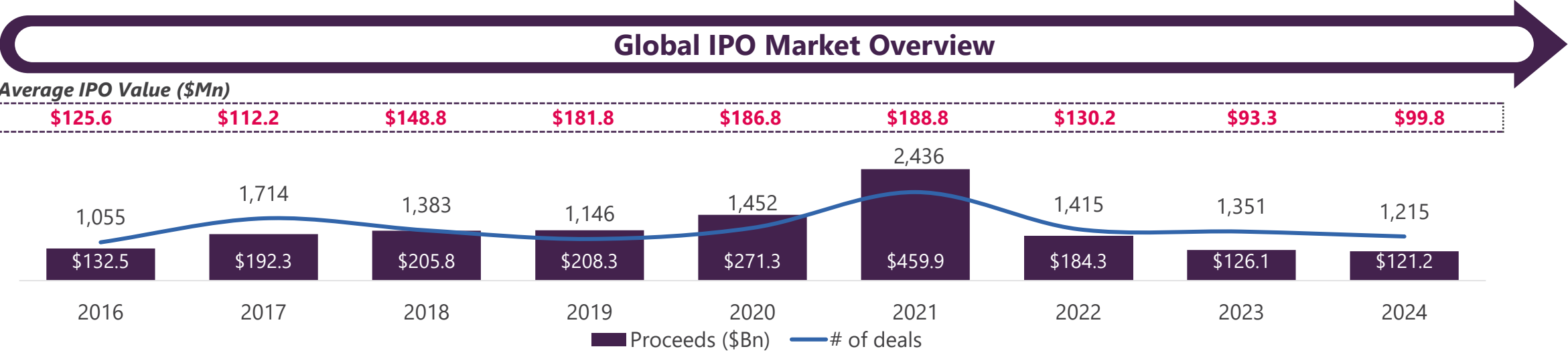


Global IPO Market in 2024: Adapting to Geopolitical Shifts and Policy Evolutions

Global IPO Market Trends: A Roller Coaster Journey from Peak to Recovery



- IPO activity has experienced significant fluctuations over the years, peaking in 2021 with 2,436 IPOs before entering a downward trend in both deal volume and total proceeds
- In 2024, Global IPO market slowed down with 1,215 IPOs (10% drop YoY) and \$121.2Bn proceeds (4% drop YoY). On comparison with the deal activity of pre-pandemic year (2019), global IPO offerings were still up 6% up in 2024, but total proceed generated have dropped by a significant 42%
 - The Asia-Pacific region faced a confluence of economic, political and geopolitical uncertainty and restrictive global monetary policies which drove the IPO activity in the region to 11-year low. The companies are delaying or reconsidering their listings due to tightened liquidity, challenging valuations, post-IPO underperformance and weakened confidence
 - Americas and EMEIA witnessed a relatively more stabilized IPO market than Asia-Pacific. However, the resolution of the US presidential election quelled pre-election jitters and post-election tariff announcement introduced fresh uncertainties
 - India led in IPO volume with 327 deals, while the U.S. attained the top spot in terms of proceeds, raising \$32.8Bn from 183 IPOs. Despite economic headwinds, Mainland China delivered the highest IPO returns at 123.9%

Themes / Factors Impacting 2024 Global IPO Market

Key Trends and Major Thematic Highlights

Key Trends

- IPOs in the Americas and EMEA grew, but global IPO activity declined due to a slowdown in Asia-Pacific
 - IPO activity in the Americas normalized to historical trends of being in upside at the year end
- The Industrials sector topped the market in terms of number of IPOs (253) and the Consumer sector topped in terms of proceeds (\$25.4Bn)
- Cross-border activities increased by 36% to 113 in deal count, although the average deal size shrank 48%
 - The US continued to be the leading IPO destination internationally accounting for 89% of the listings with a 50% YoY increase in cross-border listings
- The ten largest IPOs have a diverse industry and geographical mix with Technology losing its top sector spot to Industrials
 - Top 10 IPOs contributed to ~22% of overall proceeds in 2024

Major Thematic Highlights

India topped the position in IPO issuance

- India has become the global leader in IPO volumes with 327 IPO listings, nearly twice as many as the US and 2.5 times more than Europe

