

# China's Alibaba potentially to invest in Snapchat: US media

July 31 2014

---

Snapchat has held talks with Chinese e-commerce giant Alibaba toward a possible investment in the mobile-messaging startup, US media have reported.

It was not clear whether the discussions will lead to a deal, the reports Wednesday said.

According to the Bloomberg news agency, the first to report the talks, the terms of the financing could value Snapchat at around \$10 billion.

Snapchat rocketed to popularity, especially among teens, after the initial app was released in September of 2011. Created by then Stanford University students, the app allows the sending of text and photo messages that disappear seconds after being viewed.

The company had last year rejected a buyout offer from social network giant Facebook, judging the \$3 billion offer too low, US media reports have said.

Snapchat has also been courted by other investors and would-be buyers, including a group led by Chinese Internet giant Tencent, which estimated its value at \$4 billion.

Alibaba, which is preparing for its initial public offering on the New York Stock Exchange in September, has in recent months made a series of disparate investments—from entertainment company ChinaVision

Media to Singapore Post, the main postal operator in Singapore, as well as in Youku Toudu, a sort of Chinese "YouTube."

© 2014 AFP

Citation: China's Alibaba potentially to invest in Snapchat: US media (2014, July 31) retrieved 3 May 2024 from <https://phys.org/news/2014-07-china-alibaba-potentially-invest-snapchat.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.