



Emerging
Technology:
tackle it with
KPMG

Emerging Technology with KPMG by your side, yourBlockchain & AI guide

Why you need to take action

Globally

If you're reading this you will know that household names like JP Morgan, HSBC, Metlife, Goldman Sachs, Prudential, ING, Morgan Stanley, BoA, Ford, Siemens, Amazon, Nestle', Carrefour, Santander and Singapore Airlines have adopted Blockchain technology. Can you afford to be left behind?

Locally

The Maltese Government's goal is to become the world finance capital for STOs and to embrace AI. Let us help you be part of this exciting development.

Who we are

KPMG in Malta is recognised as a key player by the KPMG Global network, as having a first class multi-disciplinary Emerging Tech group and a specialised IT group. Our team is a member of the KPMG Blockchain Global Leaders Group and involved in KPMG Lighthouse, an AI and D&A Centre of Excellence, working on emerging technologies and KPMG's Digital Strategy

How we can help

Audit

- Financial Statements Audits
- Systems Audits

Advisory

- Regulatory
- Software
- Deals
- GDPR
- People and Change

Tax

- Advice on the taxation of digital assets
- Structuring
- Compliance
- Corporate services

A KPMG multidisciplinary service group with the knowledge and expertise you require to assist you in managing developments

A group that is

Supportive of Malta's initiatives

- Key contributor to the regulatory, tax and legal framework in Malta
- Supporting the financial regulator, the MFSA
- Recognized by the technology regulator, the MDIA, as a Systems Auditor
- Involved in the country's AI initiatives

Involved in the KPMG network

- Front runner in the KPMG network and member of the Global Blockchain Leaders team
- Developed software AuditTools for member firms
- Spearheading collaborative initiatives
- Delivered educational session to KPMG East Africa on DLT

A Contributor in the Media...

- Publishes Thought leadership pieces on KPMG's portal, IBFD's journals, Sigma Magazine, Forbes, etc
- Regular contributor on BloxLive TV
- Member of the adjudicating panel for the ICO competition at SiGMA
- Interviewed at the first Delta Summit and by EAKTV at the first Malta Blockchain Summit
- Requested by Forbes to give technical comments and insight
- Interviewed by Thomson Reuters for European Blockchain Insight

and at Key events

- Moderator at Finance Malta 2019 Conference for Innovation
- Provider of Key note speaker and panellists at the Delta Summit 2018 and 2019 editions
- Active participant in the Malta Blockchain and AI Summit 2018 and 2019 conferences
- Joined trade delegations to NYC, Singapore and Hong Kong
- Delivers lectures on Blockchain with the MSE
- Provides education on Blockchain at KPMG Learning Academy
- Presents sessions at the Malta Institute of Taxation and the Malta Institute of Management
- Provides lectures at the University of Malta (FEMA)

Choose us to assist you by...



Financial Statements Audit

Adding value through a Financial Statements Audit...

KPMG in Malta is ideally positioned to provide financial statements audits for clients that pioneer Blockchain solutions.

We bring together specialised team members from across our global network who support each other for the relevant areas of focus specific to each audit, to deliver quality financial statements audits for our clients.

Financial statements audits are required annually for statutory filing purposes in Malta.

We compliment annual statutory audits with other audit and assurance engagements undertaken in accordance with standards promulgated by The International Auditing and Assurance Standards Board.

Systems Audit

....and a robust Systems Audit

The Malta Digital Innovation Authority (MDIA) regulates the certification process of an Innovative Technology Arrangement (ITA). Certification of ITA can be sought voluntarily, or as part of a requirement imposed by another competent authority such as the Malta Financial Services Authority (MFSA). A certifiable ITA can be a Distributed Ledger Technology (DLT) solution or a smart contract, and soon to be other ITAs involving AI technology.

A core component in the certification process is that of having the ITA audited by a Systems Auditor. Systems audits follow the requirements of the AICPA's SOC 2 Trust Services Criteria, considered to be the benchmark in evaluating controls relevant to an information systems service provider. KPMG has extensive experience in delivering SOC 2 engagements, and is approved to conduct Systems Audits by the MDIA.

