

How can the opportunities to go public be seized, not lost?

Q2 2021 has been another record quarter for IPO activity, which suggests many companies are acting while market sentiment is positive

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About this report

EY Global IPO trends report 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 six months 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 direct to your inbox. You can also follow the report on social media: via [Twitter](#) and [LinkedIn](#) using #IPOreport.



*The first six months of 2021 cover completed IPOs from 1 January 2021 to 30 June 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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Global IPO market

Traditional IPOs continued to march ahead, while SPACs took a pause



Globally, IPO markets put in an exceptional strong performance in Q2 2021 as traditional IPOs continued to benefit from the first quarter's momentum, while special purpose acquisition companies took a pause. IPO-bound companies wanting to take advantage of favorable market sentiment and high liquidity before an expected mid-year slowdown were keen to complete their transactions. Companies considering an IPO should prepare multipronged strategies that demonstrate resilience against geopolitics, pandemic, valuations and governance challenges.

Paul Go

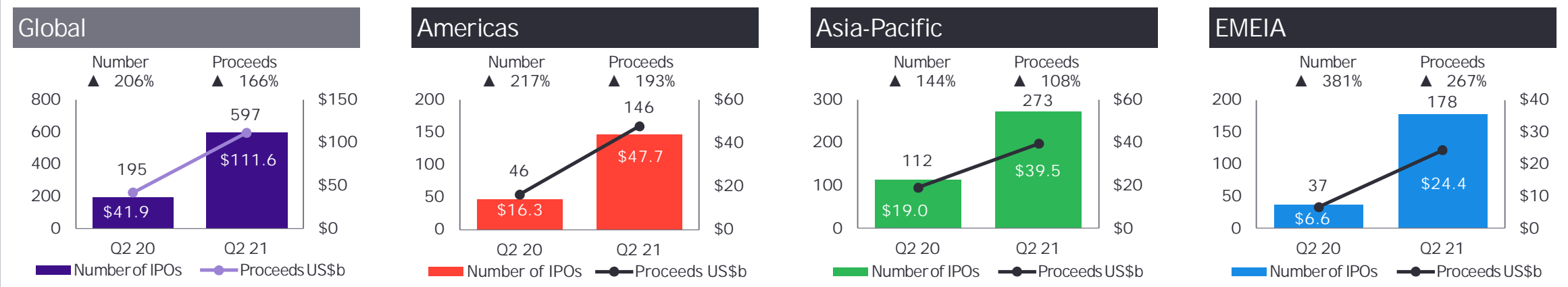
EY Global IPO Leader

Global IPO market summary – Q2 2021

Key highlights:

- ▶ Riding a wave of momentum from Q1 2021, traditional IPO performance in Q2 2021 remained strong. Ample liquidity in the financial systems, continuing government stimulus policies, accelerated technology adoption and pandemic-propelled new economy companies contributed to the quarter's strong showing. Speculative and opportunistic transactions and soaring equity markets also fueled IPO activity. We expect a rush of IPOs to launch in July while market sentiments remain favorable.
- ▶ Q2 2021 IPO deal numbers and proceeds were 597 IPOs and US\$111.6b, respectively. Q2 2021 was the most active second quarter by deal numbers and proceeds in the last 20 years, and beat previous records in Q2 2007 (522 IPOs raising US\$87.7b).
- ▶ Q2 2021 was 206% and 166% higher, respectively, by deal numbers and proceeds compared with Q2 2020.
- ▶ The five largest IPOs by proceeds in Q2 2021 included: DiDi Global Inc. (US\$4.4b); JD Logistics Inc. (US\$3.6b); China Three Gorges Renewables (Group) Co. Ltd. (US\$3.5b); Allfunds Group plc (US\$2.6b); and SK IE Technology Co., Ltd. (US\$2.0b).
- ▶ There were 21 mega IPOs (those with proceeds above US\$1b) in Q2 2021 with total proceeds of US\$37.3b, which accounted for 33% of Q2's global proceeds. This compares with 22 mega IPOs for US\$50.8b in Q1 2021. There have been notably more mega IPOs launched in 2021 compared with 2020 (14 in 1H 2020), when the global markets were then hard hit by the initial shock from the pandemic.
- ▶ Overall, there was a healthy spread of IPO activity across many markets, including the US, Mainland China, Hong Kong, the Nordics, Europe (Frankfurt, Paris, Amsterdam and London), Brazil, Toronto and India by proceeds. Australia, Japan, Norway and Israeli exchanges were also active by deal numbers. Lower volatility has also favored and increased the IPO activities in Q2 2021.
- ▶ In Q2 2021, US SPAC IPOs took a pause after record-breaking activities in Q4 2020 and Q1 2021. European SPAC IPO activity grew slightly, with 15 IPOs completed in Q2 2021, vs. 6 in Q1 2021. This compares with six SPAC IPOs on European exchanges completed for the whole of 2020.

Q2 2021 comparison



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

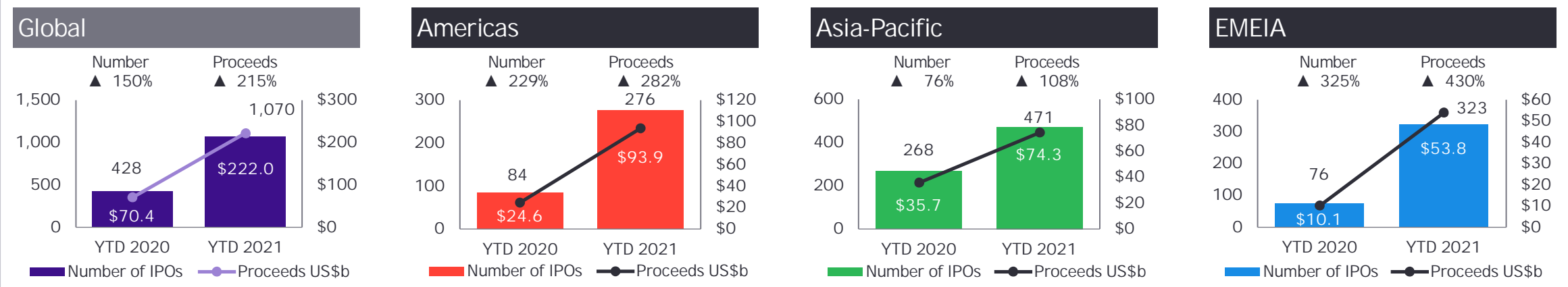
All values are US\$ unless otherwise noted. YTD 2021 and YTD 21 refer to the first six months of 2021 and cover completed IPOs from 1 January 2021 to 30 June 2021. Q2 2021 and Q2 21 refer to the second quarter of 2021 and cover completed IPOs from 1 April 2021 to 30 June 2021. Data as of COB 30 June 2021.

Global IPO market summary – Year-to-date (YTD 2021)

Key highlights:

- ▶ The first half of 2021 (1H 2021) saw 1,070 IPOs with total proceeds of US\$222b. Globally, deal numbers increased 150% year-on-year (YOY), while proceeds rose by 215%. Strong performance between January and April plus June, pushed 1H IPO deal numbers and proceeds to their highest levels in 20 years. 1H 2021 deal numbers were 18% higher and proceeds were 71% higher compared with the former record of 1H 2007 (908 IPOs, raising US\$129.8b).
- ▶ Equity markets, buoyant from positive corporate results and growth forecasts on gradual economic recovery, and market liquidity have hit new heights and provided favorable conditions for the IPO markets.
- ▶ After 12 months of red-hot SPAC markets, culminating in an unprecedented Q1 2021 that saw 305 SPAC IPOs globally raising US\$98.6b, the SPAC market cooled off dramatically in Q2 2021, with only 74 SPAC IPOs globally raising US\$15.7b. The significant decline can be attributed to regulators' closer scrutiny, investors pausing to digest the glut of SPACs and disappointing share price performances.
- ▶ By sector, technology retains a firm grasp on investor attention, accounting for 41% of IPO proceeds globally (and 27% of deal numbers). Health care and industrials follow, representing 15% and 11% of global IPO proceeds, respectively.
- ▶ The IPO surge in 1H 2021 highlights how lockdown winners are capitalizing on increased demand from investors and a recovery in valuations across global markets, especially in Europe, as well as optimism from the vaccination programs. Moreover, we saw a higher number of materials IPOs due to rising commodity prices.
- ▶ A healthy pipeline of unicorns, which are set to make their way to public markets in 2H 2021, should help to ensure a busy Q3 when the traditional holiday periods will still be affected by the travel restrictions in many countries. And despite the slowdown in SPAC IPOs in Q2 2021, companies can now realistically assess the different ways of coming to the capital market, adding SPAC mergers and direct listings into their traditional IPO consideration.

