A man wearing a white short-sleeved shirt, yellow pants, and a yellow cap is captured in mid-air, performing a skateboard trick. He is leaning forward with his arms outstretched for balance. The skateboard is positioned below him, tilted as if he has just kicked it. The background is a vast, flat desert landscape under a clear blue sky with a few wispy clouds. In the distance, there are some industrial structures, including a tall blue tower and several green chimneys.

# How do you see the opportunity in your obstacles?

Attractive market conditions have fueled record IPO activity in Q1 2021

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## About this report

EY *Global IPO trends* report is released every quarter and looks at the IPO markets, trends and outlook for the Americas, Asia-Pacific and EMEIA regions.

The current report provides insights, facts and figures on the IPO market for the first quarter of 2021\* and analyzes the implications for companies planning to go public in the short and medium term.

You will find this report at the [EY Global IPO website](#), and you can subscribe to receive it every quarter. You can also follow the report on social media: via [Twitter](#) and [LinkedIn](#) using [#IPOreport](#).



\*Q1 2021 and Q1 21 refer to the first quarter of 2021 and cover completed IPOs from 1 January 2021 to 24 March 2021 plus expected IPOs by the end of March 2021. Data as of COB 24 March 2021. Special purpose acquisition company (SPAC) IPOs are excluded in all data included in this report, except where indicated.

All values are US\$ unless otherwise noted.

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A dark blue world map is visible in the background of the slide, showing the continents in a lighter shade of blue.

Global IPO market

# Liquidity continues to fuel global IPO markets in Q1 2021

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With markets awash with liquidity, global IPO deal numbers and proceeds have posted the best performance witnessed in the last 20 years. However, many uncertainties remain that will create volatility and affect the IPO markets. These include slower-than-expected vaccination programs and new waves of the pandemic that continue to peg back any real economic recovery; the slow-down and withdrawal of IPO applications due to tightened regulatory process; and risk of capital markets destabilizing from banks scaling back on leverage. Companies need to be well prepared to access the market while the window remains open.

Paul Go

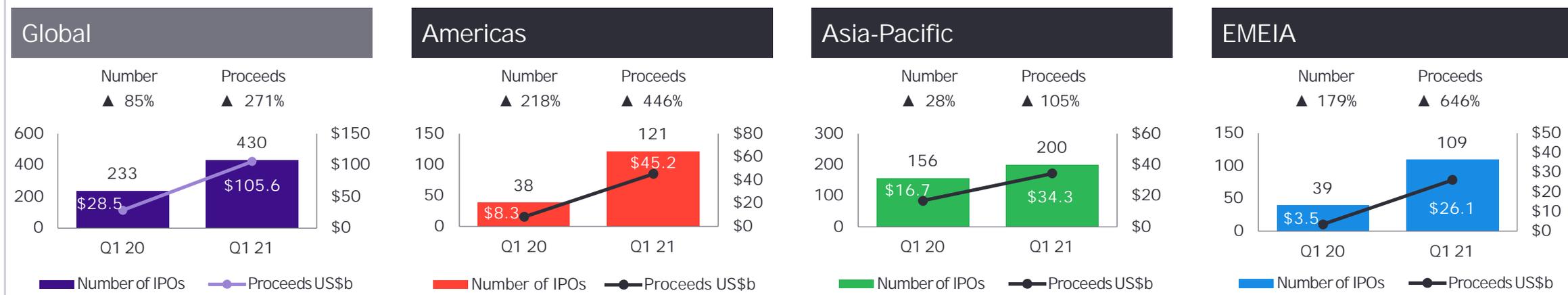
EY Global IPO Leader

# Global IPO market summary – Q1 2021

## Key highlights:

- ▶ Although the first quarter is typically slower, Q1 2021 has been the best-performing first quarter by deal numbers and proceeds in the last 20 years. And this is before we include the special purpose acquisition company (SPAC) IPOs, which in Q1 2021 alone have completed more deals and raised more proceeds than the record-breaking full year of 2020.
- ▶ This surge in momentum can be attributed to the ample liquidity in the financial systems; the accelerated growth of technology and new economy companies propelled by the pandemic; speculative and opportunistic transactions; and platforms that have made retail investing more accessible to the general public and young generations.
- ▶ On the world stage, with Brexit more settled down, the UK and European IPO markets have come alive again, with Amsterdam, Frankfurt and London posting some of the largest IPOs in Q1 2021. Europe, in particular, has proven to be one of the bright spots that helped to propel the global IPO activity to its current heights.
- ▶ Other good news for investors is the healthy pipeline of unicorns that are set to make their way to public markets this year. We will also see more companies coming to the public markets in non-traditional ways, such as direct listings and, of course, SPAC mergers.
- ▶ Despite the robust IPO activity in Q1 2021, investor sentiment remains fragile. There is fear of a market correction on the horizon, with uncertainties over possible new waves of the pandemic stalling the economy recovery, the speediness of the vaccination program roll-out and the potential disruption to the financial system caused by banks scaling back on leverage offered to the professional investors.
- ▶ Technology IPOs led again by both numbers and proceeds in Q1 2021, with big technology IPOs driving high valuations and getting a lion's share of the IPO proceeds. Meanwhile, energy IPOs are making a comeback as one of the better-performing sectors, particularly renewable energy.

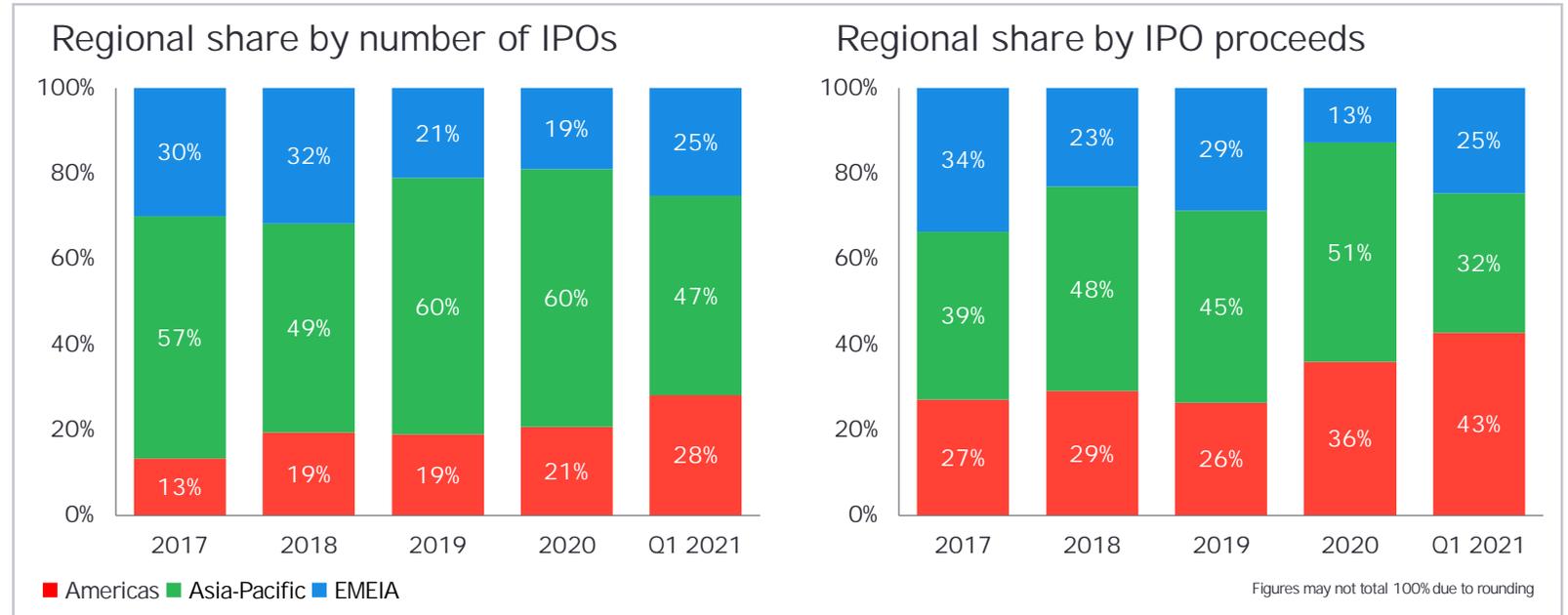
## Q1 2021 comparison



All values are US\$ unless otherwise noted. Q1 2021 and Q1 21 refer to the first quarter of 2021 and cover completed IPOs from 1 January 2021 to 24 March 2021 plus expected IPOs by the end of March 2021. Data as of COB 24 March 2021.

# Americas, Asia-Pacific and EMEIA IPO markets see record Q1 activity

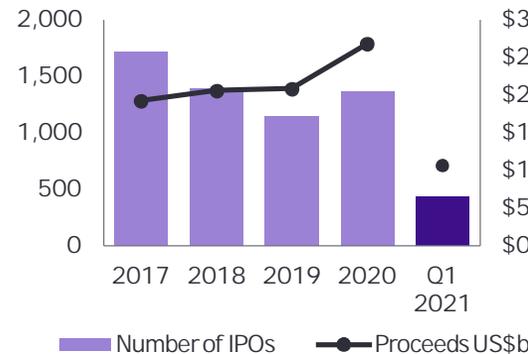
- ▶ In the Americas, IPO activity continued to demonstrate resilience in Q1 2021, driven by high valuations and strong aftermarket performances. Americas exchanges saw the highest combined first quarter deal number and proceeds in more than 20 years.
- ▶ In Asia-Pacific, Q1 2021 saw the highest IPO proceeds in last 20 years, with the region still accounting for close to 50% of the global IPO deals.
- ▶ In EMEIA, IPO markets roared to life in Q1 2021, following a quiet 2020. Like the Americas and Asia-Pacific, EMEIA saw the highest Q1 IPO proceeds in the past 20 years. We attribute the increasing momentum to high valuations, low volatility and rising confidence in an economic rebound.



