Company Introduction

Huazhong Consulting Group

Shanghai Huazhong Consulting Service Co., Ltd.
Shanghai Huazhong Investment Consulting Co., Ltd.
Shanghai Huazhong Information System Consulting Co., Ltd.
Shanghai Huazhong International Trading Co., Ltd.
Huazhong Consulting Co., Ltd.

www.shcs.com.cn
www.shcs.jp
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### 1. Company Profile

<table>
<thead>
<tr>
<th>Name</th>
<th>Shanghai Huazhong Consulting Service Co., Ltd. (SHCS)</th>
<th>Shanghai Huazhong Investment Consulting Co., Ltd. (SHTS)</th>
<th>Shanghai Huazhong Information System Consulting Co., Ltd. (SHIS)</th>
<th>Shanghai Huazhong International Trading Co., Ltd. (SHTC)</th>
<th>Huazhong Consulting Co., Ltd. (JHCS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
<td>23F Xinhualian East Building, 755 Huaihai Road Middle, Shanghai</td>
<td>23F Xinhualian East Building, 755 Huaihai Road Middle, Shanghai</td>
<td>Room C, 23F Xinhualian East Building, 755 Huaihai Road Middle, Shanghai</td>
<td>Room 315, 3rd F, 3rd Building, 500 Bingke Road, China (Shanghai) Pilot Free Trade Zone</td>
<td>2-2-11 Dosho-Machi, Chuo-Ku, Osaka</td>
</tr>
<tr>
<td>Date of Establishment</td>
<td>April 7, 1994</td>
<td>April 27, 2006</td>
<td>March 25, 2009</td>
<td>Feb 25, 2014</td>
<td>August 25, 2005</td>
</tr>
<tr>
<td>Registered Capital</td>
<td>22 Million Yens (as of 2011)</td>
<td>114 Million Yens (as of 2011)</td>
<td>1.25 Million RMB (as of 2011)</td>
<td>5 Million RMB (as of Oct 2014)</td>
<td>15 Million Yens (as of 2011)</td>
</tr>
<tr>
<td>Investors &amp; Investment Composition</td>
<td>Huazhong Consulting Co., Ltd. 60% Shanghai Textile Foreign Economic &amp; Technical Cooperation Co., Ltd. 40%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Company Representative</td>
<td>Chairman: Tsuneo Kobayashi Vice Chairman: Su Yigang General Manager: Gu Zhongyu</td>
<td>Chairman &amp; General Manager: Tsuneo Kobayashi Vice Chairman: Su Yigang General Manager: Cheng Xiaoxing</td>
<td>Chairman: Tsuneo Kobayashi General Manager: Xu Yao</td>
<td>Chairman: Tsuneo Kobayashi Chairman: Tatsuya Kondou</td>
<td></td>
</tr>
<tr>
<td>Number of Employees</td>
<td>95 Employees (as of 2017)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales Revenue</td>
<td>960 Million Yens (Year 2017)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Members</td>
<td>766 Member Enterprises (as of Mar 2018)</td>
<td></td>
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</tr>
</tbody>
</table>
1. Company Profile  

**Qualification Certificate**

- "Shanghai Key Professional Service Trading Institution (Consulting service)"
  - issued by Shanghai Municipal Commission of Commerce

- "Shanghai Foreign Consulting Institution A-Level Qualification"
  - issued by Foreign Business Consultation Working Committee under Shanghai Association of Enterprises with Foreign Investment

- "First-class Foreign Investigation Qualification"
  - issued by the Statistics Bureau of China
  - entitled to investigate in industries and areas nation-wide
  - the first to achieve such qualification in Japanese consulting companies in Shanghai

- "Shanghai Foreign Investigation Qualification"
  - issued by the Statistics Bureau of Shanghai

- "Shanghai Reputable Consulting Enterprise"
  - jointly issued by the Shanghai Science Technology Board & Shanghai Consulting Association

- "Certificate of ISO9001, ISO14001"
  - issued by BVQI (an ISO certification institution)

- "Award of Project Hope in Yunnan Province"
  - jointly issued by the Comsomol Committee of Yunnan Province and the Youth Development Foundation of Yunnan Province
1. Company Profile  Consultant of Municipalities & Development Zones

