




A PwC Global IPO Centre publication


# Global IPO Watch Q4 2019


*PwC provides independent guidance to companies in the process of going public and to already listed companies in assessing their position in the equity capital markets.*


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# 2019 themes and outlook for 2020

## 2019 themes

- In a year of strong equity markets, IPO volumes and money raised were both lower than the previous two years. This reflects a combination of investor attitudes and behaviour impacting the IPO landscape, as well as the broader macro-economic and geopolitical issues.
- It has always been the case that investors are more circumspect with a new issuer compared to existing issues which have already demonstrated their ability to deliver returns to shareholders. During 2019 it became apparent the focus of investors on IPO pricing and, in particular for growth companies, a clear pathway to profitability is increasing. This could be readily observed in the US, with Uber, Lyft and Pinterest all completing their IPOs, but with pricing challenges, and with the high-profile collapse of the WeWork IPO.
- Further, the availability of funding to companies from non-public markets sources continues to impact IPO levels. The growth of private equity, with significant firepower owing to the low interest rate environment, and large corporates with significant cash reserves, such as Alphabet, Apple and Amazon, results in companies deferring an IPO or, potentially, never coming to market. However, the offset to this is that the companies that do eventually list, are larger and further developed, both as a corporate enterprise and in delivering profits/returns to investors.
- Cross-border activity remains an important factor for IPO levels with observable trends continuing for technology companies to look at the New York markets and companies from Africa, the Middle East and the CEE looking to London. However, in Q4 2019 it was interesting to note that Aramco chose the domestic exchange for its IPO, and Alibaba raised further funds in Hong Kong with a secondary listing.

## Outlook for 2020

- There are grounds for cautious optimism for IPOs and FOs in 2020, but the outlook depends on the evolution and interplay of a number of factors, across the different regions.
- The fiscal environment remains relatively benign, with low interest rates, the Brexit situation has become clearer, and there has been a more positive tone in the US-China trade negotiations. However, with the heightened tensions between the US and Iran, there has been a more recent flight to safety by investors, potentially diminishing the appetite for IPOs.
- As ever, strong candidates will find investors, notwithstanding the broader macro environment. IPO candidates with a differentiated and robust equity story, and attractive pricing will have the best chance of success. In turn this puts the spotlight on the fundamentals around the track record, prospects and/or path to profitability, and the quality of preparation to enable early engagement with investors.

### Ross Hunter

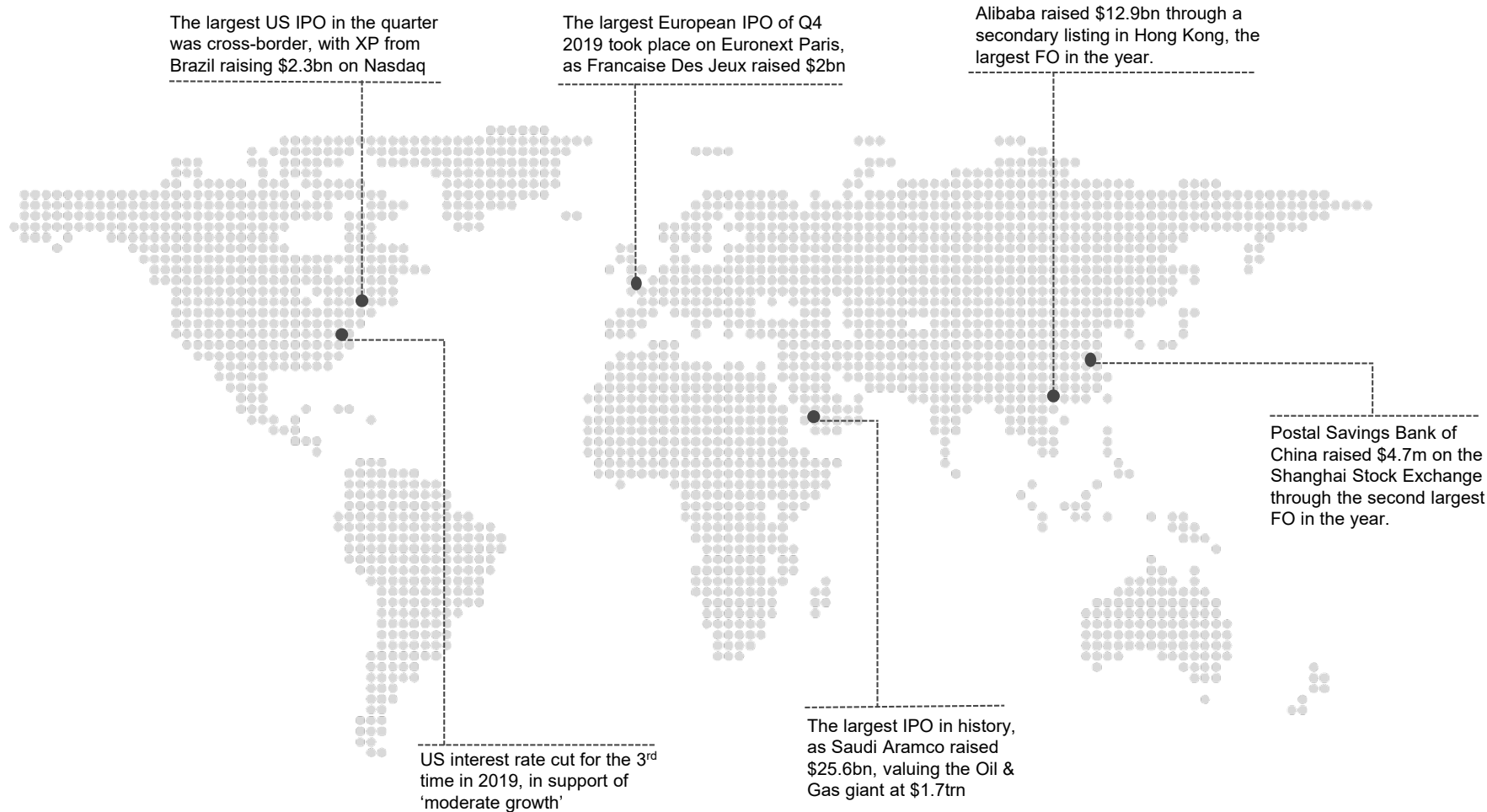
PwC IPO Centre Leader  
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PwC Europe Capital Markets Leader  
*PwC Germany*

# IPO and Further Offer (FO) Q4 2019 highlights, and the year in review

## Q4 2019 highlights



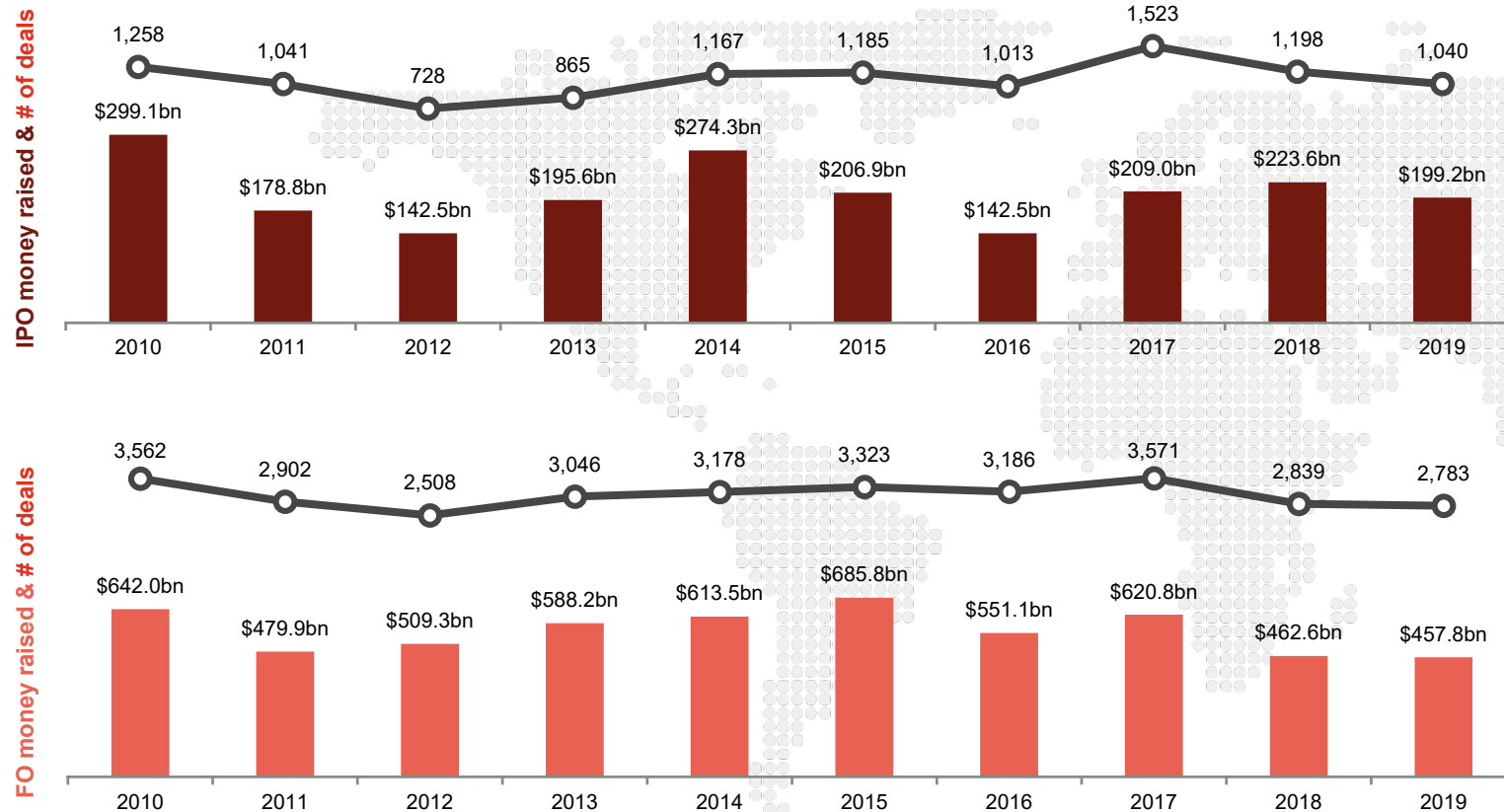
## 2019 year in review

- Even with the largest IPO in history in Q4, Saudi Aramco, IPO proceeds were at their lowest level for three years. FO proceeds were also down on the prior two years.
- Geopolitical and economic uncertainty including US-China trade relations and Brexit, along with investor caution, have all contributed to subdued IPO activity levels.
- Financial Sponsor backed IPOs remain significant, particularly in the Americas and EMEA.
- Market volatility operated within a moderate band (Vix of approx. 14 – 17) throughout the year, providing a relatively helpful capital raising environment.
- Notwithstanding some high profile disappointments, particularly in the US, after-market performance of newly listed companies was strong, with a median increase of 14%
- IPOs pricing at, or below, the bottom of the range increased for the third year in a row as investors challenged proposed valuations, particularly in EMEA and Asia-Pacific

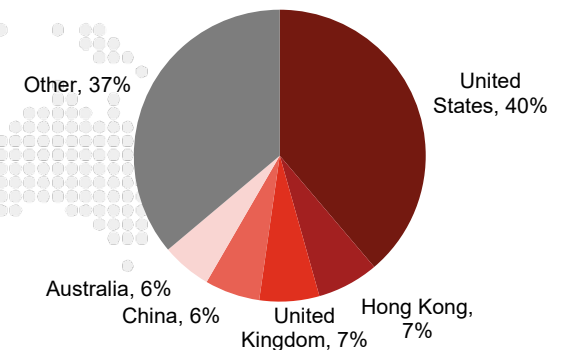
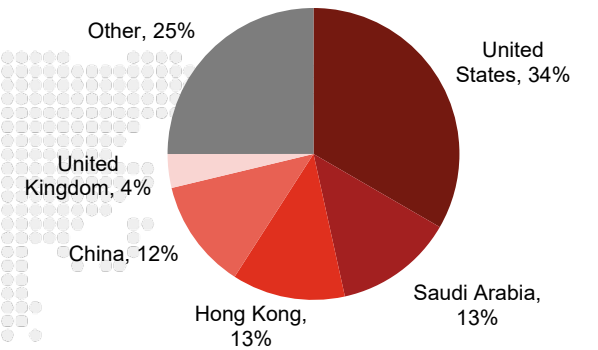
# Global money raised via IPOs and FOs

## Geopolitical headwinds kept the brake on IPO activity in 2019

Global money raised via IPOs and FOs (10-year overview)



Top countries 2019



# Overview of global IPO and FO activity

Even with the largest IPO ever in Q4 2019, Saudi Aramco, IPO proceeds were at their lowest level for three years. FO proceeds were also down on the prior two years.

