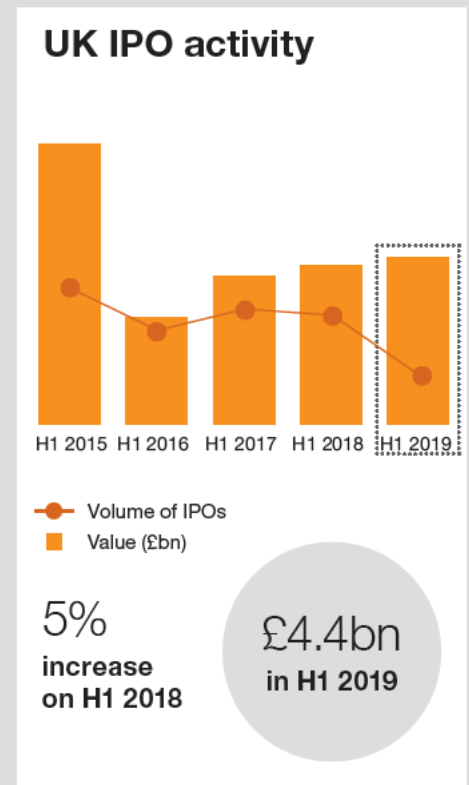
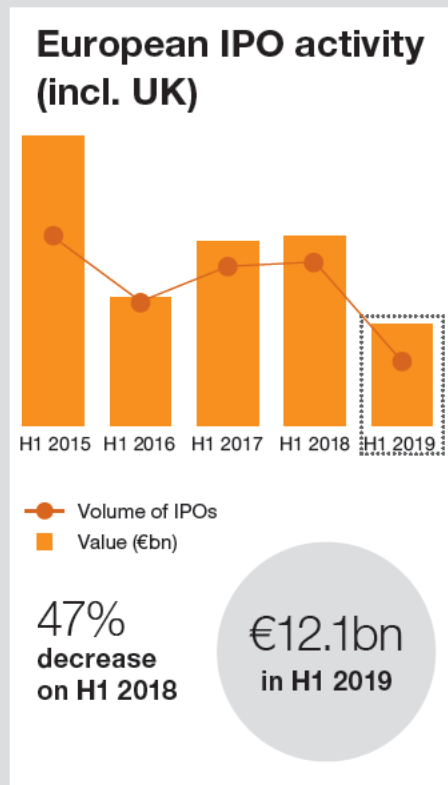
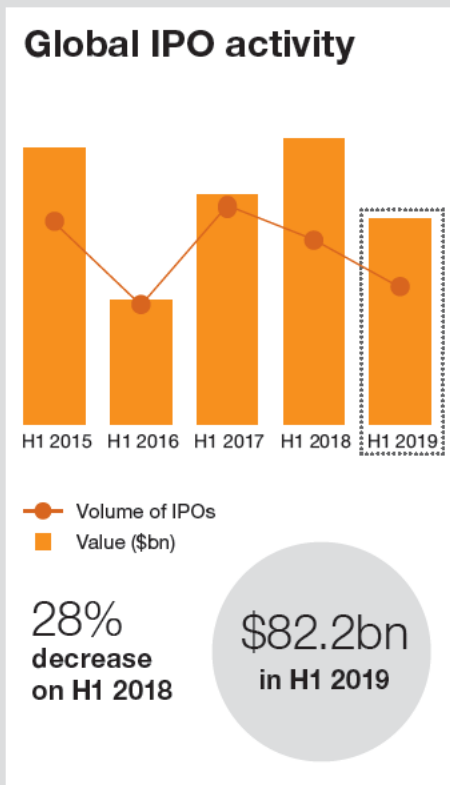




# IPO Watch Europe

Q2 2019

# European IPO markets raised €12.1bn in H1 2019, with proceeds down 47% compared to H1 2018



## Top five European IPOs in H1 2019 – five mega-IPOs<sup>1</sup>

**Trainline plc**  
Consumer Services  
€1,227m  
London

**Nexi SpA**  
Financials  
€2,056m  
Borsa Italiana

**Network International Holdings plc**  
Financials  
€1,414m  
London

**Traton SE**  
Industrials  
€1,350m  
Deutsche Börse;  
Nasdaq Stockholm

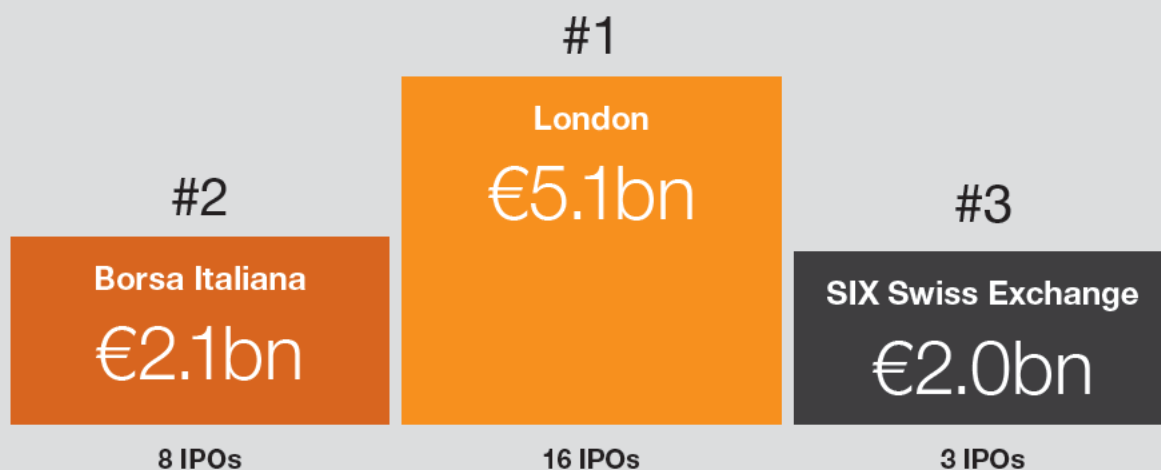
**Stadler Rail AG**  
Industrials  
€1,351m  
SIX Swiss Exchange

