

Singapore's Asia Innovations Group plans U.S. listing via \$2.5 bln SPAC merger

Reuters
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Singapore-based mobile app developer Asia Innovations Group Limited (ASIG) said on Friday it would go public through a merger with a blank-check firm in a deal that values the combined entity at \$2.5 billion.

The move by ASIG to merge with special purpose acquisition company (SPAC) Magnum Opus Acquisition Ltd (OPA.N) would bring estimated gross proceeds of \$200 million in cash, which Magnum Opus raised via its own initial public offering in May 2021.

Magnum Opus last year signed a \$630 million deal with Forbes that would have taken the magazine publisher public, but the transaction was terminated by Forbes in June.

ASIG, which runs live-streaming app Uplive and e-commerce platform Hekka, is also targeting up to \$150 million from an additional capital raising as part of the merger process, it said in a statement.

The funds will support growth of ASIG's products as well as acquisition opportunities, ASIG said.

"Even though the macro global environment is challenging, ASIG's focus on emerging markets can benefit from the continued growth of many emerging market regions, compared to mature markets," ASIG Chief Executive Andy Tian told Reuters on Friday.

The transaction is expected to close in the first quarter of 2023, pending regulatory approvals, the company said.

SPACs are shell firms that raise money from institutional and retail investors via market listings, and put it in a trust for the purpose of merging with a private company and taking it public.

They were among the hottest investment trends during the pandemic as early-stage companies tapped them as a way of going public but increasing scrutiny by U.S. regulators has resulted in a decline of SPAC IPOs and consequent mergers.

The value of SPAC mergers has shrunk to \$77 billion globally so far this year amid volatile global markets, compared with \$494 billion in the same period in 2021, Refinitiv data showed.

ASIG operates an integrated platform of products designed for mobile devices across social, mobile gaming, e-commerce, and payments, including live social dating apps Lamour and CuteU.

As of end-2021, it had more than 400 million registered users located in 150 countries and regions and its revenue had more than doubled from the prior year, the company said.

ASIG has 18 offices worldwide, with more than 1000 employees from 23 countries across five continents.

The mobile app developer said it tapped Kirkland & Ellis, Evercore, Incentrum Securities and XCap Partners to advise it on the merger, while White & Case advised Magnum Opus.

A spokesperson for Magnum Opus, led by former Point72 executive Jonathan Lin, did not respond immediately to a request for comment on the merger plan.

Link: <https://www.reuters.com/markets/asia/singapores-asia-innovations-group-plans-us-listing-via-25-bln-spac-merger-2022-09-30/>

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