Private Equity and Venture Capital backed IPOs soared

- Improved inflation and interest rates pushed PE and VC backed IPOs fuel its resurgence in 2024 with PE / VC backed IPOs accounting for 12% and 46% of total IPOs count and proceeds, respectively

Health and Life Sciences sector IPOs jump

- Global Health and Life Sciences sector recorded 37% YoY increase in total IPO proceeds after receiving a major push from the US companies which saw 172% YoY increase in Health and Life Sciences IPO related proceeds

Post election policies bring opportunities for domestic IPOs

- Under the second Trump administration, potential extensions of the Tax Cuts and Jobs Act provisions, deregulation, and encouragement of domestic production could bolster US IPO activity

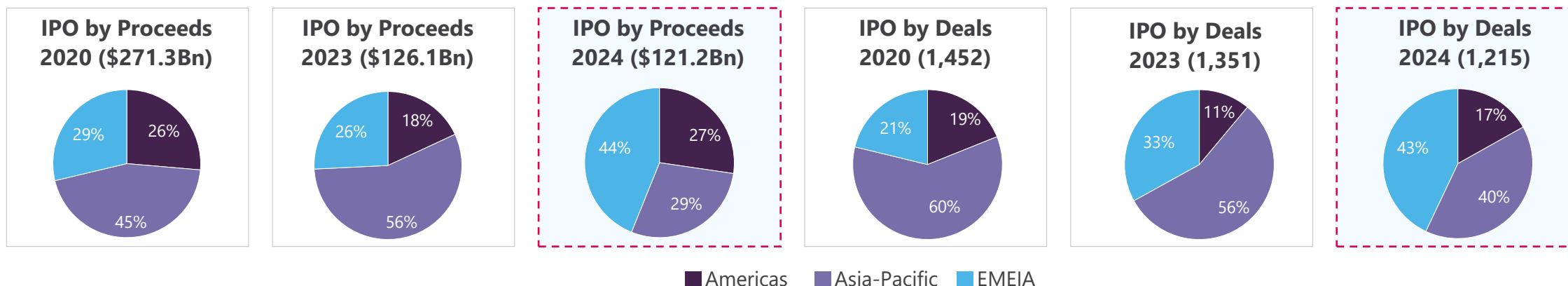
Expert's Forecast for 2025 IPOs

“Improving market conditions and a backlog of private equity sales are setting the stage for a busy year in equity capital markets, with IPOs likely to further pick up across various regions. However, uncertainties in trade policies and geopolitical factors may elevate the cost of capital, possibly dampening IPO momentum. Moving forward, IPO candidates should remain agile and be prepared to capitalize on opportune moments to list as they emerge.”

- Paul Lau, Head of Capital Markets and Professional Practice at KPMG

Surge in EMEIA IPO Activity: A Beacon Amid Global Uncertainties

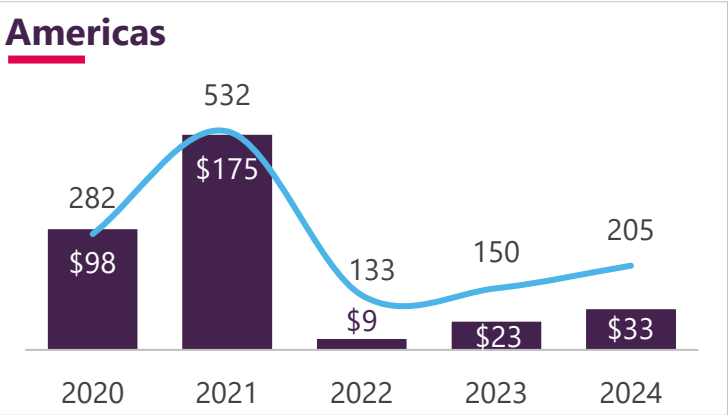
Shift of IPO Markets Regionally Over the Last 5 Years



