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# Research on the Financial Performance and Business Synergies of Overseas Mergers and Acquisitions by Listed Companies: A Case Study of Midea Group's Acquisition of KUKA AG

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***Abstract:*** This paper analyzes the case of Midea Group's acquisition of KUKA AG, focusing on changes in financial indicators such as revenue growth, profit margin changes, and asset-liability ratios after the acquisition to assess the impact of the acquisition on the company's financial performance. By comparing the financial data before and after the acquisition, it reveals whether the acquisition can bring economic benefits and growth momentum, providing a reference for the overseas merger and acquisition decisions of listed companies. Secondly, through an in-depth study of the business synergies between the two companies, it evaluates whether the acquisition can achieve strategic objectives and enhance comprehensive competitiveness, providing guidance for subsequent operations management. Furthermore, it assesses the impact of the acquisition on the company's internal management and staff teams, offering insights for the integration of management teams and cultural inheritance during the overseas mergers and acquisitions of listed companies. Finally, by summarizing the experiences and revelations of overseas mergers and acquisitions by listed companies through this case, and conducting an in-depth study of the case of Midea Group's acquisition of KUKA AG, it summarizes the successes and failures, explores the development trends and patterns of overseas mergers and acquisitions by listed companies, provides experience and management suggestions for other enterprises in making similar merger and acquisition decisions, and promotes the implementation and development of the internationalization strategies of listed companies.

***Keywords:*** Financial performance, Overseas mergers and acquisitions, Internationalization strategy of listed companies, Business synergy effect

## 1. Introduction

The scope and scale of enterprise mergers and acquisitions are continuously expanding. In the face of the ever-intensifying market competition and the increasingly fierce resource competition among enterprises, companies have to resort to mergers and acquisitions to acquire more market share and resources and achieve larger-scale development. In the context of cross-border mergers and acquisitions of enterprises, the cross-border merger and acquisition activities of Chinese enterprises

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have gradually shifted from the early stage of capital export and resource acquisition to technology acquisition, market expansion, and strategic integration, demonstrating more mature and diversified characteristics.

Secondly, enterprise mergers and acquisitions have a crucial impact on the business performance and competitiveness of enterprises. Through mergers and acquisitions, enterprises can rapidly expand their market share, realize economies of scale, and enhance production efficiency and profitability.

Furthermore, enterprise mergers and acquisitions involve a series of important financial, management, and legal issues. When conducting merger and acquisition transactions, enterprises need to investigate the financial status, management level, market position, and legal risks of the target enterprise, as well as reasonably evaluate the value and risks of the target enterprise.

Finally, enterprise mergers and acquisitions also face numerous risks and challenges. During the process of mergers and acquisitions, enterprises need to deal with market uncertainties, financial risks, management problems, legal challenges, and other risks to avoid the occurrence of failed mergers and acquisitions.

By comparing the financial data before and after the acquisition, it reveals whether the acquisition can bring economic benefits and growth momentum, providing a reference for the overseas merger and acquisition decisions of listed companies. Secondly, through an in-depth study of the business synergy between the two companies, it assesses whether the acquisition can achieve strategic objectives and enhance comprehensive competitiveness, providing guidance for subsequent operation and management.

## 2. Literature Review

### 2.1. Research on the Performance of Enterprise Mergers and Acquisitions

#### 2.1.1. Domestic relevant literature

The discussion on the performance of mergers and acquisitions and its underlying driving factors has always been the focus of the academic field. When studying the factors affecting the performance of enterprise mergers and acquisitions, domestic scholars mainly focus on two aspects: management and technology.

Shi Dan et al.[1] used the merger and acquisition events of China's listed financial technology companies as research samples and conducted empirical research to explore how the transaction model affects the company's merger and acquisition performance. In terms of technological factors, Wang Miao[2] emphasized that compared with internal innovation, successful technological mergers and acquisitions are more conducive to realizing the complementary advantages of technological capabilities, thereby continuously enhancing the development ability of enterprises. In terms of resource reorganization and utilization efficiency, Wu Fei[3] believes that the digital transformation of enterprises breaks through the information gap barrier, significantly reduces the cost of enterprises in obtaining and processing information, and can effectively accelerate the efficiency of reorganizing production resources.

