a bank account, one can easily deal with cryptocurrencies.

Processes associated with bank account opening for crypto companies in Dubai are rigorous. One must liaise with various officials from the DMCC and DED to get approval for opening a bank account. Furthermore, one has to deal with comprehensive documentation procedures for registering a bank account.

Types of Bank Accounts you can open in the UAE-

There are 3 different types of crypto bank accounts that customers can open in Dubai, UAE which are as follows-



After establishing a crypto company in the UAE, you can apply for a personal and corporate bank account. Note that a resident bank account is beneficial for foreign crypto investors. A resident bank account is non-reportable and offers many benefits to corporate & crypto companies.

Features of a resident bank account are as follows:

- Online banking facilities
- Non-reportable bank account
- Dedicated account manager
- Debit and credit cards



If you didn't get UAE residency and want to open a bank account for your crypto trading firm, we can help. A non-resident bank account has the following traits:

- It takes more time to open.
- Limited facilities
- Reportable to authorities
- No credit and debit card facilities



Opening an offshore bank account is beneficial because of the following aspects.

- The user-friendly online banking system
- Boasts of the highest privacy levels
- You can open offshore bank accounts without a residence Visa.
- Easy to open.

Crypto banking is the newest method of using cryptocurrencies for bank transactions. One can hold and manage all the financial accounts, including investments, in one location with a crypto banking account rather than going through conventional financial institutions. Crypto banking is a popular choice for professionals and investors due to its countless advantages.

Valuation in Insurance Industry

Having Insurance is always an additional advantage. It has helped in numerous ways. Insurance provides economic protection from identified risks occurring or happening within the policy period. Insurance in a way is a unique product, where the cost-expense is often unknown while the revenue, premium payments by policyholders are received before or during the coverage period.

The primary purpose of the insurance business is the spreading of risks. Because the risks associated with different policies are not perfectly correlated, the total risk of a portfolio of policies is smaller than the sum of the policies' risks. Thus, insurance functions as a mechanism to diversify products risks, which is akin to the role of mutual funds in diversifying investment risks.

Because insurers accumulate substantial funds in conducting their business, they also diversify investment risks for their stakeholders by investing in diversified portfolios. The activities of insurance companies include underwriting insurance policies (including determining the acceptability of risks, the coverage terms, and the premium), billing and collecting premiums and investigating and settling claims made under policies.

An insurance company pools the premiums that customers pay to offset the risk of loss. The difficulty arises in properly estimating what future insurance claims will be and setting the premiums at a level that covers those claims, as well as leave profit for shareholders. Insurance companies earn returns on the investments they make and from returns on float. In simple terms, an insurance business makes profit when the present value of its income from premium and interest on float exceeds the present value of claims and operating expenses over the life of the policy.

Income approach:

Insurance companies are highly regulated. The regulatory authority governs where they can invest their fund and how much they can invest. Two major reinvestment items are net capital expenditure and change in working capital. However, an insurance company has its own challenges. Unlike a non-financial company which invests in plant and machinery, land and building and other fixed assets, an insurance company primarily invests in marketing, human capital, and other intangible assets like brand name. Such investments are often

categorized as operating expenses and are expensed out in books. Insurance companies do not have what is normally understood "net working capital". Their balance sheets include investments, and policy liabilities which have various and unpredictable payment dates. Actuarial assumptions often play an important role in accounting and valuation of the life insurance companies.

Considering the aforementioned issues in estimating the periodical cash flow, application of Discounted Cash Flow Method is generally challenging for valuing a insurance companies.

Market approach:

Generally, for valuation of a financial services firms, one may consider adopting price to book (P/B) and/or price to earnings (P/E) multiples. P/B is a valuation measure that relates a firm's stock price to its book value. PE is a valuation measure that relates a firm's market capitalisation to its profits.

