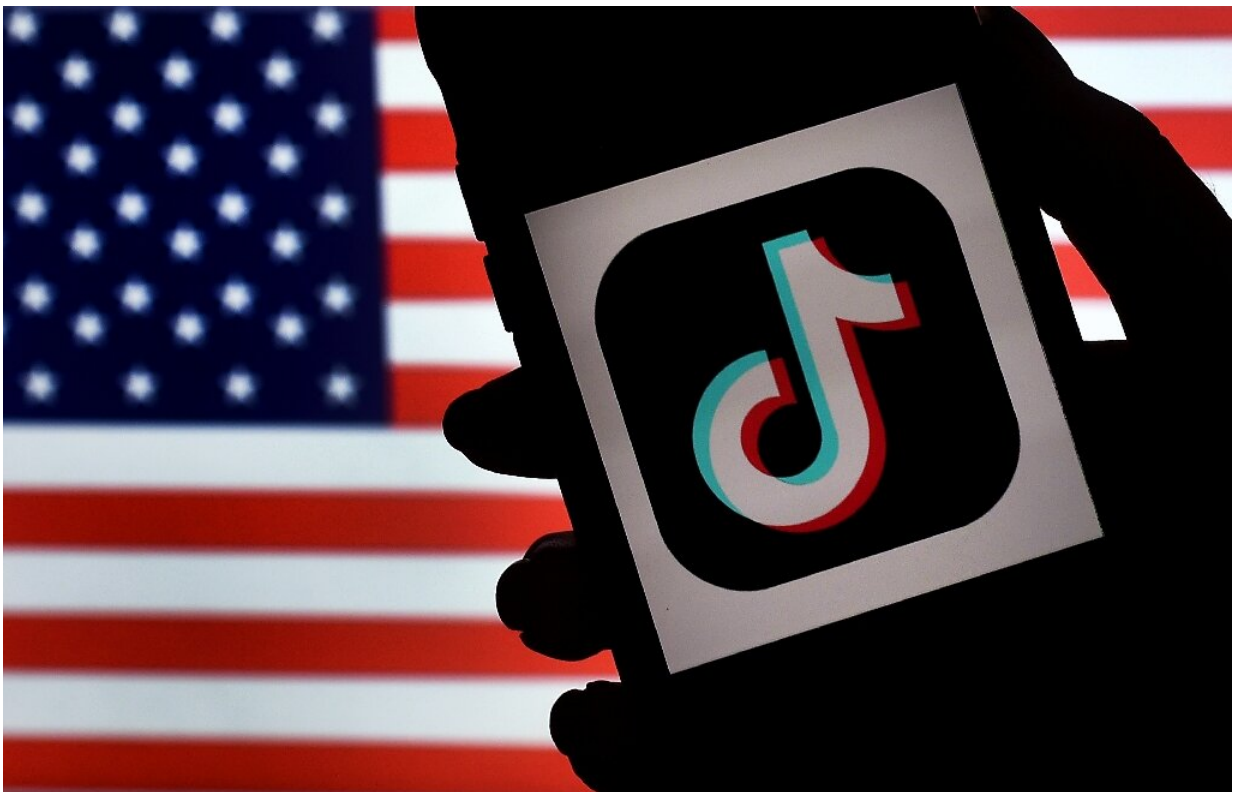


# TikTok Global to launch public offering, Chinese parent firm says

September 21 2020

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TikTok's short phone videos have made it a global phenomenon but has been caught up in a stand-off between China and the US

TikTok Global plans to hold a public listing, its Chinese parent company ByteDance said Monday, after announcing a deal over the weekend that would avert a shutdown of the popular app in the US.

The agreement, which has been approved by Donald Trump, sees Silicon Valley giant Oracle become the data partner for the video-sharing platform while Walmart becomes a commercial partner, creating a new US [company](#) called TikTok Global.

On Monday, ByteDance said in a statement on [social media](#) that TikTok Global plans to launch a "small round of pre-IPO financing", after which it would become an 80 percent-owned subsidiary of ByteDance.

The company added that the board of directors of TikTok Global includes ByteDance founder Zhang Yiming, along with its current directors and the CEO of Walmart.

"TikTok Global will also launch a listing plan to further enhance its corporate governance structure and transparency," the statement said. It did not say how much it intended to raise or where it plans to list.

Bloomberg News reported that Bytedance was seeking a valuation of \$60 billion for TikTok, citing a person familiar with the matter.

TikTok—which became a [global phenomenon](#) with its brand of short, addictive phone videos—has come under fire in recent months as tensions escalate between China and the west.

Trump has claimed TikTok is collecting [user data](#) for Beijing, without providing evidence, and in early August gave ByteDance until September 20 to hand over TikTok's US operations to an American company.

ByteDance, under pressure in China not to give in to US demands, set out to clarify "rumours" on Monday after details of the deal were announced. It said the current plan "does not involve the transfer of any algorithms and technologies".

While Oracle has the authority to check the source code of TikTok in the US, ByteDance said displaying the source code is a way for multinationals to allay local data security concerns.

ByteDance added that a "so-called tax payment of \$5 billion to the US Treasury" was a forecast of corporate income tax and other operating taxes TikTok would need to pay for business development.

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