In terms of management factors, Zhang Qiao[4] believes that when making decisions related to enterprise mergers and acquisitions, management's judgment is more inclined to their own interests rather than the long-term value that shareholders can obtain. Lu Dong[5] pointed out that due to agency conflicts, enterprise mergers and acquisitions will lead to the problem of low merger and acquisition efficiency. The reaction of stock prices is often affected by the difficulty of merger and acquisition integration.

#### 2.1.2. Foreign relevant literature

In the research on the financial performance of mergers and acquisitions, different researchers have explored from different perspectives. From the financial perspective, the evaluation of the financial performance of mergers and acquisitions mainly includes two aspects: market performance and accounting performance.

Internationally, different scholars have evaluated the factors affecting the financial performance of mergers and acquisitions from different angles. American scholar Matsusaka[6] found that after enterprise mergers and acquisitions, the financial performance of enterprises (such as profit margins, shareholder returns) usually improves, but this improvement is not always lasting. Dyer and Nobbs[7] pointed out that the success or failure of brand integration and cultural integration directly affects non-financial performance after enterprise mergers and acquisitions. Dranev et al.[8] pointed out that the factors affecting merger and acquisition performance are diverse and complex, among which the market environment, cross-border transactions, and merger and acquisition experience all constitute influencing factors. EVa[9] believes that after obtaining the ownership of the acquired party, the stronger the organizational operation ability of the acquiring company, the more reasonable the overall corporate governance structure can be integrated. Collevecchio et al.[10] found that merger and acquisition performance is closely related to the stability of the acquiring company's operation, the rationality of the structure, and the basic characteristics of the merger and acquisition transaction.

Overall, the research on the financial performance of mergers and acquisitions is a complex and rich field, which not only involves knowledge in multiple disciplines but also requires in-depth analysis of historical data, theoretical models, and empirical research.

### 2.2. Research on the Synergistic Effect of Enterprise Mergers and Acquisitions

#### 2.2.1. Domestic relevant literature

Wang Chao[11] proposed four major influencing factors of the synergistic effect: first, conduct due diligence to avoid financial risks in the later stage caused by information asymmetry between the two parties in the merger and acquisition as much as possible; second, enterprises should reasonably and scientifically assess their own capital tolerance and expected returns, determine the target input-output ratio and profitability, and reduce acquisition risks; third, after the completion of the merger and acquisition, the acquirer should promptly complete the reorganization and integration of the acquired party's human resources, resources, and cash flow, and establish a stable and scientific governance system as soon as possible.

At the same time, in the empirical aspect, Huang Fuguang[12] believes that the investment of risk capital and professional knowledge and skills in mergers and acquisitions can effectively improve the synergistic effect of mergers and acquisitions and correspondingly reduce costs.

Due to the relatively short research time in China, there is a lack of a summary and classification of different situations of the synergistic effect of enterprise mergers and acquisitions, and a certain degree of lack of long-term tracking and understanding of the synergistic effect.

#### 2.2.2. Foreign relevant literature

Business synergy is one of the key factors for the successful implementation of overseas mergers and acquisitions. The realization of business synergy needs to consider various aspects, including the integration of organizational culture, the unification of strategic objectives, and the optimization of business processes.

In the qualitative aspect, Levine [13] simultaneously pointed out that if a non-listed company is acquired, the acquirer needs to spend additional costs to eliminate the information gap between the

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two parties, so moral hazards and adverse selection problems are prone to occur. Spigel [14] believes that the incentive for the founders of the acquired party after the merger and acquisition greatly affects the exertion of the synergistic effect after the acquisition. In the empirical and practical aspects, foreign scholars have also made great achievements. Business integration is one of the important tasks after enterprise mergers and acquisitions. Haspeslagh and Jemison [15] proposed four strategies for business integration, namely expansion, transformation, integration, and divestiture. Enterprises can choose the strategy suitable for themselves according to specific situations to achieve business integration.

In conclusion, overseas mergers and acquisitions business synergy and business integration are complex and important processes that require enterprises to fully consider various factors and adopt corresponding strategies to achieve business integration and optimization.

