



Demystifying Chinese Investment in Australia

April 2026

About our reports

KPMG Australia (KPMG) and The University of Sydney formed a strategic relationship to research and publish insights on Chinese direct investment in Australia. Our first report was launched in September 2011, and this is the 22nd Demystifying Chinese Investment report in our series. This report examines Chinese investment in Australia for the calendar year 2025.

The catalyst for our report series was the lack of detailed factual information about the nature and distribution of China's outbound direct investment (ODI) in Australia. Without this information, there is misinformation and speculation. Our reports seek to set the record straight and debunk the myths associated with Chinese investment in Australia.

Methodology

The dataset is compiled jointly by KPMG and The University of Sydney Business School and covers investments into Australia made by corporates (not individuals) with head offices based in the People's Republic of China (excluding Hong Kong [SAR] and Macao [SAR]) through mergers and acquisitions (M&As), and joint ventures (JVs).

The data does not include greenfield investment, or portfolio investments, such as the purchase of stocks and bonds, which do not result in foreign management, ownership or legal control. Our data does not include investments made by entities set up through private family offices or private entities in Hong Kong (SAR), Macao (SAR) and other locations where corporates from People's Public of China do not hold a majority shareholding. 'Real estate' referred to in this report does not include residential apartment and private home purchases.

Our database includes direct investments recognised in the calendar year in which parties enter legally binding contracts and if necessary, receive mandatory Foreign Investment Review Board (FIRB) and Chinese Government investment approvals. In certain instances, final completion and financial settlement may occur in a later year.

For consistency, the geographic distribution is based on the location of the head office of the Australian invested company and not on the physical location of the actual investment project. Completed deals that are valued below US\$5 million are not included in our analysis, as such deals consistently lack detailed, reliable information.

Unless otherwise stated, the data referred to throughout this report is sourced from the KPMG/The University of Sydney database, and our previously published reports.¹ The University of Sydney and KPMG teams obtain raw data on China's outbound direct investment (ODI) from publicly available information which is verified, analysed, and presented in a consistent and summarised fashion. Our sources include commercial databases, corporate information, and official Australian and Chinese sources, such as the Australian Bureau of Statistics, FIRB, and the Ministry of Commerce (MOFCOM) of the People's Republic of China.

Our data is regularly updated and continually revised when new information becomes available. In line with international practice, we traditionally record deals using US\$ as the base currency. However, since 2015, our reports have used AU\$ for detailed analysis.

Although our data may not encompass the full spectrum of transactions due to the complex nature and vast array of public data available, we believe that the KPMG/The University of Sydney dataset contains the most consistent, detailed and up-to-date information on Chinese ODI in Australia.

