



Analysis of the Valuation Evolution and Driving Factors of Minimax From the Perspective of Private Equity Investment

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Abstract. The valuation challenges in the Artificial Intelligence (AI) large model industry have highlighted the limitations of traditional valuation methods, while the construction of a valuation system with Chinese characteristics has provided a new logical dimension for the valuation of emerging technology enterprises. This study takes MiniMax, a leading domestic large language model (LLM) enterprise, as a case to examine its full financing and listing trajectory from angel round to Initial Public Offering (IPO) between late 2021 and January 2026. Using a combination of case analysis and comparable company valuation, it systematically traces the evolution of private equity valuation logic, core driving factors, and the enabling role of the “China Special Valuation” policy. The findings reveal the inherent logic of valuation transition from private to public equity in China’s LLM industry, emphasizing the valuation support from localized scenario adaptation and policy empowerment for growth-oriented tech firms. This research provides a reference for PE investment valuation, corporate financing, and listing strategies in the LLM sector, and offers an empirical case for understanding the practical effects of the “China Special Valuation” policy in emerging technology industries.

Keywords: AI Large Model, Private Equity Valuation, Valuation Logic, China Special Purpose Valuation.

1 Introduction

As the core engine of a new round of technological revolution, large Artificial Intelligence (AI) models are driving the digital transformation of industries and reshaping the investment logic of the capital market, becoming a core track for private equity capital deployment. As a leading "unicorn" enterprise in the industry, MiniMax has embarked on the Initial Public Offering (IPO) process less than four years after its establishment, thanks to its proprietary multi-modal technology approach and global business footprint. The valuation changes observed throughout its private equity financing rounds epitomize the value formation mechanism of emerging technology firms[1]. Examining the evolution of MiniMax’s valuation logic carries important

practical implications for understanding investment decision-making behaviors within the AI large model sector.

The valuation challenges confronting emerging tech enterprises are especially acute in the AI large model sector. Distinguished by heavy R&D input, fast technological iteration, and extended commercialization cycles, this industry is poorly matched with the value dynamics captured by traditional valuation frameworks. Previous studies indicate that private equity investment decisions in emerging technology fields rely heavily on stage-based valuation anchors, and shifts in a firm's development phase can trigger fundamental revisions to its valuation logic [2]. MiniMax's full-cycle valuation path, from early-stage private fundraising to its Hong Kong Stock Exchange listing preparation, offers a highly representative sample for examining the core valuation patterns in the AI large model industry. The continuous iteration and step-by-step leap in its valuation level are not only deeply tied to the key progress of breakthroughs in enterprise full-modality technology research and development, as well as model performance iteration, but also serve as the core basis for early private equity capital pricing. Furthermore, they are closely related to the implementation and verification process of global commercialization capabilities. From the revenue breakthrough of C-end native products, large-scale penetration into overseas markets, to the continuous growth of paying users, every step of commercialization achievement has become an important cornerstone for promoting its valuation reconstruction and supporting capital market pricing. This clearly demonstrates the valuation logic transformation path of emerging technology enterprises from technical value to commercial value.

The construction of the valuation system with Chinese characteristics, also known as "Chinese Special Valuation", has introduced a new logical perspective into the valuation practice of emerging technology enterprises. Unlike traditional valuation systems that solely focus on short-term profitability metrics, "Chinese Special Valuation" stresses the integrated measurement of economic value and social value, integrating non-financial indicators including industrial strategic compatibility and independent technological innovation capacity into the comprehensive valuation framework [3]. For strategic industries like the AI large model sector that bear great significance to national technological competitiveness, the logic of "Chinese Special Valuation" has profoundly reshaped corporate financing environments and valuation pricing mechanisms, by directing market capital to prioritize technological autonomy, self-control capability and industrial empowering effects.

