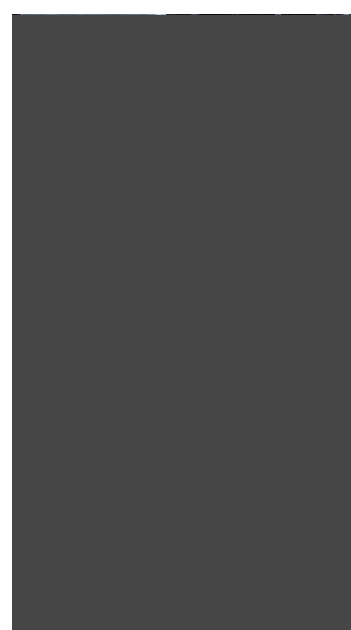




IPO Watch EMEA

2024



2024 IPO Watch EMEA key themes



2024 saw a gradual recovery of the US and EMEA IPO markets, with both reporting higher IPO proceeds raised compared to last year. IPO proceeds in Europe have more than doubled year-on-year. In the UK, we are also seeing an uptick in the secondary markets, signalled by strong secondary equity issuance activity and the return of net inflows into UK equities in November. Looking ahead, we anticipate a further revival of the IPO market by mid 2025. Whilst IPO activity will depend heavily on continued improvement in the macroeconomic environment, the IPO market is open for companies that can demonstrate a strong equity story with a solid track record and readiness to operate as a public company.

Kat Kravtsov

Director, UK Capital Markets

Figure 1: Europe IPO activity (incl. UK)

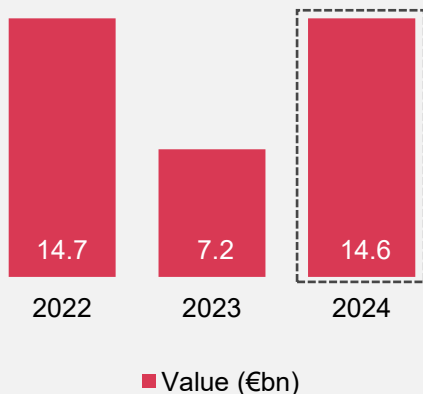


Figure 2: EMEA IPO activity

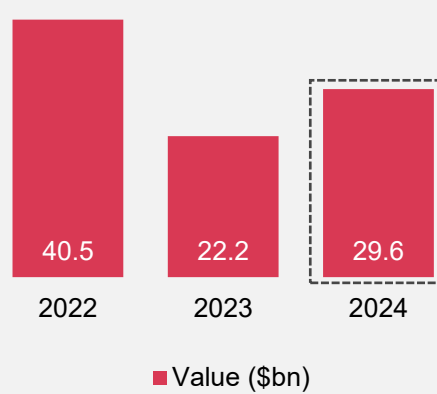
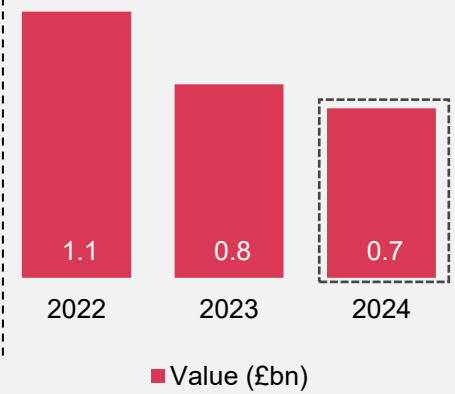


Figure 3: UK IPO activity



* Note: the data used in this report is as of 30 November 2024

Improving macroeconomic and equity market environment creates momentum for IPOs

- 2024 has been a year characterised by stabilising inflation, interest rate cuts and GDP growth in EMEA.
- Global equity indices maintained an upwards trajectory throughout much of 2024.
- The VSTOXX volatility index, despite some periods of volatility, has traded within a normal range providing a supportive environment for IPOs.
- Globally, IPO markets in EMEA and the US experienced growth in activity compared to 2023, while the Asia-Pacific region saw a slowdown.

