

Profile and Services

CP ARCS, INC.

AWCPA Accounting Japan



CP ARCS

AWCPA
Accounting Japan **AAJ**



Our Mission



By collaborating on key themes through our ARC approach, we transform individual “Arc” into comprehensive solutions that drive digital and international growth, enhance complex financial operations, and contribute to the robust development of the Japanese economy.



Our Value

- ◆ Elevating success with core 2 pillars: world-class global and digital expertise
- ◆ A diverse global and domestic professional network



Our Quality

- ◆ More than 10 years experience including overseas assignment in Big4 as a manager
- ◆ Well-versed in IFRS and US GAAP, PCAOB and AICPA standard, Financial Instruments and Exchange Act and Corporate Act in Japan



Our Philosophy

- ◆ Leveraging extensive risk management experience to rigorously support risk mitigation, resulting in maximize true corporate value
- ◆ Partnering Closely with Clients to Uncover and Address the Core Issues



Strength of CP ARCS, INC. and AWCPA Accounting Japan

01

Client's needs

Looking for CPAs who can communicate seamlessly in English and directly handle overseas matters.

02

Client's needs

Looking for CPAs well-versed in IFRS and US GAAP.

03

Client's needs

Seeking support from CPAs with proven track records in ensuring high-quality services.

04

Client's needs

Would like a reasonable and transparent fee proposal.

05

Client's needs

Looking for CPA well-versed in IT system, implementing advanced management and optimizing operation.

Strength 1

Our CPAs with **several years of overseas experience at Big4** communicate **seamlessly in English** and **directly handle overseas matters**.

Strength 2

Our CPAs are **well-versed in IFRS and US GAAP** based on the experience of providing related services to **the listed companies in US and Japan with more than 15 years**.

Strength 3

Our CPAs with **over 10 years of experience at Big4**, having cultivated **world-class quality standards**, provide support.

Strength 4

Our fee is determined **based on the average actual rates published by JICPA***, with necessary adjustments, to make our fee **reasonable and transparent to our clients**.

Strength 5

Our CPAs with the extensive experience of **system implementation, implementing advanced management and optimizing operation** to the **top-tier companies**.

Business Overview



We provide high-quality assurance, consulting and accounting services based on the extensive experience in Big4 including PCAOB audit with our strength of global support, and technological and efficient improvement support.



* CP ARCS, INC.
(<https://cparcs.co.jp/>)



Aki Wakaida

Co-CEO of CP ARCS, INC.

Managing Director of AWCPA Accounting Japan

**Japanese CPA,
US CPA(Delaware)(Inactive)**

After 12 years association in KPMG AZSA LLC and KPMG Silicon valley office in US, Aki founded CP ARCS, INC. and AWCPA Accounting Japan. With over 15 years of experience as a CPA, Aki has been engaged in both audit and consulting services and is well-versed in IFRS and US GAAP.

Aki has been primarily managing companies listed on the NYSE and Japanese market in accordance with ISA, PCAOB, and related Japanese laws in audit services, and providing support for IFRS and US GAAP implementation, cross boarder management for foreign parent companies / subsidiaries including internal control establishment in consulting services.



Manabu Ichiyama

Co-CEO of CP ARCS, INC.

Managing Director of Ichiyama Accounting Office

**Japanese CPA,
Fundamental information technology engineer**

After 12 years association in KPMG AZSA LLC , Manabu founded CP ARCS, INC. and Ichiyama Accounting Office. With over 15 years of experience as a CPA, Manabu has been engaged in both audit and consulting services.

Manabu has been primarily engaged in listed companies in Japan as an in-charge in audit service and providing support in developing and structuring management divisions, supporting the implementation of accounting systems, facilitating the adoption of RPA, supporting the development and implementation of management accounting and cost accounting in consulting service.

Assurance Services

AWCPA Accounting Japan

Available Assurance Services

⊙ Support available

○ Support available depending on the specifics

		Type of Assurance Services					
		Audit		Review	Assurance other than Audit and Review	AUP	Referred Audit
		Statutory	Non-Statutory				
Financial Reporting Framework	IFRS	⊙	⊙	⊙	⊙	⊙	⊙
	US GAAP	⊙	⊙	⊙	⊙	⊙	⊙
	JGAAP	⊙	⊙	⊙	⊙	⊙	⊙
	Group Policy	⊙	⊙	⊙	⊙	⊙	⊙
	Others	○	○	○	○	○	○

- ✓ "Audit" and "Review" represent assurance services in accordance with the Generally Accepted Auditing Standard (GAAS) or Reviewing Standard under ISA, AICPA rule and Japan.
- ✓ "Referred Audit" represents the component audit for consolidated reporting package, which is categorized in Assurance Services in our firm as accordance with GAAS is generally required in the component audit.
- ✓ "For reference Other Services" represents services provided as a consulting service without being required to be accordance with assurance standards.
- ✓ "Others" in "Financial Reporting Framework" includes GAAP other than IFRS and US GAAP, and accounting standards required in public corporation and so on.