Nevertheless, current academic research has not yet fully clarified the concrete functioning mechanism of "Chinese Special Valuation" in the private equity valuation process of unlisted technology enterprises, and the case study of MiniMax presents a critical research entry to bridge this gap. In emerging technology sectors, private equity investment decisions are normally restricted by two core constraints: the feasibility of selected technical routes and the potential of commercialization. Existing studies have proven that milestone achievements in technological breakthroughs and validated effectiveness of commercialization models serve as the core drivers of private equity valuation premiums, while divergent valuation anchors corresponding to diverse

corporate development stages directly determine the orientation of investment decisions [4]. MiniMax has stuck to a differentiated full-stack independent research and development technical route, and realized its commercial value by relying on a matrix of consumer-end applications. Its valuation fluctuations not only mirror the value appreciation brought by the building of technical barriers, but also reflect the revaluation triggered by verified commercialization outcomes, thus offering a typical practical case for in-depth analysis of the valuation logic applied to AI large model enterprises.

Based on this, this study takes MiniMax as a case study, employing case analysis and comparable company valuation methods to explore the evolution of valuation logic in its private equity investment process. Centered around the core hypothesis that "valuation methods vary significantly at different stages of development, significantly influencing private equity investment decisions," the study focuses on analyzing the driving effects of technological breakthroughs and commercialization capabilities on valuation, as well as the moderating effect of the "China Special Valuation" logic in financing valuation.

2 Stage Characteristics and Empirical Results of MiniMax Valuation Evolution

Changes in MiniMax's private equity valuation closely follow the firm's development trajectory, displaying obvious stage-based features as technological R&D moves from early breakthroughs to maturity and commercialization expands from initial exploration to large-scale application. It also presents unique localization characteristics in financing structure, valuation stability, and cross-border valuation comparisons.

2.1 Core Valuation Indicators and Development Milestones for Each Round of MiniMax

MiniMax completed six rounds of financing and IPO from the end of 2021 to January 2026, including angel, Pre-A, A, B, Pre-IPO, and IPO. The post-investment valuation achieved leapfrog growth, with the valuation logic gradually shifting from "technology barrier orientation" to "commercialization capability orientation", ultimately forming a valuation logic of "scale of listing + global layout". The valuations of each round are highly aligned with the company's technological, commercial, and global development milestones during the same period, without any bubble characteristics that deviate from fundamentals.

Table 1. Core Indicators and Development Milestones of MiniMax's Various Rounds of Financing and Listing Valuations

Fundi ng / IPO round s	Time	Post- investm ent / market capitaliz ation upon listing	Core valuation logic	Key development milestones during the same period
Angel Roun d	2022.0 1	RMB 1.2 billion	technical barriers	Mihoyo, IDG Capital, and other investors jointly invested \$31 million to complete the establishment of the core team and determine the technical route
Pre-A round	2022.0 7	RMB 1.2 billion	Deepening of technical barriers	Led by Sequoia China, the company has completed the training of the M1 model with a hundred billion parameters, and achieved autonomous and controllable core algorithms
A round	2023.0 6	RMB 4.5 billion	Technol ogy + Preliminary scenario verification	Launched the C-end conversational product Talkie, the enterprise open platform went online, and the number of paid enterprise users exceeded 100
B round	2024.0 3	RMB 12 billion	Commercia lization capability implementa tion	Exclusive cooperation with Gaotu in educational scenarios has been established, with 650,000 C-end paying users, forming a predictable revenue curve
Pre- IPO round	2025.0 6	RMB 29.3 billion	Commer cialization and scale + policy empowerm ent	With the entry of funds backed by state-owned assets, the enterprise's open platform has attracted over 2,500 paying users, covering multiple scenarios such as education, government affairs, and industry
IP O round	202 6.01	HK\$ 80 billion (approx imately RMB 74.88 billion)	Scale + Globalizati on + Capital Market Pricing	Listed on the Hong Kong Stock Exchange, with an issue price of HKD 165 per share, the stock opened up 42%. Serving over 200 countries and regions worldwide, with 212 million individual users and over 100,000 corporate clients, the overseas revenue accounts for over 70% of the total

Data sources: Disclosure Easy, Tianyancha, Zero2IPO Product Private Equity MAX, MiniMax official website

Based on the valuation trend shown in Table 1, the valuation remains stable from the angel round to the Pre-A round, primarily due to the continuous deepening of core technology research and development, with R&D investment multiples remaining within a reasonable industry range. Valuation from Pre-A to A round surges 375%, driven mainly by the application and early validation of technological breakthroughs. The B round valuation rises 267%, with the key catalyst being substantial commercial collaboration with Gaotu. In the Pre-IPO round, valuation grows 250%, supported by the injection of state-owned capital and large-scale deployment across multiple scenarios. The IPO round's step-change valuation uplift mainly reflects the public market's re-assessment of the firm's scaled operations, global layout, and industry-leading status.

