

# China's selfie app Meitu debuts on Hong Kong exchange

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China's selfie app developer Meitu raised \$629 million as it listed on the Hoing Kong Stock Exchange

China's popular selfie app developer Meitu made a muted debut on the Hong Kong stock exchange Thursday after the biggest IPO by a technology company in the city in almost a decade.

With 456 million monthly active users, the Xiamen-based company

targets teenagers and young adults, primarily female, who use the beautifying app to retouch selfie photos for everything from posts on social media to job applications.

The app enables users to smooth and change the colour of their complexions, widen their eyes and slim themselves down.

Its flotation is seen as a barometer for interest among Hong Kong [investors](#) in new tech companies from the mainland.

The listing raised \$629 million and the company now has a valuation of \$4.6 billion, but analysts said sentiment was dampened by a hike in US interest rates.

The Hang Seng Index shed 1.69 percent by the break on Thursday. Meitu's shares stood at HK\$8.50 at noon local time (0400 GMT) after opening at \$HK8.78, and dipping as low as HK\$8.33 during morning trading.

"For a lot of [institutional investors](#), I think they want to follow this stock because it is one-of-a-kind in the market," said Hong Kong-based analyst Jackson Wong.

"(But) the profitability of the stock is not foreseeable right now," he said.

"Whether they can monetise this app is a key for institutional investors to look at."

Meitu is hoping to take advantage of the recently launched Hong Kong-Shenzhen link that improves access to stocks for mainland investors, and allows foreigners to buy shares in more than 800 Chinese firms for the first time.

But Dickie Wong, executive director of research at Kingston Securities Limited said Wednesday's Fed hike had put extra pressure on Meitu stocks, which were already priced at the bottom of their marketed range.

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