

Rocket Internet loses value in IPO

BERLIN, GERMANY: Germany's ambitious start-up platform Rocket Internet made its high-profile arrival on the Frankfurt stock market on Thursday, 2 October, but got off to a disappointing start as shares slumped in early trading.



The Samwer brothers, Oliver, Marc and Alexander run Rocket Internet that debuted on the Frankfurt Stock Exchange. Rocket Internet controls 66 companies and has about 20,000 employees worldwide. Image: [Bilanz](#)

Shares were issued at €42.50 giving Rocket a value of €6.7bn, which is more than Lufthansa, but lost six percent in early trading.

After more than five million shares had been traded in the first hour, the price was down 2.26% to €41.54.

Rocket Internet, aiming to be Germany's answer to US companies Amazon and eBay and China's Alibaba, owns a range of businesses around the world in e-commerce, online retail and internet-based payment systems.

The Berlin-based technology incubator founded in 2007 and run by brothers Oliver, Marc and Alexander Samwer fully or partially owns 66 companies in more than 100 countries, many of them emerging economies. It has about 20,000 employees.

Zalando, Europe's largest online fashion retailer, which had its Frankfurt stock debut on Wednesday (1 October), was built up under the watch of Rocket.

The two stock debuts come amid a surge of international market enthusiasm for e-commerce initial public offerings (IPOs) after China's Alibaba raised \$25bn in New York. However, some analysts have warned that there may be another technology bubble looming similar to the dot com bubble several years ago.

Source: AFP via I-Net Bridge

For more, visit: <https://www.bizcommunity.com>