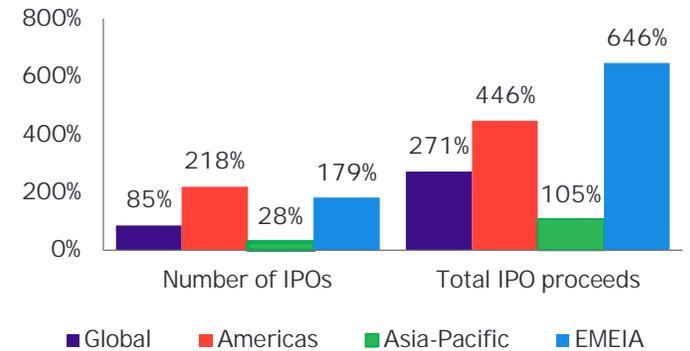
## Markets Q1 2021



## IPO activity

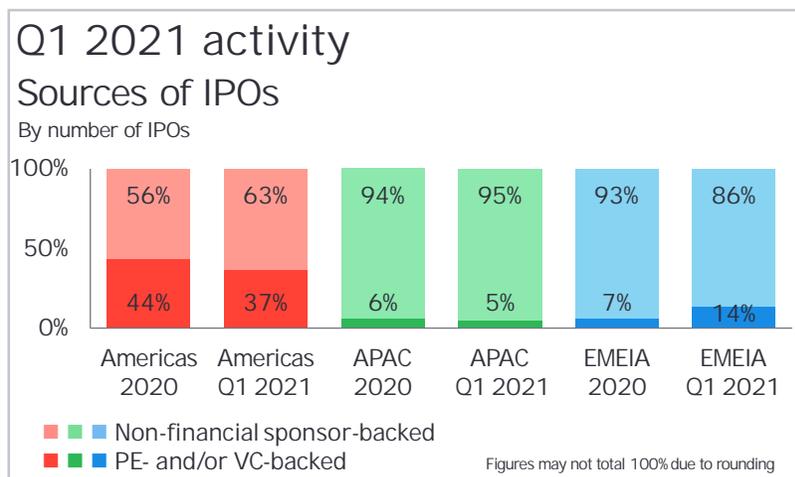


## Year-on-year comparison

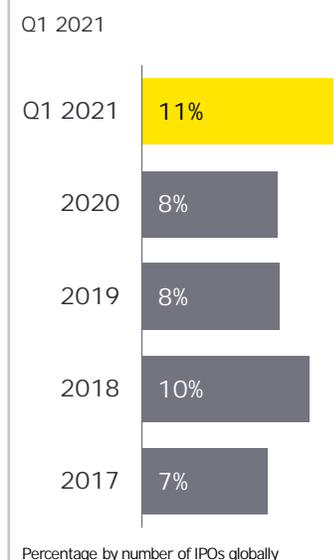


# Cross-border IPO activity increases; more companies consider SPACs

- ▶ Despite the US-China tension and the enactment of the Holding Foreign Companies Accountable Act (HFCAA), the US remains the IPO market of choice for Chinese companies. There were 36 inbound IPOs to the US, of which 18 were from China and 9 from European issuers.
- ▶ The trend of US Chinese foreign private issuers (FPIs) electing for a secondary listing in Hong Kong continues, with three US Chinese FPIs raising US\$6.4b in Q1 2021.
- ▶ In Q1 2021, 42% of US deals and 60% by proceeds were PE- and VC-backed. In Europe, 38% of proceeds raised and 12% of deal numbers were PE- and VC-backed.
- ▶ SPAC IPO activity\* has far surpassed previous record levels, with more than 300 SPAC IPOs globally raising US\$95.2b in proceeds, which have already exceeded 2020 full-year totals, and with no sign of a slowdown.
- ▶ Follow-on offerings saw a rise of 63% by deal numbers and 128% by proceeds in Q1 2021 (1,455 deals raising US\$210.6b), compared with Q1 2020. In fact, follow-on offerings in Q1 2021 in all three regions have also exceeded Q1 2020 levels. Follow-on activity is expected to continue its momentum in Q2 2021 as public companies take advantage of the liquidity available in the market.



### Cross-border IPOs



### Top countries of origin

- By number of IPOs outside home country
- ▶ China (18)
  - ▶ Canada (4)
  - ▶ Netherlands (4)
  - ▶ Singapore (3)
  - ▶ Israel (2)

### Top IPO destinations<sup>1</sup>

- By number of IPOs
- ▶ NASDAQ (23)
  - ▶ NYSE (13)
  - ▶ Norway (3)
  - ▶ London (3)
  - ▶ Euronext Amsterdam (2)

<sup>1</sup>IPO destinations refer to stock exchanges (main and junior markets).

### Stock exchanges by total proceeds

NASDAQ  
\$24.3b  
72 IPOs

Hong Kong (HKEx and GEM)  
\$17.1b  
32 IPOs

New York (NYSE)  
\$16.8b  
27 IPOs

### Sectors by number of IPOs

Technology  
111 IPOs  
\$46.1b

Health care  
78 IPOs  
\$14.b

Industrials  
57 IPOs  
\$6.3b

### IPOs largest by proceeds

Kuaishou Technology  
\$6.2b  
Technology  
Hong Kong Main Board  
February

Coupang Inc.  
\$4.6b  
Technology  
New York (NYSE)  
March

InPost SA  
\$3.9b  
Consumer products  
Euronext (Amsterdam)  
January

All amounts in table are in US\$

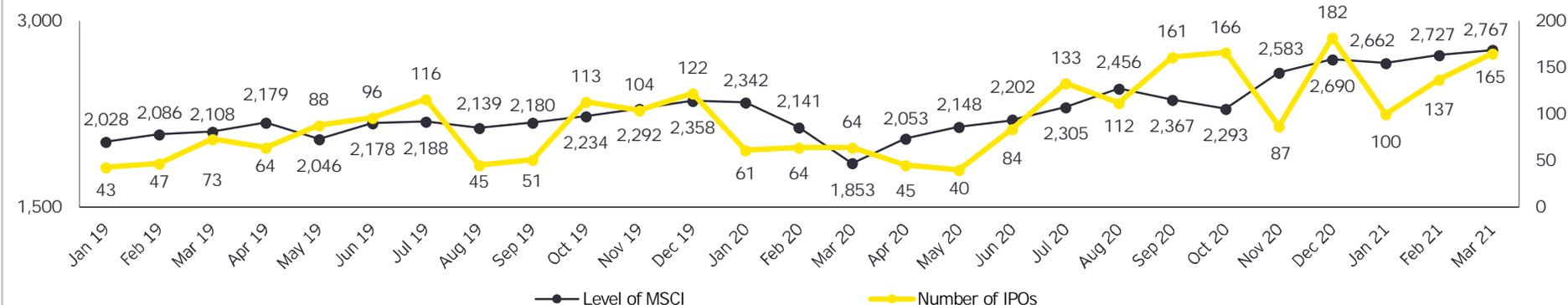
\*SPAC IPOs are excluded in the compilation of all data included in this report, except where indicated.

All values are US\$ unless otherwise noted. Q1 2021 and Q1 21 refer to the first quarter of 2021 and cover completed IPOs from 1 January 2021 to 24 March 2021 plus expected IPOs by the end of March 2021. Data as of COB 24 March 2021.

# Global IPO market outlook

- ▶ Despite a record-breaking first quarter in 2021, uncertainties will continue to weigh in and create market volatility. A new wave of the pandemic; speed of vaccination roll-outs and efficacy rates; geopolitical tension; inflation and interest rates; and soundness of financial systems to withstand any unexpected market shocks are all ingredients that may trigger a perfect storm.
- ▶ Disappointing 2020 earnings released by companies in sectors that have been more negatively impacted (e.g., traditional retail, aviation and hospitality) can further dampen investor sentiment as they face the prospect of another "lost summer."
- ▶ In response, investors may pause to review their portfolios and rebalance their investment allocations among different asset classes.
- ▶ In the meantime, investors will continue to look for investment returns and take advantage of the liquidity and market sentiment, until they see better returns elsewhere or when they are forced to liquidate their portfolios to meet any capital or margin calls, which could accelerate and turn into a vicious stock price adjustment cycle.
- ▶ Technology and health care IPOs will continue to dominate in the short term. Investors remain receptive to companies in the right sectors: e-commerce, food delivery, online gaming, cloud solutions and other companies that have prospered during the pandemic.
- ▶ The direction of cross-border IPOs ahead will depend on the implementation and tone from the HFCAA and other regulations from different jurisdictions. Currently, Chinese and European companies remain undeterred, although there is a steady flow of US Chinese FPIs looking to complete secondary listings outside of the US, and we expect this trend will continue.
- ▶ SPAC IPOs remain largely a US phenomenon. However, with their exponential rise in popularity, Amsterdam, Frankfurt, Hong Kong, Indonesia, London and Singapore exchanges are all exploring opportunities to create more active SPAC markets.
- ▶ The SPAC growth reflects the sheer amount of liquidity available in the market, and liquidity that may not be so readily available in the market in two years' time. The listed SPACs represent a genuine viable option for private companies looking to raise capital.
- ▶ Listed SPACs have created investment demand and pushed up valuations on potential merger targets in private businesses, private equity's portfolio companies and startups.
- ▶ Companies in the right sector, with the right story and that are well prepared, will want to catch the open IPO window now. However, it's important to look at all options, whether it is a traditional IPO, SPAC merger or direct listing.

## IPO activity vs. MSCI World Index



The global equity index rose to new highs during Q1 2021, while IPO activity reached the highest level in 20 years, demonstrating that equity markets are resilient, open and working.

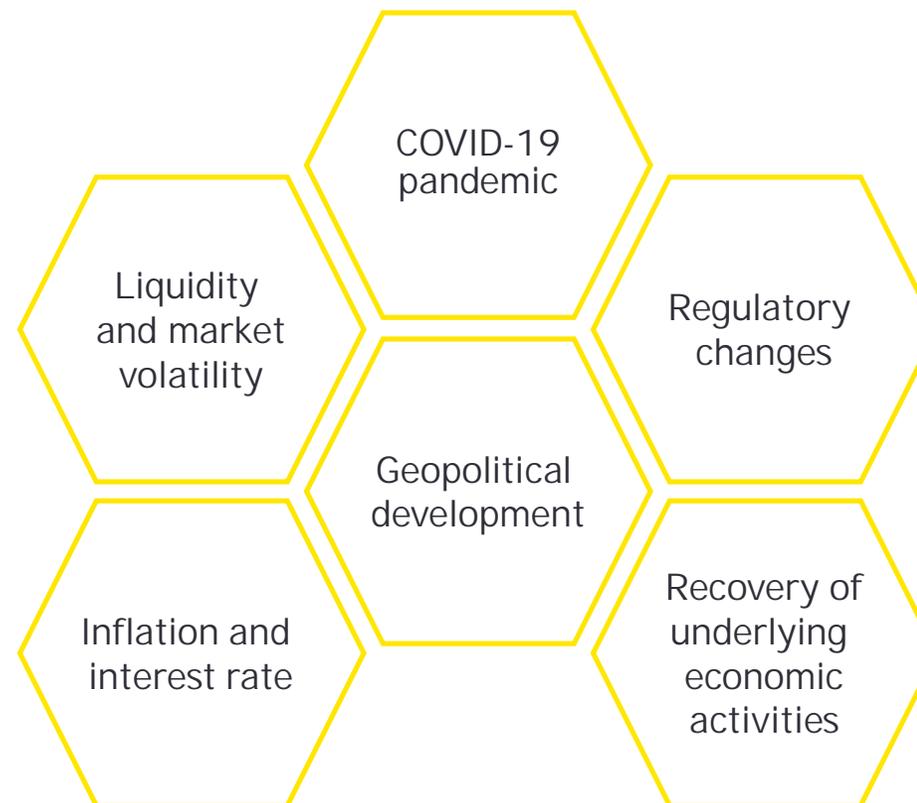
\*MSCI World Index is composed of more than 1,500 constituents listed on stock exchanges of various developed markets. The index includes companies from 24 developed markets in Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom and the United States. The index constituents are weighted on the basis of free float market capitalization. MSCI World Index is reviewed on a quarterly basis and is managed by MSCI Inc. Number of IPOs shown on this chart excludes all deals with proceeds below US\$5m and SPACs.

### Implications for IPO candidates

IPO candidates looking to go public will need to be well prepared. They will need to:

- ▶ Demonstrate business resilience with innovative business models, supply chain agility, financial strength and the ability to excel with the COVID-19 pandemic in the short to medium term.
- ▶ Be realistic about valuation levels.
- ▶ Have the right equity story. Conduct extensive pre-marketing and pre-IPO funding to lower transaction risk and improve pricing leverage with investors. And conduct virtual and shorter roadshows to limit market risk.
- ▶ Consider the geopolitical risk and changing regulatory environment.
- ▶ Emphasize environment, social and governance (ESG) and diversity on company boards and management teams.
- ▶ Consider all options, from an alternative IPO process (e.g., direct listing, merger with SPAC) to an alternative financing method (e.g., private capital, debt or trade sale).

There are a variety of market factors that may impact investor sentiment for IPOs. Pre-IPO companies should analyze how these factors may affect their business, timing and valuations.



\*Factors are presented in no specific order of priority.

## Americas and US IPO market insights

# High valuations and strong aftermarket performances keep Americas IPO activity riding high



Americas IPO activity maintained its resiliency into 2021, driven by high valuations and strong aftermarket performances. Despite the volume of SPACs and the attention they are receiving, traditional IPOs have staying power, with Q1 2021 deal number and proceeds being the highest in more than 20 years. Continued innovation in the traditional IPO product is allowing a healthy competition with non-traditional approaches to public markets. Ongoing evolution provides issuers more optionality and the ability to form a curated path to public markets.

