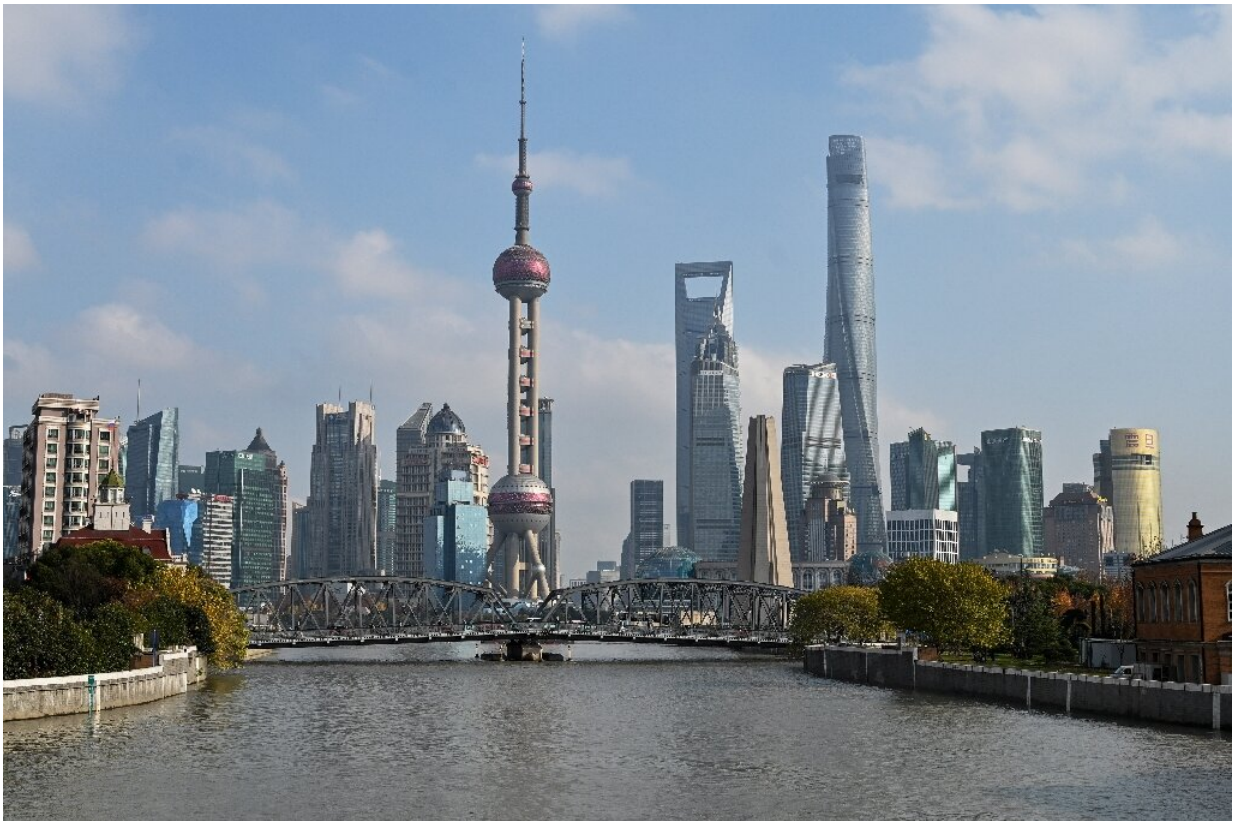


China Telecom eyes \$8.4 bn Shanghai IPO, world's biggest in 2021

August 9 2021



At as much as \$8.4 billion, China Telecom's Shanghai IPO could be the world's biggest this year.

China Telecom could raise more than \$8 billion in a Shanghai initial public offering that would be the biggest this year, months after it was

delisted in the United States amid Washington's stand-off with Beijing.

The firm said it had priced its offer at 4.53 yuan per share, which would be worth 47.1 billion (\$7.3 billion), according to a filing with the Shanghai Stock Exchange on Friday.

However, if an over-allotment option was exercised that would jump to 54 billion yuan (\$8.4 billion), Bloomberg News said.

China Telecom was delisted by the New York Stock Exchange in January along with fellow state-owned telecoms firms China Mobile and China Unicom following an executive order by former president Donald Trump.

The order banned investments by Americans into a range of companies deemed to be supplying or supporting China's military and security apparatus.

China Telecom is the country's largest fixed-line operator, and the share issue would be the biggest of the year, topping the \$5.4 billion raised in Hong Kong by TikTok rival Kuaishou Technology in February.

Many of China's biggest tech and telecom firms listed their shares on the more developed US stock markets in the 2000s as they sought access to funding, but the tide has been turning.

Authorities have been pushing in recent years to instead encourage such companies to list on its domestic exchanges in Shanghai and Shenzhen, as well as Hong Kong, a trend expected to be accelerated by an ongoing government campaign to strengthen control over its major tech giants.

China is in the midst of a digital transformation drive, and proceeds from the Shanghai listing will be used for 5G and cloud-network

infrastructure, among other initiatives, the exchange filing said.

© 2021 AFP

Citation: China Telecom eyes \$8.4 bn Shanghai IPO, world's biggest in 2021 (2021, August 9)
retrieved 25 April 2024 from

<https://techxplore.com/news/2021-08-china-telecom-eyes-bn-shanghai.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.