## 3. Merger and Acquisition Case Analysis

### 3.1. Overview of the Merger and Acquisition Transaction

The two parties in this merger and acquisition are Midea Group and KUKA Group. Midea Company, through its wholly-owned subsidiary MECCA overseas, intends to acquire all the shares of the shareholders of KUKA Group who accept the offer (except MECCA) in cash at a price of 115 euros per share. After the first step of the acquisition, Midea Company's minimum shareholding intention reached 30% or higher. After the second step of the complete equity transfer and acquisition, the total number of shares accepted by KUKA Group reached 32,233,536 shares, accounting for approximately 81.04% of the issued share capital of KUKA Group. After the completion of this acquisition, Midea Company held a total of 37,605,732 shares of KUKA Group, accounting for approximately 94.55% of the issued share capital of KUKA Group.

### 3.2. Introduction of the Target Company

KUKA Group was established in Augsburg, Germany and is one of the market-leading enterprises in European municipal vehicles. The industry it belongs to is mainly the robotics and automation equipment manufacturing industry. KUKA Group is a world-leading supplier of robots and automated production equipment and solutions. The main business of KUKA Group covers multiple fields such as the automotive industry, logistics, energy, and medical care.

### 3.3. Market Valuation Method

The market valuation method relies on the transaction prices of similar assets in the market and estimates the market value of the target enterprise through direct comparison or analogical analysis. In this transaction, the equity value corresponding to the offer price reached 4.57 billion euros, and the ratio of enterprise value to EBITDA was 18.2 times, and the ratio to sales was 1.6 times.

By analyzing relevant comparable companies, transactions, and acquisition premiums, we found that the enterprise value/EBITDA ratio of this acquisition is higher than that of similar overseas listed companies, while the enterprise value/sales ratio is within the valuation range of comparable companies but lower than the average. Compared with domestic listed companies, the valuation ratio of this acquisition is significantly lower than that of domestic similar companies. However, for Midea Group, this acquisition is strategically helpful for its future transformation and upgrading, especially in promoting the "double-intelligence" strategy in the fields of smart home and intelligent manufacturing, which has important long-term significance. Considering the core competitiveness of KUKA Group in the field of robotics technology and its status as a large enterprise meeting the acquisition conditions, even though the enterprise value/EBITDA ratio of this acquisition is higher than that of overseas counterparts, combined with the valuations of domestic listed companies, transaction valuations, and premium situations, the price of this acquisition is considered reasonable.

## 4. Financial Performance Analysis

According to the previous analysis, Midea Group has successfully coped with various risks in the merger and acquisition process, but a more in-depth analysis of its post-merger performance is still needed to more comprehensively evaluate the actual effect of the merger and acquisition.

### 4.1. Good Trend of Financial Indicators

#### 4.1.1. Profitability Analysis

This paper mainly studies four indicators, namely total operating revenue, return on net assets, net profit margin on total assets, and operating profit margin, and combines indicators such as earnings before interest and tax, net profit, gross profit margin on sales, and net profit margin on sales to assist in analyzing whether this acquisition brings investment returns to Midea Group.

Table 1: Profitability Analysis

| Items | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Return on Total Assets Ratio(%) | 7.35 | 7.43 | 7.36 | 7.75 | 8.31 | 8.94 | 8.46 | 8.89 | 10.59 | 10.94 | 10.72 |
| Net Profit/Operating Revenue Ratio(%) | 8.18 | 9.78 | 9.92 | 7.69 | 8.27 | 9.05 | 9.63 | 8.45 | 8.62 | 9.03 | 8.49 |
| Net Sales Profit Margin(%) | 8.22 | 9.84 | 9.97 | 7.73 | 8.34 | 9.09 | 9.68 | 8.5 | 8.67 | 9.07 | 8.52 |
| Operating Profit/Total Operating Revenue Ratio(%) | 9.45 | 10.7 | 10.91 | 9.84 | 9.76 | 10.62 | 11.02 | 9.69 | 9 | 10.79 | 10 |
| Gross Sales Margin Ratio(%) | 25.41 | 25.84 | 27.31 | 25.03 | 27.54 | 28.86 | 25.11 | 22.48 | 24.24 | 26.49 | 27.32 |
| Return on Net Assets (Annualized)(%) | 29.04 | 28.66 | 26.62 | 25.63 | 25.8 | 26.21 | 24.84 | 23.58 | 22.07 | 22.05 | 21.47 |
| Return on Net Assets (Weighted)(%) | 29.49 | 29.06 | 26.88 | 25.88 | 25.66 | 26.43 | 24.95 | 24.09 | 22.21 | 22.23 | 23.53 |
| Pre-tax Profit/Total Operating Revenue Ratio(%) | 9.72 | 11.29 | 11.44 | 9.86 | 9.29 | 9.67 | 10.26 | 8.71 | 8.95 | 9.67 | 8.87 |

