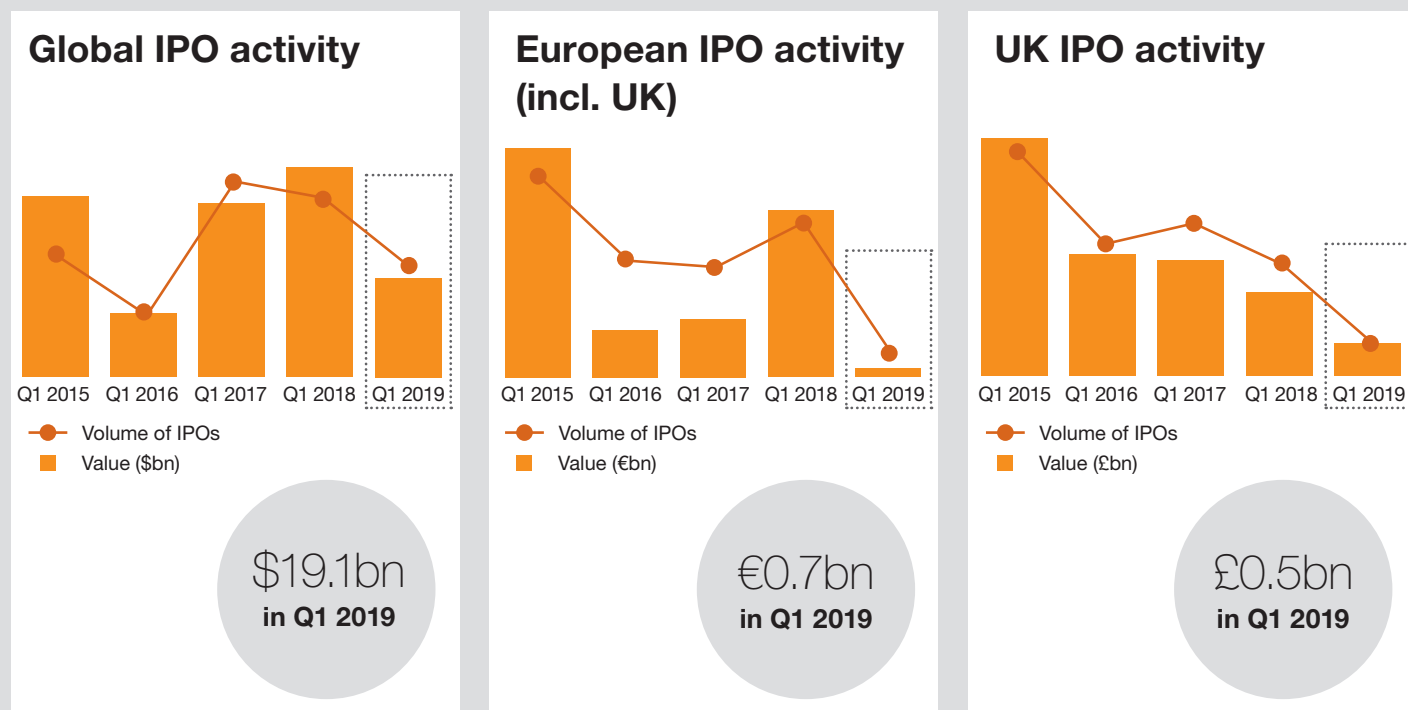


The background of the slide is a bokeh effect of city lights and digital screens. In the foreground, there are out-of-focus blue and white light patterns resembling data or code. In the background, there are blurred city lights in warm tones (orange, yellow, red) and digital displays showing green and blue text and graphics.

# IPO Watch Europe Q1 2019



# European IPO markets raise €715m in Q1 2019, down from €13.1bn in Q1 2018



Despite supportive markets IPOs were paused in early 2019, however we are now starting to see selective activity



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## Outlook

“The European IPO market started 2018 with a number of high-value listings, whereas 2019 saw much more of a trickle. Political uncertainties - both Brexit and global - unquestionably impacted both the European and UK IPO equities markets and many companies sensibly paused to see the lie of the land.

Despite a muted start to the year, we’re seeing a number of high quality transactions at the start of this second quarter, with companies launching marketing processes and receiving positive feedback with good investor demand.”