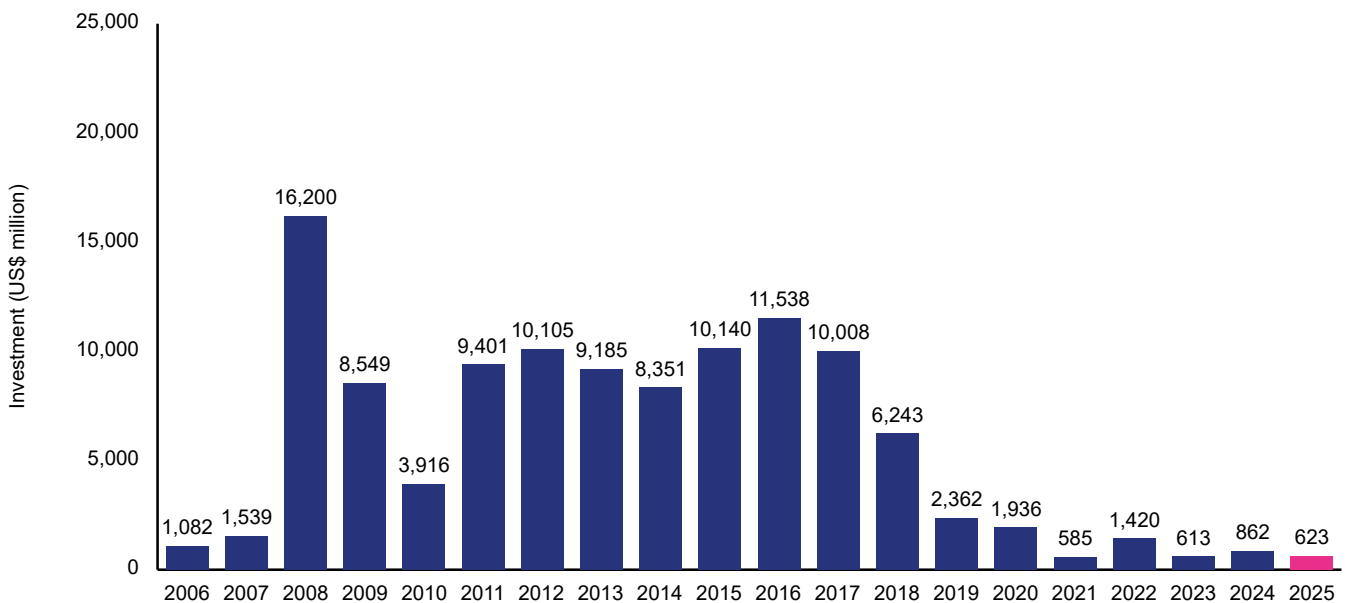
¹ Includes Australia & China Future Partnership, September 2011; The Growing Tide: China ODI in Australia, November 2011; Demystifying Chinese Investment, August 2012; The Energy Imperative: Australia-China Opportunities, 25 September 2012; Demystifying Chinese Investment in Australia, March 2013; Demystifying Chinese Investment in Australian Agribusiness, October 2013; Demystifying Chinese Investment in Australia, March 2014; Demystifying SOE Investment, August 2014; Chinese Investors in Australia Survey, November 2014; Demystifying Chinese Investment in Australia, May 2015 Update; Demystifying Chinese Investment in Australia, April 2016; Demystifying Chinese Investment in Australia, May 2017; Demystifying Chinese Investment in Australian Healthcare, January 2018; Demystifying Chinese Investment in Australia, June 2018; Demystifying Chinese Investment in Australia, April 2019; Demystifying Chinese Investment in Australia, June 2020; Demystifying Chinese Investment in Australia, July 2021; Demystifying Chinese Investment in Australia, April 2022; Demystifying Chinese Investment in Australia, April 2023; Demystifying Chinese Investment in Australia, April 2024; Demystifying Chinese Investment in Australia, March 2025.

Chinese investment in Australia in 2025

In 2025, Chinese investment in Australia decreased by 28 percent, from US\$862 million in 2024 to US\$623 million. In Australian dollar terms, the decrease is 27 percent, from AU\$1,312 million in 2024 to AU\$964 million.

There were 24 completed transactions during the year. 2025 recorded the third-lowest level of Chinese investment in Australia since 2006, ranking above only 2021 and 2023.

CHINESE ODI INTO AUSTRALIA BY VALUE 2006–2025



Source: KPMG/The University of Sydney database

Note: Prior years' annual figures are updated as new public information becomes available.

Selected major Chinese investments in Australia in 2025

TARGET NAME	ACQUIRER NAME	INDUSTRY	STATE	FINAL VALUE (AU\$m)
Wacol Logistics Hub	JD Property	Commercial Real Estate	QLD	240.00
Peak Rare Earths	Shenghe Resources	Mining	WA	156.59
Moolarben Joint Venture	Yancoal Australia Ltd	Mining	NSW	110.50
Atlantic Tin Limited	Inner Mongolia Xingye Silver & Tin	Mining	NSW	98.00

By industry

In 2025, mining remained the largest destination for Chinese investment in Australia, accounting for 51 percent of total investment value. We recorded total Chinese investment in the mining sector of AU\$488 million across 11 deals. These included investments in gold, tin, lithium, rare earths, and coal.

