TikTok calls report of possible sale to Musk's X 'pure fiction'

AFP- TikTok on Tuesday labeled as "pure fiction" a report that China is exploring a potential sale of the video-sharing platform's US operations to billionaire Elon Musk as the firm faces an American law requiring imminent Chinese divestment.
Citing anonymous people familiar with the matter, Bloomberg News had earlier reported that Chinese officials were considering selling the company's US operations to Musk's social media platform X.

The report outlined one scenario being discussed in Beijing where X would purchase TikTok from Chinese owner ByteDance and combine it with the platform formerly known as Twitter.

"We cannot be expected to comment on pure fiction," a TikTok spokesperson told AFP.

The report estimated the value of TikTok's US operations at between $40 billion and $50 billion.

Although Musk is currently ranked as the world's wealthiest person, Bloomberg said it was not clear how Musk could execute the transaction, or if he would need to sell other assets.

The US Congress passed a law last year that requires ByteDance to either sell its wildly popular platform or shut it down. It goes into effect on Sunday – a day before President-elect Donald Trump takes office.

The US government alleges TikTok allows Beijing to collect data and spy on users and is a conduit to spread propaganda. China and ByteDance strongly deny the claims.

TikTok has challenged the law, taking an appeal all the way to

the US Supreme Court, which heard oral arguments on Friday.

At the hearing, a majority of the conservative and liberal justices on the nine-member bench appeared skeptical of arguments by a lawyer for TikTok that forcing a sale was a violation of First Amendment free speech rights.

Bloomberg characterized Beijing’s consideration of a possible Musk transaction as “still preliminary,” noting that Chinese officials have yet to reach a consensus on how to proceed.

Musk is a close ally of Trump and is expected to play an influential role in Washington in the coming four years.

He also runs electric car company Tesla, which has a major factory in China and counts the country as one of the automaker’s biggest markets.

Trump has repeatedly threatened to enact new tariffs on Chinese goods, which would expand a trade war begun in his first term and which was largely upheld, and in some cases supplemented, by outgoing President Joe Biden.

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