

Deliveroo says London share sale will raise £1 billion

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Takeaway meals app Deliveroo said Monday that its upcoming London stock market listing would raise £1.0 billion (\$1.4 billion, 1.2 billion

euros).

The company has already picked London for its initial public offering (IPO) but has not yet indicated the amount of shares nor the total valuation of the listing.

"The offer will comprise of new shares to be issued by the company—raising gross proceeds of approximately £1 billion—and existing shares to be sold by certain existing shareholders," the firm said in a statement about the listing, which is planned for April.

Deliveroo, in line with other home-delivery companies, has seen demand soar in the past year owing to lockdowns during the coronavirus pandemic.

The company confirmed in January that it would target a London IPO after a fundraising round valued it at more than \$7.0 billion (5.8 billion euros).

Monday's statement comes one week after the group said it had slashed losses last year on booming demand from locked-down customers.

Alongside the results, Deliveroo—founded in London eight years ago—confirmed its "intention to list" in an IPO that will target institutional investors outside the United States.

The sale will also offer UK-based customers, including delivery riders and restaurant partners, an opportunity to participate.

The UK-based company made an underlying loss of £223.7 million in 2020, hit by heavy investment, but that marked an improvement from a loss of £317 million in 2019.

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