<sup>1</sup> Mega-IPOs defined as raising in excess of €1bn

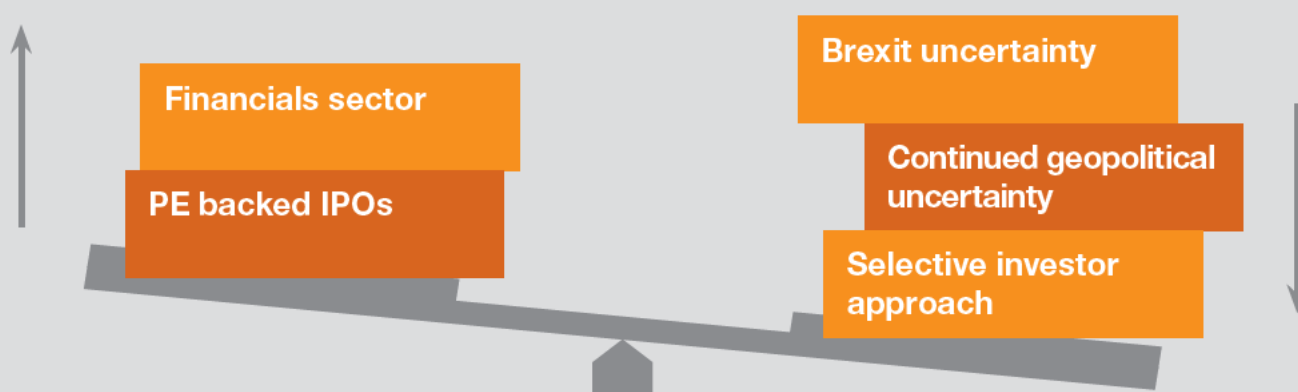
**Financials continued to be the largest sector, accounting for 43% of H1 2019 values**



**In contrast to other markets, London has increased proceeds in H1 2019 vs H1 2018 and accounted for 42% of total proceeds raised in Europe**



**Despite supportive markets, IPOs were paused in early 2019. Q2 2019 has seen selective activity**





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## Outlook

“

The European IPO market is showing signs of recovery following a particularly quiet first quarter. Although geopolitical tensions and looming Brexit deadlines caused companies and markets to exercise caution earlier in the year, this now appears to be less of a concern. While there have been fewer small deals in this quarter, we have seen a number of major transactions. This has included a good number of private equity backed companies that delivered significant investor demand and positive aftermarket performance – notably Network International, Watches of Switzerland and Trainline – providing some of the best debuts among large European companies in 2019.”

**Peter Whelan**  
Partner, UK IPO Lead at PwC



# UK focus – overview

A resurgent London raised its highest value in Q2 since 2014

Figure 1: UK IPO trends (by offering value)

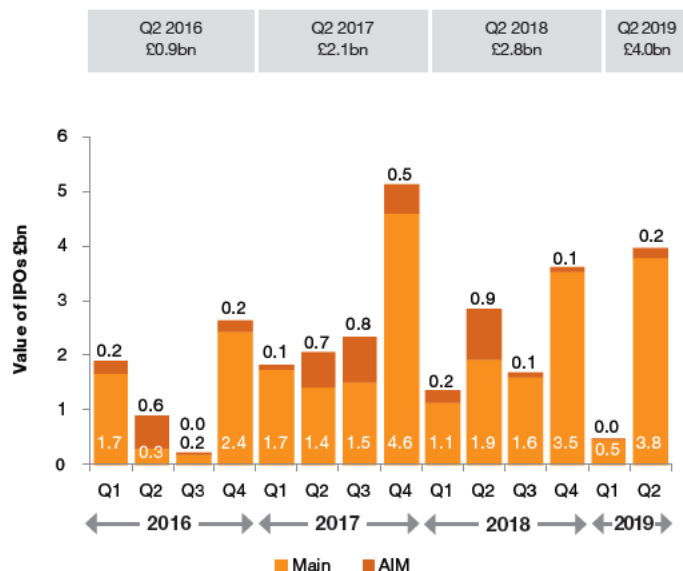


Figure 2: UK IPO trends (by Volume)

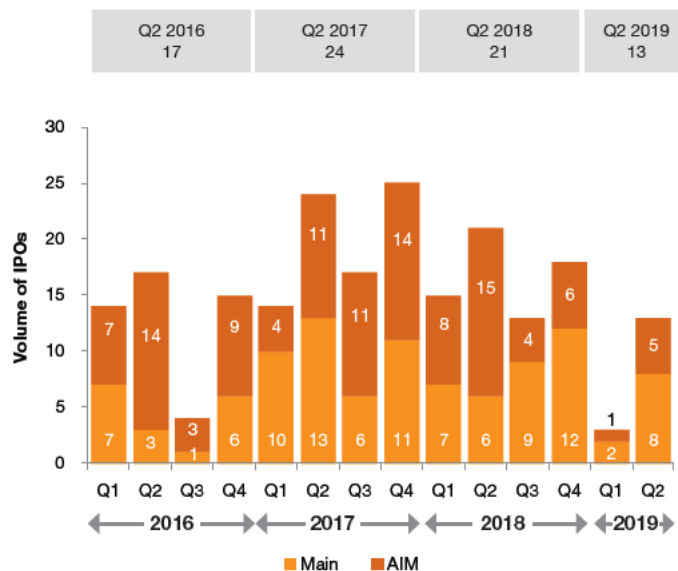


Figure 3: Top five UK IPOs in Q2 2019

Issuer	Value (£m)	Sector	Market	Private Equity ('PE') backed
Network International Holdings plc	1,218	Financials	Main	Yes
Trainline plc	1,093	Consumer Services	Main	Yes
Airtel Africa plc	541	Telecommunications	Main	No
Finabl plc	306	Financials	Main	No
Watches of Switzerland Group plc	242	Consumer Goods	Main	Yes

Note: Ranking in Pound sterling may be different from ranking in Euros due to exchange rate