However, considering the nature of business of life insurance companies, these valuation metrics may not be appropriate. Considering that General Insurance Companies ability to write premiums is directly related to their surplus, it is akin to regulatory proxy for equity capital. Also, insurers are required by regulators to maintain minimum equity capital at levels commensurate with the scope and riskiness of their activities. These regulatory effects make book equity a relatively useful measure of the scale of operations. Further the ability of insurance companies to effectively estimate risk and underwrite business also gets reflected in the profits they earn. Thus Price Earnings Ratio and Price to book value ratio are commonly used to value General Insurance companies.

Indo-Arab investors launch, **Funding Possibilities** in Dubai, UAE to bridge funding gap for new-age businesses.

With the aim to encourage entrepreneurship in Emirates.

Funding Possibilities will help fund innovative and disruptive new-economy businesses to grow and in turn help the UAE economy to expand fast.



Sheetal Soni, CA, CFA Charter Holder and Founder of Funding Possibilities

A group of six professional entrepreneurs across the UAE and India, who have invested in more than 75 start-ups and helped businesses raise US\$500 million worth of capital, have joined hands to launch a Fintech Platform called Funding Possibilities, that will connect start-ups with investors, borrowers with lenders and buyers with sellers. The mission of this platform is to bridge the gap between investors and new age businesses.

Funding Possibilities- a sought-after platform for both seekers and providers of capital, providing access to various forms of capital beyond equity, including traditional debt, alternative and structured finance. It aims to make private markets more accessible and transparent.

The launch of **Funding Possibilities** comes barely three weeks after the launch of the Dubai Economic Agenda 'D33' by His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice-President and Prime

Minister of the UAE and Ruler of Dubai, that includes 100 transformative projects, with economic targets of Dh32 trillion over the next 10 years, doubling its foreign trade to reach Dh25.6 trillion and adding 400 cities as key trading partners over the next decade.

In future, the platform will help raise debt, structured trade finance, alternative finance, revenue-based financing, venture debt for businesses, Funding Possibilities will collaborate with professionals, private institutions and bankers throughout the region for funding good deals in most efficient manner in debt space. It will ease out the process of debt and alternative finance both for businesses and financial institutions providing capital as the curated deals will reach the respective funding partners through tech-driven end-to-end process. It will also enable merger and acquisitions and help in buy outs or strategic investments.

Indo-Arab investors launch, **Funding Possibilities** in Dubai, UAE to bridge funding gap for new-age businesses.

With the aim to encourage entrepreneurship in Emirates.

Funding Possibilities will help connect the right companies to each other and we also will collaborate with private equities, institutional investors, family offices to foster consolidation.



The much-awaited event took place at the H Hotel (Sheikh Zayed Road) on 27 January. Members of the Royal Family, investors from across the region, and business experts attended the event to witness the **Grand Launch of Funding Possibilities**.

ABOUT

MI CAPITAL

Comprehensive Financial Services

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MI CAPITAL Services comprises of a team of experts who work together to serve clients on a broad range of advisory services including: Corporate Finance | Audit & Accounting | Tax and Compliance | Risk & Assurance | Debt and Equity Advisory | Investment Advisory | Valuations and Due Diligence | Company Formations | Banking & PRO Services | Startup Advisory and Funding.

Our team has decades of combined experience and a track record of successfully delivering solutions in diversified market conditions. Our presence in the region and deep relationships with the eco- system allows us to provide our Clients with efficient business solutions across various industries and client segment.

OTHER USEFUL RESOURCES

- **UAE Corporate Tax Simplified:**
www.youtube.com/watch?v=Tp9fKHQaTn8&list=PL6Hq2B2kB5C0sansulf-Ng_NUM_rvH4cs
- **Understanding Corporate Tax in the UAE (webinar):**
www.youtube.com/watch?v=8C9Ta0hp0kQ
- **Proposed UAE Corporate Tax Regime Simplified (By MI Capital Services):**
www.youtube.com/watch?v=O5KdVbETdo4
- **OTHER TOPICS**
www.micapitalservices.com/company-formation/
www.micapitalservices.com/startup-valuations-more-art-than-science/
www.micapitalservices.com/latest-vat-updates-and-opportunity-to-benefit-from-significant-penalty-waiver-from-fta/



