

Tesla Inc

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Chinese Tesla rival NIO revs up US\$1.3bn IPO on NYSE

Shanghai-based electric-vehicle maker NIO Inc, which has billed itself as a potent rival to Tesla, is seeking to raise US \$1.3bn in an initial public offering (IPO) and planning to list on the New York Stock Exchange.

In a filing with the Securities and Exchange Commission, NIO registered an IPO of its American depository shares. The Chinese upstart has launched an offering of 160 million ADRs at a price range of US\$6.25 to US\$8.25. That values the company at up to US\$8.5bn ahead of its trading debut in about two weeks.

The electric-car maker plans to list its shares on the New York Stock Exchange under the symbol "NIO."

At the top of the price range, NIO would raise gross proceeds of US\$1.32bn. The company could raise as much as US\$1.52bn in total if an option to sell 15% more stock is exercised after the shares begin trading, according to the Wall Street Journal.

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Through the NYSE listing, NIO is building its war chest to take on Tesla, which is arguably the world's No 1 global electric vehicle maker. The Chinese carmaker is already demonstrating a strong cost advantage. In December 2017, Nio launched the NIO ES8, a seven-seater electric SUV, at about half the price of Tesla's Model X in China. The ES8 is Nio's first mass-produced model for the China market and has a base price of 448,000 yuan (US\$65,000).

As of July 31, 2018, NIO delivered 481 ES8s and had unfulfilled reservations for more than 17,000 ES8s with deposits, of which 4,989 reservations were made with non-refundable deposits. It plans to launch another lower-priced, five-seater electric SUV, the ES6, by the end of 2018.

Investors shouldn't get the impression that NIO is just a cheap electric-car maker. It has higher aspirations. In 2016, NIO developed the EP9 supercar, a 1,360-horsepower speedster to challenge high-end sports cars with British racing driver Oliver Turvey and Italian racer Luca Filippi behind the wheel.

The intent with the supercar or concept racer was to check out the performance, assess the technology, and reuse a lot of that in NIO's mass-market vehicles.

Corporate America first woke up to the Chinese presence when NIO founder William Li, dubbed the "Elon Musk of China," managed to lure Silicon Valley innovator Padmasree Warrior from Cisco Systems Inc (NASDAQ: CSCO) two years ago to head up NIO in America and be global chief development officer. She has built NIO's 85,000-square-foot R&D center in San Jose, California by hiring some of America's top artificial intelligence, robotics and electric car

Price: US\$205.36

Market Cap: US\$36592.81M

1 Year Share Price Graph



Share Information

Code: TSLA

Listing: NASDAQ

52 week	High	Low
	\$387.31	\$195.25

Sector: Manufacturing

Website: www.tesla.com

Company Synopsis:

Tesla Inc. was founded in 2003 by a group of Silicon Valley engineers who set out to develop a new electric vehicle company. Tesla Inc. uses proprietary technology, world-class design and state-of-the-art manufacturing processes to create a new generation of highway capable electric vehicles. We utilize an innovative distribution model based on company-owned sales and service centers.

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experts.

READ: Tesla may soon swing to a profit as Model 3 demand revs up
NIO now has research and design centers in Shanghai, London, Hong Kong, Munich and California.

According to the Wall Street Journal, NIO was last valued at US\$5bn in a private capital raise in November 2017. The paper said NIO's shareholders included entities affiliated with Chinese internet giant Tencent Holdings Ltd. and China-focused investment firm Hillhouse Capital Group.

NIO is riding on strong growth in China's booming electric-vehicle market and is firing on all pistons.

"It rented a large stadium for the launch of its first car in Beijing late last year, flying in thousands of employees from around the world as well as US rock band Imagine Dragons to provide the entertainment," reported the Journal.

The Chinese electric car maker is planning to build a network of 1,200 mobile charging vans and 1,100 battery swap stations by 2020 that will allow NIO drivers to switch out their car batteries for freshly charged ones.

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