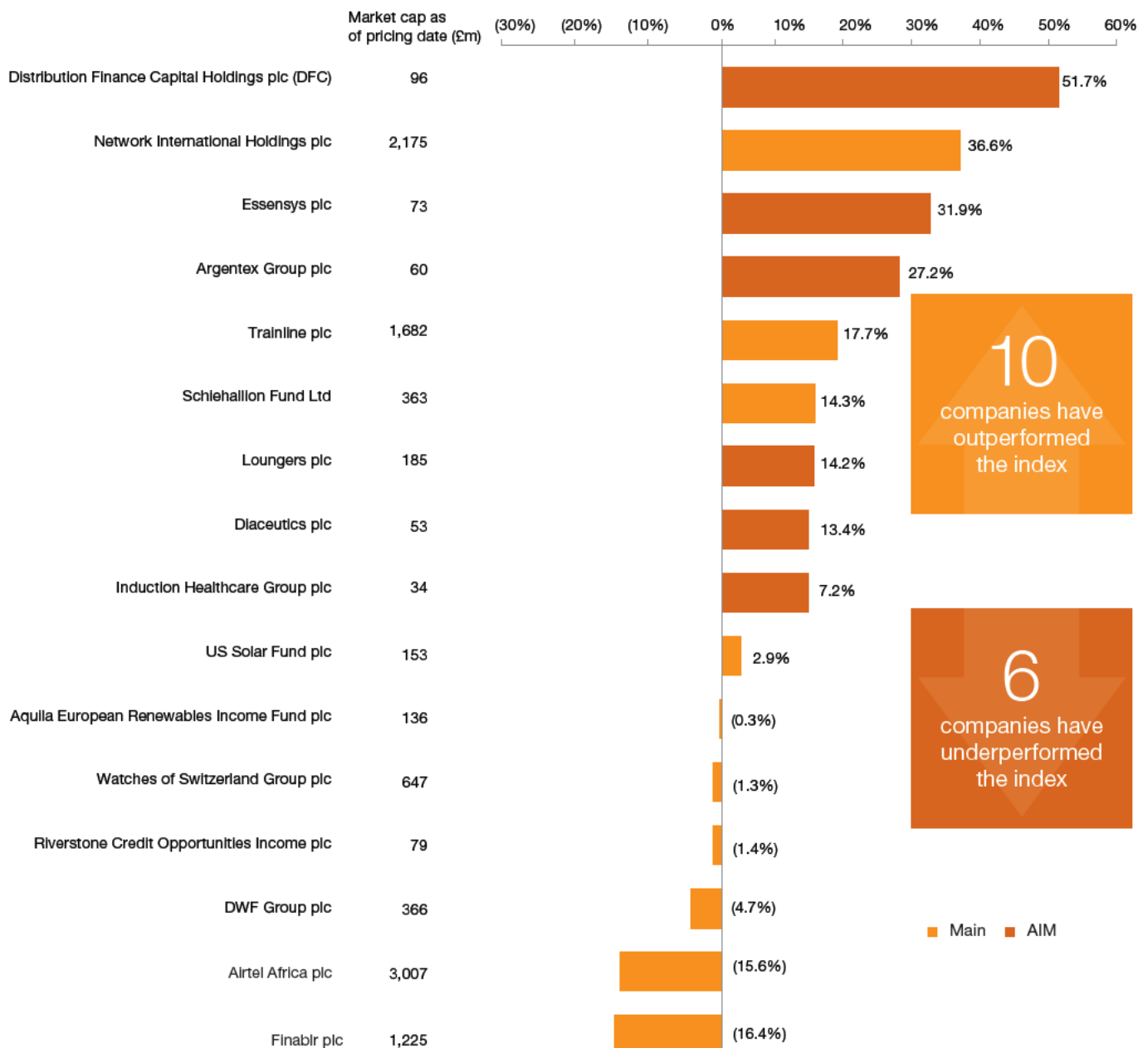
Figure 4: UK IPO value by sector

By offering value £m	Q1 2019	Q2 2019	H1 2019	H1 2018	Variance vs H1 2018
Financials	363	1,958	2,321	1,827	494
Consumer Services	95	1,176	1,271	650	621
Telecommunications	–	541	541	–	541
Consumer Goods	–	242	242	293	(51)
Health Care	21	17	38	–	38
Technology	–	28	28	629	(601)
Oil & Gas	–	–	–	392	(392)
Industrials	–	–	–	253	(253)
Basic Materials	–	–	–	158	(158)
<b>Total</b>	<b>479</b>	<b>3,962</b>	<b>4,441</b>	<b>4,202</b>	<b>239</b>

# UK focus – H1 relative performance of UK IPOs

The majority of IPOs have outperformed indices, despite strong performance across equity markets

Figure 5: Share price performance of UK IPOs relative to the FTSE all share index, from IPO to 28 June 2019 (%)



“We continue to see domestic and international issuers choosing London as the most attractive market. Whilst we have less visibility on the H2 pipeline at the moment, we do have several significant transactions preparing for an IPO in London in the medium term.”

**Roslyn Gamsa**

Director, UK Capital Markets Group at PwC

Source: Thomson Reuters as of 28 June 2019 and Dealogic as of pricing date.

Relative performance based on the FTSE All Share Index for Main Market listed companies and FTSE AIM All Share index for AIM quoted companies.