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



# UK focus – Overview

Only five companies have listed in London in Q1 2019, the slowest start to the year since 2009

Figure 1: UK IPO trends (by offering value)

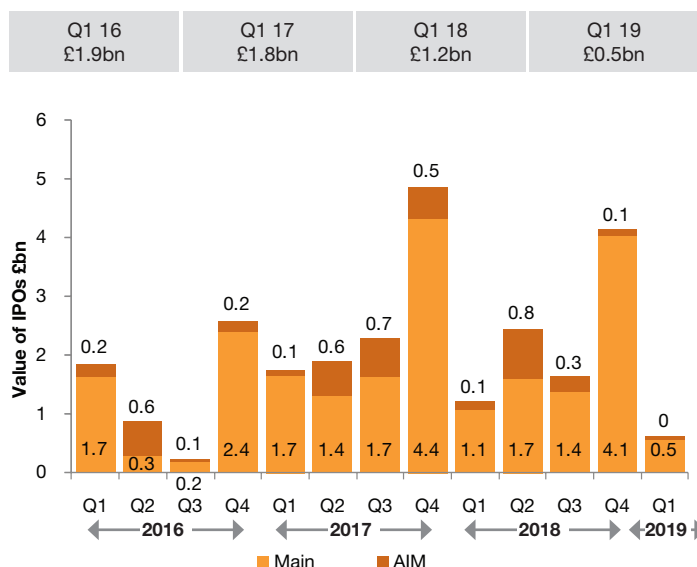


Figure 2: UK IPO trends (by volume)

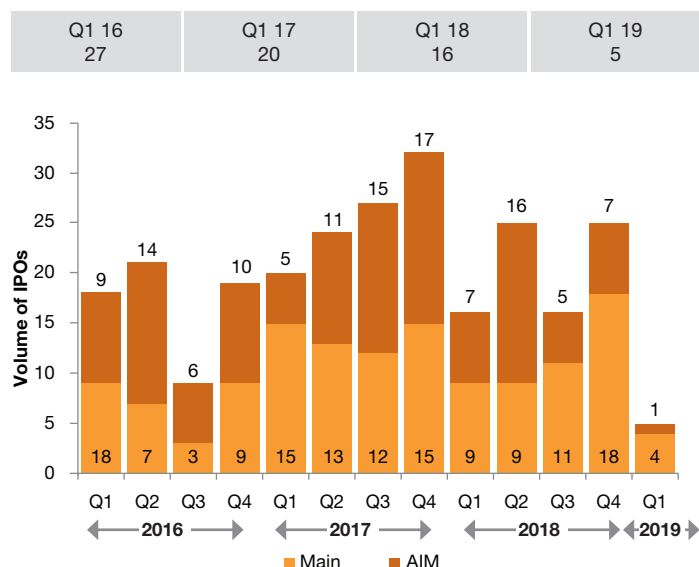


Figure 3: Top three UK IPOs in Q1 2019

Issuer	Value £m	Sector	Market	PE backed
Schiehallion Fund Ltd	361	Financials	Main	No
DWF Group plc	95	Consumer Services	Main	No
Diaceutics plc	21	Health Care	AIM	No

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

Figure 4: UK IPO value by sector

By offering value £m	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Variance vs Q1 2018
Financials	906	564	1,366	2,259	362	(544)
Consumer Services	30	620	65	–	95	65
Health Care	3	–	60	22	21	18
Technology	6	708	2	447	1	(5)
Consumer Goods	–	293	–	1,083	–	–
Basic Materials	2	–	153	374	–	(2)
Oil & Gas	330	68	–	–	–	(330)
Industrials	–	253	38	–	–	–
<b>Total</b>	<b>1,277</b>	<b>2,506</b>	<b>1,684</b>	<b>4,185</b>	<b>479</b>	<b>(798)</b>

