

Shares of Walmart-backed Ibotta soar on public debut

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Shares of Ibotta, a Walmart-backed digital company that offers customers cash-back rewards and rebates on grocery brands ranging from Nestle to Coca-Cola, rose 17% in their Wall Street debut.

The stock, which trades under the ticker "IBTA" on the New York Stock

Exchange, opened Thursday at \$117, well above the \$88 offering price. By mid-afternoon trading, it had lost some momentum and closed at \$103.25.

Ibotta joins a handful of tech companies like Instacart and Reddit that enjoyed a solid debut in the public markets. Last September, grocery delivery Instacart's shares finished the day up 12.3% on Nasdaq, giving the company a market value of more than \$11 billion. [Reddit's](#) stock soared in its Wall Street debut in March of this year as investors pushed the value of the company close to \$9 billion seconds after it began trading on the New York Stock Exchange.

Denver-based Ibotta, founded by lawyer Bryan Leach in 2011, works with more than 850 different clients and represents 2,400 consumer packaged brands, according to its prospectus filed with the Securities and Exchange Commission. Walmart, Family Dollar, Kroger and other major retailers use its artificial intelligence-enabled software, which delivers promotions that match customers' purchasing behavior.

Ibotta said it only gets paid when a customer sees a company's promotion and it results in a sale. Those customers get cash back every time they buy something in a participating brand's store or on their app, with the money deposited in their bank account or applied to a gift card. Ibotta said in its filing that it's given more than \$1.8 billion back to customers since 2012.

It reported net income of \$38 million on sales of \$320 million last year. That compared with a net loss of \$55 million on revenue of \$211 million in 2022, according to the prospectus.

Walmart is listed among the company's stockholders with a 5% or greater share.

Ibotta sold 2.5 million shares. It plans to use net proceeds—which it estimated at \$198 million assuming an IPO price of \$88—for general corporate purposes including working capital and capital expenditures. Selling shareholders are offering another 4.1 million shares, but Ibotta won't receive proceeds from those sales.

The company has two classes of stock with Leach, who is also president and CEO, getting roughly 70% of the combined voting power of its stock.

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