

Equity Capital Markets – China

We practise English and Hong Kong law and provide US securities law capability for capital markets transaction in Hong Kong. We have advised on many of the most significant and high profile equity capital markets transactions in China and elsewhere, acting for issuers, sponsors and underwriters.

Our practice includes:

- initial public offerings including all aspects of Rule 144A offerings
- dual and multiple listings
- placings and block trades
- rights issues by major international corporations and PRC state-owned and private enterprises
- convertible and exchangeable securities
- privatisations

“They have excellent credentials and are preferred by our clients. They're very professional in advising us on the key risks, as well as in problem solving. Partners and senior lawyers are very experienced, as well as very hands-on.”

Chambers Asia Pacific 2020 - Capital Markets - China

Track record of firsts

Demonstrating our ability to tread and break new ground, we have advised on some of the most significant listings in the last 20 years, many of which are record ‘firsts’ and include advising on the following listings:

- **Yancoal Australia** in 2018 – This was the first dual primary listing in Hong Kong by an Australian incorporated company
- **China Re** in 2015 – This was the first listing in Hong Kong by a reinsurance company and one of the largest IPOs in Hong Kong in 2015
- **PICC** in 2012 – This was the largest IPO in Hong Kong in 2012, the fourth largest IPO globally and a global record for the number of underwriters involved
- **PRADA** in 2011 – This was the first listing in Hong Kong by an Italian company
- **Prudential** in 2010 – This was the first London/New York/Hong Kong/Singapore listed company upon its primary listing in Hong Kong and its secondary listing in Singapore
- **Sinopec** in 2000 – This was the first triple listing of a PRC company (London, Hong Kong, New York)
- **MTR Corporation** in 2000 - This was the first and only Hong Kong privatisation
- **Beijing Datang Power Generation** in 1997 – This was the first dual listing in Hong Kong and London

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- **Shanghai Petrochemical Company** in 1993 – This was the first H share dual listing in London and New York
- **Tsingtao Brewery** in 1993 - This was the first H share listing of a PRC company

We go include more details regarding this extensive experience on the following pages.

Initial public offerings and listings

- The sole sponsor, the joint global coordinators, the joint bookrunners and the underwriters on the Hong Kong and US law aspects of the global offering and listing of **Kintor Pharmaceutical** on the Main Board of the Hong Kong Stock Exchange. The listing application was granted pursuant to Chapter 18A of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong (US\$224 million)
- **Semiconductor Manufacturing International Corporation (SMIC)**, a company incorporated in the Cayman Islands and listed on the Hong Kong Stock Exchange, on the first proposed RMB share issue by a Hong Kong listed non-PRC issuer on the Shanghai Stock Exchange Science and Technology Innovation Board (SSE STAR Market)
- The underwriters on the Hong Kong and US law aspects of the global offering and listing of **Beijing Enterprises Urban Resources Group (BEURG)** on the Main Board of the Hong Kong Stock Exchange (US\$80 million)
- The joint sponsors the joint global coordinators on the Hong Kong and US law aspects on the dual primary listing and global offering of shares of **Yancoal Australia** on the Main Board of the Hong Kong Stock Exchange. Yancoal Australia is the first dual primary listed company on the Australian Securities Exchange and on the Hong Kong Stock Exchange (US\$151 million)
- DBS Bank, Bank of China's Singapore Branch (BOC) and Citigroup Global Markets Singapore on the US law aspects of the initial public offering and listing on the Singapore Stock Exchange of **Sasseur Real Estate Investment Trust** (S\$240 million)
- **Dasin Retail Trust Management**, trustee-manager of Dasin Retail Trust on the US law aspects of its initial public offering and listing on the Singapore Stock Exchange (S\$128.9 million)
- The underwriters on the US and Hong Kong law aspects of the global offering and listing of **Union Medical Healthcare** on the Main Board of the Hong Kong Stock Exchange. The global offering consisted of a Hong Kong public offering and a concurrent Rule 144A/Regulation S placement (HK\$706 million)
- The underwriters on the US and Hong Kong law aspects of the global offering and listing of H shares of **YiChang HEC Changjiang Pharmaceutical** on the Main Board of the Hong Kong Stock Exchange (HK\$1.35 billion)
- **China Hengshi Foundation Company** on the US and Hong Kong law aspects of the global offering and listing on the Main Board of the Hong Kong Stock Exchange (HK\$537.5 million)
- **China Reinsurance** on the US and Hong Kong law aspects of the global offering and listing on the Main Board of the Hong Kong Stock Exchange of its H shares. This was one of the largest IPOs in Hong Kong in 2015. *This transaction won: ECM Deal of the Year at the ALB Hong Kong Law Awards 2016 and Equity Deal of the Year at the IFLR Asia Awards 2016* (US\$2 billion)