Decisive election outcomes and policy direction

- In a year of elections, clear and decisive outcomes across the globe including the UK, US, and India have brought certainty to global markets.
- Following Labour's first Autumn Budget, the UK is forecast to see significant increases in borrowing and taxes which, to date, have impacted gilt yields rather than having a broader economic impact. The Bank of England has continued to cut interest rates after the Autumn Budget. We have also seen a return of net inflows into UK equities in November.
- The recent US elections provided investors with clarity on policy direction and the optimism was evident as the S&P 500 rose over 2% to a record high the day after the election.

Europe, Middle East and Africa IPO market performance highlights

- European IPO proceeds more than doubled in 2024 compared to the previous year. Two of the top five IPOs globally in 2024 were priced on European exchanges: Puig Brands (€2.6bn) and Galderma (€2.0bn).
- Capital markets in the Middle East are maturing, characterised by a broadening sector base and growing interest from international investors.
- South Africa's stock market performance has improved in 2024, driven by a stabilising political landscape. The JSE hosted the largest IPO seen since 2017 in Q4 2024.

2025 Outlook

- The year 2024 has set the stage for what we anticipate will be a further revival of the IPO market in EMEA and beyond in 2025. The success of significant IPOs executed in 2024 has tested the waters and paved the way for prospective IPO candidates waiting in the wings.
- Private equity (PE) backed IPOs have seen success in 2024. We expect the IPO market for PE-backed assets to continue to grow in 2025 as pressure mounts to realise value.
- A number of significant IPOs and new listings in London are underway, including Metlen Energy that announced its intention to list on the LSE, in addition to the recent spin-off listing of Canal+, providing momentum for what is expected to be a bigger year for the UK's capital markets in 2025.

Capital markets and macroeconomic overview

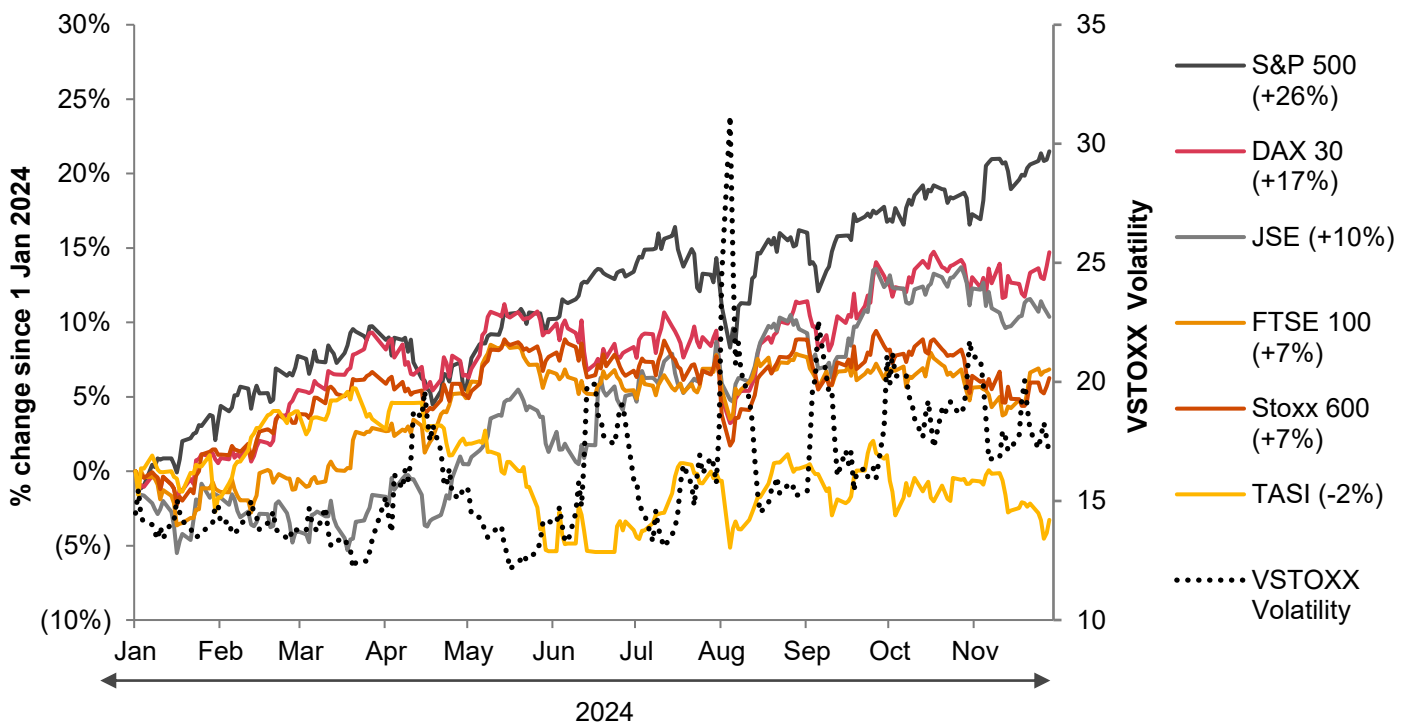
Positive equity market performance, lower volatility, falling interest rates and inflation returning to central banks' targets has laid the foundation for a strong IPO environment in 2025.