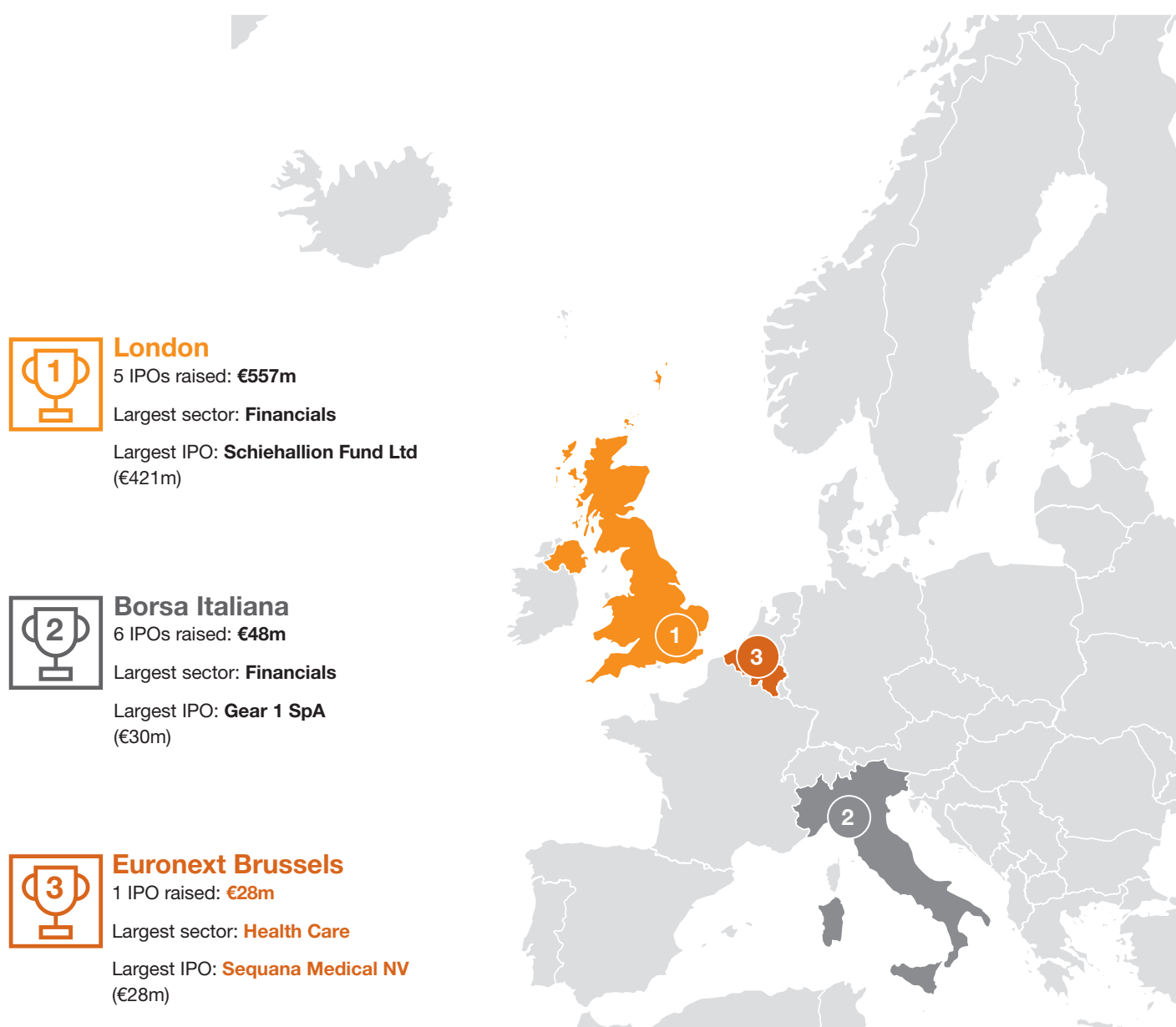
Source: Dealogic and Stock Exchanges



# European IPO trends

Despite a slow start to the year, the London Stock Exchange was the most active exchange in terms of value in the quarter, raising €557m

Figure 5: Top three stock exchanges in Europe in Q1 2019 (by offering value)



“London remains an attractive listing destination and we are watching the market closely as investors have cash to deploy despite the uncertainty. There are certain pockets of activity but generally we expect the current situation to continue until companies have greater clarity on the future geopolitical landscape.”

