Recent investment trends in China VC/PE

Semiconductors, IT and clean-tech are flourishing amid the decline of pure internet projects

Semiconductors

- Investment amount in 2025 approached $30bn
- China is focusing on developing and producing semiconductors in the face of global semiconductor supply disruption caused by Covid-19 and political reasons

IT and software

- Investment amount in 2025 reached $19bn
- China heavily invests in technologies allowing to boost efficiency / experience (deep & industrial technology) and facilitate enterprise business through new technology (enterprise software, infrastructure, cloud, big data)

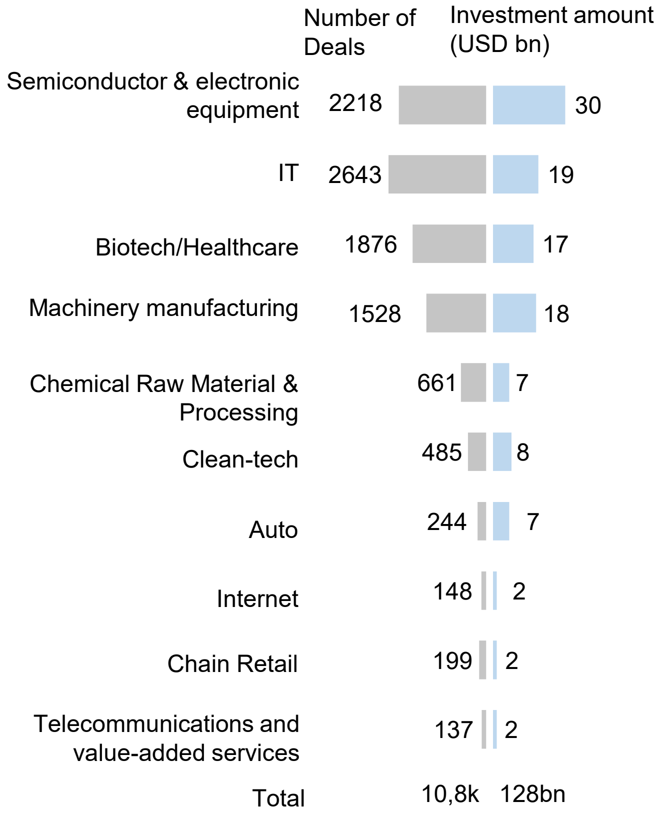
New energy and environmental protection

- Investment amount in 2025 close to $8bn
- In 2020 China announced its goal of achieving carbon neutrality by 2060
- This strategy drives green industries, bringing new opportunities for startups and VC market

Biotech/Healthcare

- Investment amount in 2025 at $17bn
- With the aging of the population the demand for the biomedical market continues to grow
- Local governments have introduced policies and industrial funds to promote the rapid development of the industry

Investment in China in 2025 by sector



Source: Zero2IPO Research

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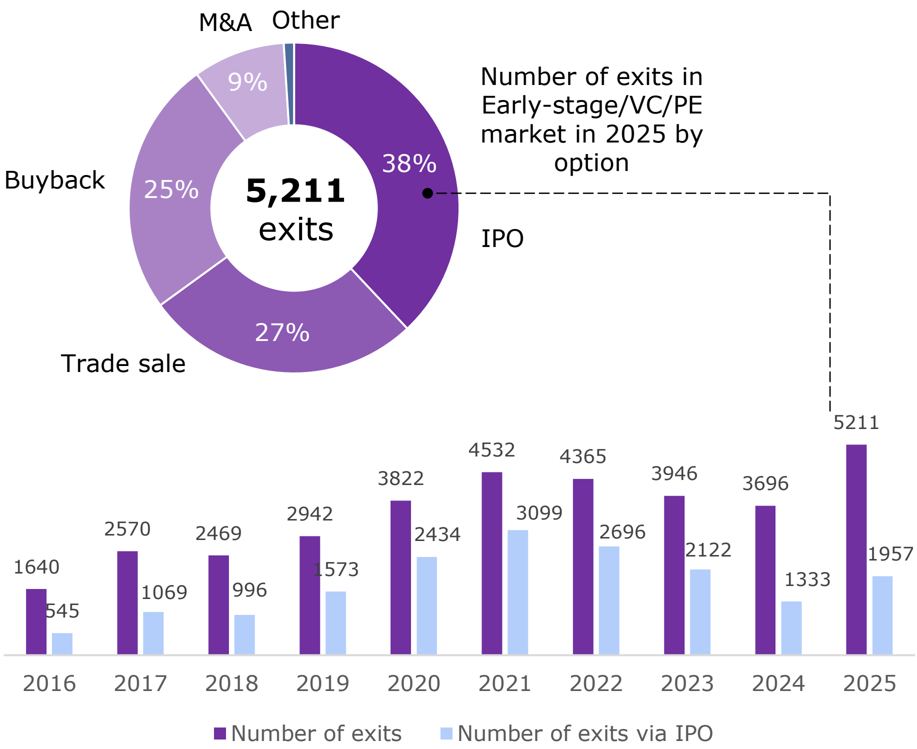
Exits in China are Largely Available

IPO is the main source of exit for venture investments



In 2025 total number of exits reached 5,211 cases:

- 1,957 exits were made through IPO* (38% of the total amount)
- 4,670 exits provided direct liquidity (IPO, trade sale and buyback - 90% of the total amount)

In 2025 total value of IPO in mainland China was $18bn

Source: Zero2IPO Research

* The annual number of Chinese IPOs reached 114 in 2025

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