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## Vietnam EV Maker May Face Bumpy Road in US IPO Quest: ECM Watch

By Filipe Pacheco

(Bloomberg) -- An electric vehicle maker backed by a Vietnamese billionaire is targeting early 2023 for what could be Asia's largest IPO in the US since Didi Global Inc.'s fiasco. It may face a rocky path amid growing pressure on shares of Asian peers as analysts question their ability to grow and make money.

VinFast, the unit of conglomerate Vingroup JSC, is weighing whether to hold an offering of at least \$1 billion as soon as January, Bloomberg reported. The firm has been in touch with investors and factors including market conditions will determine the timing.

"If the IPO goes ahead, the timing would be a bit surprising given the current market conditions, especially for new economy sectors," said Ruchir Desai, a fund manager at Asia Frontier Capital Ltd.

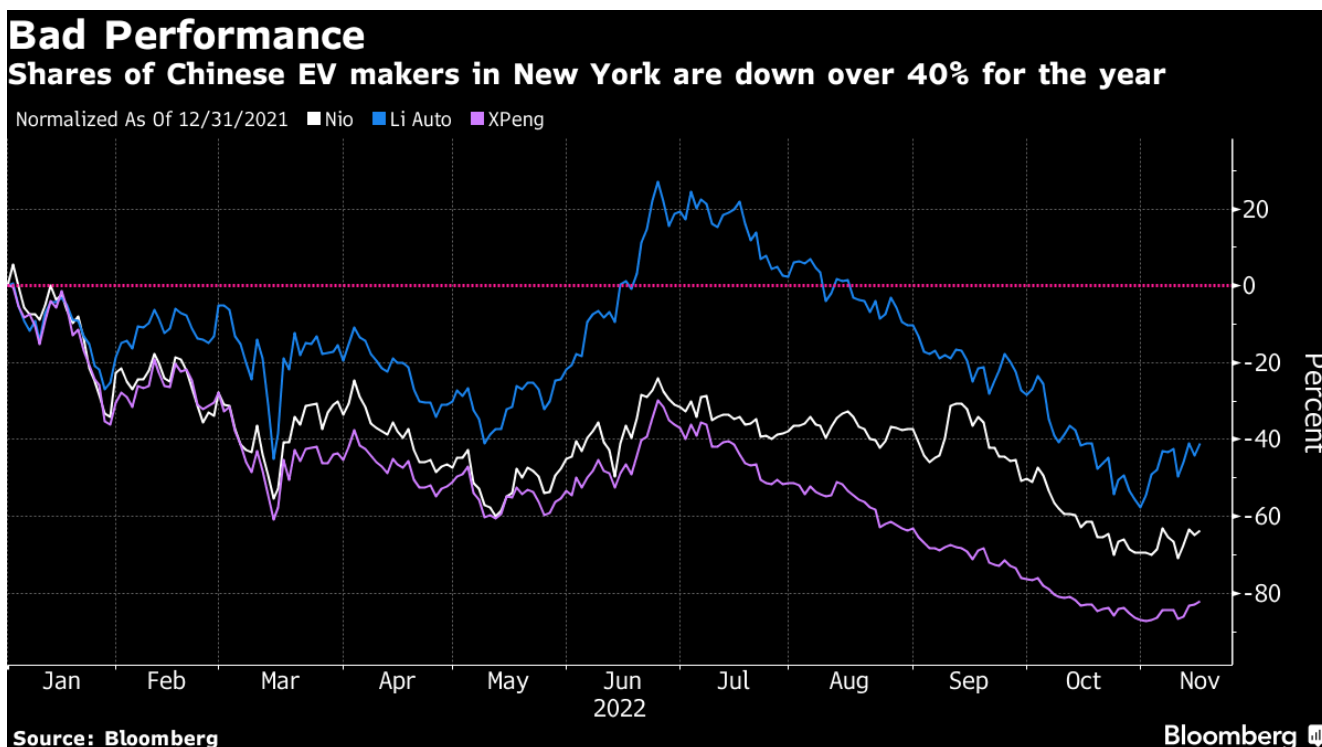
The deal has been on the radar for more than a year and a half. Bloomberg first reported in April 2021 that Vingroup was considering a \$2 billion offering stateside, and that it was estimated to happen as soon as the end of the that quarter. The company then filed confidentially for an IPO in April last year, but no timeline was given.

Should the offering be the same size as initially reported, it would mark a return of major Asian listings in New York. There's been a drought of \$1 billion-plus offerings in major IPO venues globally this year as rising interest rates and recession fears eroded sentiment toward equities. Asian offerings in the US in 2022, excluding blank check firms, were mostly executed by small Chinese companies raising less than \$50 million, including some that showed wild mysterious swings as soon as they listed.

VinFast, alongside other EV players, is "still working on building their branding and convincing customers to try their products by offering competitive pricing," said Ken Foong, a Bloomberg Intelligence analyst. "I would say that there would be quite a lot of competition in the overseas markets such as the US and EU, which they are trying to enter."

Read more: [VinFast's US IPO Could Be Valued at Up to \\$20 Billion: React](#)

Since Sept. 2018, three Chinese EV makers debuted in the New York -- Nio Inc., Li Auto Inc. and XPeng Inc. -- after raising a combined \$4.1 billion in their offerings. Their shares are down respectively 64%, 41% and 82% for the year, respectively, with their stocks in Hong Kong also all in negative territory.