Commercial real estate was the second-largest sector, accounting for 28 percent of total investment value, due to one large investment by JD Property, followed by healthcare at 7 percent and agribusiness at 5 percent. Smaller transactions were recorded in renewable energy (4 percent), retail (3 percent), and manufacturing (2 percent).

Overall, Chinese investment in 2025 was more diversified across industries than in 2024.

By state

NSW received the largest share of Chinese investment with AU\$303 million, accounting for 31 percent of total investment. This was followed by QLD with 29 percent, or AU\$272 million, WA with 27 percent, or AU\$262 million, VIC with 10 percent, or AU\$96 million, and SA with 3 percent, or AU\$31 million.

By ownership

In 2025, investment from privately owned enterprises (POEs) increased from AU\$379 million in 2024 to AU\$681 million, accounting for 71 percent of total investment value.

We recorded two investments by mixed-ownership² enterprises in 2025, representing 18 percent of total investment. Both transactions were in the mining sector.

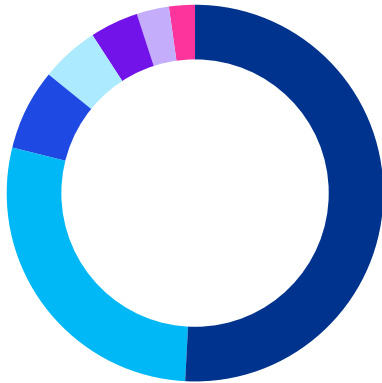
By contrast, investment from state-owned enterprises (SOEs) declined sharply, falling from AU\$933 million in 2024 to AU\$111 million in 2025. Only one SOE transaction was recorded during the year: Yancoal Australia's increased investment in the Moolarben Joint Venture.

By deal size

In 2025, the average deal size declined to AU\$40 million, compared with AU\$119 million in 2024. The majority of transactions were relatively small in scale, with 16 deals valued between AU\$5 million and AU\$25 million. Five deals were valued between AU\$25 million and AU\$100 million, two between AU\$100 million and AU\$200 million, and one between AU\$200 million and AU\$500 million.

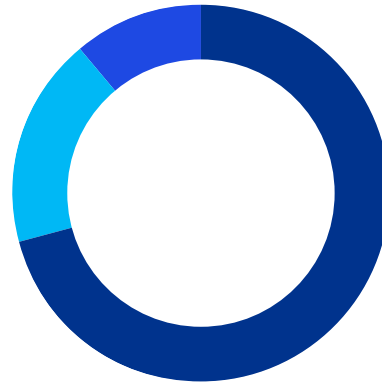
² Mixed ownership refers to companies with investment both from state-owned capital and non-state-owned capital

BY INDUSTRY (% OF TOTAL VALUE)



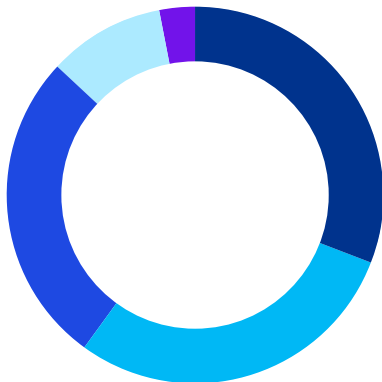
Mining	51%
Commercial Real Estate	28%
Healthcare	7%
Agribusiness	5%
Renewable Energy	4%
Retail	3%
Manufacturing	2%

BY OWNERSHIP (% OF TOTAL VALUE)