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Business Banking Simplified

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Sheetal Soni, Founder & Partner

A Qualified Chartered Accountant as well as CFA Charter holder, Sheetal Soni holds over 18 years of rich expertise in Capital Raising, Project and Corporate Financing / Funding, Treasury, Investments, Trade Finance, Financial Modelling, Feasibility Studies, Financial Structuring, M&A and Valuations. Over the years Sheetal has worked with numerous clients across UAE, India, Thailand, Africa, China, Hong Kong, Japan, UK, and Germany. Other leadership roles handled by Sheetal include Executive Committee Member, ICAI Dubai Chapter, while he is also the speaker at various platforms ICAI Dubai Chapter, RDPG-Dubai, KSA IMA Chapter.

MI CAPITAL SERVICES

Making Trust-worthy Corporate Financial Advisory Solutions Accessible through Experience & Innovation

With speeding growth across sectors and industries, as well as increase in high net-worth individuals in the region, large, mid and small-size organizations, especially startups, are now actively seeking Corporate Finance and Investment Advisory services for their growth objectives. Additionally, increased awareness about economies, markets and financial tools are driving discerning businesses and individuals to look for advisory across an array of verticals such as tax, risk management, and transaction services to name a few. However, given the lack of knowledge of comprehensive financial products and involvement of large sums, businesses want to rely on trustworthy financial advising partners for consultation and execution of capital investments.

Headquartered in Dubai, MI CAPITAL Services is a financial advisory company that is driven by ethics of efficiency and time-bound delivery. With a combined professional experience spanning decades and a track record of successfully delivering solutions in diversified market conditions, MI CAPITAL Services has managed to build trust and reliance in the industry for their effective & high-yielding corporate financial services.

Established in 2018, MI CAPITAL Services was founded by Mr. Sheetal Soni and later joined by Mr. Prateek Toshniwal as partner. Sheetal is a Charter holder and Chartered Accountant who comes in with 18+ years of experience in the field of Corporate Finance, Strategic finance, Investments, Debt Advisory, M&A, Private Equity Advisory, Project Financing, Trade and Working Capital Financing, Alternative Finance, Treasury, Financial Management and Controls, Financial Modelling, Valuations and Feasibility studies. Prateek Toshniwal is a Chartered Accountant with rich experience in the field of debt finance, Startup Advisory and Investments, International Tax Advisory. He possess 7 years of Experience in the field of International Advisory and Structuring and has served many government organizations back in India.

MI CAPITAL Services now has team of 25+ qualified professionals (CFAs, CAs, MBAs) delivering best in class comprehensive financial services in following areas: Corporate Finance, Audit & Accounting, Tax and Compliance, Risk & Assurance, Debt and Equity Advisory, Investment Advisory, Valuations and Due Diligence, Company Formations, Banking & PRO services.

Talking about the factors that are driving growth in the acquisitions consulting space in Asia, Sheetal mentions, "Mergers & Acquisitions in Asia-Pacific remains robust despite strong geopolitical and financial headwinds. Majority of the global M&A deals in Q2 2022, affecting the Technology, Media & Telecom (TMT) sector, were driven by several themes including AI, cloud, cybersecurity, carbon emissions, renewable energy, ESG, and big data. M&A can be a painful process for clients and they feel the need of qualified and experienced professionals to help through the process. This is where MI CAPITAL Services comes in with our experienced team and professionally manages the overall process on behalf of the clients be it sell side or buy side."

Strategic Support for Growing Businesses

MI CAPITAL Services caters to the needs of Large public and private sector corporates, Mid-Corporates, SMEs and Startups with "strategic financial" matters. Throughout their professional careers, the founding members analyzed that CEOs and CFOs are capable of handling experienced teams to manage operational finance of the organization, however when it comes to strategic finance matters like valuation, financial modelling, feasibility studies, pre-merger negotiations, post-merger integration etc. they feel the need of external qualified and experienced advisors. Therefore, the team at MI Capital Services has designed an effective blueprint to help CFOs with such support services.