Through the acquisition of KUKA Group by Midea Group, the profitability of Midea Group fluctuated several times. According to the above table, in the first stage of the acquisition, by 2017, after Midea Group actually controlled KUKA Group, the net profit decreased by -122.4% year-on-year and -105.9% on a fixed-base basis; the earnings before interest and tax also fluctuated significantly, with a year-on-year increase of -121.6% and a fixed-base increase of -107.8%, and the fixed-base growth rates of several important indicators were all negative. In the second stage of the acquisition, in 2022, KUKA Group became a wholly-owned subsidiary of Midea Group, and KUKA Group officially entered the financial statements of Midea Group. Under this influence, the operating profit in this year increased by 103.8% year-on-year and 106.4% on a fixed-base basis; the earnings before interest and net profit reached a new high, with a year-on-year increase of 102.7% and a fixed-base increase of -100.5%; the net profit increased by 102.01% year-on-year and 105.1% on a fixed-base basis. At the same time, the return on net assets of the company shrank rapidly, with a year-on-year increase of -107.8% and a fixed-base increase of -124.6%.

From Figure 1, it can be seen that the net profit margin on sales and the gross profit margin on sales of Midea Group decreased slightly and fluctuated frequently from 2015 to 2017. Before the first stage of the merger and acquisition, from 2014 to 2015, both indicators showed a slight upward trend. After the second stage of the merger and acquisition from 2017 to 2022, the gross profit on sales and the net profit on sales decreased significantly but gradually stabilized and recovered in the following two years. The integration and reorganization in the later stage of the merger and acquisition gradually played its due role.

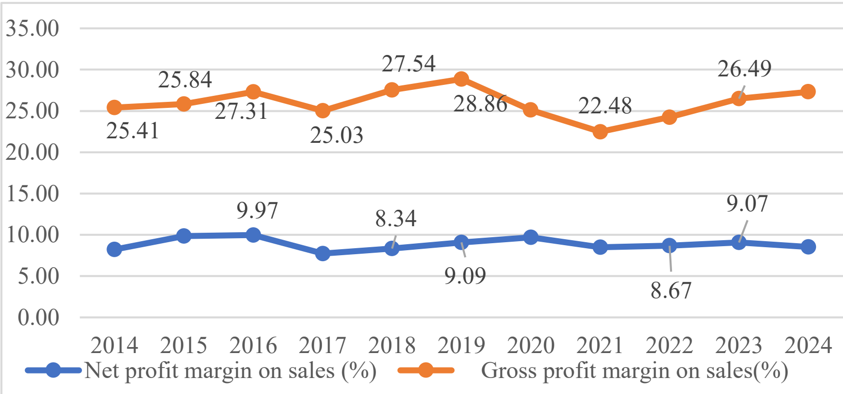


Figure 1: Trend of Net Profit Margin on Sales and Gross Profit Margin on Sales of Midea Group

