

SCALING STORIES IN ASIA

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www.cir-strategy.com/events

- 1. The SILK story**
- 2. Globalisation 2.0 with Chinese characteristics**
- 3. Opportunities for Western companies**

HARNESS THE OPPORTUNITIES OF CHINA'S ECONOMIC RISE TO BUILD LEADING COMPANIES, PROVIDING FINANCIAL, OPERATIONAL AND STRATEGIC VALUE.



MARKET ENTRY

- Funding
- IP Protection
- Bureaucratic & Legal



PARTNERSHIPS

- Tech Identification
- Due diligence
- Relationship Building & Maintenance



OPERATIONAL

- China Navigation
- Human Resources
- Domestic Capital



SCALING

- Relationships
- Regulation
- Infrastructure to Scale

Globalisation 2.0 with Chinese Characteristics: The Transformation of SOEs into Global Champions



Within China, the Corporate VC arms participated in **\$2.83 billion** of funding across **57 deals** in 2016. Average deal size was \$49M. (Average deal size globally was \$22m)

Multination CVCs

- **Two Business Models :**
 - **Direct investment (Intel);**
 - **Indirect investment (IBM's investment in Gobi Partners)**
- **Majority Choose Direct Investment**

Domestic CVCs (Private Sector)

- **Major Companies Set Up VC Departments starting with indirect investment and then Direct Investment e.g. Lenovo's Four Affiliated Funds and BAT**

State-Owned CVCs (Public Sector)

- **Specific Strategic Goal In Line With The Company's Business and the Gov Policy**
- **For Example, China Mobile Innovation Industry Fund was established by China Mobile and the State Development & Investment Corporation**



2030: CHINA TO BE A WORLD LEADER IN AI INNOVATION & MARKET SHARE

2020 Progress Next Generation AI Technologies

Exceed 150 billion RMB (over \$22 billion) in value, with AI-related fields valued at 1 trillion RMB (nearly \$148 billion).

Advance talent, legal frameworks, regulations, ethics, and policy.

2025 Leading Player in AI Research & Development

AI primary driver for China's industrial and economic transformation.

AI integrated from manufacturing to medicine to national defence.

Industry Target: Exceed 400 billion RMB (\$59 billion), with AI-related fields exceeding 5 trillion RMB (about \$740 billion).

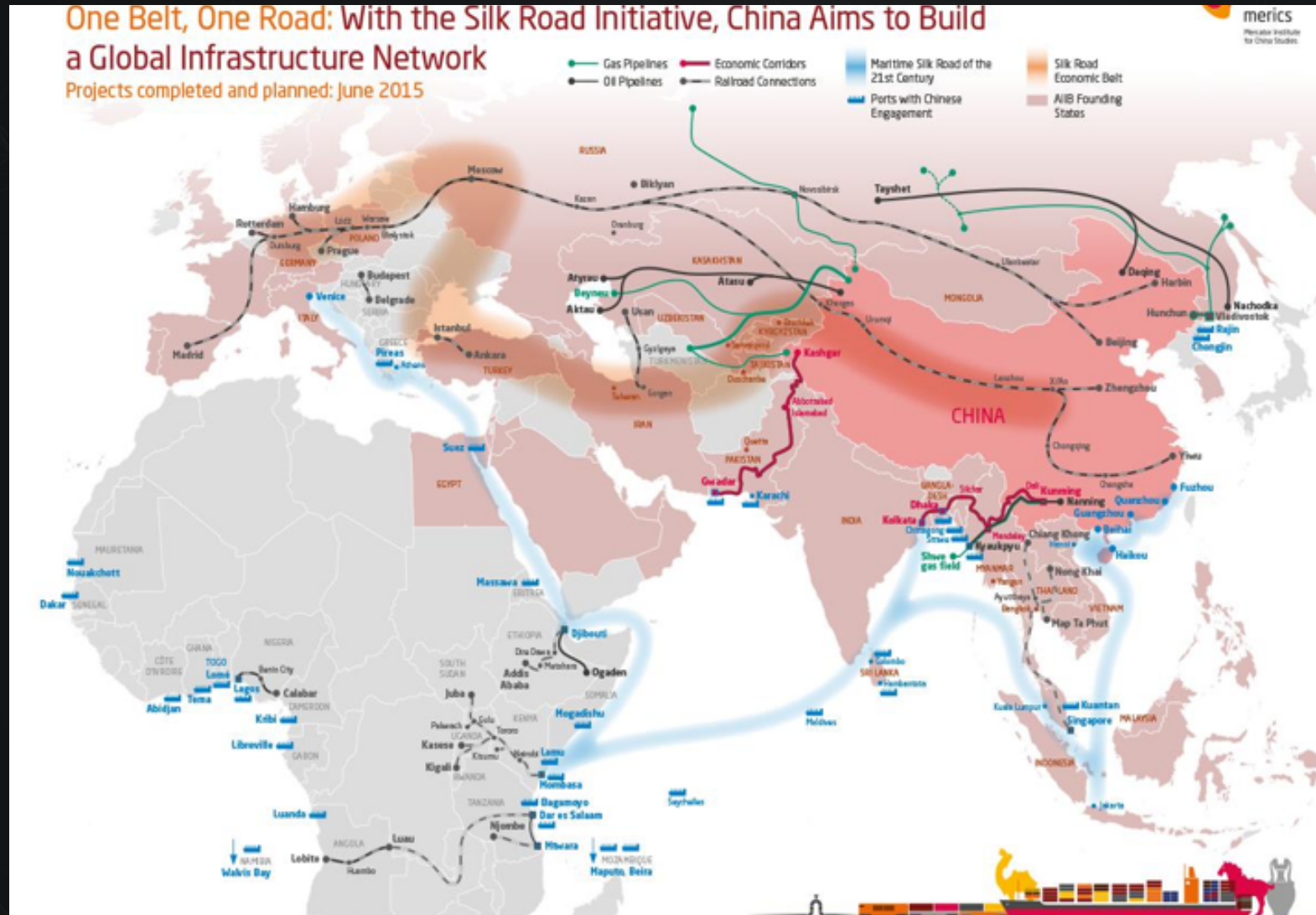
2030 World's Premier AI Innovation Centre

Cross industry integration, including governance and national defence.

Industry Target: Exceed 1 trillion RMB (\$148 billion), with AI-related fields totalling 10 trillion RMB (\$1.48 trillion).

Create leading AI innovation and HR training bases

Implications of the Belt and Road initiative for the West



The one Belt, one Road initiative has two main prongs: one is called the 'SILK road economic belt and the other is called '21st Century Maritime Silk Road'. The initiative is an immensely ambitious development and China wants to boost trade, stimulate economic growth across Asia and beyond, ushering in a new era of globalization.

Opportunities for Western companies

Enormous opportunities not only for China, but especially for the international companies who are ready to align and capitalise on China as a growth engine and catalyst market. SILK aims to be the partner of choice for international companies looking to benefit from China's global economic rise.



SILK

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