

Coinbase plans to go public with direct listing

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Coinbase filed papers to become publicly traded through a direct listing

Coinbase, an exchange for bitcoin and other cryptocurrencies, filed papers Thursday to become publicly traded in the latest sign of the rise of digital currencies.

The San Francisco-based group, which plans a direct listing rather than

[initial public offering](#), pointed to strong growth in 2020 as it announced itself as a disruptor of the financial system.

The current financial system "is rife with high fees, delays, unequal access and barriers to innovation," said Coinbase Chief Executive Brian Armstrong, according to a securities filing laying out the group's plans.

Facilitating and promoting digital currency marks a path to a "more global, free and fair alternative," Armstrong said.

"The cryptoeconomy is just getting started," he said. "It is not intended to replace the traditional economy, but instead be a complement to it, much like email was to paper mail."

The Coinbase announcement comes in the wake of surging values of bitcoin as mainstream companies such as BNY Mellon and Mastercard unveil programs to enable digital currency use.

Coinbase reported a 136 percent surge in 2020 revenues to \$1.1 billion. It reported a profit of \$322 million, compared with a loss of \$30 million in 2019.

In employing a direct listing, Coinbase investors and employees will convert their ownership stakes into stock.

This strategy has become an increasingly popular way to become publicly traded and was used earlier by Spotify, Slack and Palantir.

Coinbase had 43 million retail users across 7,000 institutions on its platform in 2020.

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