

Setting up or taking over a power transformer factory in China

Q: We are exploring the possibility of either setting up or taking over a running transformer unit in china. Can somebody help? Thanks

A: You need to know the legal form the transformer manufacturing company is operating in China. The first options can be an acquisition of equity shares, which can be carried out in China or outside China. The second option can be an acquisition of business, meaning that you take up the assets and also assume the liabilities. In this case, it is regarded as a transfer of business and it can only be done in China. In brief, which option is to use depends on the legal form of the factory. We specialize in business acquisition and mergers. We can advise the transaction and assist you in acquiring the factory. Please take a look at our website www.china-tax.net