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IPO digest | Week 31 | 31-6 August 2023

As August marks the traditional summer pause for IPO activity, the market continues to explore alternative formats and destinations for public offerings. Among the notable developments this week, is a Hong Kong company's spin-off, aiming to separate its US business. Additionally, Japanese and Korean companies are featured in this week's IPO digest, alongside a US biotech and a cluster of smaller Italian IPOs. Looking ahead, the pipeline is filling up for Autumn deals, with the Arm IPO anticipated to serve as a litmus test for tech companies.

NEW IPOs

Spin-off | SHARKNINJA | \$4.2+ bn MCAP | no capital raised | NYSE

SharkNinja, a US home appliance, and vacuum cleaner company, made its debut on the **NYSE** after being spun off from JS Global Lifestyle in Hong Kong. SharkNinja has established a strong presence in the US, generating \$3.7 bn in revenue last year, with 70% of it coming from North America. The company's smart vacuums, air fryers, and grills have gained popularity in their markets. SharkNinja's ties to China remain significant, as it has paid over \$3.3 bn to JS Global subsidiaries for merchandise and goods, primarily manufactured in China. This arrangement will continue even after the spin-off. The volatile relations between China and the US raise uncertainty about the advantages of its product design and technology teams spread across the world, including in China.

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IPO digest | Week 31 | 31-6 August 2023**Pixie Dust Technologies | \$143 mn MCAP | \$15 mn raised | NASDAQ**

On July 31, Pixie Dust Technologies priced its IPO at the low end of the price range and downsized the IPO by 17% to raise \$15 mn through ADS. Incorporated in Japan, the company is developing personal care and spatial technology products through the utilization of mechanobiology and metamaterials in combination with its core proprietary wave technology that employs sound and light waves. Pixie Dust has launched 3 personal care products and 1 in the workspace & digital transformation field in Japan, working on several more.

MIRA PHARMACEUTICALS | \$103 mn MCAP | \$8.9 raised | NASDAQ

On August 2, Mira Pharmaceuticals priced its IPO to raise \$8.9 mn in accordance with its last filing dated July 28. Mira is an early pre-clinical-stage pharmaceutical company focused on the development and commercialization of a new molecular synthetic cannabinoid analog. It is focused on the treatment of adult patients with anxiety and cognitive decline typically associated with early-stage dementia.

HANRYU HOLDINGS | \$527 mn MCAP | \$8.8 mn raised | NASDAQ

Hanryu Holdings priced its IPO on July 31 to raise \$8.8 mn. Incorporated in Delaware, the company develops an innovative social media platform for enthusiasts of South Korean culture, also known as “Hanryu”. Through its well-designed ecosystem, FANTOO not only

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supports fans' interests in entertainment but also provides in-platform economic rewards in return for users' contributions.

BV Financial, the holding company for BayVanguard Bank, announced that it has completed the conversion from a mutual holding company to a stock holding company form of organization, and the company has completed its related stock offering. As a result of the subscription and the community offering, the company sells 9.8 mn shares of its common stock at \$10 per share on **NASDAQ**. BayVanguard Bank is a Maryland-chartered full-service community-oriented stock savings bank headquartered in Baltimore.

Incorporated in the Cayman Islands, **Cheetah Net Supply Chain Service**, a supplier of parallel-import luxury cars sourced in the US to be sold in China, raised \$5 mn on **NASDAQ**.

On **AIM (LSE)**, **Metals One** raised £2.2 mn to advance its battery metals projects in Europe. The company's developing projects in nickel, copper, zinc in Finland, and nickel, copper, and cobalt in Norway represent opportunities to develop deposits in stable jurisdictions, well situated to supply the fast-growing European electric vehicle and strategic battery manufacturing markets.

EURONEXT Growth Milan saw several IPOs this week, with the largest of them being the following.

Vne, designing, implementing, and offering both cash and cashless automatic payment solutions, raised €3.1 mn.

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iVision Tech, active in the design and production of eyeglass frames and sunglasses cooperated with major luxury brands, raised €2 mn.

Arras Group, a real estate development company that is active in the design, construction, purchase, sale, and financial enhancement of housing proposals, with low environmental impact, raised €1.9 mn.

