



China Transactions Insights

Winter 2022

Overview

China's economy rebounded with an 8.1% increase in GDP for 2021, notching increases in fixed asset investment (4.9%), value-added industrial output (9.6%) and retail sales (12.5%). However, fourth quarter GDP growth slowed to 4.0% year-on-year from 4.9% the previous quarter, as the economy still faces uncertainty related to the pandemic and a complicated external environment.¹

Recent increased scrutiny of offshore-listed Chinese companies has continued to weigh on the stock prices of many Chinese firms traded on U.S. exchanges.

U.S. IPO activity for Chinese companies continued at a strong pace in the first half of 2021; however, new listings in the U.S. slowed during the second half of the year amid stricter policies and regulations for Chinese companies pursuing offshore IPOs.²

2021 saw an uptick in going-private transaction activity for U.S.-listed companies based in China, with 10 privatizations completed during the year and nine potential transactions announced that have yet to close. U.S.-listed Chinese companies with pending going-private proposals represented approximately USD 8.6 billion in total market capitalization as of December 31, 2021.²

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¹ China National Bureau of Statistics and China Ministry of Commerce

² SEC filings, company press releases and S&P Global Market Intelligence as of December 31, 2021

Market Index Performance .o

Mainland China market indices reached low points in early March 2021 before improving over the remaining months of the year, with the Shanghai and Shenzhen indices finishing the year with modest gains and outperforming the Hong Kong-based Hang Seng index, which posted a decline for the year. U.S. equity markets, meanwhile, continued to demonstrate strong performance through year-end.

2021 U.S. and China Market Index Performance



Source: S&P Global Market Intelligence as of December 31, 2021

Market Index Performance ..

International equity markets recovered gradually through the year as vaccination rates trended upward around the world. While European market indices climbed moderately from February 2021 and reached near highs for the year by the end 2021, the Shanghai Composite Index and Nikkei 225 were only slightly up from their year-end 2020 levels as of December 31, 2021.

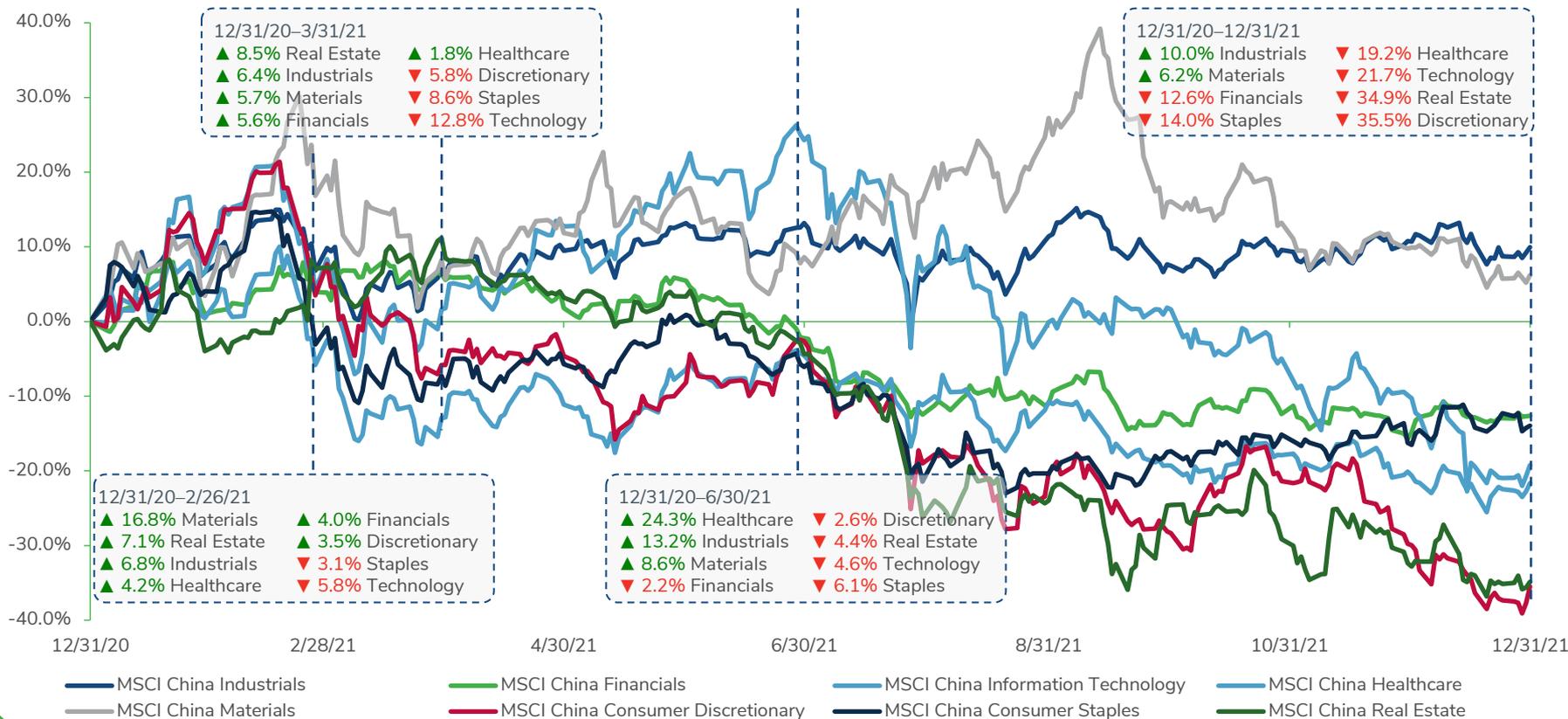
2021 International Index Performance



Industry Sector Performance

Demand for raw materials helped fuel positive stock price performance for Chinese companies in the materials sector in 2021, while the industrials sector also posted a positive return for the year. Meanwhile, real estate, consumer, technology, healthcare and financials sectors all declined from year-end 2020.

China Industry Sectors: Stock Price Performance



Note: Industry sector data reflects MSCI China industry sector indices.
 Source: Bloomberg, MSCI index data and S&P Global Market Intelligence as of December 31, 2021

U.S.-Listed Chinese Companies .oo

Of the 227 China-based companies listed on major U.S. exchanges as of December 31, 2021, approximately 68% trade on the Nasdaq, approximately 30% trade on the NYSE and several companies trade on the AMEX. Approximately 80% of the firms are incorporated in the Cayman Islands, with other companies primarily incorporated in the British Virgin Islands and the U.S.