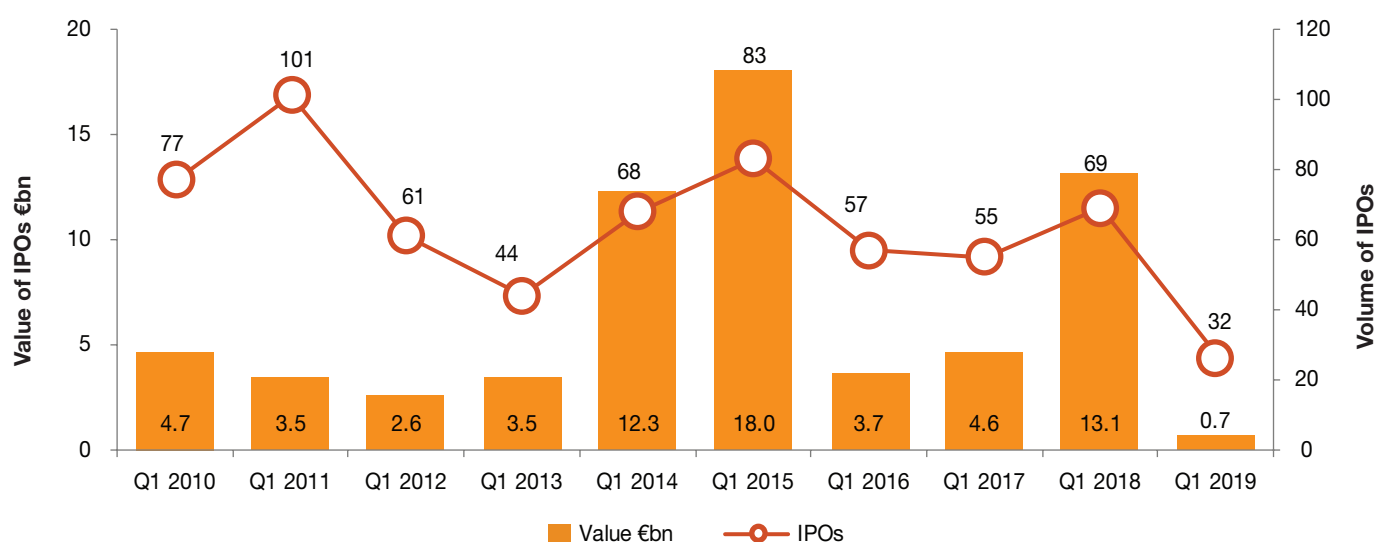
**Lucy Tarleton**

Director, UK Capital Markets Group at PwC

# European IPO trends

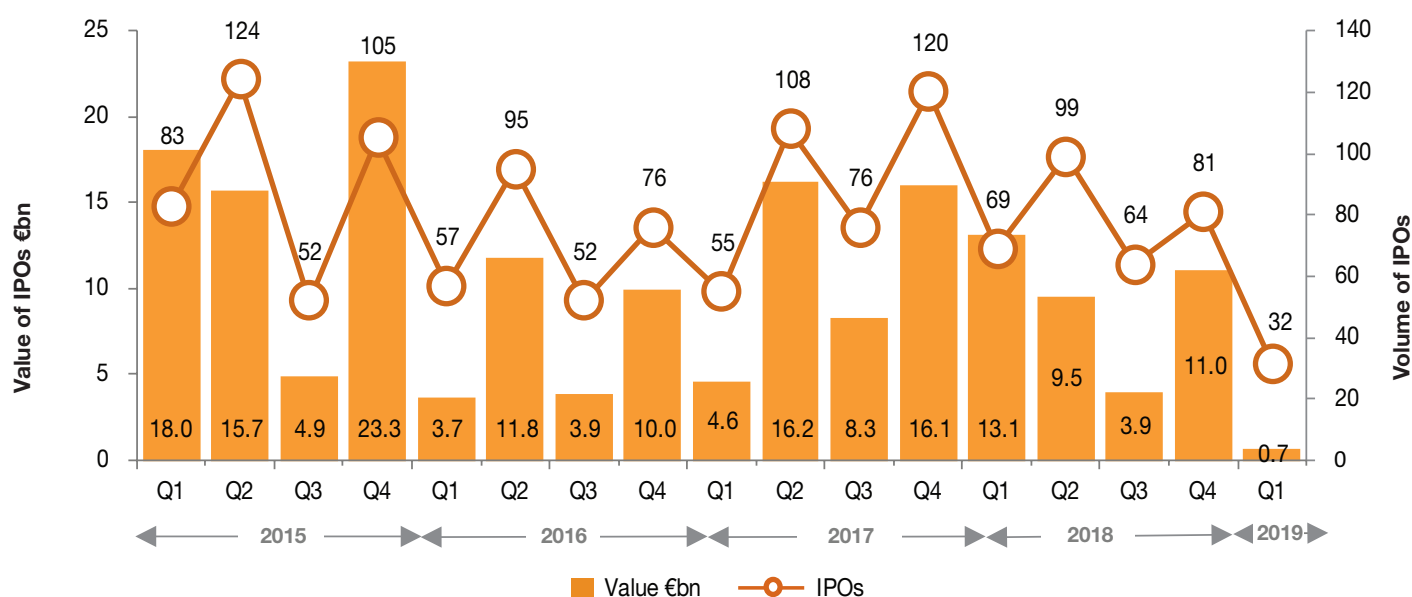
Q1 2019 has seen the lowest European IPO volumes and values since 2009

Figure 6: European IPO activity since 2010



Note: Excludes IPOs on Borsa Istanbul, Zagreb Stock Exchange and Bucharest Stock Exchange pre 2011