Shedding light on the support strategy utilized to help client, Prateek mentions, "To help companies grow through effective advisory MI Capital Services has developed a 3P support strategy. First being 'people' - we hire and nurture qualified professionals to help deliver best results. Second being 'process' - Well managed international best practice processes that include financial due diligence, pre-merger negotiations, and post-merger integration. And the third virtue being 'product' - A typical

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MI CAPITAL Services provides solutions to clients throughout the entire M&A deal life cycle including Valuations, Due Diligence, Term sheet negotiations, and other transaction support activities for both buy side and sell side



Prateek Toshniwal, Partner

M&A process involves understanding of business, working out valuation models, carrying out detailed due diligence, negotiations, drafting term sheets, and drafting agreements. We see each step involved as a product and work on delivering the best quality "product" to help for an efficient and successful M&A process."

On A Path of Unstoppable Growth

Although MI Capital Services is relatively a young entity, however, the firm has been able to scale and capture decent market share in a very short span of time. The credit goes to the guidance provided by their highly reputed and veteran Advisory 800 and passion to perform within experienced partners. Currently, MI CAPITAL Services operates from their offices in UAE and India, with a roadmap to build their presence in 3 more major financial cities covering Europe and America in near future.

Sheetal sheds light on how MI CAPITAL Services plans on expanding its business in light of the boom that the start-up culture has witnessed in the past decade. "Apart from driving market share in traditional M&A space, we aim to contribute to the new age and evolving start-up ecosystem in the region. The Global Startup Ecosystem has witnessed a dramatic growth in the past one decade with over 1000+ Unicorns and the reason behind it is the contribution of developing countries that have come forward to create next gen technological advancements and wealth creation opportunities. We at MI CAPITAL Services have developed a proprietary fintech platform called "Funding Possibilities," with this we wish to contribute to the startup ecosystem with a number of initiatives which will help startups from angel stage till IPO, signs off Sheetal."

Asia

Business Outlook

recognizes

MI CAPITAL SERVICES

as one of

Asia

Business Outlook TOP 10

MERGERS & ACQUISITIONS

CONSULTANTS FROM ASIA 2022

This certificate is awarded for the stellar performance in the industry. It works as a testament to the competence and excellent application of industry standards & methods combined with a strive towards brilliance.





