

## China's Cross Border Mergers and Acquisitions: Transaction Characteristics that Make Deal Complete

Junhao Huang<sup>1,\*</sup>, Trairong Swatdikun<sup>2</sup> and Kongkiat Sahayrak<sup>3</sup>

<sup>1</sup>College of Graduate Studies, Walailak University, Nakhon Si Thammarat 80160, Thailand

<sup>2</sup>School of Management, Walailak University, Nakhon Si Thammarat 80160, Thailand

<sup>3</sup>Faculty of Business Administration and Management, Ubon Ratchathani Rajabhat University, Ubon Ratchathani 34150, Thailand

(\* Corresponding author's e-mail: 1327170642@qq.com)

### Abstract

M&A is a financial strategy that undoubtedly provides a good opportunity for business to renew its strategic position. Thus, exploring deal characteristics on a differ of deal completion is worth studying. This paper not only explore the transaction characteristics of China's cross border M&A, but also examine the differ of deal characteristics on deal completion. Hypotheses were set up to test whether the deviation between the given characteristics and the deal completion are difference among the groups or not. It collects different characteristics of M&A in China from 2011 to 2021. The data associated with different characteristics includes target nation, deal purpose, deal attitude, deal size, deal year, target industry and form of transaction were obtained via Rifinitiv Eikon. Data analysis reveals that deal purpose and deal attitude are among the transaction characteristics that differ when deal completion were taking into consideration. This finding shed some light for financial consultant that difference purpose and attitude tend to move the deal into the completion differently. Thus, difference directions among purpose and attitude change their customer intention toward the deal, or revealing the expected result even before the transaction take place.

**Keywords:** Deal characteristics, Deal completion, Cross-border, Mergers and acquisitions, China

### Introduction

Mergers and acquisitions (M&A) refer to an alternative effective means for enterprises to make reasonable resource allocation, quickly expand, explore the market and improve the efficiency of scale. As an important part of the mature market economy, the M&A has been concerned by researchers in the practical and academic circles since its origin. However, there is little empirical research on the deal characteristics of China's cross broader M&A deal to the Chinese government's policy at the time (Brug & Sahib, 2018). The Chinese market reform has been advancing, coupled with the acceleration of global integration, making the external market environment is constantly changing, this research take opportunity to explore cross border M&A as it is undoubtedly enterprises to take an important strategy. Even many scholars such as Bae et al. (2020) has concluded that M&A does not increase the wealth of shareholders and does not produce good M&A performance, however the trend of M&A activities still heating up among Chinese listed companies. Later evidence such as such Tuch and O'Sullivan (2007) concluded that M&A performance generally declined and analyzed the reasons from the perspective of system. Chahine et al. (2018) is inclined to believe that the internal management and internal control of enterprises can affect M&A performance and reduce the bankruptcy risk of enterprises. Failing to creating financial synergies are one but there are many more reasons that enterprises engage in M&A activities. Chatterjee (1986) pointed out the negative impact of related party transactions on M&A synergy, and proposed that non-related party transactions could continuously generate wealth while non-related party transactions had no impact on wealth. Thus, the consequences of M&A is mystery. However, enterprise

M&A is concerned as one of the most important enterprise resource allocation decision, its failure can lead to the biggest destruction of shareholder wealth. Therefore, it is important to understand the characteristics in the acquisition process (Gaffney, 2012). In the few decades, M&A have brought huge changes in the Chinese business scale, scope and complexity of enterprises (Casonava & Miroux, 2019). Therefore, the mergers and acquisitions undoubtedly provide a good opportunity for business to change their generic strategy via this financial strategy. Thus, this paper mainly explores the transaction characteristics of China's cross border M&A, and determine deal characteristics in corporate M&A, study whether transaction characteristics made a differ on deal completion.

