



Market Research Service of HL Consulting Co., Ltd

Aug 2008

Beijing HL Consulting Co., Ltd

Disclaimer: The information contained in this document is intended only for use during the presentation and should not be disseminated or distributed to parties outside the presentation. HL consulting accepts no liability whatsoever with respect to the use of this document or its contents.

Table of content

- ↗ Profile of HL Consulting
- ↗ Market Research Experience
- ↗ Feasibility Study Report
- ↗ Business Plan Service
- ↗ Contact us

1

Profile of 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.



Disclaimer: The information contained in this document is intended only for use during the presentation and should not be disseminated or distributed to parties outside the presentation. HL consulting accepts no liability whatsoever with respect to the use of this document or its contents.



Network



Disclaimer: The information contained in this document is intended only for use during the presentation and should not be disseminated or distributed to parties outside the presentation. H.L. consulting accepts no liability whatsoever with respect to the use of this document or its contents.

Key customers

- ✧ 瑞士银行 (UBS)
- ✧ 中国中化集团公司 (Sinochem Group)
- ✧ 摩根士丹利 (Morgan Stanley)
- ✧ 住友电气工业株式会社 (Sumitomo)
- ✧ 霍尼韦尔国际公司 (Honeywell International)
- ✧ 韩国浦项制铁公司 (POSCO)
- ✧ 中国中信集团公司 (Citic Group)
- ✧ 宝钢集团有限公司 (Baosteel Group)
- ✧ 埃克森-美孚 (Exxon Mobil)
- ✧ 必和必拓 (BHP Billiton)
- ✧ 巴斯夫公司 (BASF)
- ✧ 摩根大通 (J.P. Morgan Chase & Co.)
- ✧ 戴姆勒股份公司 (Daimler)
- ✧ 汇丰控股 (HSBC Holdings)
- ✧ 西门子 (Siemens)
- ✧ 阿塞洛-米塔尔 (ArcelorMittal)
- ✧ 中国建设银行 (China Construction Bank)
- ✧ 蒂森克虏伯 (ThyssenKrupp)
- ✧ 瑞士信贷 (Credit Suisse)
- ✧ 中国中钢集团公司 (Sinosteel)
- ✧ 巴西淡水河谷公司 (Vale)
- ✧ 埃森哲 (Accenture)
- ✧ 韩国现代重工集团 (Hyundai Heavy Industries)
- ✧ 英美烟草集团 (British American Tobacco)
- ✧ 渣打集团 (Standard Chartered Group)
- ✧ 英美资源集团 (Anglo American)
- ✧ 美铝公司 (Alcoa)
- ✧ 雷诺 (Renault)
- ✧ 阿尔斯通 (Alstom)
- ✧ 中国冶金科工集团公司 (China Metallurgical Group)
- ✧ 中国航空工业集团公司 (Aviation Industry Corp. of China)
- ✧ 中国五矿集团公司 (China Minmetals)

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.



2 Market Research Service



Disclaimer: The information contained in this document is intended only for use during the presentation and should not be disseminated or distributed to parties outside the presentation. HL consulting accepts no liability whatsoever with respect to the use of this document or its contents.

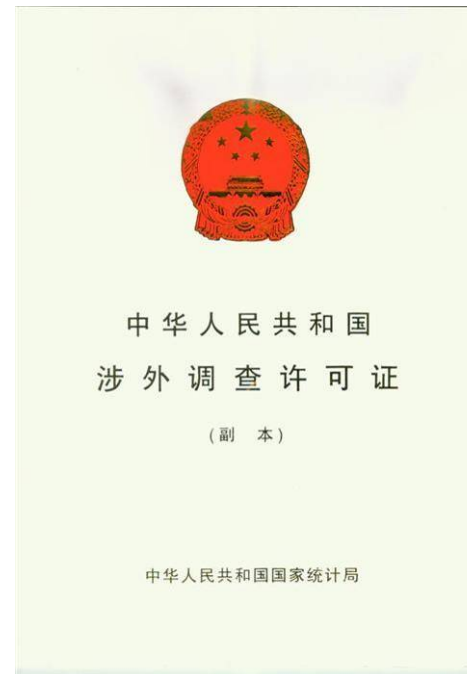
Introduction

- ✦ Beijing HL Consulting Co., Ltd is one of best-known market research companies in China
- ✦ We are capable of offering market research service tailored to the needs of clients, we can help customers have an insight of Chinese market or refine their current China strategy.
- ✦ Our industry include service industry, light industry and heavy industry.