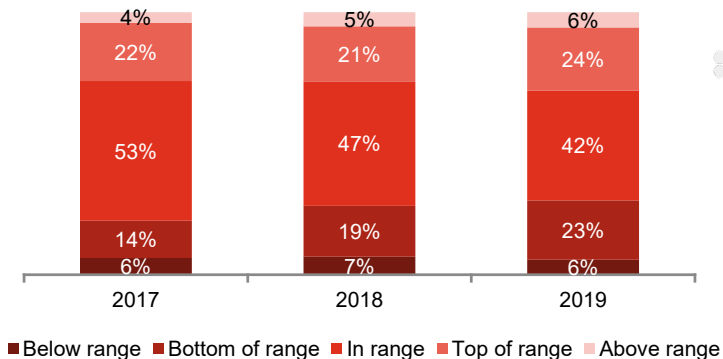
Global IPO and FO activity

	2017	2018	2019	Q4 2017	Q4 2018	Q4 2019
<b>IPO activity</b>						
Number of IPOs	1,523	1,198	1,040	441	303	338
% sponsor-backed	9.5%	8.1%	6.6%	10.0%	4.3%	4.4%
Money raised	\$209.0bn	\$223.6bn	\$199.2bn	\$67.8bn	\$57.6bn	\$71.0bn
% sponsor-backed	23.0%	15.5%	18.2%	21.2%	7.5%	11.5%
<b>Advanced metrics</b>						
Free float %	31.9%	32.4%	31.1%	31.3%	32.1%	30.3%
Overallotment exercised (%) <sup>1</sup>	25.4%	33.4%	32.2%	26.7%	33.2%	24.0%
% secondary shares	14.6%	13.6%	12.3%	17.5%	10.9%	11.8%
<b>FO activity</b>						
Number of FOs	3,571	2,839	2,783	1,011	551	755
Money raised	\$620.8bn	\$462.6bn	\$457.8bn	\$144.5bn	\$70.7bn	\$134.5bn

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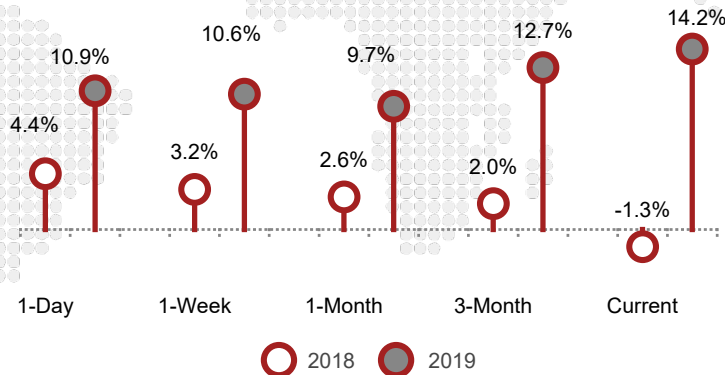
②

IPO pricing dynamics



③

Post-IPO performance (median)



①

FO activity in Q4 2019 was also up substantially compared to the same period last year, proceeds increased by 90% and the number of deals by 37%.

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IPOs pricing at, or below, the bottom of the range increased for the third year in a row as investors challenged proposed valuations.

③

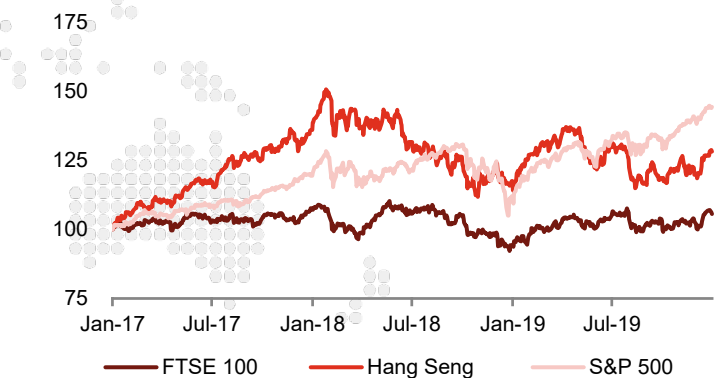
At 14.2% for 2019 IPOs, the post-IPO performance of transactions is significantly stronger in 2019 as compared to 2018.

④

Global equity markets remained buoyant in Q4 2019, despite persistent concerns over global trade and geopolitical tension.

④









Global indices



# Leading transactions 2019

The largest IPO in history took place in Q4 2019, as Saudi Aramco raised \$25.6bn, valuing the Oil & Gas giant at \$1.7trn. Alibaba raised \$12.9bn through a secondary listing on HKEX.

Top 10 largest IPOs 2019

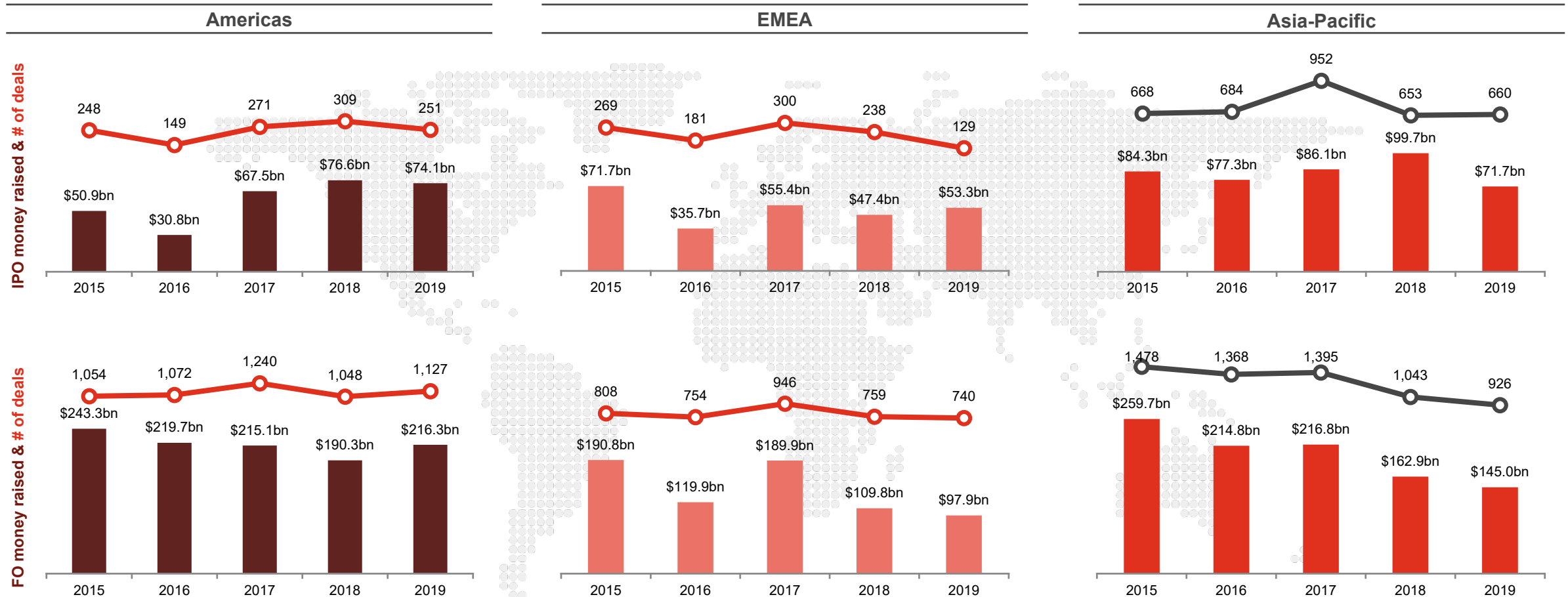
Pricing date	Issuer name	Issuer country	Sector	Exchange	Filing range	Offer price	Pricing	Money raised	Free float	Secondary shares (%)	Performance		
											1-day	1-month	Current
5-Dec-19	Saudi Aramco		Oil & Gas	Saudi SE	30.00 - 32.00	32.00	Top of range	\$25.6bn	1.5%	100.0%	10.0%	N/A	9.7%
9-May-19	Uber Technologies		Consumer Services	NYSE	44.00 - 50.00	45.00	Bottom of range	\$8.1bn	10.7%	0.0%	-7.6%	-1.9%	-33.9%
24-Sep-19	Budweiser Brewing Co APAC		Consumer Goods	HKEX	27.00 - 30.00	27.00	Bottom of range	\$5.7bn	12.8%	0.0%	4.4%	3.0%	-2.6%
16-May-19	Avantor		Health Care	NYSE	18.00 - 21.00	14.00	Below range	\$3.3bn	44.6%	0.0%	3.6%	34.3%	29.6%
28-Mar-19	Lyft		Consumer Services	NASDAQ	62.00 - 68.00	72.00	Above range	\$2.6bn	12.4%	0.0%	8.7%	-20.5%	-40.3%
12-Apr-19	Nexi		Industrials	Borsa Italiana	8.50 - 10.35	9.00	In range	\$2.3bn	36.4%	65.2%	-6.2%	-6.6%	37.6%
10-Dec-19	XP		Financials	NASDAQ	22.00 - 25.00	27.00	Above range	\$2.3bn	15.1%	41.3%	27.6%	N/A	42.7%
24-Sep-19	TeamViewer		Technology	Deutsche Börse	23.50 - 27.50	26.25	In range	\$2.2bn	37.5%	100.0%	-3.6%	-12.2%	21.5%
20-Nov-19	Francaise Des Jeux		Consumer Services	Euronext Paris	16.50 - 19.90	19.90	Top of range	\$2.0bn	48.4%	100.0%	14.1%	18.2%	19.7%
25-Oct-19	ESR Cayman		Financials	HKEX	16.20 - 17.40	16.80	In range	\$1.8bn	27.6%	62.7%	5.4%	-3.3%	4.8%

Top 10 largest FOs 2019

Pricing date	Issuer name	Issuer country	Sector	Exchange	Filing range	Offer price	Deal Type	Money raised	Secondary shares (%)	Performance		
										1-day	1-month	Current
20-Nov-19	Alibaba Group		Consumer Services	HKEX	N/A	176.00	FO - Fully Marketed	\$12.9bn	0.0%	6.6%	19.6%	17.7%
6-Nov-19	Postal Savings Bank of China		Financials	Shanghai SE	5.50 - 5.50	5.50	FO - Fully Marketed	\$4.7bn	0.0%	2.0%	N/A	6.6%
4-May-19	Vodafone Idea		Telecommunications	BSE; NSE	12.50 - 12.50	12.50	FO - Rights Offer	\$3.6bn	0.0%	31.2%	10.7%	-51.1%
24-May-19	Bharti Airtel		Telecommunications	BSE; NSE	220.00 - 220.00	220.00	FO - Rights Offer	\$3.6bn	0.0%	59.1%	57.0%	106.1%
29-Mar-19	AstraZeneca		Health Care	LSE	64.96 - 64.96	60.50	FO - Accelerated Bookbuild	\$3.5bn	0.0%	2.0%	-5.4%	25.7%
10-Sep-19	Recruit		Industrials	Tokyo SE	3,313.00 - 3,313.00	3,079.00	FO - Fully Marketed	\$3.5bn	100.0%	3.1%	12.8%	33.1%
8-Nov-19	AXA Equitable		Financials	NYSE	22.34 - 22.34	21.90	FO - Bought Deal	\$3.2bn	100.0%	5.8%	13.1%	13.2%
2-Sep-19	Enel Americas		Utilities	NYSE	8.31 - 8.31	8.31	FO - Rights Offer	\$3.1bn	0.0%	-2.6%	10.7%	32.1%
15-Apr-19	Japan Post Insurance		Financials	Tokyo SE	2,433.00 - 2,433.00	2,375.00	FO - Fully Marketed	\$2.9bn	100.0%	0.8%	-13.7%	-21.6%
11-Sep-19	Baker Hughes a GE		Oil & Gas	NYSE	24.11 - 24.11	21.50	FO - Accelerated Bookbuild	\$2.8bn	100.0%	5.3%	3.4%	19.2%