## Literature review

Despite the fact that the terms mergers and acquisitions (M&A) are sometimes used interchangeably, they have distinct legal meanings. Two firms of similar size unite to establish a new single company in a merger. A merger is activity to combine 2 or more different economies into 1 for some reason, usually with 1 or more companies absorbed by a dominant company. However, an acquisition is the purchase of stock or assets by 1 business with cash or securities. To acquire ownership of all or an asset of the enterprise, or to have control of the enterprise. However, as a large proportion of target companies do not undergo significant structural changes after entering a new economy, it is often regarded as a merger. Skaife and Wangerin (2013) despite of the different nature of enterprises, the main differences of the M&A party, M&A performance is different, but overall, the research achievements of scholars on the M&A performance is basically consistent, only in the performance of M&A methods there are some differences, which is related to different research purposes. Although the scale of cross-border mergers and acquisitions of Chinese companies is expanding at an unprecedented speed, there is a problem of high merger premium rate but low merger completion rate (Bris & Cabolis, 2008). Many Chinese companies often quote high prices in order to obtain target companies during cross-border mergers and acquisitions. This is known as the "China premium", and some have resulted in larger losses afterwards. Regarding the driving factors and completion rate of cross-border mergers and acquisitions (Weitzel & Berns, 2006), it is mainly from the aspects of national politics, law, culture and transaction characteristics. (King et al., 2004)

### Target nation

Dikova et al. (2010) relies heavily on the government in the process of cross-border M&A. Therefore, the government should carry out certain reforms to facilitate the smooth implementation of cross-border M&A. Cross-border mergers and acquisitions involve some unique challenges because of the composition of different countries' economies, cultures and institutions (Sudarsanam & Mahate, 2003). Therefore, we should not regard cross-border M&A as a kind of outward extension of domestic M&A, because the different countries of the acquirer and the acquirer make cross-border M&A more complicated. Therefore, the acquirer needs to take into account the differences in culture, environment and system between domestic and transnational M&A.

Weitzel and Berns (2006) studied domestic cross-border M&A cases and believed that M&A was mainly for obtaining scarce resources and reducing costs. In addition to natural resources, the status of technological resources for resource-intensive industries is also gradually emerging. In the long-term development of resource-intensive industries, internal competition will become increasingly fierce, and natural resources will become scarcer. For the above reasons, the merger and integration of resource-intensive industries must gradually shift from resource-driven to technology-driven. Yu et al. (2019) found that overseas mergers and acquisitions can bring strategic resources needed by enterprises to enhance their international competitiveness.

### Deal purpose

They are various reasons that a firm decided to do M&A here are the list of those reasons for a variety of reasons. Park and Roh (2019) believed that the fundamental reason for enterprises to carry out mergers and acquisitions is to increase market share and increase market control. It analyzed the M&A

cases of China's home appliance industry and believed that the motivation of cross-border M&A in manufacturing industry was mainly to improve enterprise value based on the brand reputation and market of foreign enterprises (Casonava & Miroux, 2019). The most common reasons including:

**Financial Synergies:** Due to the fact that each firm exploits the capabilities of the other, total performance efficiency tends to grow and overall costs tend to decrease when business operations are combined.

**Growth:** Mergers can allow the acquiring business to increase market share without having to perform a lot of hard lifting. Instead, acquirers simply buy a competitor's firm for a fixed sum, a process known as a horizontal merger. For example, a beer business could decide to purchase out a smaller rival brewery, allowing the latter to manufacture more beer and improve sales to brand-loyal customers.

**Increase the power of the supply chain:** A company can reduce an entire layer of expenditures by purchasing one of its suppliers or distributors. Buying out a supplier, also known as a vertical merger, allows a corporation to save on the margins that the supplier previously added to its expenses. A corporation can frequently get the capacity to send items at a lesser cost by purchasing a distributor. Park and Roh (2019) points out that enterprises that adopt the layout of the whole industrial chain should have a longer vision. By establishing a human resource training system and flexibly using financing means, that can make the links in the whole industrial chain smoother, so as to improve the resource integration and realize the extension of the high-profit industrial chain.