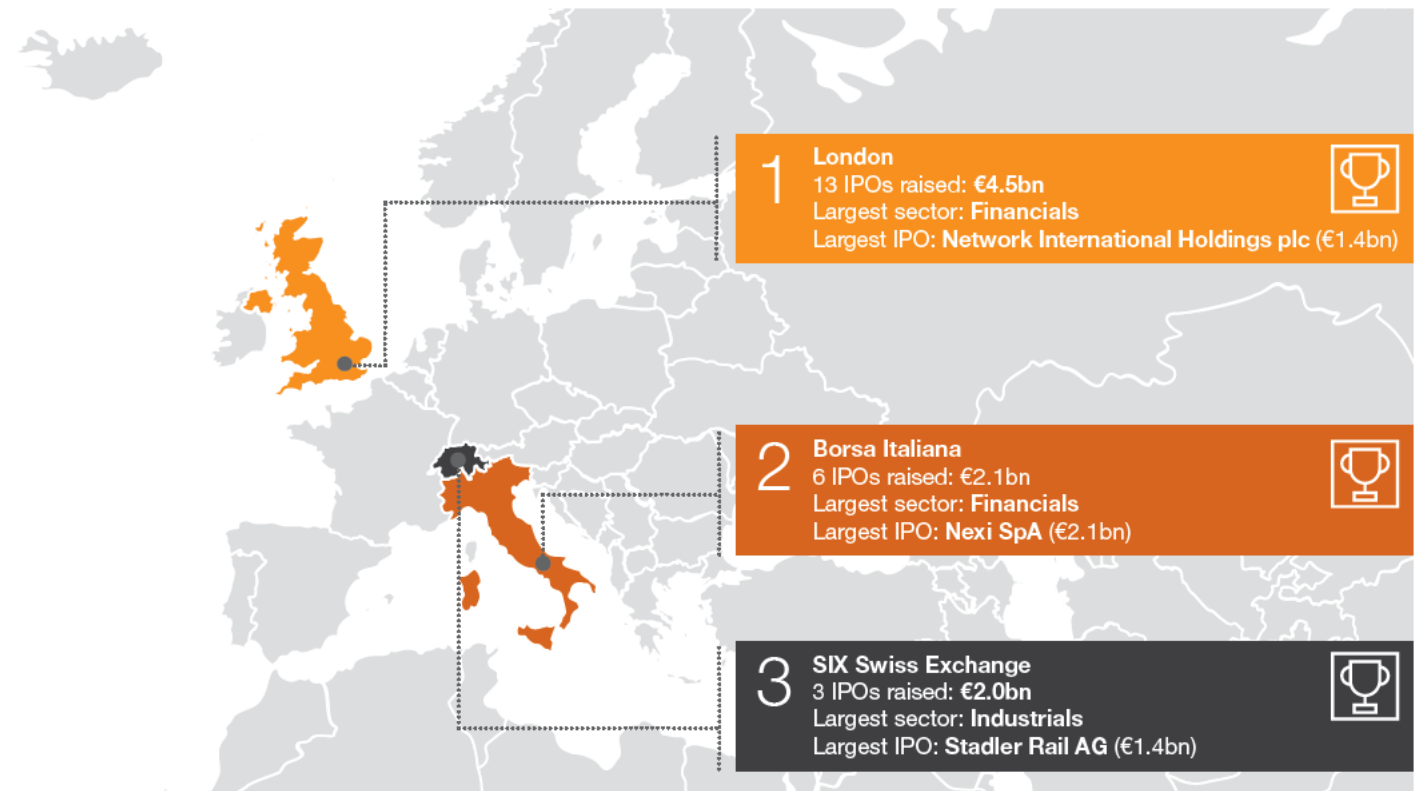




# European IPO trends

As IPO activity has picked up across Europe, the London Stock Exchange has retained its leading position by value raised and volume

Figure 6: Top three stock exchanges in Europe in Q2 2019 (by offering value)



# European IPO trends

Following a quiet first quarter, activity rebounded strongly in Q2 2019, although aggregate first half values were down 47% in H1 2019 compared to H1 2018

Figure 7: European H1 IPO activity since 2015

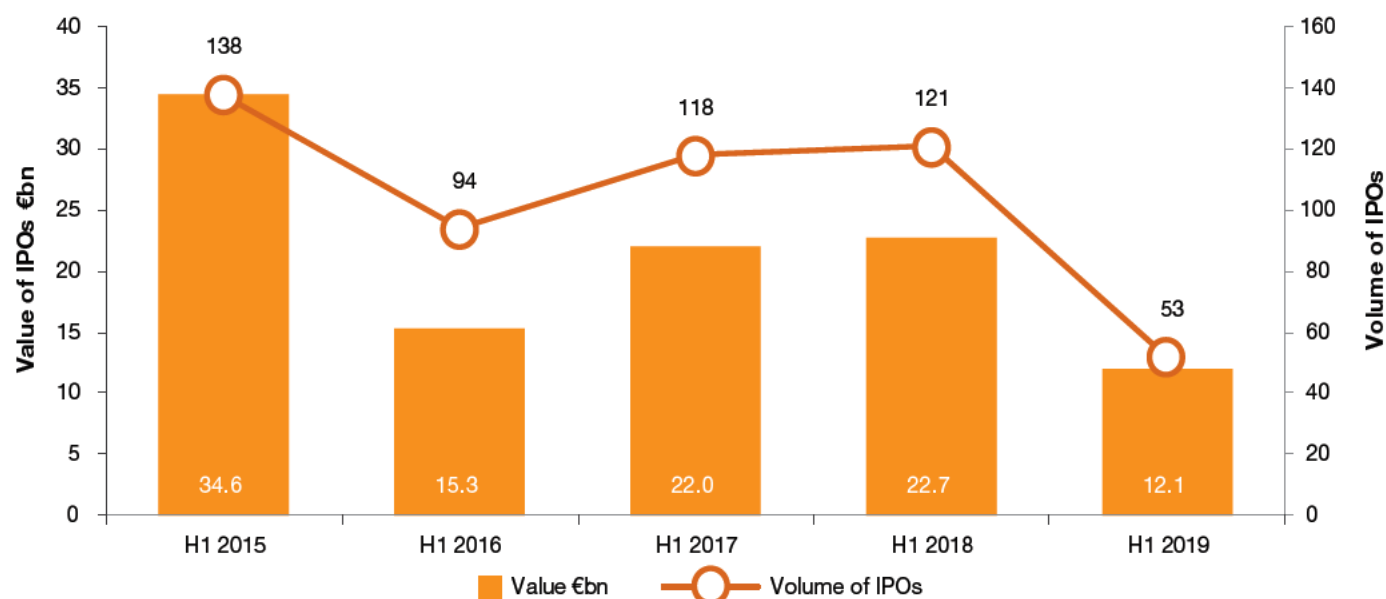
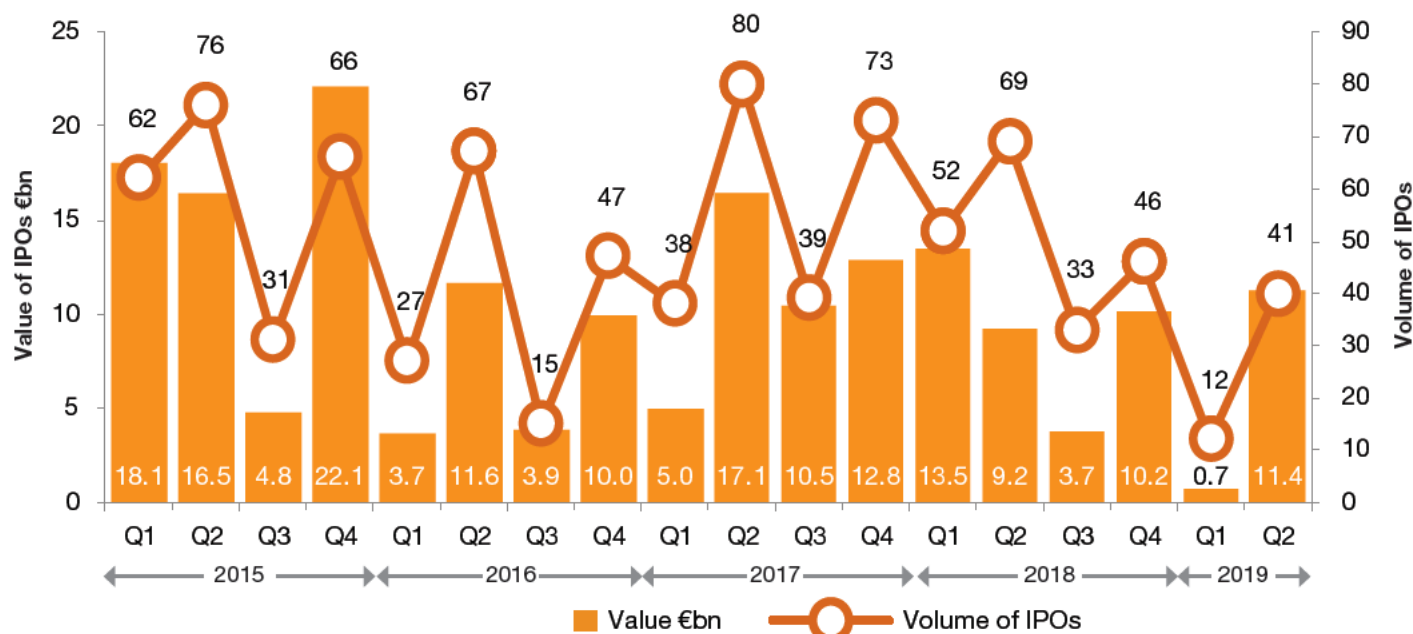


