



# Due Diligence and M & A Services

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Beijing HL Consulting Co., Ltd

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## Due Diligence Service



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## Help our clients success

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- ↗ HL consulting perform due diligence for companies that are contemplating
  - ↗ Investments
  - ↗ Strategic partnerships
  - ↗ Mergers, and acquisitions



# Energy

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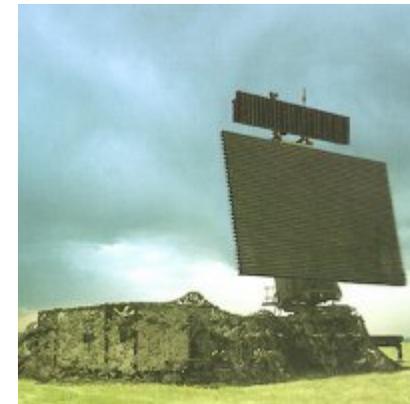
- ✦ Due diligence for Joint venture of a Chinese state owned company with a private company with technology in producing pulp from fly ash
- ✦ Due diligence for a SGX listed enterprise to have a joint venture with Chinese enterprise to develop wind park projects in China
- ✦ Due Diligence of listed Coal enterprises in Chinese stock market...



# Machinery

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- ✦ Due dilligence for an indian tractor producers for investment in China
- ✦ Due dilligence for an automobile parts producer



# Investments Due Dilligence

- ↖ HL Consulting's *Investments Due Dilligence* are specially designed to help international investors to succeed in Chinese market.
- ↖ Our service start with understand your situation and requirements
  - ↖ What's your strategy
  - ↖ What's your strength
  - ↖ What's your weakness
  - ↖ What's your resources
  - ↖ What's your most serous problems
  - ↖ What's you mostly eager to know

What's on your mind?



# Cases

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- ✦ Our customer, a listed enterprise in SGX, wants to invest in Wind-park projects in China, as a foreign investors, they want to verify
  - ✦ Is the wind-resource ok?
  - ✦ Is the wind-park project true?
  - ✦ Is there any other risks ?
  - ✦ What should we do to facilitate the progress?
- ✦ HL Consulting's first work is to understand customer's requirements



# Our service in Investments Due Dilligence

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- ↗ Our service in investments Due Dilligence covers all key aspects of investments
  - ↗ Solution of key problems of customers
  - ↗ Market analysis
  - ↗ Policy & Laws analysis
  - ↗ Technology analysis
  - ↗ Management analysis
  - ↗ Partner's credit analysis
  - ↗ Contract analysis
  - ↗ Financial analysis
  - ↗ Risk analysis
  
- ↗ Our professional teams can help investors discover potential risks that was neglected by international investors for China's special environments