**Eliminate Competition:** The acquirer gains a larger market share by eliminating future competitors. On the negative, convincing the target company's shareholders to accept the offer frequently necessitates a substantial premium. In reaction to the acquiring business paying too much for the target company, it is not unusual for the acquiring company's shareholders to sell their shares and drive the price down.

To sum up, the purpose of mergers and acquisitions mentioned above is relatively single, and more enterprise mergers and acquisitions are for synergies. Doan et al. (2018) divided the purpose of mergers and acquisitions into the following 3 purposes: Improving enterprise efficiency, obtaining economic benefits and other purposes, among which the improvement of enterprise efficiency can be divided into management synergies, financial synergies and operational synergies.

### **Deal attitude**

Bae et al. (2020) used experimental methods to conduct a grouping and control study on unilateral and bilateral good-faith MERGERS and acquisitions with incomplete information, and concluded that the good-faith cooperative alliance of both parties reduced the merger price, reduced the merger process and advanced the merger timing. Zhu and Zhu (2016) analyzed the M&A situation of manufacturing enterprises in China and concluded that the performance of long-term hostile M&A is lower than that of goodwill M&A. Fu Yanan said that the acquired party is on guard against hostile M&A, which virtually increases the difficulty of hostile M&A.

**Friendly takeover:** When 1 business buys another and both boards of directors approve the deal, it's known as a friendly takeover. The majority of takeovers are amicable, but with the threat of activist hedge funds, hostile takeovers and activist campaigns have grown in popularity. Both shareholders and management agree on both sides of the deal in a favorable takeover. In a merger, 1 firm, known as the surviving company, buys the shares and assets of another with the directors and shareholders' consent. The other no longer exists as a separate legal entity. Shareholders of the defunct corporation are allocated shares in the surviving corporation

**Hostile takeover:** When 1 corporation, the acquiring corporation, seeks to take over another corporation, the target corporation, without the target firm's board of directors' consent, this is known as a hostile takeover. The target company's directors do not support the acquiring company's directors in a hostile acquisition. In this situation, the purchasing business might make a tender offer to compensate target company shareholders for their shares. If the purchasing business buys enough shares, it can either approve a merger or appoint its own directors and officers to administer the target company as a subsidiary. When a potential acquirer makes a tender offer, or direct offer, to the target company's investors, hostile takeover efforts are most common. This procedure occurs despite the target company's

management's objections, and it frequently results in severe conflict between the target company's management and the acquirer's management.

### Deal size

Mergers and acquisitions will inevitably involve the scale effect, the enterprise scale, the greater the has larger organization structure. And the more dispersed ownership structure, the free cash flows will also be involved, different sizes of enterprises in the overall productivity and profit level also not same, so the enterprise scale to M&A performance will also have a certain influence, and investment cash flow is also an association. Loughran and Vijh (1997) concluded that long-term operating performance needs to be compared with the acquired companies, not only in terms of industry matching, but also in terms of pre-merger characteristics, such as performance and size. Laamanen and Keil (2008) reported that although the long-term equity returns of successive acquirers were negative on average, the greater the experience, size, and scope of acquisition plans of the acquirers, the less negative the effects would be.

