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December 8, 2022

**VIA EDGAR**

Ms. Alyssa Wall  
Mr. Dietrich King  
Ms. Nasreen Mohammed  
Mr. Joel Parker  
Division of Corporation Finance  
Office of Trade & Services  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549

**Re: Pinduoduo Inc.  
Form 20-F for the Fiscal Year Ended December 31, 2021  
Filed on April 25, 2022 (File No. 001-38591)**

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Dear Ms. Wall, Mr. King, Ms. Mohammed and Mr. Parker,

On behalf of our client, Pinduoduo Inc. (the “**Company**”), we set forth below the Company’s responses to the comments contained in the letter dated November 23, 2022 from the staff (the “**Staff**”) of the Securities and Exchange Commission (the “**Commission**”) regarding the Company’s annual report on Form 20-F for the fiscal year ended December 31, 2021 filed with the Commission on April 25, 2022 (the “**2021 Form 20-F**”). The Staff’s comments are repeated below in bold and are followed by the Company’s responses thereto. All capitalized terms used but not defined in this letter shall have the meaning ascribed to such terms in the 2021 Form 20-F.

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**Form 20-F for the Year Ended December 31, 2021**

**Financial Information Related to Our VIE, page 9**

1. We acknowledge your response to comment 2 and note from your prior response that you did not present the WFOE column separately because you determined that Pinduoduo Inc. is the primary beneficiary, not the WFOE. While we do not conclude on your identification of the primary beneficiary, we believe that, in light of the fact that the WFOE receives the returns from the VIE, separate presentation of the WFOE in the consolidating schedule would provide investors with meaningful information about the economic relationship between the VIE and the WFOE, and the WFOE and its Cayman Islands parent, Pinduoduo Inc. Please revise to present the WFOE in a separate column, and present intercompany transactions in separate line items.

In response to the Staff's comment, the Company respectfully proposes to revise the VIE financial schedules in its future Form 20-F filings per the blacklining shown below (with deletions shown in strikethrough and additions in underline), subject to such updates and adjustments to be made in connection with any material developments of the subject matter being disclosed:

**“Financial Information Related to ~~Our~~ the VIE**

The following table presents the condensed consolidating schedule of financial position for (i) Pinduoduo Inc., (ii) Hangzhou Weimi, a PRC subsidiary of the Company that has entered into contractual arrangements with the VIE, the VIE's shareholders and, as applicable, their spouses, ~~(iii) our~~ (iii) the VIE and its subsidiaries, and ~~(iv) the Company's subsidiaries other than Hangzhou Weimi and other entities~~ (iv) the Company's subsidiaries other than Hangzhou Weimi as of the dates ~~or for the periods~~ presented.

**Selected Condensed Consolidated Statements of Income Information**

	For the Year Ended December 31, 2021					
	<u>Pinduoduo Inc. (Primary beneficiary of the VIE)</u>	<u>Subsidiaries Hangzhou Weimi*</u>	<u>VIE and Its Subsidiaries</u>	<u>Other Subsidiaries of Pinduoduo Inc.**</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
	(RMB in millions)					
Revenues	=	<u>2,288,608</u>	77,877,339	<u>50,467,506</u>	(36,683,514)	93,949,939
Total costs and operating expenses	(649,171)	<u>(2,273,922)</u>	(62,977,072)	<u>(57,836,526)</u>	<u>36,683,514</u>	(87,053,177)
Share of profit from subsidiaries, the VIE and subsidiaries of the VIE	<u>9,579,738</u>	—	—	—	<u>(9,579,738)</u>	—
Net income / (loss)	<u>7,768,670</u>	<u>43,461</u>	15,169,180	<u>(5,632,903)</u>	(9,579,738)	7,768,670

For the Year Ended December 31, 2020

	<u>Pinduoduo Inc. (Primary beneficiary of the VIE)</u>	<u>Subsidiaries- Hangzhou Weimi*</u>	<u>VIE and Its Subsidiaries</u>	<u>Other Subsidiaries of Pinduoduo Inc.**</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
	(RMB in millions)					
Revenues	—	1,101,213	51,351,861	21,614,790	(14,575,999)	59,491,865
Total costs and operating expenses	(667,210)	(1,332,403)	(50,118,546)	(31,330,030)	14,575,999	(68,872,190)
Share of profit from subsidiaries, the VIE and subsidiaries of the VIE	(5,996,484)	—	—	—	5,996,484	—
Net (loss) / income	(7,179,742)	(229,006)	2,552,665	(8,320,143)	5,996,484	(7,179,742)