- General Manager of SHTS, Mr. Tsuneo Kobayashi has been appointed as the Consultant of following municipalities and development zones, based upon his 35 years of experience in business investment in China.
  - Director, Executive Director, Vice President of Shanghai Association of Enterprises with Foreign Investment (SAEFI)
  - Vice President of the Foreign Business Consultation Working Committee of SAEFI
  - Senior Consultant of Shanghai Foreign Investment Development Board
  - Senior Consultant of Shanghai Overseas Investment Development Board
  - Senior Consultant of Changzhou Municipality, Changzhou National Hi-Tec District Administration Commission
  - Investment Consultant of Changshu Municipality
  - Consultant of Huzhou Municipality
  - Consultant of Pinghu Municipality
  - Senior Commercial Consultant of Cixi Municipality
  - Investment Promotion Consultant of Zhangjiagang Municipality
  - Economic Development Consultant of Nanjing National Chemical Industrial Park Administration Commission
  - Senior Consultant of Nantong National Economic Technology Development Zone Administration
  - Investment Consultant of Lianyungang National Economic Technology Development Zone Administration Commission
  - Senior Consultant of Jiaxing Economic Development Zone Administration
  - Investment Consultant of Huizhou Dayawan Economic Technology Development Zone
  - Senior Consultant of Ningbo Free Trade Zone
  - Senior Commercial Consultant of Shandong Weifang Binhai Economic Development Zone
  - Conferred Shanghai Magnolia Silver Award as of September 2003
  - Conferred Shanghai Magnolia Golden Award as of September 2007
  - Conferred the honor as Friend of Wuzhong District by Suzhou Municipality as of October 2004
  - Conferred People’s Republic of Permanent Residence Card as of November 2009
  - Conferred Pinghu Investment Promotion Meritorious Award (Silver Medal) as of June 2011
  - Consultant of The SUZHOU Chamber of Commerce in Beijing
2. Organizational Structure (JHCS, SHTS)

Huazhong Consulting Co., Ltd.
Japan (Osaka, Tokyo)

- Shareholders Meeting
- Board of Directors
  - Chairman: Tsuneo Kobayashi
  - Director: Tatsuya Kondou

  - Consulting Dept.
  - System Consulting Dept.
  - Engineering Consulting Dept.
  - Business Dept.
  - Tokyo Branch

Shanghai Huazhong Investment Consulting Co., Ltd.
China (Shanghai, Beijing, Guangzhou, Suzhou and Dalian)

- Board of Directors
  - Chairman & GM: Tsuneo Kobayashi
  - Vice Chairman: Su Yigang
  - Director: Qian Genfa, Higuchi Tatsuyuki, Gu Zhongyu

  - Deputy GM: Toru Nose

  - Management Consulting Dept.
  - Project Dept.
  - ISO Consulting Dept.
  - Affair Office
  - Pioneering Dept.

- Deputy GM: Gu Zhongyu

  - Business Dept.
  - HR Consulting Dept.
  - Public Relations Consulting Dept.
  - Legal Affair Consulting Dept.
  - Engineering Consulting Dept.
  - Member Service Dept.
  - Suzhou Branch
  - Beijing Branch
  - Dalian Branch

- Supervisor:
  - Sakuwa Shinji
  - Zhou Liangcai

華錘コンサルタントグループ
2. Organizational Structure (SHIS, SHCS)

Shanghai Huazhong Information System Consulting Co., Ltd.

Shareholders Meeting

Board of Directors
Chairman: Tsuneo Kobayashi

GM: Cheng Xiaoxing

- Sales Dept.
- New customers Dept.
- Consulting Dept.
- System Dept.
- Development Dept.
- Business Dept.
- Management Dept.
- Project Implementation Dept.
- ISO Consulting Dept.
- Maintenance Service Dept.
- Affair Office

Shanghai Huazhong Consulting Service Co., Ltd.

GM: Gu Zhongyu

Board of Directors
Chairman: Tsuneo Kobayashi
Vice Chairman: Su Yigang

Supervisor: Sakuwa Shinji, Zhou Liangcai

- Market Consulting Dept.
- ISO Consulting Dept.
- Affair Office

Existing customers Dept.
New customers Dept.
System Consulting Dept.
Project Implementation Dept.
Management Consulting Dept.
Management Service Dept.
3. Membership System

- All services will be given to registered companies only.
- When registered, members may receive “General Service” (free) and “Specific Service” (charged and contracted individually). Please refer to Page 9,10,11 and Page 12 for more details on “General Service” and “Specific Service.”
- When registered, members will submit “Member Service Memo” and “Application Form for Membership” after agreeing to the Membership Regulations.
- Yearly Membership Fee: Formal Member= 20,000.-RMB, Junior Member= 6,000.-RMB, Info Net Member= 15,000.-RMB