* Support in English are available for all services above

Strength 1

Direct Handling Overseas Matters With Fluent English Skill

AWCPA Accounting Japan

Needs 01

- Looking for CPAs who can communicate seamlessly in English and directly handle overseas matters.

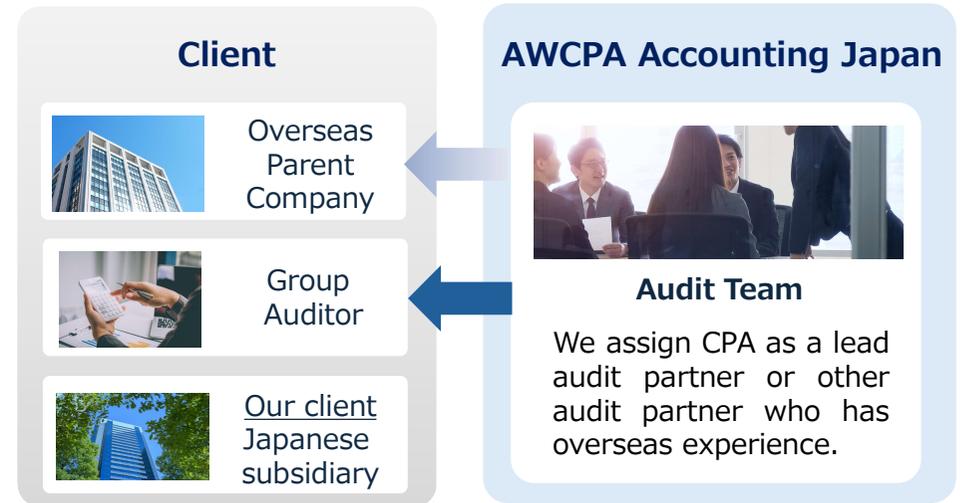
Our CPAs with several years of overseas experience at Big4 communicate seamlessly in English and directly handle overseas matters.

Service for Japanese companies

Service for Japanese subsidiary of overseas company



Preparation of audit instruction, and e-mail and web meeting communication in English



Preparation of audit reporting, and e-mail and web meeting communication in English

Strength 2 CPAs with IFRS and US GAAP Experience over 15 years

AWCPA Accounting Japan

Needs 02

- Looking for CPAs well-versed in IFRS and US GAAP.

Our CPAs are well-versed in IFRS and US GAAP based on the experience of providing listed companies in US and Japan with those services over 15 years.

Experience and know-how of our CPAs over IFRS and US GAAP

Several years experience of overseas assignment at Big4



To support your needs, we assign CPAs who have handled a vast amounts of inputs and outputs in English, gaining experience with IFRS/US GAAP while competing with top-tier global rivals in overseas Big4.

Track record to numerous listed companies in US and Japan.



Our CPAs has extensive experience in providing audit and advisory services under IFRS and US GAAP to companies listed on the NYSE, NASDAQ in the US, and the Prime, Standard, and Growth markets in Japan.

Training system to catch up accurate and refined knowledge



Our CPAs catch up knowledge on IFRS and US GAAP directly from the original English-language sources, issued by Big4 as well as IFRS, FASB, which ensure our CPAs stay updated with the most accurate and refined information.

@CP ARCS, INC.
@AWCPA Accounting Japan

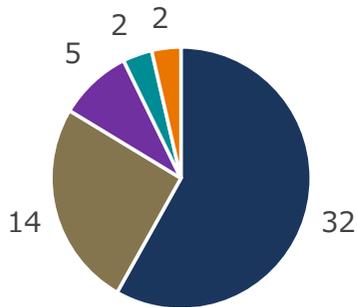
Needs 03

- Seeking support from CPAs with proven track records in ensuring high-quality services

Our CPAs have cultivated the extensive experience over 10 years at Big4, delivering world-class quality support to numbers of listed companies and over 30 industries.

Number of Service provided

Number of companies we supported



This pie chart includes the number during the tenure at Big4.

- Non-listed (IAS)
- Listed in Japan (IAS)
- Non-listed (AICPA)
- Listed in US (PCAOB)
- Listed in other overseas market (IAS)

Our CPAs with the extensive experience over 10 years at Big4, have been providing numerous services under PCAOB, AICPA rule, ISA, Financial Instruments and Exchange Act and Companies Act in Japan.

