Tou Ying Tracker 2019

The latest trends in Chinese investment in the UK
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About the Grant Thornton Tou Ying Tracker

Our 2019 Tou Ying Tracker, developed in collaboration with China Daily, identifies the largest Chinese companies in the UK, while the Tou Ying 30 (TY30) identifies the fastest-growing companies as measured by percentage revenue growth in the last year.

To compile the 2019 Tou Ying Tracker, we started by identifying all Chinese-owned companies that have filed an audited revenue figure at Companies House in at least one of the last two financial years to 30 September 2019, and that are at least 50% owned by a Chinese corporate, investor or national. This year, we identified around 800 such companies.

Of this population of 800, we then analysed those companies with a turnover of £5 million or more in both of their last two financial years in order to produce the 2019 TY30 list of fastest-growing Chinese companies in the UK.

We would also like to recognise the contribution to the UK economy of the estimated 13,000 Chinese-owned companies and 100 representative offices that fall outside the criteria for inclusion in the Tou Ying Tracker.

1 Hong Kong, Macau and Taiwan are not included in this research

3 Tou Ying Tracker 2019
Introduction

Now in its seventh year, our Tou Ying Tracker research confirms the increasingly significant contribution Chinese companies are making to the UK economy.

Our research this year identifies almost 800 companies that meet the criteria for inclusion in the Tou Ying Tracker\(^2\). This compares with 750 in 2018.

Together, the 800 companies have combined revenues of £91 billion (up from £68 billion for the 750 companies identified in 2018) and report overall revenue growth of 17% (up from 12% in 2018). Between them, they employ over 71,000 people (up from 62,000 in 2018\(^3\)).

These 800 companies represent only a fraction of the Chinese companies doing business in the UK. In total, we identified over 13,000 companies that are part of a China-owned corporate group or are majority held by a Chinese national.

**TY30 continue to report strong growth**

This year, the 30 fastest-growing Chinese companies (TY30) continue to grow at an impressive rate, reporting an average increase in annual revenues of 62%. Between them, these 30 companies employ over 5,500 people. Manufacturing and industrial companies dominate the TY30 this year, accounting for 86% of TY30 revenues. Meanwhile, the fastest-growing companies are in the TMT (technology, media and telecoms) sector, recording average growth of 81%.

**Direct UK investments grow fastest**

This year, for the first time, we have looked at how growth rate varies according to how the original investment was made. Among the TY30, the highest average growth rate, at 72%, is found among companies that were a direct UK investment\(^4\). Those that were an indirect investment\(^5\) via a foreign parent acquisition report average growth of 61%, while average growth through organic expansion is 55%\(^6\).

**Looking to the future**

The UK has now left the European Union and entered an 11-month ‘implementation period’, ending on 31 December 2020. This means businesses will not see much change in the short term. Looking further out, however, there are signs that the pro-Brexit government elected in December 2019 is likely to build trade and investment channels with countries like China as an antidote to greater friction in UK-EU trade. Chinese companies with plans to operate in Europe are likely to continue to be attracted by the UK’s geopolitical and fiscal policies, even if it becomes necessary to tackle the UK and the EU as two separate market opportunities.

While the outbreak of Convid-19 is currently impacting travel to and from mainland China, which may interrupt the ability of Chinese businesses to pursue and complete overseas deals and to visit their existing international operations, one thing is clear – the UK is committed to strengthening its relationship with China. But a wide range of international events and trends will continue to shape trade and investment patterns between the UK and China for some time to come.

We celebrate the success of all the companies appearing in this year’s Tou Ying Tracker and Tou Ying 30, and congratulate them on their outstanding contribution to the UK economy.

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\(^2\) See page 3 for definition
\(^3\) The 2018 figure excludes 18,000 employed by House of Fraser, acquired by Sports Direct in August 2018 and therefore no longer under Chinese ownership in 2019
\(^4\) refers to a UK headquartered company that was acquired and is now controlled by a Mainland China-based corporate or investor
\(^5\) refers to a company that has UK operations but is a subsidiary of a non-UK headquartered company that was acquired and is now controlled by a Mainland China-based corporate or investor
\(^6\) refers to a Mainland China-based corporate or investor establishing itself in the UK directly and not via the acquisition of an existing UK entity
Showcasing the strength of Chinese investment in the UK

We analysed data from almost 800 largest Chinese companies in the UK to create the Tou Ying Tracker, revealing distinct patterns of employment and growth.

- **c.800** Chinese companies in the UK
- **£91 billion** Combined turnover
- **71,000+** Employees
- **17%** Revenue growth in 2019

**Sector breakdown** (number of companies)

- **28%** Consumer
- **19%** Manufacturing and industrial
- **15%** Business support services
- **21%** Real estate and construction
- **19%** Financial services
- **8%** Tech, media and telecomms
- **5%** Private healthcare
- **3%** Education
- **2%** Education
Number of companies by region

- **London Region**: 355
- **North and Midlands**: 170
- **Central Region**: 106
- **Scotland and NI**: 18
- **South Region**: 146
- **Grand Total**: 795
The big picture
UK remains preferred destination for Chinese investors

During 2018, the UK remained the preferred destination in Europe for Chinese investors, recording some EUR 4.2 billion of completed transactions, compared with Germany (EUR 2.1 billion) and France (EUR 1.6 billion). This was in the context of a dramatic drop in Chinese foreign direct investment (FDI) into the European Union (EU) for the second year in a row. The drop was largely a consequence of controls on capital outflows imposed by the Chinese government in November 2016.

The weak pound makes UK assets attractive
For the first half of 2019, the weak pound continued to make investing in the UK a particularly attractive proposition. Sterling fell dramatically against the Chinese yuan following the UK vote to leave the EU in June 2016 and has remained weak ever since. In August 2019, the currency reached its lowest point against the Chinese yuan for over two years (see Graph 1). By contrast, the value of the yuan has been rising steadily against sterling since the financial crisis hit the UK in 2008.

By the beginning of 2017, the yuan had risen against the pound to a level not seen since the devaluation of the yuan in 1994 (see Graph 2).

The weak pound has made UK assets look cheap in recent years and Chinese investors – both private and state-owned enterprises – have been active in snapping up bargains (see page 25 for more detail). Uncertainty around Brexit means a wide range of quality UK assets have been coming to market and deals worth a total of £3.6 billion, together with a commitment by Jingye Group to invest £1.2 billion in British Steel, took place in 2019.

During the second half of 2019, the pound made something of a recovery, following the appointment of a new UK prime minister, Boris Johnson, and the subsequent general election in December, which delivered a clear outcome and, with this, greater certainty for markets.