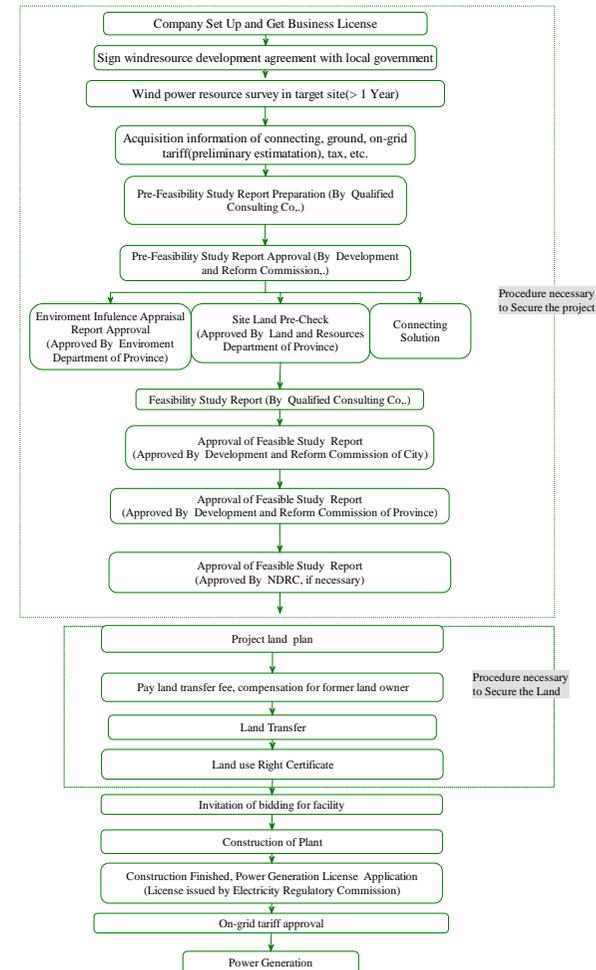
# Cases

- For that wind park case
  - Is the wind-resource ok? We will get data from authorities and verify whether the information obtain by investors is reliable.



# Cases

- ✦ We will help customer find potential risks that was neglected by international investors:
  - ✦ On-grid tariff (feed-in tariff) cannot be fixed before the investment
  - ✦ Investors cannot know the profit without this information
  - ✦ Approval system in China is complicated



Complicated Approval Procedure

# Our service in Investments Due Dilligence

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- ✦ Our professional teams will help clients across all phase of the investment to provide instant opinion
  - ✦ We take part in key meetings of the investment and give instant advice to help investors avoid serous mistakes.
  - ✦ We visit important sites to verify key factors
  - ✦ We will analysis contracts and put forward our professional opinion when urgent
- ✦ Finally we will finish professional Due Diligence Report for investor's final decision making.



# Our service in Investments Due Dilligence

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- ✦ Different from Accounting Firm and Law Firm, Our service include, but is not limited in accounting, laws or credit risks
- ✦ Our professional team can provide service with integration of strategy, market, technology, law ,management.
- ✦ So we can help investors more powerful in Chinese market



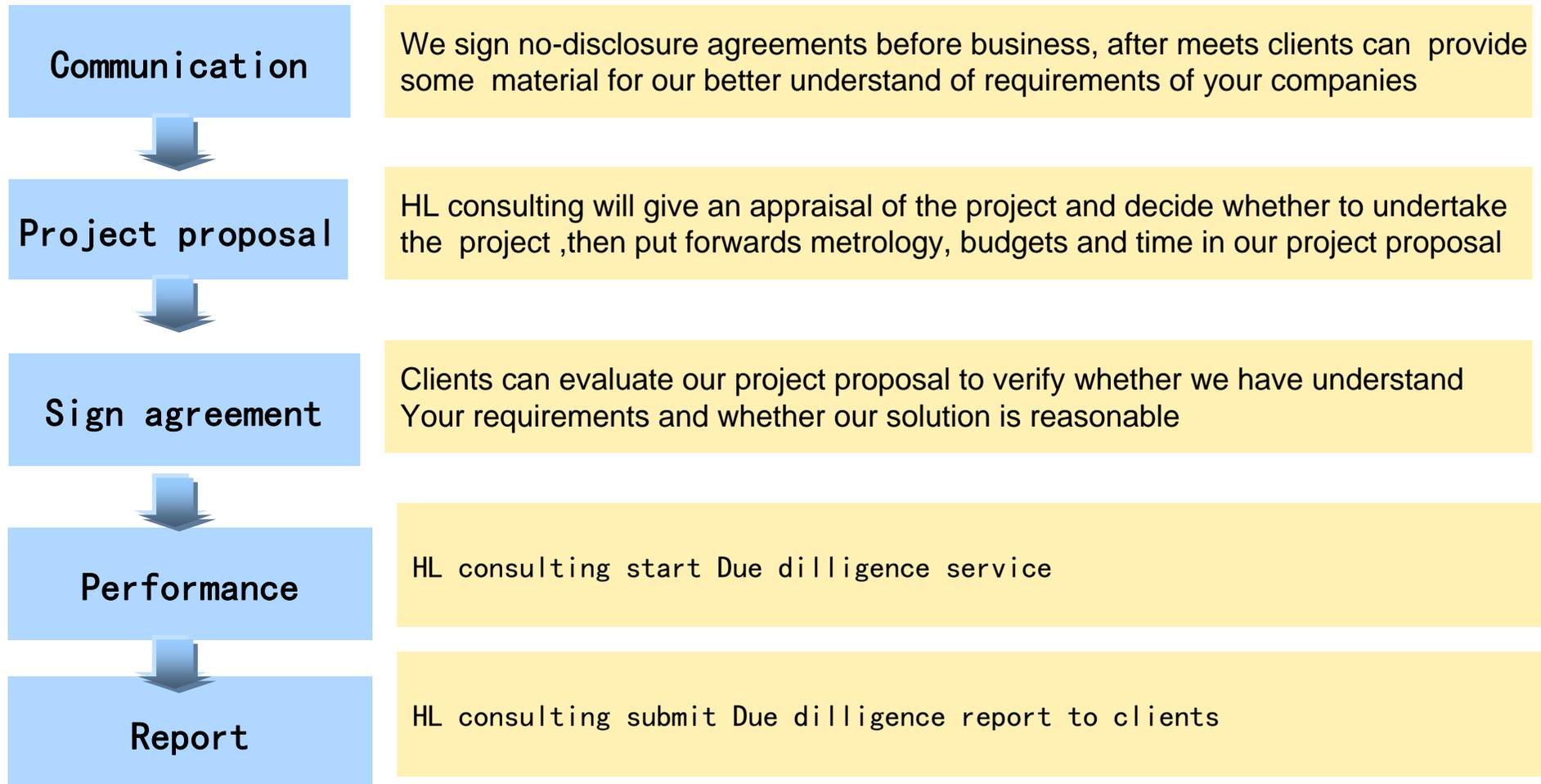
# Mergers, and acquisitions Due Dilligence