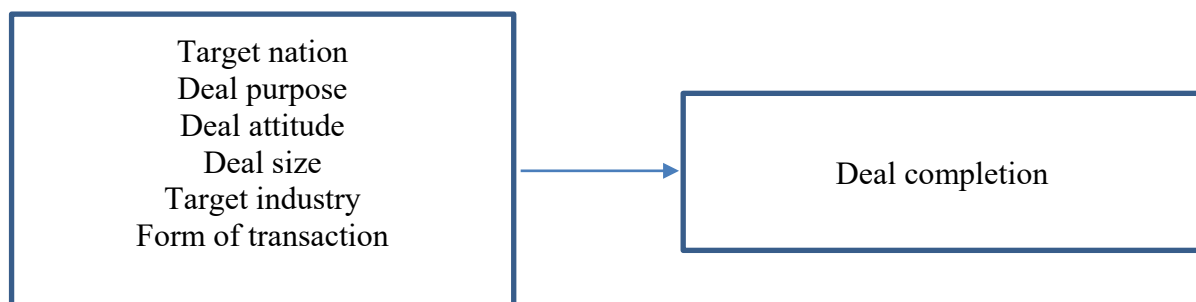
### Target industry

If the 2 parties in the merger are in the same industry, there may be overlap between suppliers and customers due to similar products and markets, so the business relationship is close Amighini et al. (2018) Amighini et al. (2011) mentioned that higher quality information about merged objects. Instead, there is no connection between the 2 parties. Gao et al. (2014); Park and Roh (2019) mentioned that acquisition targets have more limited sources of information. The difficulty of obtaining information is not accurate, which undoubtedly increases the risk of M&A, studied the cross-border mergers and acquisitions made by Chinese and believed that technology were the main factors influencing the selection of M&A targets of Chinese manufacturing enterprises.

### Deal transaction

Mergers and acquisitions generally occur less frequently than takeovers. Then the name of acquisition will affect the working enthusiasm of the acquired company. As a result, acquirers often prefer to use the terms merger and acquisition interactively. The main purpose of M&A is to achieve the growth of enterprises' economies of scale and scope, to help reduce the operating costs of enterprises, or to use shared resources to produce more products. From the perspective of the acquirer, the enterprise can maintain or increase sales volume and reduce various costs to produce and increase sales volume (Carey, 2000). Mergers and acquisitions are an effective way to gain market position by gaining more market share, especially for saturated industries. Through organic growth, the new firms will also cross-sell and participate in market pricing (Chatterjee, 1986).

Based on these given evidences, this study explores the difference of transaction characteristics on deal completion which can be structure as:



## Research method

This archival adopted all 387 Chinese cross-border M&A made by the listed companies on overseas M&A during 2011 and 2021. Thus, 387 is population and sample of this study. The transaction characteristics of M&A are target nation, deal purpose, deal attitude, deal size, deal year, target industry and form of transaction, as well as deal status were obtained from DataStream using Rifinitiv Eikon. The data analysis using descriptive statistics which covers frequency and percentage. The inferential statistics using Chi-Square is adopted to test the hypotheses by the deviation between the 6 transaction characteristics and the transaction completion.

## Research finding

The data of Chinese cross-border M&A's status were reported in October 2021 as followed;

**Table 1** Descriptive statistics of deal status.

Status	Frequency	Percentage
Complete	287	74.2 %
Pending	38	9.8 %
Withdrawn	62	16.0 %
<b>Total</b>	<b>387</b>	<b>100.0 %</b>

**Table 1** reveals that among 387 cross-border M&A, majority of them which is 287 transactions were reported complete (account for 74.2 %). Withdrawn status and pending were reported a small proportion at the amount of 62 and 38 transaction each, respectively.

### A statistically significant difference between the target nation and the deal status

This section provides empirical evidence using Inferential statistics on the target nation and deal status of 387 Chinese listed companies on overseas M&A during 2011 and 2021. The hypothesis was tested and should be reported that

**Table 2** Tabulation of target nation vs deal status.

		Status				Pearson Chi-Square	p-value
		Complete	Pending	Withdrawn	Total		
Target	Asia	Count	97	17	28	142	10.871
		% of Total	25.1 %	4.4 %	7.2 %	36.7 %	
	Europe	Count	87	10	9	106	
		% of Total	22.5 %	2.6 %	2.3 %	27.4 %	
	Africa	Count	5	1	2	8	
		% of Total	1.3 %	0.3 %	0.5 %	2.1 %	
	North America	Count	63	6	17	86	
		% of Total	16.3 %	1.6 %	4.4 %	22.2 %	
	Oceania	Count	21	3	5	29	
		% of Total	5.4 %	0.8 %	1.3 %	7.5 %	
	South America	Count	14	1	1	16	
		% of Total	3.6 %	0.3 %	0.3 %	4.1 %	
	Total	Count	287	38	62	387	
		% of Total	74.2 %	9.8 %	16.0 %	100.0 %	