Graph 1. Pound against yuan 2016–2019

Source: Datastream

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7 Chinese FDI in Europe: 2018 trends and impact of new screening policies, Rhodium Group and Mercator Institute for China Studies (MERICS), March 2019
8 China’s Jingye Group agrees outline deal to rescue British Steel, Reuters, 11 November 2019 [uk.reuters.com/article/us-britishsteel-m-a-jingye/chinas-jingye-group-agrees-outline-deal-to-rescue-british-steel-idUKKBN1XL0Q5]
US-China trade war boosts UK-China trade figures
Alongside this flow of Chinese money into the UK, Chinese-UK trade has also flourished, with the UK benefitting from the trade war that has marred US-China relations over the past two years. Between 2017 and 2019 US imports of Chinese goods fell from $505.2 billion to $382.1 billion. Although a deal was agreed between the US and China in late January 2020, phase 2 of the trade talks remains outstanding. Extensive tariffs still remain in place even after the phase 1 trade deal. For example, US tariffs will still cover two-thirds of imports from China. Average tariff rates on Chinese imports will be 19% compared to 3% before the dispute. And Chinese tariffs will cover almost 57% of imports from the US, with an average tariff of 20.5%, up from 8% in 2017.

By contrast, trade between China and the UK continued to flourish, with both imports and exports hitting record highs in 2018. UK exports of goods and services to China were worth £22.6 billion – a slight increase on 2017 and up from £1.9 billion in 1999. UK imports of goods and services from China in 2018 reached £44.7 billion – up from £43.7 billion in 2017 and from £4.2 billion in 1999.

The positive story on UK-China trade looks set to continue, with the two countries signing a series of new pacts in 2019 to promote trade in sectors including financial services, technology, aviation, energy, education, beverages and food. At the 10th China-UK Economic and Financial Dialogue, for example, British and Chinese companies announced deals worth more than £500 million, as well as further agreements expected to be worth an estimated £230 million in the first five years.

Graph 2. Pound against yuan 1990–2020

Source: Datastream

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9 Trade in Goods with China, United States Census Bureau [www.census.gov/foreign-trade/balance/c5700.html#2017]
10 Brunswick Geopolitical Executive Briefing, Brunswick, January 2020
11 Statistics on UK trade with China, House of Commons Library Briefing Paper, 5 November 2019
12 UK China ink agreements aim at increasing commercial relations, MENAFN, 19 June 2019 [https://menafn.com/109656870/UK-China-ink-agreements-aim-at-increasing-commercial-relations]
UK retains pull as investment destination

Against the evolving trends in trade and investment, London maintains its status as one of the world’s leading financial centres. Here, Chinese investors can access world-class professional services and find advisers with extensive experience of advising on Belt and Road investments. There is also the advantage of being able to do business in English, which is the most common second language for Chinese speakers.

London also continues as a significant offshore trading centre for RMB, with trading of the Chinese currency reaching a new high in 2019. An average of £85 billion was traded daily in London in the second quarter of the year, up more than 20% on the same period in 2018.

The opening of the London-Shanghai Stock Connect in June 2019 extended opportunities for Chinese companies to list and raise capital in London, with over 260 of the almost 1,500 companies listed in Shanghai eligible to take part.

London offers much beyond access to financial services and expertise. The capital was recently named the world’s top city for the second year in a row in a study that ranks global cities on quality of environment, diversity of population and vibrancy of culture. Evidence of the city’s appeal came in October 2019 when London hosted the World Chinese Entrepreneurs Convention. The event attracted some 3,000 Chinese delegates – one of the largest-ever gatherings of Chinese business leaders in London.

Also driving ongoing investment in the UK is the desire of Chinese families to invest their wealth in this country. Setting up a UK subsidiary of a privately owned business enables individuals to acquire and grow UK-based assets, which can be enjoyed by subsequent generations. Those who will benefit are often already living and studying here. There are now over 100,000 Chinese students studying in the UK. A recent policy change, extending the period that students from overseas are allowed to stay in the UK after graduation from four months to two years, is good news for UK-Chinese trade and relations. Better access to bilingual talent will reduce the need for Chinese companies to bring over expats from China, with all the cost this entails.

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14 RMB Trading in UK Set For Record Year, Markets Media, 11 Nov 2019 [www.marketsmedia.com/rmb-trading-in-uk-set-for-record-year/]
19 UK work visas for foreign students: all you need to know, The Guardian, 11 Sept 2019 [www.theguardian.com/politics/2019/sept/11/uk-work-visas-for-foreign-students#:~:text=all%20you%20need%20to%20know]
Security sensitivities look set to shape future trade and investment

International trade tensions may not yet have fully hit the UK, but the US-China trade war extends beyond tariffs. In May 2019, the US Commerce Department added Chinese telecom leader Huawei and almost 70 affiliates to its Entity List20 – a compendium of companies considered a threat to US national security. This move effectively prevents Huawei from making key technology acquisitions or from selling into the US. In August 2019, the department added almost 50 more Huawei affiliates to the list21.

The US is also putting pressure on its allies and trade partners to block the acquisition and implementation of 5G technology from Huawei. The US’s concerns are not based solely on security grounds. They also include preventing China’s 5G technology, which some believe to be two years ahead of global competitors, from becoming the dominant platform for technologies such as big data, artificial intelligence and the internet of things.

Alongside this, EU member states have been tightening their screening regimes and this activity will intensify as a result of a new EU regulation that came into force in April 2019. The new regulation sets minimum requirements for national screening mechanisms for foreign direct investments in order to protect sensitive technologies and critical infrastructure22.

These criteria could cover a large share of Chinese M&A activities in Europe. A report from the Rhodium Group and the Mercator Institute for China Studies estimates that 82 percent of Chinese M&A transactions in Europe in 2018 would fall under at least one of the regulation’s criteria23. 2018 saw the first-ever instance of a blocked Chinese transaction in Europe and several delayed transactions24.

UK must perform a balancing act

Until now, the UK’s relatively relaxed attitude to investments in critical infrastructure has created attractive opportunities for Chinese money. For example, in 2018, Taikang Life Insurance made a £1.075 billion investment in the Hinkley Point C nuclear power plant. And in May 2019, the UK government and Chinese state firms met to discuss involving Chinese firms in the £56 billion programme to build the UK’s second high-speed railway line25.