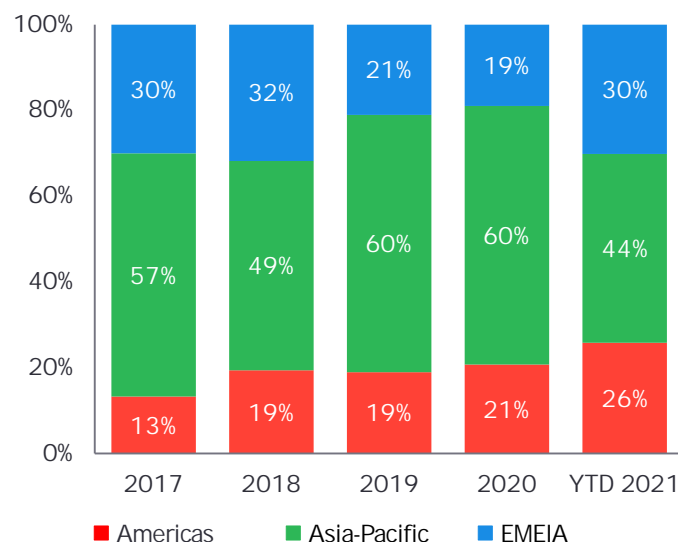
YTD comparison



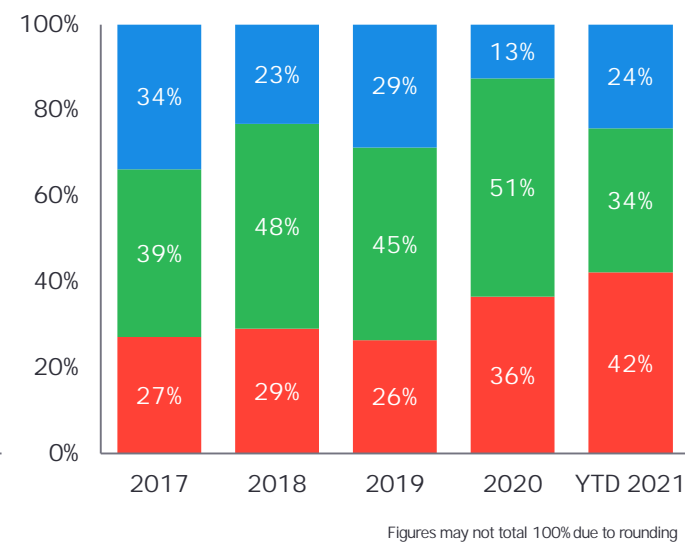
IPO activity continues to surge

- ▶ In the Americas, the US's continuous loose monetary policy and government stimulus, vaccine rollouts and consumer spending across the region helped propel IPO markets to their highest levels in the last 20 years. In addition, Brazil and Canada have also made a greater contribution to Americas IPO activity in 1H 2021.
- ▶ In Asia-Pacific, IPO activity remained steady in 1H 2021, despite resurgent waves of the pandemic in some markets, with IPO proceeds reaching a 20-year high. However, the pace of activity slowed, and while the environment remains favorable, there are signs of potential adjustments in valuations for IPOs in the months ahead.
- ▶ In EMEIA, on the heels of a strong bull run in equities markets in 1H 2021 (with major European equity indices rising between 9% and 17% YTD as of 30 June), EMEIA IPO activity surged, largely based on a strong YOY increase in IPO activity on European exchanges. In 1H 2021, Europe accounted for approximately 21% of global IPOs by both number and proceeds.

Regional share by number of IPOs



Regional share by IPO proceeds



Markets

YTD 2021

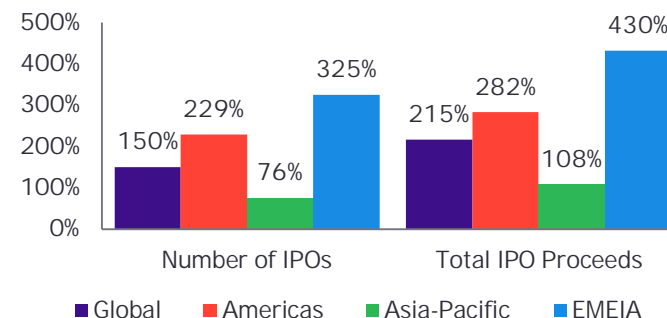
Global	Americas	Asia-Pacific	EMEIA
1,070 IPOs	276 IPOs	471 IPOs	323 IPOs
\$222.0b Proceeds	\$93.9b Proceeds	\$74.3b Proceeds	\$53.8b Proceeds

All amounts in table are in US\$

IPO activity



Year-on-year comparison



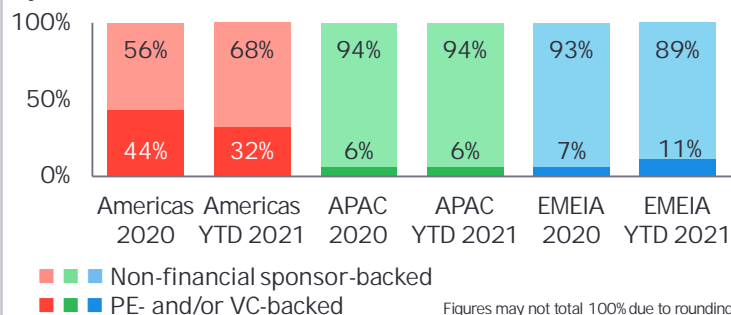
Cross-border IPO activity remains strong; the pace of SPAC IPOs slows

- ▶ Despite geopolitics, Chinese companies continued to come to the US market, with 34 of 68 inbound IPOs to the US coming from China in 1H 2021. Overall, there have been a slightly higher proportion of cross-border IPOs in 1H 2021. They accounted for 9.0% of global IPO deal numbers vs. 7.9% in 2020, while they accounted for 18.8% by proceeds in 1H 2021 vs. 10.0% in 2020.
- ▶ We have also seen relatively lower amounts of follow-on activity, particularly in the US markets, in 1H 2021 compared with previous periods. This can be attributed to the re-allocation of global investments into other emerging asset classes, such as SPACs, commodity assets (e.g., gold, oil) or even crypto assets.
- ▶ YTD 2021, 14.3% of global IPO deals were PE- and VC-backed, representing 33.6% of global proceeds. The US continues to have significantly more PE- and VC-backing for IPOs than other regions, representing 38.1% of IPO numbers and 56.5% of proceeds. This is followed by Europe with 12.3% of IPOs and 41.1% by proceeds being PE- and VC-backed. Although Asia-Pacific recorded only approximately 6% of IPO deals and proceeds with PE- or VC-backing, it should be noted that there are many IPO deals backed by “start up funds” of tech companies such as Alibaba and Tencent, which are not classified as PE- or VC-backed.

YTD 2021 activity

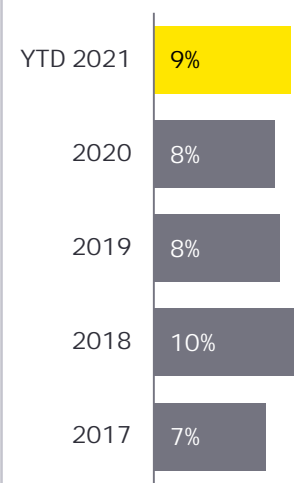
Sources of IPOs

By number of IPOs



Cross-border IPOs

YTD 2021



Top countries of origin

By number of IPOs outside home country

- ▶ China (34)
- ▶ Israel (9)
- ▶ United Kingdom (6)
- ▶ Denmark (5)
- ▶ United States (5)
- ▶ The Netherlands (5)

Top IPO destinations¹

By number of IPOs

- ▶ NASDAQ (47)
- ▶ NYSE (21)
- ▶ London (5)
- ▶ Norway (5)
- ▶ Sweden (5)