Summary of U.S.-Listed Chinese Companies

Industry Sector	Number of Companies	Total Market Cap (USD mn)	Exchange	Number of Companies	Total Market Cap (USD mn)
Media and Entertainment	35	\$186,565	Nasdaq	154	\$465,242
Consumer Services	31	59,657	NYSE	69	600,665
Diversified Financials	26	23,945	AMEX	4	89
Retailing	25	521,323	Total	227	\$1,065,996
Software and Services	18	24,134			
Pharmaceuticals, Biotechnology and Life Sciences	12	12,460			
Materials	9	766			
Commercial and Professional Services	8	3,750			
Transportation	7	56,364			
Real Estate	7	24,557			
Technology Hardware and Equipment	7	2,365			
Automobiles and Components	6	127,670			
Food, Beverage and Tobacco	6	5,789			
Food and Staples Retailing	6	5,349	Incorporation	Number of Companies	Total Market Cap (USD mn)
Capital Goods	6	1,198	Cayman Islands	181	\$1,040,465
Insurance	4	1,026	British Virgin Islands	24	2,959
Consumer Durables and Apparel	4	477	Nevada	10	493
Healthcare Equipment and Services	3	1,680	Delaware	7	21,873
Household and Personal Products	3	1,438	Florida	3	181
Semiconductors and Semiconductor Equipment	2	5,156	Hong Kong	1	16
Banks	1	280	Other	1	10
Energy	1	47	Total	227	\$1,065,996
Total	227	\$1,065,996			

U.S.-Listed Chinese Companies 〰〰〰

Top 20 U.S.-Listed Chinese Companies: Stock Price Performance

Top 20 Companies by Market Capitalization	Ticker	Industry	Stock Price as of 12/31/2021	Total Market Cap (USD mn)	Performance Since 12/31/2020
Alibaba Group Holding Limited	NYSE:BABA	Internet and Direct Marketing Retail	\$118.79	\$322,029	▼ 49.0%
JD.com, Inc.	NasdaqGS:JD	Internet and Direct Marketing Retail	70.07	108,838	▼ 20.3%
Pinduoduo Inc.	NasdaqGS:PDD	Internet and Direct Marketing Retail	58.30	73,067	▼ 67.2%
NetEase, Inc.	NasdaqGS:NTES	Entertainment	101.78	66,205	▲ 6.3%
Baidu, Inc.	NasdaqGS:BIDU	Interactive Media and Services	148.79	51,788	▼ 31.2%
NIO Inc.	NYSE:NIO	Automobiles	31.68	50,389	▼ 35.0%
XPeng Inc.	NYSE:XPEV	Automobiles	50.33	43,102	▲ 17.5%
Li Auto Inc.	NasdaqGS:LI	Automobiles	32.10	32,619	▲ 11.3%
DiDi Global Inc.	NYSE:DIDI	Road and Rail	4.98	24,020	NM
KE Holdings Inc.	NYSE:BEKE	Real Estate Management and Development	20.12	23,961	▼ 67.3%
ZTO Express (Cayman) Inc.	NYSE:ZTO	Air Freight and Logistics	28.22	22,814	▼ 3.2%
Yum China Holdings, Inc.	NYSE:YUMC	Hotels, Restaurants and Leisure	49.84	21,338	▼ 12.7%
Bilibili Inc.	NasdaqGS:BILI	Entertainment	46.40	17,834	▼ 45.9%
Trip.com Group Limited	NasdaqGS:TCOM	Hotels, Restaurants and Leisure	24.62	15,694	▼ 27.0%
Kanzhun Limited	NasdaqGS:BZ	Interactive Media and Services	34.88	13,950	NM
Lufax Holding Ltd	NYSE:LU	Consumer Finance	5.63	13,863	▼ 60.4%
Huazhu Group Limited	NasdaqGS:HTHT	Hotels, Restaurants and Leisure	37.34	12,201	▼ 17.1%
Tencent Music Entertainment Group	NYSE:TME	Entertainment	6.85	11,594	▼ 64.4%
Full Truck Alliance Co. Ltd.	NYSE:YMM	Road and Rail	8.37	9,089	NM
GDS Holdings Limited	NasdaqGM:GDS	IT Services	47.16	8,814	▼ 49.6%
Indices					
Shanghai Stock Exchange Composite Index			3,639.78		▲ 4.8%
Shenzhen Stock Exchange Composite Index			2,530.14		▲ 8.6%
Hang Seng Index			23,397.67		▼ 14.1%
S&P 500			4,766.18		▲ 26.9%
NASDAQ Composite Index			15,644.97		▲ 21.4%
Dow Jones Industrial Average			36,338.30		▲ 18.7%

U.S.-Listed Chinese Companies 〇〇〇

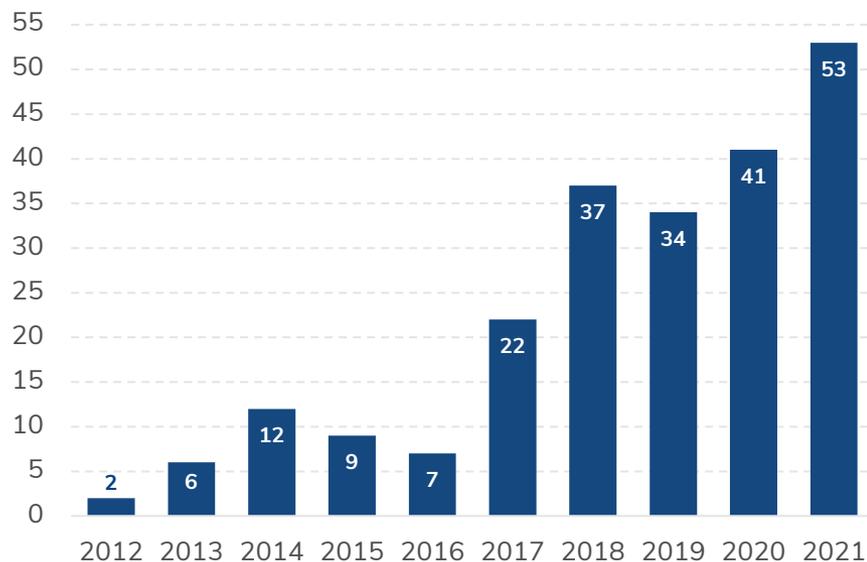
Top 20 U.S.-Listed Chinese Companies: Valuation Multiples

