



RIT – Coupang IPO adds +195p or +8.4% to NAV

12 March 2021

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Stifel View: The Coupang IPO is a very good outcome for RIT, with it adding 195p or +8.4% to NAV based on yesterday's closing share price. RIT has been a long-term investor in private equity-backed businesses and has been able to generate some good uplifts on these investments over the years. Whilst RIT will be subject to any volatility in the Coupang share price, based on yesterday's price and other things being equal, RIT's NAV is projected to be c.2510p. The shares closed yesterday at 2290p, a 9% discount to this projected NAV. We maintain a Positive rating and expect the shares to trade closer to the projected new NAV.

IPO: One of RIT's private investments - Coupang, a South Korean e-commerce business - completed an IPO on 11 March 2021 and commenced trading on the New York Stock Exchange. This investment is held through a co-investment fund managed by an external general partner (GP). As is typical with such investments, and the private equity industry more generally, the Company's 31/12/20 valuation of \$192.2m or £140.8m was based on the most recent valuation received from the GP and was unchanged in the February NAV. In advance of the receipt of an updated formal notification from the GP, and without having direct access to underlying information, RIT estimate the closing price on 11 March of \$49.25 per share, would represent a c.222% increase in the US dollar value of RIT's investment. This would be equivalent to an increase in RIT's NAV per share of c.+195p or +8.4%. An updated valuation for Coupang will be reflected in the 31/03/21 NAV (based on Coupang's closing price on that date).

February NAV +0.9%: The NAV at 28/02/21 was 2316p, an increase of +0.9% from 2296p at 31/01/21.