Stock exchanges by total proceeds

NASDAQ
\$49.2b
161 IPOs

New York (NYSE)
\$35.0b
57 IPOs

Hong Kong (HKEx and GEM)
\$27.4b
46 IPOs

Sectors by number of IPOs

Technology
284 IPOs
\$90.2b

Health care
187 IPOs
\$33.4b

Industrials
140 IPOs
\$24.3b

IPOs largest by proceeds

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

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

DiDi Global Inc.
\$4.4b
Technology
New York (NYSE)
June

Percentage by number of IPOs globally

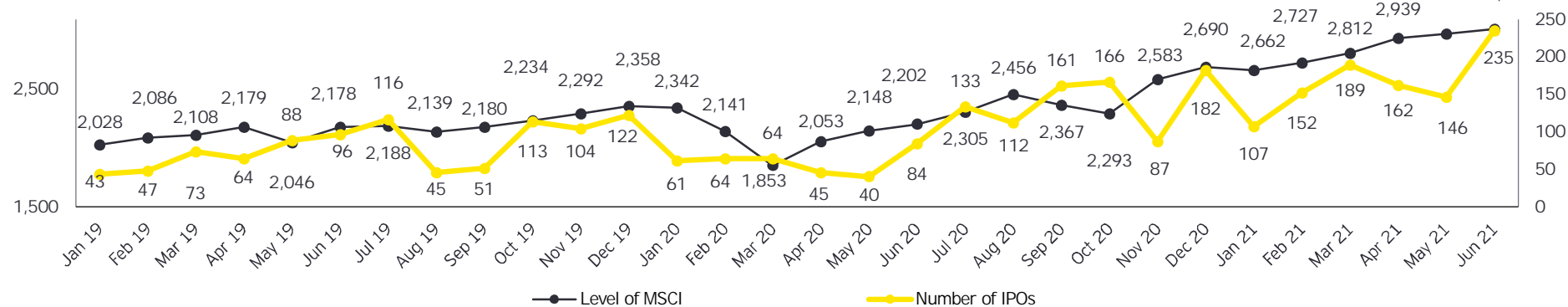
¹IPO destinations refer to stock exchanges (main and junior markets).

All amounts in table are in US\$

Global IPO market outlook

- ▶ As IPO markets continue their forward momentum, many companies are looking to go public amid favorable conditions. A steady pipeline of US\$1b+ IPOs is expected for the rest of the year. This includes tech unicorns, SPACs and companies in sectors such as renewables, e-commerce and health care, which are expected to remain attractive for IPO investors.
- ▶ Given the emergence of new waves and the uneven speeds at which vaccines are rolling out around the world, the pandemic looks to be something to live with rather than something to be eradicated.
- ▶ Moreover, 2H 2021 may be more challenging as the lingering impact of the pandemic continues to affect companies in many sectors (e.g., traditional retail, travel, tourism, hospitality and real estate), thus dampening investor sentiment. Further, as governments begin to scale back stimulus, tighten monetary policies and use interest rates to manage the threat of inflation, we may see an increase in volatility.
- ▶ Investor confidence will remain high for companies in sectors that have prospered from the lockdowns, including e-commerce, food delivery, games and cloud solutions. IPO pipelines continue to grow in many markets as evidenced by companies that have completed new rounds of pre-IPO funding with rising valuations.
- ▶ We expect to see a slowdown of cross-border IPO traffic from China to the US market in light of the latest government and regulatory investigations on anti-trust and data security concerns.
- ▶ In addition to being well-prepared, companies looking to launch an IPO in 2H 2021 will need to be realistic about valuations and be prepared to clearly articulate on its environmental, social and governance (ESG) strategy, and the companies must prove to be “living it” as part of their purpose, strategy and culture.

IPO activity vs. MSCI World Index



Post-IPO returns remain relatively high as more investors continue to chase higher returns in this low interest rate environment.

*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.

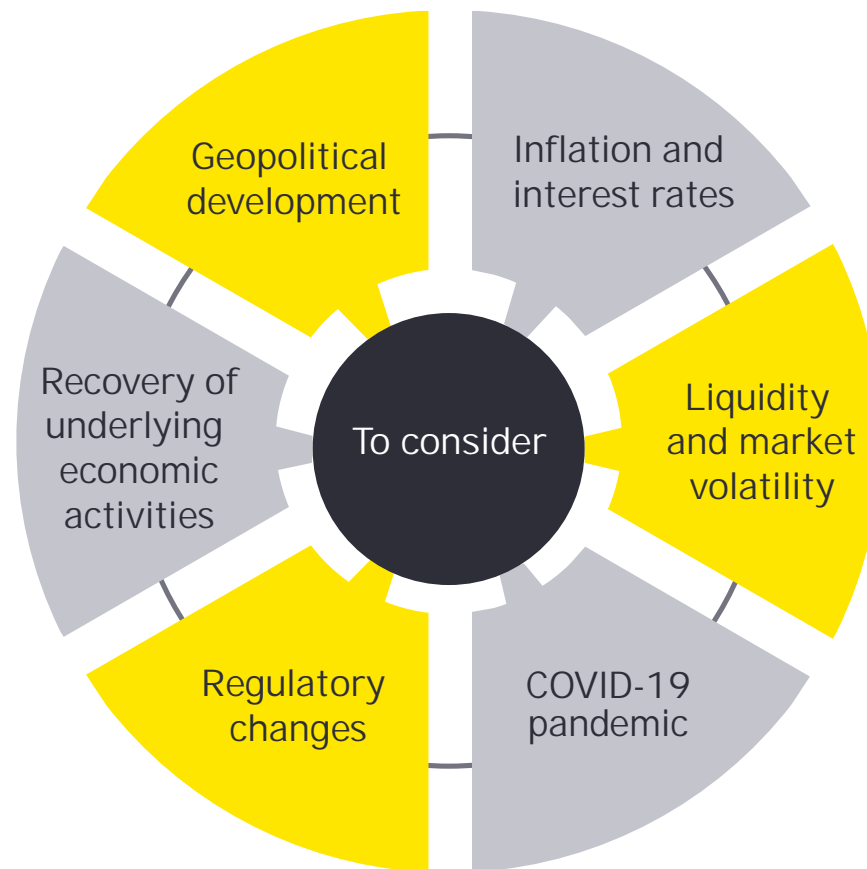


Implications for IPO candidates

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 be prepared to adjust to the lingering pandemic concerns.
- ▶ Be realistic about valuation levels. Be well-prepared to catch the windows of opportunity when they open.
- ▶ Conduct extensive pre-marketing and pre-IPO funding, complete with cornerstone investors, to mitigate uncertainty and improve pricing leverage with investors.
- ▶ Consider the geopolitical risk and changing regulatory environment.
- ▶ Be able to clearly articulate on the ESG strategy and promote diversity in 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). In the case of a SPAC merger, do not underestimate the amount of work it will require.

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

Exchanges across the Americas sustain robust IPO activity



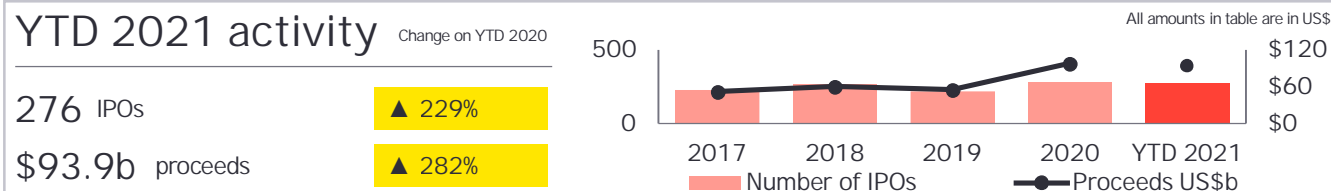
Americas IPO market maintained robust activity in Q2 2021, driven by record-breaking levels of technology IPOs not seen in more than two decades. Aftermarket performance has not been as strong as 2020, but the IPO pipeline is filling up, indicating a busy mid-year. We anticipate strong activity for the rest of the year supported by the high valuations in the broader market, solid performance of the IPO asset class, along with disruptive companies in traditional industries building the pipeline.