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- **Golden Throat Holdings Group Company** on the US and Hong Kong law aspects its initial public offering and listing on the Main Board of the Hong Kong Stock Exchange (HK\$764.7 million)
- 17 underwriters and the joint sponsors on the global offering and listing of H shares of the **People's Insurance Company of China** on the Hong Kong Stock Exchange (US\$3.1 billion)
- **PRADA S.p.A.** on its listing on the Hong Kong Stock Exchange (US\$2.14 billion)
- **Swire Pacific** and **Swire Properties** on the proposed US\$2.7 billion spin-off and separate listing on the Hong Kong Stock Exchange of Swire Properties
- The underwriters on the global offering and listing on the Hong Kong Stock Exchange of **China Pacific Insurance Group** (US\$3.6 billion)
- The underwriters on the initial public offering and listing on the Main Board of the Hong Kong Stock Exchange of **Alibaba.com** (US\$1.5 billion)
- The underwriters on the initial public offering and listing on the Main Board of the Hong Kong Stock Exchange of **Fosun Group** (US\$1.5 billion)
- The underwriters on the initial public offering and listing on the Main Board of the Hong Kong Stock Exchange of **KWG Property** (US\$671 million)
- **Dongfeng Motor Group Company** its initial public offering and listing on the Main Board of the Hong Kong Stock Exchange (US\$589 million)
- The underwriters on the initial public offering and listing on the Main Board of the Hong Kong Stock Exchange of **Bank of Communications**, the first national commercial PRC bank to be listed overseas (US\$2.1 billion)
- The underwriters on the initial public offering and listing on the Main Board of the Hong Kong Stock Exchange of **Agile Property** (US\$469 million) and its subsequent top-up placing (US\$407 million)
- **China National Building Material Company** its initial public offering and listing on the Main Board of the Hong Kong Stock Exchange (US\$265 million)
- The underwriters in a number of ground breaking PRC IPOs, including **China Telecom**, **Sinopec**, **China Unicom** and **Chalco**

Dual and multiple listings

- **Prudential** on its dual primary listings in Hong Kong and secondary listing in Singapore by way of introduction. It was the first company listed on the London, New York, Hong Kong and Singapore Stock Exchanges
- The joint global coordinators and the underwriters on the global offering and listing of H and A shares on the Hong Kong and Shanghai Stock Exchanges of **New China Life Insurance** (US\$1.9 billion)
- **Metallurgical Corporation of China** on its global offering of H shares and A shares and listing on the Hong Kong and Shanghai Stock Exchanges. The offering was reported to be the world's third-largest offering in 2009 (US\$5.2 billion)

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- **Semiconductor Manufacturing International Corporation** on its initial public offering and dual listing on the Hong Kong and New York Stock Exchanges (US\$1.9 billion)
- **Standard Chartered** on its initial public offering and dual listing on the Hong Kong and London Stock Exchanges (HK\$2.56 billion)
- **China Telecom Corporation** on its global offering of H Shares and dual listings on the Hong Kong and New York Stock Exchanges (US\$1.52 billion)
- **Aluminum Corporation of China** on its initial public offering and listings on the Hong Kong and New York Stock Exchanges (US\$458 million)
- **China Unicom** on its global offering and listings on the Hong Kong and New York Stock Exchanges (US\$5.6 billion)
- **China Petroleum & Chemical Corporation** on global offering of H shares and dual listings on the Hong Kong and New York Stock Exchanges (US\$3.4 billion)
- The underwriter on the simultaneous listing of H shares on the Hong Kong Stock Exchange and L-shares on the London Stock Exchange (being the first Chinese power company to list in Hong Kong and the first Chinese company to list in London) of **Beijing Datang Power Generation Company** (HK\$3.6 billion)
- The underwriter on the combined offering of H shares on the Hong Kong Stock Exchange and American Depository Shares (ADS) on the New York Stock Exchange of **China Eastern Airlines Corporation**, the first listed company in the Chinese aviation industry (US\$246 million)
- **China Pacific Insurance Corporation** on its H share listing on the Hong Kong Stock Exchange after an A Share listing on the Shanghai Stock Exchange
- **Huaneng Power International** on its H share listing on the Hong Kong Stock Exchange after its ADS listing on the New York Stock Exchange (US\$12.5 billion)
- The underwriter on the introduction of **O2Micro International** on the Hong Kong Stock Exchange which was the first NASDAQ listed company to obtain a secondary listing in Hong Kong