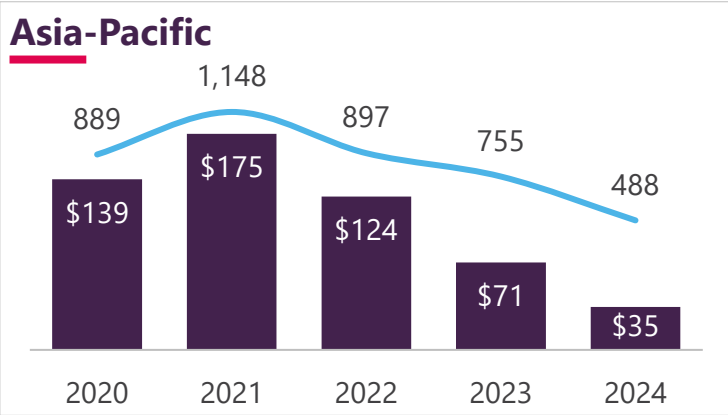
- 2024 global IPO market faced a convergence of challenges, shaped by economic, political, and geopolitical uncertainties, along with restrictive monetary policies across nearly all regions
 - Cross-border listings exhibited a positive correlation between deal size and returns, with larger deals outperforming smaller ones in the post-IPO period
- **Americas** witnessed a significant jump in both # of IPOs (37%) and IPO proceeds (45%) YoY and has reached almost similar market share as in 2020
 - The surge in IPO proceeds was driven by 19 deals that raised more than \$500Mn and 7 deals that raised more than \$1Bn in 2024, as compared to only 7 IPOs that raised more than \$500Mn in 2023
 - Sponsor-backed IPOs accounted for more than 25% of US exchange IPOs in 2024, compared to just 17% in 2023
- In 2024, **Asia-Pacific** accounted for 40% of the IPOs that collectively generated \$34.9Bn proceeds (51% decline YoY)
 - The Chinese Mainland IPO regulators have significantly slowed the pace of domestic IPO activity, pushing fundraising to near-historic lows
 - However, IPO activity in Hong Kong improved with 64 IPOs and Japan featured a 7-year high of average deal value, driven by Tokyo Metro Co's IPO worth \$2.3Bn
- **EMEIA (Europe, Middle East, India and Africa)** market share has been constantly increasing in the last 5 years by both deals (#) and proceeds
 - IPO activity in the region increased strongly in 2024, driven by strong demand from Industrial, Consumer, and Technology sectors and boost from India
 - The market saw a positive investor sentiment driven by easing market conditions including reduced volatility, interest rate cuts and utility price declines

Global IPO Market by Geography – Gross Proceeds (\$Bn) and Deal Volume

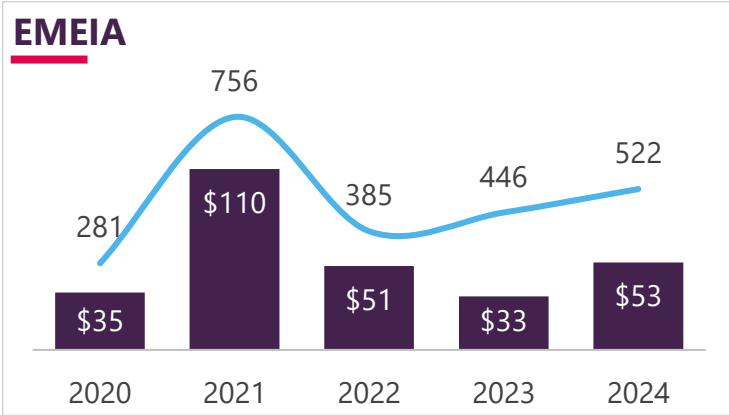
Regional IPO Performance 2024



- 2024 Americas IPO market grew by 37% by # of IPOs and the proceeds generated increased by 45% YoY
- Americas accounted for 17% of IPOs globally and 27% of global proceeds raised in 2024
- NASDAQ led the IPO spree in terms of both # of IPOs and proceeds generated accounting for 139 IPOs & \$17.2Bn proceeds
- Health & Life Sciences and Technology sectors continued to lead the market by issuing 45 and 36 IPOs, respectively