Rachel Gerring

EY Americas IPO Leader

# Americas IPO market highlights

- ▶ IPO activity in the Americas saw no sign of slowing down in Q1 2021, with the highest Q1 deal numbers and proceeds in more than 20 years. IPO activity more than tripled by deal number compared with Q1 2020, with proceeds raising 446% more, making it an unprecedented period in financial markets history.
- ▶ Health care IPOs continue to lead by deal number in Q1 2021, followed by technology. By proceeds, technology companies took the lion's share, followed by health care.
- ▶ The surge of Brazil IPO activity continues and the market had its most active quarter since 2007. Brazilian IPOs represented a significantly higher portion of Americas IPOs at 12%. A healthy pipeline exists and is driven by a combination of some carryovers from 2020, the continued low interest rate environment and successful debuts in the market that is providing confidence to newcomers. While there has been some volatility in the local market related to a new wave of COVID-19 pandemic and fiscal measure responses, issuers are expected to come to market in sectors including retail, technology, health care and life sciences.
- ▶ TSX in Canada has seen a boost in activity, with the number of Q1 deals not seen in 15 years. Several Canadian issuers also had cross-border IPOs, led by a technology IPO of more than US\$1b on a US exchange. The pipeline of Canadian companies preparing to go public continues to build across various sectors as an uptick in IPO and SPAC activity energize the Canadian market.

## Q1 2021 activity

Change on Q1 2020

**121 IPOs** ▲ 218%

**\$45.2b proceeds** ▲ 446%



### Stock exchanges by total proceeds

<b>US NASDAQ</b>	United States
\$24.3b   72 IPOs	
<b>New York (NYSE)</b>	United States
\$16.8b   27 IPOs	
<b>Brazil B3</b>	Brazil
\$3.5b   15 IPOs	

### Sectors<sup>1</sup> by number of IPOs

<b>Health care</b>	44 IPOs   \$8.7b
<b>Technology</b>	33 IPOs   \$21.4b
<b>Industrials</b>	7 IPOs   \$3.1b

### IPOs by largest proceeds

<b>Coupage Inc.</b>	New York (NYSE)	March
\$4.6b Technology		
<b>Bumble Inc.</b>	US NASDAQ	February
\$2.5b Technology		
<b>Playtika Holding Corp.</b>	US NASDAQ	January
\$2.2b Technology		

<sup>1</sup> IPO activity of Canadian Securities Exchange is excluded from sector analysis.

## Brazil's B3

### Q1 2021

15 IPOs

\$3.5b proceeds

Change on Q1 2020

▲ 275%

▲ 303%



## Canada's Toronto Main and Venture Exchange

7 IPOs

\$642m proceeds

Change on Q1 2020

▲ 250%

▲ 451 times



IPO activity of Canadian Securities Exchange is excluded.

## Mexico's Mexican Stock Exchange

0 IPOs

\$0m proceeds

Change on Q1 2020

NA<sup>2</sup>

NA<sup>2</sup>



<sup>2</sup> There was no IPO activity on Mexican Stock Exchange in Q1 2021 and Q1 2020.

## US's NASDAQ and NYSE

99 IPOs

\$41.1b proceeds

Change on Q1 2020

▲ 313%

▲ 463%



All amounts in table are in US\$

# Americas – US IPO market highlights

- ▶ US IPO markets started with continued momentum from 2020, and the IPO deal numbers and proceeds in Q1 2021 reached levels not seen in more than 20 years. Historically, Q1 has been a slow quarter due to year-end reporting cycle and an uptick of activity in Q2. However, Q1 2021 saw deals being carried over from 2020 and issuers taking advantage of high valuations led by technology companies.
- ▶ The passage of the US\$1.9t American Rescue Plan toward the end of Q1 2021 sent equity markets soaring to new highs. Further fueling positive investor sentiment are continued vaccine rollouts, the reopening of many states at various degrees and jobless claims steadily declining since January 2021.
- ▶ A boom in health care IPOs continues into 2021, with February alone having 21 health care IPOs. Several factors are coming together as a result of the COVID-19 pandemic that have highlighted the value of vaccines, therapeutics and digital/virtual health, resulting in the second highest number of health care IPOs in a single month in more than 20 years. U.S. Food and Drug Administration (FDA) approvals and announcements of positive research and clinical trial data have continued as has the increased use of health tech and virtual care. These trends are coming together at a time when capital is plentiful, as evidenced by IPO and SPAC activities, and investors are focused on the long-term potential of the health care sector.
- ▶ The US IPO market in Q1 2021 was robust and investor sentiment remains optimistic, but as the quarter progressed, there were a few deals where performance was not as strong compared with the end of 2020, indicating that the market is more discerning. This may be attributed to recent changes in the traditional IPO model, direct order system and lockup customization.

## Outlook

- ▶ Despite the continued uncertainty surrounding the COVID-19 pandemic and a turbulent political backdrop, US IPO activity outlook remains optimistic.
- ▶ IPO and SPAC paths to the public markets will dominate the landscape and provide healthy competitive processes. Traditional IPOs continue to evolve with non-traditional lockup periods, anchor orders and beyond.
- ▶ There will be an increased interest and relevance of direct listings as issuers explore the new concurrent primary capital raise structure. Advantages to direct listings include auction-driven pricing, lockup agreements and cost.
- ▶ Continued growth in non-traditional approaches to raising capital will give issuers more optionality and the ability to curate a customized process that best suits their unique financial interests and long-term business strategies.

## Q1 2021 activity

Change on Q1 2020

99 IPOs ▲ 313%

\$41.1b proceeds ▲ 463%

42% of IPOs are financial sponsor-backed

US NASDAQ	New York (NYSE)
\$24.3b	\$16.8b
72 IPOs	27 IPOs



## Cross-border IPOs

top countries/regions of origin Q1 2021



Greater China  
18 IPOs (\$4.2b)

Canada  
3 IPOs (\$1.2b)

All amounts in table are in US\$

## Sectors by number of IPOs

Health care  
41 IPOs | \$8.4b

Technology  
28 IPOs | \$20.6b

Industrials  
5 IPOs | \$2.8b

All amounts in table are in US\$

## IPOs largest by proceeds

Coupage Inc. NYSE  
\$4.6b Technology March

Bumble Inc. US NASDAQ  
\$2.5b Technology February

Playtika Holding Corp. US NASDAQ  
\$2.2b Technology January

Shoals Technologies Group Inc. US NASDAQ  
\$2.2b Energy January

Qualtrics International Inc. US NASDAQ  
\$1.8b Technology January

## Performance YTD 2021

### IPO pricing and performance

US markets	First-day average return	Share price performance since IPO (a.k.a offer-to-current)
+ or - indicates change compared with offer price at IPO	+40.1%	+31.4%
	First-day and current average returns are mean returns of issuers who started trading by 24 March 2021	

## Equity indices

DJIA +5.9%

S&P 500 +3.5%

NASDAQ Composite +0.6%

+ or - indicates change since 31 December 2020

## Volatility index

CBOE VIX®  
21.2 current  
23.5 YTD average  
17.6 10-year average

Current index level is for 24 March 2021

Special purpose acquisition companies (SPACs) IPO market insights

## SPAC boom shows no signs of slowdown

//

The SPAC market continues to sizzle, with more SPAC IPOs in Q1 2021 than all of 2020. While SPACs have become considerably more mainstream, it is crucial that private companies carefully evaluate this path, prepare for rapid transformation and maintain flexibility to adjust course during the journey as alternatives and prevailing market conditions continue to evolve. Public company preparedness is a key ingredient for long-term success.

**Karim Anani**

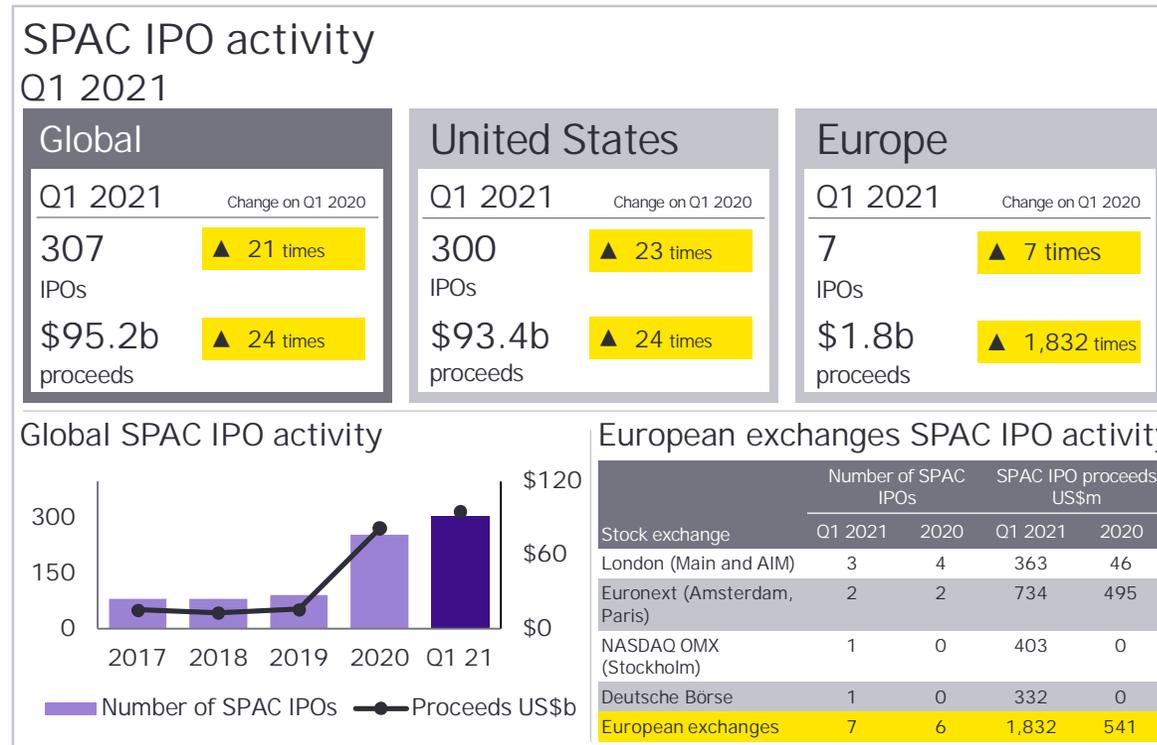
EY Americas SPAC Leader

# SPAC highlights

- ▶ Q1 2021 global SPAC IPO activities already surpassed 2020's record year totals. While the US accounts for the bulk of activity, SPAC IPOs are starting to grow outside of the US.
- ▶ Europe's Q1 2021 deal numbers and proceeds already exceed full-year 2020 levels. Q1 2021 saw seven SPAC IPOs, raising a total of US\$1.8b compared with six SPAC IPOs and total proceeds of US\$541m in 2020.
- ▶ SPAC IPOs accounted for 8% of European exchanges' IPO activity and 7% by proceeds in Q1 2021.
- ▶ Of the 653 SPACs that have completed IPOs between 2019 and the end of Q1 2021, 179 SPACs have announced acquisitions with total acquisition value of US\$53.7b by the end of March 2021.
- ▶ Announced SPAC acquisition activity globally is also growing at a fast pace, with the number of announced deals in Q1 2021 already at 81% of 2020 by deal number and 103% of 2020 deal value. "The usual suspects" (technology, industrials and health care) were the most active sectors of announced SPAC acquisitions in Q1 2021. US companies were the most active source of SPAC target companies in Q1 2021, followed by European and MENA issuers.

## Outlook

- ▶ Regulators for EU and UK exchanges have been looking at listing requirements surround SPACs. Some of the potential markets include Euronext, Deutsche Börse, NASDAQ OMX and UK exchanges.
- ▶ While in the Asia-Pacific, Hong Kong, Indonesia and Singapore stock exchanges are rumored to be exploring SPAC listings and are in initial consultation stages.
- ▶ The pace of future SPAC IPO and acquisition activity could be impacted by regulatory changes, valuation levels of target companies and the availability of private investment in public equity (PIPE) financing to complete acquisitions, investor sentiments and stock-price performance of recently companies that came to the public markets via the de-SPAC process.