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- ✦ HL Consulting's *Mergers, and acquisitions Due Dilligence* are specially designed to valuation the feasibility, benefits of merger and acquisition and to discover potential risks.
- ✦ The service are mainly focused on the following factors
  - ✦ Credit investigation for Project partners
    - ✦ Legal Document
    - ✦ Financial & accounting
    - ✦ Business Enviroment
    - ✦ Marketing and sales
    - ✦ Human resources
    - ✦ Information systems
    - ✦ Competition
    - ✦ Related party transaction
    - ✦ Corporate Governance
  - ✦ Investment risk analysis
  - ✦ Market prospect analysis
  - ✦ Financing proposal
  - ✦ Legal measure proposal



# How to start Due Dilligence with HL consulting



# Time and cost

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- ↖ Time and cost are based on the following factors
  - ↖ Difficult of the projects
  - ↖ Requirements of the customer
  - ↖ Location
  - ↖ Purpose of the Due Dilligence
- ↖ For HL Consulting's projects, usually can be finished in 1-1.5 month and cost range from 15 thousand USD to 70 thousand USD

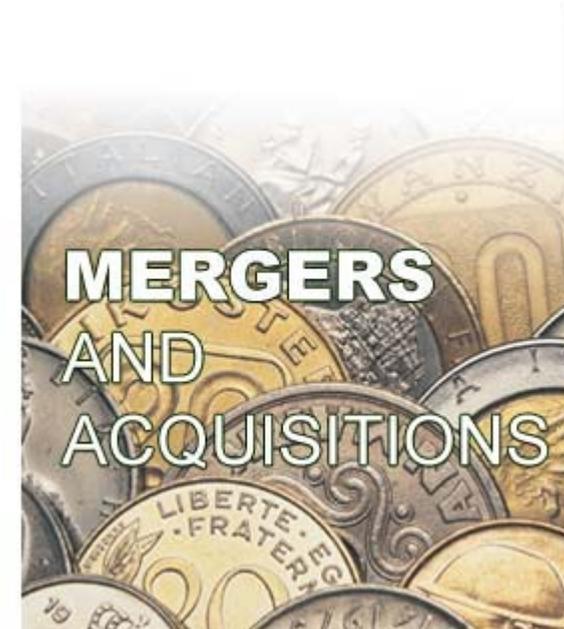
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## M & A

# Our service

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- ✦ Mergers & Acquisitions are a necessary part of business today.
- ✦ "Build versus buy" decisions are often at the crux of a merger or acquisition consideration.
- ✦ Getting this decision right can mean business growth, market leadership, and faster delivery of solutions to market. Getting it wrong can mean lost opportunities and a market follower at the back of the pack.
- ✦ If you "buy", merge or acquire is just the initial decision.