Top 20 Companies by Market Capitalization	Enterprise Value/EBITDA		Price/Earnings	
	As of 12/31/2021	Change from 12/31/2020	As of 12/31/2021	Change from 12/31/2020
Alibaba Group Holding Limited	12.4x	▼ 16.5x	16.9x	▼ 15.8x
JD.com, Inc.	60.6x	▲ 9.0x	27.6x	▼ 4.6x
Pinduoduo Inc.	NM	NM	NM	NM
NetEase, Inc.	20.2x	▼ 1.5x	36.6x	▲ 6.1x
Baidu, Inc.	8.3x	▼ 4.0x	24.8x	▲ 3.3x
NIO Inc.	NM	NM	NM	NM
XPeng Inc.	NM	NM	NM	NM
Li Auto Inc.	NM	NM	NM	NM
DiDi Global Inc.	NM	NM	NM	NM
KE Holdings Inc.	38.8x	NM	NM	NM
ZTO Express (Cayman) Inc.	19.5x	▼ 3.1x	35.1x	▲ 6.1x
Yum China Holdings, Inc.	13.7x	▼ 8.2x	32.4x	▲ 1.8x
Bilibili Inc.	NM	NM	NM	NM
Trip.com Group Limited	176.2x	▼ 267.6x	80.6x	NM
Kanzhun Limited	NM	NM	NM	NM
Lufax Holding Ltd	2.2x	▼ 7.5x	5.4x	▼ 12.2x
Huazhu Group Limited	84.1x	▼ 142.1x	NM	NM
Tencent Music Entertainment Group	13.2x	▼ 31.3x	20.1x	▼ 34.8x
Full Truck Alliance Co. Ltd.	NM	NM	NM	NM
GDS Holdings Limited	27.5x	▼ 38.1x	NM	NM
Indices				
Shanghai Stock Exchange Composite Index	32.0x	▲ 17.0x	15.6x	▼ 2.2x
Shenzhen Stock Exchange Composite Index	22.0x	▼ 1.8x	38.1x	▼ 2.7x
Hang Seng Index	11.2x	▼ 3.9x	9.3x	▼ 4.8x
S&P 500	17.2x	▼ 2.0x	26.2x	▼ 4.5x
NASDAQ Composite Index	30.8x	▲ 3.8x	130.0x	▲ 71.0x
Dow Jones Industrial Average	14.9x	▼ 2.7x	20.3x	▼ 4.9x

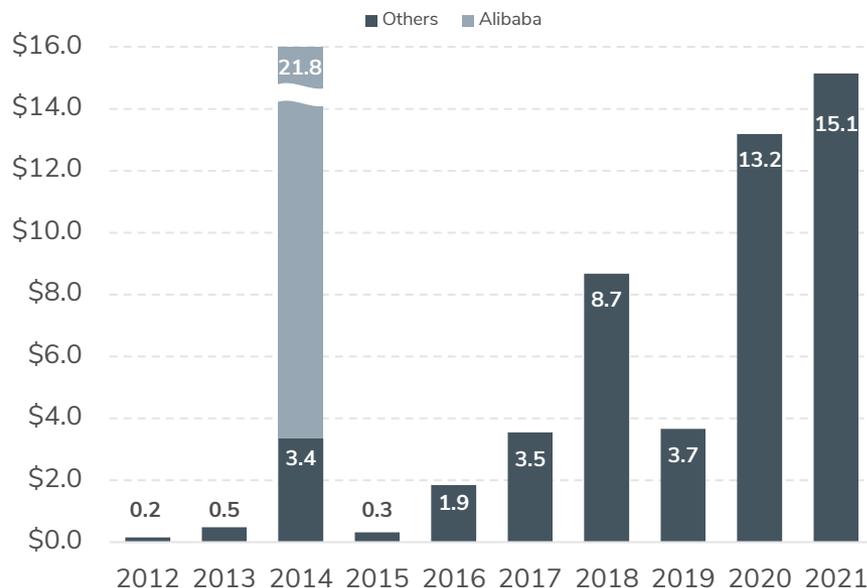
U.S. IPO Activity .oo

In 2021, 53 Chinese companies completed new U.S. listings for approximately USD 15.1 billion in aggregate funds raised. New public listings of Chinese companies had slowed during the first half of 2020 amid market volatility and uncertainty related to COVID-19, but IPO activity regained pace as the market stabilized and recovered during the second half of 2020 and into 2021. However, IPO activity slowed in the second half of 2021 after new policies and regulations increased scrutiny of Chinese companies seeking offshore listings.

Number of IPOs



Amount of IPO Funds Raised (USD bn)

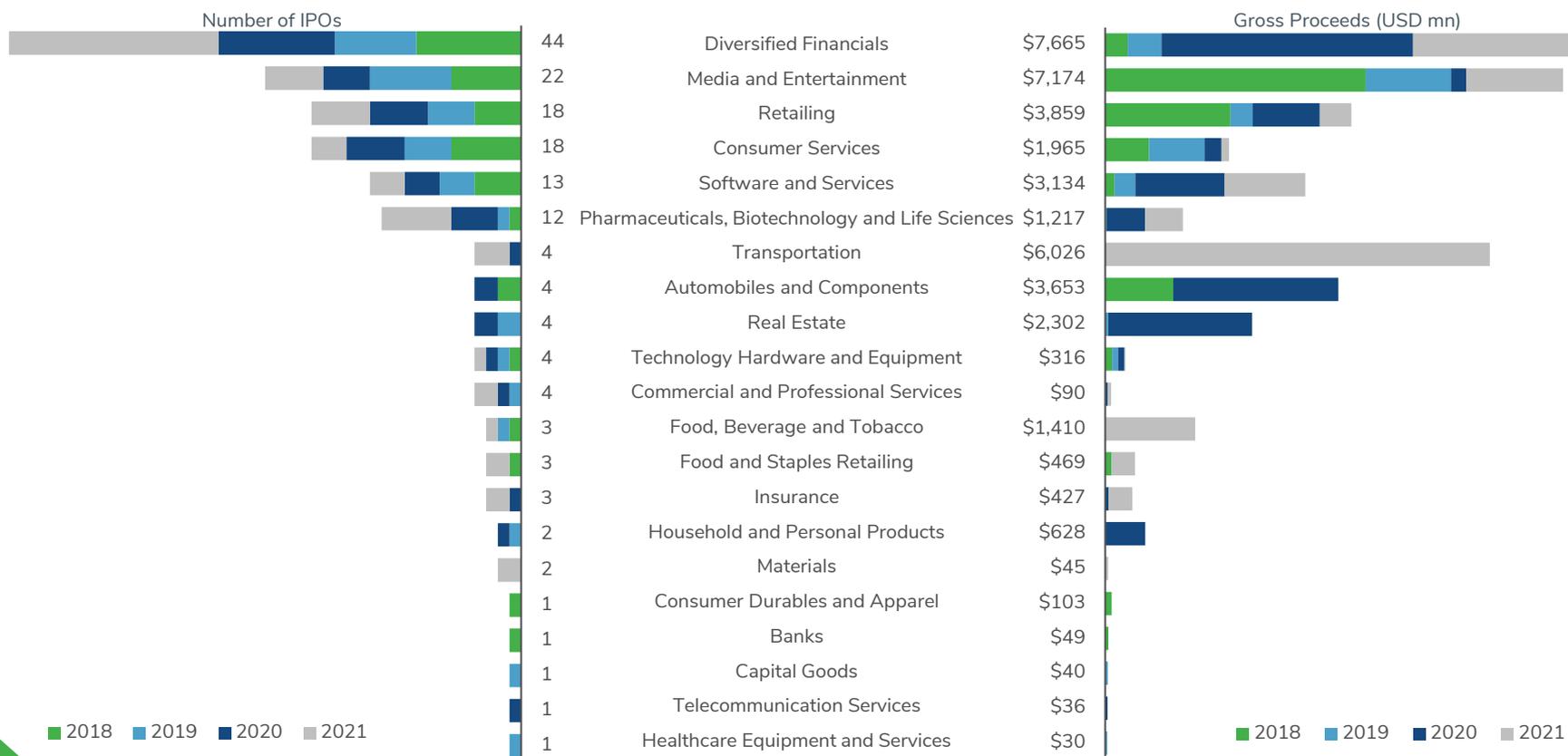


Note: 2014 was an outlier in terms of total IPO funds raised due to Alibaba's record USD 22 billion listing on the NYSE.