According to **Table 2**, there were 387 cross border M&A cases initiated by Chinese listed companies, including 287 successful M&A cases, 38 pending cases and 63 withdrawn cases. The largest number of M&A activity was in Asia, followed by Europe and the M&A completion rates were 25.1 and 22.5 %, respectively. Asia borders Europe and China's "One Belt, One Road" policy connects Asia with Europe, making it easier for companies to do mergers and acquisitions. Secondly, being located in Asia and adjacent to each other, multilateral trade contacts provide enterprises with more opportunities to learn about the economic situation and cultural customs of their cooperative countries, which reduces the risk of mergers and acquisitions and is conducive to the occurrence of mergers and acquisitions. However, Chi-Square provides no further evidence that difference nation on given continent would expect difference deal status. The limit number of M&A among Chinese and African, Oceania, and South American enterprise are among factors that taking into further study consideration.

### A statistically significant difference between the deal purpose and deal status

This section provides empirical evidence using Inferential statistics on the deal purpose and deal status of 387 Chinese listed companies on overseas M&A during 2011 and 2021. The hypothesis was tested and should be reported that;

**Table 3** Tabulation of deal purpose vs deal status.

		Status			Total	Pearson		
		Complete	Pending	Withdrawn		Chi-Square	p-value	
Purpose	Operation	Count	132	14	28	174	29.424	0.001**
	Synergy	% of Total	34.1 %	3.6 %	7.2 %	45.0 %		
	Raise Fund	Count	24	7	4	35		
		% of Total	6.2 %	1.8 %	1.0 %	9.0 %		
	Concentrate on core business	Count	17	1	9	27		
		% of Total	4.4 %	0.3 %	2.3 %	7.0 %		
	Expand business	Count	56	6	10	72		
		% of Total	14.5 %	1.6 %	2.6 %	18.6 %		
	Restructure business	Count	5	0	6	11		
		% of Total	1.3 %	0.0 %	1.6 %	2.8 %		
	other	Count	53	10	5	68		
		% of Total	13.7 %	2.6 %	1.3 %	17.6 %		
Total	Count	287	38	62	387			
	% of Total	74.2 %	9.8 %	16.0 %	100.0 %			

According to **Table 3**, there were 387 cross border M&A cases initiated by Chinese listed companies, including 287 successful M&A cases, 38 pending cases and 63 withdrawn cases. The largest number of M&A activity aimed to create operation synergy, followed by Expand business were 45.0 and 18.6 %, respectively. Restructure business was the rare reason for enterprise to undertake M&A which only account for 2.8 %. Thus, enterprise consolidation behavior is more hope of mergers and acquisitions, the company's overall efficiency is greater than the benefit is the sum of the 2 enterprises before M&A, improve the management synergy, management synergy, financial synergy and to increase market share, widen the channel of the enterprise receivables are for the purpose of M&A enterprises as "the icing on the cake". In addition, Chi-Square test provides evidence that difference purpose would expect difference deal status. The limit number of M&A wishing to restructure the enterprise are among factors that taking into further study consideration.

### A statistically significant difference between the deal attitude and deal status

This section provides empirical evidence using Inferential statistics on the deal attitude and deal status of 387 Chinese listed companies on overseas M&A during 2011 and 2021. The hypothesis was tested and should be reported that;

**Table 4** Tabulation of deal attitude vs deal status.

		Status			Total	Pearson	
		Complete	Pending	Withdrawn		Chi-Square	p-value
Attitude	Friendly	Count	264	37	50	351	19.922
		% of Total	68.2 %	9.6 %	12.9 %	90.7 %	0.001**
	Neutral	Count	20	1	6	27	
		% of Total	5.2 %	0.3 %	1.6 %	7.0 %	
	unsolicited	Count	3	0	6	9	
		% of Total	0.8 %	0.0 %	1.6 %	2.3 %	
	Total	Count	287	38	62	387	
		% of Total	74.2 %	9.8 %	16.0 %	100.0 %	