Figure 8: Quarterly European IPO activity since 2015



# Market volatility

Relative stability in the markets has continued to support the performance of major European indices in H1 2019

Figure 9: Volatility tracked against European IPO values

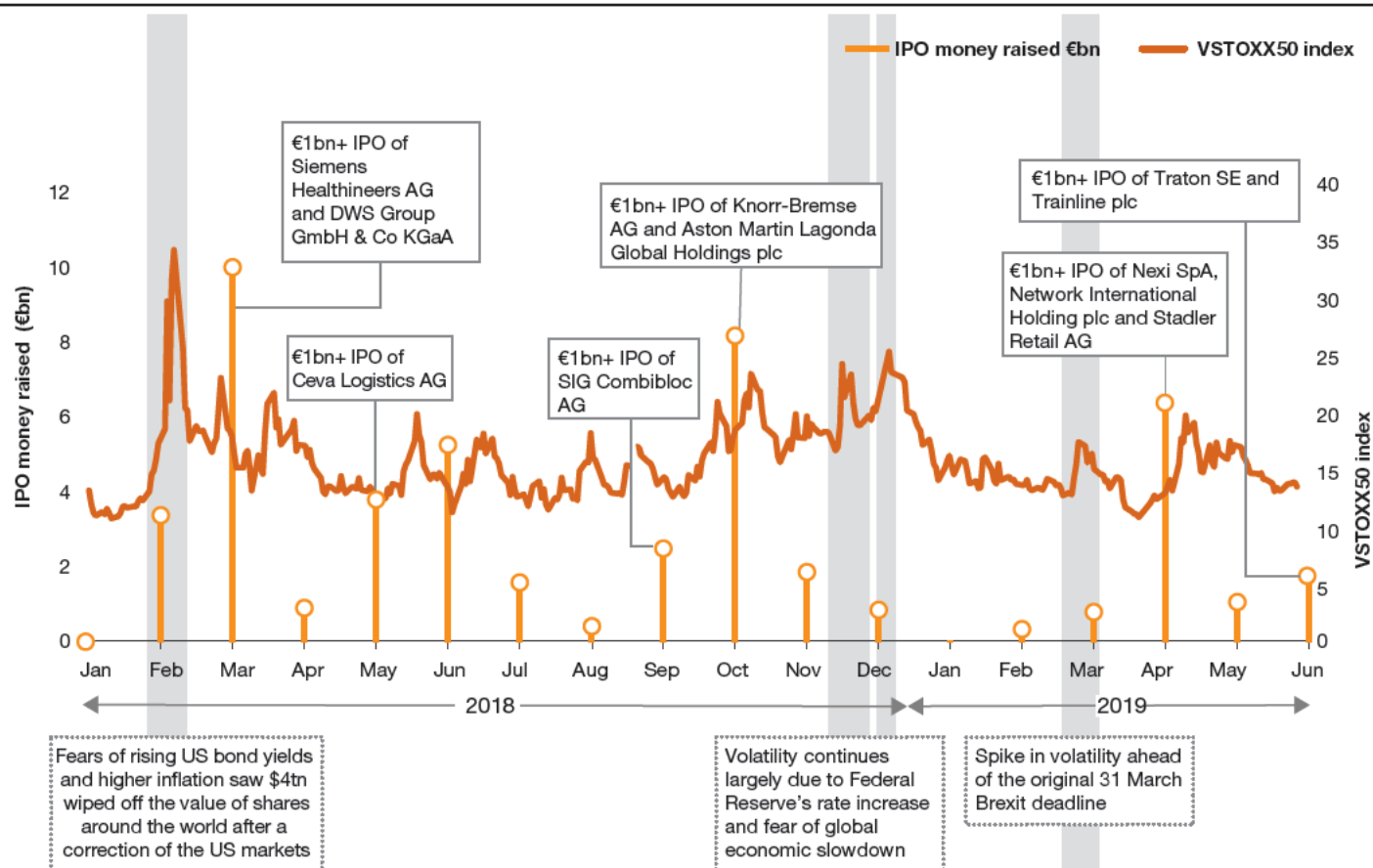
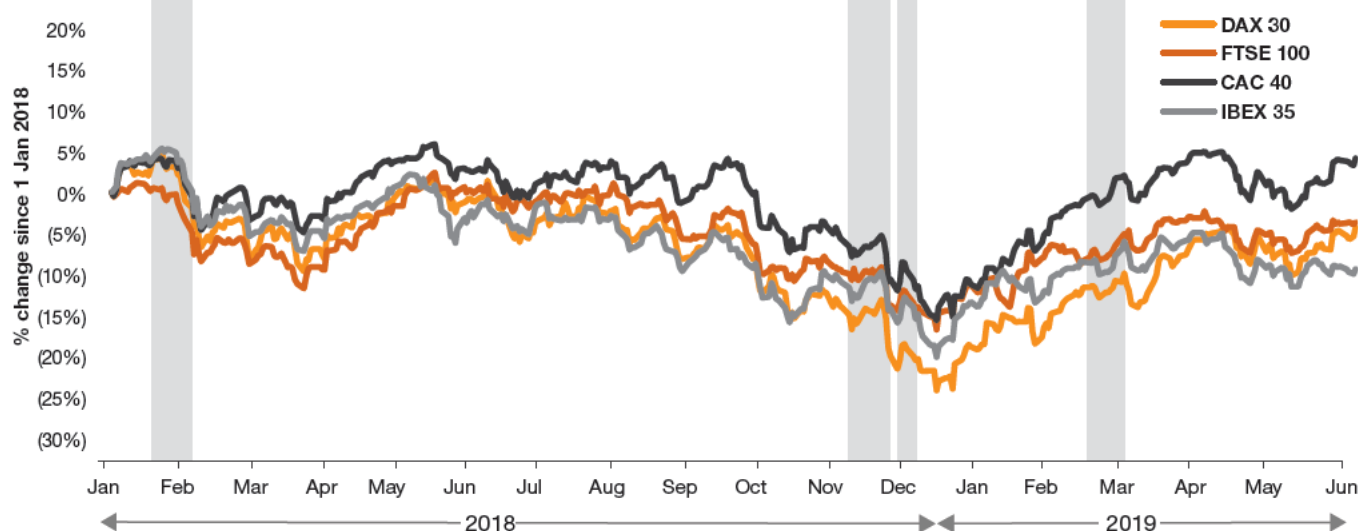