Rachel Gerring

EY Americas IPO Leader

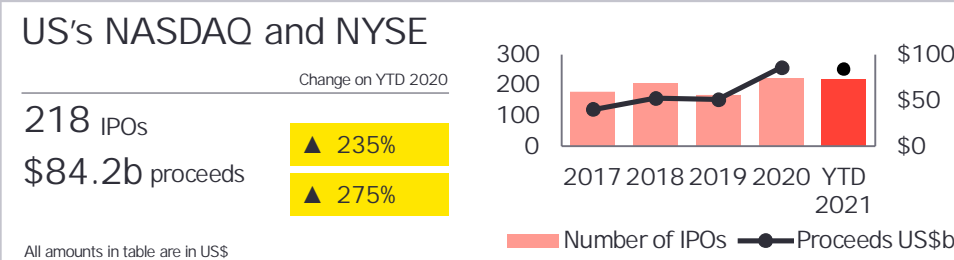
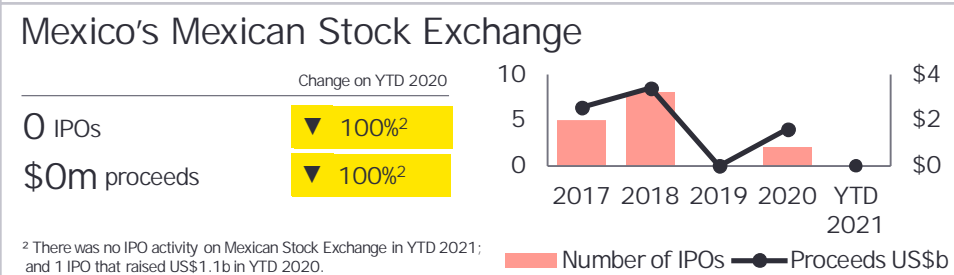
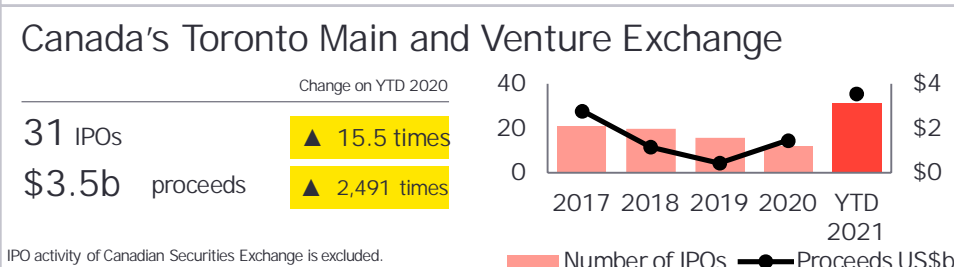
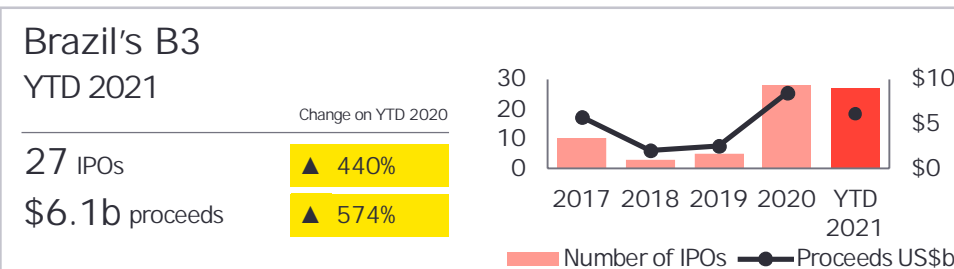
Americas IPO market highlights

- Americas IPO markets experienced a record-breaking 1H 2021 (276 IPOs, US\$93.9b), with both number of deals and proceeds reaching their highest points in 20 years. By deal numbers, 1H 2021 surpassed the former record of 1H 2007 by 52%. By proceeds, 1H 2021 exceeded the previous record of 1H 2008 by 147%.
- Robust market activity in health care continued, representing 36% of deals in 1H 2021, followed by technology with 31%. By proceeds, technology led the way with 49% of total funds raised, while health care accounted for 23%.
- Brazil's IPO market maintained its sizzle, with 27 IPOs in 1H 2021, nearly the same number of IPOs for all of 2020 (28 IPOs). While some companies had to price their IPO with discounts or postpone due to recent market volatility, it is expected that there will be several transactions with proceeds close to US\$1b over the coming months. These transactions are expected to help maintain the momentum for IPOs in Brazil, bring international investors to local transactions. Despite the recent increase in interest rates, signs of economic recovery in Q2 and expansion of COVID-19 vaccination will help maintain the high volume of transactions and strengthen the pipeline through the rest of 2021.
- Toronto Stock Exchange (Main Market) continued its hot streak, completing 23 IPOs in 1H 2021, almost four times over the number of deals completed in 2020 full year. Nearly 40% of the IPOs had proceeds of more than US\$100m as traditional sectors such as industrials and consumer products are attracting investors, alongside health care and technology companies. Well-established companies are filling the pipeline to take advantage of the large investor appetite and momentum in the Canadian IPO market.



Stock exchanges by total proceeds	Sectors ¹ by number of IPOs	IPOs by largest proceeds
US NASDAQ United States \$49.2b 161 IPOs	Health care 100 IPOs \$21.6b	Coupage, Inc. New York (NYSE) \$4.6b Technology March
New York (NYSE) United States \$35.0b 57 IPOs	Technology 86 IPOs \$46.4b	DiDi Global Inc. New York (NYSE) \$4.4b Technology June
Brazil B3 Brazil \$6.1b 27 IPOs	Consumer products 14 IPOs \$3.8b	Bumble Inc. US NASDAQ \$2.5b Technology February

¹ IPO activity of Canadian Securities Exchange is excluded from sector analysis.



Americas – US IPO market highlights

- ▶ US IPO market reached record-breaking levels during 1H2021 by both number of deals and proceeds in more than 20 years. After a busy start to 2021, early Q2 2021 activity slowed despite major equity indices reaching new highs. The subdued activity may be attributed to blackout periods at quarter-end, as well as market conditions during the month of May leading to a more selective IPO investing environment. Deal numbers surged in June, with 57 IPOs completed, as companies aimed to complete their deals prior to the 4 July holiday.
- ▶ Forty-one unicorn companies went public in 1H 2021, accounting for nearly 19% of US listings in 1H 2021, compared with 27 unicorn listings for all of 2020. Four of the unicorns, three in technology and one in financials, went public via direct listings in 1H 2021. Direct listings path to the public market may be attractive for large unicorns with established brand that can drive significant investor demand.
- ▶ Health care, where the majority is in biotechnology followed by pharmaceuticals and medical devices, continues to surpass technology by number of IPOs while technology leads in proceeds. There was a 57% increase in number of technology IPOs in Q2 2021 with 44 IPOs, compared with Q1 2021. This is the highest number of tech IPOs in a single quarter in at least two decades.
- ▶ Technology IPO activity has achieved record levels driven by strong valuations and recent technology IPO outperformance. As a result, new technology companies are rapidly filling the IPO pipeline and many others are positioning themselves to file later this year or early next year.

Outlook

- ▶ Despite concerns over inflation and mixed job growth figures, investor sentiment in the US is positive as major indices hit record highs.
- ▶ Even as SPAC IPO activity slows, we expect SPACs to remain a viable listing alternative, particularly given the volume of recent SPAC IPOs that have not yet identified targets.
- ▶ Following approval for the NYSE in late 2020, the U.S. Securities and Exchange Commission (SEC) recently approved NASDAQ's rule filing to allow companies to conduct direct listings on their market in connection with a primary capital raise. Despite gaining attention over the past few years, direct listings have generally been utilized by companies that were adequately funded. New regulations permitting primary capital raises in a direct listing could broaden the audience for this listing path and could increase frequency.

YTD 2021 activity

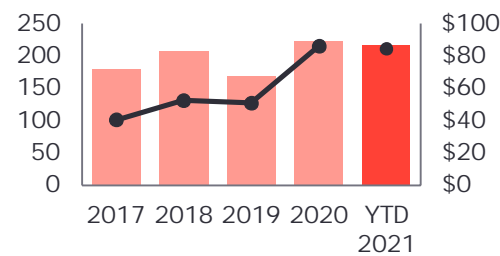
Change on YTD 2020

218 IPOs ▲ 235%

\$84.2b proceeds ▲ 275%

38% of IPOs are financial sponsor-backed

US NASDAQ \$49.2b 161 IPOs	New York (NYSE) \$35.0b 57 IPOs
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Cross-border IPOs

top countries/regions of origin YTD 2021



Greater China 34 IPOs (\$12.5b)	Israel 8 IPOs (\$4.1b)
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All amounts in table are in US\$

Sectors by number of IPOs

Health care
91 IPOs | \$20.1b

Technology
72 IPOs | \$44.6b

Industrials
8 IPOs | \$4.5b

Financials
8 IPOs | \$2.5b

Consumer staples
7 IPOs | \$4.0b

All amounts in table are in US\$

IPOs largest by proceeds

Coupage, Inc.	NYSE	\$4.6b	Technology	March
DiDi Global Inc.	NYSE	\$4.4b	Technology	June
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

Performance YTD 2021

IPO pricing and performance

US markets	First-day average return	Share price performance since IPO (a.k.a offer-to-current)
	+42.3%	+24.6%
+ or - indicates change compared with offer price at IPO		
First-day and current average returns are mean returns of issuers who started trading by 30 June 2021		

Equity indices

DJIA	S&P 500	NASDAQ Composite
+12.7%	+14.4%	+12.5%

+ or - indicates change since 31 December 2020

Volatility index

CBOE VIX®
15.8 current
20.6 YTD average
17.7 10-year average

Current index level is for 30 June 2021

Special purpose acquisition companies (SPACs) IPO market insights

While SPAC IPO activity is taking a pause, SPAC mergers will continue to accelerate

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While SPAC activity slowed in April due to uncertainty in warrant accounting treatment, saturation in PIPE market and flood of SPAC issuances in Q1 2021, the lull is behind us. Since mid-June, both SPAC formation and merger announcements have been occurring at a normalized pace. This is expected to remain steady in Q3 and should begin picking up toward the end of the year. Increased scrutiny and clarity from the SEC will increase high-quality deals, as the SPAC path to the public market becomes a long-term trend for innovative companies.