For the Year Ended December 31, 2019

	<u>Pinduoduo Inc. (Primary beneficiary of the VIE)</u>	<u>Subsidiaries- Hangzhou Weimi*</u>	<u>VIE and Its Subsidiaries</u>	<u>Other Subsidiaries of Pinduoduo Inc.**</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
	(RMB in millions)					
Revenues	—	1,149,250	19,875,332	12,636,410	(3,519,106)	30,141,886
Total costs and operating expenses	(670,724)	(1,059,794)	(24,309,403)	(16,158,996)	3,518,820	(38,680,097)
Share of profit from subsidiaries, the VIE and subsidiaries of the VIE	(6,470,882)	—	—	—	6,470,882	—
Net (loss) / income	(6,967,603)	93,183	(3,611,656)	(2,946,035)	6,464,508	(6,967,603)

Selected Condensed Consolidated Balance Sheets Information

As of December 31, 2021

	<u>Pinduoduo Inc. (Primary beneficiary of the VIE)</u>	<u>Subsidiaries- Hangzhou Weimi*</u>	<u>VIE and Its Subsidiaries</u>	<u>Other Subsidiaries of Pinduoduo Inc.**</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
	(RMB in thousands)					
<b>Current assets:</b>						
Cash and cash equivalents	2,269	1,033	2,430,440	3,992,973	—	6,426,715
Restricted cash	—	—	59,402,079	215,177	—	59,617,256
Short-term investments	—	—	12,306,340	74,210,278	—	86,516,618
Amounts due from Group companies <sup>(1)</sup>	—	1,239,992	40,425,872	29,829,301	(71,495,165)	—
Others	390	9,393	6,198,116	2,140,680	—	8,348,579
<b>Total current assets</b>	<b>2,659</b>	<b>1,250,418</b>	<b>120,762,847</b>	<b>110,388,409</b>	<b>(71,495,165)</b>	<b>160,909,168</b>

As of December 31, 2021						
	<u>Pinduoduo Inc. (Primary beneficiary of the VIE)</u>	<u>Subsidiaries Hangzhou Weimi*</u>	<u>VIE and Its Subsidiaries</u>	<u>Other Subsidiaries of Pinduoduo Inc.**</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
	(RMB in thousands)					
<b>Non-current assets:</b>						
Other non-current assets	—	—	5,300,938	<u>11,125,028</u>	—	16,425,966
Investments in subsidiaries, <del>our</del> the VIE and its subsidiaries <sup>(2)</sup>	86,252,341	<u>2,000</u>	—	<u>1,579,309</u>	(87,833,650)	—
Others	674,057	<u>9,690</u>	2,581,092	<u>609,745</u>	—	3,874,584
<b>Total non-current assets</b>	<b>86,926,398</b>	<b>11,690</b>	<b>7,882,030</b>	<b>13,314,082</b>	<b>(87,833,650)</b>	<b>20,300,550</b>
<b>Total assets</b>	<b>86,929,057</b>	<b>1,262,108</b>	<b>128,644,877</b>	<b>123,702,491</b>	<b>(159,328,815)</b>	<b>181,209,718</b>
<b>Current liabilities:</b>						
Payable to merchants	—	—	61,947,517	<u>562,197</u>	—	62,509,714
Merchant deposits	—	—	13,360,409	<u>217,143</u>	—	13,577,552
Amounts due to Group companies <sup>(1)</sup>	—	<u>1,315,756</u>	27,978,153	<u>123,501,613</u>	(152,795,522)	—
Others	24,607	<u>191,953</u>	12,619,600	<u>4,806,288</u>	—	17,642,448
<b>Total current liabilities</b>	<b>24,607</b>	<b>1,507,709</b>	<b>115,905,679</b>	<b>129,087,241</b>	<b>(152,795,522)</b>	<b>93,729,714</b>
<b>Non-current liabilities</b>						
Convertible bonds	11,788,907	—	—	—	—	11,788,907
Others	996	<u>75</u>	324,285	<u>251,194</u>	—	576,550
<b>Total non-current liabilities</b>	<b>11,789,903</b>	<b>75</b>	<b>324,285</b>	<b>251,194</b>	<b>—</b>	<b>12,365,457</b>
<b>Total liabilities</b>	<b>11,814,510</b>	<b>1,507,784</b>	<b>116,229,964</b>	<b>129,338,435</b>	<b>(152,795,522)</b>	<b>106,095,171</b>