## SPAC acquisition activity

### Announced global SPAC acquisitions



### Selected YTD 2021 announced SPAC acquisitions

Announcement month	SPAC name	Target	Deal value US\$b	Target sector	Target nationality
February	Churchill Capital Corp. IV	Lucid Motors Inc.	17.6	Industrials	United States
March	Thoma Bravo Advantage	ironSource Ltd.	10.0	Technology	Israel
March	FinTech Acquisition Corp. V	eToro Group Ltd.	9.8	Technology	Israel
February	Gores Holdings V Inc.	Ardagh Metal Packaging SA	8.9	Materials	Luxembourg
February	Dragoneer Growth Opportunities Corp.	CCC Information Services Group Inc.	6.7	Technology	United States

All amounts in table are in US\$

Source: EY analysis, Dealogic

Figures may not total 100% due to rounding

\*SPAC IPOs in this context refer also to ex-business development and blank check companies but exclude Capital Pool IPOs. SPAC IPO deal numbers and proceeds on this page are excluded from other parts of the *Global IPO trends: Q1 2021* report (pages 1-11, 15-28 and appendices). All values are US\$ unless otherwise noted. Q1 2021 and Q1 21 refer to the first quarter of 2021 and cover completed SPAC IPOs and traditional IPOs from 1 January 2021 to 24 March 2021 plus expected deals by the end of March 2021. Data as of COB 24 March 2021.

# US SPAC highlights

- ▶ Explosion of SPAC IPO activity continues as Q1 2021 already surpassed the record-breaking year of 2020 by both number of deals and proceeds.
- ▶ In Q1 2021, there were three times as many SPAC IPOs on US exchanges than traditional IPOs, despite a record-breaking Q1 for traditional IPOs.
- ▶ There were 24 SPAC acquisitions completed during Q1 2021 with a total acquisition value of US\$54.1b. In addition, as of 31 March, 120 active SPACs had identified targets with an enterprise value of nearly US\$290b.
- ▶ The ubiquity of SPACs and its prominence as a viable capital markets alternative has changed the dynamics of the market. Higher profile sponsors, larger deals and strong returns on certain marquee transactions all propelled this market into the mainstream over a very short period.

## Outlook

- ▶ As of 31 March, there were more than 550 active SPACs with nearly US\$180b of cash in trust, which has transformed the reach and impact of this structure. With so many SPACs competing for companies to acquire, standard transaction terms have become highly negotiable, valuations continue to be more competitive than ever before and this trend will continue for the foreseeable future.
- ▶ With increased competition in the SPAC market, it is becoming more difficult for SPACs to meet the timeline to find a target company and complete a transaction. As a result, a target company may incur additional pressure to move through the de-SPAC process quickly and the desired valuation may also be challenged.
- ▶ Post-merger, the performance of these new public companies will be critical, similar to any new public company, but also because of the influence over future SPAC transactions. Private companies considering a capital market transaction will need to thoughtfully evaluate this path along with other paths to the public markets, focus on being transaction-ready while remaining flexible for other capital opportunities.

## YTD 2021 US SPAC IPO activity

YTD 2021

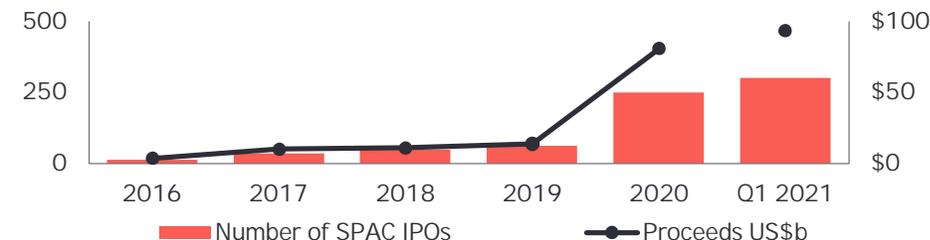
300  
IPOs

Change on Q1 2020

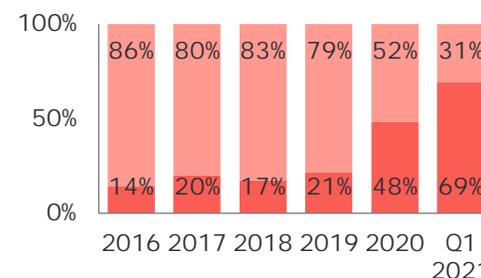
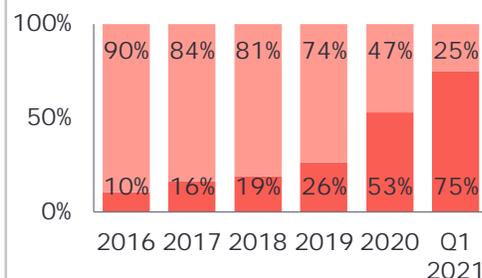
▲ 23 times

\$93.4b  
Proceeds

▲ 24 times



## SPAC IPOs by % of all US IPO activity



## Completed US SPAC acquisitions



## Selected YTD 2021 completed US SPAC acquisitions

SPAC name	Target	Deal value US\$b	Sponsor	Target sector
Gores Holdings IV	United Wholesale Mortgage	3.7	Gores Sponsor IV LLC, The Gores Group	Financials
Foley Trasimene Acquisition Corp. II	Paysafe	2.6	Trasimene Capital Management, LLC Trasimene Capital FT, LP	Financials
CIIG Merger Corp.	Arrival	2.4	CIIG Management LLC, BlackRock, Inc., Magnetar Financial LLC, Atalaya Capital Management LP, International Investment Group Holdings	Consumer
Social Capital Hedosophia Holdings Corp. III	Clover Health	3.7	SCH Sponsor III, LLC	Technology
CC Neuberger Principal Holdings I	E2open	2.6	CC Neuberger Principal Holdings I Sponsor LLC	Technology

All amounts in table are in US\$

Source: SPAC Research, SEC filings

Figures may not total 100% due to rounding

\*SPAC IPOs in this context refer also to ex-business development and blank check companies but exclude Capital Pool IPOs. SPAC IPO deal numbers and proceeds on this page are excluded from other parts of the *Global IPO trends: Q1 2021* report (pages 1-11, 15-28 and appendices). All values are US\$ unless otherwise noted. Q1 2021 and Q1 21 refer to the first quarter of 2021 and cover completed SPAC IPOs and traditional IPOs from 1 January 2021 to 24 March 2021 plus expected deals by the end of March 2021. Data as of COB 24 March 2021.

Asia-Pacific

# Asia-Pacific IPO markets maintain positive momentum in Q1 2021

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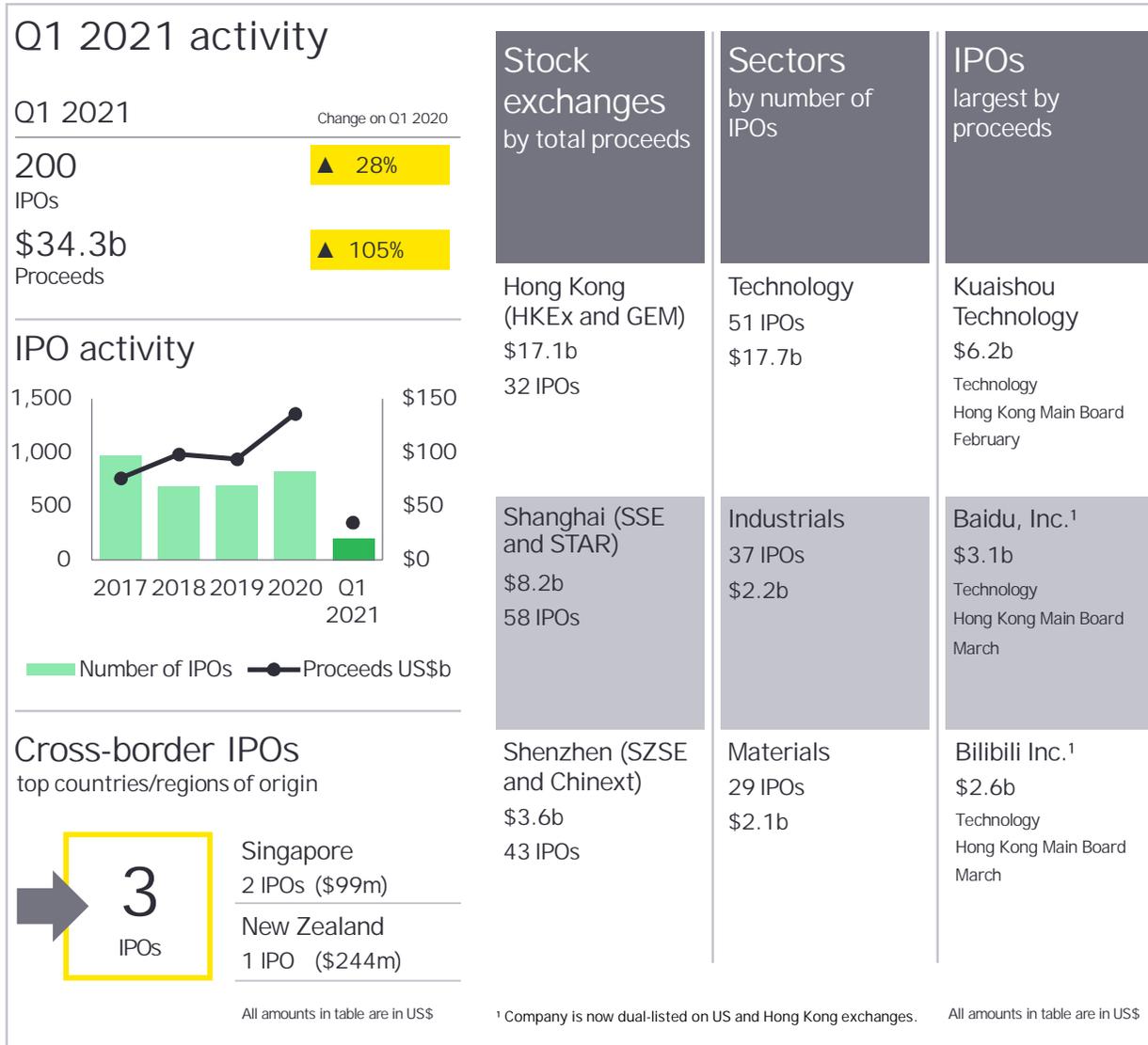
It's the first quarter of a new year. It's the first year of a new US presidency, with a new team at the table to deal with US-China relations. In addition, we are entering the second year of the COVID-19 pandemic. There is optimism, yet uncertainty remains, which could lead to volatility in Asia-Pacific IPO markets in 2021. Asia-Pacific companies will need to be resilient to these types of challenges to be successful in their IPO journey.

**Ringo Choi**

EY Asia-Pacific IPO Leader

# Asia-Pacific IPO market highlights

- ▶ Asia-Pacific IPO activity in Q1 2021 continued its positive momentum. Although it appeared IPO activity would get off to a slightly slower start to the year, by the end of Q1 2021, IPO activity in the region achieved the highest Q1 proceeds in 20 years, beating the former record of Q1 2010.
- ▶ In Greater China, there are two factors driving strong IPO momentum. In Mainland China, the registration system is faster and more market-driven in terms of valuation. In Hong Kong, technology and new economy companies, as well as health care (i.e., biotech) companies are choosing to list on the Hong Kong Main Board. In addition, there are US Chinese FPIs completing secondary listings in Hong Kong. However, valuations for IPOs destined for Mainland China markets are extremely high and were still heavily oversubscribed.
- ▶ Post-IPO, pricing for some technology companies has dropped as much as 30%. In Hong Kong markets, investors are following Mainland China's trend of oversubscribing, believing they would be able to make good first-day returns on the IPOs. However, this kind of volatility could send a signal that IPOs have higher risks, whereas more stable IPO pricing would help to build a more sustainable momentum.
- ▶ In other parts of Asia-Pacific, IPO numbers remain small, but they too are gaining momentum. In Japan, rising investor sentiment had a positive impact on equity and IPO markets in Q1 2021, with deal proceeds 85% higher than Q1 2020, even as IPO numbers saw a 26% decline. Meanwhile, in Australia and New Zealand, IPO markets continued a brisk ascent in Q1 2021, with IPO numbers more than doubling and proceeds nearly 11 times higher compared with Q1 2020.
- ▶ Where momentum picked up in other parts of Asia-Pacific, ASEAN IPO activity experienced a notable decline in Q1 2021, in both numbers and proceeds compared to Q1 2020. Notwithstanding, Thailand has continued momentum from 2020 with the launch one mega IPO for more than US\$1b, which ranked fourth among the Asia-Pacific top 10 deals.
- ▶ South Korea saw its first mega IPO in Q1 2021 since 2017, with more sizeable IPOs in the pipeline for the rest of 2021. SK Biosciences Co., Ltd. raised US\$1.3b in March 2021, making it the fifth largest IPO on Asia-Pacific exchanges in Q1 2021. Coupang Inc. from South Korea also completed a US\$4.6b cross-border listing on US's NYSE, making it the largest ever cross-border IPO by a South Korean issuer.