Karim Anani

EY Americas SPAC Leader

Global SPAC highlights

SPAC IPOs

- ▶ 1H 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 on European exchanges.
- ▶ Europe's 1H 2021 SPAC IPO deal numbers and proceeds already exceeded full-year 2020 levels. SPAC IPOs accounted for 8% of European exchanges' IPO activity and 10% by proceeds in 1H 2021. Quarterly, European SPAC IPO activity grew slightly, with 15 IPOs completed in Q2 2021 with total proceeds of US\$3.7b, compared to 6 IPOs raising US\$1.7b in Q1 2021.

SPAC Acquisitions

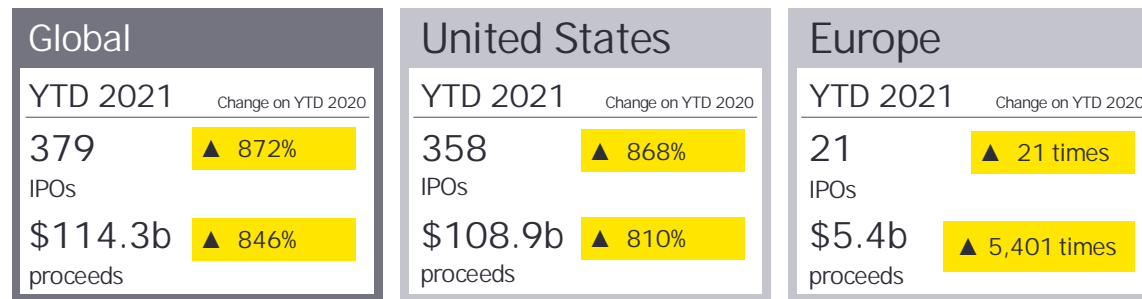
- ▶ Of the 634 SPACs that have completed IPOs globally between 2020 and the end of Q2 2021, 182 SPACs have announced acquisitions with total acquisition value of US\$470b by the end of June 2021.
- ▶ Announced SPAC acquisition activity is also growing at a faster pace, with the number of announced deals and deal values in 1H 2021 already surpassing 2020 full-year levels. US companies were the most active source of SPAC target companies in 1H 2021, followed by European, APAC and Israeli companies.
- ▶ As of 30 June 2021, there are 452 active SPACs with approximately US\$136.5b in available funds looking for investment. Deal pressure is quickly building as more SPACs are now in the market looking for the limited number of high-quality companies and, as a result, standard transaction terms and valuations have become more competitive and negotiable.

Outlook

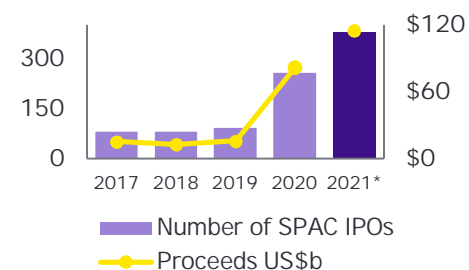
- ▶ Regulators for EU exchanges have been looking at listing requirements surrounding SPACs. We expect more SPACs on Euronext, Deutsche Börse and NASDAQ OMX exchanges in the coming months.
- ▶ Although SPAC activity in the UK has been limited as markets await concrete next steps from the Hill Review, US SPACs have been actively courting UK companies, with some UK unicorns choosing a SPAC merger over a local IPO.

SPAC IPO activity

YTD 2021



Global SPAC IPO activity

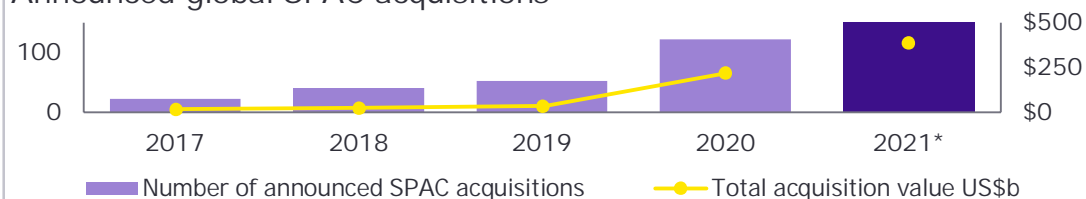


European exchanges SPAC IPO activity

Stock exchange	Number of SPAC IPOs		SPAC IPO proceeds US\$m	
	YTD 2021	2020	YTD 2021	2020
Euronext (Amsterdam, Paris)	9	2	2,973	495
NASDAQ OMX and First North (Stockholm, Helsinki)	5	0	1,038	0
Deutsche Börse	3	0	937	0
London (Main and AIM)	3	4	184	46
Borsa Italiana (Main and AIM)	1	0	269	0

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
April	Altimeter Growth Corp.	Grab Holdings Inc.	34.7	Technology	Singapore
February	Churchill Capital Corp. IV	Lucid Motors Inc.	17.6	Industrials	United States
May	Soaring Eagle Acquisition Corp.	Ginkgo Bioworks Inc.	15.0	Health care	United States
January	Social Capital Hedosophia Holdings Corp. V	Social Finance Inc.	12.9	Technology	United States
March	Thoma Bravo Advantage	ironSource Israel Ltd.	10.8	Technology	Israel

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: Q2 2021 report (pages 1-12, 16-25 and appendices). All values are US\$ unless otherwise noted. YTD 2021 and YTD 21 refer to the first half of 2021 and cover completed SPAC IPOs and traditional IPOs from 1 January 2021 to 30 June 2021. Data as of COB 30 June 2021.

US SPAC highlights

- ▶ SPAC formation slowed during Q2 2021, partly due to the guidance provided by the SEC for all SPAC-related companies regarding the accounting and reporting for their warrants typically issued as part of IPOs. The guidance indicated that in some cases, SPACs should account for the warrants as liabilities rather than as equity. As a result, many SPACs had to restate their financial statements, a process that should have been completed by June 2021.
- ▶ Compared to the record-breaking 2020 with 248 US SPAC IPOs that raised US\$80.9b and Q1 2021 (299 SPAC IPOs with proceeds of US\$96.9b) which shattered the 2020 record, Q2 2021 saw just 59 SPAC IPOs, which raised US\$12.0b.
- ▶ Despite a slowdown in SPAC activity, there were 69 SPAC acquisitions announced in Q2 2021. In addition, 39 SPAC acquisitions completed during Q2 2021 with a total acquisition value of US\$81.9b. Twenty-seven of these mergers were completed in June, which is the largest number of deals executed in a single month. As of 30 June 2021, a total of 150 active SPACs were reported to have identified targets.

Outlook

- ▶ While SPAC formation frenzy has slowed from record levels, the lull caused by the SEC guidance is behind us and deals are being announced daily. SPAC activity is expected to remain steady over the next couple of months, picking up speed in Q3 2021 and toward the end of the year.
- ▶ There are nearly 300 SPACs on file that have not yet priced; indicating there are SPACs that are rushing to find suitable targets. High-quality target companies could have stronger bargaining power that will enable them to secure more favorable terms.
- ▶ With more scrutiny from the SEC, along with improved aftermarket performance, we can expect more quality SPAC deals being announced and executed, which is good news for investors.