# IPO and FO activity per region

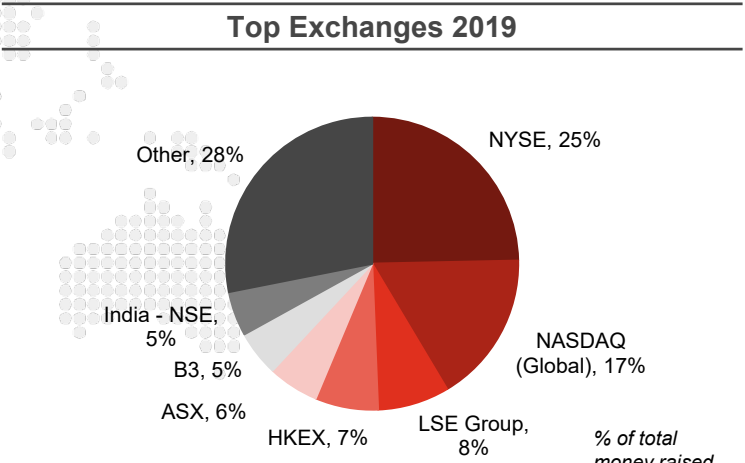
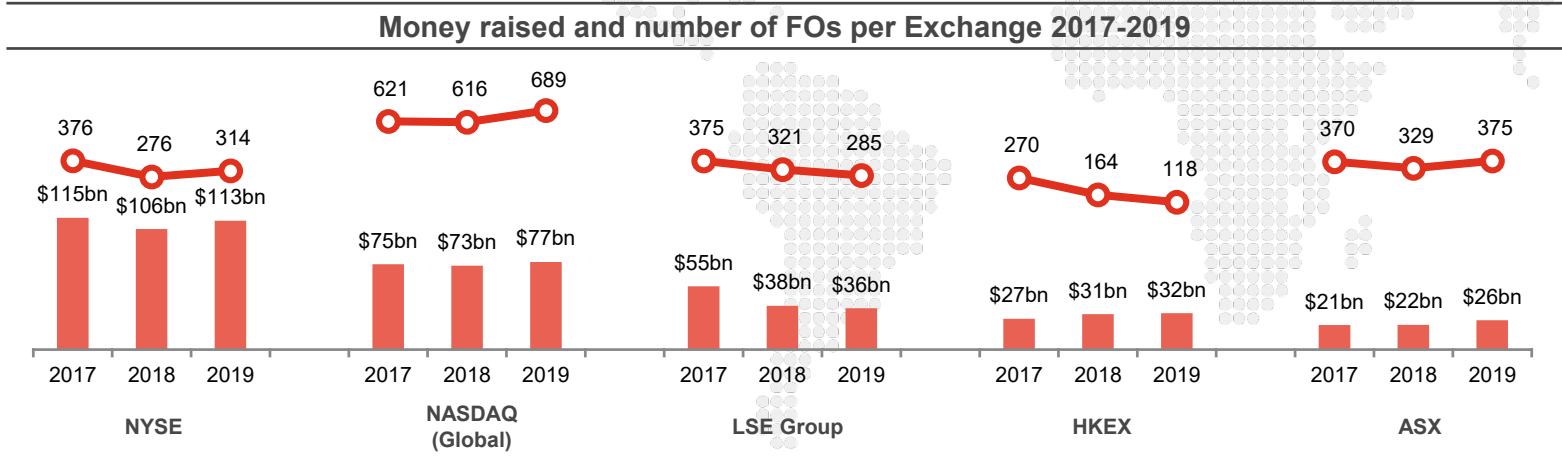
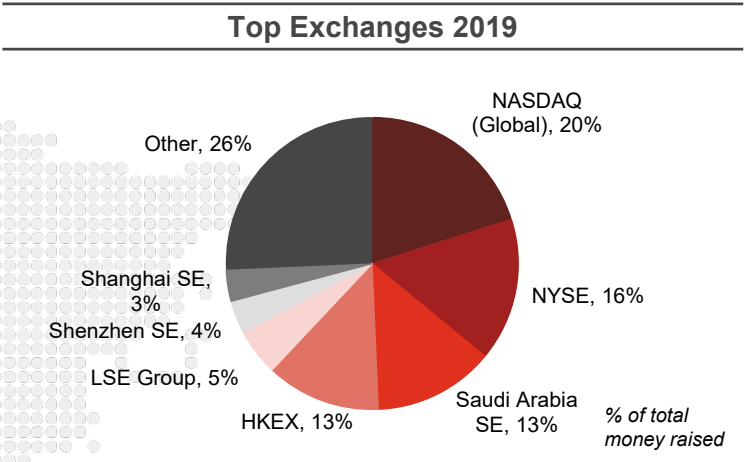
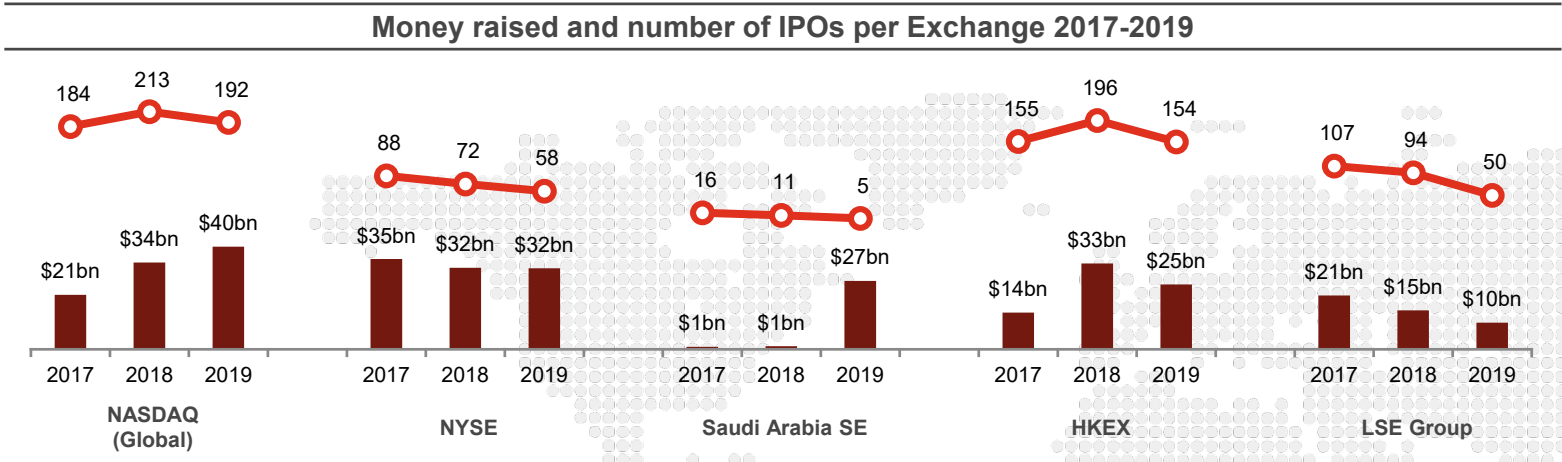
IPO activity fell short of last year except for proceeds in EMEA, supported by Saudi Aramco, and the number of IPOs in Asia-Pacific





# Top exchanges globally based on money raised in 2019

## A strong year for US markets but weaker overall for HKEX and LSE Group

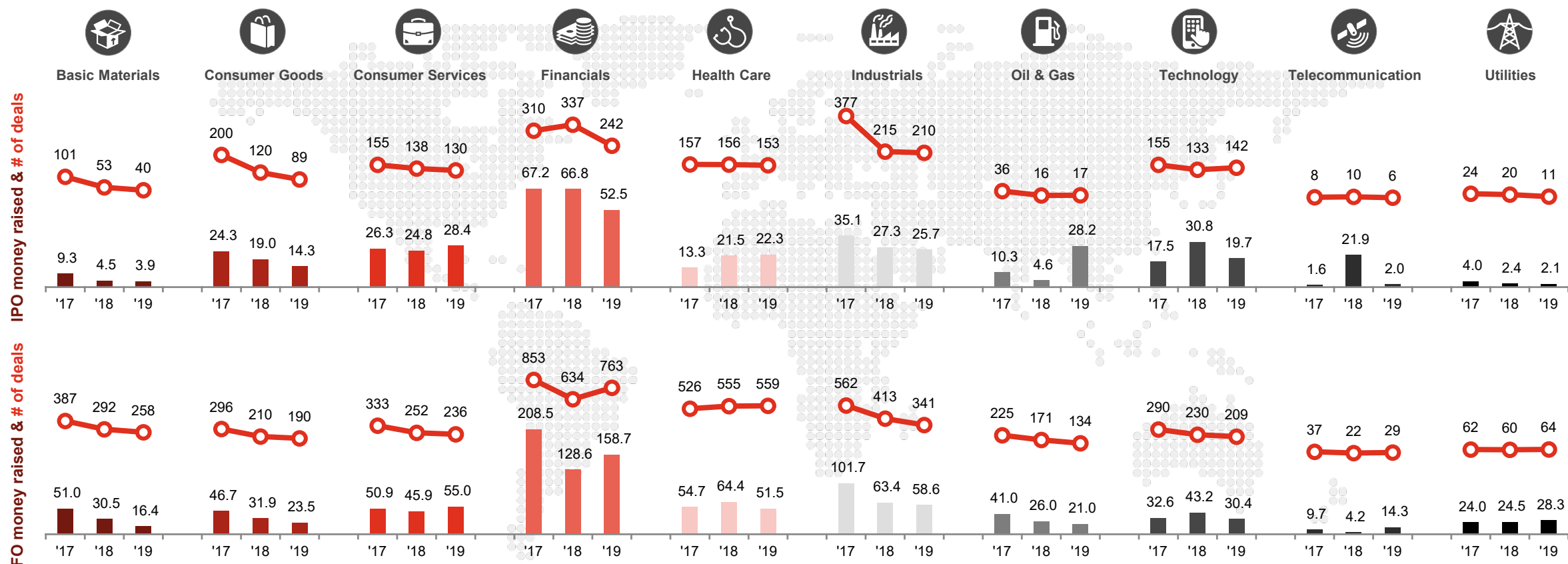




# Global IPO and FO activity per sector

Financials continue to dominate in 2019, whilst there is notable drop off in Technology IPO and FO funds raised

Money raised and number of IPOs and FOs per sector 2017 – 2019



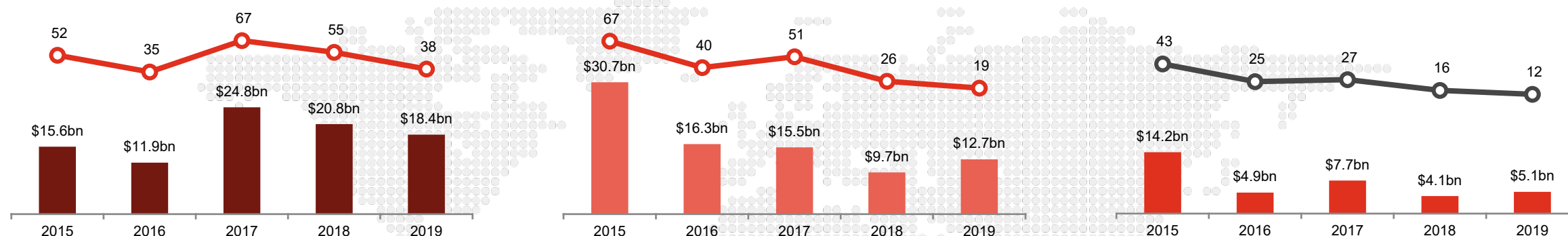
# Financial sponsor-backed IPO activity globally

The Americas accounted for 51% of FS-backed IPO proceeds, followed by Europe with 35%. FS-backed activity remains less developed in Asia-Pacific

FS-backed activity Americas

FS-backed activity EMEA

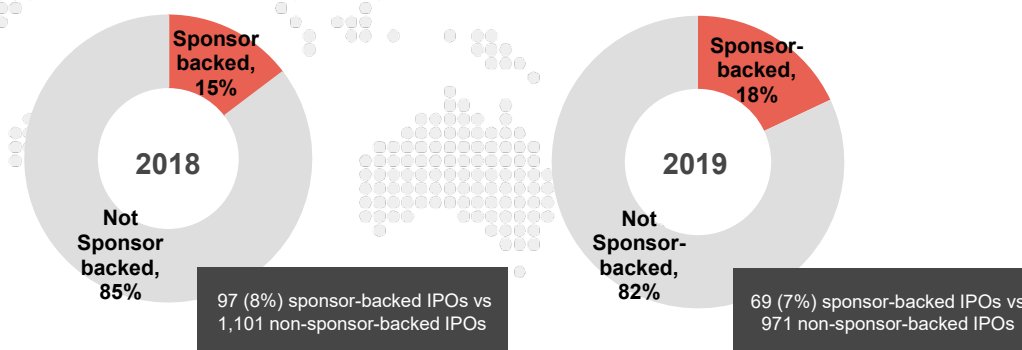
FS-backed activity Asia-Pacific



Top 10 largest FS-backed IPOs 2019 globally

Pricing date	Issuer name	Exchange	Pricing	Money raised	Performance		
					1-day	1-month	Current
16-May-19	Avantor	NYSE	Below range	\$3.3bn	3.6%	34.3%	29.6%
12-Apr-19	Nexi	Borsa Italiana	In range	\$2.3bn	-6.2%	-6.6%	37.6%
10-Dec-19	XP	NASDAQ	Above range	\$2.3bn	27.6%	N/A	42.7%
24-Sep-19	TeamViewer	Deutsche Börse	In range	\$2.2bn	-3.6%	-12.2%	21.5%
25-Oct-19	ESR Cayman	HKEX	In range	\$1.8bn	5.4%	-3.3%	4.8%
10-Apr-19	Network International	LSE	In range	\$1.6bn	14.9%	20.2%	47.4%
21-Jun-19	Trainline	LSE	Top of range	\$1.4bn	17.4%	16.7%	44.9%
24-Sep-19	EQT	NASDAQ Stockholm	Top of range	\$1.4bn	34.3%	33.6%	62.5%
11-Sep-19	SmileDirectClub	NASDAQ	Above range	\$1.3bn	-27.5%	-51.6%	-62.0%
3-Apr-19	Tradeweb Markets	NASDAQ	Above range	\$1.2bn	32.6%	45.1%	71.7%

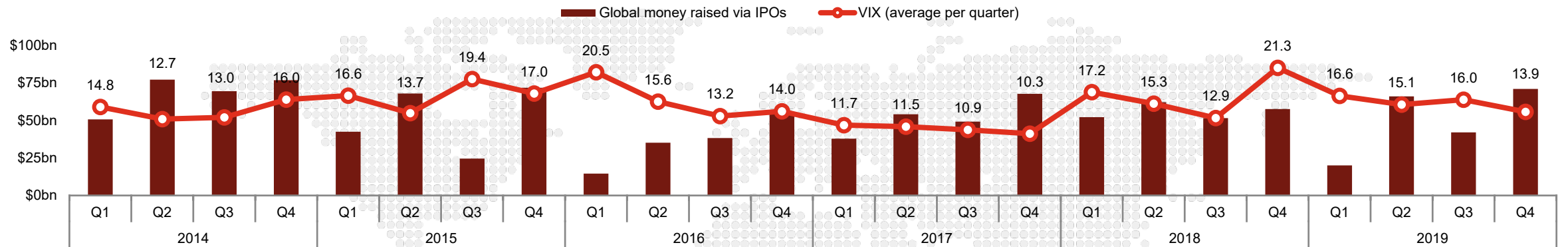
Global FS-backed IPOs (by money raised)



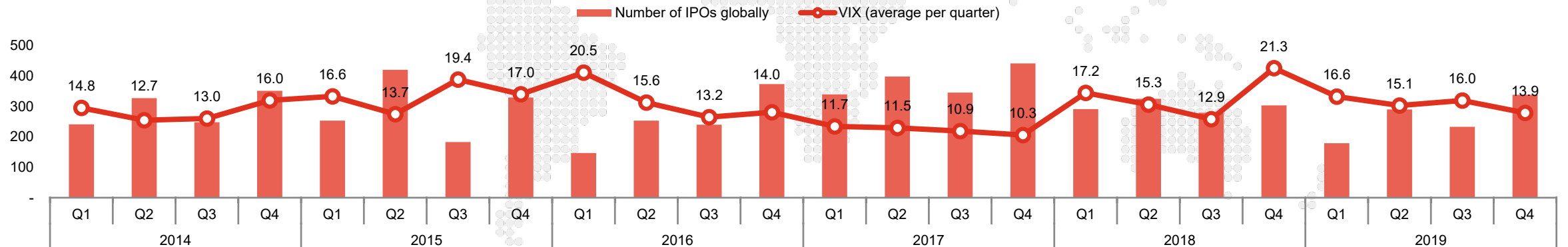
# Volatility versus IPO activity

Notwithstanding moderate levels of market volatility throughout 2019 providing a helpful backdrop to IPOs, the number and value were lower than 2018