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.

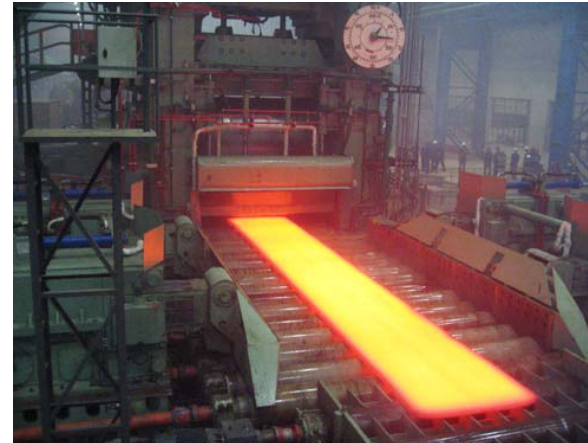


Steel and Iron Ore

- ✦ We provide the following market research service in steel and iron ore industry
 - ✦ Current status and forecast of production, consumption, price, supply chain, import & export of steel products (steel tube, plate and others), coke and coking coal, stainless steel , Steel Scrap, in China, Equipment of steel enterprises in China
 - ✦ Reserve, grade, production of key iron ores in China
 - ✦ Expansion plans of domestic iron ore projects in China
 - ✦ Current overseas iron ore projects in China
 - ✦ Iron ore procurement details of each Chinese steel mills
 - ✦ Details of Chinese pellet and sinter plants in China
- ✦ We are famous in market research in iron ore resources, seamless steel tube , heavy plate industries in China

Case——Medium and heavy plate market

- ✧ HL consulting finished the market study of Medium and Heavy plate market in China in 2007 for a famous international ship building enterprise
- ✧ The scope of service includes
 - ✧ Production, consumption, import and export of heavy plates in China
 - ✧ Lists of heavy plates lines in China and future expansion plans
 - ✧ Forecast of production capacity and demand in the future
 - ✧ Development of Chinese shipbuilding industry and demand for heavy plate
 - ✧ Heat treatment equipments



Machinery

- ✦ We provide the following market research service in machinery industry
 - ✦ Market demand forecast, market demand estimation in China
 - ✦ Competitive landscape and market shares, market share of top manufacturers
 - ✦ Evaluation of current industry capacity and expected future capacity (capacity additions)
 - ✦ Current pricing and pricing trends
 - ✦ Customer / buyer interviews, vendor reputation, buying criteria, future demand, industry trends
 - ✦ Relevant government policies & industry guidance
 - ✦ Typical selling terms and conditions
 - ✦ Other unique industry attributes / issues
- ✦ We are famous in market research in boiler, transformer, construction and mining equipments, agricultural equipments, oil and gas equipments industries in China

Case—Boiler market in China

- ✎ HL consulting finished the market study of boiler market in China in 2008 for a famous international enterprise
- ✎ The scope of service includes
 - ✎ Volume of market, market segments and their development
 - ✎ Technologies mostly used by different market segments and their development
 - ✎ Analysis on major customers/customer groups, their boiler preferences and investment plans.
 - ✎ Competitive situation, major competitors and their key information, such as current capacity, market share, expansion plan, technical level, financial figures and etc.
 - ✎ Market prices of target products, their supply vs demand, and trend of market price development.
 - ✎ Relevant state policies and industrial policies
- ✎ The products covers
 - ✎ Heat treatment equipments
 - ✎ BFB (Bubbling Fluidized Bed) For Bio-fuel Applications
 - ✎ CFB (Circulating Fluidized Bed) For Multi-fuel Solutions (Coal/Bio/REF) & Sewage Sludge
 - ✎ Waste Heat Boilers
 - ✎ Waste Burning Boilers
 - ✎ Grate Fired Boilers
 - ✎ Recovery Boiler, especially for medium and smaller application in Pulp and Paper Industry.