2.2 Comparison of MiniMax Stages and Core Supporting Factors of OpenAI

From the standpoint of valuation logic and developmental traits, MiniMax's value evolution from the private equity phase to IPO stands in sharp contrast to that of OpenAI, fully embodying the reshaping influence of the valuation system with Chinese characteristics on local tech innovators. In terms of valuation, MiniMax's IPO-stage valuation shows a substantial rise over its private equity period, representing a clear valuation premium. This premium comes from both the IPO pricing effect and the benefits from the advantages of localized scenarios, policy empowerment, and the promotion of globalization layout, forming a difference from OpenAI's valuation logic. In terms of R&D investment, MiniMax maintains a continuous growth trend, but due to the influence of global resource layout and development stage, there is still a gap between its overall investment intensity and that of OpenAI.

In terms of scenario adaptation, MiniMax demonstrates far stronger local market adaptability than OpenAI, and better satisfies the demand from domestic government, enterprises, education, and the Internet ecosystem. Regarding globalization strategy, MiniMax achieved rapid expansion ahead of its listing, steadily improving its degree of internationalization and gradually narrowing the gap with OpenAI. Policy support plays a much more significant empowering role for MiniMax, as domestic policies promoting the AI industry and industrial security have delivered important institutional dividends. Meanwhile, supported by state-owned capital funds and a stable capital market mechanism, MiniMax's valuation volatility is noticeably lower than OpenAI's, showing stronger value stability. In user and market expansion, MiniMax maintains a higher growth rate, with its overall scale expanding continuously and robust development momentum[5].

3 Analysis of the Core Driving Factors Behind the Evolution of MiniMax Valuation

MiniMax's valuation evolution is driven by a mix of technological breakthroughs and commercialization capabilities, rather than being determined by any single factor. The relative weights of these two dimensions shift dynamically across the firm's development stages, forming a structured and mutually reinforcing mechanism. Together, they have pushed the company's valuation focus to evolve from technology-oriented to business-oriented, and further toward large-scale operation and global listing, ultimately supporting the leapfrog growth of its valuation.

Technological breakthroughs form the fundamental basis and core entry threshold for MiniMax's valuation. Such support runs through its entire valuation journey, from the angel round to the IPO stage. They are not only critical for the company to obtain its first round of private equity funding but also lay a solid foundation for later commercialization and global expansion. In the early technology-focused phases of the angel and Pre-A rounds, MiniMax concentrated on developing its billion-parameter M1 foundation model and ensuring the autonomy and control of core algorithms. These efforts established strong technological barriers, which acted as the sole core basis for valuation at that stage.

Commercialization capability is the key driver behind the shift in MiniMax's valuation logic and its step-by-step valuation growth. It also represents a vital mechanism for converting technological value into tangible valuation. As the company developed, its role in valuation became increasingly prominent, eventually serving as the core pillar supporting valuation from the B round to the Pre-IPO round. With the rapid development of the AI large model industry, pure technological leadership can no longer fully reflect the actual value of a company. The valuation logic of private equity investment institutions has shifted from "technology-oriented" to "business-oriented". The core reason is that technological value ultimately needs to be translated into actual revenue and cash flow through commercialization to realize investment value [6].

4 The Core Impact of the "China Special Valuation" Policy

The core impact of the "China Special Valuation" policy is reflected in the participation of state-backed funds in MiniMax's private equity financing. Data from Tianyancha shows that state-owned funds first participated in MiniMax's B+ round financing in December 2024, grew into major investors by the Pre-IPO stage, and were joined by international cornerstone investors including the Abu Dhabi Investment Authority during the IPO process. This capital structure evolution is highly consistent with the policy orientation of the valuation system with Chinese characteristics, which encourages state-owned capital to support national strategies, improve capital market resource allocation, and strengthen the long-term value of tech innovation enterprises.