@CP ARCS, INC.
@AWCPA Accounting Japan

Addressing inspection

Proven experience of successfully addressing professional inspections



Our CPAs are seasoned professionals of risk management based on the experience of successfully passing inspections by PCAOB, Financial Services Agency and Institute of Certified Public Accountants in Japan, and internal auditors at Big4.

Industry & Technology

Proven service history over 30 industries and well-versed in technologies



Our CPAs have served exceed 30 industries. In addition, they possess expertise in IT and CAATs, and are already on the way to make our service more efficient and effective for clients by using several AI.

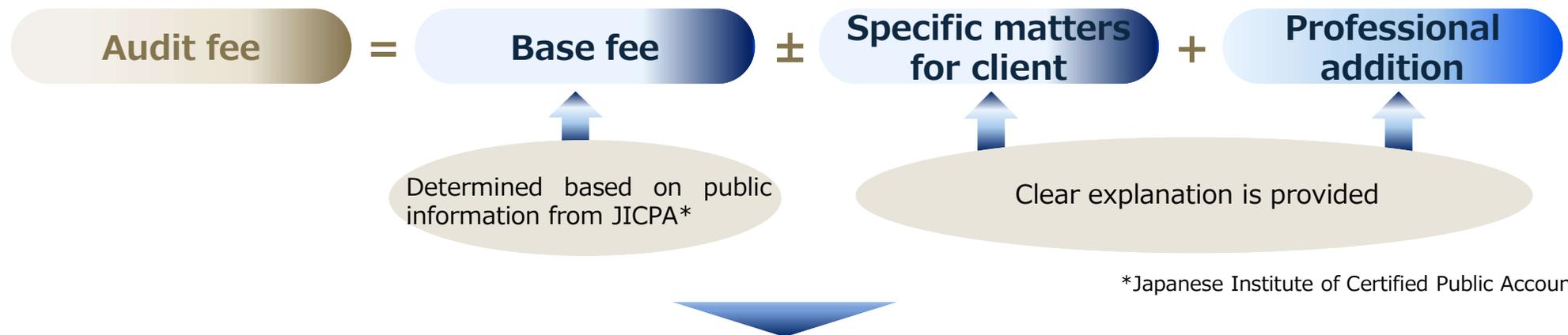
Strength 4 Fee Determined Based on JICPA's Public Information

AWCPA Accounting Japan

Needs
04

- Would like a reasonable and transparent fee proposal

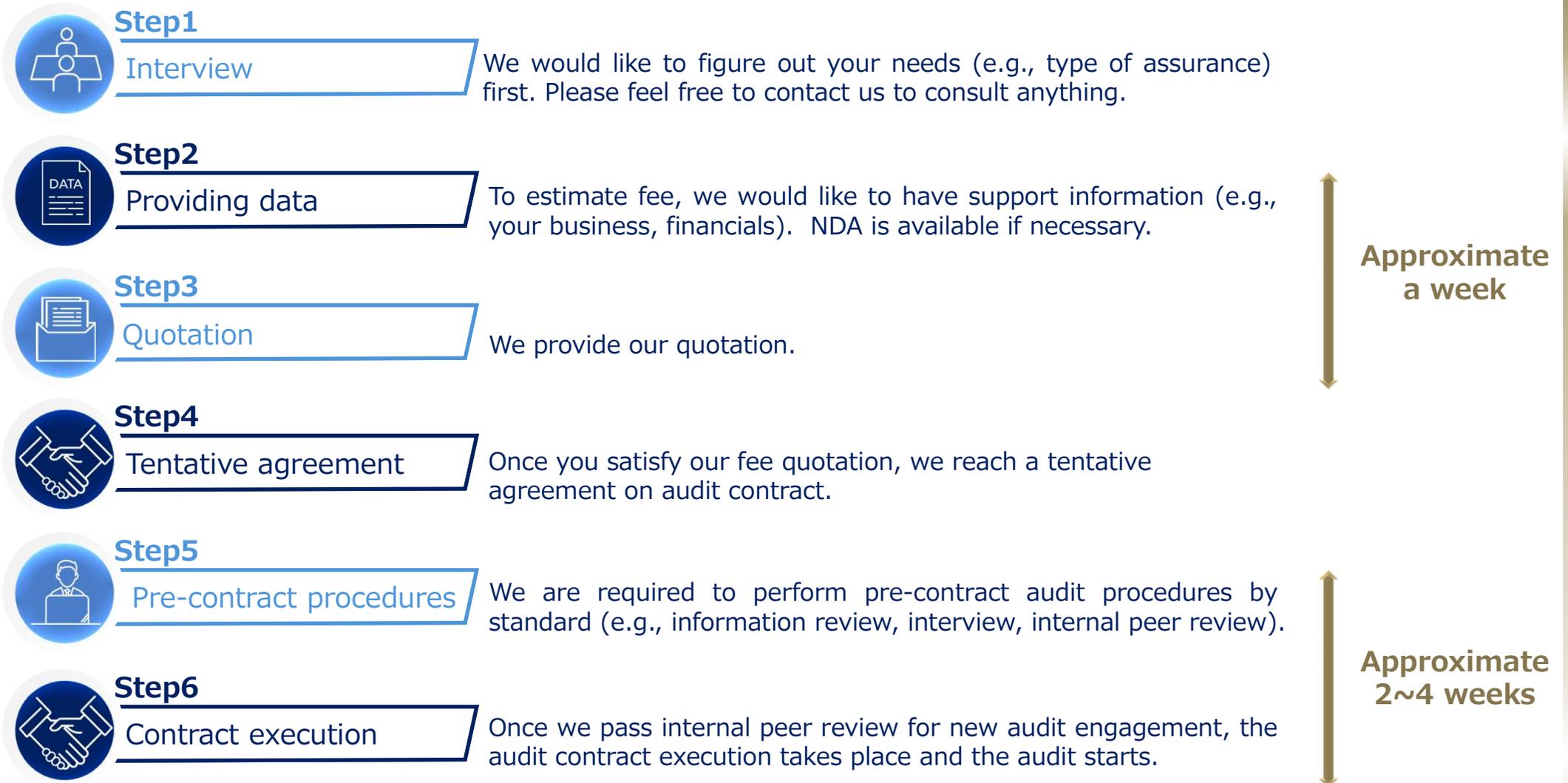
Audit fee determination factors in AWCPA Accounting Japan