Meanwhile, Huawei has been working with UK telecom companies to help build Britain’s 5G network26 and, in 2018, sealed a five-year commitment to the UK with a reported £3 billion strategic investment27. The government’s announcement in January 2020 that Huawei would be allowed to play a significant part in the UK’s 5G infrastructure – despite US opposition to this policy – indicates a continued relatively pro-China approach from the new government.

However, like many other countries around the world, the UK is strengthening its screening regime. Following on from an expansion of its powers to review M&A transactions in 2018, the UK government recently confirmed it will introduce new national security and investment legislation. The new rules will allow the government to block or impose conditions on transactions that pose a risk to national security, including acquisitions of assets, as well as of businesses28.

It will be interesting to see how the new government led by Boris Johnson will balance its security stance with its desire to forge closer economic ties with China following Brexit. For now, the mood music is positive. In July 2019, in an interview with the Hong Kong-based broadcaster, Phoenix TV, Johnson said his government would be very “pro-China”. The prime minister also vowed to keep Britain “the most open economy in Europe” for Chinese investments and voiced his enthusiasm for the Belt and Road initiatives29.

However, leaving the UK means the EU is likely to come under pressure from Washington to align with US policies as it seeks a trade deal with what remains, for now, the world’s largest economy.

20 Huawei Technologies Co., Ltd and 68 Affiliates Added to BIS Entity List, Lexology, 17 May 2019 [www.lexology.com/library/detail.aspx?g=b808c99d-74a0-49f7-a5c0-a78d3bae05f5]
27 Huawei announces £3bn UK procurement plan, ZDnet, 7 February 2018 [www.zdnet.com/article/huawei-announces-3b-uk-procurement-plan/]
29 Grant Thornton trends research
Where next for UK-China trade?
Having left the EU, the UK is currently at the beginning of an 11-month ‘implementation period’. During this time, businesses will not see much change. The UK will continue to participate in and be bound by EU rules (including any new rules), the single market, customs union, free movement of people and EU programmes. What comes next, including a new UK-EU relationship and UK trade agreements with countries around the world, remains unknown.

There are signs that the pro-Brexit government elected in December 2019 is likely to build trade and investment channels with countries like China as an antidote to the greater friction in UK-EU trade. How soon this might result in a UK-China trade deal remains to be seen, as the UK will be negotiating many such bilateral deals.

Chinese companies with plans to operate in Europe are likely to continue to be attracted by the UK’s geopolitical and fiscal policies, even if it becomes necessary to tackle the UK and the EU as two separate market opportunities.

The outlook in China
Having enforced a more focused overseas investment strategy, China remains generally keen on seeing growth opportunities pursued internationally in a range of strategically valid areas – from Belt and Road infrastructure projects to cutting-edge technologies. While the outbreak of Convid-19 is currently impacting travel to and from mainland China, which may interrupt the ability of Chinese businesses to pursue and complete overseas deals and to visit their existing international operations, one thing is clear – the UK is committed to strengthening its relationship with China. But a wide range of international events and trends will continue to shape trade and investment patterns between the UK and China for some time to come.
Focus on M&A and development capital deals

China’s national strategies for development continue to drive M&A activity across a range of sectors.

The profile of Chinese investment in the UK is being formed by several key government strategies, including:

- Beautiful China (better environmental protection)
- Healthy China (long life and better medical care)
- Smart City (high-tech transportation and energy)
- China Manufacturing 2025 (high-end manufacturing)
- One Belt One Road (RMB internationalisation)
- Education reform (improved access to higher-quality education).

Nevertheless, the Chinese government’s restrictions on outbound investment showed a clear impact on deal volumes this year. Excluding real estate, 44 deals took place in 2019 (see Appendix A for full list), down 20% in number from the 2017 peak. The total value of this year’s deals was £3.6 billion, down 78% on the £16.6 billion recorded in 2017.

UK residential and commercial real estate remains of interest to individual and corporate Chinese investors. However, the restrictions on overseas investments imposed in 2016 have hit investors from mainland Chinese who didn’t already have capital offshore. The Chinese real estate deals that have happened in the past three years have been financed by equity from locations like Hong Kong and Singapore. These deals are not included in the Tou Ying Tracker analysis.

2019 emphasises strong trend towards development capital deals

Deals involving Chinese investors comprise a mix of majority acquisitions, development capital (with venture capital [VC], private equity [PE] and corporate venture funds investing alongside other investors) and minority stake acquisitions. There has been a marked shift in recent years towards development capital-style deals, as Chinese corporates and funds focus on accessing the value created by growth companies in encouraged sectors such as software, fintech and pharma and biotech. This overall trend is clear, with development capital representing 43% of overall investments by volume in 2019 compared with 22% in 2017 and the number of majority stake acquisitions falling from 35 to 22 over the same period (see Graph 3).

Graph 3. China-UK M&A and funding (excluding real estate) 2016–2019

[Graph showing data]
2019 major deals
The biggest deals to take place in 2019 happened across a range of industries:

• China-based steel maker Jiangsu Shagang Group acquired a 24.01% stake in data centre company Global Switch in a £1.8 billion deal, increasing its stake to 49.8%31.

• In the manufacturing and industrial industry, Jingye Group announced a deal (still to be finalised) to invest £1.2 billion in British Steel over the next decade32.

• In financial services, Ant Financial acquired payment company WorldFirst in a deal valued at £560 million33.

• In the consumer industry, Hillhouse Capital, the investment management firm established by Zhang Lei, picked up Loch Lomond Group, one of Scotland’s most historic whisky producers, for a rumoured £315 million34.

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• In life sciences, British robotic surgery company CMR Surgical raised £195 million from investors including the Chinese Zhejiang Silk Road Fund35. The latest round values CMR at more than £1 billion.

• In education, Bright Scholar acquired CATS Colleges, part of the Cambridge Education Group, in a deal valued at £150 million36.

Hot sectors 2019
In 2019, total venture capital investment in the UK tech sector grew almost 44% on 2018 to reach £10 billion37 and was double that of France and Germany combined. In this context, the UK’s continuing position as a hub for starting and scaling technology businesses is reflected in the high number of software and fintech companies raising funds from Chinese corporates and VC investors (see Graph 4). Corporate venturing, driven mainly by Tencent and CreditEase, saw investments in digital payments (Curve, Wirex) AI-based applications (Jukedeck, Prowler.io, Onfido), blockchain (Everledger, MixMarvel) and open banking platforms (Railsbank, TrueLayer).