Porto Aviation Group, covering all stages of the single-engine aircraft and propellers production process, raised €1.6 mn.

NEW FILINGS AND DISCLOSURES

ARM | \$60+ bn MCAP | \$8+ bn raising | NASDAQ

Chip designer Arm hopes to raise billions of dollars in its September IPO at a valuation between \$60 bn and \$70 bn. Arm expects to start its IPO roadshow on the first week of September. SoftBank bought the British firm for \$32 bn 7 years ago and de-listed it from the **LSE**. At the top end, Arm's IPO should be the largest deal from the tech industry after Alibaba Group Holding and Meta Platforms. Intel and Nvidia have been in talks to become anchor investors in the offering.

UK-based Arm licenses technology known as instruction sets optimizing software programs' communication with the chips. While Arm technology is well-known for being a part of almost every smartphone on the planet, it is now targeting chips for data centers for cloud computing and AI applications. AWS customers already use chips based on Arm designs. Arm-based chips tend to be cheaper and require less power, so cloud providers want to use them to

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reduce the cost of operating data centers. Google and Microsoft are also developing Arm-based server chips for their data center, planning to substitute existing equipment.

DL | TRILLER | \$1.2 bn MCAP¹ | NYSE

Triller filed with the SEC for a direct listing on August 2. Triller will not raise new capital in its listing. The company did not disclose the initial tradable float, a reference price, or the anticipated timing of its listing. Based in Los Angeles, Triller operates a video-sharing platform similar to TikTok, Instagram Reels, and YouTube shorts, that allow users to access both user-generated and professionally generated content from creators around the world. The company has established more than 550 mn user accounts and booked \$51 mn in revenue for the 12 months ended this March.

WEBUY GLOBAL | \$203 mn MCAP | \$15 mn raising | NASDAQ

On August 3, WeBuy Global lowered the proposed deal size for its upcoming IPO by 13% to \$15 mn. WeBuy is an emerging Southeast Asian community-oriented e-commerce platform with a focus on grocery and travel. WeBuy currently operates in Singapore and Indonesia and has served over 269,000 customers. WeBuy Global booked \$45 mn in revenue in 2022.

¹ Recent company's valuation during the sell of convertible debt implied a market capitalization of \$1.2 bn.

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NASDAQ pipeline is building up for the next season.

Inspire Veterinary Partners, which acquires and operates veterinary hospitals across the US, revised the terms for its upcoming IPO. The company increased its offering to \$31 mn, $\frac{3}{4}$ of which is secondary capital.

Richtech Robotics filed on August 3 with the SEC to raise ca. \$17 mn in an IPO with no pricing terms being disclosed. Richtech Robotics designs, manufactures and sells Autonomous Mobile Robots for the hospitality sector, and its current customer base includes hotels, restaurants, senior care facilities, and casino management companies.

Vittoria, a Hong Kong-based provider of financial advisory and listing sponsorship services, filed its F-1 without disclosing terms for its IPO. It is expected to raise up to \$15 mn.

Healthy Green Group Holding, a Hong Kong-based chain of 22 organic grocery stores, disclosed the terms for its IPO to raise \$13 mn.

Galaxy Payroll Group, a Hong Kong-based provider of outsourced payroll and other business services, plans to raise \$12.5 mn.

Nature Wood Group Limited, a global vertically integrated forestry company headquartered in Macau, disclosed terms for its IPO. It plans to issue ADS to raise \$9.2 mn.

Jizhilong Holding Group, which is a UK-based full-chain agricultural products company focusing on the development of natural borneol, a precious Chinese herbal medicine filed F-1 without disclosure of the terms.

ASEAN satellite provider, **Angkasa-X** obtains F-1 effectiveness from SEC for the IPO in the US.

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South African producer of platinum group metals, **Sedibelo Resources** withdrew its \$100 mn IPO that was part of a proposed dual listing on the **NYSE** and the **Johannesburg Stock Exchange**.

EOM Pharmaceutical Holdings, which is developing in-licensed therapies for inflammatory and ocular diseases, withdrew its \$25 mn IPO in a SEC filing.