According to **Table 4**, there were 387 cross border M&A cases initiated by Chinese listed companies, including 287 successful M&A cases, 38 pending cases and 63 withdrawn cases. The largest number of M&A attitude were 351 friendly M&A cases, among which 264 were completed, and the M&A completion rate reached 68.2 %. It can be seen that in mergers and acquisitions, enterprises will adopt a friendly attitude to carry out acquisitions for their own good development, and a friendly attitude is easier to promote mutual benefit and win-win between the acquirer and the acquirer. In addition, Chi-Square test provides evidence that difference attitude would expect difference deal status. The limit number of M&A neutral and unsolicited are among factors that taking into further study consideration.

### A statistically significant difference between the deal size and deal status

This section provides empirical evidence using Inferential statistics on the deal size and deal status of 387 Chinese listed companies on overseas M&A during 2011 and 2021. The hypothesis was tested and should be reported that;

**Table 5** Tabulation of deal size vs deal status.

		Status			Total	Pearson	
		Complete	Pending	Withdrawn		Chi-Square	p-value
Quartile	1.00	Count	73	12	16	101	10.132
		% of Total	18.9 %	3.1 %	4.1 %	26.1 %	0.119
	2.00	Count	66	15	11	92	
		% of Total	17.1 %	3.9 %	2.8 %	23.8 %	
	3.00	Count	78	4	18	100	
		% of Total	20.2 %	1.0 %	4.7 %	25.8 %	
	4.00	Count	70	7	17	94	
		% of Total	18.1 %	1.8 %	4.4 %	24.3 %	
	Total	Count	287	38	62	387	
		% of Total	74.2 %	9.8 %	16.0 %	100.0 %	

According to **Table 5**, there were 387 cross border M&A cases initiated by Chinese listed companies, including 287 successful M&A cases, 38 pending cases and 63 withdrawn cases. Through the quartile score analysis, the observed values in the M&A activities of 4 scales are not significantly different, indicating that the transaction scale has little difference on M&A completion.

#### A statistically significant difference between the target industry and deal status

This section provides empirical evidence using Inferential statistics on the target industry and deal status of 387 Chinese listed companies on overseas M&A during 2011 and 2021. The hypothesis was tested and should be reported that;

**Table 6** Tabulation of deal industry vs deal status.

		Status			Total	Pearson	
		Complete	Pending	Withdrawn		Chi-Square	p-value
Industry	Ago & Food industry	Count	19	2	0	21	20.734 <sup>a</sup>
		% of Total	4.9 %	0.5 %	0.0 %	5.4 %	0.109
	Consumer products	Count	24	1	2	27	
		% of Total	6.2 %	0.3 %	0.5 %	7.0 %	
	Financial	Count	25	3	11	39	
		% of Total	6.5 %	0.8 %	2.8 %	10.1 %	
	Industrial	Count	30	2	4	36	
		% of Total	7.8 %	0.5 %	1.0 %	9.3 %	
	Property	Count	38	4	6	48	
		% of Total	9.8 %	1.0 %	1.6 %	12.4 %	
	Resources	Count	69	16	21	106	
		% of Total	17.8 %	4.1 %	5.4 %	27.4 %	
	Service	Count	45	6	7	58	
		% of Total	11.6 %	1.6 %	1.8 %	15.0 %	
	Technology	Count	37	4	11	52	
		% of Total	9.6 %	1.0 %	2.8 %	13.4 %	
	Total	Count	287	38	62	387	
		% of Total	74.2 %	9.8 %	16.0 %	100.0 %	

According to **Table 6**, there were 387 cross border M&A cases initiated by Chinese listed companies, including 287 successful M&A cases, 38 pending cases and 63 withdrawn cases. The largest number of M&A attitude were 351 friendly M&A cases, among which 264 were completed, and the M&A completion rate reached 68.2 %. In terms of target industry selection, energy industry, service industry, real estate industry and technology industry are the main industries. China is already the world's largest energy consumer, but it is still in a stage of accelerated industrialization and urbanization, and its energy demand is expected to increase.



