An increasing trend in cross-border transactions involving China can still be observed, being fueled by China’s attempt to internationalise its economy and by Chinese companies to grow revenue, geographic reach and technological bases. While both inbound and outbound M&A is steadily growing, both Chinese and European firms are facing strategic and operational concerns and also need to take into account cultural or political considerations.

In response to these market challenges, Linklaters offers a German China Desk consisting of specialists who work closely with our teams on the ground in Asia and are familiar with the Chinese market and its requirements. This enables us to better meet our clients’ expectations and respond to their demands effectively.

Linklaters has a market-recognised practice with extensive experience in working with Chinese clients investing abroad as well as leading international corporates and financial institutions, helping them achieve their strategic goals in China and elsewhere. We advise clients from various sectors on legal issues regarding all major practice areas.

Our dedicated German China Desk team is headed by partners with an in-depth knowledge of, and experience in, China. The team’s knowhow and its seamless cooperation with our colleagues in Beijing, Shanghai and Hong Kong allows us to provide our clients with outstanding specialised experience in Chinese transactions. Due to our experience and proven track record within this culturally diverse and challenging market, we can execute a smooth and efficient process throughout the transaction.

“Linklaters' smooth co-ordination of cross-border matters impresses clients and is the firm’s key attribute.”

Chambers Global 2019, Germany

“They are very good at breaking down complex legal issues into actionable options for senior management. They always seem to be able to anticipate key legal and commercial issues at the outset.”

Chambers Asia-Pacific 2019, China Corporate/M&A
Our Sino-German experience

M&A:
> Blackstone on the sale of the logistics platform LogiCor to CIC, the value being over €10bn.
> Chengdu Tianqi Industry (Group) Co. on the joint venture with Rockwood.
> A Chinese investor on its co-investment with KKR of a US$1.5bn portfolio of shipping loans from NordLB.
> A Chinese investor on the acquisition of Viessmann’s biogas division.
> COFCO on its joint venture with Arla Foods Ambra, following the disposal by HOPU USD Master Fund I, L.P. of its entire shareholding in the joint venture entity to Arla.
> Deutsche Beteiligungs AG on the sale of the Preh group to Joyson group, a private supplier of automotive components from China.
> Deutsche Post on its sell down of 191,400,000 H-shares in Sinotrans Limited, an A+H listed company.
> Huazhu on the €700m acquisition of Deutsche Hospitality Group with more than 170 hotels including the brands Steigenberger, InterCity, MAXX, Zleep and Jaz.
> JD.com on the establishment of a joint venture with Hamburg-based Otto Group.
> KME on the sale of its European brass division and tubes business to the Chinese Hailiang Group.
> Osram on the sale of the lamps business “Ledvance” to an investor-led Chinese consortium, including LED components manufacturer MLS Co. Limited.
> Power Construction Corporation of China (PCCC) on the acquisition of Siemens AG’s long-standing TLT-Turbo GmbH.
> Quest International on its acquisition of a travel TV operator from TUI.
> SGL Carbon Beteiligung on its arrangements with private-owned Shanxi Hongte Coal Chemical Industry Co. to acquire a 50% stake in an existing needle coke production facility.
> SINO-CEEF Europe in connection with a bidding process for the sale of shares in a German company in the technology sector.
> Wuhan Iron and Steel (Group) Corp. (WISCO) on its acquisition of the Tailored Blanks-Division from ThyssenKrupp Steel Europe AG.

Banking and Finance:
> Bank of China in relation to a €400m unsecured term loan facility for Turkish Airlines to finance in part the airline’s facilities at the new Istanbul Grand Airport.
> Bank of China (Frankfurt and Luxembourg branch) on the establishment of a Commercial Paper Programme.
> Chengdu Xingcheng Investment Group Co. on the issuance of a multi-tranche bond consisting of €365m 2.50% bonds due 2021 and €135m 2.95% bonds due 2023 – the first bond issuance by a non-financial institute and a state-owned enterprise from mainland China in Germany and the first euro-denominated bond listed on both Frankfurt Stock Exchange and CEINEX.
> China Construction Bank Corporation (Frankfurt branch) on their issue of RMB 1.5bn 3.38% bonds due 2016.
> China Eastern Airlines in relation to a new bilateral facility agreement with Bank of Communications (Frankfurt branch) as lender.
> Elkem Group and ChemChina on the successful IPO (one of the biggest IPOs of 2018).

Competition:
> Cevian on merger control aspects of the divestment of its shareholding in Volvo trucks to Geely.
> China Merchants Group on the acquisition of Sinotrans.
> Both leading Chinese train manufacturers CNR and CSR on the combination of their businesses into CRRC.
> SINO-CEEF on various contemplated transactions in Central and Eastern Europe.

Dispute Resolution and Patents/Intellectual Property:
> Asian conglomerate in internal investigations following the purchase of a leading Chinese saniteware manufacturer and in arbitration proceedings against W&I insurers with an amount in dispute of more than €300m.
> Chinese investment fund in negotiations and several court proceedings against the management of a German target company after its €200m acquisition.
> Chinese-owned automotive supplier on allegations of violating EU emission standards (advice on regulatory issues and defence against potential claims of OEMs) and the Chinese investor regarding post M&A recourse against the seller.
> Globally acting technology companies in the handling and co-ordination of cross-border patent disputes, including aligning the arguments in parallel infringement and invalidity actions in China.

Key contacts

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