U.S. IPO Activity

Over the 2018 to 2021 period, companies in the diversified financials sector, including many special-purpose acquisition companies (SPACs), accounted for the most listings and total IPO funds raised. The transportation sector accounted for the most in aggregate IPO funds raised in 2021, with proceeds totaling USD 6.0 billion. In 2020, other than SPACs, companies in the automobiles and components sector led IPO activity with approximately USD 2.6 billion in total funds raised.

IPOs by Industry (2018–2021)



Source: SEC filings, Bloomberg, company press releases and S&P Global Market Intelligence as of December 31, 2021

U.S. IPO Activity

The two largest U.S. IPOs of Chinese companies in 2021 were both from the transportation sector, as DiDi Global Inc. completed an NYSE listing for approximately USD 4.4 billion and freight platform Full Truck Alliance Co. Ltd. completed a Nasdaq listing for approximately USD 1.6 billion. However, amid scrutiny from Chinese regulators, DiDi announced in December that it plans to delist from the NYSE and pursue a listing in Hong Kong.

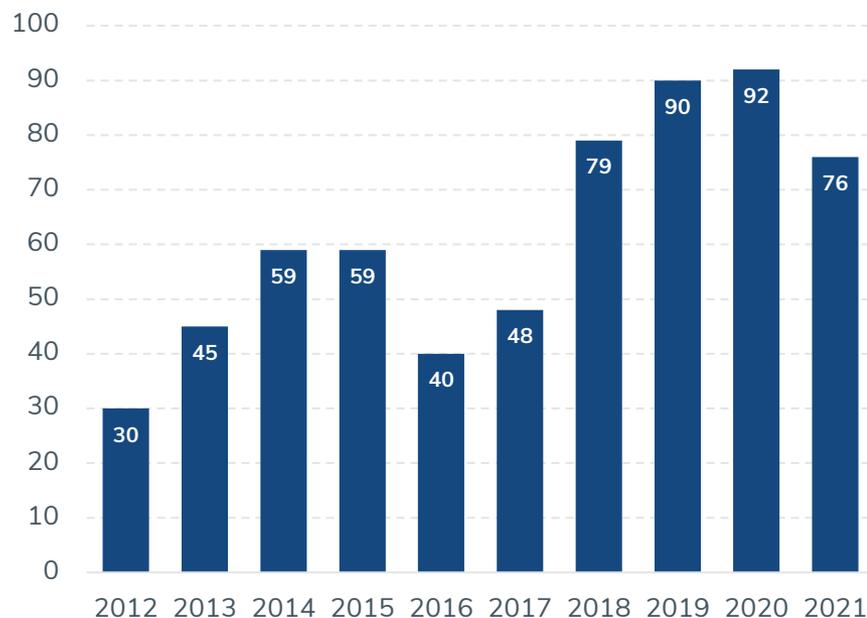
Top Five U.S. IPOs of Chinese Companies in 2021 by Funds Raised

Pricing Date	Company Name	Incorporation	Industry Sector	Business Description	Gross Proceeds (USD mn)	Indicated Price Range (USD)	Offer Price (USD)	As of 12/31/2021		
								Stock Price (USD)	Market Capitalization (USD mn)	Increase/Decrease from IPO Price
6/29/2021	DiDi Global Inc. (NYSE:DIDI)	Cayman Islands	Transportation	Ride-hailing mobility technology platform	\$4,435	\$13.00–\$14.00	\$14.00	\$4.98	\$24,020	▼ 64.4%
										
6/21/2021	Full Truck Alliance Co. Ltd. (NYSE:YMM)	Cayman Islands	Transportation	Digital freight platform	\$1,568	\$17.00–\$19.00	\$19.00	\$8.37	\$9,089	▼ 55.9%
										
6/10/2021	Kanzhun Limited (NasdaqGS:BZ)	Cayman Islands	Media and Entertainment	Online recruitment platform service provider	\$912	\$17.00–\$19.00	\$19.00	\$34.88	\$13,950	▲ 83.6%
										
3/17/2021	Tuya Inc. (NYSE:TUYA)	Cayman Islands	Software and Services	Cloud and application development business service provider	\$915	\$17.00–\$20.00	\$21.00	\$6.25	\$3,499	▼ 70.2%
										
1/21/2021	RLX Technology Inc. (NYSE:RLX)	Cayman Islands	Food, Beverage and Tobacco	Develops, manufactures, distributes and sells e-vapor products	\$1,398	\$8.00–\$10.00	\$12.00	\$3.90	\$5,249	▼ 67.5%
										

Hong Kong IPO Activity

Hong Kong has long been a key venue for Chinese capital-raising activities due to its status as a financial hub bridging mainland China and Western markets. However, IPO activity for Chinese companies in Hong Kong declined in 2021, with new listings totaling approximately USD 25.1 billion in funds raised for the year, down from approximately USD 28.1 billion in 2020. Hong Kong faces increasing competition with mainland China stock markets, as the Shanghai Stock Exchange, STAR Market, ChiNext Market and the newly established Beijing Stock Exchange continue to attract new listings.