### A statistically significant difference between the form of transaction and deal status

This section provides empirical evidence using Inferential statistics on the target nation and deal status of 387 Chinese listed companies on overseas M&A during 2011 and 2021. The hypothesis was tested and should be reported that

**Table 7** tabulation of form of transaction vs deal status.

		Status			Total	Pearson	
		Complete	Pending	Withdrawn		Chi-Square	p-value
Form of Transaction	Merger	Count	86	9	25	120	3.613 <sup>a</sup>
		% of Total	22.2 %	2.3 %	6.5 %	31.0 %	0.164
	Acquisition	Count	201	29	37	267	
		% of Total	51.9 %	7.5 %	9.6 %	69.0 %	
Total		Count	287	38	62	387	
		% of Total	74.2 %	9.8 %	16.0 %	100.0 %	

According to **Table 7**, there were 387 cross border M&A cases initiated by Chinese listed companies, including 287 successful M&A cases, 38 pending cases and 63 withdrawn cases. The largest number of M&A attitude were 351 friendly M&A cases, among which 264 were completed, and the M&A completion rate reached 68.2 %. Merger occurs in the financial status of the annexed enterprise is poor, production and operation stagnation or semi-stagnation, after the merger generally need to adjust its production and operation, recombination of its assets; Acquisition generally occurs in the normal state of production and operation of enterprises, and the flow of property rights is peaceful. The acquirer has good operation, and the acquirer hopes that the acquirer can generate benefits in a short time. In the case of merger, the acquirer needs to spend a lot of energy, time and money to restructure the merged party. Among the M&A methods selected by enterprises, the completion rate of acquisition accounted for 51.9 % of the total number of M&A methods, and enterprises were more willing to carry out M&A activities through acquisition.

### Conclusions

Using descriptive statistics of transaction characteristics, multi-group analysis of target nation, deal purpose, deal attitude, deal size, deal year, target industry and form of transaction was conducted. The research finds that the acquirer is more willing to promote the M&A through acquisition and positive and friendly attitude; in terms of the choice of target industry, target country and the year of merger and acquisition, the activities of M&A rely more on big factors such as policy environment to complete the M&A by digging into its transaction background; however, as for the size of the transaction, the acquirer thinks that the size of the transaction does not affect the completion of the transaction in the case of helping the successful development of the enterprise. On the whole, the study of transaction characteristics on the completion of transaction can provide good suggestions for the direction of merger and acquisition.

### References

- Amighini, A., Rabellotti, & Sanfilippo, M. (2011). *China's outward FDI: An industry-level analysis of host country determinants*. CESIFO working paper No.2688.2011.
- Amighini, M. F., Konwar, Z., Papageorgiadis, N., Wang, C., & Inbar, J. (2018). R&D capabilities Intellectual Property Stemgh and Choice of Equity Owenship in Cross-Border Acquisitions: Evidence from BRICS Acquirers in Europe. *R&D Management*, 48(2),177-194.