Central to China’s industrial strategy is the development of its high-end manufacturing capability with a view to becoming a global ‘superpower’ in the technologies underpinning Industry 4.0. The acquisition of technology and intellectual property is a crucial element in facilitating this and high-tech UK-based manufacturers, such as Oxford PV (solar cells), Cambridge Touch Technologies (smart device sensors and software) and Protean Electric (in-wheel motors for electric vehicles), all contribute to moving China further up the manufacturing value chain and give the investee companies easier access to the huge internal Chinese market. As rules around technology-related deals are tightened on national security grounds – China-backed takeovers of Mettis Aerospace and Imp cross were both referred to the Competition & Markets Authority in December 2019 on the grounds of national security – the business secretary’s sentiment seems to be moving towards a more cautious approach where technology M&A is concerned.

With the number of Chinese students applying to study at a UK university doubling in the last decade38 the growing appetite for a UK education among wealthier Chinese families has resulted in an increased demand for independent schools and colleges over the last four years. This trend continued in 2019 with a number of deals in the education sector:

• In addition to its acquisition of CATS (highlighted above), Bright Scholar also acquired St Michael’s School/Bosworth Independent College for £38m.

• Full Circle Education made its third UK acquisition with summer school provider, Our World English Schools.

• China First Capital acquired Devon-based Kingsley School.

• Starcrest Education floated on the UK Main Market with a view to building a European educational services business.

• CNC/Zhong An grew their stake in high-end nursery school operator, Maggie & Rose.

31 Shagang Group Acquires Remaining 24% of Global Switch for £1.8bn, Data Economy, 2 Sept 2019 [www.data-economy.com/shagang-group-acquires-remaining-24-of-global-switch-for-1-8bn/]
32 China’s Jingye Group agrees outline deal to rescue British Steel, Reuters, 11 November 2019 [uk.reuters.com/article/us-britishsteel-m-a-jingye/chinas-jingye-group-agrees-outline-deal-to-rescue-british-steel-idUKKBN1XL0Q5]
33 Alibaba’s Ant Financial buys UK currency exchange giant WorldFirst reportedly for around £700 million, Tech Crunch, 14 February 2019 [www.techcrunch.com/2019/02/14/alibabas-ant-financial-buys-worldfirst/]
34 Hillhouse Capital Announces Acquisition of Loch Lomond Group, Hillhouse Capital, 6 June 2019 [www.hillhousecap.com/2019/06/07/hillhouse-capital-announces-acquisition-of-loch-lomond-group/]
37 UK-based tech start-ups enjoy £10bn funding bonanza, FT, 16 January 2020 [www.ft.com/content/7a337594-3663-11ea-8d6f-3a26f6c3c6b0]
**Sector trends 2016–19**

Over the period 2016-2019 (see Graph 5), of the £39 billion of disclosed investment, around £12 billion was spent on 82 deals across the TMT and manufacturing and industrial industries, with activity largely being driven by software, gaming, technology manufacturing, aerospace and defence, and automotive.

Investment in UK life sciences totalled approximately £3 billion, with around 75% of this going into pharma and biotech, and the remaining 25% into medical technology developers.

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**Graph 4. Chinese investment patterns 2019 - Most active subsectors**

![Graph showing most active subsectors](image)

**Graph 5. Chinese investment patterns 2016-2019 – Industry deal volumes**

![Graph showing industry deal volumes](image)
Tou Ying Tracker 2019
The largest Chinese companies in the UK

Data from the 800 largest Chinese companies reveals their increasingly important contribution to the UK economy.

£91 billion
combined turnover

17%
average revenue growth

71,000+
employees

Our research this year identifies almost 800 Chinese-owned UK companies39 that filed an audited revenue figure in at least one of the last two financial years40 doing business in the UK. This is an increase on the 750 companies we identified in 2018 using the same criteria. Total revenues for the 2019 group of largest companies is £91 billion (up from £68 billion in 2018). Annual revenue growth is higher too: up to 17% in 2019 from 12% in 2018.

Mid-market companies are driving employment opportunities
The total number of people employed by this group of 800 companies is down, from 80,000 in 2018 to 71,000 in 2019. However, when 18,000 employees of the troubled House of Fraser41 are removed from the 2018 figure, employment figures for 2019 still show growth.

Closer analysis reveals that mid-market companies, with revenues between £50 million and £1 billion, account for 60% of the jobs provided by the largest Chinese-owned companies in 2019. This is despite mid-market companies accounting for only 11.7% of companies in the 800 list.

London is the preferred location
Of the 800 companies, almost half (355) are based in London. A further 21% are based in the North and Midlands, while the South Region (18%) and Central Region (13%) are also relatively popular locations.

Consumer, and manufacturing and industrial are the dominant sectors
Two sectors dominate the list. In terms of number of companies, 222 of the 800 largest Chinese companies operate in the consumer sector. In terms of total revenues, companies in the manufacturing and industrial sector account for 70% of the 800’s total revenues (£63.2 billion out of total revenues of £90.8 billion).

39 Part of a China-owned corporate group or majority held by a Chinese national
40 With published accounts filed at Companies House by 30 September 2019
41 Acquired by Sports Direct in August 2018
Consumer overview

The consumer sector accounts for the biggest share of large Chinese-owned companies in the UK with 28% of companies falling into this category. Consumer is a broad sector spanning everything from consumer products to hotels to sports clubs to food manufacturing. At 55%, retail accounts for the biggest sub-sector. In joint second – both at 10% – are hotels (largely due to the acquisition in 2018 of Radisson Hospitality by a Jin Jiang-led consortium42) and the restaurants/takeaways sub-sector.

The Chinese ownership of Aquascutum is noteworthy, showing that Chinese investors have an appetite for British heritage brands. Football clubs also feature heavily in the consumer list, with Aston Villa, Birmingham City, Reading, Southampton and Wolverhampton Wanderers all having Chinese owners.

Manufacturing and industrial overview

Manufacturing and industrial companies make up the second largest group of major Chinese-owned companies in the UK, with 21% falling into this category. The largest manufacturing and industrial sub-sector is industrial manufacturing, which accounts for 32% of companies in the sector. This is followed by automotive (14%) and chemicals and gas (12%).

In 2018, manufacturing and industrial companies generated more revenues than any other sector – a total of £68,000 million. This figure equates to 75% of all revenues generated by the largest 800 Chinese-owned companies. Of this £68,000 million, 78% was generated by companies in the chemicals and gas sub-sector.

Manufacturing and industrial companies also account for the largest number of employees among the Tou Ying Tracker companies. Together they employ almost 30,000, some 42% of the people employed by the largest 800 companies.

This year, the fastest-growing Chinese companies continue to show impressive growth, whether by making greenfield investments or acquiring an established business.