Emmanuel Christi Das
Managing Editor

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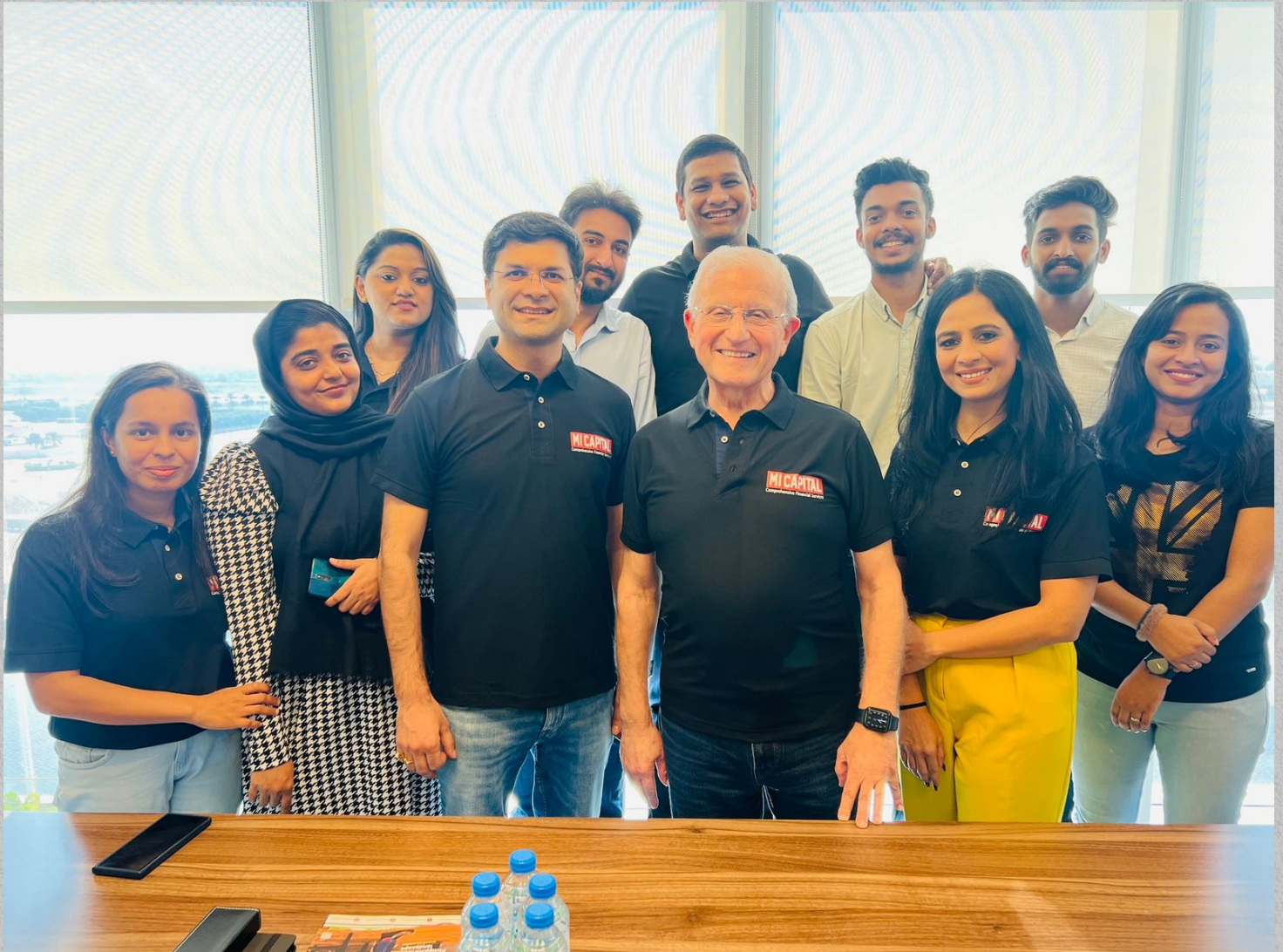


Meeting with **SRTI Park**



Meeting with **AstroLabs**

Meeting with Advisory Board



Thank you **Mr. Ala Khannak** For visting & guiding us always.

OUR TEAM



CFA, CA Sheetal Soni
Partner



CA Prateek Toshniwal
Partner



Shubhangi Toshniwal
Head of Advisory Services



Sumay Banerjee
Associate Director



Mohammad Saleem
Executive Director -
Client Coverage



Shweta Soni
Head of
Corporate Services



Natasha Gupta
Head of Human
Resources



CA Karishma Suwarnakar
Head of Accounts &
Taxation



Palak Gupta
Marketing Head
India



Aquila Noel
Banking Analyst



CMA Ali E.
Accounts Officer



CMA Shanaj KP
Accounts Officer



Paola Vega
Admin cum BD
Executive



Khyati Nakum
Financial Analyst



Fariya Rafique
Head of Incorporation



Payal Chandnani
Investors Relations
(VC/PE Expert)



Sanket Shanishchara
Corporate Tax Associate



CA Vibhuti
Corporate Tax Associate



Muhammed Shamlan
Operation Executive



Remya Sahadeven
Banking Analyst



Sabina Vora
Business Development
Executive



Namrata Dighe
Operations Analyst



Yash Jhavar
Corporate Tax
Associate



Nilufar Kausar
Business Development
Manager



Diya Shajan
Customer Relations



Anuj Tosniwal
Branding & PR Head

Our **New** Initiative



BANKING POSSIBILITIES

Business Banking Simplified

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- Connections with 40+ banks worldwide
- Guaranteed opening of a Business IBAN account
- Priority lane and Fast Track
- The highest success rate in the UAE
- Free recommendations
- Single application
- Free Banking Profile
- Online status tracking
- Accept High-Risk businesses
- Accepting Non-UAE Owners
- Personal introduction with bankers responsible for opening your account