YTD 2021 US SPAC IPO activity

YTD 2021

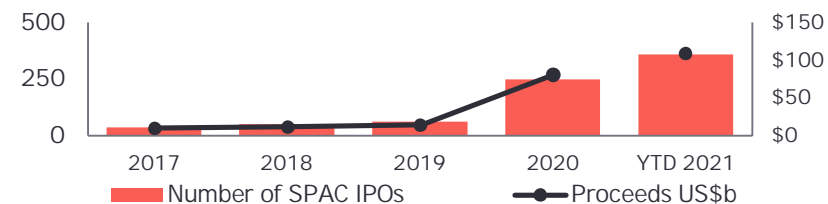
358
IPOs

\$108.9b
Proceeds

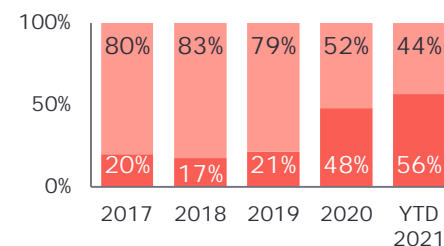
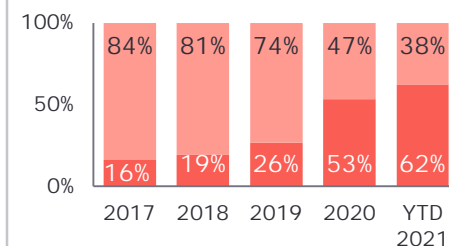
Change on YTD 2020

▲ 868%

▲ 810%



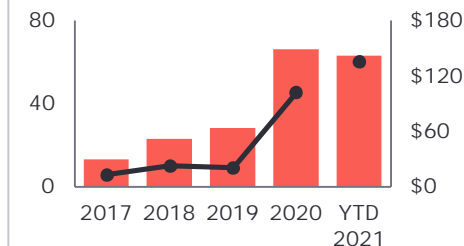
SPAC IPOs by % of all US IPO activity



■ Number of traditional IPOs
■ Number of SPAC IPOs

■ Proceeds from traditional IPOs
■ Proceeds from SPAC IPOs

Completed US SPAC acquisitions



■ Number of completed SPAC acquisitions
● Total acquisition value US\$b

Selected YTD 2021 completed US SPAC acquisitions

SPAC name	Target	Deal value US\$b	Sponsor	Target sector
Altimar Acquisition Corporation	Owl Rock Capital Group, Dyal Capital Partners	12.7	Altimar Sponsor, LLC	Financials
Thoma Bravo Advantage	ironSource Israel Ltd.	10.3	Thoma Bravo Advantage Sponsor LLC, Thomas Bravo	Technology
ARYA Sciences Acquisition Corp. III	Nautilus Biotechnology	9.1	ARYA Sciences Holdings III	Health care
Foley Trasimene Acquisition Corp. II	Paysafe	9.0	Trasimene Capital FT, LP I	Financials
Social Capital Hedosophia Holdings Corp. V	Social Finance Inc.	7.2	SCH Sponsor V LLC	Financials

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: Q2 2021 report (pages 1-12, 16-25 and appendices). All values are US\$ unless otherwise noted. YTD 2021 and YTD 21 refer to the first half of 2021 and cover completed SPAC IPOs and traditional IPOs from 1 January 2021 to 30 June 2021. Data as of COB 30 June 2021.



Asia-Pacific

IPO activity remains steady, despite a slowing pace of growth



While the first half of 2021 has seen sustained IPO activity, post-IPO performance for some companies has been disappointing, even though the company's fundamentals remain sound. Some IPOs currently under water will recover. Companies and investors alike need to be patient as they will be rewarded over the long term based on their strong fundamentals.

Ringo Choi

EY Asia-Pacific IPO Leader

Asia-Pacific IPO market highlights

- ▶ IPO activity in Asia-Pacific maintained steady momentum throughout 1H 2021, despite resurging waves of the pandemic in some ASEAN countries. Asia-Pacific exchanges saw the highest proceeds for 1H 2021 in more than 20 years, and second highest by deal numbers in more than 20 years. In Hong Kong, the first-day closing stock price for some IPO companies dipped below the initial offering price, raising concerns and a potential adjustment in valuations for IPOs in the months ahead.
- ▶ In Greater China, 1H 2021 IPO activity levels remain very high, with 1H 2021 proceeds being the highest in more than 20 years and deal numbers being the second highest. Hong Kong and Shanghai exchanges ranked third and fourth globally by 1H proceeds, while Shenzhen ranked sixth. Mega IPOs played a key role, with five of the 1H top ten global IPOs launched on Greater Chinese exchanges. The anticipation of reaching herd immunity by the current year end, improved corporate profitability and rising business confidence continue to lift the IPO markets.
- ▶ In Japan, despite a new wave of the pandemic, Q2 2021 deal numbers rose 70%, while proceeds increased 75% compared with Q1 2021. YOY, 1H 2021 IPO numbers rose 59%, while proceeds increased by 374%. Technology accounted for 41% of 1H 2021 IPOs, followed by consumer products (19%), industrials and health care (9% each).
- ▶ South Korea posted two mega IPOs in 1H 2021: SK Biosciences Co., Ltd., which raised US\$1.3b in March, and SK IE Technology Co., Ltd., which raised US\$2.0b in May – the latter was the fifth largest IPO by proceeds globally in Q2 2021.
- ▶ In ASEAN, despite the impact from new waves of the pandemic, YOY deal numbers and proceeds have increased by 23% and 58%, respectively. Thailand saw two mega IPOs came to market in 1H 2021, while one mega IPO was launched on the Philippines Stock Exchange (which is also the largest IPO on record in the Philippines). Some South-East Asian high-growth companies have also proven attractive to US SPACs, with Grab Holdings Inc.'s announcing of a US\$40b SPAC merger deal in the US in April.
- ▶ In Australia and New Zealand, steady economic recovery helped to propel IPO activity, with 1H 2021 IPO volumes rising five times, and proceeds increased by more than 28 times, compared with 1H 2020.

YTD 2021 activity

YTD 2021

Change on YTD 2020

471

IPOs

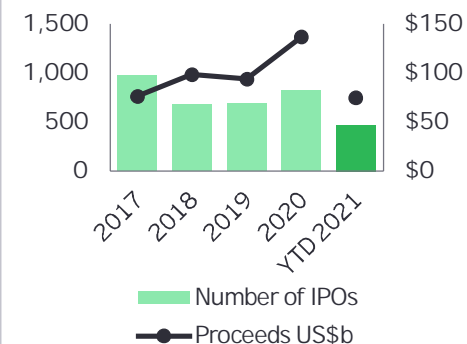
▲ 76%

\$74.3b

Proceeds

▲ 108%

IPO activity



Cross-border IPOs

top countries/regions of origin

5 IPOs	Singapore	3 IPOs (\$107m)
	New Zealand	1 IPO (\$244m)
	United States	1 IPO (\$166m)

All amounts in table are in US\$

Stock exchanges

by total proceeds

Hong Kong (HKEx and GEM)
\$27.4b
46 IPOs

Shanghai (SSE and STAR)
\$22.5b
139 IPOs

Shenzhen (SZSE and Chinext)
\$10.4b
108 IPOs

Sectors

by number of IPOs

Technology
99 IPOs
\$25.1b

Industrials
96 IPOs
\$13.8b

Materials
72 IPOs
\$4.0b

IPOs

largest by proceeds

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

JD Logistics Inc.
\$3.6b
Industrials
Hong Kong Main Board
May

China Three Gorges Renewables (Group) Co., Ltd.
\$3.5b
Energy
Shanghai Main Board
June

All amounts in table are in US\$

Asia-Pacific IPO market outlook

- ▶ Overall, we expect investor confidence in Asia-Pacific IPO markets to remain buoyant through the remainder of the year. However, as governments around the world begin to wind down their stimulus programs, there is a risk of potential market adjustments in H2 2021 that could slow down IPO activity.
- ▶ The most active sectors will continue to be technology, health care and consumer products. Despite a lack of track record profits, there are several sizeable biotech companies in the IPO pipeline that we expect will launch in H2 2021. Meanwhile, as consumers start to spend again and unlock the pent-up demand, consumer products will stand to benefit, positioning them well for IPOs.
- ▶ In Greater China, we expect the cross-border trend of Chinese companies listing on US exchanges to slow down, while those already listed on US exchanges will continue to consider or pursue secondary listings on the HKEx.
- ▶ In Japan, investor confidence and a healthy IPO pipeline should continue to drive IPO activity through 2H 2021, particularly as larger companies that elected to sit on the sidelines in 2020 prepare to leap through the open IPO window later this year. We also expect more technology companies to come to the public market.
- ▶ In ASEAN, we expect several mega IPOs in the pipeline to launch in 2H 2021, fueling investor confidence and maintaining the momentum of IPO activity. At the same time, some high-growth companies that may not yet be ready to go public via the traditional IPO route are considering an alternative path through a SPAC merger.
- ▶ In Australia and New Zealand, the robust rebound we saw in Q2 2021 will likely continue well into 2H 2021 as companies are taking advantage of the favorable market conditions.
- ▶ For companies looking to go public, it is advisable to choose the best location for your IPO, regardless of politics. For those considering a SPAC merger, look at all your options and do your due diligence. All companies, regardless of route or market, will need to strengthen and demonstrate their ESG agenda if they want to be successful in their IPO.