Money raised via IPOs versus volatility



Number of IPOs versus volatility





# Americas

*“The IPO market in 2020 will benefit from a solid economic foundation (accommodative interest rate policy, low equity market volatility, historically low unemployment etc.) and a pipeline of Tech and PLS issuers seeking to list. These two sectors have been perennial leaders of the US market, particularly as PE investors have focused more often on M&A as the liquidity path of choice.*

*Challenges to the market may develop for PLS given the presidential elections and notable sabre rattling around topics such as drug pricing. Further, investor sentiment shifted in 2019 towards a desire to see KPIs that demonstrate a clear path to profitability - particularly in the technology arena.*

*”*  
*We remain cautiously optimistic for a solid IPO year.*

**David Ethridge**  
US IPO Services Leader  
PwC US

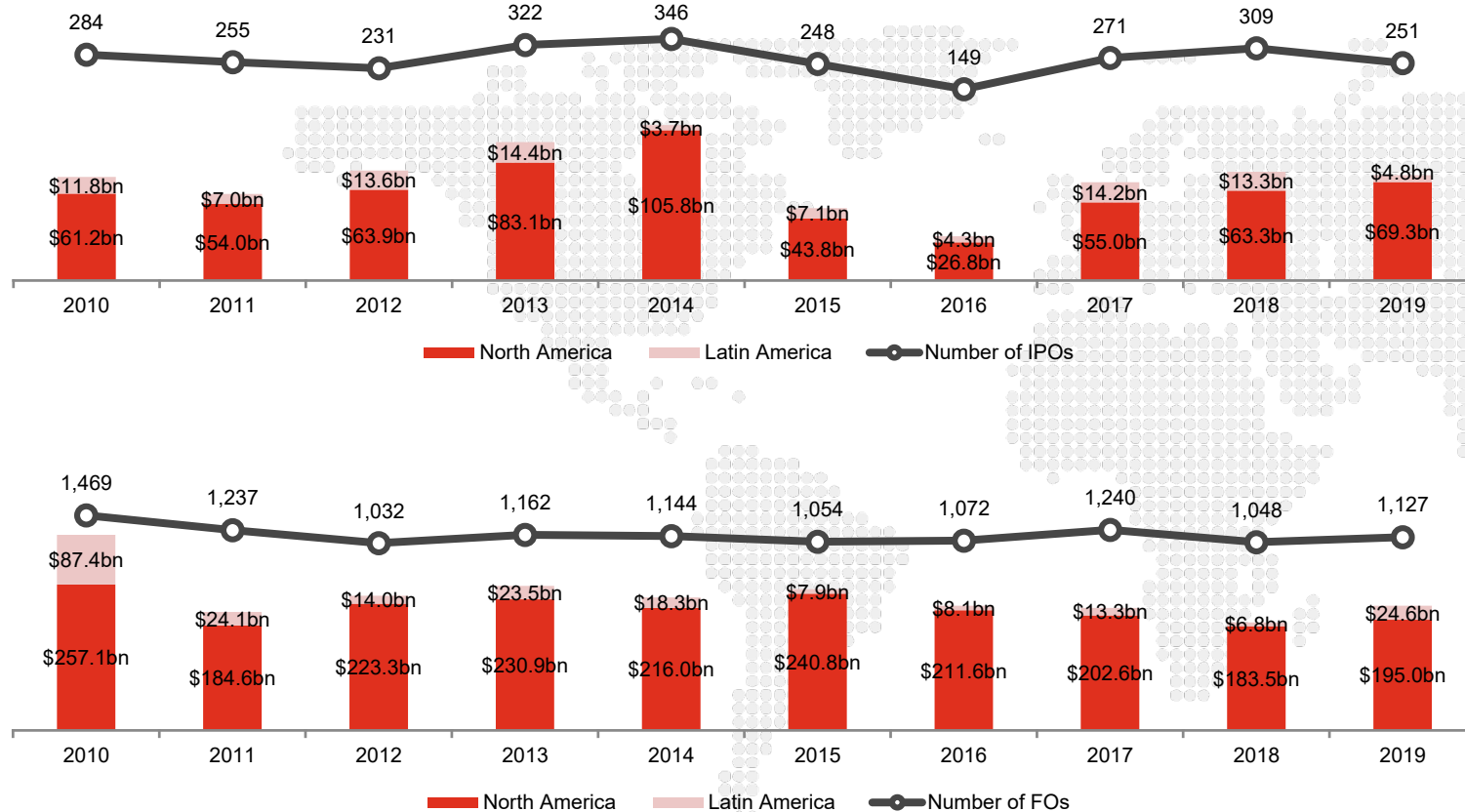
**Derek Thompson**  
Capital Markets Research Leader  
PwC US



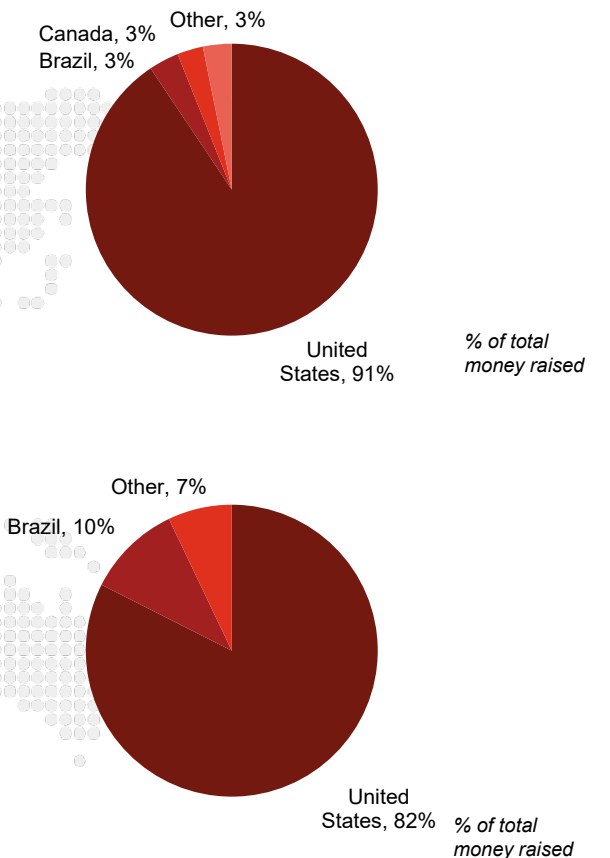
# Money raised via IPOs and FOs in the Americas

FO proceeds in Latin America are at their highest since 2010, when the \$70bn raise by Petrobras FO boosted the figures

Money raised via IPOs and FOs in the Americas (10-year overview)



Top countries 2019



# Overview of IPO and FO activity in the Americas

In the fourth quarter of 2019, IPO proceeds decreased by 5% while the number of transactions fell by 11%

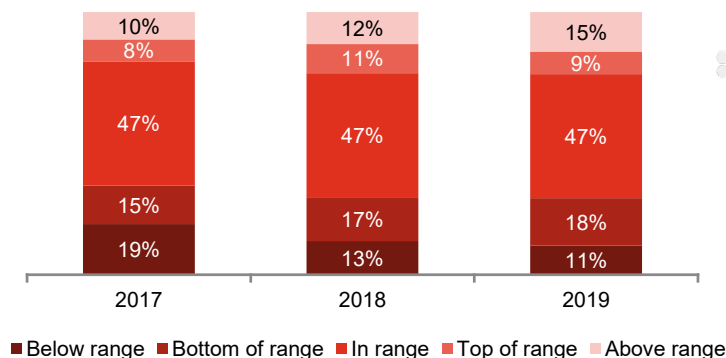
IPO and FO activity in the Americas

	2017	2018	2019	Q4 2017	Q4 2018	Q4 2019
<b>IPO activity</b>						
Number of IPOs	271	309	251	86	73	65
% sponsor-backed	24.7%	17.8%	15.1%	18.6%	11.0%	9.2%
Money raised	\$67.5bn	\$76.6bn	\$74.1bn	\$20.1bn	\$12.5bn	\$11.9bn
% sponsor-backed	36.7%	27.2%	24.8%	18.7%	20.3%	24.0%
<b>Advanced metrics</b>						
Free float %	36.8%	36.8%	40.0%	34.0%	40.4%	39.5%
Overallotment exercised (%) <sup>1</sup>	75.9%	73.0%	74.8%	75.0%	70.4%	60.9%
% secondary shares	10.2%	5.9%	4.9%	12.2%	2.6%	4.5%
<b>FO activity</b>						
Number of FOs	1,240	1,048	1,127	317	205	271
Money raised	\$215.1bn	\$190.3bn	\$216.3bn	\$44.6bn	\$31.9bn	\$52.1bn

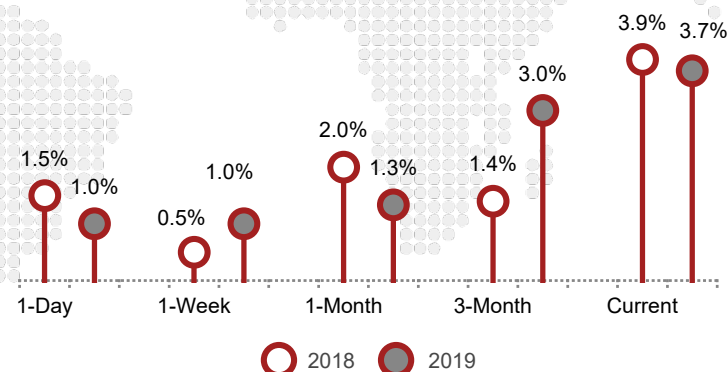
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③ IPO pricing dynamics

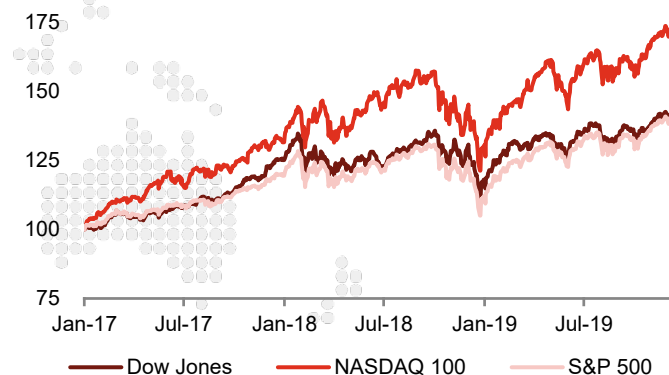


Post-IPO performance (median)



- ① The percentage of secondary shares sold in an IPO has been decreasing since 2017, as companies executing an IPO are raising more new financing.
- ② A positive development took place on the FO market, where proceeds increased by 63% while the number of deals increased by 32%.
- ③ The share of IPOs pricing above their initial pricing range continues to trend higher, whereas those pricing below is lower, a sign of investor appetite in the US.
- ④ US equities ended 2019 with their best year since 2013, despite limited corporate profit growth.

④ Indices


















# Leading transactions 2019 in the Americas

The largest IPO of Q4 2019 was undertaken by Brazil's leading digital broker XP, which raised \$2.3bn on NASDAQ

Top 10 largest IPOs 2019 in the Americas

Pricing date	Issuer name	Issuer country	Sector	Exchange	Filing range	Offer price	Pricing	Money raised	Free float	Secondary shares (%)	Performance		
											1-day	1-month	Current
9-May-19	Uber Technologies		Consumer Services	NYSE	44.00 - 50.00	45.00	Bottom of range	\$8.1bn	10.7%	0.0%	-7.6%	-1.9%	-33.9%
16-May-19	Avantor		Health Care	NYSE	18.00 - 21.00	14.00	Below range	\$3.3bn	44.6%	0.0%	3.6%	34.3%	29.6%
28-Mar-19	Lyft		Consumer Services	NASDAQ	62.00 - 68.00	72.00	Above range	\$2.6bn	12.4%	0.0%	8.7%	-20.5%	-40.3%
10-Dec-19	XP		Financials	NASDAQ	22.00 - 25.00	27.00	Above range	\$2.3bn	15.1%	41.3%	27.6%	N/A	42.7%
17-Apr-19	Pinterest		Technology	NYSE	15.00 - 17.00	19.00	Above range	\$1.6bn	16.3%	0.0%	28.4%	40.5%	-1.9%
25-Jun-19	BlackRock Science & Technology Trust II		Financials	NYSE	N/A	20.00	N/A	\$1.5bn	0.0%	0.0%	0.1%	11.7%	2.5%
11-Sep-19	SmileDirectClub		Health Care	NASDAQ	19.00 - 22.00	23.00	Above range	\$1.3bn	15.2%	0.0%	-27.5%	-51.6%	-62.0%
3-Apr-19	Tradeweb Markets		Industrials	NASDAQ	24.00 - 26.00	27.00	Above range	\$1.2bn	20.7%	0.0%	32.6%	45.1%	71.7%
13-Jun-19	Chewy		Consumer Services	NYSE	17.00 - 19.00	22.00	Above range	\$1.2bn	13.4%	88.0%	59.1%	54.4%	31.8%
25-Sep-19	Peloton Interactive		Consumer Services	NASDAQ	26.00 - 29.00	29.00	Top of range	\$1.2bn	14.3%	0.0%	-11.2%	-22.8%	-2.1%