Equity capital markets performance and macroeconomic environment

2024 has been a pivotal year in the fight against inflation, with central banks beginning to ease monetary policy as inflation has dropped across EMEA. The improving macroeconomic environment, along with falling interest rates, has led to a gain of over 7% across the Stoxx 600, the FTSE 100, the JSE and the DAX 30, with only the TASI ending the year in negative territory due to lower oil prices, which drive a significant proportion of the index.

Figure 4: Historical performance of major equity indices in 2024



Source: S&P Global Market Intelligence LLC 30 November 2024



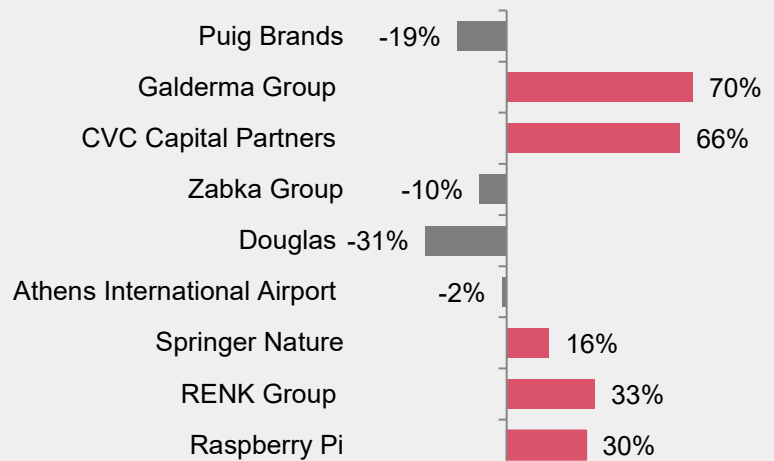
Equity capital markets 2025 outlook

Several \$1bn+ IPOs have tested the market in 2024, signaling the reopening of the IPO market after a quieter 2023. This activity sets the stage for what we anticipate will be a further revival of the IPO market in EMEA and beyond in 2025.

This positive outlook is supported by the improved macroeconomic outlook, sustained lower volatility (largely below 20 over 2024), strong equity market performance and positive aftermarket performance of some of the largest IPOs of 2024, particularly Galderma (+70%) and CVC (+66%).

A number of significant IPOs have been flagged to the market and are expected to come in 2025. Exchanges and regulators in Europe and the UK are focused on pairing back regulation to support public markets and equity issuance, this should provide a further tailwind for IPOs in 2025.