Figure 10: Historical performance of major European market indices since January 2018



# Pricing of top five IPOs

Five mega-IPOs<sup>1</sup> priced across the Italian, London, Swiss, German and Swedish exchanges

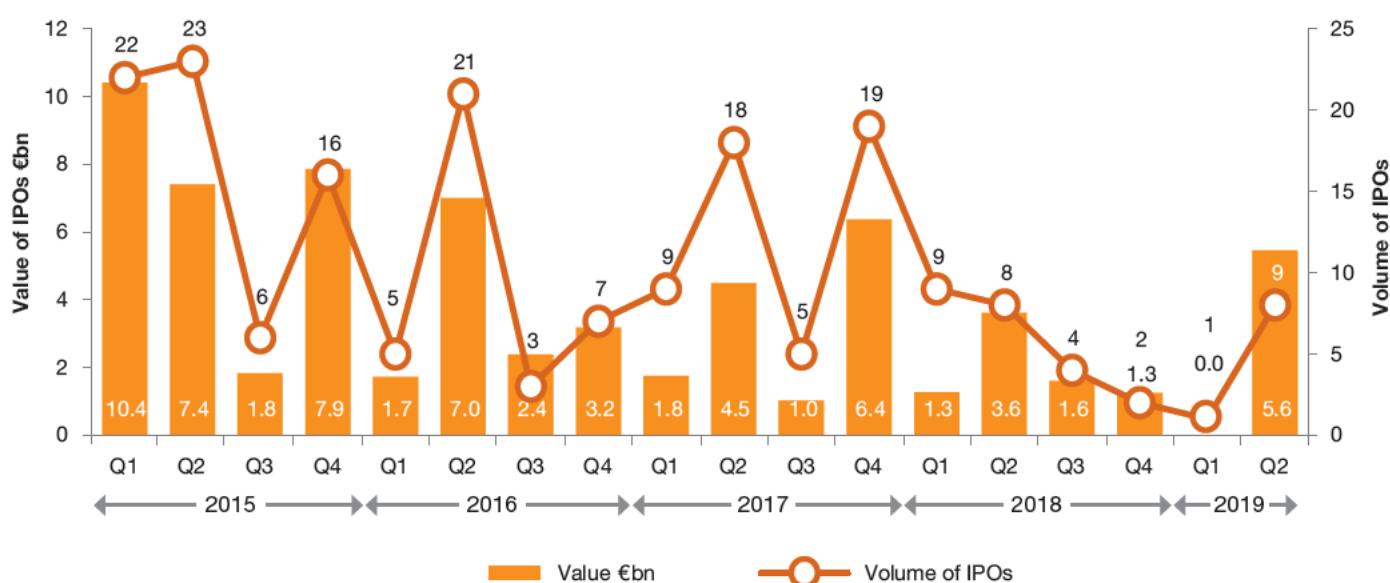
Figure 11: Top five European IPOs in H1 2019

	Nexi SpA	Network International Holdings plc	Stadler Rail AG	Traton SE	Trainline plc
Exchange	Borsa Italiana	London	SIX Swiss Exchange	Deutsche Börse; Nasdaq Stockholm	London
Pricing date	12-Apr	10-Apr	12-Apr	27-Jun	21-Jun
Money raised (€m)	2,056	1,414	1,351	1,350	1,227
Price range	€8.50 – €10.35	£3.95 – £4.65	CHF33 – CHF41	€27.00 – €33.00	£3.40 – £3.55
Offer price	€9.00	£4.35	CHF38	€27.00	£3.50

## European PE trends

Q2 2019 saw a reversal of the prior trend with the highest PE-backed IPO activity for over a year, with values up 56% on Q2 2018

Figure 12: Quarterly value and volume of European PE backed IPOs since 2015



Source: Dealogic

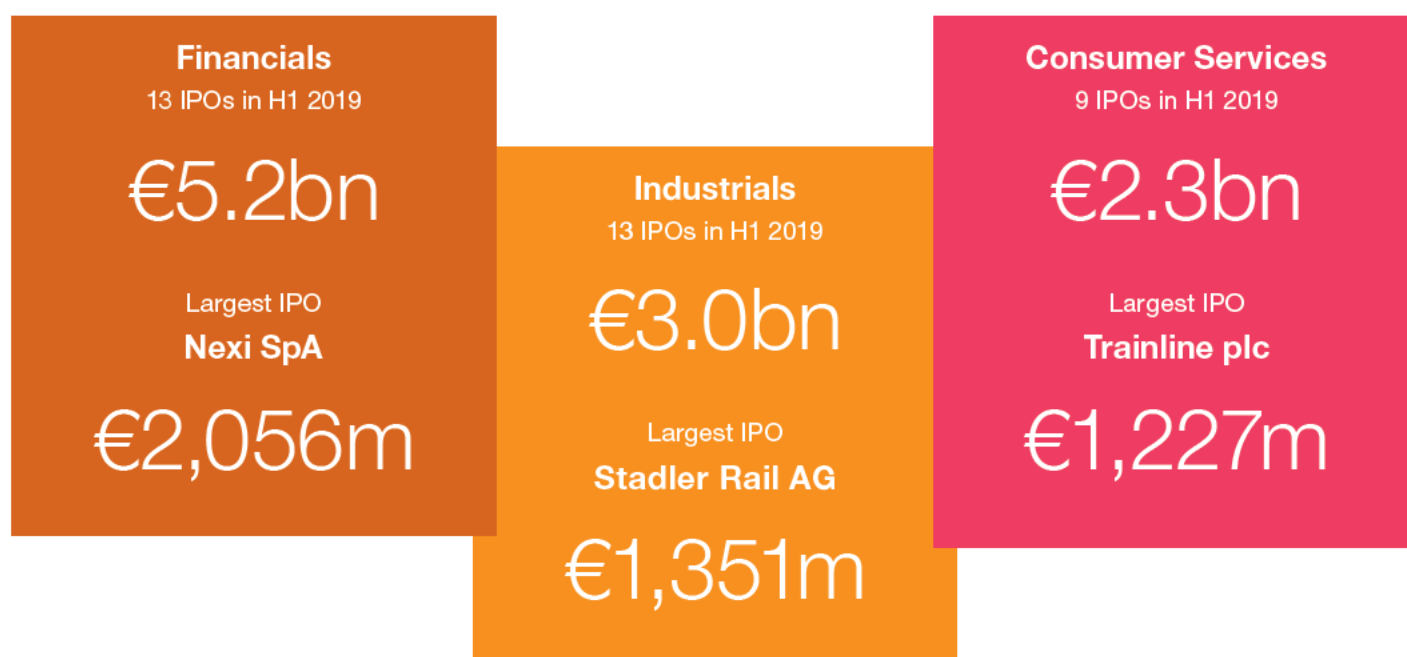
<sup>1</sup> Mega-IPOs defined as raising in excess of €1bn