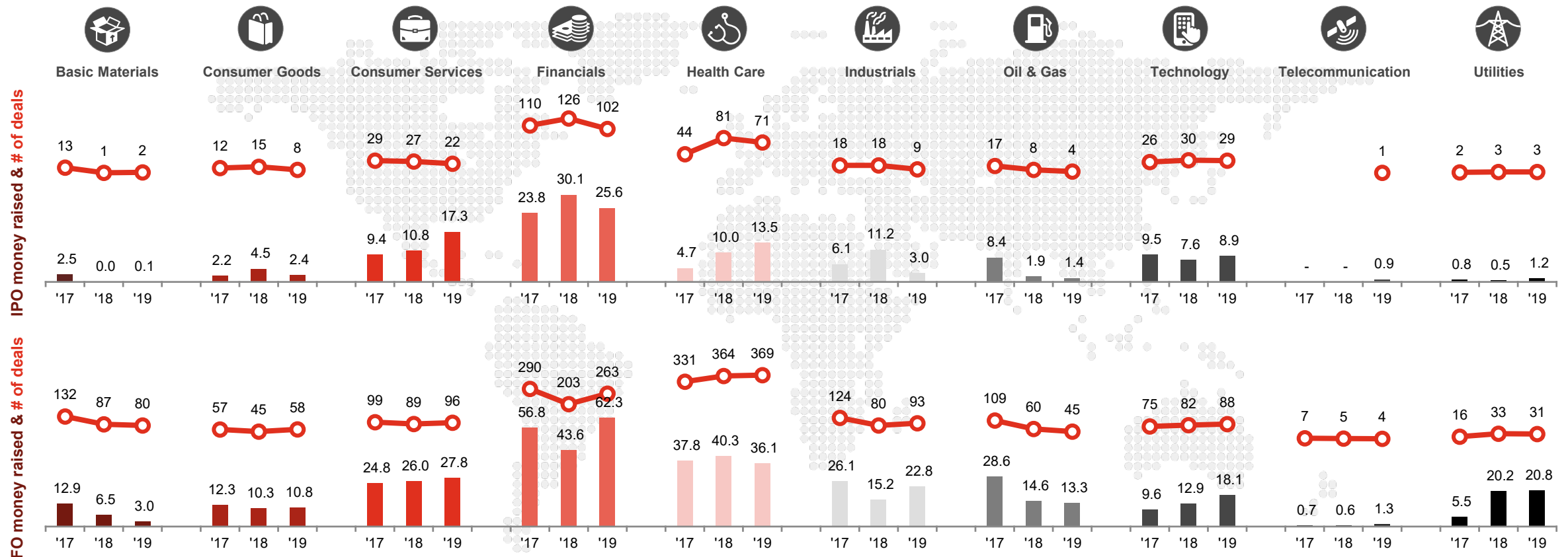
Top 10 largest FOs 2019 in the Americas

Pricing date	Issuer name	Issuer country	Sector	Exchange	Filing range	Offer price	Deal Type	Money raised	Secondary shares (%)	Performance		
										1-day	1-month	Current
8-Nov-19	AXA Equitable		Financials	NYSE	22.34 - 22.34	21.90	FO - Bought Deal	\$3.2bn	100.0%	5.8%	13.1%	13.2%
2-Sep-19	Enel Americas		Utilities	NYSE	8.31 - 8.31	8.31	FO - Rights Offer	\$3.1bn	0.0%	-2.6%	10.7%	32.1%
11-Sep-19	Baker Hughes a GE		Oil & Gas	NYSE	24.11 - 24.11	21.50	FO - Accelerated Bookbuild	\$2.8bn	100.0%	5.3%	3.4%	19.2%
23-Jul-19	BR Distribuidora		Oil & Gas	B3	24.81 - 24.81	24.50	FO - Fully Marketed	\$2.6bn	100.0%	7.6%	14.9%	22.7%
18-Nov-19	Duke Energy		Utilities	NYSE	88.65 - 88.65	86.45	FO - Bought Deal	\$2.5bn	0.0%	0.7%	4.8%	5.5%
25-Jun-19	VICI Properties		Financials	NYSE	22.79 - 22.79	21.50	FO - Accelerated Bookbuild	\$2.5bn	0.0%	0.4%	-1.0%	18.8%
30-Jul-19	Edison International		Utilities	NYSE	70.60 - 70.60	68.50	FO - Accelerated Bookbuild	\$2.2bn	0.0%	8.8%	5.5%	10.1%
19-Jul-19	IRB-Brasil Resseguros		Financials	B3	101.45 - 101.45	88.00	FO - Fully Marketed	\$2.0bn	100.0%	0.7%	15.8%	32.8%
26-Jun-19	Petrobras		Oil & Gas	B3; NYSE	29.85 - 29.85	30.25	FO - Fully Marketed	\$1.9bn	100.0%	1.0%	-2.6%	5.8%
1-May-19	Wabtec		Industrials	NYSE	74.07 - 74.07	73.50	FO - Accelerated Bookbuild	\$1.9bn	100.0%	2.0%	-15.1%	5.9%

# IPO and FO activity per sector in the Americas

Financials only slightly outrank Consumer Services, as the latter is supported by some well-known Silicon Valley businesses that went public this year

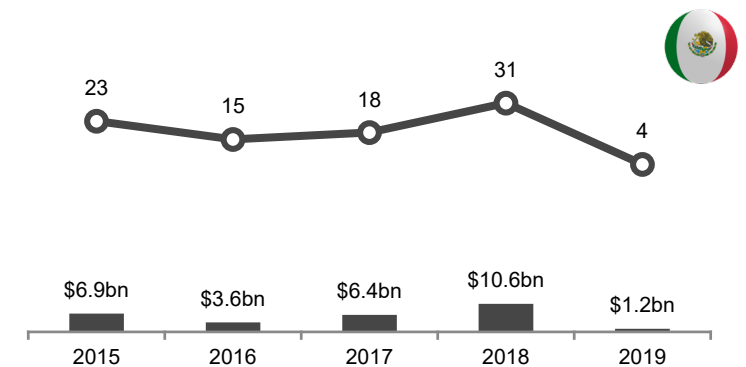
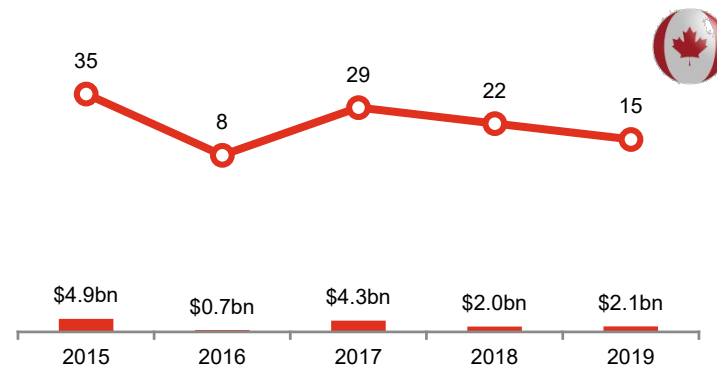
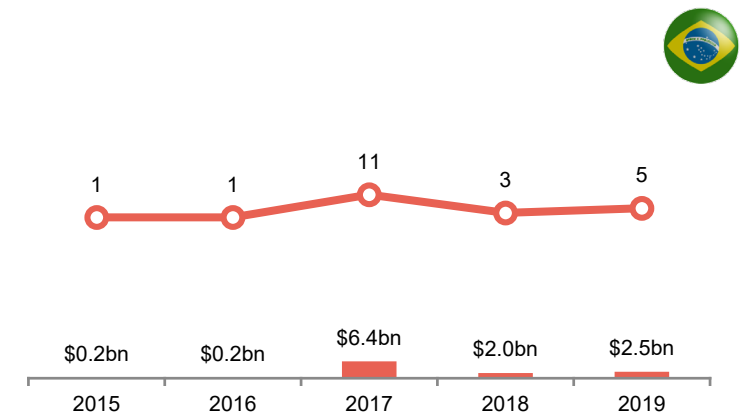
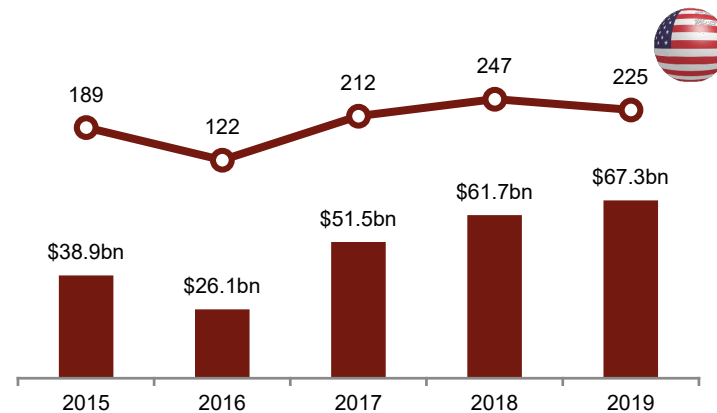
Money raised and number of IPOs and FOs per sector 2017 – 2019



# Top countries in terms of IPO activity in the Americas

The US has raised more proceeds via IPOs in 2019 than in any of the previous four years

IPO activity of top countries in the Americas 2015 – 2019





# EMEA

*“Despite strong index performance, challenging market conditions for new issuers persisted throughout EMEA, reflected in the number of cancelled or deferred transactions, as well as the mixed aftermarket performance.*

*Without the IPO of Saudi Aramco, 2019 represents the lowest levels of issuance for IPOs in EMEA since 2012. The UK, in particular, was impacted by uncertainty around Brexit, while Germany posted a new record low since 2009 with only four new listings.*

*For 2020, we are cautiously optimistic thanks to the apparent progress made with the predominant uncertainties, Brexit and the China/US trade conflict, more stable macro data and fund inflows into European Equities. Equally, however, current tensions in the Middle East provide more recent cause for concern.”*

**Peter Whelan**

Partner, UK IPO Lead at PwC  
PwC United Kingdom

**Carsten Stäcker**

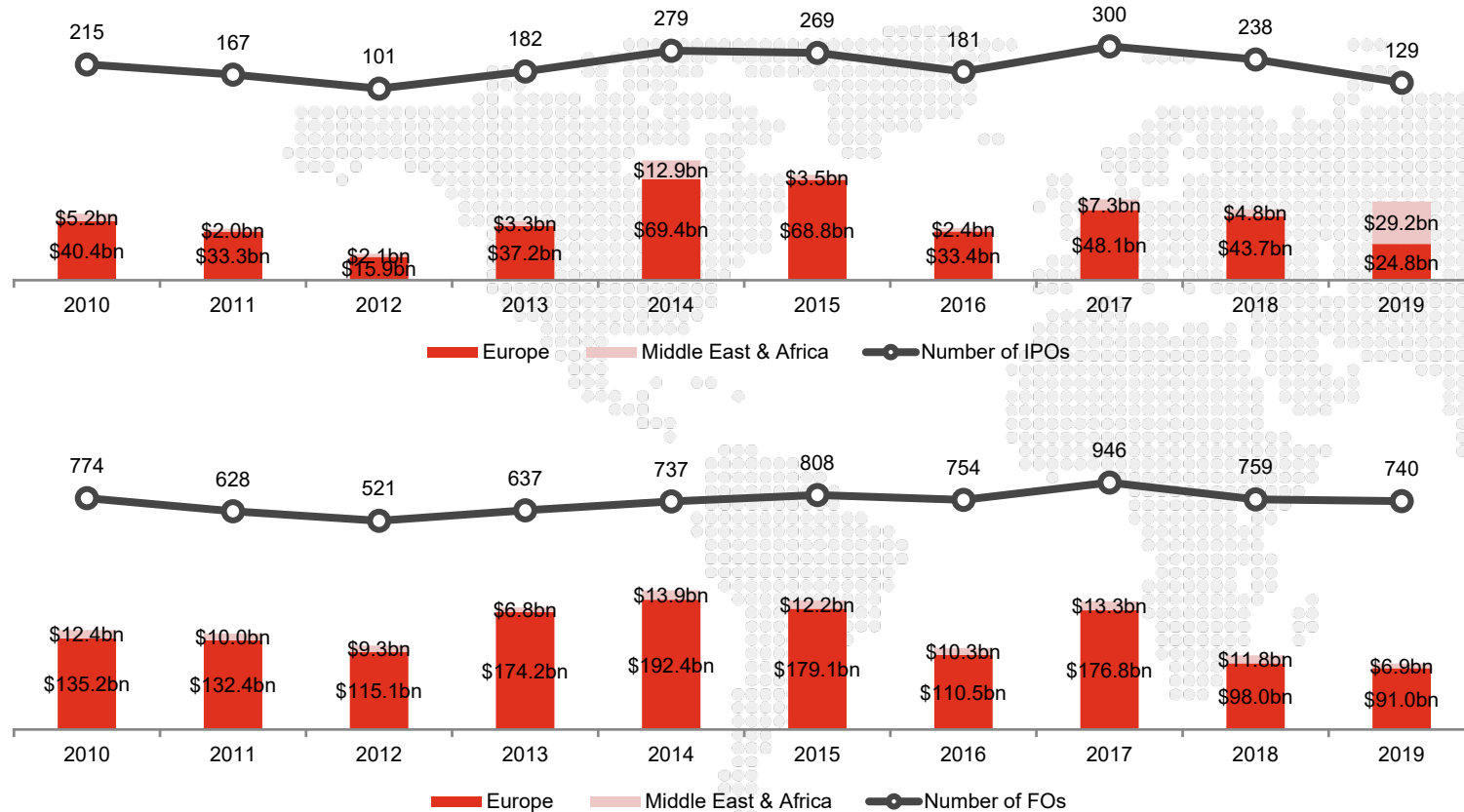
Partner, Equity Advisory  
PwC Germany



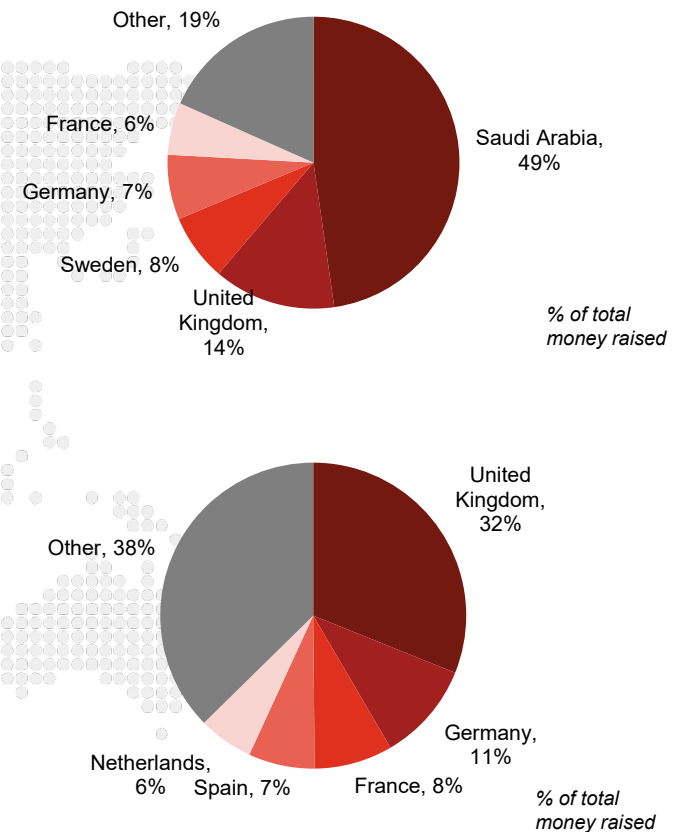
# Money raised via IPOs and FOs in EMEA

With geopolitical and economic headwinds, European proceeds are at a 7-year low

Money raised via IPOs and FOs in EMEA (10-year overview)