Figure 7: Quarterly European IPO activity since 2015



Source: Dealogic and Stock Exchanges



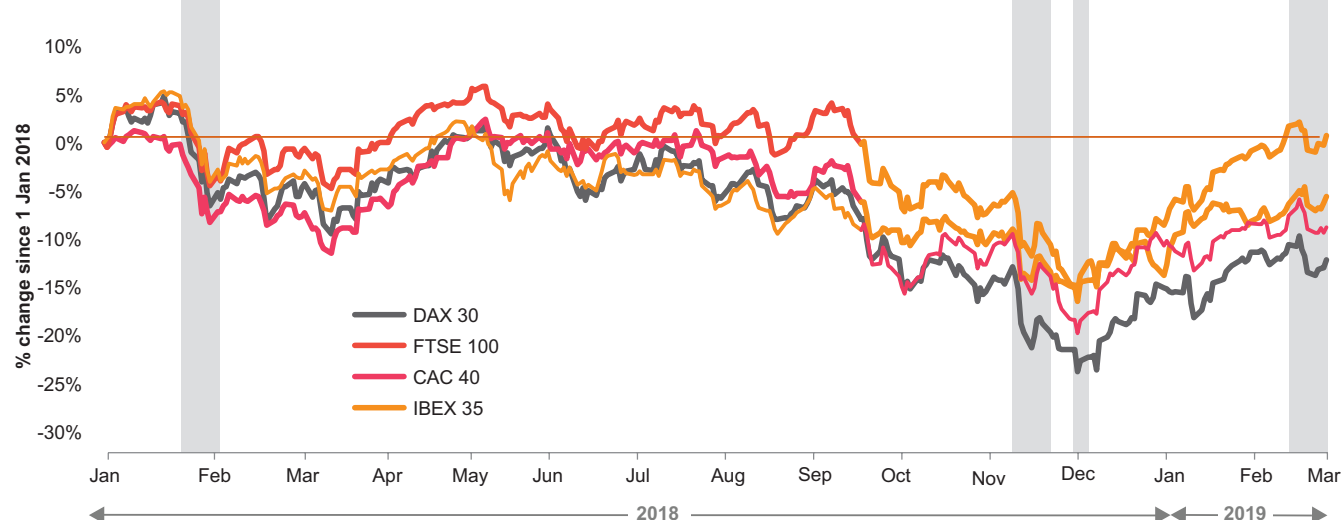
# Market volatility

Volatility has remained relatively stable in Q1 2019, below the 2018 average

Figure 8: Volatility tracked against European IPO values



Figure 9: Historical performance of major European market indices since January 2018



Source: Thomson Reuters as at 29 March 2019

# Pricing of top three IPOs

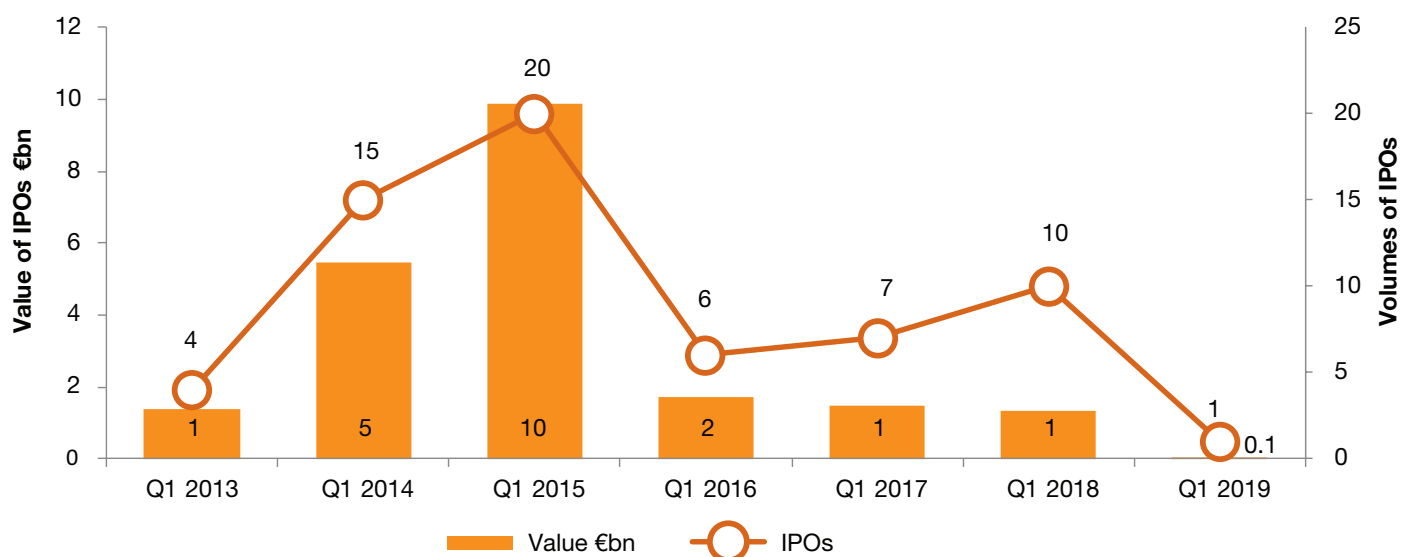
Figure 10: Top three European IPOs in Q1 2019