The Systems Audit would be delivered initially through a Readiness Assessment to evaluate gaps for the ITA to withstand the rigorousness of the systems audit process. Once completed, KPMG would conduct a Type 1 Systems Audit for ITAs operating less than 6 months, evaluating the design of the controls to determine whether they are suitably designed to meet the applicable criteria. Following the Type 1, the MDIA would consider the certification of the ITA solution. The Type 2 Systems Audit, designed to confirm the operating effectiveness of the controls during the relevant period, and annually thereafter, would follow.



Technical (IT) Service Offering



Delivering tailor software solutions for you

By combining decades of experience and access to KPMG's global network of specialists, we deliver digital solutions in:

Blockchain & DLT: Our software developers are involved in the Blockchain space across Platforms, Exchanges, and Smart Contracts. Specialisations include Smart Contract development skills

AI: With our experience in Machine Learning, NLP and SO algorithms, AI solutions may either be provided as standalone solutions, or combined with other technologies. We are familiar with the newly launched Systems Audit framework for AI, which provides businesses and entities with certification of the technology

D&A: The Data & Analytics team uses its capabilities in data engineering, analytical modelling, optimisation and simulation to enhance understanding of factors affecting key decisions made by your business

Robotic Process Automation: RPA or digital labour is used to automate predictable, repetitive, mundane and unappealing processes. We can identify and document such processes to deploying proof of concepts and develop them into full-blown solutions combining AI elements (referred to as Intelligent Automation) for enhanced automation

Software Development: From the development of enterprise-level web applications, to public portals and innovative mobile apps, we can help you with designing your idea into a system and developing it to its full potential

Regulatory & Compliance



Enabling you to meet your with Regulatory and Compliance obligations

- We will liaise with the relevant regulatory/supervisory authority for you, as well as provide you with
- Reviews of documents required to be submitted to the relevant regulatory supervisor
- On-site assistance with regulatory, compliance and statutory requirements
- Regulatory Health Checks
- Guidance on good corporate governance, risk management and internal controls
- Training

We will help you manage your Enterprise Risk by

- Monitoring and reporting risks
- Designing a Risk Management Framework, including a Risk Appetite Statement and the wider Risk Policy
- Developing the Compliance Obligations Register
- Reviewing of Corporate Governance documents

and comply with AML/CFT regs

- Designing an AML/CFT programme
- Providing regular AML/CFT on-site compliance reviews and remedial services
- Training
- Responding to regulatory inspections
- Preparing regulatory returns

Tax, Corporate Compliance and GDPR



Reducing the pain of your Tax, Corporate and GDPR Compliance

Technology is great, but execution is key. Our goal is to provide the corporate, tax and legal support that will give your tech ideas a solid footing.

Whether you are incorporating a token exchange, launching a crypto fund, about to issue an STO/ICO, or embarking on embracing AI technology, we are here to help you:

- incorporate and register the most suitable entity
- ensure your structure is both tax compliant and efficient
- comply with regulatory laws where applicable
- determine the nature of the token most suited for your plan
- ensure the token is aligned with the financial instrument test (FIT)
- review your White Paper
- draft a token purchase and crowd token offer agreement
- set best practice terms use and privacy policy
- compile your private placement offering documents and other related documentation
- and generally navigate the rules in Malta and your other markets.

With the new regulatory regime in place you may also require an analysis of compliance with other legislation, in particular GDPR and data protection. We have niche teams ready to help.

Deal Advisory

securing the best deal you can with Deal Advisory

- Financing: Company valuations are of significant important when raising capital. We also help you assess financing requirements and options available. In addition we can assist you in the preparation of business plans & financial projections to secure financing
- STO/ICO: two popular ways of securing funds, where we assist clients from one end to the other of the journey
- Mergers and acquisitions: we assist your growth journey through acquisitions or exits
- Transaction services: providing your with a due diligence of your target
- Strategy: our senior team with a wealth of experience in working with C suites of companies across the world is there to support you as decision makers and leaders articulate your plans into long-term business strategy.





KPMG

50 years of trust.



Inspiring confidence. Empowering change.

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Meet your multidisciplinary service group with the knowledge and expertise you require to assist you in managing developments

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