

# OpenVoiceNews

Transparent. Unbiased. Yours.

## Starbucks Seeks Bids for \$10 Billion China Stake

*August 22, 2025*

— *Categories: General News*

Starbucks is moving ahead with plans to sell a minority stake in its China business, with non-binding bids expected from potential investors within two weeks, according to people familiar with the matter.

The U.S.-based coffee chain has invited several private equity firms and institutional investors to review financial and operational details of its China operations. Among those approached are Carlyle, EQT, Hillhouse Investment, Primavera Capital, Bain Capital, and KKR & Co. Chinese technology firm Tencent has also been named as a potential participant.

Sources indicated that Starbucks short-listed up to ten interested parties in July after signing non-disclosure agreements. The company has not finalized the size of the stake to be sold but is expected to retain significant ownership. Analysts estimate the deal could value the China business at up to \$10 billion.

Starbucks, headquartered in Seattle, first launched the review in May and began seeking interest from investors earlier this summer. The company has held informal talks since late last year and is aiming to secure an agreement by the end of 2025.

Chief Executive Officer Brian Niccol confirmed during the company's July earnings call that more than 20 parties had expressed interest. "We remain committed to our China business and want to retain a meaningful stake. We will only enter a transaction if it makes sense for Starbucks," Niccol said.

The company declined to provide further comment on the process. Representatives of Carlyle, EQT, Bain, Primavera, and KKR also declined to comment, while Hillhouse and Tencent did not respond to requests.

China has become a challenging market for Starbucks in recent years. The chain's market share has fallen sharply, from 34 percent in 2019 to 14 percent in 2023, as domestic rivals such as Luckin Coffee gained traction with lower-priced drinks and wider expansion in smaller cities.

In response, Starbucks has taken steps to cut prices on select non-coffee beverages in China while introducing products tailored to local tastes. Comparable-store sales in China rose 2 percent in the quarter ending June 29, compared with flat growth in the previous quarter.

Despite these pressures, Starbucks reported overall revenue of \$9.46 billion for the quarter, up 3.8 percent year-over-year, slightly above analyst expectations. Same-store sales, however, declined for a sixth consecutive quarter, falling 2 percent.

As of the end of June, Starbucks operated 7,828 stores in China, representing more than one-fifth of its global locations. The company has not disclosed detailed earnings for its China division.

If successful, the sale of a minority stake could provide fresh momentum for Starbucks as it seeks to navigate a more competitive Chinese market while maintaining its long-term presence.