No-ferrous and related ores

✦ We provide the following market research service in No-ferrous products

✦ Current status and forecast of production, consumption, price, supply chain, import & export of No-ferrous products including:

✦ Aluminum
✦ Antimony
✦ Cobalt
✦ Copper
✦ Gold
✦ Lead
✦ Molybdenum

✦ Magnesium
✦ Nickel
✦ Rare Earth
✦ Silver
✦ Titanium
✦ Tungsten
✦ Zinc

✦ Market research on ores including information of current reserve, grade, mining cost, distribution map of ores, market price, distance of mines to refineries, taxes and likelihood of changes in royalties/taxes in the future in China, type of ores including:

✦ Antimony
✦ Bauxite and Alumina
✦ Chromium
✦ Cobalt
✦ Copper
✦ Gold
✦ Lead
✦ Zinc

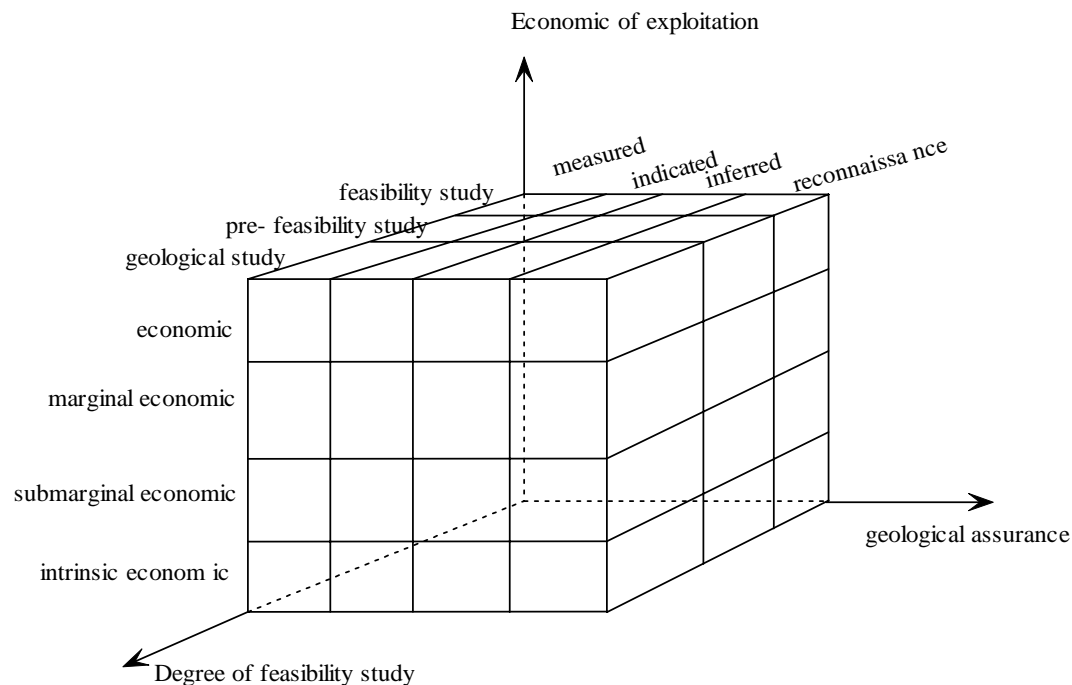
✦ Magnesium
✦ Molybdenum
✦ Nickel
✦ Silver
✦ Tin
✦ Titanium
✦ Tungsten
✦ Vanadium