As of December 31, 2020						
	<u>Pinduoduo Inc. (Primary beneficiary of the VIE)</u>	<u>Subsidiaries Hangzhou Weimi*</u>	<u>VIE and Its Subsidiaries</u>	<u>Other Subsidiaries of Pinduoduo Inc.**</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
	(RMB in thousands)					
<b>Current assets:</b>						
Cash and cash equivalents	6,566	<u>9,168</u>	3,593,192	<u>18,812,263</u>	—	22,421,189
Restricted cash	—	<u>45,000</u>	52,148,852	<u>228,595</u>	—	52,422,447
Short-term investments	5,840,247	—	7,026,442	<u>51,684,405</u>	—	64,551,094
Amounts due from Group companies <sup>(1)</sup>	—	<u>999,964</u>	9,932,418	<u>14,699,309</u>	(25,631,691)	—
Others	359	<u>38,340</u>	8,788,524	<u>1,301,925</u>	—	10,129,148
<b>Total current assets</b>	<b>5,847,172</b>	<b>1,092,472</b>	<b>81,489,428</b>	<b>86,726,497</b>	<b>(25,631,691)</b>	<b>149,523,878</b>
<b>Non-current assets:</b>						
Other non-current assets	—	<u>5,005</u>	4,380,476	<u>2,889,824</u>	—	7,275,305
Investments in subsidiaries, <del>our</del> the and its subsidiaries <sup>(2)</sup>	67,814,679	<u>2,000</u>	—	<u>1,616,265</u>	(69,432,944)	—
Others	1,276,751	<u>23,967</u>	654,790	<u>153,923</u>	—	2,109,431

As of December 31, 2020						
	<u>Pinduoduo Inc. (Primary beneficiary of the VIE)</u>	<u>Subsidiaries Hangzhou Weimi*</u>	<u>VIE and Its Subsidiaries</u>	<u>Other Subsidiaries of Pinduoduo Inc.**</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
	(RMB in thousands)					
<b>Total non-current assets</b>	<b>69,091,430</b>	<b>30,972</b>	<b>5,035,266</b>	<b>4,660,012</b>	<b>(69,432,944)</b>	<b>9,384,736</b>
<b>Total assets</b>	<b>74,938,602</b>	<b>1,123,444</b>	<b>86,524,694</b>	<b>91,386,509</b>	<b>(95,064,635)</b>	<b>158,908,614</b>
<b>Current liabilities:</b>						
Payable to merchants	—	—	53,417,259	416,722	—	53,833,981
Merchant deposits	—	—	10,926,319	—	—	10,926,319
Amounts due to Group companies <sup>(1)</sup>	—	1,068,463	9,759,506	92,224,226	(103,052,195)	—
Others	327,004	334,083	14,809,044	3,651,646	—	19,121,777
<b>Total current liabilities</b>	<b>327,004</b>	<b>1,402,546</b>	<b>88,912,128</b>	<b>96,292,594</b>	<b>(103,052,195)</b>	<b>83,882,077</b>
<b>Non-current liabilities</b>						
Convertible bonds	14,432,792	—	—	—	—	14,432,792
Others	2,918	10,034	366,834	38,071	—	417,857
<b>Total non-current liabilities</b>	<b>14,435,710</b>	<b>10,034</b>	<b>366,834</b>	<b>38,071</b>	<b>—</b>	<b>14,850,649</b>
<b>Total liabilities</b>	<b>14,762,714</b>	<b>1,412,580</b>	<b>89,278,962</b>	<b>96,330,665</b>	<b>(103,052,195)</b>	<b>98,732,726</b>

As of December 31, 2019						
	<u>Pinduoduo Inc. (Primary beneficiary of the VIE)</u>	<u>Subsidiaries Hangzhou Weimi*</u>	<u>VIE and Its Subsidiaries</u>	<u>Other Subsidiaries of Pinduoduo Inc.**</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
	(RMB in thousands)					
<b>Current assets:</b>						
Cash and cash equivalents	661,714	7,360	2,816,894	2,282,218	—	5,768,186
Restricted cash	—	45,000	27,528,793	3,878	—	27,577,671
Short-term investments	6,157,221	—	6,560,665	22,570,941	—	35,288,827
Amounts due from Group companies <sup>(1)</sup>	—	58,554	3,337,273	5,410,374	(8,806,201)	—
Others	17,906	185,001	3,706,618	457,254	—	4,366,779
<b>Total current assets</b>	<b>6,836,841</b>	<b>295,915</b>	<b>43,950,243</b>	<b>30,724,665</b>	<b>(8,806,201)</b>	<b>73,001,463</b>
<b>Non-current assets:</b>						
Other non-current assets	—	5,001	60,306	437,813	—	503,120
Investments in subsidiaries, <del>and</del> the VIE and its subsidiaries <sup>(2)</sup>	21,053,370	2,000	—	1,728,056	(22,783,426)	—
Others	1,994,292	40,872	480,602	36,987	—	2,552,753
<b>Total non-current assets</b>	<b>23,047,662</b>	<b>47,873</b>	<b>540,908</b>	<b>2,202,856</b>	<b>(22,783,426)</b>	<b>3,055,873</b>
<b>Total assets</b>	<b>29,884,503</b>	<b>343,788</b>	<b>44,491,151</b>	<b>32,927,521</b>	<b>(31,589,627)</b>	<b>76,057,336</b>
<b>Current liabilities:</b>						
Payable to merchants	—	—	29,657,227	269,261	—	29,926,488
Merchant deposits	—	—	7,840,912	—	—	7,840,912