Top countries 2019



# Overview of IPO and FO activity in EMEA

In the fourth quarter of 2019, excluding the \$25.6bn raised by Saudi Aramco, IPO proceeds decreased by 41% and the number of transactions fell by 20%

IPO and FO activity in EMEA

	2017	2018	2019	Q4 2017	Q4 2018	Q4 2019
<b>IPO activity</b>						
Number of IPOs	300	238	129	93	54	43
% sponsor-backed	17.0%	10.9%	14.7%	20.4%	5.6%	11.6%
Money raised	\$55.4bn	\$47.4bn	\$53.3bn	\$18.6bn	\$12.9bn	\$33.2bn
% sponsor-backed	28.0%	20.5%	23.9%	40.3%	11.7%	7.5%
<b>Advanced metrics</b>						
Free float %	43.5%	41.2%	38.1%	39.5%	37.7%	37.9%
Overallotment exercised (%) <sup>1</sup>	26.4%	25.7%	25.8%	23.0%	24.0%	20.9%
% secondary shares	32.9%	29.5%	34.3%	35.0%	25.9%	32.1%
<b>FO activity</b>						
Number of FOs	946	759	740	262	162	217
Money raised	\$189.9bn	\$109.8bn	\$97.9bn	\$33.8bn	\$17.0bn	\$29.2bn

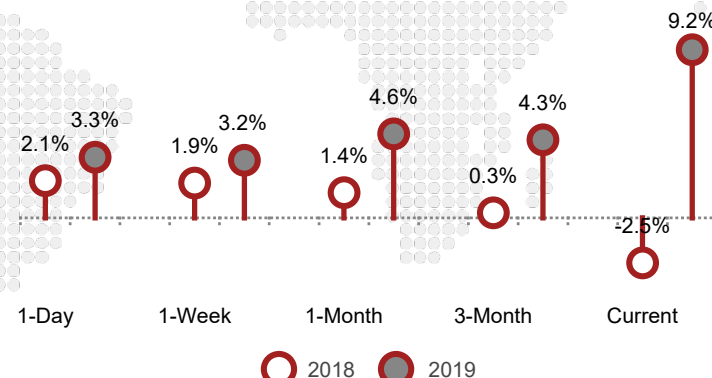
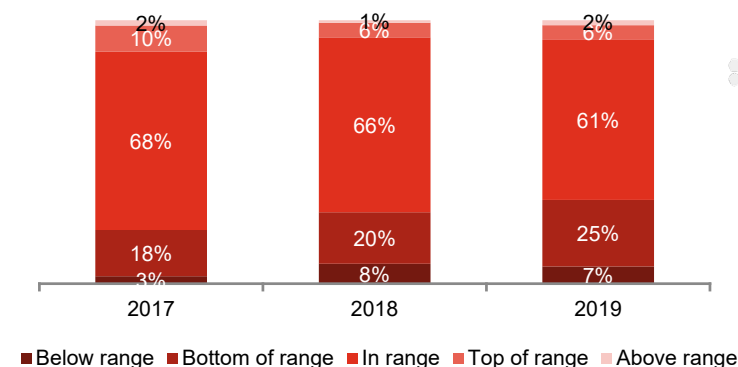
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IPO pricing dynamics

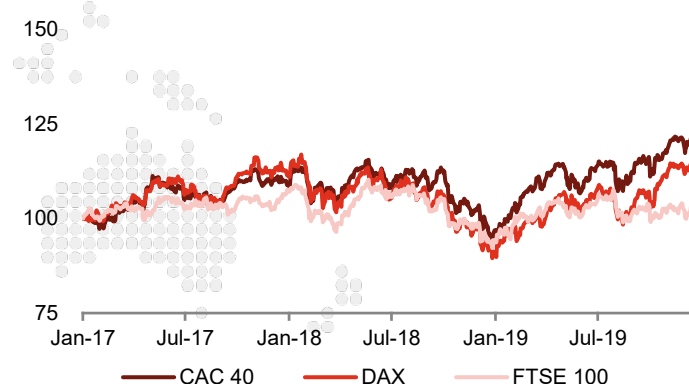
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Post-IPO performance (median)



- ① On the FO market activity levels were impressive, proceeds were up 72% and the number of deals by 34% as compared to Q4 2018.
- ② The number of transactions pricing within range continues to trend downwards. More companies are pricing at the bottom of their initial pricing range.
- ③ Consistent with the surging EMEA index performance, post-IPO performance remains solid in EMEA, with a 9.2% median return for 2019 IPOs.





















Indices





# Leading transactions 2019 in EMEA

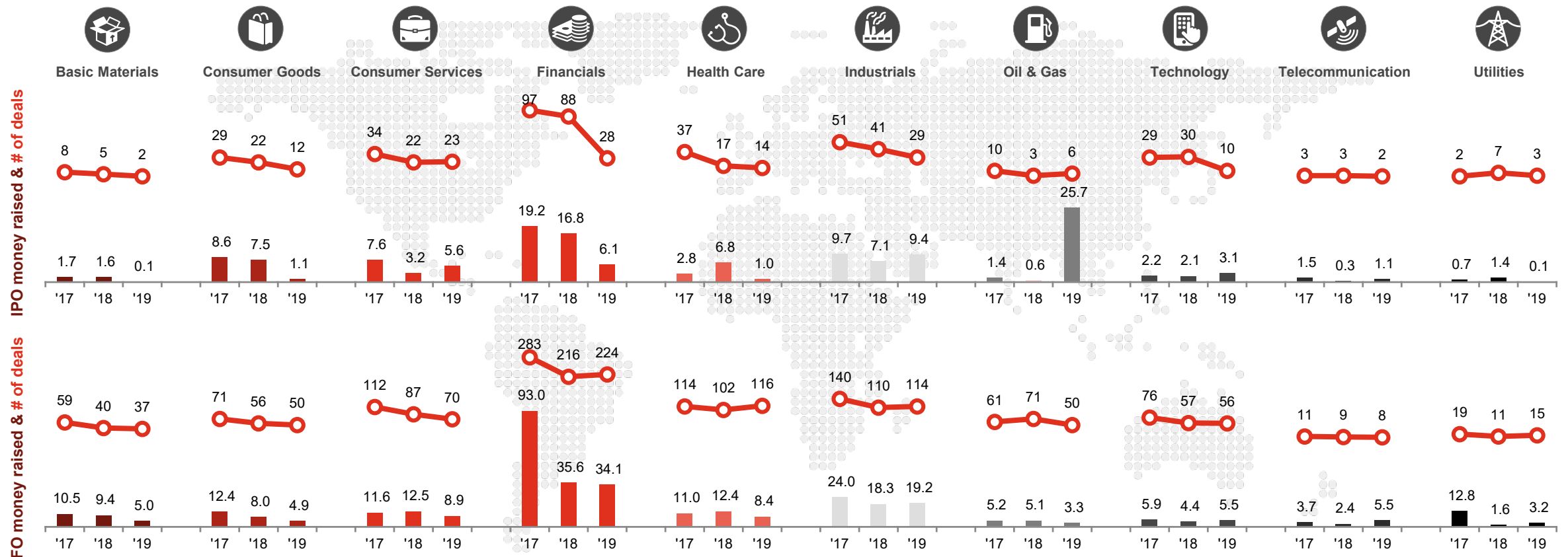
Excluding Saudi Aramco, the largest IPO of Q4 2019 was undertaken by the state gaming monopoly Francaise Des Jeux, raising \$2.0bn for the French Government

Top 10 largest IPOs 2019 in EMEA													
Pricing date	Issuer name	Issuer country	Sector	Exchange	Filing range	Offer price	Pricing	Money raised	Free float	Secondary shares (%)	Performance		
											1-day	1-month	Current
5-Dec-19	Saudi Aramco		Oil & Gas	Saudi SE	30.00 - 32.00	32.00	Top of range	\$25.6bn	1.5%	100.0%	10.0%	N/A	9.7%
12-Apr-19	Nexi		Industrials	Borsa Italiana	8.50 - 10.35	9.00	In range	\$2.3bn	36.4%	65.2%	-6.2%	-6.6%	37.6%
24-Sep-19	TeamViewer		Technology	Deutsche Börse	23.50 - 27.50	26.25	In range	\$2.2bn	37.5%	100.0%	-3.6%	-12.2%	21.5%
20-Nov-19	Francaise Des Jeux		Consumer Services	Euronext Paris	16.50 - 19.90	19.90	Top of range	\$2.0bn	48.4%	100.0%	14.1%	18.2%	19.7%
10-Apr-19	Network International		Industrials	LSE	3.95 - 4.65	4.35	In range	\$1.6bn	56.0%	100.0%	14.9%	20.2%	47.4%
27-Jun-19	Traton		Industrials	Deutsche Börse; NASDAQ S'holm	27.00 - 33.00	27.00	Bottom of range	\$1.6bn	10.3%	100.0%	-2.0%	0.2%	-11.4%
12-Apr-19	Stadler Rail		Industrials	SIX Swiss Exchange	33.00 - 41.00	38.00	In range	\$1.5bn	40.3%	100.0%	13.4%	10.6%	27.3%
21-Jun-19	Trainline		Consumer Services	LSE	3.18 - 3.60	3.50	Top of range	\$1.4bn	65.0%	88.4%	17.4%	16.7%	44.9%
24-Sep-19	EQT		Financials	NASDAQ Stockholm	62.00 - 68.00	67.00	Top of range	\$1.4bn	21.1%	54.6%	34.3%	33.6%	62.5%
3-Oct-19	Verallia		Industrials	Euronext Paris	26.50 - 29.50	27.00	Bottom of range	\$1.1bn	30.1%	100.0%	4.1%	-4.0%	12.1%
Top 10 largest FOs 2019 in EMEA													
Pricing date	Issuer name	Issuer country	Sector	Exchange	Filing range	Offer price	Deal Type	Money raised	Secondary shares (%)	Performance			
										1-day	1-month	Current	
29-Mar-19	AstraZeneca		Health Care	LSE	64.96 - 64.96	60.50	FO - Accelerated Bookbuild	\$3.5bn	0.0%	2.0%	-5.4%	25.7%	
31-Oct-19	Cellnex Telecom		Telecommunications	BME	28.85 - 28.85	28.85	FO - Rights Offer	\$2.8bn	0.0%	32.6%	35.2%	33.0%	
21-Nov-19	Emirates NBD		Financials	Dubai FM	8.50 - 8.50	8.50	FO - Rights Offer	\$1.8bn	0.0%	41.8%	51.8%	52.9%	
17-Jun-19	Infineon Technologies		Technology	Deutsche Börse	14.36 - 14.36	13.70	FO - Accelerated Bookbuild	\$1.7bn	0.0%	2.7%	19.5%	48.3%	
14-Jun-19	Huatai Securities		Financials	LSE	20.00 - 24.50	20.50	FO - Fully Marketed	\$1.7bn	0.0%	N/A	N/A	N/A	
12-Mar-19	Adyen		Industrials	Euronext Amsterdam	656.20 - 656.20	600.00	FO - Accelerated Bookbuild	\$1.7bn	100.0%	4.0%	14.5%	21.8%	
22-Mar-19	Cellnex Telecom		Telecommunications	BME	17.89 - 17.89	17.89	FO - Rights Offer	\$1.4bn	0.0%	35.5%	45.8%	114.5%	
30-Oct-19	Worldline		Industrials	Euronext Paris	55.80 - 55.80	53.00	FO - Accelerated Bookbuild	\$1.3bn	100.0%	1.7%	10.9%	19.2%	
9-Jul-19	FinecoBank		Financials	Borsa Italiana	10.31 - 10.31	9.85	FO - Accelerated Bookbuild	\$1.2bn	100.0%	2.6%	-5.4%	8.5%	
12-Sep-19	Alstom		Industrials	Euronext Paris	39.38 - 39.38	37.00	FO - Accelerated Bookbuild	\$1.2bn	100.0%	1.2%	2.5%	14.1%	