- **62%** average revenue growth
- **£16 billion** combined turnover
- **5,500+** employees
- **81%** revenue growth among TMT companies
- **86%** of revenues from manufacturing and industrial companies
Average TY30 annual revenue growth by investment type

Organic investment: 55%
Indirect investment: 64%
Direct investment: 72%

TY30 by industry group

<table>
<thead>
<tr>
<th>Industry Group</th>
<th>Number of Companies</th>
<th>Average of revenue growth (YoY%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology, media and telecoms</td>
<td>10</td>
<td>81.1%</td>
</tr>
<tr>
<td>Manufacturing and industrial</td>
<td>10</td>
<td>62.9%</td>
</tr>
<tr>
<td>Financial services</td>
<td>3</td>
<td>42.6%</td>
</tr>
<tr>
<td>Healthcare</td>
<td>3</td>
<td>36.0%</td>
</tr>
<tr>
<td>Business support services</td>
<td>2</td>
<td>35.7%</td>
</tr>
<tr>
<td>Real estate and construction</td>
<td>1</td>
<td>52.2%</td>
</tr>
<tr>
<td>Consumer</td>
<td>1</td>
<td>53.9%</td>
</tr>
</tbody>
</table>

NB. These charts do not share a common scale and should be viewed independently.

Refer to page 4 for definitions.
TY30 by region

SCOTLAND AND NI: 1
NORTH AND MIDLANDS: 10
CENTRAL REGION: 4
LONDON REGION: 12
SOUTH REGION: 3

GRAND TOTAL: 30
### Tou Ying 30 – Top fastest-growing Chinese companies in the UK

<table>
<thead>
<tr>
<th>Company</th>
<th>Industry group and sector</th>
<th>Region</th>
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<tbody>
<tr>
<td>Anker Technology (UK) Ltd</td>
<td>Technology, media and telecom</td>
<td>North and Midlands</td>
</tr>
<tr>
<td>ATB Group UK Limited</td>
<td>Manufacturing and industrial</td>
<td>Central Region</td>
</tr>
<tr>
<td>Bimar Company Limited</td>
<td>Business support services</td>
<td>London region</td>
</tr>
<tr>
<td>Boc Aviation (UK) Limited</td>
<td>Financial services</td>
<td>London region</td>
</tr>
<tr>
<td>CGN Global Uranium Limited / CGN Europe Energy UK Holding Limited</td>
<td>Manufacturing and industrial</td>
<td>London region</td>
</tr>
<tr>
<td>Chemchina UK Limited</td>
<td>Manufacturing and industrial</td>
<td>London region</td>
</tr>
<tr>
<td>Cherry Valley Farms Limited</td>
<td>Consumer</td>
<td>North and Midlands</td>
</tr>
<tr>
<td>China Mobile International (UK) Limited</td>
<td>Technology, media and telecom</td>
<td>London region</td>
</tr>
<tr>
<td>China Taiping Insurance (UK) Co Ltd</td>
<td>Financial services</td>
<td>London region</td>
</tr>
<tr>
<td>Cosco Shipping (UK) Company Limited</td>
<td>Business support services</td>
<td>Central Region</td>
</tr>
<tr>
<td>Farsound Aviation Limited</td>
<td>Manufacturing and industrial</td>
<td>Central Region</td>
</tr>
<tr>
<td>Geely UK Limited</td>
<td>Manufacturing and industrial</td>
<td>North and Midlands</td>
</tr>
<tr>
<td>GF Financial Markets (UK) Limited</td>
<td>Financial services</td>
<td>London region</td>
</tr>
<tr>
<td>Haier Appliances UK Co Ltd</td>
<td>Technology, media and telecom</td>
<td>South Region</td>
</tr>
<tr>
<td>Hikvision UK Limited</td>
<td>Technology, media and telecom</td>
<td>London region</td>
</tr>
<tr>
<td>Hisense UK Limited</td>
<td>Technology, media and telecom</td>
<td>North and Midlands</td>
</tr>
<tr>
<td>Huawei Technologies (UK) Co Ltd.</td>
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</tr>
<tr>
<td>Lianhetech Holdco Limited</td>
<td>Healthcare</td>
<td>North and Midlands</td>
</tr>
<tr>
<td>Mindray (UK) Limited</td>
<td>Healthcare</td>
<td>Central Region</td>
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<td>Nexperia UK Ltd</td>
<td>Technology, media and telecom</td>
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<td>Petrochina International (London) Co Limited</td>
<td>Manufacturing and industrial</td>
<td>London region</td>
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<tr>
<td>Pharmaron UK Limited</td>
<td>Healthcare</td>
<td>South Region</td>
</tr>
<tr>
<td>Power Link Machine (UK) Co Limited</td>
<td>Manufacturing and industrial</td>
<td>North and Midlands</td>
</tr>
<tr>
<td>Precision Technologies Group (PTG) Limited</td>
<td>Manufacturing and industrial</td>
<td>North and Midlands</td>
</tr>
<tr>
<td>Promethean World Limited</td>
<td>Technology, media and telecom</td>
<td>North and Midlands</td>
</tr>
<tr>
<td>Schwing Stetter (UK) Ltd</td>
<td>Manufacturing and industrial</td>
<td>London region</td>
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<tr>
<td>Swisslog (UK) Ltd</td>
<td>Technology, media and telecom</td>
<td>North and Midlands</td>
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<tr>
<td>Thompson Aero Seating Limited</td>
<td>Manufacturing and industrial</td>
<td>Scotland and NI</td>
</tr>
<tr>
<td>Warchest Limited</td>
<td>Technology, media and telecom</td>
<td>London region</td>
</tr>
<tr>
<td>Yuanda (UK) Co Ltd</td>
<td>Real estate and construction</td>
<td>London region</td>
</tr>
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</table>
Companies from the technology, media and telecoms and manufacturing and industrial sectors account for 20 of the TY30 fastest-growing companies in 2019.

The 10 TMT companies in this year’s TY30 have an average growth rate of 81%.

Hikvision UK Ltd tops the TY30 with a growth rate of 188%. The company is the world’s largest supplier of video surveillance products and entered the UK in 2016 following its acquisition of Pyronix, an award-winning manufacturer of intrusion alarm systems. Over the past year, Hikvision has started trading directly with UK and Irish customers, a key factor in its impressive growth.

China Mobile International UK Ltd is the second-fastest-growing TY30 company. Organic growth, driven largely by increases in revenues from business support services and data services, saw the business achieving a growth rate of 185%.