As of December 31, 2019

	<b>Pinduoduo Inc. (Primary beneficiary of the VIE)</b>	<b>Subsidiaries Hangzhou Weimi*</b>	<b>VIE and Its Subsidiaries</b>	<b>Other Subsidiaries of Pinduoduo Inc.**</b>	<b>Eliminations</b>	<b>Consolidated Total</b>
	(RMB in thousands)					
Amounts due to Group companies <sup>(1)</sup>	—	60,015	5,393,858	32,157,330	(37,611,203)	—
Others	23,566	317,684	6,518,860	1,140,296	—	8,000,406
<b>Total current liabilities</b>	<b>23,566</b>	<b>377,699</b>	<b>49,410,857</b>	<b>33,566,887</b>	<b>(37,611,203)</b>	<b>45,767,806</b>
<b>Non-current liabilities</b>						
Convertible bonds	5,206,682	—	—	—	—	5,206,682
Others	7,389	26,219	382,673	19,701	—	435,982
<b>Total non-current liabilities</b>	<b>5,214,071</b>	<b>26,219</b>	<b>382,673</b>	<b>19,701</b>	<b>—</b>	<b>5,642,664</b>
<b>Total liabilities</b>	<b>5,237,637</b>	<b>403,918</b>	<b>49,793,530</b>	<b>33,586,588</b>	<b>(37,611,203)</b>	<b>51,410,470</b>

Selected Condensed Consolidated Cash Flows Information

For the Year Ended December 31, 2021

	<b>Pinduoduo Inc. (Primary beneficiary of the VIE)</b>	<b>Subsidiaries Hangzhou Weimi*</b>	<b>VIE and Its Subsidiaries</b>	<b>Other Subsidiaries of Pinduoduo Inc.**</b>	<b>Eliminations</b>	<b>Consolidated Total</b>
	(RMB in thousands)					
Net cash generated from/ (used in) operating activities <sup>(3)</sup>	82,074	(150,891)	34,365,025	(5,513,197)	—	28,783,011
Net cash used in investing activities	(91,170)	(270,312)	(26,828,581)	(33,008,291)	24,635,989	(35,562,365)
Net cash generated from/ (used in) financing activities	318	368,069	(1,445,969)	23,838,417	(24,635,989)	(1,875,154)

For the Year Ended December 31, 2020

	<b>Pinduoduo Inc. (Primary beneficiary of the VIE)</b>	<b>Subsidiaries Hangzhou Weimi*</b>	<b>VIE and Its Subsidiaries</b>	<b>Other Subsidiaries of Pinduoduo Inc.**</b>	<b>Eliminations</b>	<b>Consolidated Total</b>
	(RMB in thousands)					
Net cash generated from/ (used in) operating activities <sup>(3)</sup>	735,231	(452,435)	29,379,799	(1,465,968)	—	28,196,627
Net cash used in investing activities	(52,266,859)	(224,486)	(11,802,074)	(40,595,102)	66,530,620	(38,357,901)
Net cash generated from financing activities	50,892,970	678,729	7,818,632	58,939,285	(66,530,620)	51,798,996

For the Year Ended December 31, 2019

	<u>Pinduoduo Inc. (Primary beneficiary of the VIE)</u>	<u>Subsidiaries Hangzhou Weimi*</u>	<u>VIE and Its Subsidiaries</u>	<u>Other Subsidiaries of Pinduoduo Inc.**</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
	(RMB in thousands)					
Net cash generated from/ (used in) operating activities <sup>(3)</sup>	259,409	(204,738)	11,139,572	3,626,733	—	14,820,976
Net cash (used in)/ generated from investing activities	(20,241,566)	181,675	(5,249,046)	(27,021,846)	24,011,105	(28,319,678)
Net cash generated from financing activities	14,960,585	21,190	4,546,481	20,337,580	(24,011,105)	15,854,731

Notes:

\* Represents Hangzhou Weimi, a PRC subsidiary of the Company that has entered into contractual arrangements with the VIE, the VIE's shareholders and, as applicable, their spouses. These contractual arrangements enable us to direct the activities of and derive economic benefits from the VIE and its subsidiaries. For more information, see "Item 4. Information on the Company—C. Organizational Structure—Contractual Arrangements with the VIE and Its Shareholders."