Number of IPOs



Amount of IPO Funds Raised (USD bn)

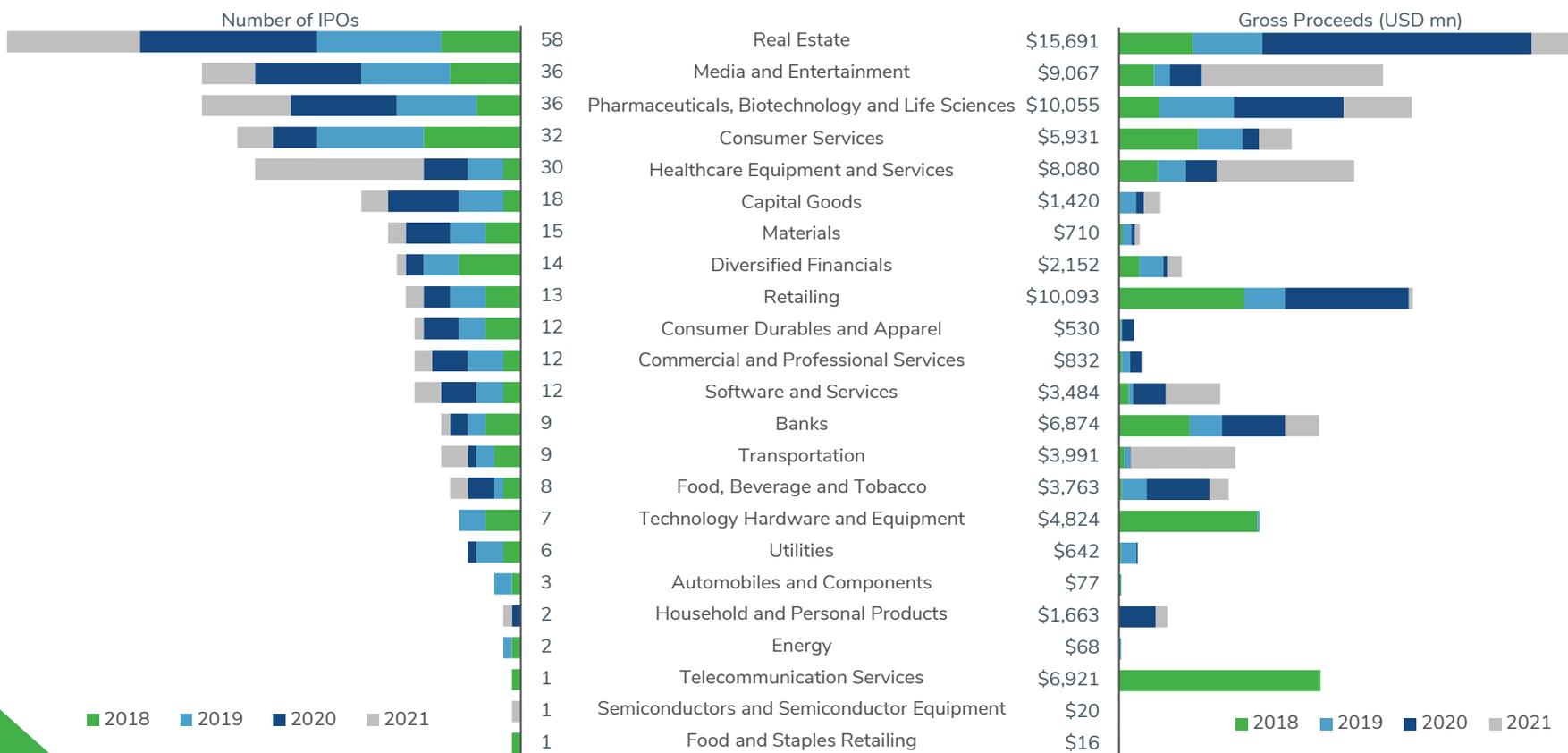


Source: SEC filings, company press releases and S&P Global Market Intelligence as of December 31, 2021

Hong Kong IPO Activity

The media and entertainment sector accounted for the most in IPO funds raised in 2021 with approximately USD 6.2 billion, followed by the healthcare equipment and services sector with approximately USD 4.7 billion. The transportation and pharmaceuticals and biotechnology sectors also accounted for significant portions of IPO activity in 2021, with approximately USD 3.6 billion and USD 2.3 billion in aggregate funds raised, respectively.

IPOs by Industry (2018–2021)



Source: SEC filings, company press releases and S&P Global Market Intelligence as of December 31, 2021

Hong Kong IPO Activity

Livestreaming and online marketing service provider Kuaishou Technology and supply chain solutions and logistics service provider JD Logistics each completed IPOs with more than USD 3 billion in funds raised in 2021. Linklogis, a technology solutions provider for supply chain finance, and Dongguan Rural Commercial Bank also raised more than USD 1 billion in their IPOs.

Top Five Hong Kong IPOs of Chinese Companies in 2021 by Funds Raised

Pricing Date	Company Name	Incorporation	Industry Sector	Business Description	Gross Proceeds (USD mn)	Indicated Price Range (HKD)	Offer Price (HKD)	As of 12/31/2021		
								Stock Price (HKD)	Market Capitalization (USD mn)	Increase/Decrease from IPO Price
12/29/2021	SenseTime Group Inc.(SEHK:20)	Cayman Islands	Software and Services	Provides artificial intelligence software platforms	\$741	HKD3.85–HKD3.99	HKD 3.85	HKD 5.50	\$23,475	▲ 42.9%
										
9/28/2021	Dongguan Rural Commercial Bank Co., Ltd. (SEHK:9889)	China	Banks	Provides commercial banking services	\$1,168	HKD7.92–HKD8.71	HKD 7.92	HKD 7.55	\$6,670	▼ 4.7%
										
5/26/2021	JD Logistics, Inc. (SEHK:2618)	Cayman Islands	Transportation	Supply chain solutions and logistics service provider	\$3,168	HKD39.36–HKD43.36	HKD 40.36	HKD 26.45	\$19,199	▼ 34.5%
										
4/8/2021	Linklogis Inc. (SEHK:9959)	Cayman Islands	Software and Services	Technology solutions provider for supply chain finance	\$1,024	HKD16.28–HKD18.28	HKD 17.58	HKD 7.30	\$2,154	▼ 58.5%
										
1/29/2021	Kuaishou Technology (SEHK:1024)	Cayman Islands	Media and Entertainment	Livestreaming and online marketing service provider	\$5,417	HKD105.00–HKD115.00	HKD 115.00	HKD 72.05	\$46,135	▼ 37.3%
										

Note: All trademarks, trade names or logos referenced herein are the property of their respective owners.
Source: SEC filings, company press releases and S&P Global Market Intelligence as of December 31, 2021

China SPACs

SPACs raise money through an IPO to acquire a company through a reverse merger. In recent years, acquisition by a SPAC has proven to be an effective way for Chinese companies to tap global capital markets without drawn-out road shows and underwriting expenses.