# IPO and FO activity per sector in EMEA

Saudi Aramco pushes the IPO proceeds for the Oil & Gas sector, while proceeds for the Financials sector stay well-behind previous years' results

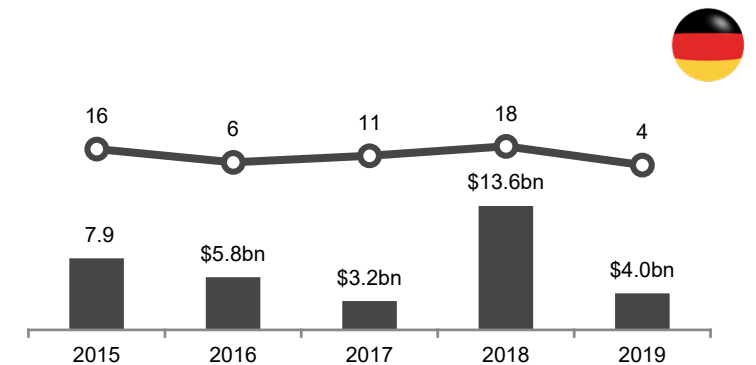
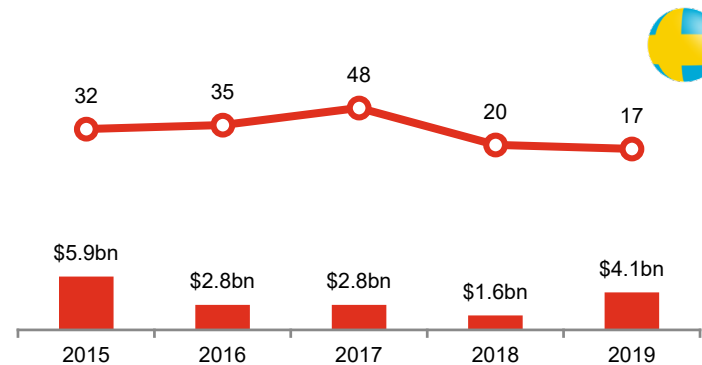
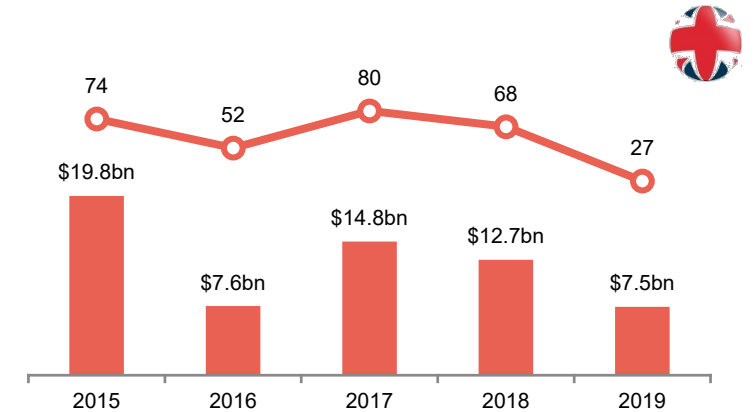
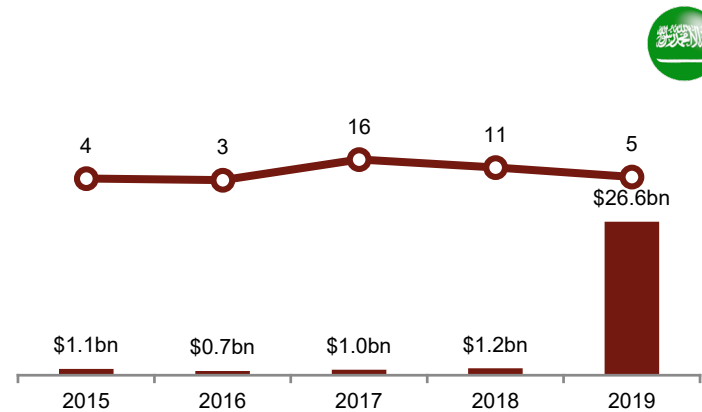
Money raised and number of IPOs and FOs per sector 2017 – 2019



# Top countries in terms of IPO activity in EMEA

Germany and Sweden propelled up the list of top countries as a result of three \$1bn+ IPOs between them

IPO activity of top countries in EMEA 2015 – 2019



Note: Top countries have been selected based on money raised in 2019.  
Source: Dealogic as of 31 December 2019.

# Asia-Pacific

*“Hong Kong and mainland China markets were at the forefront of global capital raising activities hosting some of the largest global IPOs and FOs in 2019. Hong Kong was a premier exchange and will continue to stay as one of the leading global exchanges. Shanghai’s new Science and Technology Innovation Board (STAR Market) thrived and will leapfrog into 2020.”*

**Kennedy Liu**

Head of Capital Markets  
PwC Hong Kong

**Geoffrey Tang**

Director, Capital Markets  
PwC Hong Kong

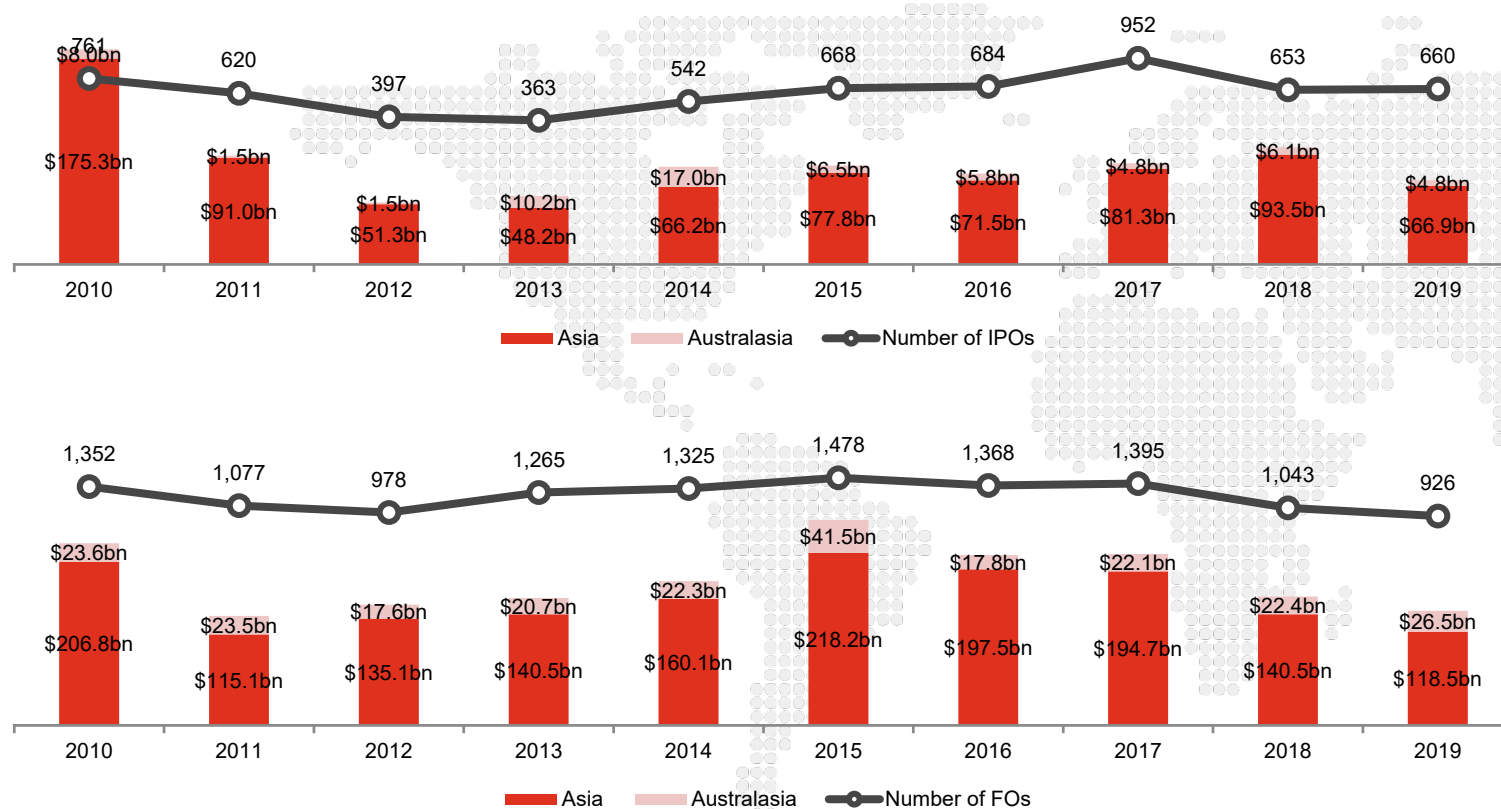




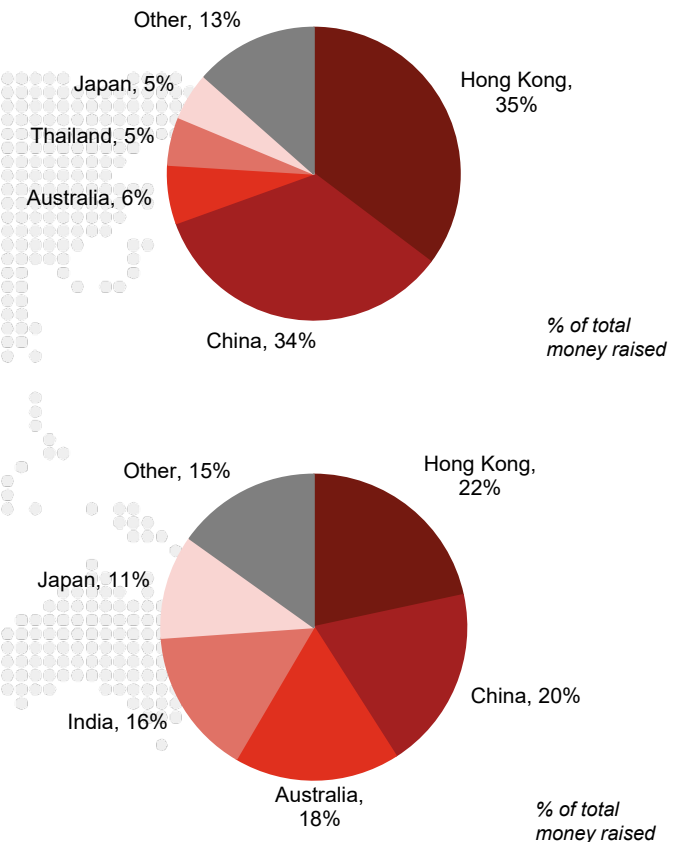
# Money raised via IPOs and FOs in Asia-Pacific

IPO and FO activity was 28% and 11% lower, respectively, in 2019 as compared to 2018. In mainland China, the Shanghai STAR Market is still in an early growth stage.

Money raised via IPOs and FOs in Asia-Pacific (10-year overview)



Top countries 2019



# Overview of IPO and FO activity in Asia-Pacific

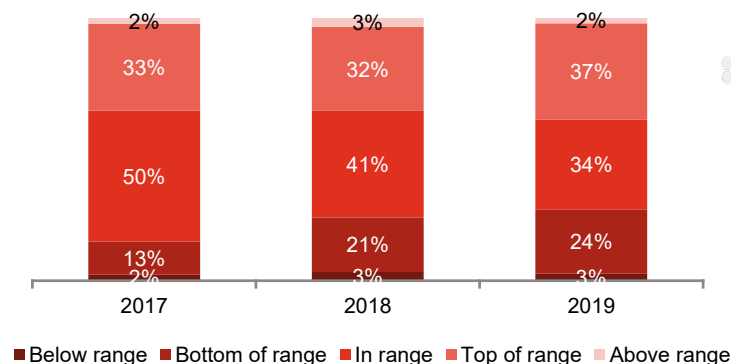
In the fourth quarter of 2019, IPO proceeds fell by 20%, despite a 31% increase in the number of transactions

IPO and FO activity in Asia-Pacific

	2017	2018	2019	Q4 2017	Q4 2018	Q4 2019
<b>IPO activity</b>						
Number of IPOs	952	653	660	262	176	230
% sponsor-backed	2.8%	2.5%	1.8%	3.4%	1.1%	1.7%
Money raised	\$86.1bn	\$99.7bn	\$71.7bn	\$29.1bn	\$32.3bn	\$25.8bn
% sponsor-backed	8.9%	4.1%	7.1%	10.8%	0.9%	10.9%
<b>Advanced metrics</b>						
Free float %	27.3%	27.5%	26.6%	27.8%	27.9%	26.2%
Overallotment exercised (%) <sup>1</sup>	12.8%	19.7%	18.3%	14.4%	24.3%	14.1%
% secondary shares	10.1%	11.5%	10.8%	13.0%	9.7%	10.0%
<b>1 FO activity</b>						
Number of FOs	1395	1043	926	439	185	271
Money raised	\$216.8bn	\$162.9bn	\$145.0bn	\$66.8bn	\$21.8bn	\$54.0bn

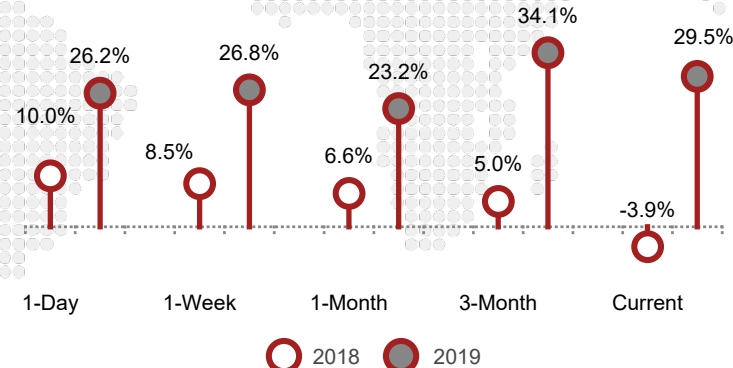
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IPO pricing dynamics



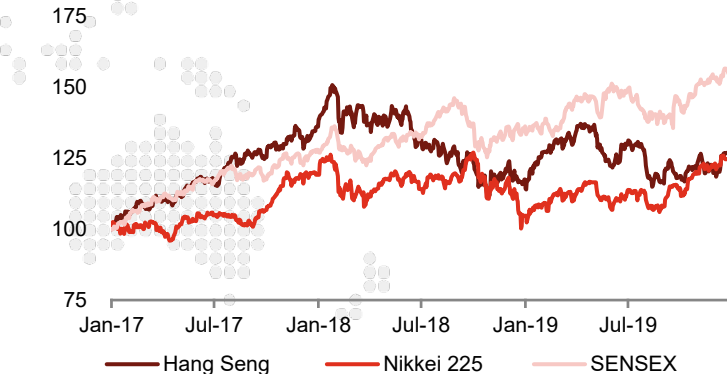
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Post-IPO performance (median)



- 1 On the FO market, proceeds were up by 148% with a 46% rise in the number of deals compared to Q4 2018, including \$12.9bn Alibaba
- 2 In line with the other two regions, pricing outcomes are widening compared to initial range.
- 3 Median post-IPO performance in Asia-Pacific climbed to 29.5% in 2019, outperforming IPOs in the Americas and EMEA.











