

China Trade News

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Chinese Investors, Investment Firms from China (1st edition) 2020

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Chinese private investors still dominant force in China outbound deals, and China's investment firms have become the initiators in the newest report top three acquisitions in terms of volume.

However, previous elements of Global M&A activity further impact dealmaking in 2020. Here are the highlights of M&A tendencies that emerged and most recent top 3 Chinese investors, investment firms from China (1st edition) 2020.

M&A Indication Highlights

M&A previous elements further impact deal making in 2020, according to analysis Merger market Global & Regional M&A Report indication. Global M&A activity slows down in 2019 – Global M&A activity was down 6.9%, and deal making decelerated significantly in the latter part of 2019, with 2H19 recording a 24.2% fall in value versus the first half.

Here are the five highlights:

- China's M&A deal is dwindling - China and Hong Kong M&A global share shrinks to 8.8%, with deal value down 27.7%.
- M&A Deals' value getting larger & grander - Average deal size at USD 389m, the second highest on Merger market record.
- Private Equity's march continues unabated - Boom in take-private deals totals USD 158.3bn in 2019.
- The US in turn takes the lion's share - US activity dips in 2H19 but retains 47.2% of global M&A on the back of domestic consolidation.
- The Europeans go on a journey for meaningful deals – European M&A activity has suffered from a lack of big-ticket deals in 2019, which is predicted to linger into 2020.

Top 3 China Outward Investment Deals (new)

Several meaningful new China Outward M&A deals recently, main target dominant sectors focused on media, mining, energy and construction, mining occupied the key position among leading target dominant sectors, there were two top China outward deals sealed in the sector of mining within the month of December 2019.

The Chinese bidder's companies were private investors from mainland China besides the bidders of construction sector were from Chinese state-owned companies. Chinese private investors remain the main force of among China M&A deals making. Here are the top 3 China outbound newest deals.

1) Tencent Group buys 10% of universal music for \$3.4 billion

A consortium led by China's [Tencent](#) Holdings Ltd. agreed to buy 10% of Universal Music Group from French media company [Vivendi SA](#) after months of talks. The deal values the world's biggest music company at 30 billion euros (\$33.6 billion). Tencent and its partners can increase their stake to as much as 20% at the same valuation until Jan. 15, 2021.

Vivendi SA is a French mass media conglomerate headquartered in Paris. The company has activities in music, television, film, video games, book publishing, telecommunications, tickets, and video hosting service. More details over A Tencent-led consortium buys 10% of Universal Music, valuing the world's biggest music firm at \$34 billion, [here](#)

2) Zijin Mining to acquire Continental Gold in friendly, all-cash offer for C\$1.4 billion

Zijin Mining Group Co., Ltd. ("[Zijin](#)") and Continental Gold Inc. ("Continental") are announced that they have entered into a definitive agreement (the "Arrangement Agreement"), pursuant to which Zijin has agreed to acquire all of the outstanding shares of Continental (the "Transaction") at a price of C\$5.50 per share (the "Offer Price") in cash and all outstanding securities convertible into such common shares will also be acquired on the same basis. The total equity value pursuant to the Transaction is approximately \$1.4 billion on a fully diluted basis.

[Continental](#) is the leading large-scale gold mining company in Colombia and is presently developing its 100% owned Buriticá project in Antioquia. Buriticá is one of the largest and highest-grade gold projects in the world and is being advanced utilizing best practices for mine construction, environmental care, and community inclusion.

Continental led by an international management team with a successful record of discovering, financing, and developing large high-grade gold deposits in Latin America.

The Buriticá project is on schedule with mechanical completion anticipated during the first quarter of 2020. Additional details on Continental's suite of gold exploration properties are also available at related [report](#) . More details over Chinese firm Zijin Mining Group Co., Ltd. ("Zijin") [here](#).

3) Jiangxi Copper agrees to acquire stake in PIM Cupric for \$1.1bn

China's copper company [Jiangxi Copper \(JCC\)](#) has signed an agreement to acquire entire equity interest in PIM Cupric Holdings (PCH) from Canadian investment company Pangaea Investment Management (PIM), for \$1.1bn. The Transaction is expected to close on or prior to December 31, 2019. PCH has direct ownership of

124,198,371 common shares ("Common Shares") of First [Quantum Minerals Limited \("FQM"\)](#), a company listed on the Toronto Stock Exchange.

[Jiangxi Copper](#) is the largest copper company, a Sino-foreign joint venture joint-stock company that is incorporated in Mainland China. Its operations include copper mining, milling, smelting, and refining to produce copper-related products, including gold and silver.

[Quantum Minerals Limited \("FQM"\)](#) is a Canadian-based mining and metals company; main businesses include mineral exploration, development, and mining. Its key product is copper. [FQM](#)'s head office is located at 14th Floor – 543 Granville Street Vancouver BC, Canada V6C 1X8.

More Databases on China Cross-Boarder M&A Deals

There are more China M&As, China outbound deals sealed in recently, target sector focused on construction and energy, such as, China's State Grid acquires 49% stake in Oman Electricity Transmission Co (15 December 2019); China Railway to Take 75% Stake in Aldesa of the Spanish construction company. The deal features about €250 million of capital increase from CRCC into the business (26 December 2019). The deal is expected to close in the second quarter of 2020, etc. There is a complete [Chinese Investors database](#), for more information, please contact DCCChina.org.

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