Case——Bauxite Resource Market Research

- ✦ HL consulting finished the market study of Bauxite Resource in China in 2008
- ✦ The scope of service includes:
 - ✦ Reserve, basic reserve and Grade of Bauxite in China, with emphasis on Shanxi, Guangxi, Guizhou and Henan Province but include other provinces
 - ✦ Current split between open pit and underground ,and in the next 5 years the percent of these mines that would change to underground/open pit
 - ✦ Average cost for China, average cost by province, average cost of open pit and average cost of underground (legal and illegal)
 - ✦ Percent of mines selling bauxite as 3rd party market and % integrated mines
 - ✦ Market price
 - ✦ Distance of mines to refineries (on map)
 - ✦ Photos of operation (underground and open pit)
 - ✦ Taxes and likelihood of changes in royalties/taxes in the future
 - ✦ Costs of starting up a bauxite mine – approvals required for local vs foreign company
 - ✦ Opportunity for a foreign company to secure a good bauxite mine/source
 - ✦ Purchase volume, technical requirements of each enterprise
 - ✦ Specification of purchase of each customer

Notice—Classification principles of Chinese system for minerals

- ✧ Introduction to History of Classification system in China
 - ✧ China's Classification for resources /reserves of solid fuels and mineral commodities is developed from Soviet Union.
 - ✧ In 1971, China's complete Classification system is set up, and resources /reserves are classified as four Grades, ie; A,B,C,D reserves, after 1999, new system is introduced and the system is effective presently. Chinese government plans to refine the system, the work start in 2008 and currently it is not clear when the new system will be implemented



Notice—Classification principles of Chinese system for minerals

- ✦ Classification principles of Chinese system
 - ✦ China classifies known (identified) mineral resources according to three parameters: degree of assurance of occurrence (degree of geological assurance), degree of feasibility study, and economic of exploitation.
 - ✦ Degree of assurance of occurrence (degree of geological assurance) takes account of information on quantity (tonnage) and chemical composition (grade);
 - ✦ Degree of feasibility study: means three level of feasibility study, feasibility study, pre- feasibility study, and geological study. The feasibility study is the most detailed.
 - ✦ Economic of exploitation. takes account of changing economic factors such as commodity prices, operating costs, capital costs, and discount rates.

Notice—Classification principles of Chinese system for minerals

<div>geological assurance ↕</div> <div>↕</div> <div>Economic status of exploitation ↕</div>	total identified mineral resources ↕			undiscovered resources ↕
	measured ↕	indicated ↕	inferred ↕	reconnaissance ↕
economic ↕	proved extractable reserve (111) ↕	↕	↕	↕
	basic reserve (111b) ↕	↕	↕	↕
	probable extractable reserve (121) ↕	probable extractable reserve (122) ↕	↕	↕
	basic reserve (121b) ↕	basic reserve (122b) ↕	↕	↕
marginal economic ↕	basic reserve(2M11) ↕	↕	↕	↕
	basic reserve(2M21) ↕	basic reserve reserve(2M22) ↕	↕	↕
submarginal economic ↕	resource(2S11) ↕	↕	↕	↕
	resource(2S21) ↕	resource2S22) ↕	↕	↕
intrinsic economic ↕	resource(331) ↕	resource(332) ↕	resource(333) ↕	resource(334)? ↕

↕ For three number symbol

↕ The first character means: 1:economic; 2M marginal economic; 2S submarginal economic; 3 in intrinsic economic, ? economic-interest undefined

↕ The second character means the degree of feasibility study: 1 feasibility study, 2 pre-feasibility study, 3 geological study

↕ The third character means the assurance of occurrence

↕ 1:Measured; 2 indicated; 3inferred; 4:reconnaissance; b: loss during the mining or design is not deducted

Reserve
Basic reserve
Resource
 ↕ parties outside the presentation. HL consulting accepts no liability whatsoever with respect to the use of this document or its contents.

ted to



Energy

- ✧ We provide the following market research service in energy
 - ✧ Power industry
 - ✧ Windpower equipment market research, Wind park investment feasibility study
 - ✧ On Grid Tariffs and End User Tariffs market research
 - ✧ Power grid and equipment market, power grid investment market
 - ✧ Bio-diesel market in China
 - ✧ Coal Industry
 - ✧ Coal reserve, production, consumption, price, transportation, import and export
 - ✧ Coal mechanical products market research
 - ✧ Energy-saving and emission reduction market in China

