

Tencent offers buy out of Chinese search engine Sogou

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Chinese tech giant Tencent has offered to buy search engine Sogou in a deal worth around \$2 billion, sending the latter's share price soaring 48 percent in New York.

The proposal would take Sogou private, with Tencent offering \$9 in cash for each American depositary share it does not already hold, said Sogou's [parent company](#) Sohu.com on Monday.

Chinese tech companies have been looking into listings closer to home as tensions rise between the United States and China on multiple fronts, and with US-listed Chinese firms coming under heightened scrutiny overseas.

Chinese e-commerce giant JD.com—which listed on the Nasdaq in New York in 2014—made its Hong Kong debut in June, while Alibaba-affiliated online payments giant Ant Group said this month it has taken the first steps towards a dual listing in Shanghai and Hong Kong.

Sohu said it is considering the offer by Tencent, which holds nearly 40 percent of Sogou's total issued and outstanding shares.

The \$9 per share offer represents a premium of around 56.5 percent to the closing trading price last Friday, Sohu added.

News of the potential deal sent Nasdaq-listed Sohu's [share price](#) up almost 40 percent.

Sogou made its [stock market debut](#) in 2017, and currently has a market capitalisation of around \$3.3 billion.

Tencent is one of the world's largest gaming companies and, like other tech giants, has benefited enormously from the billions of people around the world forced into lockdowns or restricted by social distancing rules.

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