# The sector story

The mega-IPOs<sup>1</sup> of payments companies Nexi and Network International helped ensure Financials remained the largest sector, accounting for 43% of all H1 2019 IPOs by value

Figure 13: European IPO values by sector

By offering value (€m)	Q1 2019	Q2 2019	H1 2019	H1 2018	Variance vs H1 2018
Financials	451	4,733	5,184	7,711	(2,527)
Industrials	33	2,958	2,991	3,326	(335)
Consumer Services	111	2,151	2,262	1,987	275
Health Care	94	635	729	5,184	(4,455)
Telecommunications	–	604	604	70	534
Consumer Goods	–	287	287	1,037	(750)
Technology	6	44	50	1,640	(1,590)
Oil & Gas	–	27	27	453	(426)
Basic Materials	–	–	–	921	(921)
Utilities	–	–	–	419	(419)
<b>Total</b>	<b>695</b>	<b>11,439</b>	<b>12,134</b>	<b>22,748</b>	<b>(10,614)</b>



<sup>1</sup> Mega-IPOs defined as raising in excess of €1bn

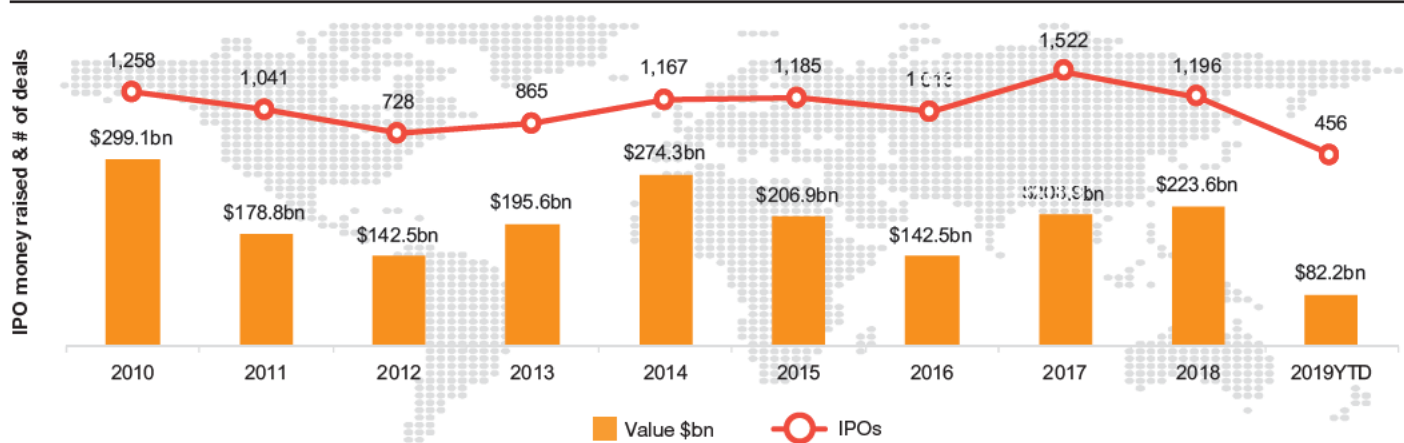




# Global money raised via IPOs

With Silicon Valley backing, the United States takes the lead in terms of IPO activity, and accounts for almost half of global proceeds YTD

Figure 14: Global money raised via IPOs (ten year overview)



Source: Dealogic as of 30 June 2019

Figure 15: Top ten largest IPOs 2019YTD

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%)	3.1%
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%	36.4%
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%)	(8.7%)
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%)	0.7%
17-Apr-19	Pinterest		Technology	NYSE	15.00 – 17.00	19.00	Above range	\$1.6bn	16.3%	0.0%	28.4%	40.5%	43.3%
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%	36.3%
27-Jun-19	Traton		Industrials	Deutsche Börse, Nasdaq S'holm	27.00 – 33.00	27.00	Bottom of range	\$1.5bn	10.0%	100.0%	(2.0%)	N/A	(2.0%)
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%	21.6%
21-Jun-19	Trainline		Consumer Services	LSE	3.18 – 3.60	3.50	Top of range	\$1.4bn	65.0%	88.4%	17.4%	N/A	17.8%
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%	62.3%

Note: IPOs are classified as 'In Range' if the IPO is priced in the middle 50% of the price range. The top and bottom 25% are classified as 'Top of Range' and 'Bottom of Range'.