Warchest, the fourth-fastest-growing company this year, is a new entry to the TY30. The video games developer was acquired by Leyou Technologies in 2017 and this year reported growth of 127%.

The manufacturing and industrial sector is also represented by ten fast-growing companies in the TY30. Between them, these ten companies have an average growth rate of 63%.

The third fastest-growing company in the TY30 is Geely UK Ltd, with a growth rate of 170%. In 2018, the company launched an electric taxi (TX), which is the only London black cab to meet the capital’s new clean air regulations.

The fifth fastest-growing company in the TY30 is Precision Technologies UK Ltd. The company has featured in previous Trackers and this year reports a growth rate of 122%. Based in the North West, the precision engineering business is a subsidiary of the Chinese state-owned enterprise (SOE), Chongqing Machinery & Electric Company.

The third fastest-growing manufacturing and industrial company in this year’s TY30 is ATB Group UK Limited. With a growth rate of 63%, this group ranks among the leading global suppliers of electric drive systems for industrial applications and home appliances.

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46 An obscure Chinese firm has taken over London’s black cabs, Wired 29 May 2018 [www.wired.co.uk/article/levc-geely-london-electric-black-taxis-cabs]
Consumer

Only one company from the consumer sector makes it into the 2019 TY30. Cherry Valley Farms, acquired by the Chinese state-owned investment company, CITIC, in 2017, grew by 54%. The company is the world’s leading breeder of Peking ducks.

Real estate and construction

This year, only one company from the real estate and construction sector appears in the TY30. Yuanda, a privately held supplier of building products, grew by 52% following several successful new project wins.

By their nature, real estate-owning companies, of which there are thousands under Chinese ownership in the UK, do not tend to have significant revenues as a proportion of their asset base. The importance of the property market is not therefore readily apparent in the TY30.

Financial services

China Taiping Insurance (UK) Co Ltd is the fastest-growing of the three financial services companies to appear in this year’s TY30. This general insurance business, which has been operating in the UK for 35 years, grew by 64%.

Also in the financial services sector, BOC Aviation (UK) Ltd, an aircraft leasing business, grew by 33%, while GF Financial Markets (UK) Ltd, the UK arm of commodities group GF Securities, grew by 30%.

Healthcare

Three healthcare companies appear in the 2019 TY30, with average growth of 36%. The fastest growing of these is Pharmaron UK Ltd which provides laboratory and manufacturing services for pharmaceutical and biotech research. The company, which is based in Wales, grew by 44%.

The second-fastest-growing healthcare company is Mindray (UK) Ltd. Part of Shenzhen Mindray Biomedical, the business, which supplies specialist patient monitoring equipment largely to the NHS, grew by 37%.

The third-fastest-growing healthcare company is Lianhetech Holdco Ltd, which is owned by the China-based life sciences company, Lianhe Chemical Technology. The business, which is based in the North East and develops and manufactures products and solutions for the life sciences and chemical industries, grew by 26%.

Business support services

Two companies supplying business support services appear in this year’s TY30: Cosco Shipping (UK) Co Ltd, a logistics business that owns 49% of Felixstowe container port, grew by 37%, and Bimar Co Ltd, a ship chartering business, grew by 34%.
Get ready to invest in the UK

Understanding some of the fundamentals of business regulation and culture in the UK can help investors prepare for successful investment.

While UK investments deliver significant returns for many Chinese investors, success cannot be taken for granted. High-profile UK companies, including House of Fraser, MP Silva, Pizza Express and Thomas Cook have all faced significant challenges in recent years, and Chinese investors have lost money as a result.

Paying for extensive professional advice before investing is not generally part of Chinese business culture. However, consulting professional advisers can play a vital role in helping investors identify future risks. Often the cost of upfront advice is relatively small compared to the costs investors face when uninformed investments unravel.

Be prepared for wide-ranging regulation
All businesses operating in the UK must comply with a wide range of regulations, including:

- health and safety regulations
- employment law
- consumer protection regulation
- General Data Protection Regulation (GDPR).

Sectors like financial services are subject to additional regulations, including the recently introduced Senior Managers and Certification Regime (SMCR). The UK government is also in the process of developing regulations to protect critical national infrastructure in areas such as energy, transport, health and digital infrastructure.

Companies that don’t comply with regulations risk substantial fines, reputational damage and, in some cases, the withdrawal of their licence to operate.

Take reporting requirements and tax compliance seriously
All UK-registered companies are required to file their annual accounts at Companies House, thereby creating a public record of their financial affairs.

Completing corporate tax returns and paying tax due is equally important. The UK tax authority, HMRC, has the power to impose fines, freeze accounts and seize assets worldwide in order to recover monies owed. In 2018, Chinese companies in the UK were fined almost £3.6 million either for deliberate errors in their tax returns or deliberately failing to comply with their tax obligations.47

Following the introduction of Common Reporting Standards in 2019, investors in the financial services sector will find it more difficult than ever to conceal their financial affairs from tax authorities. The standards call on jurisdictions to obtain information from their financial institutions and automatically exchange information with other jurisdictions on an annual basis.48

Comply with personal taxation requirements
Individuals as well as corporates are required to comply with UK tax requirements. This includes directors of companies registered in the UK, even if the directors are not UK tax residents. Non-compliance means individuals risk damaging their credit record and their ability to secure finance. They may also be deemed unsuitable to be a company director.

One group of investors that may put their professional future at risk – often unintentionally – are non-resident directors of Chinese businesses visiting the UK on a short-term basis, often travelling on a tourist visa. To maintain their non-resident status, this group is required to report their presence in the UK to the tax authorities. Not doing so may constitute tax evasion, with all the damage this entails for an individual’s ability to continue to manage UK investments.

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47 Grant Thornton analysis on HMRC data
Don’t underestimate the impact of cultural differences
Understanding the cultural differences between the UK and China is vital for Chinese businesses that want to recruit and retain talent successfully. In the UK, employees expect and are entitled to receive their employer’s support in balancing work and personal life. Even with substantial financial inducements, many UK workers will be reluctant to join or stay with Chinese-owned businesses that expect excessive working hours.

Another reason why UK workers may be reluctant to join or stay with Chinese-owned businesses is the perceived lack of career opportunity. Many Chinese-owned businesses fill senior roles with Chinese ex-pats, replacing them with new ex-pats every three years when visas come to an end. As a result, opportunities for local employees to develop a career can be restricted. To grow successfully, Chinese businesses must have an effective strategy for recruiting and retaining local talent, as well as taking cultural integration as seriously as financial integration.