- In 2024, Asia Pacific's IPO volume hit 11-year low with 488 IPOs generating \$34.9Bn proceeds primarily affected by economic, political and geopolitical uncertainty
- China's IPO market continued its descent with 98 IPOs raising \$8.9Bn proceeds
- Hong Kong reversed its downward trend after a push from large-scale IPOs and saw 80% YoY increase in proceeds generated
- Technology led the market with 135 IPOs and \$8.3Bn proceeds, followed by Industrials with 111 IPOs and \$9.7Bn proceeds

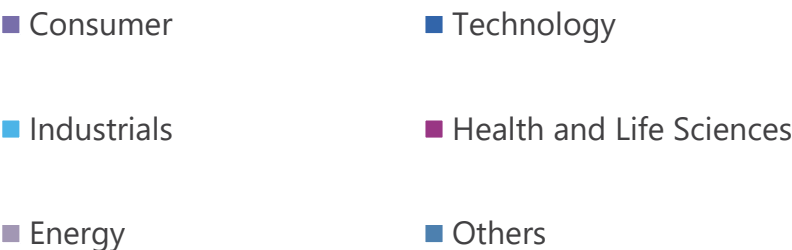
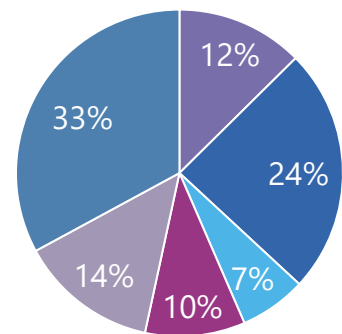


- 2024 EMEIA IPO market captured 43% of total IPOs along with 44% of total proceeds due to a substantial increase of 17% in IPO count (522 IPOs) and 64% increase in proceeds (\$53.2Bn)
- Interest rate cuts and price declines in energy and utilities brought inflation down to more stable levels that fueled an economic rebound
- India outperformed most of the countries with 327 IPOs generating \$19.9Bn
- Industrials led the market with 111 IPOs and \$7.8Bn proceeds, followed by Consumer's 95 IPOs and \$12.3Bn proceeds

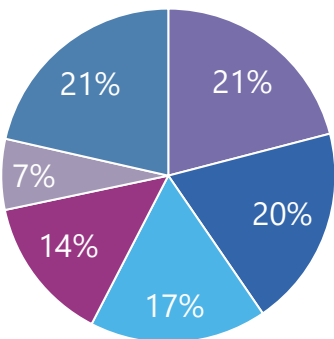
Global IPO Activity by Sector – Gross Proceeds (\$Bn)

Consumer Sector Dominated IPO Activity, Led by High-Value Retail Companies

2023 IPO Proceeds (\$126.1Bn)



2024 IPO Proceeds (\$121.2Bn)

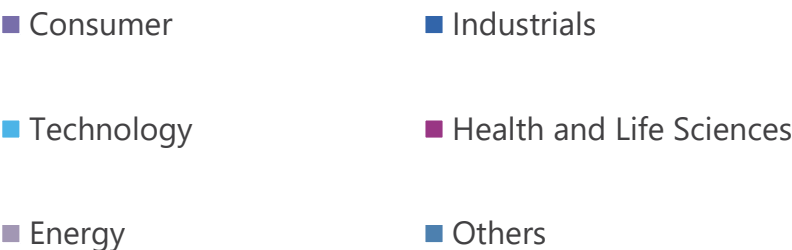
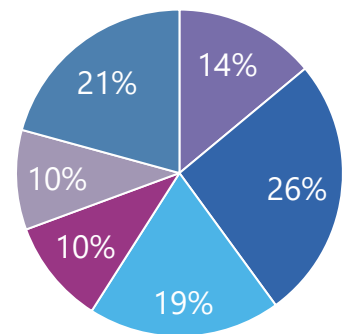