China SPAC Transaction Activity

Announced	Transaction Value (USD mn)	Transaction Description	SPAC Name	SPAC Headquarters/ Incorporation	Target Name	Target Business Description	Target Country
12/22/2021	\$708	Global SPAC Partners Co. entered into an agreement to combine with Gorilla Technology Group, Inc.	Global SPAC Partners Co. (NasdaqCM:GLSP.U)	U.S./ Cayman Islands	Gorilla Technology Group, Inc.	Offers a platform that combines video analytics and internet of things technology to deliver business intelligence insights	China/ Taiwan
9/16/2021	\$2,350	Poema Global Holdings Corp entered into an agreement to combine with Gogoro Inc.	Poema Global Holdings Corp. (NasdaqCM:PPGH)	U.S./ Cayman Islands	Gogoro Inc.	Manufactures two-wheeled electric vehicles	China/ Taiwan
9/15/2021	\$1,254	Artisan Acquisition Corp. entered into an agreement to combine with Prenetics Group Limited	Artisan Acquisition Corp. (NasdaqCM:ARTA)	Cayman Islands/ Cayman Islands	Prenetics Group Limited	A genetics and diagnostic health testing company	China/ Hong Kong
9/10/2021	\$450	Golden Path Acquisition Corporation entered into an agreement to combine with MC Hologram Inc.	Golden Path Acquisition Corporation (NasdaqCM:GPCO)	U.S./ Cayman Islands	MC Hologram Inc.	Engages in the research, development and application of holographic technology services	China

China SPACs

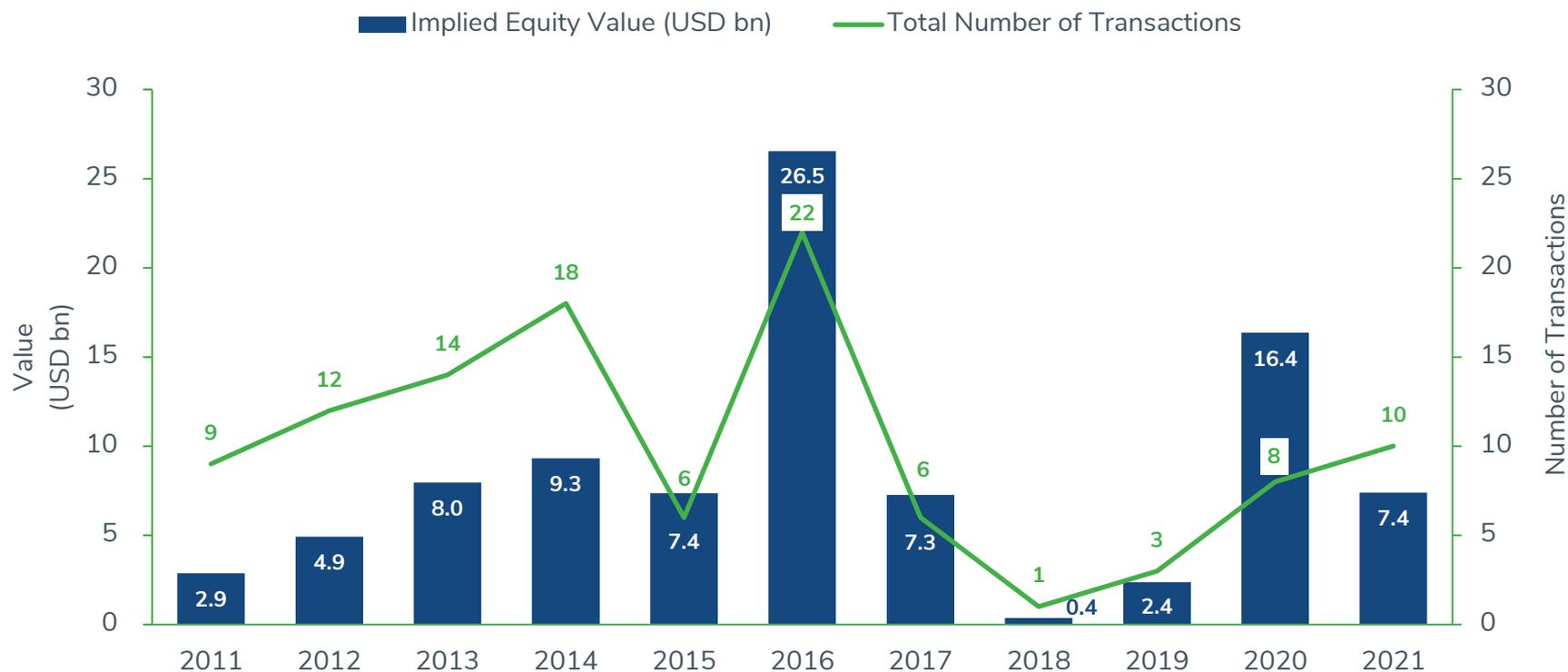
China SPAC Transaction Activity (cont'd)

Announced	Transaction Value (USD mn)	Transaction Description	SPAC Name	SPAC Headquarters/ Incorporation	Target Name	Target Business Description	Target Country
8/25/2021	\$300	Ace Global Business Acquisition Limited entered into an agreement to combine with DDC Enterprise Limited	Ace Global Business Acquisition Limited (NasdaqCM:ACBA)	Hong Kong/ British Virgin Islands	DDC Enterprise Limited	Operates as a digital publisher and merchandiser company under the brand DayDayCook	China/ Hong Kong
8/16/2021	\$1,688	Silver Crest Acquisition Corporation entered into an agreement to combine with Tim Hortons China	Silver Crest Acquisition Corporation (NasdaqCM:SLCR)	Hong Kong/ Cayman Islands	Tim Hortons China	Owns and operates Tim Hortons restaurants in China	China
8/9/2021	\$300	Model Performance Acquisition Corp. entered into an agreement to combine with MultiMetaVerse Inc.	Model Performance Acquisition Corp. (NasdaqCM:MPAC)	Hong Kong/ British Virgin Islands	MultiMetaVerse Inc.	Develops and publishes animations and mobile games	China/ Hong Kong
6/10/2021	\$400	Venus Acquisition Corporation entered into an agreement to combine with VIYI Algorithm Inc.	Venus Acquisition Corporation (NasdaqCM:VENA)	U.S./ Cayman Islands	VIYI Algorithm Inc.	Develops algorithms to optimize software and hardware systems	China
2/18/2021	\$1,000	East Stone Acquisition Corporation entered into an agreement to combine with JHD Holdings (Cayman) Limited	East Stone Acquisition Corporation (NasdaqCM:ESSC)	U.S./ British Virgin Islands	JHD Holdings (Cayman) Limited	Provides point-of-sale, supply chain, and logistics and payments solutions for businesses in China	China

Going-Private Transactions .o

Ten going-private transactions of U.S.-listed Chinese companies were completed in 2021, with a total implied equity value of approximately USD 7.4 billion. Notable completed transactions include the privatizations of search engine service provider Sogou and online media giant SINA during 2021.