# Our service

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- ↗ HL Consultant's merger and acquisition service include
  - ↗ Analysis necessary of feasibility of merger and acquisition
  - ↗ Find target enterprises
  - ↗ M & A Scheme( Valuation of enterprise, arrangement of employee, analysis of different ways of M & A )
  - ↗ Negotiation,
  - ↗ Financing



# HL Consulting's Advantage

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- ↖ HL Consultant has all of the financial reports of enterprises with revenue 5 million RMB in China, so we can find target enterprises very quickly
- ↖ HL Consultant has deep industry knowledge in a lots of industries and can have a sound appraisal of feasibility and possible of integration of M&A
- ↖ HL Consultant can help financing during M & A

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## Customers

## ❖ Our Main Customers

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- Accenture
- BASF Aktiengesellschaft
- BHP Billiton
- Centro di Ahi Studi CASCC
- COMPANHIA VALE DO RIO DOCE
- DaimlerChrysler
- Dakin Property S.L
- ENVIRGY GMBH
- Groen Brother's Aviation
- Honeywel
- ICF Consulting
- INSEAD FR
- INVISTA
- Japan Technical Information Service



## ❖ Our Main Customers

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- JATISSK TELECOM CO LTD KR
- KPMG International
- LLAG (Lurgi Lentjes)
- McKinsey & Company
- Metec ltd
- Mitsubishi Corporation
- NTC s.r.l
- Putzmeister Co.
- Sepco SA.
- STF S.p.A.
- Thales Corporate
- The Boston Consulting Group
- The Parthenon Group
- Viessmann

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## about HL Consulting

# Profile of HL Consulting

- ✦ Beijing HL Consulting Co., Ltd was set up in Jan, 2005
- ✦ Total number of employee reached 100 by Aug 2012
- ✦ By Aug 2012, we have 2800 customers and about 500 of those are international companies.
- ✦ We have setup branch in over 10 key cities in China.



# Network



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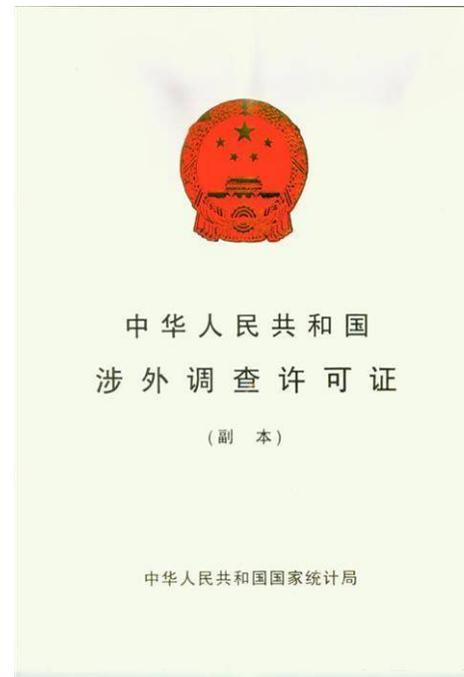
# License

- Beijing HL Consulting Co., Ltd got license from National Development and Reform Commission (NDRC) in China.
- According to the license, we can help investors , including foreign investors, prepare feasibility reports and energy appraisal reports, with these reports, the projects can be approved by NDRC according to Chinese policy.



# License

- Beijing HL Consulting Co., Ltd got market research license from National Bureau of Statistics of China
- According to the license, we can carry out market research for foreign investors across China.



# Contact us

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Beijing HL Consulting Co., Ltd

Mr. SHEN Wei

Add:Room A803/A805, Tower A, Golden Prosperity Center, No.11,  
Guangqu Road, Chaoyang District, Beijing, PRC. 100124

Tel: 0086-10-67716526

Mobile:0086-13911268021