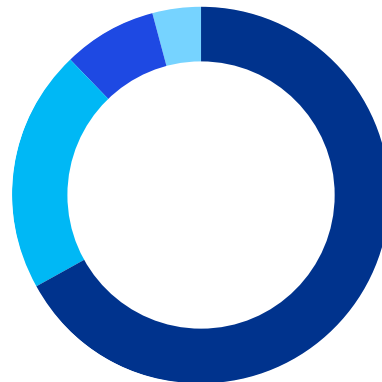
POE	71%
Mixed	18%
SOE	11%

BY STATE (% OF TOTAL VALUE)



NSW	31%
QLD	29%
WA	27%
VIC	10%
SA	3%

BY DEAL SIZE (% OF TOTAL DEAL NUMBER)



AUD 5m-25m	67%
AUD 25m-100m	21%
AUD 100m-200m	8%
AUD 200m-500m	4%

Source: KPMG/The University of Sydney database

Global Foreign Direct Investment (FDI)

UN Conference on Trade and Development (UNCTAD) concludes that global Foreign Direct Investment (FDI) in 2025 marks a limited recovery of 5 percent, following a decline of 8 percent in the previous year.³

The 2025 recovery was driven primarily by a 43 percent increase in FDI flows into developed countries and financial hubs, following a 45 percent decline in 2024. The European Union recorded FDI growth of 56 percent, while developing countries experienced a further 2 percent decline after a similar contraction in 2024.

Tariff-exposed sectors such as textiles, electronics, and machinery including car manufacturing saw declining volumes, whereas data centres and AI-related industries attracted rising FDI inflows. For 2026, the UNCTAD report projects subdued global investment development amid continued political and institutional uncertainty.⁴

China's Outbound Direct Investment (ODI)

According to China's Ministry of Commerce, the country's non-financial outbound direct investment (ODI) increased by 1.3 percent to US\$145.66 billion in 2025, marking a significant slowdown compared with the 10 percent growth rates reported in previous years. Despite the broader deceleration, Chinese non-financial ODI in Africa, Europe and Asia increased by 41 percent, 20.9 percent and 1.2 percent, respectively, in 2025.⁵ In addition, consistent with previous years, countries participating in the Belt and Road Initiative (BRI) continued to experience growth, with China's non-financial ODI into BRI countries increasing by 17.6 percent year on year.

Project-based data provided by the Rhodium Group estimate Chinese ODI at US\$124 billion in 2025, representing 18 percent growth over 2024. The growth was mainly driven by greenfield investment, while M&A activity has continued its gradual recovery since 2022, reaching US\$26 billion in 2025.⁶

Rhodium's project data indicates a stronger strategic focus on core assets, with mining, data centres, and energy dominating greenfield investments. M&A activity has been concentrated in consumer goods, entertainment, and retail.⁷

The regional distribution reflected in these project data confirms the continued shift toward Asia and developing economies. Asian countries attracted close to one-third (US\$40 billion) of total Chinese ODI in 2025. Asia, Sub-Saharan Africa, Middle East and North Africa (MENA), and Latin America combined absorbed slightly more than 80 percent of total Chinese ODI. Europe accounted for most of the remaining share, while less than 5 percent flowed into North America and less than 1 percent into Oceania, including Australia.⁸

There is a separate shift underway to encourage Chinese small and medium enterprises (SMEs) and private enterprises to expand their overseas footprint as part of a national policy to export smart manufacturing and supply chains. During the Two Sessions of the Chinese Legislature in March 2026 and in anticipation of the 15th Five-Year-Plan 2026–2030, these Chinese firms were told they must transition into exporting advanced manufacturing capacity, premium brands and industry standards.⁹

³ UNCTAD, [Global Investment Trends Monitor, No. 50](#), accessed 14 April 2026

⁴ *ibid.*

⁵ People's Daily Online, [China's non-financial ODI up 1.3 pct in 2025](#), 31 January 2026