Case——Bauxite Resource Market Research

- ✎ HL consulting finished the market study of Bauxite Resource in China in 2008
- ✎ The scope of service includes:
 - ✎ Reserve, basic reserve and Grade of Bauxite in China, with emphasis on Shanxi, Guangxi, Guizhou and Henan Province but include other provinces
 - ✎ Current split between open pit and underground ,and in the next 5 years the percent of these mines that would change to underground/open pit
 - ✎ Average cost for China, average cost by province, average cost of open pit and average cost of underground (legal and illegal)
 - ✎ Percent of mines selling bauxite as 3rd party market and % integrated mines
 - ✎ Market price
 - ✎ Distance of mines to refineries (on map)
 - ✎ Photos of operation (underground and open pit)
 - ✎ Taxes and likelihood of changes in royalties/taxes in the future
 - ✎ Costs of starting up a bauxite mine – approvals required for local vs foreign company
 - ✎ Opportunity for a foreign company to secure a good bauxite mine/source
 - ✎ Purchase volume, technical requirements of each enterprise
 - ✎ Specification of purchase of each customer

Cost and performance

- ✦ The cost and time of the service will usually change with the detailed requirements of customers and different sectors, we will provide project proposal with detailed cost and performance after we get the requirements of customers

- ✦ Usually the cost and time are:
 - ✦ 20-50 K USD and 1-4 month for difficult tasks
 - ✦ 10 K USD and 1-2 month for some simple tasksCustomers can send the requirements to SW@HLconsulting.cn

Customers can send the requirements of market research to SW@HLconsulting.cn

3 Feasibility Study Report

Introduction

- ✦ We can prepare feasibility study reports for the following purpose
 - ✦ Feasibility study reports for approval of National Development and Reform Commission (NDRC) of People's Republic of China, we got the highest qualification from NDRC
 - ✦ Feasibility study reports for registration of corporation in China
 - ✦ Feasibility study reports for bank loan and financing
 - ✦ Feasibility study reports for decision of business partners
 - ✦ Feasibility study reports of VAT reduction in China
 - ✦ Feasibility study report for approval of overseas investment of Chinese enterprises.

Industry with qualification

- ✦ For feasibility study reports for approval of NDRC, we got the qualification in the following industries
 - ✦ Natural gas and petroleum
 - ✦ Chemical and medicine
 - ✦ Machinery
 - ✦ Light industry
 - ✦ Textile
 - ✦ Agriculture
 - ✦ Construction materials
 - ✦ Electronic
 - ✦ Construction and realestate
 - ✦ Agriculture
 - ✦ Forestry
 - ✦ Municipal utilities (water supply and drainage)
 - ✦ Hydrogeological
 - ✦ Engineering Survey
 - ✦ Geotechnical Engineering

4

Business Plan Services

Introduction

- ✦ Beijing HL Consulting Co., Ltd is a professional business plan consulting firm that helps companies develop investor-grade business plans to move down the road towards a successful capital or strategic transaction.
- ✦ We have finished more than 200 professional-grade business plans for our clients at nearly every stage of development.
- ✦ Our team has prepared business plans for clients seeking various levels of capital ranging from seed investments to hundreds of millions in debt and equity financings.



Business Plan

- ✚ Business plan is critical to **successful finance**, however it is not easy to prepare an excellent business plan.
- ✚ You may know the operation of your business, however you may not know how to express your idea **clearly and logically** and be accepted by investors, what is more .
- ✚ You need more intelligence in financing to maximize your interests.

Business Plan

✚ Business plan covers extensive analysis including :

- production,
- technology,
- law,
- financing,
- accounting,
- market and marketing,
- risk analysis.

Business Plan

➤ With our effective consulting service and business intelligence in lots of industries , we can clearly understand :

- the **business model**,
- products and services,
- production,
- marketing,
- fund request,
- competition of our clients,

so we make the integration of our experience and professional knowledge with your information.

Business Plan

- ✦ We can provide high quality market analysis for we are also a famous market research and business intelligence company, and so put forward **better competition strategy and marketing strategy** .
- ✦ We have **engineers and experts** in lots of industries to finish the technology and production part of business plan. We actually have professionals in accounting, law, investment scheme design and funding request.
- ✦ By leveraging our experience in the capital markets, our team offers **customized business planning services** that facilitate financial transactions and business growth for clients.