Indices




# Leading transactions 2019 in Asia-Pacific

The secondary listing of Alibaba on HKEX raised \$12.9bn, and hereby represents the largest FO transaction of 2019 by a wide margin

Top 10 largest IPOs 2019 in Asia-Pacific

Pricing date	Issuer name	Issuer country	Sector	Exchange	Filing range	Offer price	Pricing	Money raised	Free float	Secondary shares (%)	Performance		
											1-day	1-month	Current
24-Sep-19	Budweiser Brewing Co APAC		Consumer Goods	HKEX	27.00 - 30.00	27.00	Bottom of range	\$5.7bn	12.8%	0.0%	4.4%	3.0%	-2.6%
25-Oct-19	ESR Cayman		Financials	HKEX	16.20 - 17.40	16.80	In range	\$1.794bn	27.6%	62.7%	5.4%	-3.3%	4.8%
27-Sep-19	Asset World		Financials	Thailand SE	6.00 - 6.00	6.00	In range	\$1.4bn	22.5%	0.0%	0.8%	0.8%	-2.5%
29-Apr-19	Ningxia Baofeng Energy Group		Basic Materials	Shanghai SE	N/A	11.12	N/A	\$1.211bn	10.0%	0.0%	44.0%	6.3%	-14.5%
5-Jun-19	Hansoh Pharmaceutical Group		Health Care	HKEX	13.06 - 14.26	14.26	Top of range	\$1.2bn	11.1%	0.0%	36.8%	68.0%	81.6%
3-Oct-19	Topsports International		Consumer Services	HKEX	8.30 - 10.10	8.50	Bottom of range	\$1.1bn	17.1%	0.0%	8.8%	8.7%	10.8%
2-Dec-19	Bangkok Comm. Asset Management		Financials	Thailand SE	15.50 - 17.50	17.50	Top of range	\$1.0bn	54.4%	71.1%	0.0%	N/A	3.4%
6-Nov-19	China Feihe		Consumer Goods	HKEX	7.50 - 10.00	7.50	Bottom of range	\$0.9bn	10.0%	0.0%	-0.8%	-0.3%	22.0%
1-Oct-19	Lendlease Global Commercial REIT		Financials	Singapore SE	0.88 - 0.88	0.88	In range	\$0.7bn	72.0%	0.0%	4.6%	8.0%	5.7%
22-Mar-19	Embassy Office Parks REIT		Financials	BSE; NSE	N/A	300.00	N/A	\$0.7bn	20.5%	0.0%	7.5%	7.2%	41.8%

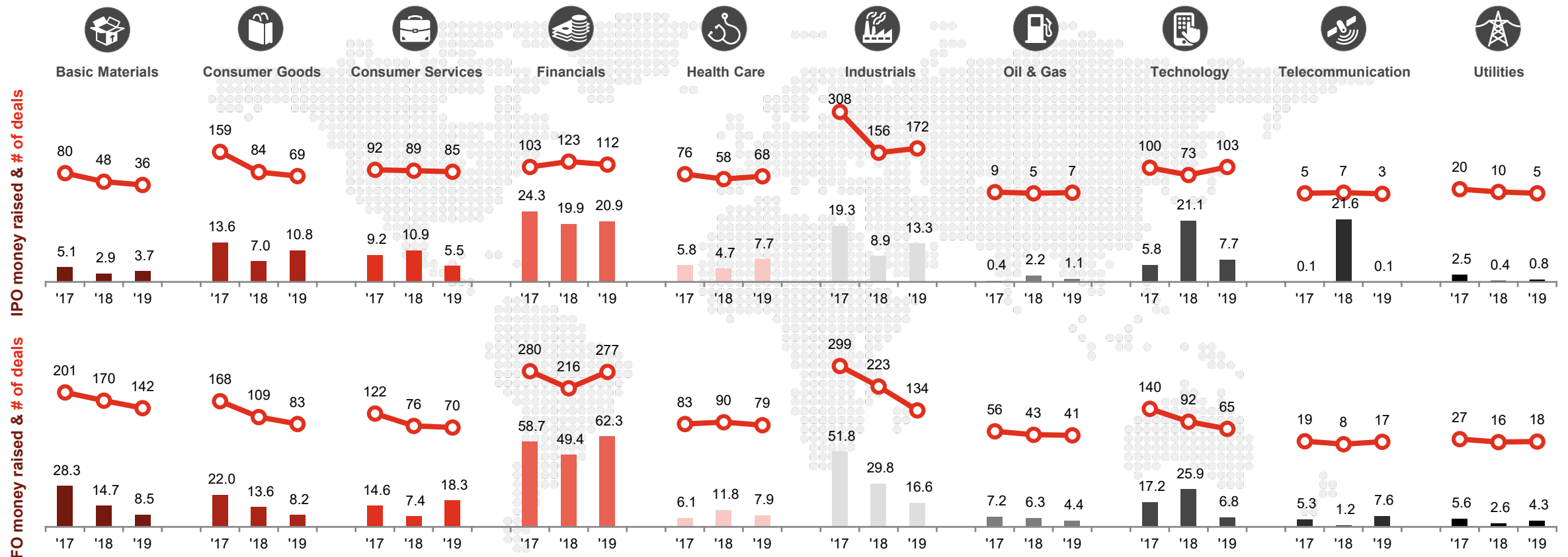
Top 10 largest FOs 2019 in Asia-Pacific

Pricing date	Issuer name	Issuer country	Sector	Exchange	Filing range	Offer price	Deal Type	Money raised	Secondary shares (%)	Performance		
										1-day	1-month	Current
20-Nov-19	Alibaba Group		Consumer Services	HKEX	N/A	176.00	FO - Fully Marketed	\$12.9bn	0.0%	6.6%	19.6%	17.7%
6-Nov-19	Postal Savings Bank of China		Financials	Shanghai SE	5.50 - 5.50	5.50	FO - Fully Marketed	\$4.7bn	0.0%	2.0%	N/A	6.6%
4-May-19	Vodafone Idea		Telecommunications	BSE; NSE	12.50 - 12.50	12.50	FO - Rights Offer	\$3.6bn	0.0%	31.2%	10.7%	-51.1%
24-May-19	Bharti Airtel		Telecommunications	BSE; NSE	220.00 - 220.00	220.00	FO - Rights Offer	\$3.6bn	0.0%	59.1%	57.0%	106.1%
10-Sep-19	Recruit		Industrials	Tokyo SE	3,313.00 - 3,313.00	3,079.00	FO - Fully Marketed	\$3.5bn	100.0%	3.1%	12.8%	33.1%
15-Apr-19	Japan Post Insurance		Financials	Tokyo SE	2,433.00 - 2,433.00	2,375.00	FO - Fully Marketed	\$2.9bn	100.0%	0.8%	-13.7%	-21.6%
9-Aug-19	CGN Power		Utilities	Shenzhen SE	1.87 - 1.87	2.49	FO - Fully Marketed	\$1.8bn	0.0%	44.2%	73.1%	44.6%
23-Oct-19	China Zheshang Bank		Financials	Shanghai SE	3.57 - 3.57	4.94	FO - Fully Marketed	\$1.8bn	0.0%	0.6%	-3.4%	-3.2%
25-Sep-19	Axis Bank		Financials	BSE; NSE	N/A	629.00	FO - Accelerated Bookbuild	\$1.8bn	0.0%	8.1%	17.0%	19.1%
9-Jul-19	China Railway Signal & Communication		Industrials	STAR Market	N/A	5.85	FO - Fully Marketed	\$1.5bn	0.0%	109.7%	73.5%	18.3%

# IPO and FO activity per sector in Asia-Pacific

Financials remain as the dominant sector for both IPO and FO activity

Money raised and number of IPOs and FOs per sector 2017 – 2019

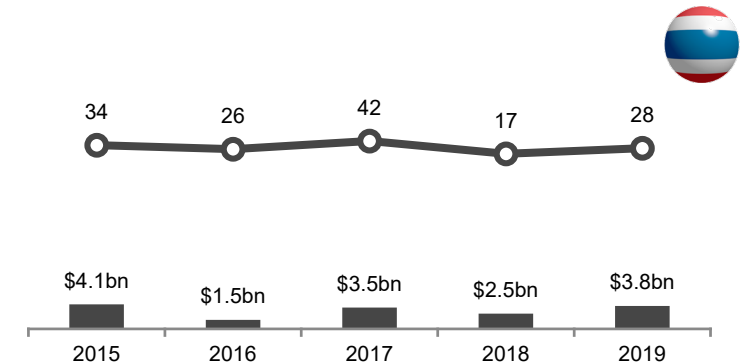
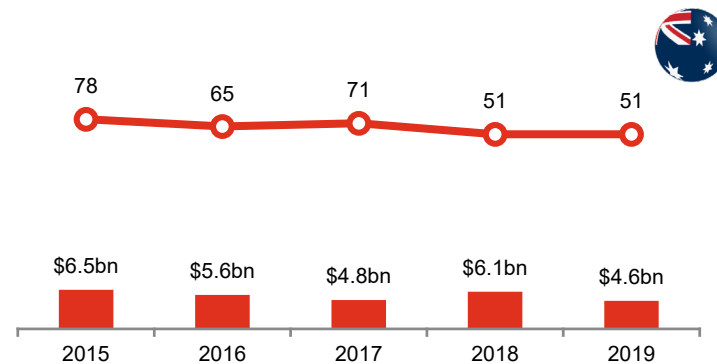
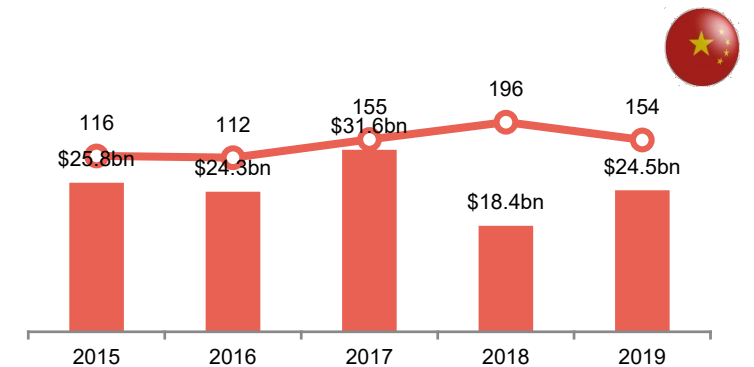
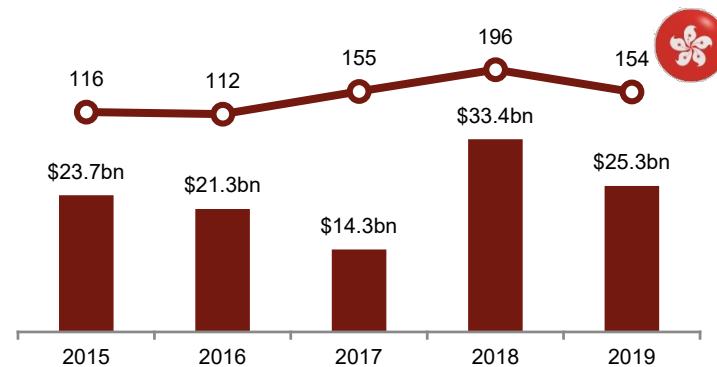




# Top countries in terms of IPO activity in Asia-Pacific

Hong Kong ended the year strongly notwithstanding the political unrest, with the FO from Alibaba and the IPO of Budweiser Brewing Co APAC in the final four months.

IPO activity of top countries in Asia-Pacific 2015 – 2019



Note: Top countries have been selected based on money raised in 2019.  
Source: Dealogic as of 31 December 2019.





# Basis of preparation

*The **Global IPO Watch** analyses IPO and FO trends on a quarterly basis, both at a global and regional level. It is based on data extracted from Dealogic, whereby only transactions with a minimum of \$5 million money raised have been included. Transaction proceeds include the overallotment option (if exercised). The data excludes PIPOs and transactions on Over-The-Counter exchanges. In case IPOs or FOs take place on two or more exchanges, the full amount of money raised is attributed to all exchanges. The same applies to countries and regions. This does not apply to two exchanges within the same country or two countries within the same region. Country indicates the company's country of domicile. Industry classification is based on the FTSE Russell Industry Classification Benchmark. Index performance is based on pricing data extracted from Bloomberg.*



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