To make our fee reasonable and transparent for clients,

- Base fee is determined based on the average actual rates published by JICPA, with necessary adjustments.
 - All fee factors are clearly explained to our clients.
- Please refer to “Fee” page for more detail.

Pre-contract process in 1st year audit





CP ARCS

Consulting Services Accounting Services

CP ARCS, INC.

Consulting Services and Accounting Services

Consulting Services



Management Process & Digital



Global and Cross-boarder



Others (GAAP, disclosure, M&A, IPO)



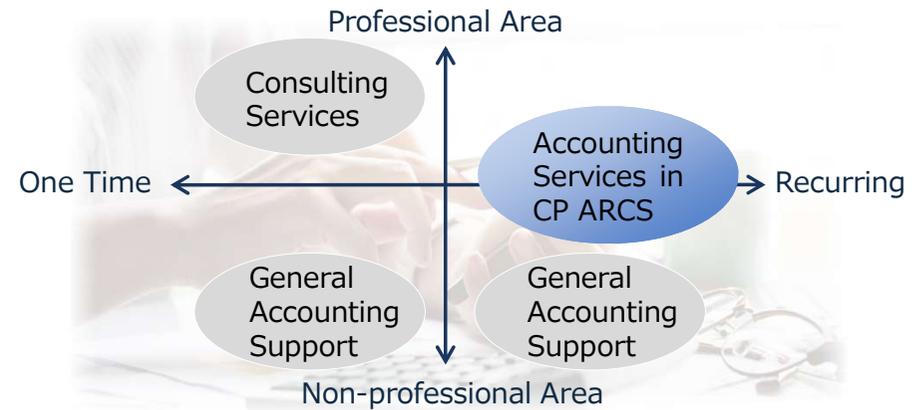
Project-base



Task/Needs-base

- Top-tier CPA forms the best team based on client's needs.
- Non-CPA specialists are available on a consulting team(e.g., valuation specialist, IT specialist, lawyer, tax specialist).

Accounting Services



- Strength 1** Support for advanced, professional and complex area
- Strength 2** Recurring support and reasonable fee
- Strength 3** Full outsourcing solutions, with the flexibility to select only the specific areas needed
- Strength 4** High-quality support by qualified accountants under supervision of CPA

Consulting Services and Accounting Services are provided by CP ARCS, INC. Please visit CP ARCS, INC.'s website and feel free to contact us for any inquiry.