Figure 5: Aftermarket performance of notable European IPOs in 2024



Source: S&P Global Market Intelligence LLC 30 November 2024

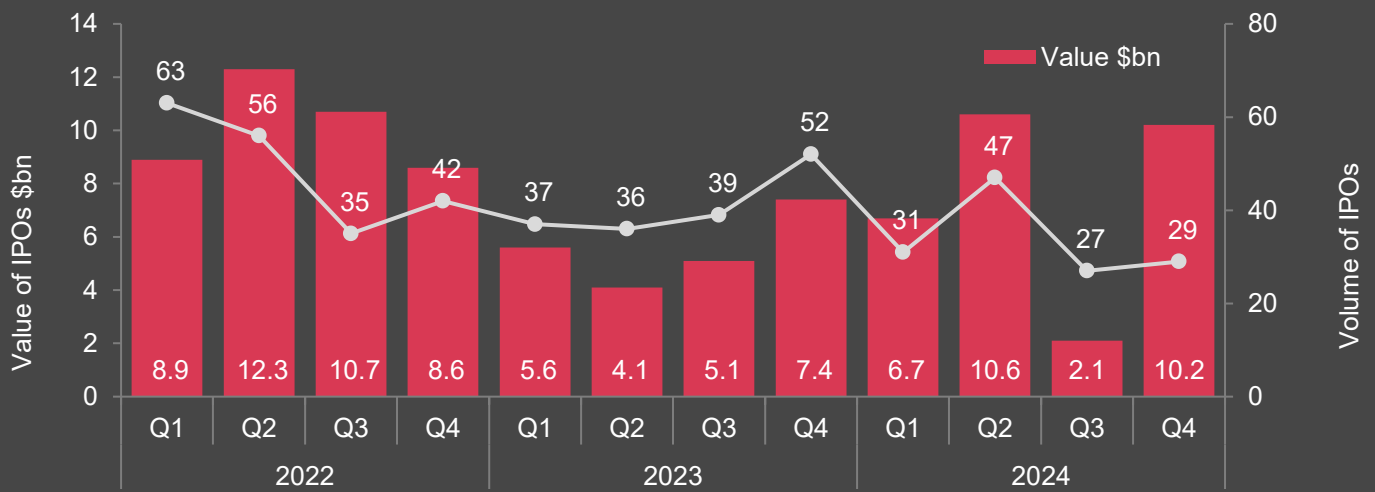
EMEA IPO trends



2024 has set the stage for what we anticipate will be a further revival of the IPO market in EMEA and beyond in 2025. Private equity backed IPOs in Europe have seen success in 2024 and an interesting trend has started to emerge whereby the sponsor has retained a stake in the company at the point of IPO - which has reassured other IPO investors - and exited post-IPO at a higher price point. We have also seen the UK's equity markets begin to return to normality signalled by the return of net inflows into UK equities in November for the first time in 42 months and the announcement of larger listings in London towards the end of the year. Preparations for a number of significant IPOs are already underway, providing momentum for what is hoped to be a big year for the UK markets in 2025.

Vhernie Manickavasagar
Partner, UK Capital Markets

Figure 6: EMEA IPO activity (Q1 2022 to Q4 2024)



Source: S&P Global Market Intelligence LLC



2024 EMEA IPO activity

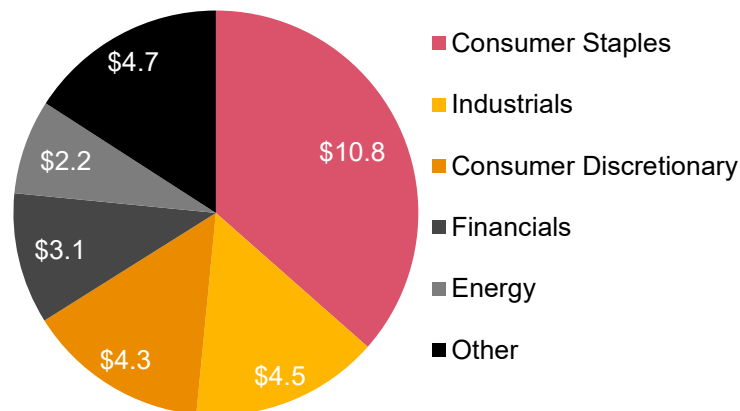
In 2024, EMEA IPO proceeds surpassed those of the previous year, despite a subdued period of IPO activity in Q3. The decline in the third quarter was mainly due to multiple elections and regulatory changes over the summer months. However, a resurgence in IPO activity occurred in Q4 as election results settled across Europe and the effects of the US election began to influence the EMEA market. This stabilisation of the macroeconomic, political and regulatory environment has led to a more favourable outlook for IPO volumes in EMEA region heading into 2025.