<table>
<thead>
<tr>
<th>Yearly Membership Fee (no entrance fee needed)</th>
<th>General Service</th>
<th>Specific Service</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formal Member</td>
<td>○</td>
<td>○</td>
<td>(*1)</td>
</tr>
<tr>
<td>Junior Member</td>
<td>○</td>
<td>○</td>
<td>(*2)</td>
</tr>
<tr>
<td>Info Net Member</td>
<td>△ (*3)</td>
<td>×</td>
<td></td>
</tr>
</tbody>
</table>

(*1) With the consent of our company, local corporation in China that their capital is owned by the Formal Member may also receive “Specific Service.”

(*2) Associated Corporation which registered overseas and have direct investment relationship (over 25%) with Formal Member. Or the subsidiary company in China with over 25% of direct investment of the Investment Company established in China as a Formal Member.

(*3) Info Net Members are not given interview consultation services and telephone consultation services referred on Page 9.
4. Member Service  General Service

- Services as follows will be given to members voluntarily.
  1. Consulting services in many fields, such as the advancement to China, business management of foreign-invested companies in China, etc.
  * Limited to voluntary services only. If in need of “Specific Services” or other non-voluntary services, specific quotation will be made separately.
    1. Interview consultation: no limitation as to its frequency, but one hour per time at maximum.
    2. Written based Q&A (by Email): submit questions by filling out forms prescribed
      (Please refer to the “Request Form for Business Operation/Investigation” attached to Membership Regulation)
      * The frequency is limited to 24 times a year. As a rule, it will be replied within 5 working days of receiving the request. Since starting this service in Dec. 1999, the number of replied Q&A has already added up to 23,800.
    3. Telephone consultation: at any time
  2. The release of “Daily Huazhong News” (Japanese version): Information related to investment in China, such as Chinese economic news and Chinese Business Q&As, will be sent out by e-mail. A member can register no more than ten e-mail addresses.
  3. The release of “Monthly Huazhong News” (Japanese & Chinese version): Periodicals that include selected topics and macroeconomic information will be sent out by e-mail as the same of “Daily Huazhong News” registered address.
  4. The distribution of “Chinese Huazhong News”: A kind of newsletter, which is distributed three times a week by email, mainly including information about Huazhong Group, business Q&A, brief news of Japan and news of Japanese enterprises invested in China.
  5. Using their own ID and password (2 IDs for each member), members are able to access previous Q&As, “Daily Huazhong News”, “Monthly Huazhong News”, Huazhong seminar resumes, legal datas etc by a keyword search in our official Home Page (http://www.shcs.com.cn or http://www.shcs.jp).
  6. Quotation of “Specific Services” (see Page 12, 13 and 14)
## 4. Member Service *Specific Service (1)*

All contracts and quotations concerning “Specific Services” will be made by our Member Service Department.

<table>
<thead>
<tr>
<th>business</th>
<th>Dept. in charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support in project evaluation, market investment</td>
<td>Market Consulting Dept.</td>
</tr>
<tr>
<td>Consultation in various fields such as market research, company credibility investigation, law</td>
<td></td>
</tr>
<tr>
<td>Support in the input of make-up and food</td>
<td></td>
</tr>
<tr>
<td>Support in the establishment of local corporation in China</td>
<td></td>
</tr>
<tr>
<td>Support in conducting local inspections and regulation negotiations concerning ground purchase or factory lease selections.</td>
<td>Member Service Dept.</td>
</tr>
<tr>
<td>Support in acquiring ratification certificate and business license which include creating project proposal, merger contract, articles of association, and F/S reports.</td>
<td>Member Service Dept.</td>
</tr>
<tr>
<td>creating reports on environment influences and labor securities</td>
<td>Engineering Consulting</td>
</tr>
<tr>
<td>Support in creating company seal, setting up bank account, registering in taxation, finance, customs, statistics, etc., after acquiring the business license.</td>
<td>Member Service Dept.</td>
</tr>
<tr>
<td>Support in acquiring work permission of foreign employee, resident certificate, visas, and supervising their expirations</td>
<td>business</td>
</tr>
<tr>
<td>Support in creating various company management regulations</td>
<td>HR</td>
</tr>
<tr>
<td>Support in conducting capital inspection, issuing investment certificate, and the registration of different modification</td>
<td>business</td>
</tr>
<tr>
<td>Support in holding its first Board meeting</td>
<td>Member Service Dept.</td>
</tr>
<tr>
<td>Consultation of personnel and labor, agent of labor Arbitration</td>
<td>HR</td>
</tr>
<tr>
<td>Support in the personnel of corporation restructuring</td>
<td>HR</td>
</tr>
</tbody>
</table>
# 4. Member Service Specific Service (2)