Business Plan

✚ Our clients **rely on us to** develop business plans, selling memorandums, financial projections and investor presentations to help them:

- Raise equity from venture capitalists, private equity firms, angels and other investors
- Secure debt financing from banks, financing companies or leasing firms
- Merge, acquire or divest their company, division or subsidiary
- Present new opportunities to strategic investors or partners
- Gain interest from potential management teams and board members
- Intelligently plan and document their growth objectives and strategies

Cases

✧ Machinery

- ✧ Pump Plant Business Plan of Jiangsu Changyuan Power Co., Ltd
- ✧ Transmission Plant Business Plan of Dongheng Power Co., Ltd
- ✧ Transmission shaft Plant Business Plan of Shanghai Bao'an Co., Ltd
- ✧ Casting and forging plant Business Plan of Profund Group
- ✧ Special purpose vehicle plant Business Plan of Profund Group
- ✧ Engine plant Business Plan of Profund Group
- ✧ Boiler Business Plan of Hebei Baoding Taihang Group

Cases

✧ Electronics

- ✧ Business Plan of Hongguang Co., Ltd

- ✧ Business Plan of Indra Rada Plant in China

- ✧ Car Navigator System Business Plan of Yatai'anxun Co., Ltd

Cases

- ✦ Energy and Metallurgical
 - ✦ Business Plan of silicon-manganese ferroalloy plant in Taojiang city of Hunan province
 - ✦ Business Plan of steel tube plant of Tianchang Group
 - ✦ Carbon Electrode Expansion Project (Annual Output of 40 K tons/a) Business Plan of Ningxia Yonvey Coal industry Co.,Ltd
 - ✦ Business Plan of Bio-diesel plant of Beijing ZhongZhi Lihua Technology Development Ltd
 - ✦ Business Plan of Haozhi Coal Mine in Guizhou province
 - ✦ Business Plan of Hongshan Coal Mine of Xinjiang production and construction Corp
 - ✦ Business Plan of High Performance Universal Lubrication Oil of First energy Co., Ltd

Cases

- ✦ Food, agriculture and forest
 - ✦ Business plan of Panxing Group
 - ✦ Business plan of furfural plant of Zhuzhuang Co., Ltd in Jilin province
 - ✦ Business plan of Wood gathering plate plant in Fujian province
 - ✦ Business plan of import Wine into China of Nam Kwong(Group) Company Limited

Case

✦ Transportation

- ✦ Business Plan of Phoenix General Aviation Co., Ltd
- ✦ Business Plan of Puhui Lianyun Logistics Co., Ltd

Case

- ✦ Internet
 - ✦ QTSTAR net Business Plan
 - ✦ Business Plan of ML945.com
 - ✦ Business Plan of www.hua2.com
 - ✦ Business Plan of HihomeChina.com

Cases

✧ Real estate

- ✧ Business Plan of Luoyang Royal City of Luoyang Kangdu Real estate Co., Ltd
- ✧ Business Plan of Royal Palace Real Estate Development Project of ShenYang YongFeng Real estate Development Co., Ltd
- ✧ Business Plan of Real estate Project in Suqian city in Jiangsu province
- ✧ Business Plan of Wanxinyuan Park in Hengshui city in Hebei Province

Cases

↖ Medical

- ↖ Business Plan of Rabies vaccine
- ↖ Business Plan of Lunan Hospital
- ↖ Business Plan of Aprotinin Plant of Beijing Luosheng Co., Ltd
- ↖ Business Plan of Yuanping Hospital in Shanxi Province
- ↖ Business Plan of MD JAPAN
- ↖ Business Plan of Hainan Gaosheng Medical Co., Ltd
- ↖ Business Plan of Subbing Spray Series (New Drugs) of Beijing Zhengguang Hengye Controlled Release Preparation Research Institution

5

Our customers

Our Main Customers

- 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

- 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

6

Contact us

Contact us



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