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投资中国:当前环境下的机遇与挑战 Investment in China: Opportunities & Challenges in the Current Climate

> 刘依兰・史密夫斐尔律师事务所合伙人 Nanda Lau, Partner, Herbert Smith Freehills (HSF)



Investment in China: Opportunities and Challenges in the Current Climate

Nanda Lau November 2024



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# Investment in China – Opportunities and Challenges in the Current Climate

- Overview of the Current Investment Climate in China
- Challenges and Opportunities for Investors
- Legal and Regulatory Considerations
- Strategic Recommendations



#### Overview

- China FDI drops but still some bright spots in the market
- Active sectors: consumer goods, automotive, advanced manufacturing, technologies
- Rise in innovative deal structuring and business models
- Relatively resilient M&A market despite economic uncertainties



### **Challenges for Investors**

- Geopolitical headwinds
- China's economic slowdown
- Intense competitive landscape
- Regulatory compliance
- Conflicting legal systems/ standards

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## **Opportunities for Investors**

- Market size and potential
- Recent technological advancements in China
- Opportunities in renewable energy, carbon-neutral technology, and ESG related initiatives
- Latest regulations and policies to stabilise economy and boost investment



### Legal and Regulatory Considerations

Three key developments that may impact investments in China:

- Foreign Investment Law and Amended PRC Company Law
- Relaxation of merger control filing regime
- Regulatory compliance, e.g. data protection and cross-border data transfer



#### **Our Recommendations**

- Engagement with government and local partners
- Reviewing China strategy
- Innovative deal structuring
- Conduct thorough due diligence
- Stay informed about regulatory changes
- Implement robust compliance programs



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