Africa region recorded two IPOs during the year, collectively raising over \$500m (up 60% from 2023). Noteworthy was the listing of Boxer Retail Limited, a South African convenience store chain, which marked the largest IPO in South Africa since 2017. Boxer Retail Limited demonstrated strong aftermarket performance, up 24% since IPO, showcasing investor confidence.

The Middle East experienced robust IPO activity with over 75 IPOs generating more than \$13bn (down 6% from 2023). The region saw significant momentum in Q4, including the three largest IPOs of the year in the region. A standout was the Talabat IPO in November, which became the largest global technology IPO of 2024, raising \$2bn on the Dubai Financial Market. The first week of December saw another IPO in the Middle East with proceeds of \$0.5bn, continuing the momentum.

The strongest performing sectors for IPOs in EMEA were Consumer Staples at \$10.8bn, Industrials \$4.5bn and Consumer Discretionary \$4.3bn.

Figure 7: 2024 EMEA IPO proceeds by sector (\$bn)



Source: S&P Global Market Intelligence LLC

European IPO trends

European IPO proceeds more than doubled in 2024 compared to previous year, driven by the return of significant private equity backed IPOs, including IPOs of Galderma, Douglas and RENK, as well as the listing of CVC. The success of the PE-backed IPOs in 2024 is expected to lay the foundation for further PE listing activity in 2025.

Figure 8: Europe IPO activity (Q1 2022 to Q4 2024)



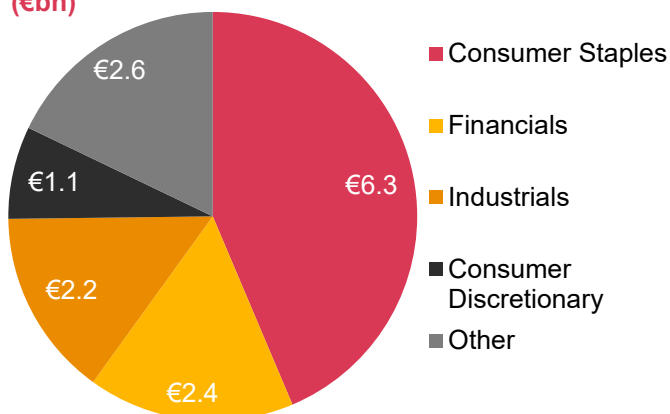
Source: S&P Global Market Intelligence LLC



2024 European and UK IPO activity

European IPO markets began a gradual return to normality in 2024, supported by an improved macroeconomic backdrop, decreasing inflation, and interest rate cuts across Europe. These factors have provided a more stable environment for further IPO activity as we look ahead to 2025. Although overall post-IPO performance in Europe was mixed, some of the largest IPOs of 2024 delivered solid returns, including Galderma (+70%) and CVC (+66%).

Figure 9: 2024 Europe IPO proceeds by sector (€bn)



Source: S&P Global Market Intelligence LLC

Top 5 Europe IPOs in 2024 (in €m)

Puig Brands Consumer Staples <hr/> €2,610m BME	Galderma Consumer Staples <hr/> €2,037 SIX Swiss Exchange	CVC Capital Financials <hr/> €2,022m Euronext Amsterdam	Zabka Group Consumer Staples <hr/> €1,499m Warsaw Stock Exchange	Douglas Consumer Discretionary <hr/> €889m Deutsche Börse
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With global private equity assets under management at a record high of \$5tn, indicating a significant backlog of maturing investments, we expect to see a more active IPO market for PE-backed assets as pressure builds to realise value and IPO markets provides a viable monetisation route.