Summary of Closed Transactions



2021 Closed Transactions

Closed Date	Announced Date	Company Name	Incorporation	Industry Group	Business Description	Implied Equity Value (USD mn)
9/23/2021	7/27/2020	Sogou Inc.	Cayman Islands	Media and Entertainment	Provides search and search-related services in China	\$3,499
						
9/9/2021	9/15/2020	Ossen Innovation Co., Ltd.	British Virgin Islands	Materials	Manufactures and sells various plain surface prestressed, rare earth coated and zinc coated prestressed steel materials in China and internationally	\$34
						
7/12/2021	5/12/2020	Newater Technology, Inc.	British Virgin Islands	Capital Goods	Operates as a wastewater purification treatment company in China	\$39
						
7/6/2021	3/12/2021	China Customer Relations Centers, Inc.	British Virgin Islands	Commercial and Professional Services	Provides business process outsourcing services for transportation, e-commerce, banks, insurance and telecommunications companies in China	\$119
						
4/20/2021	11/25/2020	Ruhnn Holding Limited	Cayman Islands	Retailing	Operates key opinion leader cultivation and incubation platforms in China	\$290
						
3/25/2021	7/16/2019	Gridsum Holding Inc.	Cayman Islands	Software and Services	Provides data analysis software for enterprises and government agencies in China	\$80
						

2021 Closed Transactions (cont'd)

Closed Date	Announced Date	Company Name	Incorporation	Industry Group	Business Description	Implied Equity Value (USD mn)
3/22/2021	7/6/2020	SINA Corporation	Cayman Islands	Media and Entertainment	Operates as an online media company in China and internationally	\$2,596
						
3/18/2021	6/8/2020	China Distance Education Holdings Limited	Cayman Islands	Consumer Services	Provides online and offline education services and sells related products in China	\$337
						
2/26/2021	9/29/2020	Wanda Sports Group Company Limited	Hong Kong	Media and Entertainment	Operates as a sports events, media and marketing platform worldwide	\$349
						
1/29/2021	8/17/2020	Acorn International, Inc.	Cayman Islands	Retailing	A marketing and branding company that sells various products through e-commerce, offline distribution and outbound marketing channels	\$54
						

Going-Private Transactions

During 2021, nine going-private transactions of U.S.-listed Chinese companies were announced that have yet to close, the largest being the proposed privatizations of healthcare services provider New Frontier Health and automation solutions provider Hollysys Automation Technologies. In aggregate, U.S.-listed Chinese companies with pending going-private transactions that have been announced or proposed represented approximately USD 8.6 billion in market capitalization as of December 31, 2021 (including transactions announced in 2020 and 2021).

2021 Announced Transactions

Announced Date	Status	Company Name	Incorporation	Industry Group	Business Description	Market Capitalization (USD mn) ¹
12/23/2021	Announced/ Pending	Hailiang Education Group Inc. (NasdaqGM:HLG)	Cayman Islands	Consumer Services	Provides K-12 educational and management services in China	\$325
						
12/16/2021	Announced/ Pending	Fanhua Inc. (NasdaqGS:FANH)	Cayman Islands	Insurance	Distributes insurance products in China	\$391
						
11/22/2021	Announced/ Pending	So-Young International Inc. (NasdaqGM:SY)	Cayman Islands	Media and Entertainment	Operates an online platform for medical aesthetics and consumption healthcare services focusing on discretionary medical treatments	\$334
						
10/13/2021	Announced/ Pending	iClick Interactive Asia Group Limited (NasdaqGM:ICLK)	Cayman Islands	Media and Entertainment	Provides online marketing services in China and internationally	\$437
						

¹ Market capitalization as of December 31, 2021

Note: All trademarks, trade names or logos referenced herein are the property of their respective owners.

Source: SEC filings, company press releases and S&P Global Market Intelligence as of December 31, 2021

2021 Announced Transactions (cont'd)

Announced Date	Status	Company Name	Incorporation	Industry Group	Business Description	Market Capitalization (USD mn) ¹
8/9/2021	Announced / Pending	China Zenix Auto International Limited (OTCPK:ZXAI.Y)	British Virgin Islands	Automobiles and Components	Designs, manufactures and sells commercial vehicle wheels to aftermarket and original equipment manufacturers in China	\$49
						
8/4/2021	Announced / Pending	LAIX Inc. (NYSE:LAIX)	Cayman Islands	Consumer Services	Provides online English learning products and services in China	\$28
						
7/20/2021	Announced / Pending	Hollysys Automation Technologies Ltd. (NasdaqGS:HOLI)	British Virgin Islands	Technology Hardware and Equipment	Provides automation solutions in China, Southeast Asia, India and the Middle East	\$863
						
2/9/2021	Announced / Pending	New Frontier Health Corporation (NYSE:NFH)	Cayman Islands	Healthcare Equipment and Services	Provides healthcare services and operates a network of hospital inpatient departments and integrated outpatient clinics, including satellite feeder clinics	\$1,511
						
1/10/2021	Announced / Pending	Secoo Holding Limited (NasdaqGM:SECO)	Cayman Islands	Retailing	Operates an integrated online and offline shopping platform in China, Hong Kong and internationally	\$34
						

¹ Market capitalization as of December 31, 2021

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Source: SEC filings, company press releases and S&P Global Market Intelligence as of December 31, 2021

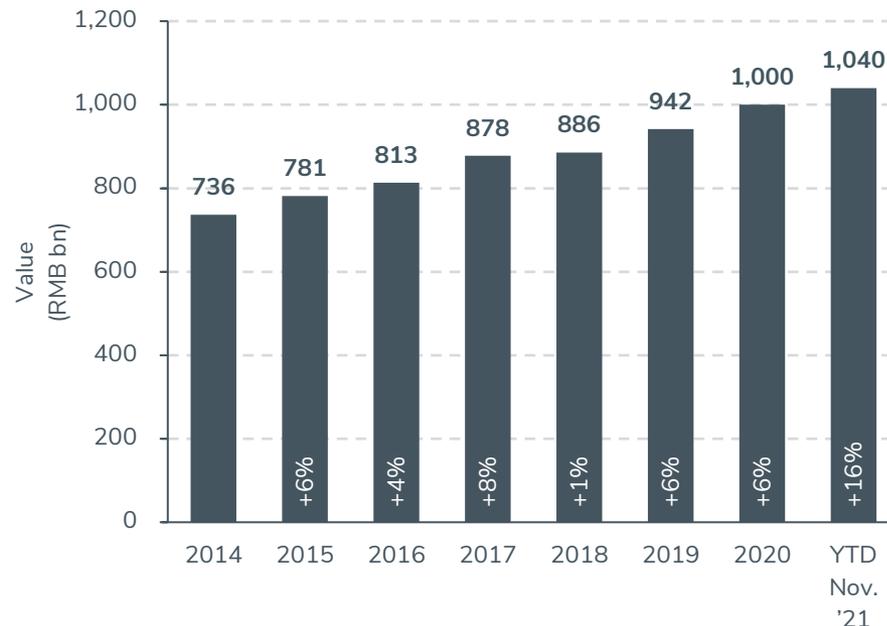
Cross-Border Investment

December 2021 was the 20th anniversary of China's accession to the World Trade Organization, marking a significant milestone for the Chinese economy. For the first 11 months of 2021, China's non-financial outbound direct investment rose 4.3% year-on-year to approximately USD 99.1 billion but declined approximately 2.9% in RMB terms. Foreign direct investment into mainland China rose 15.9% year-on-year to approximately RMB 1.04 trillion through the first 11 months of 2021, reflecting a growing proportion of foreign investment in the high-tech manufacturing and service sectors.