## Asia-Pacific IPO market outlook

- ▶ Despite post-IPO pricing volatility, we expect Asia-Pacific IPO markets to remain active in Q2 2021, with large numbers of new economy IPOs and higher-than-average deal sizes coming to the markets.
- ▶ In Greater China, the expected full implementation of the registration-based IPO system in Mainland China will have a positive effect on the capital market. The registration system is one of the most important reforms of the Chinese capital market, as it will help ensure a long-term and sustained development of the market. Combined with the delisting mechanism and the recent tightening of the IPO vetting process, Mainland China expects the quality of public companies will improve over time.
- ▶ In Hong Kong, we expect IPO activity to remain active as economies around the world get back on track, and as the US Chinese FPIs continue to conduct secondary listings on the Hong Kong exchange.
- ▶ In Japan, positive investor sentiment and a healthy IPO pipeline will continue to drive IPO activity. We expect several larger companies that elected to sit on the sidelines in 2020 to leap through the open IPO window later this year.
- ▶ In Australia and New Zealand, we foresee the IPO market continuing to improve in Q2 2021, with small-cap companies leading the charge.
- ▶ In ASEAN, there are several mega-IPOs in the pipeline that we expect to launch later this year, elevating investor sentiment and maintaining positive momentum across many IPO markets within the region. There are also unicorns in contemplation of taking alternative routes to the capital market by way of a SPAC merger.
- ▶ Technology and other new economy companies will continue to dominate IPO activity in the quarters ahead. However, their enthusiasm may be tempered in H2 2021 if the sector is deemed to be too over-valued.
- ▶ With the popularity of the US SPAC continuing to rise, there has been strong interest in SPAC IPOs in Hong Kong, Indonesia and Singapore. It remains to be seen if SPAC IPOs can be successfully launched in the region before the end of 2021.

Asia-Pacific IPO candidates looking to go public should move quickly to catch the IPO window or consider other options and be prepared to be more flexible with valuations, especially if prices fall to more realistic levels, as they are expected to later this year.

Asia-Pacific – Mainland China and Hong Kong IPO market insights

## Greater China IPO activity gets off to a strong start in Q1 2021

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IPO activities remained robust in Q1 2021, driven by the economic recovery and ample market liquidity. The tightening of the IPO vetting process may dampen A-share listing activities to some extent, but China's 14<sup>th</sup> Five-Year Plan will facilitate IPOs of issuers in preferred sectors. In Hong Kong, the return of China concept stocks will increase IPO deal volumes. Although capital markets are expected to be volatile in 2021, we foresee 2021 being a big year for IPO activities in Greater China.

Terence Ho

EY Greater China IPO Leader

# Asia-Pacific – Mainland China and Hong Kong IPO market highlights

- ▶ Mainland China was the only major economy in the world to achieve positive economic growth in 2020. That momentum has continued into Q1 2021, providing an optimistic environment for IPO activity and pushing deal volumes and proceeds higher than pre-pandemic Q1 2020 numbers. However, in late January 2021, Chinese regulators instituted a stricter review process for IPO candidates. The new regulation requires an on-site inspection of companies that submit IPO applications. As a result, more than 70 pre-IPO companies destined for the ChiNext and STAR exchanges withdrew their IPO applications as more time and resources are needed to prepare for a successful application under the new guidelines.
- ▶ In Hong Kong, although the economy has been in recession for two years, as the impact of the pandemic and the social issues stabilize, there is evidence of a rebound. Investor sentiment remains positive for IPOs, with positive average first-day returns (20%) and record oversubscription for many IPOs launched in Q1 2021.
- ▶ Unicorns remained active in Greater China IPO markets in Q1 2021, with three unicorns that went public in Q1 2021 compared with four unicorn IPOs in all of 2020. However, in January 2021, the China Securities Regulatory Commission (CSRC) issued new guidelines to strengthen the supervision of shareholder information disclosures. Following the release of these guidelines, several unicorn companies voluntarily withdrew their IPO applications.



## Q1 2021 top 5 IPOs largest by proceeds

<b>Kuaishou Technology</b>	\$6.2b	Technology	Hong Kong Main Board	February
<b>Baidu, Inc.<sup>1</sup></b>	\$3.1b	Technology	Hong Kong Main Board	March
<b>Bilibili Inc.<sup>1</sup></b>	\$2.6b	Technology	Hong Kong Main Board	March
<b>JOINN Laboratories (China) Co., Ltd.</b>	\$0.8b	Health care	Hong Kong Main Board	February
<b>Tianneng Battery Group Co., Ltd.</b>	\$0.8b	Energy	STAR Market	January

<sup>1</sup>Company is now dual-listed on US and Hong Kong exchanges.  
 All amounts in table are in US\$

## Asia-Pacific – Mainland China and Hong Kong IPO market outlook

- ▶ Given the new CSRC guidelines, we expect the adjustments on the IPO application vetting process will continue into Q2 2021 and beyond in Mainland China.
- ▶ However, we also expect increased IPO activity as a result of Mainland China's 14<sup>th</sup> Five-Year Plan, which will boost the listing of companies in certain preferred sectors by providing support in direct financing, and the full rollout of the IPO registration-based system to the Shanghai Main Board and the Shenzhen SME Board. Priority sectors include technology innovation, health care, education, green development, aerospace and defense, and finance.
- ▶ In Hong Kong, we expect the economy and IPO markets to strengthen as the vaccine rollouts continue around the globe and the negative impacts of the pandemic begin to subside. We also anticipate the trend of Chinese companies conducting secondary listings on the Hong Kong Exchange to continue. Companies in the technology, consumer, retail and health care sectors are poised to launch more IPOs.
- ▶ Despite the lingering threat of the proposed regulatory changes for Chinese and other overseas companies listed on the US exchanges, Chinese companies continue to launch IPOs on the US exchanges. Some of this momentum relies on the expected easing of tensions between China and the US under the new US presidential administration. At the same time, some foreign PE- and VC-backed funds have invested in pre-IPO Chinese companies, making US markets a more attractive exit destination.
- ▶ Mainland China and Hong Kong regulators are engaged in bolstering the quality of listing companies. IPO candidates should focus on their business growth and development, not only for the first three years, but also for the longer term. In the meantime, IPO candidates will want to keep an eye on any new and evolving IPO regulatory reforms.

IPO pipeline		vs. December 2020
156	companies are in the China Securities Regulatory Commission (CSRC) pipeline	193
122	companies have submitted public filings with HKEx	110
173	companies are in the STAR Market pipeline	246
365	companies are in the ChiNext pipeline	455

A noticeable decrease in the IPO pipeline on the Mainland China stock exchanges after the tightening of the application vetting process and procedures.



Asia-Pacific – Japan IPO market insights

# Positive investor sentiment propels IPO activity in Japan

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IPO activity in Japan maintained its momentum in terms of proceeds in Q1 2021. Funds continue to flow into high-tech startups, creating a healthy pipeline of IPO candidates. With the Tokyo Stock Exchange progressing with its plans to reorganize its market segments in April 2022, IPO candidates will want to begin preparing in earnest now.

Masato Saito  
EY Japan IPO Leader

## Asia-Pacific – Japan IPO market highlights

- ▶ The Tokyo 2020 Olympics and Paralympics, which were originally scheduled for July and August 2020, were postponed because of the COVID-19 pandemic. The events are now scheduled to open in July 2021. The positive economic impact for Japan was expected to be immeasurable. However, with no foreign spectators allowed to attend, the economic effect is now harder to predict.
- ▶ Rising investor sentiment, stemming from the Olympic Games, as well as expectations for post-pandemic economic recovery, are having a positive impact on equity and IPO markets in Q1 2021. However, there is a sense of caution about rising long-term interest rates in the US.
- ▶ The Tokyo Stock Exchange ranked 10th among the top 12 global stock exchanges by deal numbers in Q1 2021. The exchange continues its course to integrate its five markets into three markets (Prime, Standard and Growth).
- ▶ The inflow of investments into artificial intelligence (AI) and Digital Transformation (DX) startups, which are expected to disrupt existing businesses, is intensifying. These companies are reaching a size and scale that make them ripe for an IPO in the near future.
- ▶ From a sector perspective, technology and FinTech remain popular areas of investment, which could translate into the IPO pipeline in upcoming quarters.

### Outlook

- ▶ Positive investor sentiment and a healthy IPO pipeline should continue to drive Japan IPO activity in the quarters ahead, with the number of listings in 2021 expected to reach 100, which is on par with previous years.
- ▶ Several larger companies, including unicorns, postponed their IPOs in 2020. We foresee these companies coming to the public markets later in 2021, once there is more certainty with respect to the pandemic.