CP ARCS, INC. (<https://cparcs.co.jp/>)

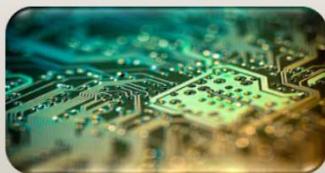
Needs
05

- Looking for CPA well-versed in IT system, implementing advanced management and optimizing operation

In Management Process & Digital service in CP ARCS, our CPAs with the extensive experience of implementation of IT system, advanced management and optimization of operation in the accounting department of top-tier companies.

Track-record of Management Process & Digital

System Implementation Support



- ✓ PMO support in introduction and transition of ERP
- ✓ Support to prepare RFP for system implementation
- ✓ Support to improve managerial accounting with renewal of system

Advanced Management Support



- ✓ Support to strengthen governance in advance of business succession
- ✓ Visualization support of managerial accounting and KPI setting
- ✓ Support of internal control establishment

Optimizing Operation Support



- ✓ Support for implementation of RPA
- ✓ Efficient operation implementation support
- ✓ Digitalization support



Fee

CP ARCS, INC.
AWCPA Accounting Japan



Fee_Assurance Services_Audit (Statutory, Non-Statutory, Referred)

Audit fee

=

Base fee

±

Specific matters
for client

+

Professional
addition

Base fee

Base Fee is determined based on public information of audit fee issued periodically from Japanese Institute of Certified Public Accountant (JICPA). The information, available at JICPA's website, provide historical audit hours and fees per company's size. We use the information as a Base fee to make our audit fee reasonable and transparent for our clients.

[For your reference] Public information of audit fee in 2022 (https://jicpa.or.jp/specialized_field/20231220ggj.html)

Specific matters for client

Specific matters for each client which is not reflected in the Base fee is adjusted to the Audit fee (e.g., pervious audited experience, complexity of business, numbers of group entities, recent economic result and financial position). Specific matters are clearly explained in our proposal.

Professional addition

Professional items are added to the Audit fee, such as:

▶ IFRS, US GAAP (Fee benchmark: 10%~50% of Base fee)

Audit to financial statements in accordance with IFRS, US GAAP and other overseas accounting standards requires more professional skills and, therefore, add-on fee is charged. The fee is determined on the extent of complexity of business, etc. Please feel free to contact us for any inquiry.

▶ English support (Fee benchmark: 10%~50% of Base fee)

We assign members who can support in English if English support is necessary in your audit with additional fee. The fee is determined on the extent of required English level (e.g., e-mail, meeting, reporting). Please feel free to contact us for any inquiry.

Fee_Non-Audit

▶ Assurance Services_Review :

$$\text{Review fee} = \text{Audit fee} \times \text{(Benchmark) 50~80\%}$$

Review fee is basically lower than the Audit fee* as the hours for necessary procedures in review are lower than audit due to lower assurance level. AWCPA Accounting Japan proposes the Review fee based on the Audit fee to make our review fee more reasonable and transparent (Review fee's benchmark is 50~80% of the Audit fee).

*Please refer to page 18. for Audit fee.

▶ Assurance Services_Non-audit, Non-Review :

We provide our service in time-based fee or fixed fee. The quotation is totally determined based on client's needs. Please feel free to contact us for any inquiry.

▶ Consulting Services and Accounting Services :

Consulting Services are provided in time-based or fixed fee. The quotation is totally determined based on client's needs. We provide Accounting Services in time-based fee basically with the option of fixed fee. In time basis, we offer variety of hourly rates to meet client's needs. Consulting and Accounting Services are provided by CP ARCS, INC. Please visit CP ARCS, INC.'s website and feel free to contact us for any inquiry.

CP ARCS, INC. (<https://cparcs.co.jp/>)

Company and firm profile



Name	CP ARCS, INC. / AWCPA Accounting Japan
Head office	GIRAC GINZA 8F, 6-13-9, Ginza Chuo-ku, Tokyo, Japan
CEO / MD	Aki Wakaida (CEO of CP ARCS, INC. / Managing Director of AWCPA Accounting Japan)
Established in	AWCPA Accounting Japan : September, 2019 / CP ARCS, INC. : November, 2020
Business	<ul style="list-style-type: none">• Assurance services (Audit, AUP)• Consulting services (IFRS, US GAAP, JGAAP, Support for X-boarder operation and internal control)• Accounting support service (Support for advanced, professional and complex accounting area as well as daily bookkeeping)

Primary Locations



* CP ARCS, INC. and AWCPA Accounting Japan have established several professional network in the areas other than Japan and CA to meet our customer's satisfaction.

Tokyo (Japan)

- ❑ CP ARCS, INC.
- ❑ AWCPA Accounting Japan

San Francisco Bay Area (San Mateo, CA)

- ❑ OZAWA, KANEKO AND ASSOCIATES LLP
(Business alliance partner)

END