Be ready to observe anti-money laundering rules
The UK has stringent Anti-Money Laundering (AML) and Know Your Customer (KYC) rules, designed to stop criminals using financial products or services to store and move money around. These apply whenever businesses and professional advisers enter a relationship – and no business is exempt.

Professional services firms cannot begin to work with businesses until the firm has carried out full AML and KYC checks. Chinese investors can speed up the process and avoid delay by having all the relevant documentation prepared in advance before they approach professional advisers.

Government reforms
With the UK leaving the EU, the UK government is introducing significant change in the UK business environment which will impact on tax, regulation, public sector spending and outsourcing, labour markets and overseas trade. This in turn will affect the costs, customers and markets, talent and workforce, supply chain, operating model and growth strategy of Chinese investors. Almost all will need to consider how a range of different policy and regulatory changes will impact their businesses.

How we can help
Our China Britain Services Group has worked with Chinese business for many years. We use our cultural understanding to add value for our clients and help unlock their growth potential in the UK. We can help you:

- Set your UK strategy
- Finance your growth
- Maximise stakeholder value
- Optimise your operations
- Set your employment strategy.

We can also:

- guide you through UK reporting requirements to protect the integrity of the business
- help with tax planning to ensure that investments are structured in the most tax-efficient way
- advise on matters such as VAT and employer’s tax and pension contributions.

If you need help setting up in the UK or maximising the value of your existing UK operations, please contact

Simon Bevan
Head of China Britain Services Group
T +44 (0)20 7728 2141
E simon.bevan@uk.gt.com

Ian Zhu
Head of China Outbound Investment
China Britain Services Group
T +44 (0)20 7184 4787
E ian.zhu@uk.gt.com

Contact us
For more information, please visit: grantthornton.co.uk/china
# Appendix A