### Q1 2021 activity

Q1 2021

Change on Q1 2020

20

IPOs

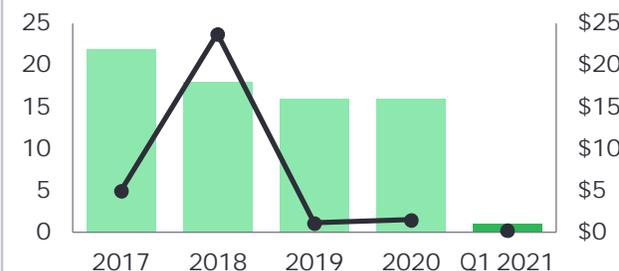
▼ 26%

\$1.0b

proceeds

▲ 85%

### Tokyo (First Section, Second Section) and PRO Markets



### JASDAQ and MOTHERS



Sectors  
by number of  
IPOs

Technology  
12 IPOs  
\$820m

Consumer  
products  
2 IPOs  
\$137m

Health care  
2 IPOs  
\$20m

IPOs  
largest by  
proceeds

Appier Group  
Inc.  
\$274m  
Technology  
Tokyo MOTHERS  
March

WingArc1st Inc.  
\$156m  
Technology  
Tokyo (First Section)  
March

Coconala Inc.  
\$134m  
Technology  
Tokyo MOTHERS  
March

Europe, Middle East, India and Africa

# Optimism motivates unicorns to fly through the open IPO window

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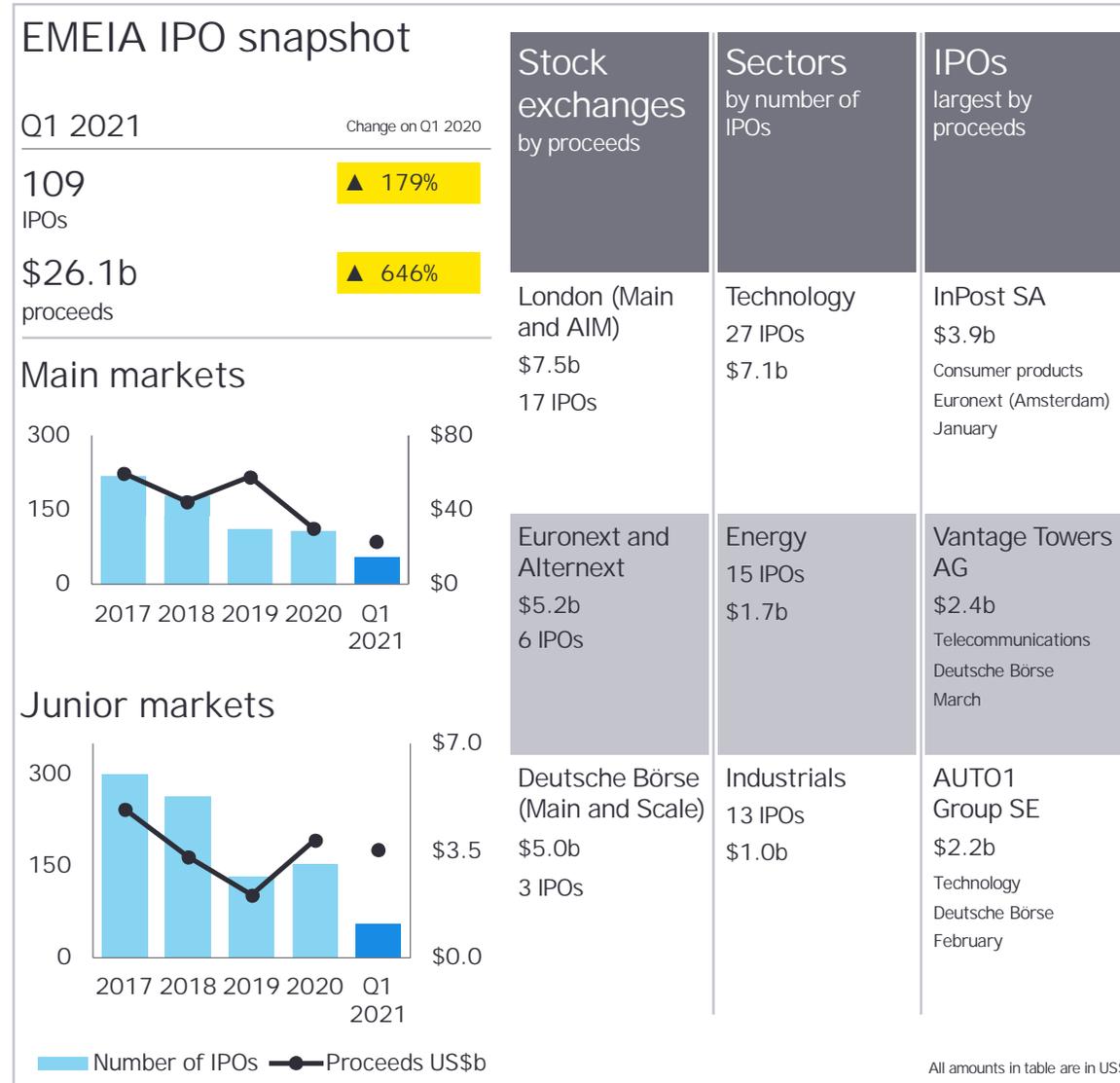
High valuations, low volatility and increasing optimism of an economic rebound have sustained IPO activity in EMEIA in Q1 2021 and motivated several unicorns to leap through the open transaction window. We expect this momentum will carry into Q2 2021. With tailwind from government stimulus and a successful rollout of vaccines across the region, there is growing confidence in a global economic rebound in 2021 and 2022. However, a third wave of the COVID-19 pandemic and a possible market correction may influence IPO windows for the remainder of the year. IPO candidates need to prepare early and keep all options open.

**Dr. Martin Steinbach**

EY EMEIA IPO Leader

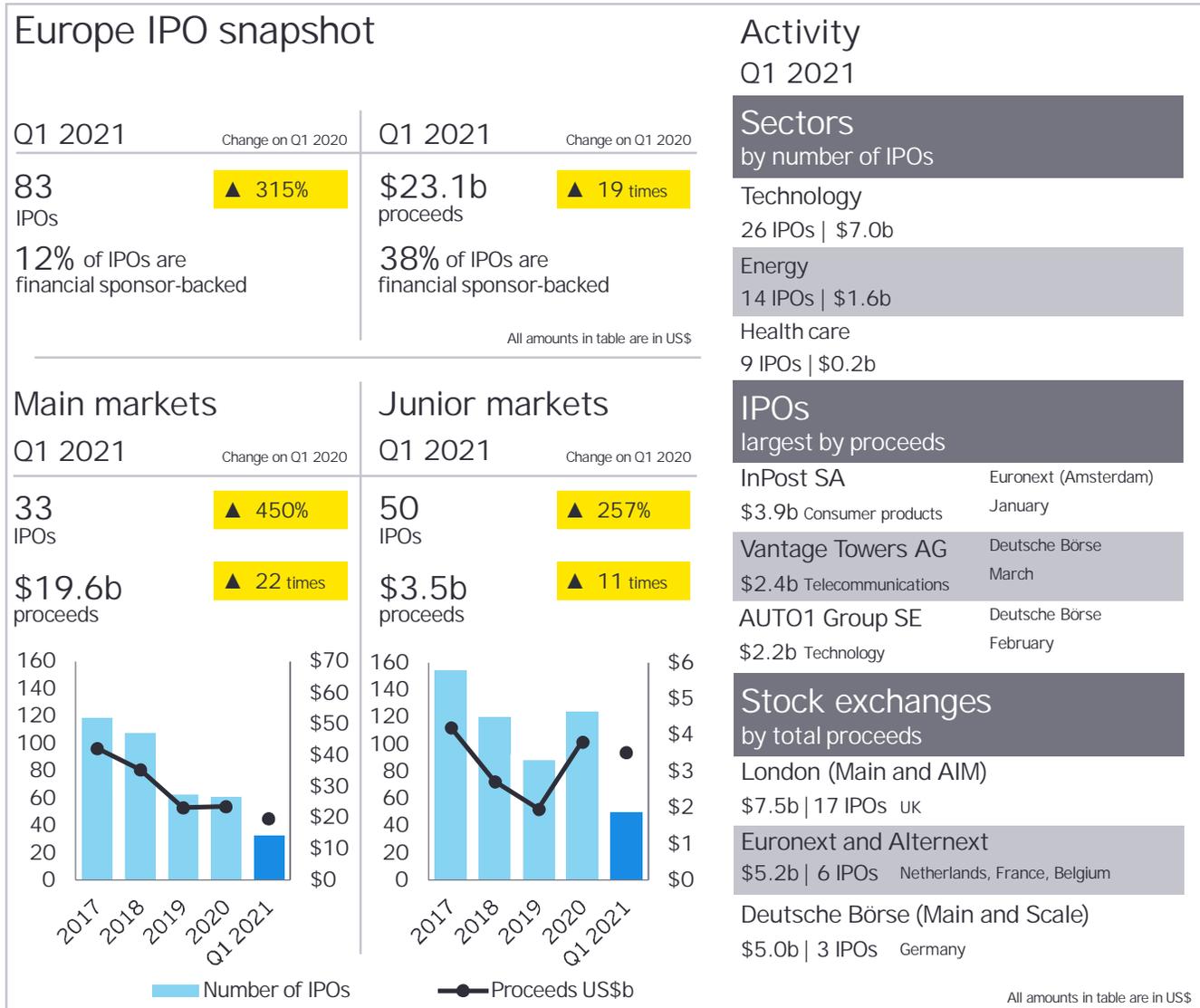
# Europe, Middle East, India and Africa IPO market highlights

- ▶ Carrying the momentum from Q4 2020, EMEIA IPO activity got off to a strong start in Q1 2021. We attribute the sustained momentum to three factors: high valuations, low volatility and rising confidence in an economic rebound. Faster vaccination rollouts and the lifting of pandemic restrictions will help to further improve investor sentiment in Q2 2021.
- ▶ Unicorns started to return to the IPO markets in Q1 2021. Additionally, mega-IPO activity included some well-known consumer brands, such as InPost SA, AUTO1 Group SE, Dr. Martens plc, Moonpig Group plc and Trustpilot Group plc. More unicorns and consumer brands companies are expected to go public in Q2 2021.
- ▶ The ubiquity of technology makes every sector ripe for disruption – a trend that has accelerated during the pandemic. This is relevant for every business where technology can provide an advantage, from e-commerce to e-mobility, to life sciences and pharmaceuticals. These companies remain investor darlings.
- ▶ With GDP data suggesting that the Eurozone economy withstood COVID-19 pandemic restrictions better than previously anticipated, and with investor sentiment improving, IPO activity in Europe in Q1 2021 continued its sharp rebound, with 3 European exchanges among the top 12 exchanges by deal numbers and 5 by proceeds.
- ▶ In the UK, IPO activity got off to a strong start in Q1 2021 as more companies took advantage of pandemic-accelerated growth and high levels of liquidity. On the investor side, there is a huge appetite for IPOs, with investors favoring consumer brands and technology over more traditional sectors.
- ▶ Following a promising start in Q1 2020, the COVID-19 pandemic sparked a steep decline in IPO activity in Middle East and North Africa (MENA), particularly in Q2 2020 and into Q3 2020. IPO activity in the region rebounded in Q4 2020 with eight IPOs taking place and this momentum has continued into Q1 2021 with a further four IPOs across sectors and geographies, with offerings in Kingdom of Saudi Arabia (KSA), Qatar and Oman.
- ▶ In India, a rally in the primary and secondary markets and strong liquidity flows have created a lot of interest in IPOs. A favorable budget has also given a boost to certain sectors with the government extending significant benefits through the production-linked incentive scheme. Many companies that had filed draft IPO papers in 2019-2020 are re-evaluating their IPO plans given the change in market conditions. The number of PE investors looking for an exit has also surged.



# Europe, Middle East, India and Africa IPO market outlook

- ▶ We expect that the three positive factors that have propelled IPO activity across EMEIA through Q1 2021 will continue into Q2 2021. However, there are also three negative factors – a third wave of the pandemic, an equity market bubble and inflation risk – that could slow EMEIA IPO activity in the remainder of 2021.
- ▶ US SPACs continue to ride a wave of popularity and more EMEIA IPO candidates are taking notice, especially among early-stage IPO-bound companies that would otherwise pursue a classic IPO two or three years from now. Meanwhile, more mature IPO candidates are keeping all their options open, but they are more cautious about pursuing a SPAC merger.
- ▶ In Europe, IPO activity should remain active in Q2 2021 as companies coming to market continue to take advantage of strong investor confidence, high liquidity, low volatility and low interest rates. However, IPO candidates will need to be mindful of trends on the horizon, including a reduction in pandemic subsidies and rising interest rates.
- ▶ In the UK, the Hill Review outlines 15 recommendations for reforms to the UK listings regime, with a view to strengthening the UK's position as a leading global financial center. These recommendations have the potential to improve the UK's status as a tech market and if approved could start to make a positive impact on IPO activity later this year. As it stands, the UK would likely have to make some significant changes if it were to rival the US.
- ▶ In MENA, there are many reasons for optimism in the quarters ahead. A strong IPO pipeline in key MENA markets across sectors and government initiatives to deepen the capital markets, particularly in the UAE and KSA, should help to bring more IPOs to market in the region.



## Europe, Middle East, India and Africa IPO market outlook

- ▶ In India, the slow start to vaccination rollouts, renewed spikes in COVID-19 infections in some states and threats from new variants may present reasons for caution in the near-term. Yet, while some companies in the IPO pipeline are re-evaluating their IPO plans based on changing market conditions, an increasing number of PE investors looking for an exit will likely increase IPO activity both in domestic market and SPAC transactions in the months ahead.
- ▶ Across EMEIA, companies will want to continue to prepare early and keep all their options open. A SPAC merger is one of the options that companies will want to consider along their IPO journey. Companies will also need to be prepared to accept a lower valuation, particularly if the equity market bubble bursts.

Although we are not expecting a tsunami of SPAC IPOs in Europe, several European exchanges are exploring opportunities to establish a SPAC market in Europe within the corporate law structure.