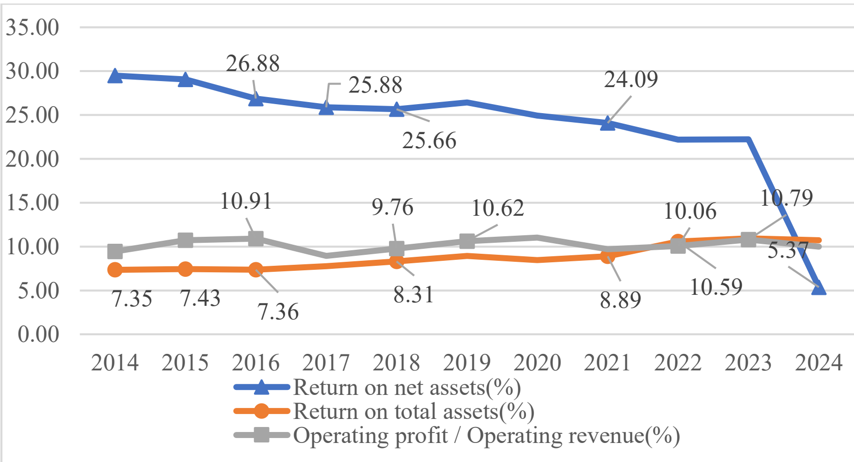


Figure 2: Trend of Main Profitability Indicators of Midea Group

From Figure 2, it can be seen that the return on net assets and the net profit margin on total assets of Midea Group continued to decline from 2014 to 2018 and recovered in 2019. The main reasons include: First, after Midea acquired KUKA Group, the recognition and valuation of intangible assets significantly increased the asset size of the enterprise, and the growth rate of assets exceeded the growth rate of net profit, resulting in a decline in the return on net assets. Second, Midea Group acquired KUKA Group through debt financing, which led to a significant increase in the borrowing amount in 2017, resulting in a 45.43% year-on-year increase in total assets, but a significant decrease in the net profit margin on total assets. From 2014 to 2016, the operating profit margin of Midea Group increased year by year, indicating an enhanced profitability in product sales.

From 2019 to 2024, the return on net assets of Midea Group decreased significantly, dropping from 26.43% to 5.37%. At the same time, the return on total assets of the company increased to 10.72%, while the operating profit margin showed a slight downward trend, dropping from 11.02% to 10.72%. From 2017 to 2020, the revenue of Midea Group in the field of robotics and automation systems also decreased, dropping from 27.037 billion yuan to 21.589 billion yuan, and its proportion in the total revenue also dropped from 11.23% to 7.6%. The weakening of profitability during this period was closely related to the challenges of the macroeconomic environment.

Through the analysis of profitability indicators, it can be seen that the profitability of Midea Group declined after the merger and acquisition of KUKA, but gradually stabilized and showed an upward trend.

### 4.1.2. Solvency Analysis

#### (1) Short-term Solvency

According to the financial data of Midea Group, its short-term solvency was not significantly affected during the first stage of the acquisition from 2014 to 2017. The current ratio and quick ratio both showed an upward trend, with the current ratio maintained between 1 and 1.5, the quick ratio fluctuated slightly at around 1.15%, and the cash ratio was also stable at around 20%, all within a healthy range. In 2015, the current ratio increased significantly by 10.16%, and the increases in 2016 and 2017 were 3.84% and 5.18%, respectively. The quick ratio increased by 17.35% in 2015, increased slightly by 2.61% in 2016, and decreased slightly by 0.85% in 2017. Although Midea Group conducted short-term financing for the acquisition of KUKA Group, it converted short-term debts into long-term debts through financial instruments, so the impact on short-term solvency was limited.

#### (2) Long-term Solvency

From the data from 2014 to 2018, the long-term solvency of Midea Group was affected to a certain extent during the first stage of the acquisition. During this period, the asset-liability ratio experienced a process of first rising and then falling, reaching a peak in 2017 and then declining in 2018. Specifically, the asset-liability ratio in 2015 decreased by 8.06% compared with 2014, increased slightly by 5.26% in 2016, and increased significantly by 11.67% in 2017, and then decreased by 2.99% in 2018. During these five years, the asset-liability ratio exceeded 60% in three years, which may have exerted certain pressure on the long-term financial health of the company. Midea Group borrowed a large amount of money from the bank to acquire KUKA, resulting in a sharp increase in long-term loans to 32.986 billion yuan, a year-on-year increase of nearly 14 times. Most of the loans were mortgages provided for the subsidiaries of the group to purchase the equity of KUKA, and Midea Group also obtained long-term loans from Chinese banks in 2017. These factors jointly led to the decline in the long-term solvency of Midea Group, which may limit future financing activities.