## M&A deals and fundraising 2019

<table>
<thead>
<tr>
<th>Investor / target</th>
<th>Target description</th>
<th>Type</th>
<th>Acquiror type</th>
<th>Industry</th>
<th>Subsector</th>
<th>Quarter</th>
<th>Deal value GBP millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tencent / Sensat</td>
<td>Physical world simulation software used for construction and infrastructure projects</td>
<td>Development Capital</td>
<td>PLC - HKSE</td>
<td>TMT</td>
<td>Software</td>
<td>Q4 2019</td>
<td>8.1</td>
</tr>
<tr>
<td>Wuhu Anrui Optoelectronics (Sanan Optoelectronics) / Wipac (administration)</td>
<td>Automotive lighting manufacturer</td>
<td>Acquisition</td>
<td>PLC - Shanghai</td>
<td>Manufacturing and Industrial</td>
<td>Automotive</td>
<td>Q4 2019</td>
<td>10.5</td>
</tr>
<tr>
<td>Netease / Bossa Studios</td>
<td>Video game developer</td>
<td>Development Capital</td>
<td>PLC - NASDAQ</td>
<td>TMT</td>
<td>Gaming</td>
<td>Q4 2019</td>
<td>23.3</td>
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<tr>
<td>Jingye Group / British Steel</td>
<td>Steel manufacturer</td>
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<td>Manufacturing and Industrial</td>
<td>Metals</td>
<td>Q4 2019</td>
<td>50.0</td>
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<tr>
<td>Tencent / Sumo Group Plc (10% stake)</td>
<td>UK-listed video game developer</td>
<td>Minority stake</td>
<td>PLC - HKSE</td>
<td>TMT</td>
<td>Gaming</td>
<td>Q4 2019</td>
<td>Not disclosed</td>
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<tr>
<td>Zhejiang Puhuatianqin Equity Investment Management Ltd Corporation &amp; CM Venture Capital / Cambridge Touch Technologies</td>
<td>Touch screen technology for smart devices</td>
<td>Development Capital</td>
<td>VC/PE</td>
<td>Manufacturing and Industrial</td>
<td>Technology Manufacturing</td>
<td>Q3 2019</td>
<td>8.0</td>
</tr>
<tr>
<td>CreditEase / Railsbank</td>
<td>Open banking platform</td>
<td>Development Capital</td>
<td>Private</td>
<td>TMT</td>
<td>Fintech</td>
<td>Q3 2019</td>
<td>8.3</td>
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<tr>
<td>Tencent / Everledger</td>
<td>Blockchain-based provenance for high-value physical assets</td>
<td>Development Capital</td>
<td>PLC - HKSE</td>
<td>TMT</td>
<td>Software</td>
<td>Q3 2019</td>
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<td>Goertek / WaveOptics</td>
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<td>Development Capital</td>
<td>PLC - Shenzhen</td>
<td>Manufacturing and Industrial</td>
<td>Technology Manufacturing</td>
<td>Q3 2019</td>
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<td>Investor / target</td>
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<td>Acquiror type</td>
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<td>Deal value GBP millions</td>
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<tr>
<td>Morningside Technology Investments / Rockley Photonics</td>
<td>Silicon photonics solutions for data centre, 5G, AI, autonomy, machine vision and healthcare applications</td>
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<td>VC/PE</td>
<td>TMT</td>
<td>Software</td>
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<td>CreditEase/Curve</td>
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<td>TMT</td>
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<td>Q3 2019</td>
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<td>AGIC Capital / Farsound Aviation</td>
<td>Supply chain solutions to the aircraft engine maintenance, report and overhaul market</td>
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<td>VC/PE</td>
<td>Manufacturing and Industrial</td>
<td>Aerospace and Defence</td>
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<td>Bright Scholar/ CATS</td>
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<td>Education</td>
<td>Q3 2019</td>
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<td>Silk Road Fund / CMR Surgical</td>
<td>Robotic surgical assitant</td>
<td>Development Capital</td>
<td>VC/PE</td>
<td>Life Sciences</td>
<td>Medical Technology</td>
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<tr>
<td>Shagang Group / Global Switch</td>
<td>Data centre operator</td>
<td>Minority stake</td>
<td>PLC - Shenzhen</td>
<td>TMT</td>
<td>Data Centres</td>
<td>Q3 2019</td>
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<td>Starcrest Education The Belt &amp; Road / London School of Science &amp; Technology</td>
<td>Independent management school</td>
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<td>PLC - LSE</td>
<td>Education</td>
<td>Education</td>
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<tr>
<td>Bytedance / Jukedeck</td>
<td>AI music composer</td>
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<td>Private</td>
<td>TMT</td>
<td>Software</td>
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<tr>
<td>Tencent / Antstream</td>
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<td>PLC - HKSE</td>
<td>TMT</td>
<td>Gaming</td>
<td>Q3 2019</td>
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<td>Zhende Medical / Single Use (Rocialle) / Medical Consumables (Guardian) division of Clinical Solutions of Elis group in the UK</td>
<td>Medical consumables</td>
<td>Acquisition</td>
<td>PLC - Shanghai</td>
<td>Healthcare</td>
<td>Healthcare services</td>
<td>Q3 2019</td>
<td>Not disclosed</td>
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<td>Fosun / Tenax Capital</td>
<td>Asset manager</td>
<td>Acquisition</td>
<td>PLC - HKSE</td>
<td>Financial Services</td>
<td>Asset Management</td>
<td>Q3 2019</td>
<td>Not disclosed</td>
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<td>China Renaissance Capital Investment / Brandhouse</td>
<td>Online FMCG platform</td>
<td>Development Capital</td>
<td>PE/VC</td>
<td>Consumer</td>
<td>Consumer services</td>
<td>Q2 2019</td>
<td>3.5</td>
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<td>Zhong An &amp; CNC / Maggie &amp; Rose</td>
<td>Private nursery school chain</td>
<td>Minority stake</td>
<td>PLC - HKSE</td>
<td>Education</td>
<td>Education</td>
<td>Q2 2019</td>
<td>8.8</td>
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<td>Investor / target</td>
<td>Target description</td>
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<td>Acquirer type</td>
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<td>Quarter</td>
<td>Deal value GBP millions</td>
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<td>Tencent / Prowler.io</td>
<td>AI decision making platform for finance and logistics sectors</td>
<td>Development Capital</td>
<td>PLC - HKSE</td>
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<td>Software</td>
<td>Q2 2019</td>
<td>18.9</td>
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<td>Bright Scholar/ St Michael’s School &amp; Bosworth Independent College</td>
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<td>38.0</td>
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<td>CreditEase / Onfido</td>
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<td>Development Capital</td>
<td>Private</td>
<td>TMT</td>
<td>Software</td>
<td>Q2 2019</td>
<td>38.1</td>
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<td>Hillhouse / Loch Lomond distillery</td>
<td>Whisky distillery</td>
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<td>VC/PE</td>
<td>Consumer</td>
<td>Food and Beverage Manufacturing</td>
<td>Q2 2019</td>
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<td>Beijing Cretrend Capital Management &amp; China Creation Ventures / Wirex</td>
<td>Digital payments</td>
<td>Development Capital</td>
<td>VC/PE</td>
<td>TMT</td>
<td>Fintech</td>
<td>Q2 2019</td>
<td>Not disclosed</td>
</tr>
<tr>
<td>Tencent / Truelayer</td>
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<td>PLC - HKSE</td>
<td>TMT</td>
<td>Fintech</td>
<td>Q2 2019</td>
<td>Not disclosed</td>
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<td>Evergrande / Protean Electric</td>
<td>In-wheel motors for hybrid and electric vehicles</td>
<td>Acquisition</td>
<td>PLC - HKSE</td>
<td>Manufacturing and Industrial</td>
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<td>Argon (Shandong Weigao) / Manatech</td>
<td>Medical supplies</td>
<td>Acquisition</td>
<td>PLC - HKSE</td>
<td>Healthcare</td>
<td>Healthcare supplies</td>
<td>Q2 2019</td>
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<td>Full Circle Education / Our World English Schools</td>
<td>Summer school provider</td>
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<td>Duferco / Meridian Metal Trading</td>
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<td>Acquisition</td>
<td>Private</td>
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<td>Not disclosed</td>
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<td>LiuGong / Construction Plant &amp; Machinery Sales (CPMS)</td>
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<td>Distribution/ wholesale</td>
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<td>Rebecca Feng / LK Bennett</td>
<td>Luxury women’s fashion brand</td>
<td>Acquisition</td>
<td>Private</td>
<td>Consumer</td>
<td>Retail</td>
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<td>China First Capital / Kingsley School</td>
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<td>PLC- HKSE</td>
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<td>Education</td>
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<tr>
<td>Broadex Technologies / Kiam Europe</td>
<td>Optical transceiver manufacturer</td>
<td>Acquisition</td>
<td>PLC - Shenzhen</td>
<td>Manufacturing and Industrial</td>
<td>Technology Manufacturing</td>
<td>Q1 2019</td>
<td>5.7</td>
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<tr>
<td>Ultrain Technology Ltd &amp; Hangzhou Rongshi Technology Co / MixMarvel</td>
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<td>Development Capital</td>
<td>VC/PE</td>
<td>TMT</td>
<td>Software</td>
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<td>Acquirer type</td>
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<tr>
<td>Shenzhen QianHai DB Investment / HiLight Semiconductor</td>
<td>Semiconductor designer and supplier</td>
<td>Development Capital</td>
<td>VC/PE</td>
<td>TMT</td>
<td>Semiconductors</td>
<td>Q1 2019</td>
<td>15.1</td>
</tr>
<tr>
<td>GT Healthcare Partners Exscientia / Exscientia</td>
<td>AI-based drug discovery platform</td>
<td>Development Capital</td>
<td>VC/PE</td>
<td>Life Sciences</td>
<td>Pharma and Biotech</td>
<td>Q1 2019</td>
<td>20.4</td>
</tr>
<tr>
<td>Goldwind / Oxford PV</td>
<td>Perovskite solar cell technology</td>
<td>Development Capital</td>
<td>PLC - Shenzhen</td>
<td>Manufacturing and Industrial</td>
<td>Technology Manufacturing</td>
<td>Q1 2019</td>
<td>65.0</td>
</tr>
<tr>
<td>Ant Financial / World First</td>
<td>Money transfer and currency exchange</td>
<td>Acquisition</td>
<td>PLC - NYSE</td>
<td>Financial Services</td>
<td>FX</td>
<td>Q1 2019</td>
<td>550.0</td>
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<tr>
<td>Beijing Perception Technologies (Ifibre Optoelectronics) / ESM Global</td>
<td>Optical fibre technology</td>
<td>Acquisition</td>
<td>Private</td>
<td>Manufacturing and Industrial</td>
<td>Technology Manufacturing</td>
<td>Q1 2019</td>
<td>Not disclosed</td>
</tr>
<tr>
<td>Swissport (HNA) / Heathrow Cargo Handling (remaining 50%)</td>
<td>Airport cargo handling services</td>
<td>Acquisition</td>
<td>Private</td>
<td>Business Support Services</td>
<td>Freight and Logistics</td>
<td>Q1 2019</td>
<td>Not disclosed</td>
</tr>
</tbody>
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