Equity markets and investor sentiment in the region have been impacted by the pandemic, with post-IPO performance often failing to stay above the first-day pop.

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

Economic recovery fuels IPO activity in Greater China



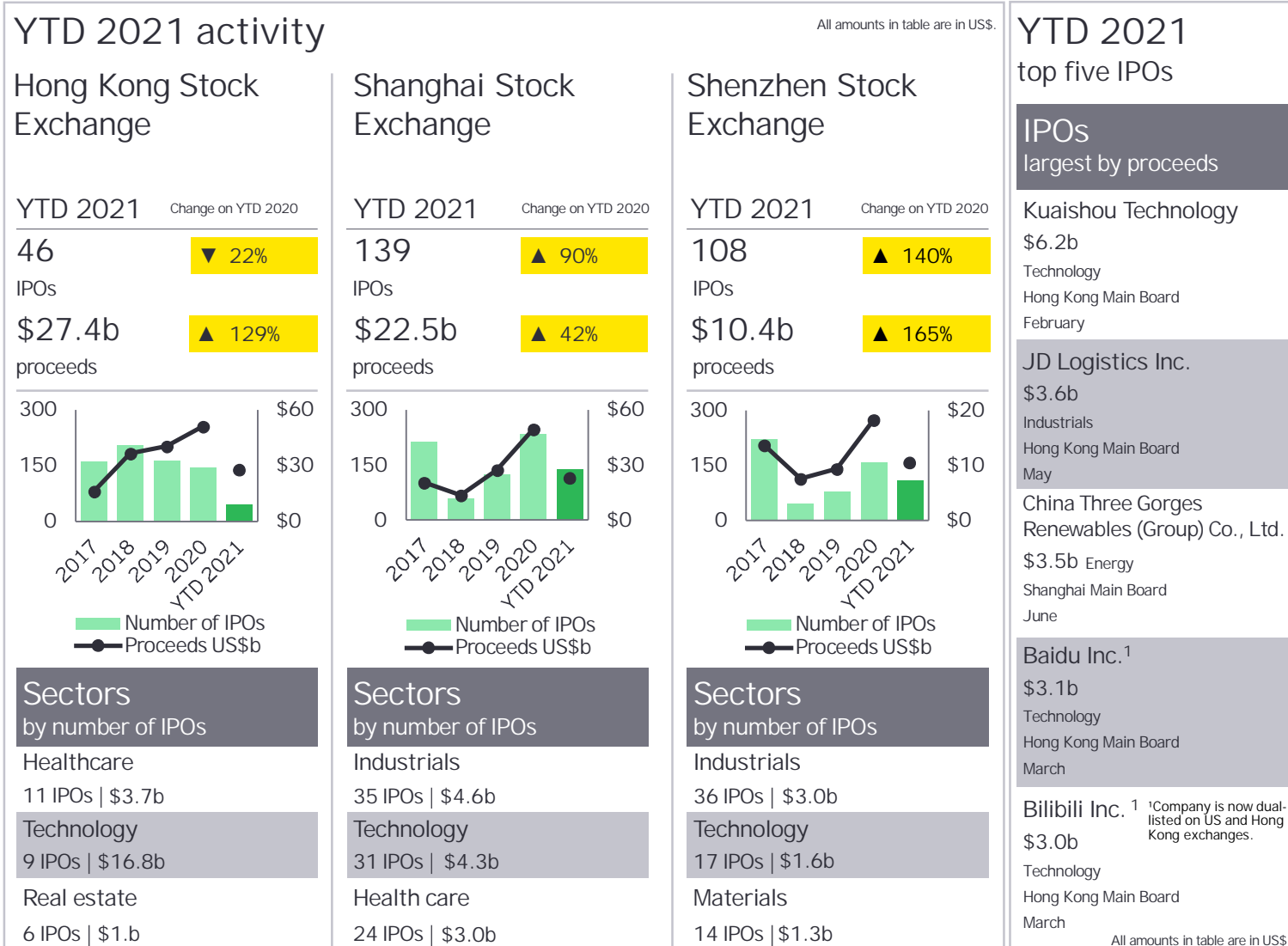
Underpinned by capital market liquidity and supportive government policies, IPO activity in the Mainland A-share market and Hong Kong were strong in Q2 2021. While we expect robust IPO performance to continue in 2H 2021, multiple uncertainties remain. The extent to which the pandemic is under control, inflationary and interest rate pressures, geopolitical challenges and exchange rate movements may produce volatility in the months ahead. IPO candidates need to consider various funding options and have a flexible pricing strategy as part of their IPO preparations.

Terence Ho

EY Greater China IPO Leader

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

- ▶ In Mainland China, 1H 2021 saw the highest first half deal numbers and proceeds in more than 20 years. ChiNext and STAR markets accounted for the largest proportion of IPOs, indicating continued support for new economy companies, while IPO issuance maintained its brisk pace. Mainland China's economic fundamentals continue to recover and return to normal growth. However, consumption has yet to fully recover to pre-pandemic levels and exports still face uncertainty because of lingering pandemic waves around the world.
- ▶ In Hong Kong, unicorns and secondary listing of US-Chinese foreign private issuers (FPIs) continued to drive IPO proceeds in Q2 2021. There were three unicorn IPOs (with total proceeds of US\$7.1b), which included one mega IPO that raised US\$6.2b. More broadly, these results were supported by Hong Kong's strengthening economic recovery. However, the pace of economic recovery in Hong Kong is not balanced, and the overall level of economic activity remains lower than pre-pandemic levels. In 1H 2021, HKEx also issued a consultation paper on the review of the corporate governance code and other listing rules.
- ▶ Despite stricter China Securities Regulatory Commission (CSRC) review processes, which came into effect in January 2021, mega IPO activity on Greater China exchanges in 1H 2021 was higher YOY, with eight companies each raising proceeds in excess of US\$1b (compared with three such mega IPOs in 1H 2020).
- ▶ Technology continued to dominate sector activity by proceeds, representing 38% of Greater China IPO proceeds and 19% of deal numbers. Interestingly, industrials led by deal numbers (26%) and represented 19% by proceeds. Health care ranked third by deal numbers (14%) and proceeds (12%). These active sectors indicate investor interests in both the new economy and more traditional investment opportunities.



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

- ▶ In Mainland China, although CSRC guidelines adjusted the IPO application vetting process in January 2021 that were expected to temper IPO activity, IPO pipelines reached new highs in Q2 2021. There is a strong demand for companies to go public, driven by the government's policy to support real economy companies and strengthen technology innovation. IPO candidates looking to go public on Mainland China markets are encouraged to pay more attention to the quality of companies and information disclosures.
- ▶ In May 2021, HKEx published its consultation conclusions on two issues: the main board profit requirement; and the review of listing rules relating to disciplinary powers and sanctions. Conclusions focused on market quality and investor protection, resulting in an increase of aggregate profit requirements by 60%, effective 1 January 2022 and the implementation of disciplinary powers and sanctions effective 3 July 2021.
- ▶ In Mainland China, IPO sectors we expect to flourish in 2H 2021 include industrials, materials and technology, media and entertainment and telecommunications (TMT) companies. In Hong Kong, IPO pipelines indicate health care, TMT and real estate will make up the bulk of sector activity in H2 2021.
- ▶ We expect the cross-border trend of Chinese companies listing on US exchanges to slow down, while those already listed on US exchanges will continue to consider or pursue secondary listings on the HKEx.
- ▶ Greater China IPO candidates looking to go public in H2 2021 will need to take into account the new HK\$80m profit requirement that will come into effect for Hong Kong Mainboard IPOs on 1 January 2022. IPO candidates will want to be well-prepared to meet these new requirements.

IPO pipeline		vs. March 2021
176	companies are in the CSRC pipeline	156
216	companies have submitted public filings with HKEx	122
196	companies are in the STAR Market pipeline	173
382	companies are in the ChiNext pipeline	365

Key factors for a successful listing include considering various funding options that best suit your business; better and early preparations for life as a public company; and have a flexible pricing strategy.

Europe, Middle East, India and Africa

EMEIA IPO activity rebounds to normal levels



A spectacular bull run in the equities markets in 1H 2021 led to quadruple the number of IPOs and five times the proceeds year-on-year, we are beginning to see a return to normal in terms of IPO activity. This is backed by positive momentum and investor sentiment, high liquidity in the markets looking for returns and an improved economic outlook. Moreover, a merger with a SPAC is becoming an alternative path for IPO-bound companies to go public.