In September, another Chinese player, Zhejiang Leapmotor Technology Co., slumped 34% in its first session in Hong Kong following a \$803 million offering, capping the biggest first-day decline for a listing of that size or bigger on record in the city. Some analysts cited an expensive valuation and challenges to gain market share.

VinFast secured about \$1.2 billion for a planned EV factory in North Carolina, where it intends to start production in 2024, and is expanding collaboration with Chinese battery maker Contemporary Amperex Technology Co. Ltd. VinFast has said it has about 73,000 global reservations for its EVs.

The US listing should help the company “to build their brand, to make it more known to investors as well as to fund for their expansion and factory building in the US,” said Bloomberg Intelligence’s Foong. “I guess at the end, the attractiveness could depend on the pricing of the IPO.”

- [Click here to see a full list of IPO offerings in Asia reported by Bloomberg or other media outlets over the past six months](#)

UPCOMING LISTINGS:

- Archeon Chemical Industries
  - Indian stock exchanges
  - Size up to 14.6b rupees
  - Listing TBD
  - IIFL Securities, ICICI Securities, JM Financial
- Five-Star Business Finance
  - Indian stock exchanges

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- Size up to 19.6b rupees
  - Listing TBD
  - ICICI Securities, Edelweiss Financial, Kotak Mahindra Capital, Nomura Financial
- Keynes Technology India
  - Indian stock exchanges
  - Size 8.58b rupees
  - Listing TBD
  - DAM Capital, IIFL Securities
- Keystone Realtors
  - Indian stock exchanges
  - Size 6.35b rupees
  - Bookbuilding Nov. 14–16
  - Axis Capital, Credit Suisse
- Jeio Co.
  - Korean exchanges
  - Size up to \$103m
  - Listing date Nov. 18
  - Korea Investment & Securities
- LX Technology Group
  - Hong Kong stock exchange
  - Size HK\$466m
  - Listing Nov. 24
  - Haitong
- I-Tail Corporation
  - Thailand stock exchange
  - Size up to 21.1b baht
  - Books open Nov. 15–22, pricing Nov. 28, listing Dec. 9
  - Credit Suisse is a joint global coordinator

### SPACS TO WATCH:

- Everest Acquisition Corp.
  - Hong Kong
  - Filed Sept. 19
  - Promoters: Hony Partners, ABCI Capital
  - ABCI, Citi
- TechStar Acquisition Corp.
  - Hong Kong
  - Filed June 24

- Promoters include China Citic Bank Corp.'s overseas asset management, Zero2IPO and its founder
  - Zero2IPO Capital, China Securities International
- Destone Acquisition Corp.
  - Hong Kong
  - Filed April 8
  - Promoters: Wang Shi and Asia Investment Fund Management Ltd.
  - Morgan Stanley
- Black Spade Asia Acquisition Co.
  - Hong Kong stock exchange
  - Filed March 20
  - Promoters: Black Spade Capital, Black Spade Assets, Black Spade Acquisition Holding, Black Spade Asia Sponsor, BOCHK Asset Management
  - UBS is sole sponsor
- A SPAC (HK) Acquisition Corp.
  - Hong Kong stock exchange
  - Filed March 15
  - Promoters: Arta TechFin (75% held by Adrian Cheng), A SPAC (Asia) Holdings, De Oro Strategics, JVSakk Asset Management
  - Haitong International is sole sponsor
- Pisces Acquisition Corp.
  - Hong Kong stock exchange
  - Filed March 2
  - Promoters: OCI Asset Management Co., indirectly wholly-owned by OCI
  - CMBI is sole sponsor
- Vivere Lifesciences Acquisition Corp.
  - Hong Kong stock exchange
  - Filed Feb. 21
  - Promoters: VMS Asset Management, I-Mab Biopharma, Siu Wai Ng, Jielun Zhu and Ya Chun Chen
  - UBS is sole sponsor
- Ace Eight Acquisition Corp.
  - Hong Kong stock exchange
  - Filed Feb. 14
  - Promoters: ACE Promoter, Assos Omada Promoter
  - CMBC Capital is sole sponsor
- Trinity Acquisition
  - Hong Kong stock exchange
  - Filed Jan. 31

- Promoters: Li Ning, LionRock Capital (Cayman) Ltd., Astrapto Capital Partners (HK) Ltd.
- Credit Suisse, JPMorgan
- Tiger Jade Acquisition Company
  - Hong Kong stock exchange
  - Filed Jan. 28
  - Promoters: Tiger Jade Capital Fund, Dragonstone Capital Management
  - UBS is sole sponsor

More ECM-related developments we are following:

- Shares of the parent company of Paytm, India's leading digital payments brand, declined after a lock-up period on its initial public offering expired on Nov. 15
- Carlyle-backed Global Health Ltd. started trading at 406.40 rupees, compared with the 336 rupees issue price in its initial public offering that raised 22.05 billion rupees selling a total of 65.64 million shares
- Bikaji Foods International Ltd. started trading at 328.60 rupees, compared with the 300 rupees issue price in its initial public offering
- Agile Group Holdings Ltd. became the second Chinese property developer in as many days to announce capital-raising plans as investors piled into the industry's shares
- Comba Telecom Systems Holdings has submitted an application to the Singapore Exchange for a proposed secondary listing by way of introduction, according to its filing

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Related ticker:

VIC VN (Vingroup JSC)

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