Placings and block trades

- Goldman Sachs, as placing agent, in relation to the placing of 200 million existing shares in **China Resources Land** (CR Land) held by CRH (Land) and the subsequent top-up subscription of 200 million new shares in CR Land. The net proceeds of the top-up subscription were approximately HK\$ 6.72 billion (US\$ 858.1 million) and will be used mainly for land acquisition and development
- Goldman Sachs, as placing agent, in relation to the placing of 90 million existing shares in **China Resources Gas Group** (CR Gas) held by CRH (Gas) and the subsequent top-up subscription of 90 million new shares in CR Gas. The net proceeds of the top-up subscription are approximately HK\$3.67 billion (US\$470.5 million) and will be used to acquire downstream city gas distribution businesses in the People's Republic of China and for general working capital purposes
- CICC and Goldman Sachs, acting as joint placing agents, in relation to **China Resources Cement Holdings** top-up placing of shares, which involves the placing of existing shares and

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- top-up subscription of new shares for a total consideration of HK\$4.18 billion
- Credit Suisse, as manager, in relation to the HK\$1.27 billion secondary placing of shares in **Genscript Biotech Corporation** held by KPCB China Fund and KPCB China Founders Fund
 - Credit Suisse, as manager, in relation to the HK\$928.2 million and HK\$362.5 million secondary placings and sale of shares and HK\$624.7 million secondary block trade of shares in **Xiabuxiabu Catering Management (China) Holdings** held by General Atlantic Singapore Fund
 - Credit Suisse, as the manager, in relation to the HK\$432.6 million and HK\$561 million secondary placings and sale of shares in **Meitu, Inc**
 - Credit Suisse, as placing agent, in relation to the HK\$156 million secondary placing and sale of shares in **Tian Ge Interactive Holdings** held by IDG-Accel China Growth Fund II and IDG-Accel China Investors II
 - Credit Suisse and Haitong on the US\$273 million top-up placing of shares in **China Harmony Auto Holding**
 - Credit Suisse, JP Morgan and Guotai Junan in relation to **Wasion Group Holdings**'s top-up placing of shares, which involved the placing of existing shares and top-up subscription of new shares for a total consideration of US\$94 million
 - Credit Suisse, as placing agent, in relation to the US\$555 million secondary placing and sale of shares in **New China Life Company**
 - CLSA on its placing under a share and convertible bond placing agreement entered into with **Louis XIII Holdings** to raise gross proceeds of up to US\$200 million
 - **SMIC** in relation to its top-up placing of shares, which involved the placing of existing shares and top-up subscription of new shares by Datang Holdings (Hong Kong) Investment Company for a total consideration of US\$200 million
 - Citigroup, Deutsche Bank, Goldman Sachs and other underwriters on the US\$2.7 billion placing of new H shares in **PetroChina**
 - CLSA in relation to the placing of new shares and convertible bonds of up to US\$617 million in **Paul Y. Engineering Group**
 - Morgan Stanley and ABN Amro on the placing of existing H shares in **Bank of China** held indirectly by the Royal Bank of Scotland Group plc, raising approximately US\$2.4 billion
 - Standard Chartered on a £1.08 billion placing to finance in part the acquisition of **Korea First Bank**
 - **China Network Communications** on the HK\$7.927 billion (US\$1 billion) Subscription Agreement with PCCW for approximately 20 per cent. of the enlarged issued share capital of PCCW
 - CICC as financial adviser to China Uranium Development Company on its US\$384 million subscription for new shares in **Vital Group Holdings** and the proposed acquisition of HK\$600 million convertible bonds issued by Vital
 - BOCI, Deutsche Bank and Morgan Stanley on a US\$600 million placing of new shares in **CST Mining Group**
 - **CNBM** on three placings of H shares, raising approximately US\$439 million, US\$340 million and US\$302 million respectively
 - CICC on a US\$292 million top-up placing of shares in **China Everbright**

