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Innovation and Legal Issues on Cross-border Cooperation 7th December 2019

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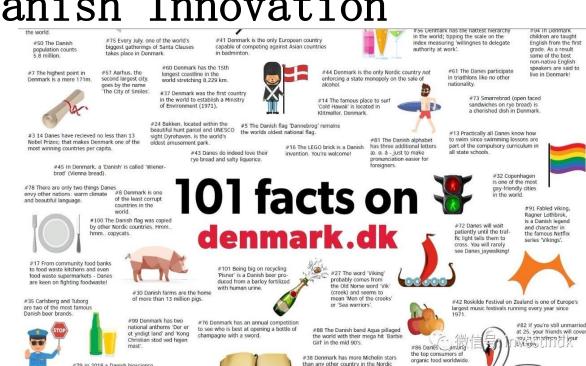
Andersen Partners Law Firm

- A Danish law firm established on the year of 1972 with three offices in Denmark and two offices in Germany
- A law firm focuses on commercial law, dispute resolution and real estate
- The only China Desk in Denmark with both Danish and Chinese lawyers and the biggest China Desk in Nordics

Denmark and Danish Innovation

#79 In 2018 a Danish bioscience

- 5.7 million population
- Danish welfare system
- UNLEASH 2019
- Innovation Eco-system



Pillar Industries in Denmark

- Clean tech: successive Danish governments have committed to creating the most clean tech friendly business environment in the world. Today, nearly 40 years of strong energy policies have put Denmark well ahead of the rest of the renewable energy industry. Denmark has the most abundant wind power, strong smart grid, green data center, abundant bio-energy and complete renewable energy industry chain.
- Life sciences: Denmark is one of the world's most powerful life sciences clusters and a world-renowned international health laboratory. This reputation derives from the close interplay of public-private partnerships in science, education and regulatory matters, Denmark has a leading European clinical research, its biotechnology development has reached world-class level, and per capita export volume of the medical technology industry ranks among the best in the world.
- Food: as we all know, Danish food is synonymous with high quality, strong reliability and safety and health. It has the most advanced food processing plants in the world and enjoys an international reputation for its research and innovation ability. It is also a center for sustainable food production and an important part of the world's organic food industry, with world-class chefs and restaurants.

Pillar Industries in Denmark

- ICT: Denmark is one of the world's leaders in the development of technology activities, with first-class test market and access to world-class software development talent pool. Denmark has been rated as the most digital country by the European Commission, providing a good opportunity for international technology companies to test and develop new IT solutions.
- Maritime and logistic: Denmark has long been among the top 10 maritime nations in the world. As a maritime country with cutting-edge innovation and an excellent regulatory framework, it provides advantages for shipping companies from all over the world. Denmark has a cutting-edge maritime Marine ecosystem, a highly educated maritime workforce, and competitive framework conditions.
- Design and innovation: Denmark has two world-class design schools, more than 5,000 registered design companies, public strategy support network, covering management, graphic design, animation, information and communication technology and other fields. Design permeates every aspect of Danish life, from world-class products, services and buildings to sustainable urban planning to innovative integrated clusters.

Pillar Industries in Denmark



Cross-border cooperation model between China and Denmark

- Green field
- Joint Venture
- M&A
- Diversity cooperation: franchise, supplier, and etc.

Legal Issues on Cross-border cooperation between China and Denmark— Green Field

- Registering a company in Denmark is a quick process and most registration can be done online.
- There is no requirement on the nationality and residential area of the shareholder
- Money laundry
- Most companies in Denmark are limited liability companies, including joint stock limited companies (A/S) and private limited liability companies (APS), and these two companies are also not subject to the number of sponsors. The minimum share capital of a company limited by shares is 400,000 DDK (or equivalent Euros). The minimum share capital of a private limited liability company is 40,000 DDK (or equivalent Euros).
- Flexible employment law
- Tax: 25% VAT and 22% corporate tax

Legal Issues on Cross-border cooperation between China and Denmark— Joint Venture

- Co-development of technology and market in both Europe and China
- Operation and management of the JV—shareholder agreement
- Case: JV in Denmark (sales office) and JV in China (production)

Legal Issues on Cross-border cooperation between China and Denmark— M&A

- Legal due diligence, SPA, CEO employment contract (competition clause), other relevant agreements
- After acquisition management
- Minority shareholder and JV in China
- Case: acquire 30% share in a Danish robotic company and establish a JV in China
- Case: acquire 100% share in a Danish liquid fertilizer company

Legal Issues on Cross-border cooperation between China and Denmark—diveristy cooperation

- Franchise agreement, purchase agreement, cooperation agreement (payment term, delivery term, QC, dispute resolution, and etc.)
- Case: debt collection case against a Danish clothing company

Culture Difference on Cross-border cooperation between China and Denmark

- Language is always the smallest issue
- Case: employment contract case of a Danish company wholly owned by a Chinese listed company



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Thanks you

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