

# JOINT VENTURES

HONG KONG

Companies in Bermuda, the British Virgin Islands and the Cayman Islands provide the perfect platform for structuring joint ventures and are the vehicles of choice for international investors looking to invest in PRC and ASEAN-based businesses. Each jurisdiction boasts a well-founded legal system, sound but flexible laws, tax neutrality and international recognition, whilst requiring limited ongoing maintenance of such companies.

In addition, each of these jurisdictions permits bye-laws or articles of association of a company to be amended, reflecting the commercial agreement of the parties as it relates to the joint venture, permitting the inclusion of provisions as to:

- Pre-emption
- Rights of first refusal
- Tag along/drag along rights
- Exit strategies
- Reserved matters
- Director and observer appointments
- Member and director meetings
- Information rights

The ability to reflect the commercial agreement of the parties enables both the founders and investors in the joint venture to ensure their position is appropriately protected, allowing them to focus on growing and developing the business of the joint venture within a suitable structure.

Companies from Bermuda, the British Virgin Islands and the Cayman Islands are commonly used as vehicles for acquisition financing transactions, private equity investments, pre-IPO structures and like transactions. The Hong Kong legal team acts for both the founders of those companies and their investors in establishing joint venture structures and shareholder arrangements.

## Our Services

The Hong Kong office assists clients in joint venture structures and shareholder arrangements, including:

- Incorporation
- Company re-organization
- Due diligence
- Corporate authorization review
- Constitutional documentation
- Complex corporate governance and protective provisions
- Preferred share financings
- Convertible bonds and security arrangements
- Shareholder agreements
- ROFR, drag and tag arrangements
- Legal opinions
- Share option schemes
- Exit strategies

Conyers has acted as offshore legal advisor for numerous investors and PRC groups in connection with their joint venture transactions and has excellent relationships with PRC and international counsels and financial advisors.