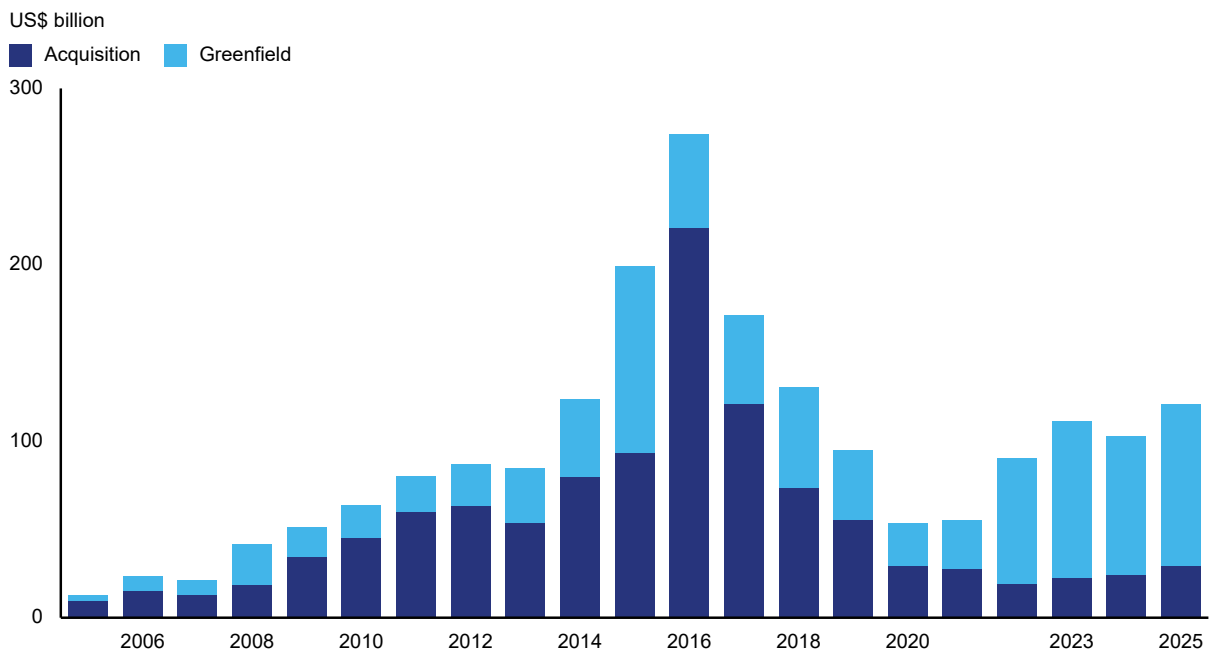
⁶ China Cross-Border monitor, [China's Global Investment Grew in 2025, But Exports Outpaced Offshoring](#), 4 February 2026

⁷ *ibid.*

⁸ *ibid.*

⁹ Caixin Global, [Commentary: China's New Economic Blueprint Tells Businesses to Innovate or Perish](#), 5 March 2026

VALUE OF ANNOUNCED CHINESE OUTBOUND FDI TRANSACTIONS BY MODE



Source: Rhodium Group China Cross-Border Monitor. Data reflects major FDI transaction with a value of >\$5 million.

Final word

New Chinese investment in Australia remains subdued. Whilst remaining Australia's largest trade partner, China has fallen sharply in the source country foreign investment rankings over the past several years to the 13th largest source country in 2024 by the Australian Bureau of Statistics.¹⁰

There is a growing trend of greenfield investment by Chinese businesses establishing their own sales and distribution operations in Australia to bring their products into the Australian market. This type of investment is particularly common among Chinese industrial and consumer goods manufacturers.

There is strong complementarity between China's manufacturing capabilities and the Australian market. We expect smaller, privately owned Chinese companies – particularly in renewable energy and electric vehicles – to be the most active investors in Australia for the foreseeable future, primarily through greenfield investments rather than M&A. We believe the investment landscape has shifted from a phase of 'Chinese equity buyouts' to one of 'Chinese products entering Australia'.

¹⁰ Australian Government | Department of Foreign Affairs and Trade, [Foreign investment statistics](#), accessed 14 April 2026

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