

SLAUGHTER AND MAY

Hong Kong / PRC / Asia Pacific

Private Equity

Slaughter and May is a leading international law firm with a worldwide corporate, commercial and financing practice. We provide our clients with a professional service of the highest quality, combining technical excellence with commercial awareness and a practical, constructive approach to legal issues.

Slaughter and May has a long-standing presence in Asia, opening our office in Hong Kong in 1974 and our office in Beijing in 2009.

“The work quality is exceptional, the legal skills are outstanding and there is a consistency among their partners on how they react to different situations, which is hard to find.”

Chambers Asia-Pacific 2018



Overview /

We have extensive experience of a wide range of private equity work, and our clients include leading private equity investors from Asia and around the world.

We regularly advise on cross-border transactions involving multiple jurisdictions and transactions in the technology and biotechnology sectors, as well as more traditional industries.

Our practice includes:

- investment work, including due diligence and structuring;
- debt financing and refinancings, including structuring and taking security;
- mezzanine and other hybrid or intermediate financings;
- equity structuring, ratchets, management arrangements and incentives; and
- exits, including trade sales, IPOs, recapitalisations and securitisation.

Sophisticated Hong Kong team with growing recognition for its strength in Mainland China. Instructed by a loyal portfolio of significant clients across Greater China and South-East Asia on inbound and outbound mandates, providing a pan-Asia service through working with 'best friends' in the region.

Chambers Asia 2016

How we can deliver /

We advise on the full range of transactions, from venture capital investments to large cross-border deals and from the initial investment all the way through to exit. We have extensive experience and expertise in advising on all aspects of private equity work, including:

- **Structuring** - We have extensive experience in drafting, negotiating and structuring a range of products and structures, including equity investments, preferred shares, mezzanine financing, debt financing and convertible debt. We can provide significant value-added advice, in particular in terms of structuring the deal and devising innovative solutions to the legal and technical issues which arise.
- **M&A capability** - We are one of the top M&A law firms in Asia. Our extensive M&A capability enables us to cover a broad range of transactions, including public to private deals, large cross-border transactions and high-end and complicated M&A matters.
- **Biotechnology expertise** - We have deep industry knowledge in biotechnology, including team members with science backgrounds, and we combine our technical expertise in biotechnology with our private equity experience.

- **Technology expertise** - We have extensive experience advising on the full spectrum of technology matters and offer a multi-national and multi-disciplinary capability focused on the technology sector.
- **Financing** - Our financing lawyers work seamlessly with our M&A lawyers and have experience dealing with a range of debt instruments, from senior bank debt to high-yield bonds.
- **Regulatory expertise** - Our broad experience and regulatory skillset enable us to provide first-class insight, support and advice on the regulatory aspects of financial services transactions and find practical solutions to the regulatory issues that our clients face.
- **Competition** - We have one of the world's leading competition and regulatory practices. We can advise on various aspects of competition issues which may arise from all transactions.
- **Regulatory investigation** - Our regulatory investigation team consists of lawyers who have advised both regulatory and government authorities in Hong Kong and internationally and have regulatory investigation experience within the Securities and Future Commission. We are uniquely positioned to advise on regulatory investigation issues that may arise.

Recent work /

Investments, acquisitions and disposals

- **SB Investment Advisers (UK)**, on SoftBank Vision Fund's:
 - US\$400 million pre-IPO investment in Ping An Good Doctor
 - US\$1.15 billion Series A round financing of Ping An Healthcare Technology
- **Tencent Holdings Limited** as lead Series B investor in a FinTech company specialising in international payment processing
- **Tencent Holdings Limited** as sole Series A investor in a cloud-based gaming company
- **Temasek** on its investment, as part of a consortium alongside CVC Capital Partners and others, in Alvogen, the generic pharmaceutical company
- **MBK Partners** on the sale of its majority interest in GSE Investment Corporation, a premier operator of waste-to-energy and water/waste water treatment projects, to Beijing Enterprises Holdings Limited
- **Hony Capital**, the private equity arm of Legend Holdings (the parent of Lenovo Group), on its acquisition for up to US\$100 million of a 15% indirect interest in the Soalala iron ore mining project in Madagascar
- **Hines** on the disposal by two of its sponsored funds of their controlling interest in two PRC property projects
- the management of **HSBC Private Equity Asia (HPEA)** on its management buy-out
- **GE Capital Equity Investments** on its cornerstone investment of US\$12.5 million in the initial public offering of Sany Heavy Equipment International
- **TPG Capital** on its investment of approximately HK\$1 billion by way of subscription for H shares in Wumart
- **GS Capital Partners VI Fund L.P.** in relation to its investment of approximately HK\$1.9 billion for convertible bonds and warrants issued by Geely Automobile
- **China Environment Fund III., L.P.** in relation to its US\$30 million subscription for new ordinary shares in Neo-Neon
- **DE Shaw & Co** in relation to its investment in a vehicle for the acquisition of a major commercial property in Shanghai, constituting the largest single-asset real estate deal in the PRC at the time
- an affiliate of **First Toronto Sirius Fund**, a US-based real estate and investment fund, in relation to its purchase of a minority stake in Red Titan Property

Key M&A contacts /

- **IPROP Holdings and VDCI SA** on a number of pre-IPO investments in Trina Solar, Lashou Group Inc and Milestone Capital
- **GS Capital Partners Fund** on its investment into eHi Car Rental
- **a consortium of strategic investors** in an investment exceeding US\$3.5 billion in one of the largest PRC state owned national commercial banks
- **a US private equity fund** on its acquisition of a 50% interest in a joint venture holding land in Macau for hotel and casino development
- **Crescent Point Group** in leading and arranging a US\$30 million investment in the IPO of Belle International Holdings
- **HSBC China Fund** on certain of its PRC investments
- **Montpelier Asset Management Limited** on an investment by their discretionary client in China Water Affairs Group
- **Morgan Stanley Global Emerging Markets Inc.** on its acquisition of a stake in Hengan International Group and its subsequent exit
- **SVG Capital** in connection with the takeover offer made by HarbourVest Structured Solutions III L.P.
- **Värde Partners** on the sale of NewDay to Cinven and CVC Capital Partners
- **Palamon Capital Partners**, and other financial investors, on the sale of SARquavitae to HomeVi
- **First Reserve** on PetroFirst Infrastructure 2 Limited's acquisition of 80% of the shares in PV Keez Pte from EMAS Offshore Production Services and Ezra Holdings
- **Public Sector Pension Investment Board (PSPIB)** on PSPIB's investment, as part of a consortium alongside MBK and others, with respect to the sale of Tesco's retail business in the Republic of Korea value at £4.24 billion
- **Stark Investments** in connection with an equity linked financing of a Macau concept company
- **Stark Investments** in connection with a number of pre-IPO leveraged financings with warrants.



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Slaughter and May provides services of high quality. It has an encyclopaedic knowledge of our business and the contractual and regulatory regime we operate in.

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For further information, please speak to your usual Slaughter and May contact.

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