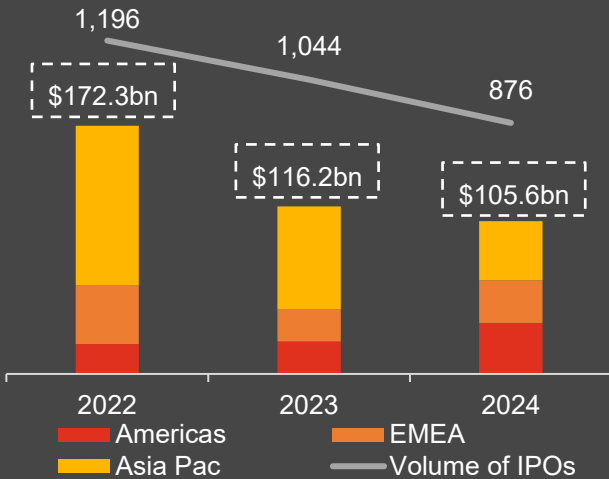
IPO proceeds from the consumer sector represent over half of total European IPO proceeds raised in 2024, with four of the top five European IPOs in this sector - Puig Brands, Galderma, Zabka Group and Douglas.

The London equity market has shown progress in 2024 with a number of AIM to Main move-ups, several IPOs and the recent spin-off listing of Canal+. With elections and listing reforms out of the way, there is a sense of greater stability and investor confidence as demonstrated by the recent reversal of persistent outflows from UK equities and robust secondary markets, demonstrated by large follow-on equity transactions, such as the £7bn National Grid rights issue and the £1.9bn offering of LSEG shares.

Global perspective

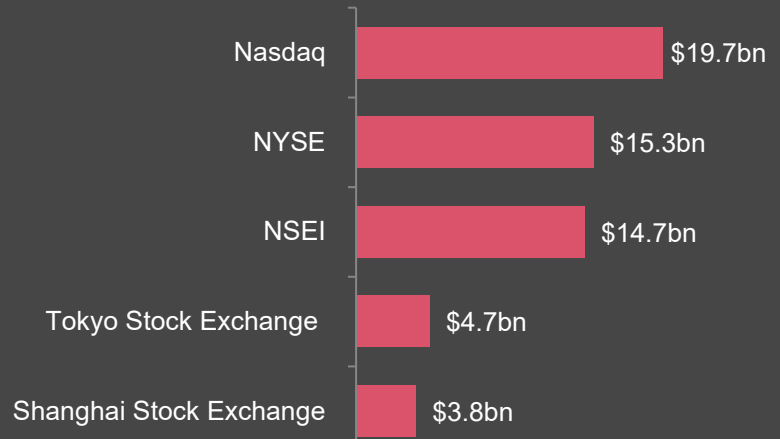
IPOs in the Americas and EMEA region grew in 2024, largely driven by the recovery of the IPO markets in the US and Europe, whilst total global IPO activity declined reflecting a slowdown in Mainland China.

Figure 10: Global IPO proceeds (\$bn) and volume by region (2022 to 2024)



Source: S&P Global Market Intelligence LLC

Figure 11: Global top five stock exchanges in 2024 by money raised



Source: S&P Global Market Intelligence LLC



Global 2024 IPO activity overview

Despite stronger IPO activity in the US and Europe, global IPO volumes and value declined by 16% and 10% in 2024 respectively, driven by the decline in APAC region, particularly in Mainland China/Hong Kong SAR, where IPO proceeds fell from \$51.5bn in 2023 to \$12.5bn in 2024.