	Schiehallion Fund Ltd	DWF Group plc	Gear 1 SpA
Exchange	London	London	Borsa Italiana
IPO date	22-Mar	15-Mar	26-Feb
Money raised (€m)	421	110	30
Offer Price	\$1.00	£1.22	€10.00

## European PE trends

The volume and value of PE backed IPOs remains subdued

Figure 11: Quarterly value and volume of European PE backed IPOs since 2013



# The sector story

Financials continued to be the largest sector accounting for 64% of Q1 2019 values

Figure 12: European IPO values by sector

	Q1 2018 Value (€m)	Q1 2018 Volume	Q2 2018 Value (€m)	Q2 2018 Volume	Q3 2018 Value (€m)	Q3 2018 Volume	Q4 2018 Value (€m)	Q4 2018 Volume	Q1 2019 Value (€m)	Q1 2019 Volume
Financials	4,912	30	2,289	25	1,621	23	3,497	38	458	11
Consumer Services	616	6	1,405	8	105	6	125	3	113	3
Health Care	5,047	9	245	8	82	4	213	9	93	4
Industrials	424	4	3,214	22	1,799	13	309	4	27	4
Technology	63	9	1,685	23	16	6	600	14	20	8
Consumer Goods	465	6	535	7	132	6	5,091	4	4	2
Basic Materials	744	2	-	-	173	3	466	3	-	-
Utilities	452	2	8	1	-	1	737	6	-	-
Oil & Gas	373	1	87	4	2	1	-	-	-	-
Telecommunications	-	-	70	1	11	1	-	-	-	-
<b>Total</b>	<b>13,096</b>	<b>69</b>	<b>9,538</b>	<b>99</b>	<b>3,941</b>	<b>64</b>	<b>11,038</b>	<b>81</b>	<b>715</b>	<b>32</b>

## Financials

11 IPOs raised in Q1 2019

€458m

Largest IPO:

**Schiehallion Fund Ltd**

€421m

## Consumer Services

3 IPOs raised in Q1 2019

€113m

Largest IPO:

**DWF Group plc**

€110m

## Health Care

4 IPOs raised in Q1 2019

€93m

Largest IPO:

**Sequana Medical NV**

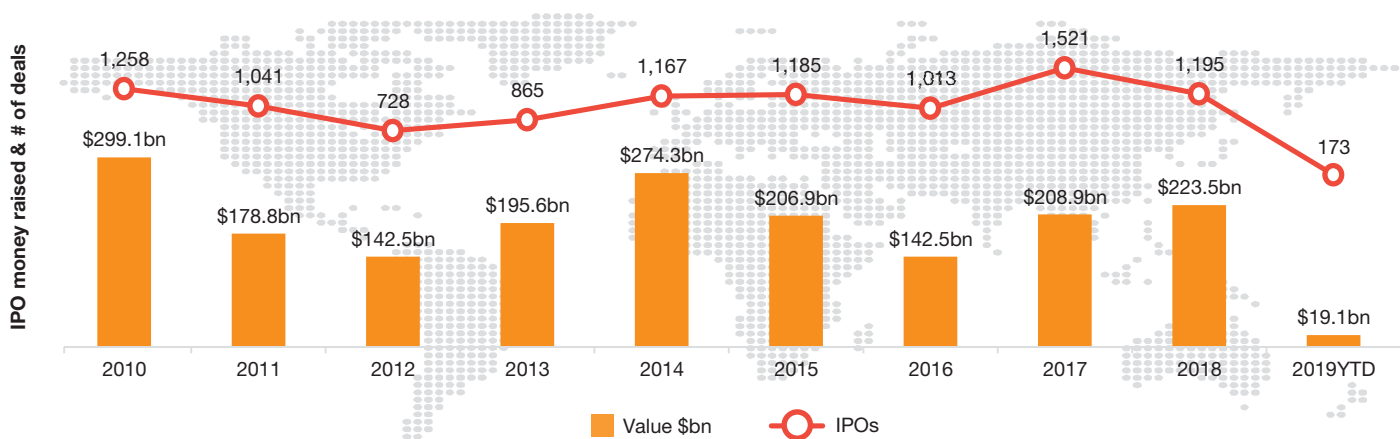
€28m



# Global money raised via IPOs

## Geopolitical uncertainties caused a cautionary stance amongst investors, as global IPO proceeds fell by 64% compared to Q1 2018, while IPO numbers fell by 41%