- Bae, Y., Lee, K., & Roh, T. (2020). Acquirer's absorptive capacity and firm performance: The perspectives of strategic behavior and knowledge assets. *Sustainability*, 12(20), 8396.
- Bris, A., & Cabolis, C. (2008). The value of investor protection: Firm evidence from cross-border mergers. *Review of Financial Studies*, 21(2), 605-648.
- Brug, H., & Sahib, P. R. (2018). Abandoned deals: The merger and acquisition process in the electricity and gas industry. *Energy Policy*, 123, 230-239.
- Carey, D. (2000). *Lessons from master acquirers: A CEO roundtable on making mergers succeed*. Retrieved from <https://hbr.org/2000/05/a-ceo-roundtable-on-making-mergers-succeed>
- Casonava, L., & Miroux, A. (2019). Chinese companies conquering the world: A descriptive analysis of the rapid rise of Chinese acquisitions. *Journal of Evolutionary Studies in Business*, 4(2), 13-44.
- Chahine, S., Hasan, I., & Mazboudi, M. (2018). The role of auditors in merger and acquisition completion time. *International Journal of Auditing*, 22, 568-582.
- Chatterjee, S., & Hadi, A. S. (1986). Influential observations, high leverage points, and outliers in linear regression. *Statistical Science*, 1, 379-393.
- Chatterjee, S. (1986). Types of synergy and economic value: The impact of acquisitions on merging and rival firms. *Strategic Management Journal*, 7, 119-139.
- Dikova, D., Sahib, P. R., & van Witteloostuijn, A. (2010). Cross-border acquisition abandonment and completion: The effect of institutional differences and organizational learning in the international business service industry, 1981-2001. *Journal of International Business Studies*, 41(2), 223-245.
- Doan, T. T., Sahib, P. R., & van Witteloostuijn, A. (2018). Lessons from the flipside: How do acquirers learn from divestitures to complete acquisitions? *Long Range Planning*, 51, 252-266.
- Gaffney, N. T. (2012). *An analysis of the cross-border acquisition behavior of emerging market multinational enterprises* (Doctoral dissertations). USA: The University of Memphis.
- Gao, R., Wang, C. S. H., & Hafner, C. M. (2014). The impact of acquisitions on new technology stocks: The Google - Motorola case. *Annals of Economics and Finance*, 9, 1440002.
- King, D. R., Dalton, D. R., Daily, C. M., & Covin, J. G. (2004). Meta-analyses of post-acquisition Performance: Indications of unidentified moderators. *Strategic Management Journal*, 25(2), 187-200.
- Laamanen, T., & Keil, T. (2008). Performance of serial acquirers: Toward an acquisition program perspective. *Strategic Management Journal*, 29(6), 663-672.
- Loughran, T., & Vijh, A. M. (1997). Do long-term shareholders benefit from corporate acquisitions? *Journal of Finance*, 52(5), 1765-1790.
- Loughran, T. & Vijh, M. (2012). Do Long-term shareholders benefit from corporate acquisitions? *Journal of Finance*, 52(5), 1765-1790.
- Park, B. I., & Roh, T. (2019). Chinese multinationals' FDI motivations: Suggestion for a new theory. *International Journal of Emerging Markets*, 14, 70-90.
- Sears, J., & Hoetker, G. (2014). Technological overlap, technological capabilities, and resource recombination in technological acquisitions. *Strategic Management Journal*, 35, 48-67.
- Skaife, H. A., & Wangerin, D. D. (2013). Target financial reporting quality and M&A deals that go bust. *Contemporary Accounting Research*, 30, 719-749.
- Sudarsanam, S., & Mahate, A. A. (2003). Glamour acquirers, method of payment and post-acquisition performance: The UK evidence. *Journal of business finance and accounting*, 30, 299-341.
- Tuch, C., & O'Sullivan, N. (2007). The impact of acquisitions on firm performance: A review of the Evidence. *International Journal of Management Reviews*, 9(2), 141-170.
- Weitzel, U., & Berns, S. (2006). Cross-border takeovers, corruption, and related aspects of governance. *Journal of International Business Studies*, 37(6), 786-806.
- Yu, H., Dang, J., & Motohashi, K. (2019). Post-M&A technological capability-building of emerging market firms in China: The case of Lenovo. *Asia Pacific Business Review*, 25, 40-60.
- Zhu, H. and Zhu, Q. (2016). Mergers and acquisitions by Chinese firms: A review and comparison with other mergers and acquisitions research in the leading journals. *Asia Pacific Journal of Management* 33(4), 1107-1149.