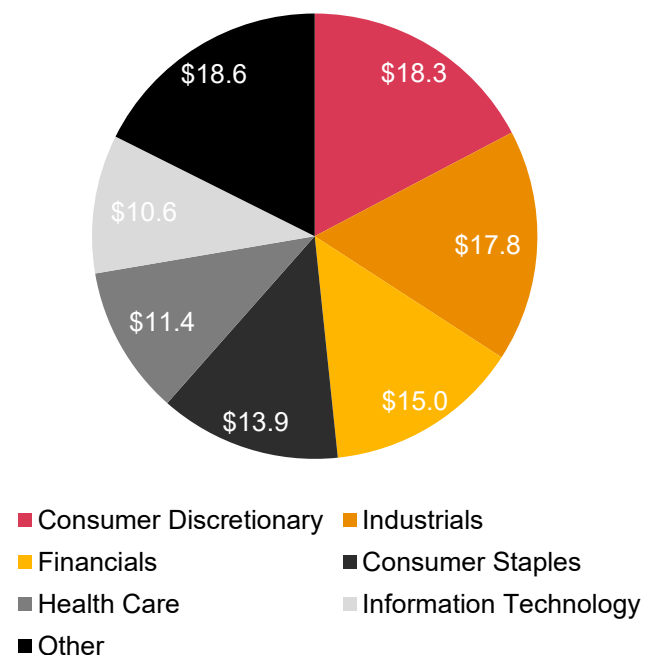
IPO proceeds in the America's increased by 57% year-on-year to \$35.4bn in 2024, driven by IPO activity in the US, where the total proceeds raised increased from \$22.4bn in 2023 to \$35.0bn in 2024 (including four \$1bn+ IPOs).

Europe was the most significant contributor to EMEA IPO activity, doubling the IPO proceeds raised in the year to \$15.2bn from \$7.7bn in 2023.

Consumer Discretionary took the top spot for IPO proceeds by sector in 2024 delivering \$18.3bn (c.17%) of global proceeds, with Hyundai India featuring in the top 10 by proceeds this year. Notably, the largest IPOs this year have a diverse industry and geographical mix.

Looking ahead to 2025, as sentiment towards equities grows more positive, we expect global IPO activity to further pick up, led by the recovery of the US IPO market.

Figure 12: 2024 Global IPO proceeds by sector (\$bn)



Source: S&P Global Market Intelligence LLC

Top 5 Global IPOs in 2024 (in \$m)

Lineage Real Estate / REIT	Hyundai India Consumer Discretionary	Puig Brands Consumer Staples	Tokyo Metro Industrials	Galderma Consumer Staples
\$4,437m Nasdaq	\$3,314 NSEI	\$2,791 BME	\$2,281m Tokyo Stock Exchange	\$2,212 SIX Swiss Exchange

About IPO Watch EMEA

Executing a successful IPO is typically the culmination of a complex process, whatever market you list on. From strategy, accounting, reporting, financial systems, governance, adviser selection, marketing process, media and investor relations, to treasury and financial risk management, legal, tax, HR, technology – every piece of the puzzle must be in place and connected before you proceed.

Planning and good preparation are crucial to a successful IPO, regardless of the market or stock exchange. PwC's dedicated team of capital markets professionals is here to help and make the task at hand an easier experience for you. We have deep experience and knowledge of the rules and regulations governing all major capital markets – and a successful history of working on both international and domestic IPOs.

Find out more at www.pwc.co.uk/capitalmarkets

About IPO Watch EMEA

IPO Watch EMEA reports on all new primary market equity IPOs on EMEA principal stock markets and market segments using the Capital IQ list of exchanges mapping, on a quarterly basis. Movements between markets on the same exchange are excluded.

The data in this report is based on data extracted from Capital IQ on 2 December 2024 and based on their offering date between 1 January 2024 and 30 November 2024 and excludes greenshoe.

Only transactions with a minimum of \$5 million money raised have been included, the data excludes Closed-End Funds and Business Development companies and transactions on Over-The-Counter exchanges. In case IPOs take place on two or more exchanges, the full amount of money raised is attributed to all exchanges. Industry classification is based on Capital IQ Primary sectors.

Aftermarket performance is calculated based on the IPO issue price, compared to the market price as at the 30 November 2024.

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