Chinese Non-Financial Outbound Direct Investment



Foreign Direct Investment in China



Source: China State Council, China Ministry of Commerce, Bloomberg and China Daily

Notable Cross-Border Transactions—China/Americas



In October 2021, China's Zijin Mining Group agreed to acquire Argentina-focused lithium mining company Neo Lithium Corp. for approximately USD 770 million.



In September 2021, China National Offshore Oil Corporation indicated its intent to exercise an option to acquire an additional 5% stake in the Buzios oilfield in Brazil for approximately USD 2.1 billion.



In August 2021, Chinese health and nutrition company H&H Group agreed to acquire Zesty Paws, a U.S.-based pet supplements provider, for USD 610 million.



In July 2021, Capital Today China Group, the wealth management unit of CDH Investments and General Atlantic jointly led a USD 510 million round of financing for U.S.-based babywear company PatPat.



Asia Green Fund



In February 2021, U.S.-based DuPont de Nemours announced the sale of its Clean Technologies business to a consortium including Asia Green Fund, BroadPeak Global and Dussur for USD 510 million.



In January 2021, Chinese automaker Geely agreed to help fund a USD 775 million investment in U.S.-based electric vehicle firm Faraday Future.



Notable Cross-Border Transactions—China/Europe



In November 2021, Chinese investment fund Orient Hontai Capital injected approximately USD 702 million into Spanish TV group Mediapro, producer of broadcasts for Spain's LaLiga soccer league, in a recapitalization transaction to provide liquidity and additional capital.



In September 2021, China International Marine Containers, the world's largest manufacturer of shipping containers, agreed to acquire Maersk's Denmark and China units for approximately USD 1.1 billion.



In July 2021, Tencent, through its Sixjoy Hong Kong subsidiary, agreed to acquire British gaming company Sumo Group for approximately USD 1.3 billion.



In May 2021, Shenzhen Mindray Bio-Medical Electronics agreed to acquire Finland-based HyTest, a supplier of raw materials used in disease testing, for approximately USD 661.



In April 2021, Swedish electric car company Polestar raised USD 550 million from a group of investors led by Chongqing Chengxing Equity Investment Fund Partnership, Zibo Financial Holding and Zibo Hightech Industrial Investment.



In March 2021, Netherlands-based Koninklijke Philips agreed to sell its domestic appliances business to China's Hillhouse Capital for approximately USD 4.4 billion.



Note: All trademarks, trade names or logos referenced herein are the property of their respective owners.

Source: SEC filings, company press releases, Bloomberg, S&P Global Market Intelligence and various news sources (e.g., Bloomberg News, Reuters, The Wall Street Journal)

Notable Cross-Border Transactions—China/Asia Pacific

SHANGHAI TOPCARE
MEDICAL SERVICES



In December 2021, Shanghai Topcare Medical Services offered to acquire Singapore-based private clinic operator Fullerton Healthcare for up to approximately USD 589 million.



Tencent 腾讯



In October 2021, Tencent, through its Sixjoy Hong Kong subsidiary, agreed to acquire a 6.86% stake in Japanese media publisher Kadokawa for approximately USD 264 million.



In September 2021, Singapore-based logistics provider Ninja Van raised USD 578 million from Alibaba and other investors.



In August 2021, China-focused property group ESR Cayman agreed to acquire Singapore-based real estate fund manager ARA Asset Management for USD 5.2 billion.



In May 2021, a consortium led by Alibaba and Baring Private Equity Asia acquired a 5.5% stake in Vietnamese conglomerate Masan Group's consumer retail platform The CrownX for USD 400 million.



Tencent 腾讯



In March 2021, Tencent and SoftBank co-led a USD 300 million round of financing for PatSnap, an IP analytics firm based in Singapore, along with participation from existing investors CITIC Industrial Fund, Sequoia China, Shun Wei Capital and Vertex Ventures.



Select Transactions Experience

Financial Advisor

(Transaction Pending)

New Frontier Health Corporation has received a nonbinding proposal from certain existing shareholders to acquire the outstanding shares of the company in a going-private transaction.



Financial advisor to the special committee of the board of directors of New Frontier Health Corporation

Financial Advisor

(Transaction Pending)

51job, Inc. has received a nonbinding proposal from DCP Capital Partners, L.P. to acquire the outstanding shares of the company in a going-private transaction.



Financial advisor to the special committee of the board of directors of 51job, Inc.

Financial Advisor

(Transaction Pending)

So-Young International Inc. has received a non-binding proposal from the founder, CEO and Chairman to acquire the outstanding shares of the company in a going-private transaction.



Financial advisor to the special committee of the board of directors of So-Young International, Inc.

Financial Advisor

(Transaction Completed)

Sogou Inc. has received a nonbinding proposal from Tencent Holdings Limited to acquire the outstanding shares of the company in a going-private transaction.



Financial advisor to the special committee of the board of directors of Sogou Inc.

Financial Advisor

(Transaction Completed)

Ruhn Holding Limited has been acquired by a buyer group including three of the company's founders in a going-private transaction.



Financial advisor to the special committee of the board of directors of Ruhn Holding Limited

Financial Advisor

(Transaction Completed)

China Distance Education Holding Limited has been acquired by an insider-led consortium in a going-private transaction.



Financial advisor to the special committee of the board of directors of China Distance Education Holding Limited

Financial Advisor

(Transaction Completed)

JD.com, Inc. has divested its cloud and AI business to Jingdong Digits Technology Holding Co., Ltd.



Financial advisor to the audit committee of JD.com, Inc.

Financial Advisor

(Transaction Completed)

Bilibili Inc. acquired certain equity interest in Chaodian Inc. from the management of Bilibili Inc.



Financial advisor to the audit committee of the board of directors of Bilibili Inc.

GLOBAL CORPORATE FINANCE PRACTICE

Ranked No. 1 for Total Number of U.S. and Global Fairness Opinions over the past 5- and 10-year periods.¹

Ranked No. 5 for U.S. Middle Market M&A over the past 10 years.²

ANNOUNCED U.S. FAIRNESS OPINIONS RANKINGS

	Ranking	Number of Credited Deals
1 Year: 2021	#1	60
5 Years: 2017–2021	#1	246
10 Years: 2012–2021	#1	456

Source: Refinitiv

ANNOUNCED GLOBAL FAIRNESS OPINIONS RANKINGS

	Ranking	Number of Credited Deals
1 Year: 2021	#1	83
5 Years: 2017–2021	#1	315
10 Years: 2012–2021	#1	573

Source: Refinitiv

¹ According to Refinitiv cumulative data 2012-2021

² According to Refinitiv data (U.S. deals \$10M < \$170M, including deals without a disclosed value); full years 2012 through 2021

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CORPORATE FINANCE

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