The valuation system with Chinese characteristics aims to rectify the structural distortion of the long-term low valuation of state-owned central enterprises in the A-share market, allowing the market to fully recognize the unique value of state-owned

central enterprises in serving national strategies, fulfilling social responsibilities, and ensuring industrial security, and promoting the matching of capital market value performance with economic fundamentals [7]. The tiered entry of state-owned capital in the MiniMax financing rounds is a typical embodiment of the implementation of the valuation system with Chinese characteristics from concept to capital practice: on the one hand, state-owned capital participates in the financing of hard technology enterprises in a market-oriented manner, playing the role of credit endorsement and long-term capital stabilizer, which is in line with the core principles emphasized by the valuation system with Chinese characteristics, namely respecting capital, revering the market, and stabilizing expectations. It provides enterprises with relatively certain long-term capital support, reducing uncertainty and discount rate risks in the financing process. On the other hand, the leadership of state-owned capital, combined with the participation of international long-term institutions, helps to build a valuation logic oriented towards long-term value, breaking away from the limitations of traditional valuation that only focuses on short-term profitability and growth themes. It incorporates long-term factors such as technological barriers, strategic value, and governance capabilities into the valuation framework, consistent with the sustainable value creation and long-term prosperity advocated by the valuation system with Chinese characteristics.

From the perspective of state-owned enterprise (SOE) reform and valuation restructuring, the participation of state capital in private equity financing this time also echoes the policy requirements for optimizing the layout of state-owned capital under the China Special Valuation (CSV) system. Yang Ya (2024) proposed that over 70% of the assets of central enterprises are concentrated in traditional industries, and strategic emerging industries and future industries are weak links. Accelerating the layout in the field of scientific and technological innovation is a key path to enhance valuation and strengthen core competitiveness [7]. "CSV" is not simply about elevating valuation, but also about balancing value exploration and risk prevention and control. It incorporates the strategic value of industries and technological spillover effects into the pricing system, achieving the unity of long-term value and market pricing [8]. The injection of state capital into technology innovation enterprises like MiniMax is not only a specific action of state capital extending to strategic emerging industries and filling the gaps in industrial layout, but also a beneficial exploration of achieving the preservation and appreciation of state capital through market-oriented investment and promoting the convergence of management and shareholder values. It aligns with the reform direction of improving incentive mechanisms and strengthening market value management under the CSV system. Finally, the participation of state capital in private equity financing should follow the principles of fair competition and penetrating supervision, regulate capital operation behavior, and maintain market competition order [9,10].

5 Conclusion

This article takes MiniMax, a domestic growth-stage AI large model enterprise, as the research object. It systematically reviews its complete financing and listing journey from the angel round to IPO from the end of 2021 to January 2026. By comparing it with OpenAI and considering the participation of state-owned funds, it deeply analyzes the characteristics of enterprise valuation evolution, driving factors, and the policy effect of "China Special Valuation". The research finds that MiniMax's valuation exhibits phased characteristics that closely match its development pace, with the valuation logic gradually shifting from technology barrier orientation to commercialization and globalization orientation. Compared to OpenAI, the enterprise forms a reasonable valuation premium due to localized scenarios, policy empowerment, and global expansion, and the premium structure dynamically optimizes with the development stage. Technological breakthroughs and commercialization capabilities constitute the dual endogenous driving forces for valuation enhancement, while the "China Special Valuation" policy and the entry of state-owned funds become external stability anchors, significantly optimizing the financing structure, reducing valuation volatility, and strengthening market expectations. However, private equity investment needs to establish a full-process risk control system, strengthen pre-investment due diligence, in-investment decision-making, and post-investment management, and improve information transparency and data governance level. At the same time, this study has limitations such as a single sample, limited access to some private equity data, and a short research period. The universality and depth of the conclusions still have room for improvement.

In future research, it is feasible to expand multi-case comparative analysis, incorporate different types of AI enterprises, and enhance the universality of conclusions by combining cases from overseas leading institutions. At the same time, quantitative models and field research can be employed to deepen the study of valuation impact mechanisms. For the industry, AI large model enterprises should continue to build technological barriers, balance technological research and development with commercialization, actively seize policy opportunities to introduce diverse capital, and accelerate globalization layout, thereby achieving reasonable valuation improvement and long-term value growth. This can provide reference and lessons for similar enterprises in financing and listing, capital market valuation and pricing, as well as the practical application of "China Special Valuation" in the technology field.

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