

Carousell in talks to list in US via \$2b Spac deal

L Catterton Asia plans to conduct due diligence on e-marketplace firm over coming weeks: Sources

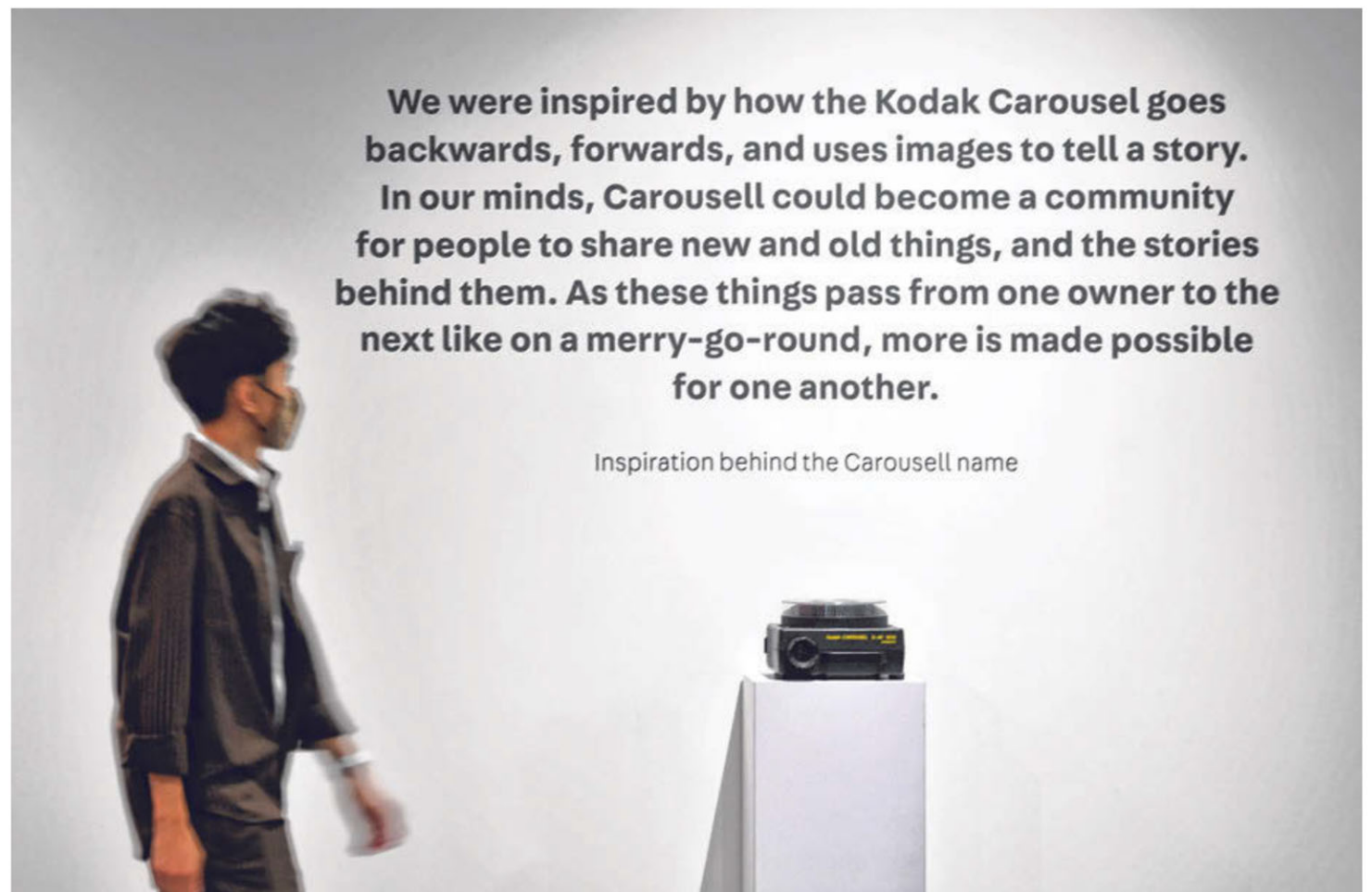
HONG KONG • Singapore online marketplace operator Carousell is in talks to go public through a merger with blank-cheque company L Catterton Asia Acquisition, according to sources familiar with the matter.

A transaction could value the combined entity at as much as US\$1.5 billion (S\$2 billion), the sources said, asking not to be identified because the information is private. They said Carousell has entered into exclusive talks with the special purpose acquisition company (Spac).

The US-listed Spac is backed by L Catterton, a US\$30 billion buyout firm minority-owned by Paris-based luxury goods company LVMH and billionaire Bernard Arnault's investment firm.

The Spac plans to carry out due diligence on Carousell over the coming weeks with the goal of reaching a merger agreement as early as this quarter, the sources said. The deal may include a private investment in public equity, or Pipe, worth a few hundred million dollars.

Considerations are ongoing and



A mural at the Carousell office in Singapore explaining the origins of the company's name. The online marketplace operator has been exploring a US listing via a special purpose acquisition company deal, joining a growing list of companies across South-east Asia including Grab Holdings and PropertyGuru. ST PHOTO: CHONG JUN LIANG

Carousell, founded in 2012 by three friends from the National University of Singapore, now counts Telenor Group, Rakuten Ventures, Naver and Sequoia Capital India among its backers. The firm has since expanded to markets across South-east Asia, as well as Taiwan and Hong Kong.

there is no certainty the talks will result in a deal, the sources said, adding that details such as timing and valuation could change.

Representatives for Carousell and L Catterton declined to comment.

L Catterton Asia, led by managing partners Chinta Bhagat and Scott Chen, raised US\$250 million last year to target a combination with companies in the high-growth consumer technology sectors across Asia. It is sponsored by a US\$1.45 billion third fund.

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The firm has since expanded to markets across South-east Asia, as well as Taiwan and Hong Kong, allowing users to buy and sell a diverse range of products from cars to gadgets to fashion accessories.

It runs several online marketplaces, including Carousell, Chotot.com in Vietnam, Mudah in Malaysia and OneKyat in Myanmar, according to its website.

The company has been exploring a US listing via a Spac deal, Bloomberg News reported last June, joining a growing list of companies across South-east Asia.

Ride-hailing provider Grab Holdings and Altimeter Growth Corp completed one of the largest Spac deals ever last month.

Also last year, Singapore's online real estate firm PropertyGuru agreed to go public through a merger with Bridgetown 2 Holdings, a blank-cheque company backed by billionaires Richard Li and Peter Thiel.

In Singapore, two Spacs opened their books for initial public offerings (IPOs) and are set to list later this month, The Straits Times reported on Thursday.

The IPOs, by Vertex Technology Acquisition Corp and Pegasus Asia, would mark the first Spac listings on a major Asian bourse, and the first in the region since the frenzy for such blank-cheque companies started in the United States in 2020. BLOOMBERG