Figure 13: Global money raised via IPOs (ten year overview)



Source: Dealogic as of 31 March 2019

Extract from PwC Global IPO Watch, Q1 2019. For further details, refer to 'About IPO Watch Europe'

Figure 14: Top ten largest IPOs in Q1 2019

Pricing date	Pricing date	Issuer country	Sector	Exchange	Filing range	Offer price	Pricing	Money raised	Free float	Secondary shares (%)	Performance		
											1-day	1-month	Current
28-Mar-19	Lyft		Consumer Services	NASDAQ	62.00 – 68.00	72.00	Above range	\$2.340m	11.4%	0.0%	8.7%	N/A	8.7%
30-Jan-19	PIMCO Energy & Tactical Credit Opp. Fund		Financials	NYSE	N/A	20.00	N/A	\$892m	0.00%	0.0%	1.0%	5.8%	1.9%
20-Mar-19	Levi Strauss & Co		Consumer Goods	NYSE	14.00 – 16.00	17.00	Above range	\$717m	10.9%	74.2%	31.8%	N/A	38.5%
22-Mar-19	Embassy Office Parks REIT		Financials	BSE; NSE	N/A	300.00	N/A	\$689m	20.5%	0.0%	N/A	N/A	N/A
22-Mar-19	Schiehallion Fund		Financials	LSE	1.00 – 1.00	1.00	In range	\$477m	0.0%	0.0%	12.5%	N/A	14.5%
31-Jan-19	Gores Metropoulos		Financials	NASDAQ	10.00 – 10.00	10.00	In range	\$400m	85.3%	0.0%	1.2%	2.1%	2.4%
19-Feb-19	CStone Pharmaceuticals		Health Care	HKEX	11.10 – 12.80	12.00	In range	\$328m	21.8%	0.0%	7.2%	31.2%	32.3%
19-Feb-19	Qingdao Rural Commercial Bank		Financials	Shenzhen SE	N/A	3.96	N/A	\$325m	10.0%	0.0%	43.9%	N/A	91.7%
7-Feb-19	Gossamer Bio		Health Care	NASDAQ	16.00 – 16.00	16.00	In range	\$317m	31.4%	0.0%	12.1%	20.3%	35.4%
22-Jan-19	Bank of Xian		Financials	Shanghai SE	N/A	4.68	N/A	\$306m	10.0%	0.0%	44.0%	N/A	151.1%

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 31 March 2019



# Appendix

# Appendix – IPOs by market

## Appendix 1: European IPOs by market

	Q1 2018		Q2 2018		Q3 2018		Q4 2018		Q1 2019	
	IPOs	€m	IPOs	€m	IPOs	€m	IPOs	€m	IPOs	€m
<b>Total</b>										
London Stock Exchange Group	22	2,303	31	3,489	28	2,043	32	5,042	11	605
London Stock Exchange	16	1,447	25	2,851	16	1,899	25	4,750	5	557
Borsa Italiana	6	856	6	638	12	144	7	292	6	48
Euronext	6	897	10	1,286	6	89	6	1,326	2	36
Euronext Brussels	1	40	-	-	-	-	1	575	1	28
Euronext Paris	-	-	8	264	6	89	4	746	1	8
Euronext Amsterdam	4	850	1	947	-	-	-	-	-	-
Euronext Dublin*	1	7	1	75	-	-	-	-	-	-
Euronext Lisbon	-	-	-	-	-	-	1	5	-	-
Nasdaq Nordic	13	742	24	1,939	5	21	19	288	6	32
Nasdaq Stockholm	5	493	14	306	2	14	11	210	5	26
Nasdaq Helsinki	4	240	3	596	-	-	5	70	1	6
Nasdaq Copenhagen	3	9	4	568	2	7	3	8	-	-
Nasdaq Iceland	1	-	2	322	-	-	-	-	-	-
Nasdaq Tallinn	-	-	1	147	-	-	-	-	-	-
Nasdaq Riga	-	-	-	-	1	-	-	-	-	-
Wiener Börse	-	-	-	-	1	-	-	-	1	22
Oslo	5	965	5	-	4	-	2	71	1	12
Warsaw	2	24	10	48	4	8	4	1	3	3
Prague	-	-	-	-	-	-	-	-	1	2
BME (Spanish Exchange)	5	646	6	-	11	9	12	200	7	3
Deutsche Börse	6	6,434	7	889	1	17	3	4,023	-	-
SIX Swiss Exchange	3	395	3	1,426	2	1,708	2	81	-	-
Belgrade Stock Exchange	-	-	-	-	-	-	1	6	-	-
Sofia	-	-	-	-	1	42	-	-	-	-
Athens Stock Exchange	-	-	-	-	1	4	-	-	-	-
Borsa Istanbul	6	650	3	461	-	-	-	-	-	-
Bucharest	1	40	-	-	-	-	-	-	-	-
<b>Total</b>	<b>69</b>	<b>13,096</b>	<b>99</b>	<b>9,538</b>	<b>64</b>	<b>3,941</b>	<b>81</b>	<b>11,038</b>	<b>32</b>	<b>715</b>