Source: Dealogic, Bloomberg as of 30 June 2019

# Appendix

# Appendix – IPOs by market

## Appendix 1: European IPOs by market

	Q2 2018		Q3 2018		Q4 2018		Q1 2019		Q2 2019	
	IPOs	€m	IPOs	€m	IPOs	€m	IPOs	€m	IPOs	€m
<b>Total</b>										
London Stock Exchange Group	28	3,948	22	2,040	24	4,397	5	591	19	6,616
London Stock Exchange	22	3,314	13	1,903	18	4,110	3	556	13	4,514
Borsa Italiana	6	634	9	137	6	287	2	35	6	2,102
SIX Swiss Exchange	3	1,026	1	1,503	–	–	–	–	3	2,014
Nasdaq Nordic	18	2,235	1	14	10	237	3	35	10	1,860
Nasdaq Stockholm	9	677	1	14	6	167	2	29	8	1,848
Nasdaq Helsinki	3	595	–	–	3	65	1	6	1	6
Nasdaq Copenhagen	3	494	–	–	1	5	–	–	1	6
Nasdaq Iceland	2	322	–	–	–	–	–	–	–	–
Nasdaq Tallinn	1	147	–	–	–	–	–	–	–	–
Deutsche Börse	6	514	1	17	3	4,016	–	–	3	1,582
Oslo	1	86	2	71	–	–	1	12	4	454
BME (Spanish Exchange)	–	–	–	–	2	200	–	–	1	250
Wiener Börse	–	–	–	–	–	–	1	22	1	52
Warsaw	2	37	1	5	–	–	–	–	1	8
Borsa Istanbul	3	460	–	–	–	–	–	–	1	5
Euronext	9	1,253	5	86	5	1,321	2	35	–	–
Euronext Brussels	–	–	–	–	1	575	1	27	–	–
Euronext Paris	7	231	5	86	3	741	1	8	–	–
Euronext Lisbon	–	–	–	–	1	5	–	–	–	–
Euronext Amsterdam	1	947	–	–	–	–	–	–	–	–
Euronext Dublin <sup>1</sup>	1	75	–	–	–	–	–	–	–	–
Sofia	1	42	–	–	–	–	–	–	–	–
<b>Europe total</b>	<b>71</b>	<b>9,601</b>	<b>33</b>	<b>3,736</b>	<b>46</b>	<b>10,178</b>	<b>12</b>	<b>695</b>	<b>43</b>	<b>12,841</b>
<b>Europe total (excl. dual listings)<sup>2</sup></b>	<b>69</b>	<b>9,213</b>	<b>33</b>	<b>3,736</b>	<b>46</b>	<b>10,178</b>	<b>12</b>	<b>695</b>	<b>41</b>	<b>11,439</b>

<sup>1</sup> Acquired by Euronext on 27 March 2018

<sup>2</sup> Dual listings in Q2 2019 comprised Frequentis AG (Wiener Börse and Deutsche Börse) and Traton SE (Deutsche Börse and Nasdaq Stockholm) (Q2 2018: Yew Grove REIT plc (Euronext Dublin and London AIM) and Arion Banki (Nasdaq Iceland and Nasdaq Stockholm)).

	Q2 2018		Q3 2018		Q4 2018		Q1 2019		Q2 2019	
	IPOs	€m	IPOs	€m	IPOs	€m	IPOs	€m	IPOs	€m
<b>EU-REGULATED</b>										
London – Main	6	2,191	9	1,785	12	4,002	2	532	8	4,292
Borsa Italiana – Main	2	440	–	–	3	254	–	–	2	2,076
SIX Swiss Exchange	3	1,026	1	1,503	–	–	–	–	3	2,014
Nasdaq Nordic – Main	10	2,081	–	–	3	120	1	21	4	1,784
Deutsche Börse – Prime and General Standard	6	514	1	17	3	4,016	–	–	3	1,582
Oslo Børs & Oslo Axess	1	86	2	71	–	–	1	12	4	454
Wiener Börse	–	–	–	–	–	–	1	22	1	52
Warsaw – Main	2	37	1	5	–	–	–	–	1	8
Euronext	6	1,189	3	66	4	1,308	1	27	–	–
Prague	–	–	–	–	1	1	–	–	–	–
BME (Spanish Exchange) – Main	–	–	–	–	2	200	–	–	–	–
Belgrade Stock Exchange	–	–	–	–	1	6	–	–	–	–
Sofia	1	42	–	–	–	–	–	–	–	–
<b>EU-regulated sub-total</b>	<b>37</b>	<b>7,606</b>	<b>17</b>	<b>3,447</b>	<b>29</b>	<b>9,907</b>	<b>6</b>	<b>614</b>	<b>26</b>	<b>12,262</b>
<b>EXCHANGE-REGULATED</b>										
BME – Alternative	–	–	–	–	–	–	–	–	1	250
London – AIM	16	1,123	4	118	6	108	1	24	5	222
Nasdaq Nordic – First North	8	154	1	14	7	117	2	14	6	76
Borsa Italiana – AIM	4	194	9	137	3	33	2	35	4	26
Borsa Istanbul	3	460	–	–	–	–	–	–	1	5
Euronext – Alternext	3	64	2	20	1	13	1	8	–	–
<b>Exchange-regulated sub-total</b>	<b>34</b>	<b>1,995</b>	<b>16</b>	<b>289</b>	<b>17</b>	<b>271</b>	<b>6</b>	<b>81</b>	<b>17</b>	<b>579</b>
<b>Europe total</b>	<b>71</b>	<b>9,601</b>	<b>33</b>	<b>3,736</b>	<b>46</b>	<b>10,178</b>	<b>12</b>	<b>695</b>	<b>43</b>	<b>12,841</b>
<b>Europe total (excl. dual listings)<sup>2</sup></b>	<b>69</b>	<b>9,213</b>	<b>33</b>	<b>3,736</b>	<b>46</b>	<b>10,178</b>	<b>12</b>	<b>695</b>	<b>41</b>	<b>11,439</b>

<sup>2</sup> Dual listings in Q2 2019 comprised Frequentis AG (Wiener Börse and Deutsche Börse) and Traton SE (Deutsche Börse and Nasdaq Stockholm) (Q2 2018: Yew Grove REIT plc (Euronext Dublin and London AIM) and Arion Banki (Nasdaq Iceland and Nasdaq Stockholm)).





# About IPO Watch Europe

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 are 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](http://www.pwc.co.uk/capitalmarkets)

## About IPO Watch Europe

IPO Watch Europe surveys all new primary market equity IPOs on Europe's principal stock markets and market segments (including exchanges in Austria, Belgium, Bulgaria, Croatia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, the Netherlands, Norway, Poland, Portugal, Romania, Serbia, Spain, Sweden, Switzerland, Turkey and the UK) on a quarterly basis. Movements between markets on the same exchange are excluded.

The data in this report is based on data extracted from Dealogic and includes greenshoe (if exercised). Only transactions with a minimum of \$5 million money raised have been included. The data excludes PIPOs 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 the FTSE Russell Industry Classification Benchmark (ICB).

This survey was conducted between 1 January and 28 June 2019 and IPOs based on their pricing date. All market data is sourced from Dealogic and has not been independently verified by PricewaterhouseCoopers LLP. The methodology used to prepare IPO Watch Europe has changed since the release of the Q1 2019 report, so some of the numbers will look different.

### Basis of preparation for Global IPO Watch

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. If a transaction is executed in two or more regions, the money raised is also attributed to all regions. Industry classification is based on the FTSE Russell Industry Classification Benchmark. Index performance is based on pricing data extracted from Bloomberg.

## Contacts

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