\*\* Represents all of the Company's subsidiaries other than Hangzhou Weimi.

(1) Represents the elimination of the intercompany balances among Pinduoduo Inc., our subsidiaries, Hangzhou Weimi, the Company's subsidiaries other than Hangzhou Weimi, and our the VIE and its subsidiaries.

(2) Represents the elimination of the investments in our subsidiaries, Hangzhou Weimi, the Company's subsidiaries other than Hangzhou Weimi and our the VIE and its subsidiaries.

(3) For the years ended December 31 2019, 2020 and 2021, cash paid by our the VIE and its subsidiaries to our subsidiaries Hangzhou Weimi, primarily for service fees, was RMB759.1 RMB636.8 million, RMB1,717.5 RMB935.1 million and RMB5,016.5 RMB2,714.2 million (US\$787.2 US\$425.9 million), respectively.

**Management's Discussion and Analysis of Financial Condition and Results of Operations**  
**Results of Operations, page 50**

2. **We note your response to comment 3 and reissue comment in part. Please discuss the impact of pricing changes on your revenues. For example, you present average transaction services revenue as a percentage of GMV increased from 0.35% in 2020 to 0.58% in 2021. Please clarify if the changes in prices attributed to such an increase.**

In response to the Staff's comment, the Company respectfully submits that the increase in average transaction services as a percentage of GMV was primarily the result of the Company providing more value-added services to merchants, whose demand for more diverse value-added services under different consumption scenarios increased with the growth of their businesses. For example, merchants can choose our value-added services to achieve faster deliveries, a better understanding of consumer demands or improvements in other business areas. As such, the overall increase in the Company's blended transaction service fee rate was thus primarily the result of the Company providing more of these value-added services to merchants, which was in turn mainly driven by the increases in both GMV and the diversity of transactions executed on the Company's platform. The Company undertakes to disclose the foregoing more clearly in its future Form 20-F filings, subject to such updates and adjustments to be made in connection with any material developments of the subject matter being disclosed.

**Item 4. Information on the Company**

**Business Overview**

**Regulation, page 62**

3. **We note your response to comment 1. Please also discuss the regulations applicable to you in Hong Kong. Currently, your disclosure discusses the regulations that affect your business and operations in China, excluding Hong Kong. Please refer to Item 4(B)(8) of Form 20-F.**

The Company respectfully submits that its operations in Hong Kong primarily consist of the entry from time to time by HongKong Walnut Street Limited, a Hong Kong-incorporated subsidiary of the Company, into agreements with certain merchants and suppliers for offshore merchandise and procurement. These Hong Kong operations are not material to the Company's business as a whole. Similarly, the Company is not aware of any regulations applicable to its Hong Kong operations that have a material effect on the Company's business as a whole. On the basis of the foregoing, the Company respectfully submits that a discussion of the regulations applicable to it in Hong Kong is not necessary under Item 4(B)(8) of Form 20-F and would not be meaningful to investors.

**General**

4. **We note your response to comment 8. Please confirm that in future filings you will disclose that you do not have cash management policies that dictate how funds are transferred among the referenced constituents of the company.**

In response to the Staff's comment, the Company undertakes to revise the disclosure in its future Form 20-F filings to disclose that it does not have cash management policies that dictate how funds are transferred among the referenced constituents of the Company.

\* \* \*

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Division of Corporation Finance  
Office of Trade & Services  
Securities and Exchange Commission  
December 8, 2022  
Page 9

If you have any additional questions or comments regarding the 2021 Form 20-F, please contact the undersigned at +86 21 6193 8225 or yuting.wu@skadden.com.

Very truly yours,

/s/ Yuting Wu  
Yuting Wu

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cc: Lei Chen, Chairman of the Board of Directors and Chief Executive Officer, Pinduoduo Inc.  
Jianchong Zhu, General Counsel, Pinduoduo Inc.  
Franky Liu, Partner, Ernst & Young Hua Ming LLP

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