<table>
<thead>
<tr>
<th>Services</th>
<th>Dept. in charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Examining various documents and information, drafting various contracts and overall legal consultation including personnel and labor issues</td>
<td>Legal Affair</td>
</tr>
<tr>
<td>Support in acquiring work permission of foreign employee, resident certificate, visas, and supervising their expirations</td>
<td>Business</td>
</tr>
<tr>
<td>Support in the establishment of representative office, acquiring work permission of foreign employees, VISA, resident certificate, and accounting assistance</td>
<td>Business</td>
</tr>
<tr>
<td>Support in applying for company name, acquiring ratification certificate and business license</td>
<td>Legal Affair</td>
</tr>
<tr>
<td>Support in creating various company management regulations (concerning the Board of Directors, labor and personnel, financial accounting, Labor Union, etc.)</td>
<td>Member Service</td>
</tr>
<tr>
<td>creating reports on environment influences and labor securities</td>
<td></td>
</tr>
<tr>
<td>Support in designing, constructing and supervising</td>
<td>Engineering Consulting</td>
</tr>
<tr>
<td>Consultation in related chemicals</td>
<td>Engineering Consulting</td>
</tr>
<tr>
<td>Support in conducting capital inspection, issuing investment certificate, and the registration of different modification</td>
<td>ISO Consulting</td>
</tr>
<tr>
<td>Support in assets valuation and preliminary investigation for M &amp; A related to Chinese enterprises</td>
<td>–</td>
</tr>
<tr>
<td>Commercial investigation concerning organizational, production, sales, financial activities and R &amp; D activities, etc.</td>
<td>Market Consulting</td>
</tr>
<tr>
<td>Financial investigation concerning financial statements, capital flows, external accounts, etc.</td>
<td>Management Consulting</td>
</tr>
<tr>
<td>Legal investigation concerning articles of association, registration issues, significant contracts, disputes, etc.</td>
<td>Legal Affair</td>
</tr>
<tr>
<td>Support in company’s business activities concerning merger, split, acquisition, withdrawal, liquidation, etc. and other specific activities.</td>
<td>Collaboration</td>
</tr>
</tbody>
</table>
## 4. Member Service Specific Service (3)

<table>
<thead>
<tr>
<th>Services</th>
<th>Dept. in charge</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Accounting Support</strong></td>
<td>Management Consulting Dept.</td>
</tr>
<tr>
<td>Setting up accounting courses and creating overall accounts and bills when establishing company</td>
<td></td>
</tr>
<tr>
<td>Setting up principles of accounting management in preparation period of construction</td>
<td></td>
</tr>
<tr>
<td>Deciding establishment fees, deferred assets, and capitalizing/depreciation methods</td>
<td></td>
</tr>
<tr>
<td>Creating monthly financial statements (BS, PL, CF) in Chinese, Japanese, and English: final accounting is provided</td>
<td></td>
</tr>
<tr>
<td>Doing accounting management by visits, and submitting reports (on principle, once per month)</td>
<td></td>
</tr>
<tr>
<td>Supporting recruiting and training of accountants</td>
<td>Shanghai Huazhong Information System Consulting Co., Ltd.</td>
</tr>
<tr>
<td>Reporting individual income taxes and welfare costs of dispatched foreign and China-registered employees</td>
<td></td>
</tr>
<tr>
<td>Supporting yearly audits</td>
<td></td>
</tr>
<tr>
<td><strong>Information System Support</strong></td>
<td></td>
</tr>
<tr>
<td>ERP software input related (including customization, training, installation, maintenance) and optimization consultation of finance, business, production, human resource management.</td>
<td></td>
</tr>
<tr>
<td>Various consultation on building up IT system</td>
<td></td>
</tr>
<tr>
<td>Solution on building up information security management system</td>
<td></td>
</tr>
<tr>
<td>Consultation on IT system optimization and system rationalization</td>
<td></td>
</tr>
<tr>
<td>Support in translation related to IT system, website design, promotion documents making</td>
<td></td>
</tr>
</tbody>
</table>
5. Huazhong Hope School Construction Project