\*Acquired by Euronext on the 27th March 2018

	Q1 2018		Q2 2018		Q3 2018		Q4 2018		Q1 2019	
	IPOs	€m	IPOs	€m	IPOs	€m	IPOs	€m	IPOs	€m
<b>EU-regulated</b>										
London – Main	9	1,286	9	1,897	11	1,610	18	4,619	4	533
Euronext*	6	897	5	1,141	2	60	4	1,308	2	28
Wiener Börse	-	-	-	-	1	-	-	-	1	22
Nasdaq Nordic – Main	2	311	10	1,769	-	-	5	120	1	19
Prague	-	-	-	-	-	-	-	-	1	2
Deutsche Börse – Prime and General Standard	4	6,300	7	889	1	17	3	4,023	-	-
Borsa Italiana – Main	-	-	2	440	-	-	3	256	-	-
BME (Spanish Exchange) – Main	1	646	-	-	1	9	3	200	-	-
SIX Swiss Exchange	3	395	3	1,426	2	1,708	2	81	-	-
Oslo Børs & Oslo Axess	3	965	-	-	-	-	2	71	-	-
Belgrade Stock Exchange	-	-	-	-	-	-	1	6	-	-
Sofia	-	-	-	-	1	42	-	-	-	-
Warsaw – Main	1	22	3	45	1	5	-	-	-	-
Athens Stock Exchange	-	-	-	-	1	4	-	-	-	-
Bucharest	1	40	-	-	-	-	-	-	-	-
<b>EU-regulated sub-total</b>	<b>30</b>	<b>10,862</b>	<b>39</b>	<b>7,607</b>	<b>21</b>	<b>3,455</b>	<b>41</b>	<b>10,684</b>	<b>9</b>	<b>604</b>
<b>Exchange-regulated</b>										
Borsa Italiana – AIM	6	856	4	198	12	144	4	36	6	48
London – AIM	7	161	16	954	5	289	7	131	1	24
Oslo – MTF	2	-	5	-	4	-	-	-	1	12
Nasdaq Nordic – First North	11	431	14	170	5	21	14	168	4	13
Euronext – Alternext*	-	-	5	145	4	29	2	18	1	8
Warsaw – NewConnect	1	2	7	3	3	3	4	1	3	3
BME – Alternative	4	-	6	-	10	-	9	-	7	3
Borsa Istanbul	6	650	3	461	-	-	-	-	-	-
Deutsche Börse – Scale	2	134	-	-	-	-	-	-	-	-
<b>Exchange-regulated sub-total</b>	<b>39</b>	<b>2,234</b>	<b>60</b>	<b>1,931</b>	<b>43</b>	<b>486</b>	<b>40</b>	<b>354</b>	<b>23</b>	<b>111</b>
<b>Europe total</b>	<b>69</b>	<b>13,096</b>	<b>99</b>	<b>9,538</b>	<b>64</b>	<b>3,941</b>	<b>81</b>	<b>11,038</b>	<b>32</b>	<b>715</b>

Note: \*Euronext Dublin acquired by Euronext on the 27 March 2018







# How PwC can help you

Executing a successful IPO is typically the culmination of a complex process, whichever market you list on. From strategy, accounting, reporting, financial systems, governance, adviser selection, marketing process, media and investor relations, to treasure 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/ipojourney](http://www.pwc.co.uk/ipojourney)

## 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 includes greenshoe. Where data has not been provided in Euros, it has been converted using the spot rate as of the pricing date of the IPO. The data in IPO Watch Europe has been compiled based on the data included in our previously-published quarterly IPO Watch reports.

This survey was conducted between 1 January and 29 March 2019 and captures introductions as well as IPOs based on their first trading date. All market data is sourced from Dealogic and the stock markets themselves and has not been independently verified by PricewaterhouseCoopers LLP.

## 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 PIPO's 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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