## EMEA – UK IPO market insights

# IPO momentum continues in Q1, bouncing back from the stall in activity a year ago

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It was a busy quarter for UK IPO activity as more companies took advantage of market windows and high levels of liquidity. Looking at the quarters ahead, we expect the volume of IPOs to increase, creating competition for investment. Investors will have a keen focus on issuers' business models, governance and use of proceeds – all indicating that robust preparation is key to a successful IPO.

Scott McCubbin

EY UK&I IPO Leader

## EMEIA – UK IPO market highlights

- ▶ IPO activity in 2021 in London started impressively with the highest Q1 proceeds since 2007 and the second highest in 20 years. Companies that had successfully weathered the COVID-19 pandemic storm took advantage of the market window, enabling the London exchanges to begin the year on a high.
- ▶ Notable companies that took advantage of the open window and launched IPOs on London markets included Dr. Martens plc, Moonpig Group plc and Trustpilot Group plc, as well as Deliveroo plc, which was admitted in April 2021.
- ▶ IPOs in Q1 2021 represented sectors (technology, financials, consumer staples and retail) that have traded successfully during the pandemic and where investor sentiment is highest. Conversely, investors have moved away from some traditional sectors.

### Outlook

- ▶ Q1 2021 saw the release of the Hill Review which outlined 15 recommendations to reform the UK listings regime to strengthen UK's position as a leading financial center. Key recommendations include modifying rules around SPACs and allowing dual class share structures, both of which have the potential to attract more technology companies to UK markets.
- ▶ As the UK emerges from wave two pandemic restrictions and as the vaccination rollouts reach critical mass, we expect to see the UK economy spring back to life, further accelerating IPO activity.
- ▶ The pandemic has shifted investor priorities and, as a result, we anticipate that technology and consumer brands will continue to dominate both IPO numbers and proceeds in the quarters ahead. However, we foresee that the appetite for more traditional businesses may take longer to return as the wider economy recovers.
- ▶ As the competition for funds heats up, and as we continue to operate in a virtual environment, it is increasingly important for companies considering an IPO to raise profile early and be prepared to launch while the window remains open.

### Q1 2021 activity

17 IPOs ▲ 467%

\$7.5b Proceeds ▲ 11 times

18% of IPOs are financial sponsor-backed

London Main Market	London AIM
\$7.0b	\$489m
9 IPOs	8 IPOs



Change on Q1 2020

### Sectors by number of IPOs

Technology

6 IPOs | \$2.2b

Financials

3 IPOs | \$0.9b

Consumer staples

2 IPOs | \$2.0b

### IPOs largest by proceeds

Dr. Martens plc  
\$2.0b Consumer staples  
London (Main Market)  
January

Fix Price Group Ltd.  
\$1.7b Retail  
London (Main Market)  
March

Moonpig Group plc  
\$0.7b Technology  
London (Main Market)  
February

All amounts in table are in US\$

London exchanges will continue to be a preferred cross-border destination in the quarters ahead for some companies. Longer term, in a post-Brexit environment, we expect to see increased competition from other European exchanges for international IPOs.

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## Top 12 stock exchanges

## By number of IPOs

Ranking	Stock Exchange	Number of deals	% of global IPOs
1	US NASDAQ	72	16.7%
2	Shanghai (SSE and STAR)	58	13.5%
3	Shenzhen (SZSE and Chinext)	43	10.0%
4	Hong Kong (HKEx and GEM)	32	7.4%
5	New York (NYSE)	27	6.3%
6	Oslo Bors and Axess	25	5.8%
7	Australia (ASX)	23	5.3%
8	NASDAQ OMX and First North	23	5.3%
9	India National (NSE and SME) and Bombay (BSE and SME)	22	5.1%
10	Tokyo (First Section, Second Section), MOTHERS and JASDAQ	20	4.7%
11	London (Main and AIM)	17	4.0%
12	Brazil B3	15	3.5%
	All other exchanges	53	12.4%
	<b>Global IPO Activity</b>	<b>430</b>	<b>100.0%</b>

Ranking	Stock Exchange	Number of deals	% of global IPOs
1	Shanghai	233	17.1%
2	US NASDAQ	181	13.3%
3	Shenzhen	159	11.7%
4	Hong Kong	144	10.6%
5	Tokyo	93	6.8%
6	Australia	75	5.5%
7	Indonesia (IDX)	50	3.7%
8	NASDAQ OMX and First North	44	3.2%
9	India	43	3.1%
10	US NYSE	43	3.1%
11	Oslo Bors and Axess	42	3.1%
12	London	30	2.2%
	All other exchanges	226	16.6%
	<b>Global IPO Activity</b>	<b>1,363</b>	<b>100.0%</b>

## By proceeds

Ranking	Stock Exchange	Proceeds (US\$b)	% of global IPOs
1	US NASDAQ	24.3	23.0%
2	Hong Kong	17.1	16.2%
3	US NYSE	16.8	15.9%
4	Shanghai	8.2	7.7%
5	London	7.5	7.1%
6	Euronext and Alternext (Amsterdam, Brussels, Paris, Lisbon)	5.2	4.9%
7	Deutsche Börse (Main and Scale)	5.0	4.8%
8	Shenzhen	3.6	3.5%
9	Brazil B3	3.5	3.3%
10	India	2.5	2.4%
11	Oslo Bors and Axess	2.5	2.4%
12	NASDAQ OMX and First North	2.2	2.1%
	All other exchanges	7.2	6.7%
	<b>Global IPO Activity</b>	<b>105.6</b>	<b>100.0%</b>

Ranking	Stock Exchange	Proceeds (US\$b)	% of global IPOs
1	US NASDAQ	55.3	20.6%
2	Hong Kong	51.2	19.1%
3	Shanghai	49.6	18.5%
4	US NYSE	30.9	11.5%
5	Shenzhen	18.3	6.8%
6	London	11.7	4.4%
7	Brazil B3	8.5	3.2%
8	Thailand	4.9	1.8%
9	India	4.1	1.5%
10	Australia	3.8	1.4%
11	Oslo Bors and Axess	3.4	1.3%
12	Euronext and Alternext	3.3	1.2%
	All other exchanges	23.0	8.7%
	<b>Global IPO Activity</b>	<b>268.0</b>	<b>100.0%</b>

\*Data based on domicile of the exchange, regardless of the listed company domicile. Figures may not total 100% due to rounding.

Q1 2021 and Q1 21 refer to the first quarter of 2021 and cover completed IPOs from 1 January 2021 to 24 March 2021 plus expected IPOs by the end of March 2021. Data as of COB 24 March 2021.

## Regional IPO facts and figures: Americas

Quarterly comparison

Regions/country*	IPOs current quarter: Q1 2021	Change QOQ% (vs. Q1 2020)	Change previous quarter% (vs. Q4 2020)	Proceeds US\$b current quarter: Q1 2021	Change QOQ% (vs. Q1 2020)	Change previous quarter% (vs. Q4 2020)
US	99	313%	32%	41.1	463%	35%
Canada <sup>1</sup>	7	-13%	-22%	0.6	>1,000%	10%
Brazil	15	275%	50%	3.5	303%	-14%
Mexico <sup>2</sup>	0	NA	NA	0.0	NA	NA
Jamaica <sup>3</sup>	0	-100%	NA	0.0	-100%	NA
<b>Americas</b>	<b>121</b>	<b>218%</b>	<b>29%</b>	<b>45.2</b>	<b>446%</b>	<b>29%</b>

1. In Q1 2021, there were seven IPOs raising US\$642m in total on Toronto Stock Exchange. Whereas in Q1 2020, there were two IPOs raising US\$1m on TSX Venture Exchange, while there were six IPOs on Canadian Securities Exchange that raised US\$9m in total. In comparison, Q4 2020 saw seven IPOs raising US\$581m on Toronto Stock Exchange and TSX Venture Exchange, while there were two IPOs on Canadian Securities Exchange that raised US\$5m.
2. In Q1 2021, Q1 2020 and Q4 2020 there were no IPOs on the Mexican Stock Exchange.
3. In Q1 2021, there were no IPOs on the Jamaica Stock Exchange while there were two IPOs on the exchange that raised US\$118m in Q1 2020. There were no IPOs on Jamaican exchange in Q4 2020.

\*Data based on domicile of the exchange, regardless of the listed company domicile. Figures may not total 100% due to rounding.

Q1 2021 and Q1 21 refer to the first quarter of 2021 and cover completed IPOs from 1 January 2021 to 24 March 2021 plus expected IPOs by the end of March 2021. Data as of COB 24 March 2021.

## Regional IPO facts and figures: Asia-Pacific

Quarterly comparison

Regions/country*	IPOs current quarter: Q1 2021	Change QOQ% (vs. Q1 2020)	Change previous quarter% (vs. Q4 2020)	Proceeds US\$b current quarter: Q1 2021	Change QOQ% (vs. Q1 2020)	Change previous quarter% (vs. Q4 2020)
Indonesia	12	-33%	140%	0.2	20%	778%
Thailand	5	150%	-74%	1.6	-29%	-13%
Singapore	1	-80%	-75%	0.2	-55%	-56%
Malaysia	4	-43%	-20%	0.1	1%	-89%
Philippines	1	NA	0%	0.3	NA	-47%
Asean <sup>1</sup>	23	-28%	-32%	2.4	-20%	-28%
Mainland China	101	98%	3%	11.8	6%	-30%
Hong Kong	32	-14%	-29%	17.1	820%	-27%
Greater China <sup>2</sup>	133	51%	-7%	28.9	121%	-28%
Japan	20	-26%	-49%	1.0	85%	-48%
South Korea <sup>3</sup>	1	NA	-50%	1.3	NA	14%
Australia	23	156%	-53%	0.7	956%	-81%
New Zealand <sup>4</sup>	0	NA	-100%	0.0	NA	-100%
Oceania	23	156%	-54%	0.7	956%	-81%
Asia-Pacific	200	28%	-25%	34.3	105%	-32%

1. There were no IPOs on Myanmar, Maldives, Cambodia and Vietnam's stock exchanges during Q1 2021, Q1 2020 and Q4 2020.

2. There were no IPOs on Taiwan stock exchange during Q1 2021, Q1 2020 and Q4 2020.

3. There was one IPO on South Korean exchange during Q1 2021 that raised US\$1.3b. While there were no IPOs on this exchange during Q1 2020, there were two IPOs on the exchange in Q4 2020 that raised US\$1.1b.

4. In Q1 2021 and Q1 2020, there were no IPOs on the New Zealand Exchange. However, there was one IPO on the exchange in Q4 2020 that raised US\$13m.

\*Data based on domicile of the exchange, regardless of the listed company domicile. Figures may not total 100% due to rounding.

Q1 2021 and Q1 21 refer to the first quarter of 2021 and cover completed IPOs from 1 January 2021 to 24 March 2021 plus expected IPOs by the end of March 2021. Data as of COB 24 March 2021.