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- Morgan Stanley and J.P. Morgan on a US\$251.7 million top-up placing of shares in **Shimao Property**
- **American Express Company** on its sale of H shares in Industrial Commercial Bank of China by way of placing to private investors for a gain of approximately US\$210 million
- **SMIC** on a US\$100 million placing and US\$100 million issue of new shares to Datang Telecom Technology & Industry and to institutional investors and in relation to an earlier US\$171.8 million issue of new shares under its general mandate to Datang
- Credit Suisse, as placing agent, in relation to the HK\$383 million secondary placing and sale of shares in **IGG Inc** held by IDG-Accel China Growth Fund II and IDG-Accel China Investors II
- Jefferies Hong Kong and J.P. Morgan Securities, acting as joint bookrunners, in relation to **CSI Properties** top-up placing of shares, which involves the placing of existing shares and top-up subscription of new shares for a total consideration of approximately US\$58 million
- the placing agent, a major international investment bank, in relation to the US\$272 million secondary placing and sale of shares in **Lijun International Pharmaceutical** held by Prime United Industries

Rights issues and bonus issues

- **Standard Chartered plc** on its fully underwritten 2 for 7 rights issue to raise approximately £3.3 billion (net of expenses)
- **Prudential** on its proposed US\$20 billion rights issue to fund in part its proposed combination with AIA Group
- **CITIC Group** and **Temasek** as underwriters on a HK\$2,523 million rights issue by CITIC Resources
- **SmarTone Telecommunications** in relation to its US\$13.1 million bonus issue of one bonus share for each existing share.
- **USI** on a HK\$561 million rights issue

Convertible and exchangeable securities

- **Morgan Stanley** on a US\$488 million concurrent equity and convertible debt issue by China Infrastructure Machinery Holdings
- **SMIC** on its US\$250 million issue of convertible preferred shares, warrants and warrant preferred shares to Country Hill
- **United Energy Group** on its issue of convertible bonds for the acquisition of a substantial interest in Transmeridian Exploration, valued at approximately US\$212 million.

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Privatisations

- **MTR Corporation** on its privatisation and global offering, Hong Kong's first, and to date only, privatisation (US\$1.3 billion).
- **China Huadian Corporation**, through its wholly-owned subsidiary, on the proposed privatisation of Huadian Fuxin Energy Corporation, a company incorporated in the PRC and listed on the Hong Kong Stock Exchange. The privatisation will be implemented by way of merger by absorption
- **Goldman Sachs** as financial adviser to Fung Holdings (1937), a shareholder of the offeror consortium, Golden Lincoln Holdings I, on the proposed privatisation of Li & Fung, a company incorporated in Bermuda and listed on the Hong Kong Stock Exchange. The privatisation will be implemented by way of a scheme of arrangement
- **Morgan Stanley Asia** as financial adviser to the offeror, Golden Lincoln Holdings I, on the proposed privatisation of Li & Fung
- **Oversea-Chinese Banking Corporation** on its loan facility to CITIC Pacific for the financing of the privatisation of Dah Chong Hong Holdings by way of a scheme of arrangement
- **COFCO Hong Kong** on its proposed privatisation of China Agri-Industries Holdings
- **CLSA Capital Markets** as the financial adviser to the offeror, China Huaneng Group, on the privatisation of Huaneng Renewables Corporation, a company incorporated in the PRC and listed on the Hong Kong Stock Exchange
- **Swire Pacific** in relation to its privatisation of Hong Kong Aircraft Engineering Company (HAECO). The privatisation was implemented by way of a scheme of arrangement pursuant to the Companies Ordinance and a withdrawal of the listing of HAECO's shares on the Hong Kong Stock Exchange
- **China Power New Energy**, as the offeror, in relation to the proposed delisting of China Power Clean Energy Development Company from the Hong Kong Stock Exchange. The proposed delisting will be implemented by way of a scheme of arrangement pursuant to the Companies Ordinance of Hong Kong
- **China National Building Material Company** in relation to its merger by absorption of China National Materials Company by way of share-exchange
- **Chinalco Mining Corporation International** in relation to its privatisation by Aluminum Corporation of China Overseas Holdings which was implemented by way of a scheme of arrangement and withdrawal of listing of its shares on the Hong Kong Stock Exchange
- **Zhengzhou China Resources Gas** on its proposed privatisation and withdrawal of H shares from listing on the Hong Kong Stock Exchange by China Resources Gas Group
- **China International Capital Corporation** Hong Kong Securities (CICC) in its capacity as financial adviser and as lender of a certain funds facility in relation to the privatisation offer by Profit Strong Investments and Max Glory for Dongpeng Holdings Company to be implemented by way of a pre-conditional scheme of arrangement
- **CICC** as financial adviser to the joint offerors and as lender (through CICC Hong Kong Finance (Cayman)) under a certain funds facility, in relation to the privatisation of Dalian Wanda Commercial Properties
- **Guoco Group** in relation to its proposed privatisation by GuoLine Overseas. The privatisation was not approved and did not proceed
- **Alibaba Group Holding**, in relation to its privatisation, through its wholly-owned subsidiary Alibaba Investment, of Intime Retail, together with Intime International Holdings as joint offerors
- **CICC**, the financial adviser to Hunan Nonferrous Metals Jinsheng Development (Jinsheng), a company controlled by China Minmetals Corporation, on the privatisation of HNMCL by Jinsheng pursuant to a voluntary general offer followed by a merger by absorption