### 4.1.3. Operational Capacity Analysis

By 2017, the first stage of the acquisition had a negative impact on the overall operational capacity of Midea Group. In terms of the turnover rate of current assets, it decreased year by year from 2014 to 2016 and recovered in 2017. At the same time, the turnover rate of total assets decreased slightly year by year but remained stable between 1 and 2; while the inventory turnover rate increased year by year from 2014 to 2016 and then dropped to 8.01% in 2017. The increase in the inventory turnover rate from 2014 to 2016 may be due to the successful implementation of Midea's "de-stocking" policy; in 2017, due to the acquisition of the actual controlling stake of KUKA Group and the insufficient post-acquisition management ability of Midea Group, the inventory in the balance sheet increased sharply. In terms of the accounts receivable turnover rate, it dropped precipitously in 2016, indicating that the company's accounts receivable recovery slowed down and there were deficiencies in

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management. Therefore, Midea needs to strengthen the monitoring of sales collections and improve the management ability of accounts receivable to reduce the financial pressure caused by slow capital recovery. Since the merger and acquisition in 2017, the growth rate of Midea's accounts receivable has increased, indicating that the company has optimized the management of accounts receivable and improved the collection cycle.

#### 4.1.4. Growth Capacity Analysis

By the end of the first stage of the merger and acquisition in 2017, the growth capacity of Midea Group fluctuated greatly. From 2014 to 2016, the total profit of operating revenue dropped significantly, with the largest year-on-year decrease of 190.3%. In 2017, after Midea Group merged with KUKA, the growth rate of operating revenue increased significantly, with a year-on-year increase of 243.92%. The growth trend of the main business income is similar to that of the operating revenue and will not be described in detail. In terms of the growth rate of net profit, there was no significant change from 2016 to 2019. This may be because after Midea acquired KUKA, the total assets increased significantly, resulting in a significant increase in the growth rate of total assets. In the year of the merger and acquisition, the order volume of Midea and KUKA increased, and the total business volume rose, making the growth rate of operating revenue reach 51.35%. By the end of the second stage of the merger and acquisition in 2024, the growth rate of operating revenue continued to climb, reaching a historical high of 552.47% in 2021 after the completion of the wholly-owned acquisition. Although it dropped sharply in 2023, it rebounded significantly in 2024.

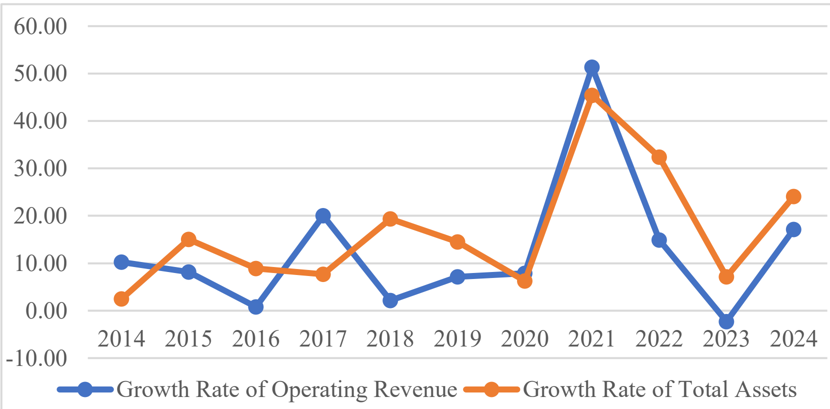


Figure 3: Growth-related indicators of Midea Group from 2014 to 2023

### 4.2. Synergistic Effect

#### 4.2.1. Integration Strategy

KUKA Group, as a German joint-stock company, has a clear governance structure, including an executive committee, a supervisory board, and a general meeting of shareholders, and each institution has its specific responsibilities. The management team and R&D team of KUKA Group are the core of its brand and product competitiveness. After the acquisition, Midea Group respected and retained the independence of KUKA Group and maintained trust in its management and technical personnel. In order to protect the patents and intellectual property rights of KUKA Group, Midea Group cooperated with the executive committee and shareholders of KUKA Group to jointly promote the development of the company. Midea Group supported the management team of KUKA Group to continue leading the company and cooperated with KUKA Group in product, market, brand, and other aspects to achieve complementary advantages and promote the common development of both sides.

