



BVI remains popular for Asian debt capital market deals as Ogier advises Midea's US\$3 billion guaranteed MTN program

Deals - 25/05/2016

BVI continues to be a popular jurisdiction for debt capital market deals in Asia, says Ogier's Hong Kong team, who have acted as BVI counsel in relation to the establishment of a US\$3 billion guaranteed medium term note programme using a BVI incorporated issuer.

Ogier partner Nathan Powell and associate Rachel Huang acted as BVI advisers to the Issuer and Guarantor alongside Linklaters (Hong Kong law) and Global Law Office (PRC law).

Nathan Powell said: "We have seen continued strong demand in the Asian market for the use of BVI issuing vehicles on some of the largest debt issues by both Chinese state owned enterprises and leading private companies. A BVI company can be incorporated cost effectively and very quickly facilitating even the most urgent transactions and the corporate law framework in the BVI offers considerable flexibility in relation to the use of the transaction proceeds for the benefit of other members of the group."

The BVI issuer is an indirect wholly-owned subsidiary of Midea Group Co., Ltd. who unconditionally and irrevocably guaranteed the Programme. The Programme and the notes issued under it are listed on The Stock Exchange of Hong Kong Limited. The Programme is rated "A-" by Standard & Poor's Rating Services and "A-" by Fitch Ratings Ltd.

Midea is a leading consumer appliances manufacturer in China with a global presence with annual revenues of over RMB120 billion (approximately US\$18 billion). It is listed on the Shenzhen Stock Exchange with core business segments spanning across air conditioners, refrigerators, washing machines, small household appliances, motors and logistics. Midea is ranked in Forbes' Top 500 Global Enterprises and ranks 32nd on Fortune Magazine's list of China's Top 500 Enterprises.

The Joint Arrangers for the deal are Citigroup Global Markets Limited and The Hongkong and Shanghai Banking Corporation Limited and the Dealers include Australia and New Zealand Banking

Group Limited, Bank of China Limited, Deutsche Bank AG, Singapore Branch, Industrial and Commercial Bank of China (Asia) Limited and Merrill Lynch International. Latham & Watkins and Jingtian & Gongcheng Law Office acted as English law and PRC law counsels, respectively, to the Joint Arrangers and Dealers.

Other recent BVI bond issues by Ogier's Hong Kong team include:

- **Tianjin Rail Transit** - US\$500 million guaranteed bond;
- **China Oceanwide** - HK\$500 million 8.50% guaranteed bond;
- **Beijing Environment Sanitation Engineering Group** - €200 million 1.45%. credit enhanced bond;
- **China National Bluestar** - US\$500 million 4.375% senior guaranteed perpetual securities;
- **China Energy Reserve and Chemicals Group** - US\$400 million 5.55% guaranteed bond;
- **Zhongrong International** - US\$225 million 6.00%. notes;
- **China Energy Reserve and Chemicals Group** - US\$200 million 5.25% guaranteed bond issue and US\$150 million tap issue and its HK\$2 billion 6.30% bond;
- **China Shenhua Energy** - US\$1.5 billion guaranteed bond issue in three tranches.

About Ogier

Ogier is a professional services firm with the knowledge and expertise to handle the most demanding and complex transactions and provide expert, efficient and cost-effective services to all our clients. We regularly win awards for the quality of our client service, our work and our people.

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