IPO PLANS AND RUMORS

Israeli fintech unicorn **Rapyd** acquired PayU from Netherlands-based Prosus for \$610 mn. The acquisition is financed through a capital raising of approximately \$700 mn at the same valuation as Rapyd's previous funding round. Rapyd aims to double its company size and increase revenues by 60% after the acquisition. Rapyd operates one of the largest online payment networks globally, supporting 65 different currencies across 170 countries. The company plans to go public in two or three years with a valuation exceeding \$10 bn.

Birkenstock is preparing to go public in September according to Bloomberg, and could be valued at \$8+ bn. L Catterton, a private equity firm supported by LVMH, acquired Birkenstock for \$4.9 bn two years ago. This could become the second listing of its portfolio company in a few months after the recent successful IPO of Oddity Tech. Goldman Sachs and JPMorgan are advising on the potential listing. With increasing demand, Birkenstock has made substantial investments to expand its manufacturing capabilities in Germany. Recently, the company spent €120 mn on setting up a new factory in the north of Berlin.

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Swedish property developer **SBB** is contemplating an IPO for its entire residential business, valued at approximately \$3.4 bn, according to Bloomberg. The company has approached SEB AB to explore listing options, possibly in the 4Q 2023 or the 1H 2024. Alternatively, SBB is also considering bringing in one or two institutional investors to take control of 50% of the residential portfolio. The company aims to raise cash to address its financial difficulties, i.e. debt burden and recent rating downgrades.

Blockchain company **Figure Technologies** has laid off 90 employees, which accounts for around 20% of its staff, according to Bloomberg. The company is reportedly preparing for an IPO for its lending business next year. Despite challenges during an industry downturn, Figure has recently achieved notable financial milestones. In 2Q 2023, its lending business recorded a volume of \$900 mn. The company expects to achieve a \$2.5 bn valuation for its lending business LendCo.

SPAC ACTIVITY

Allurion Technologies, a medical device company, has finalized its merger with **Compute Health** SPAC on **NYSE**. This move provides the necessary funds for Allurion to accelerate the commercialization of its flagship product, the Allurion Weight Loss Program, which offers a non-surgical approach to weight loss using a swallowable gastric balloon that already helps 100,000 patients feel fuller and eat less. The company was looking to raise \$70 mn and successfully ended up with \$100 mn of cash on the balance sheet.

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Sicily by Car (SbC) lists through a business combination transaction with SPAC **Industrial Stars of Italy 4** on **EURONEXT Growth Milan**. SbC is one of the main operators in Italy in the short-term car rental sector, with a fleet of approximately 13,000 vehicles and a network of over 55 rental offices, maintaining offices at airports and across major tourist destinations throughout Italy. The Group has also launched an international expansion program with the SbC Europe brand and is now present in Albania, Malta, France, Austria, Poland, and Montenegro.

Black Spade Acquisition shareholders are scheduled to vote on the SPAC's proposed merger with Vietnamese EV maker **VinFast** on August 10. VinFast had originally filed in December to list on the **NASDAQ** through a traditional IPO. However, likely due to market conditions, it delayed the launch and eventually withdrew its IPO plans following its agreement to list via the SPAC. If approved, the combined company would be the largest de-SPAC of the year at \$27+ bn.

Michael Klein's **Churchill Capital Corporation VII** is discussing the deal with a UK investment group **CorpAcq** valued at \$1.6 bn. The SPAC sought an extension of the 2 years limit since it has identified an acquisition target. In the CorpAcq portfolio are a plumbing business, a diesel generator specialist, a forklift truck supplier, and the clothing group Cotton Traders. Last year, CorpAcq produced \$826 mn in revenues, with adjusted earnings of \$129 mn. The company plans to begin paying shareholders a dividend after the deal is completed. Last month, another SPAC set up by Klein and Sam

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Altman, agreed to merge with a nuclear-fission start-up backed by Altman in an \$850 mn deal.

The prospects of the SPAC deal involving **Trump Media & Technology Group** are facing significant challenges. The SPAC **Digital World Acquisition Corp.**, which was set to merge with Trump's media firm, revealed that its auditor, Marcum LLP, has abruptly resigned. This resignation comes amid regulatory problems for Marcum, which has raised concerns about the accuracy of the financial statements required for the deal to be effective.

This digest covers key IPO deals on European and US exchanges.

Our main focus is on companies exceeding \$100 mn in market capitalization.

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 **today@adastra.today**