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- **Alibaba.com** on its US\$ 2.5 billion privatisation by Alibaba Group and withdrawal from listing on the Hong Kong Stock Exchange
- **Merrill Lynch (Asia Pacific)**, the financial adviser to Little Sheep, on the privatisation of

Little Sheep by Wandle Investments, an indirect wholly-owned subsidiary of Yum!, under a scheme of arrangement

Pre-IPO and cornerstone investments

- Tencent on its pre-IPO investment in **We Doctor Holdings** and subsequent IPO of the investment
- **Zhong An Online P&C Insurance** (Zhong An), China's first internet insurance company, in its first round of fundraising which raised RMB5.775 billion (US\$931.3 million) by investors Morgan Stanley, CICC, CDH Investments, SAIF Partners and Keywise Capital, valuing Zhong An at US\$8 billion. This was one of the biggest fundraisings by a Chinese financial-technology company in 2015
- **Alibaba Group** on its cornerstone investments, through its indirect wholly-owned subsidiary **Taobao China Holding**, in the initial public offering and listing on the Main Board of the HKSE of: **Fosun Tourism Group**, one of the world's leading leisure-focused integrated tourism groups (listing and trading on the HKSE commenced on 14 December 2018); **China Tower Corporation** (listing and trading on the HKSE of the H shares commenced on 8 August 2018); and E-House (China) Enterprise Holdings (listing and trading on the HKSE commenced on 20 July 2018)
- **SB Investment Advisers**, an investment adviser to SoftBank Vision Fund, on SoftBank Vision Fund's investment in two technology companies in the Ping An group - Ping An Healthcare and Technology Company (Ping An Good Doctor) and Ping An Medical and Healthcare Management (Ping An Healthcare Technology). SoftBank Vision Fund has made a US\$400 million pre-IPO investment in Ping An Good Doctor, and was a major investor in the US\$1.15 billion A round financing of Ping An Healthcare Technology. Listing and trading of Ping An Good Doctor on the HKSE commenced on 4 May 2018
- **GS Capital Partners** in its pre-IPO investment into eHi Car Rental Services, a company listed on NASDAQ
- First Reserve and AMCI Capital in relation to their pre-IPO investments in **China Coal Energy Company**
- Goldman Sachs, Allianz and American Express in a pre-IPO strategic investment in **Industrial and Commercial Bank of China**
- MIH, a subsidiary of Naspers on its pre-IPO investment in **Beijing Media Corporation**
- China Brands Investments and Crescent Arena on their pre-IPO investments in **Belle International Holdings**, the largest women's footwear retailer in the PRC. Belle completed its HK\$8.7 billion global offering and listing of shares on the HKSE in 2007 which was the most successful retail offering ever in Hong Kong at the time, being 500 times oversubscribed
- IPROP Holdings, a subsidiary of Compagnie Financière Richemont SA, and a related company in connection with a pre-IPO investment into **Trina Solar Energy Holding**, the holding company of a PRC solar energy start-up company
- Dongfeng Asset Management, a wholly owned subsidiary of Dongfeng Motor Corporation, on its cornerstone investment in the proposed IPO of **Yangtze Optical Fibre and Cable Joint Stock** for a total consideration of US\$15 million; and cornerstone investment in the proposed initial public offering of **China CNR Corporation** for US\$40 million

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- Nippon Yusen Kabushiki Kaisha in relation to its strategic pre-IPO investment in **Dalian Port** immediately prior to Dalian Port's listing on the HKSE
- Standard Chartered Bank on its US\$500 million cornerstone investment in the initial public offering of the **Agricultural Bank of China**
- GE Capital Equity Investments on its US\$12.5 million cornerstone investment of in the initial public offering of **Sany Heavy Equipment International**

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“They are a very strong law firm. They are technical, they have good relationships with the stock exchange and we are happy with the quality of the service. It’s an intellectual and smart firm, they will get the technical analysis right.”

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