## Regional IPO facts and figures: EMEIA

### Quarterly comparison

Regions/country*	IPOs current quarter: Q1 2021	Change QOQ% (vs. Q1 2020)	Change previous quarter% (vs. Q4 2020)	Proceeds US\$b current quarter: Q1 2021	Change QOQ% (vs. Q1 2020)	Change previous quarter% (vs. Q4 2020)
Nordics (Denmark, Norway, Sweden and Finland)	51	410%	0%	4.8	>1,000%	0%
Central and Southern Europe (CESA)	2	-33%	-71%	0.5	>1,000%	-86%
Germany, Switzerland and Austria (GSA) <sup>1</sup>	3	NA	0%	5.0	NA	>1,000%
Mediterranean (Italy and Spain)	4	300%	-73%	0.1	>1,000%	-57%
WEM (Western Europe)	6	100%	20%	5.2	>1,000%	>1,000%
Continental Europe	66	288%	-19%	15.6	>1,000%	76%
UK and Ireland <sup>2</sup>	17	467%	-19%	7.5	>1,000%	64%
Europe	83	315%	-18%	23.1	>1,000%	73%
Africa and WEM (Maghreb) <sup>3</sup>	0	-100%	NA	0.0	-100%	NA
India <sup>4</sup>	22	69%	16%	2.5	82%	40%
Middle East and North Africa <sup>5</sup>	4	-20%	-43%	0.5	-45%	-40%
EMEIA	109	179%	-15%	26.1	646%	63%

- In Q1 2021, there were three IPOs on Deutsche Börse which raised US\$5.0b, and no IPOs on Swiss and Vienna exchanges. Whereas, there were no IPOs on GSA exchanges in Q1 2020. In Q4 2020, there were three IPOs on Deutsche Börse, which raised US\$200m, and no IPOs on Swiss and Vienna exchanges.
- In Q1 2021, there were nine IPOs on the London Main Market which raised US\$7b, while eight IPOs on AIM raised a total of US\$489m. There were no IPOs on Dublin Stock Exchange in Q1 2021 and in 2020 whole year. In comparison, Q1 2020 saw one London Main market IPO and two AIM IPOs raising US\$436m and US\$225m respectively. Q4 2020 saw 13 IPOs raising US\$4.3b on London Main market and eight IPOs raised US\$197m on AIM.
- In Q1 2021, there were no IPOs on the African stock exchanges while there was one IPO that raised a total of US\$29m in Q1 2020. There were no IPOs in Q4 2020 on these exchanges.
- In Q1 2021, India includes India's National and Bombay Stock Exchange Main Market and SME (22 IPOs, US\$2.5b). In Q1 2020, there were 12 IPOs raising US\$1.4b on India's exchanges and one IPO raising US\$7m on Bangladesh's Dhaka Stock Exchange. During Q4 2020, there were 19 IPOs (US\$1.8b) on India's National and Bombay Stock Exchange Main Market and SME.
- Middle East and North Africa includes IPO activity on Saudi (Tadawul and Nomu Parallel Market), Israel, Qatar, Pakistan, Egypt, Kuwait and Oman exchanges. In Q1 2021, there were two IPOs that raised a total of US\$273m on Saudi, one IPO each raising US\$182m and US\$13m on Qatar and Oman exchanges respectively. In Q1 2020, there was one IPO each on Saudi Arabia, Oman and Egyptian exchanges, which raised US\$699m, US\$13m and US\$13m respectively. Israel saw two IPOs raise US\$127m in Q1 2020. During Q4 2020, MENA saw one IPO each from Saudi Arabia and Pakistan exchanges raising US\$585m and US\$24m respectively. Israel exchanges raised US\$174m via five IPOs in this quarter.
- Regions are as per the EY regional classification for EMEIA Area. This table may have different statistics for MENA and India compared with the EMEIA section in the report (page 23-26) and UK section (page 27-28).

\*Data based on domicile of the exchange, regardless of the listed company domicile. Figures may not total 100% due to rounding.

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## Most active sectors around the world

Summary of the top three sectors by number of IPOs, by region\* and sub-region\* for (▲) Q1 2021

Stock exchange regions	Technology	Health care	Industrials	Materials	Energy	Consumer products	Consumer staples	Financials	Real estate	Retail	Media and entertainment	Telecommunications
Americas <sup>1</sup>	▲	▲	▲			▲						
US <sup>2</sup>	▲	▲	▲					▲				
Asia-Pacific	▲		▲	▲								
Greater China	▲	▲	▲									
Japan <sup>3</sup>	▲	▲	▲			▲						
EMEA	▲		▲		▲							
Europe	▲	▲			▲							
UK <sup>4</sup>	▲				▲		▲	▲		▲		
Global	▲	▲	▲									
Q1 2021 IPO activity	111	78	57	41	33	32	19	18	16	10	8	7

\*Region and sub-regions are classified according to the domicile of the exchange, regardless of the listed company domicile. Please refer to the appendix for the geographic definitions of the regions and sub-regions, which differs slightly from the EY regional classification.

1. For Q1 2021, Americas exchanges saw four active sectors. Health care led with 44 IPOs and technology saw 33 IPOs. Industrials and consumer products accounted for seven IPOs each with proceeds of US\$3.1b and US\$2b respectively.

2. For Q1 2021, US exchanges saw four active sectors. Health care led with 41 IPOs and technology saw 28 IPOs. Industrials and financials accounted for five IPOs each with proceeds of US\$2.8b and US\$2.4b respectively.

3. For Q1 2021, Japanese exchanges saw four active sectors. Technology led with 12 IPOs. Consumer products, health care and industrials accounted for two IPOs each with proceeds of US\$137m, US\$20m and US\$17m respectively.

4. For Q1 2021, UK exchanges saw five active sectors. Technology led with six IPOs and financials saw three IPOs. Consumer staples, retail and energy accounted for two IPOs each with proceeds of US\$2b, US\$1.7b and US\$112m respectively.

\*Data based on domicile of the exchange, regardless of the listed company domicile. Figures may not total 100% due to rounding.

Q1 2021 and Q1 21 refer to the first quarter of 2021 and cover completed IPOs from 1 January 2021 to 24 March 2021 plus expected IPOs by the end of March 2021. Data as of COB 24 March 2021.

## Methodology

- ▶ The data presented in the *Global IPO trends: Q1 2021* report and press release is from Dealogic and EY. Q1 2021 (i.e., January–March) and YTD 2021 (January–March) is based on completed as of 24 March 2021 and expected IPOs in March IPOs (i.e., IPOs that has started trading by 24 March or expected to start trading by 31 March). Data is up to 25 March 2021, 9 a.m. UK time. All data contained in this document is sourced to Dealogic and EY unless otherwise noted.
- ▶ In compilation of the IPO statistics included in these reports and press releases, we focus only on IPOs of operating companies and define an IPO as a company's offering of equity to the public on a new stock exchange.
- ▶ This report includes only those IPOs for which Dealogic and EY teams offer data regarding the first trade date (the first day on which the security start trading on a stock exchange), and proceeds (funds raised, including any over-allotment sold). The first trade date determines which quarter a deal is attributed to. Postponed IPOs, or those that have not yet started first trading, are therefore excluded. Over-the-counter (OTC) listings are also excluded.
- ▶ In an attempt to exclude non-operating company IPOs such as trusts, funds and Special Purpose Acquisition Companies (SPACs), companies with the following Standard Industrial Classification (SIC) codes are excluded from this report:
  - ▶ 6091: Financial companies that conduct trust, fiduciary and custody activities
  - ▶ 6371: Asset management companies such as health and welfare funds, pension funds and their third-party administration as well as other financial vehicles
  - ▶ 6722: Companies that are open-end investment funds
  - ▶ 6726: Companies that are other financial vehicles
  - ▶ 6732: Companies that are grant-making foundations
  - ▶ 6733: Asset management companies that deal with trusts, estates and agency accounts
  - ▶ 6799: Special Purpose Acquisition Companies (SPACs)
- ▶ In EY analysis, unless stated otherwise, IPOs are attributed to the domicile of the company undertaking an IPO. The primary exchange on which they are listed is as defined by Dealogic and EY research.
- ▶ A cross-border (or foreign) listing is where the stock exchange nation of the company is different from the company's domicile (i.e., issuer's nation).
- ▶ For all IPO listings globally, their issue date is taken as their first trade date (the first day on which the security starts trading on a stock exchange).

## Markets definitions

- ▶ Many stock exchanges have set up main markets and junior markets:
  - ▶ Main markets are where medium and large IPOs (by proceeds) are usually listed and traded. Junior markets are where small-cap companies or smaller IPOs are listed or traded. Stock exchanges without junior markets are classified as main markets.
  - ▶ Junior markets include Americas: Toronto Venture Exchange and Canadian National Stock Exchange; Asia-Pacific: Malaysia ACE Market, Hong Kong Growth Enterprise Market, Japan JASDAQ, Japan MOTHERS, Korea KOSDAQ, Thailand's Market for Alternative Investment, Shenzhen ChiNext, Singapore Catalist, Tokyo Stock Exchange MOTHERS; EMEIA: Alternext, London Alternative Investment Market, Germany's Frankfurt SCALE (formerly Entry Standard), India's Bombay SME and National SME, Spain's Mercado Alternativo Bursatil, NASDAQ OMX First North, Warsaw New Connect, Johannesburg Alternative Market, Nomu – Parallel Market.
- ▶ Emerging markets or rapid-growth markets include issuers from Argentina, Armenia, Bangladesh, Bolivia, Brazil, Bulgaria, Chile, Colombia, Croatia, Cyprus, Egypt, Ethiopia, Greater China, Hungary, India, Indonesia, Ireland, Israel, Kenya, Kuwait, Kazakhstan, Laos, Lithuania, Malaysia, Mauritius, Mexico, Namibia, Pakistan, Peru, Philippines, Poland, Qatar, Russian Federation, Saudi Arabia, Sierra Leone, Singapore, Slovenia, South Africa, South Korea, Sri Lanka, Tanzania, Thailand, Tunisia, Turkey, Ukraine, United Arab Emirates, Vietnam and Zambia.
- ▶ Developed markets include issuers from Australia, Austria, Belgium, Bermuda, Canada, Denmark, Finland, France, Germany, Greece, Guernsey, Isle of Man, Italy, Japan, Jersey, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, the United Kingdom and the United States.

## Geographic definitions

- ▶ Africa includes Algeria, Botswana, Egypt, Ghana, Kenya, Madagascar, Malawi, Morocco, Namibia, Rwanda, South Africa, Tanzania, Tunisia, Uganda, Zambia and Zimbabwe.
- ▶ Americas includes North America and Argentina, Bermuda, Brazil, Canada, Chile, Colombia, Ecuador, Jamaica, Mexico, Peru, Puerto Rico and the United States.
- ▶ Asean includes Brunei, Cambodia, Guam, Indonesia, Laos, Malaysia, Maldives, Myanmar, North Mariana Islands, Philippines, Singapore, Sri Lanka, Thailand and Vietnam.
- ▶ Asia-Pacific includes Asean (as stated above), Greater China (as stated below), as well as Japan, South Korea, plus Australia, New Zealand, Fiji and Papua New Guinea.

- ▶ EMEIA includes Armenia, Austria, Bangladesh, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, India, Ireland, Isle of Man, Italy, Kazakhstan, Luxembourg, Lithuania, Netherlands, Norway, Pakistan, Poland, Portugal, Russian Federation, Spain, Sweden, Switzerland, Turkey, Ukraine and United Kingdom plus the Middle East and Africa countries listed below.
- ▶ Greater China includes Mainland China, Hong Kong, Macau and Taiwan.
- ▶ Middle East includes Bahrain, Iran, Israel, Jordan, Kuwait, Oman, Qatar, Saudi Arabia, Syria, United Arab Emirates and Yemen.

## Glossary

- ▶ Financial sponsor-backed IPOs refer to IPOs that have private equity, venture capital investors or both.
- ▶ First-day average returns is the market value-weighted median of issuers' offer price vs. the closing price at their first trade date, with the exception of the US section (page 11), where this is the mean of issuers' offer price vs. the closing price at their first trade date.
- ▶ Proceeds refers to total fund raised by the issuer company and selling shareholders. This is the total deal size.
- ▶ Current average returns (aka share price performance since IPO) is the market value weighted median current returns, which is the year-to-date returns as at 24 March 2021 vs. offer price. This should be compared with equity indices performance that is also measured YTD. For the US section (page 12), this is the mean current returns.
- ▶ State-owned enterprise (SOE) privatizations refers to former state-owned entities that have completed their IPO listings to become public companies.
- ▶ YOY refers to year-on-year. This refers to the comparison of IPO activity for the first three months of 2021 with the first three months of 2020 for this current report.
- ▶ YTD stands for year-to-date. This refers to completed IPOs from 1 January to 24 March 2021 plus expected IPOs by 31 March 2021.

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2101-3677554

EYG no: 002939-21Gbl

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