Six Huazhong Hope School

◇ Wenniuqiqi 1st Huazhong Hope School in Chifeng of Inner Mongolia Municipality
◇ Qingming 2nd Huazhong Hope School in Puer County of Yunnan Province
◇ Tiandeng 3rd Huazhong Hope School in Yunlong County of Yunnan Province
◇ Tuanjie 4th Huazhong Hope School in Luquan County of Yunnan Province
◇ Zhengxing 5th Huazhong Hope School in Jinggu County of Yunnan Province
◇ Longcanggouxiang 6th Huazhong Hope School in Yingjing County of Sichuan Province

Establishing Huazhong Project Hope Awarding Funds

In order to encourage good teachers and students and help those students whose family circumstances are poor, we especially establish Huazhong Hope Awarding Funds upon the approval of the Board of Directors.

Sustaining Support

After the establishment of Huazhong Hope Schools, we actively keep in touch and have made lots of donation including clothes, stationery, dictionary and books. Besides, we would provide sustaining support and publicize the project to our member enterprises, so that they could give us more helps.

Totally, there’re 1,500 students and 120 teachers worked in five Huazhong Hope School.

We award prize and scholarships to teachers and students of six Huazhong Hope School who are excellent and poor.

We bought various stationery, together with more than 50,000 ball pens and pencils provided by our member enterprise, and sent to five Huazhong Hope School before the Spring Festival of 2006.
6. Contact Information

- **SHANGHAI HEADQUATER**
  - Address: 23F Xinhualian East Building, 755 Huaihai Road Middle, Shanghai Zip Code: 200020
  - Tel: +86-21-6467-1198 Fax: +86-21-6467-9155
  - Person in Charge: Zhang Xiaoling (Member Service Dept. Manager)
  - E-mail Address: shcs@shcs.com.cn

- **BEIJING BRANCH**
  - Address: Room 1115, Tower A, Xingfu Towers, 3 North Dongsanhuan Road, Beijing, China Zip Code: 100027
  - Tel: +86-10-8451-1257,1287 Fax: +86-10-8451-1217
  - Person in Charge: Zhao Shu (Japanese Speaker)
  - E-mail Address: zhaoshu@shcs.com.cn

- **GUANGZHOU BRANCH**
  - Address: Room 1209, Yaozhong Plaza, 9 West Linhe Road, Guangzhou, China Zip Code: 510620
  - Tel: +86-20-3801-1800 Fax: +86-20-3801-1810
  - Person in Charge: Xu Jin (Dept. Manager, Japanese Speaker)
  - E-mail Address: xujin@shcs.com.cn

- **SUZhou BRANCH**
  - Address: Room 1203 Genway Building, 188 Wangdun Road, Suzhou Industrial Park Zip Code: 215028
  - Tel: +86-512-6809-4510 Fax: +86-512-6809-9013
  - Person in Charge: Li Jinji (Dept. Manager, Japanese Speaker)
  - E-mail Address: lijinji@shcs.com.cn

- **Shanghai Huazhong Information System Consulting Co., Ltd.**
  - Address: Room C, 23F Xinhualian East Building, 755 Huaihai Road Middle, Shanghai Zip Code: 200020
  - Tel: +86-21-6467-1198 Fax: +86-21-6467-9155
  - Person in Charge: Cheng Xiaoxing (General Manager)
  - E-mail Address: system@shcs.com.cn

- **OSAKA OFFICE** (Huazhong Consulting Co., Ltd.)
  - Address: 2-2-11 Dosho-Machi,Chuo-Ku,Osaka, Japan Zip Code: 541-0045
  - Tel: +81-6-6232-0775 Fax: +81-6-6232-0776
  - Person in Charge: Chen Geng (Manager of Consulting Dept.), E-mail Address: osaka.jhcs@shcs.co.jp

- **TOKYO OFFICE** (Huazhong Consulting Co., Ltd.)
  - Address:Room No.1007, JWS KABUTOCHO 9-5, Nihonbashi Kabuto-cho, Chuo-ku, Tokyo, Japan Zip Code: 103-0026
  - Tel: +81-3-5643-7353 Fax: +81-3-5643-7354
  - Person in Charge: Yoichi Takakura(Chief and Consulting Dept. Manager), E-mail Address: takakura@shcs.co.jp
Last but not least…

We are ready to assist you in solving any problems occurring in your investment business in China any time.

Reference

- Company Profile and Project Achievement List
- Membership Regulation (including Application Form for Membership and Memorandum), Request Form for Business Operation/Investigation

※For the updated Company Profile and related Application forms for Membership, please contact our Member dept. or refer to our homepage.