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#### 4.2.2. Operational Synergy

##### (1) Improvement of Profitability

After the acquisition, the business of Midea Group expanded to multiple fields such as intelligent products and industrial robots. By integrating the advantages of both sides, Midea Group promoted the exertion of synergistic effects, enriched business departments, opened up new profit channels, and entered new business platforms in North America and Europe. This helps Midea Group plan future development from an international perspective and prepares for the expansion of the global market.

##### (2) Positive Impact of Operational Synergy

As a world-leading supplier of robots and automation solutions, the technology and experience of KUKA Group will bring new management perspectives and international visions to Midea Group. The customer base of KUKA Group is extensive and covers multiple industries, which helps Midea Group improve production and manufacturing levels. In addition, this acquisition also strengthened the market position of Midea Group in the robotics industry and promoted the business expansion of the company in the fields of industrial and service robots. Finally, this merger and acquisition also promoted the development of the logistics business of Midea Group, optimized the industry layout, and increased brand awareness. The subsidiary Swisslog of KUKA Group provided advanced logistics equipment and system solutions for Midea Group, supported the development of the third-party logistics field, and improved logistics efficiency.

##### (3) Challenges of Operational Synergy

Since KUKA Group is located in Germany, there are differences in laws and regulations, business practices, management systems, and corporate cultures between it and Midea Group, which bring challenges to integration. Midea Group needs to ensure that its policies and operations comply with German laws and regulations and adjust business practices and management systems to adapt to cross-border operations. The integration of corporate cultures requires time and effort, including formulating clear integration strategies, strengthening cross-cultural training, ensuring compliance, and promoting effective communication. Solving these challenges requires careful planning and execution.

## 5. Research Conclusions

From a strategic vantage point, this merger and acquisition endeavor is still reaping rewards and constitutes a relatively correct step, exerting a notably positive influence on the overall capabilities of the enterprise. In terms of financial performance, the manifestation of some traditional financial indicators is less than satisfactory. This might be attributed to the fact that the technology and market of KUKA Group have not been fully integrated with those of Midea Group, thus not being entirely manifested in production efficiency and product sales. Besides developing traditional industries, Midea Group also lays emphasis on the establishment of technological advantages and the continuous expansion of strategic space. In the process of merger and acquisition, both parties proposed and consented to the merger and acquisition as they valued each other's excellent performance in the market, which is a completely commercial behavior. For Midea Group, it requires KUKA Group to enhance its own scientific and technological innovation capabilities and leading technological products, thereby fortifying R&D in the fields of robotics and automation and optimizing the entire industrial chain ecosystem. Simultaneously, it needs KUKA Group to broaden the product innovation scope and market share in the traditional home appliance industry. For KUKA Group, it attaches great importance to the development potential of Midea Group and the vast robot industry market in China, and thus has obtained the support of both shareholders. In terms of synergistic effect, there remains substantial room for growth in both operational and management synergies. In the realm of operational synergies, subsequent to the merger and acquisition, Midea Group continuously enhanced the rational reorganization of KUKA Group, abbreviated the running-in period of the merger and acquisition, and concurrently capitalized on the technological advantages of KUKA in the domains of robotics and automation to expedite the development pace in the robotics field and overseas operations.

Nevertheless, it should be noted that due to the relatively stringent protection of intellectual property rights and patents of enterprises by other countries, enterprise acquisitions are comparatively arduous. Enterprises should also pay heed to their own development in the high-tech domain. The target enterprise's country may possess strict intellectual property laws and review procedures, which might lead to the elongation of the merger and acquisition transaction time and augmented complexity. Enterprises need to expend a considerable amount of time and resources to ensure the legality and compliance of all intellectual property assets.

To address these issues, enterprises ought to adopt the following measures. Firstly, conduct a comprehensive intellectual property due diligence. Before the merger and acquisition, conduct detailed intellectual property due diligence to appraise the status, validity, and potential risks of the target enterprise's patents and intellectual property rights. Secondly, engage intellectual property lawyers and consultants with cross-border merger and acquisition experience. They can proffer legal counsel regarding the target market and professional assistance in handling cross-border intellectual property affairs.

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