- **Consumer** sector overtook Technology by generating gross proceeds of \$25.4Bn and an average deal size of \$127Mn – witnessed a 60% increase in total proceeds, when compared to 2023
 - High-value retail IPOs driven by strong retail spending in MENA fueled the sectoral dominance in 2024
 - India also supported the market share with ~80% increase in deal value which was primarily driven by robust economy and burgeoning consumer market
 - By geography, EMEIA countries dominated the sector, accounting for 48% of IPO proceeds, followed by Asia Pacific (39%) and Americas (13%)
- **Technology** accounted for 20% share in total IPO proceeds (\$23.6Bn) generated in 2024 which represented a 23% decline in IPO proceeds YoY
 - 2024 was pivotal year that witnessed the return of enterprise and consumer software with \$15.7Bn raised which accounted for 2/3rd of total proceeds
- **Industrials** sector experienced slowdown in most economies in H2'24. The sector faced a 40% decline in IPO proceeds with \$20.8Bn in proceeds
 - Industrials IPO activity was notably down in Mainland China, many of the sector's largest entries globally specifically in the industrial components and automation subsectors
- **Health and Life Sciences** sector witnessed a 37% increase in IPO proceeds to \$17.1Bn, driven by a notable increase of oncology-based biotechnology IPOs

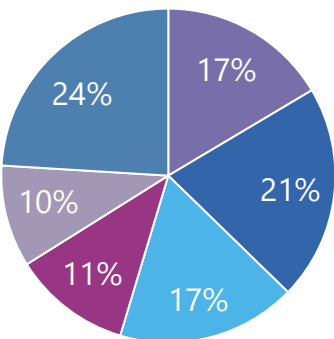
Global IPO Activity by Sector – Deal Volume

Industrials Led Deal Volume in 2024, with Consumer Emerging in Spotlight

2023 IPO Volume (#1,351)



2024 IPO Volume (#1,215)



- The **Industrials** sector led the IPO activity in 2024 as well, despite facing a 28% decline in deal volume YoY (253 IPOs) which was impacted by the slowdown in Mainland China amid stricter regulations on setting high IPO prices
- The **Consumer** sector (including Consumer Staples and Consumer Products and Services) grew by 6% YoY to 200 IPOs in 2024
 - The increase in Consumer sector IPOs was supported by favorable monetary policies and improved consumer confidence
 - EMEIA dominated the sector by issuing high-value retail IPOs such as Lulu Retail Holdings, Spinneys, Vishal Mega Mart and Allied Blenders & Distillers
- **Technology** sector continued to witness a decline in # of IPOs in 2024 with an 18% fall in IPO volume. Companies focused on consumer apps and eCommerce accounted for ~1/3rd of the proceeds (\$7.2Bn) raised in 2024
- **Health and Life Sciences** sector maintained steady IPO activity mirroring 2023 levels with 139 IPOs after a push from the US, South Korea, Japan, and MENA's notable increase in IPO launches
 - The IPO run was supported by oncology companies that attracted the maximum # of IPOs, US FDA approval and deal valuations

Top 10 Largest IPOs 2024 (Global)

Offer Date	Issuer Name	Issuer Country	Sector	Exchange	Proceeds (\$Bn)
24-Jul-24	Lineage	US	Industrials	US (NASDAQ)	5.1
17-Oct-24	Hyundai Motor India	India	Consumer	India (BSE)	3.3
30-Apr-24	Puig Brands	Spain	Consumer	Spain (Madrid)	2.9
21-Mar-24	Galderma Group	Switzerland	Health and Life Sciences	Switzerland (SIX)	2.6
26-Apr-24	CVC Capital Partners	Jersey	Financials	Amsterdam (Euronext)	2.5
15-Oct-24	Tokyo Metro	Japan	Industrials	Tokyo (TSE-Prime)	2.3
29-Nov-24	Talabat Holding	The UAE	Retail	Dubai (DFM)	2.0
17-Oct-24	OQEP	Oman	Energy	Oman (MSX)	2.0
30-Apr-24	Viking Cruises	The US	Industrials	US (NYSE)	1.8
6-Nov-24	Lulu Retail Holdings	The UAE	Retail	Abu Dhabi (ADX)	1.7

Global IPOs Bookrunner Ranking

		2024			2023	
Rank	Bookrunner	Value (\$Bn)	Number of Deals	Rank	Value (\$Bn)	Number of Deals
1	Morgan Stanley	\$7.07	65	18	\$1.70	28
2	JPMorgan	\$6.22	55	7	\$3.09	30
3	Goldman Sachs	\$5.53	42	12	\$2.53	28
4	BofA Securities	\$4.92	43	11	\$2.77	26
5	Citi	\$4.45	43	4	\$4.21	39
6	HSBC	\$3.66	22	13	\$2.52	17
7	Cantor Fitzgerald & Co	\$3.30	19	42	\$0.64	5
8	UBS	\$3.16	29	9	\$2.83	25
9	Jefferies	\$3.01	36	15	\$2.08	19
10	Deutsche Bank	\$2.15	23	17	\$1.79	12

Global IPO Outlook for 2025

Sector Focused IPO Market Outlook	Dominance of High-Profile IPOs	Regional Variations with India Leading	Impact of Macroeconomic Factors
<ul style="list-style-type: none">• More than half of the 2025 IPOs are expected to come from TMT, Industrials, and Health and Life Sciences sectors• Across regions, TMT is expected to lead the charge in 2025 IPOs across the globe, followed by Industrials, and Health and Life Sciences sectors in terms of IPO volume• In Americas, while the TMT sector remains the frontrunner, the Health and Life Sciences and the Financials sector are predicted to outpace other sectors in IPO activity	<ul style="list-style-type: none">• Several high-profile IPOs are expected to dominate the market, particularly from technology and fintech sectors• Notable companies like Klarna, Revolut, and potentially OpenAI are among those anticipated to make significant public offerings• The technology sector, especially firms involved in AI, is expected to lead this trend, with projections indicating that AI-related IPOs could exceed \$2.5Bn in total value	<ul style="list-style-type: none">• India is set to be a key player in the global IPO landscape, likely surpassing its record of \$19.9Bn raised in 2024• Projections indicate that Indian companies could raise around \$24 billion through initial public offerings in 2025, driven by significant retail participation and government initiatives aimed at infrastructure development• India's financial ecosystem is evolving, making it an attractive hub for global investors, especially as it continues to lead the IPO activity	<ul style="list-style-type: none">• Factors such as potential interest rate cuts by the Federal Reserve and overall economic stability are expected to enhance investor confidence• The resurgence of private equity and venture capital backing will also influence the market dynamics, as these firms accounted for nearly 46% of total global IPO proceeds in 2024• A stable economic environment will encourage more companies to enter the public markets as they seek to leverage favorable conditions

Expert Views

"Business transformation requires funding, and an IPO offers a powerful avenue to raise the capital needed to drive growth and innovation. After a period of slower activity, the global IPO market is regaining its momentum, supported by more favorable market conditions. The outlook for 2025 appears increasingly optimistic, with a strong pipeline of companies across sectors looking to capture the opportunities presented by this renewed market strength."

- George Chan,
EY, Global IPO Leader

"The IPO market is getting healthy and returning but it's not gangbusters just yet so you have to consider every process a dual track because it's a very real possibility they'd go the M&A route. Especially given an easing regulatory environment and healthy balance sheets alongside a strong currency. The lower interest rate environment paired with a Trump administration which has mostly been seen as a boon for takeovers could cause companies and private equity firms to be active acquirers. That could mean would-be public companies instead opt for a quick sale."

- Jill Ford,
Wells Fargo, Co-head of ECM

"I think there's a lot of confidence in the market. Stock markets are trading at all-time highs. There's been a rotation back to focusing on growth, which obviously is great for tech. There was a ton of uncertainty around valuations which isn't conducive to either IPOs or M&A. I think now people know what their valuations are. They've got more clarity around that. We'll start to see momentum in the beginning of the year, and really accelerate, as the year goes on."

- Ran Ben-Tzur,
Partner, Fenwick & West

"Business transformation requires funding, and an IPO offers a powerful avenue to raise the capital needed to drive growth and innovation. After a period of slower activity, the global IPO market is regaining its momentum, supported by more favorable market conditions. The outlook for 2025 appears increasingly optimistic, with a strong pipeline of companies across sectors looking to capture the opportunities presented by this renewed market strength."

- Stuart Newman,
PwC UK, Global IPO Centre Leader

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Thank You