Dr. Martin Steinbach
EY EMEIA IPO Leader

Europe, Middle East, India and Africa IPO market highlights

- ▶ It has been a successful 1H 2021 for EMEIA as the momentum from Q1 2021 carried into Q2 2021 and IPO deal numbers rose by 325%, while proceeds increased by 430% compared with 1H 2020.
- ▶ As an export-oriented region, EMEIA is highly impacted by the economic health of both Asia-Pacific and the Americas markets. When their economies and main equities markets declined, EMEIA suffered acutely. Similarly, as Asia-Pacific and Americas fortunes rise, EMEIA fortunes leap ahead.
- ▶ Technology companies continue to be the investor darlings. However, alternative energy companies are finding favorable attention from investors as well. We attribute this largely to the European Green Deal, which provides an action plan to lead the EU to carbon neutrality by 2050.
- ▶ As many European countries emerge from a third wave and public health restrictions ease, investor sentiment has surged and economic outlook improved further. European IPOs represented three of the top ten global deals in 1H 2021. Three European exchanges were among the top twelve exchanges by deal numbers and accounted for five by proceeds. At the same time, European companies became key targets of US SPACs outside of the US. However, SPAC issuances in Europe are slightly higher, with 21 SPAC IPOs in 1H 2021. This remains in line with historical averages and are relatively low compared with the US levels.
- ▶ In the UK, 1H 2021 IPO numbers and proceeds rose significantly compared with 1H 2020 (a 975% and 385% increase, respectively). Such a strong showing reflects a release of pent-up demand from the last 18 months as companies first waited for the outcome of the UK elections, then Brexit, and then the initial COVID-19 lockdown. Rising levels of IPO activity and rebounding developed economies are feeding positive investor sentiment, with investors now competing to invest in quality IPOs.
- ▶ The Middle East and North Africa (MENA) got off to a steady start in Q1 2021 but declined going into Q2 2021. However, YOY, 1H 2021 volumes were still up 391%, while proceeds increased 124%. Strong investor demand remains in the market, particularly in the Kingdom of Saudi Arabia (KSA), suggesting that IPO activity in the GCC markets will rebound in H2 2021. Moreover, Israel's Tel Aviv Stock Exchange (TASE) saw the highest deal numbers in 1H 2021 (49 IPOs raising US\$1.8b) since 1H 2007.
- ▶ In India, a new wave of the pandemic paused IPO activity in Q2 2021 compared with Q1 2021. However, YOY, 1H 2021 volumes increased 163%, while proceeds increased 245%. During June, there were four large completed IPOs with good gains on its first trading day. Further, there are a significant number of larger IPOs in the pipeline in Q3 2021.

YTD 2021 activity

YTD 2021

Change on YTD 2020

323

IPOs

▲ 325%

\$53.8b

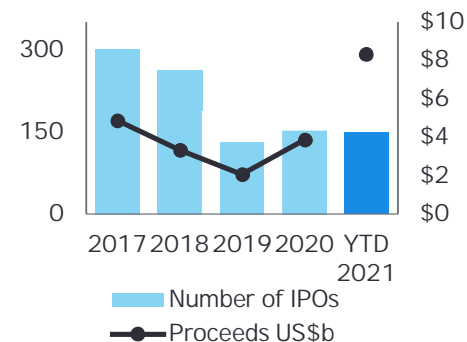
proceeds

▲ 430%

Main markets



Junior markets



Stock exchanges
by proceeds

London (Main and AIM)
\$12.7b
42 IPOs

Deutsche Börse (Main and Scale)
\$9.6b
11 IPOs

Euronext and Alternext
\$9.1b
19 IPOs

Sectors
by number of IPOs

Technology
99 IPOs
\$18.6b

Energy
38 IPOs
\$3.5b

Consumer products
32 IPOs
\$6.4b

IPOs
largest by proceeds

InPost SA
\$3.9b
Services
Euronext (Amsterdam)
January

Vantage Towers AG
\$2.6b
Telecommunications
Deutsche Börse
March

Allfunds Group plc
\$2.6b
Technology
Euronext (Amsterdam)
April

All amounts in table are in US\$

Europe, Middle East, India and Africa IPO market outlook

- ▶ Based on the positive momentum from 1H 2021, we expect EMEIA IPO activity to continue to increase in H2 2021 as a number of IPO candidates accelerate their timelines to catch the open transaction window. This sustained upswing is supported by strong rebounds in Americas and Asia-Pacific economies, which raised investor sentiment in EMEIA and led to all-time highs across European and UK equity markets. As valuations remain high and volatility low, we anticipate that EMEIA IPO activity and investor sentiment will remain positive through the rest of the year.
- ▶ In Europe, we expect IPO activity to continue at a brisk pace. This is backed by large transactions on the main European stock exchanges, high valuation, low volatility levels and positive economic outlook in many markets. Risks are related to the success of vaccination programs and the effectiveness of government policies to support the economic rebound. European SPAC issuances will remain sparse until European investors see success stories through a merger with a European company. European investors are also waiting to see how regulators weigh in.
- ▶ In the UK, IPO fundamentals remain strong and pipelines are healthy. However, risks remain. We expect IPO activity to continue at pace but there may be a small short-term hiccup as UK stimulus packages are withdrawn in H2 2021. UK companies will also remain targets for US SPACs hunting for deals. We expect some UK SPAC listings later in the year once the Hill Review findings begin to be implemented.

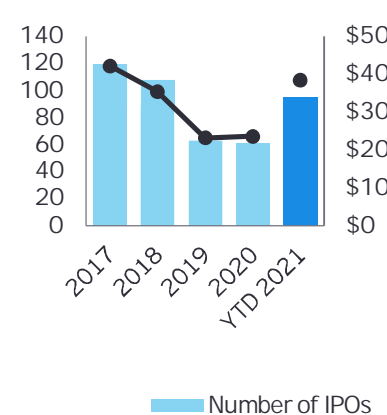
Europe IPO snapshot

YTD 2021	Change on YTD 2020	YTD 2021	Change on YTD 2020
227 IPOs	▲ 383%	\$46.6b proceeds	▲ 509%
11% of IPOs are financial sponsor-backed		35% of IPOs are financial sponsor-backed	

All amounts in table are in US\$

Main markets

YTD 2021	Change on YTD 2020
95 IPOs	▲ 400%
\$38.3b proceeds	▲ 431%



Junior markets

YTD 2021	Change on YTD 2020
132 IPOs	▲ 371%
\$8.3b proceeds	▲ 1,840%



Activity

YTD 2021

Sectors

by number of IPOs

Technology

82 IPOs | \$18.2b

Energy

30 IPOs | \$2.8b

Health care

26 IPOs | \$2.4b

IPOs

largest by proceeds

InPost SA Euronext (Amsterdam)
\$3.9b Services January

Vantage Towers AG Deutsche Börse
\$2.6b Telecommunications March

Allfunds Group plc Euronext (Amsterdam)
\$2.6b Technology April

Stock exchanges

by total proceeds

London (Main and AIM)
\$12.7b | 42 IPOs UK

Deutsche Börse (Main and Scale)
\$9.6b | 11 IPOs Germany

Euronext and Alternext
\$9.1b | 19 IPOs Netherlands, France, Belgium

All amounts in table are in US\$

Europe, Middle East, India and Africa IPO market outlook

- ▶ London is still a favorable destination for technology companies to list but it has fierce competition from the US, where investors are perceived to have a larger appetite for risk. London exchanges also face increasing competition from European exchanges in a post-Brexit environment and although inbound cross-border IPO activity in the UK will continue, it may be at a reduced pace compared to pre-pandemic levels.
- ▶ In MENA, strong IPO pipelines in key MENA markets, coupled with various government initiatives to improve economic factors (particularly in the KSA and the UAE), are likely to bring more IPOs to public markets in the region in 2H 2021. Additionally, there is optimism in the coming quarters due to accelerated vaccine rollouts.
- ▶ In India, investors continue to have a favorable outlook in the short term supported by liquidity, strong performance by Indian companies and a continued focus on regulatory reforms. Like global markets, investors are willing to invest in companies with attractive business models, good corporate governance, quality of management team and fair valuations.
- ▶ Across EMEIA, in addition to technology companies, which will remain investor darlings for the foreseeable future, IPO candidates that can document their resilience to megatrends and are able to demonstrate their commitment to ESG have the best chance of capturing the attention of investors.
- ▶ Companies considering an IPO in H2 2021 are advised to evaluate all paths that lead to becoming a public company. Do your homework and gain full transparency of both the pros and the cons before making a commitment in any one direction. If you choose an alternate route, such as a SPAC, be prepared to rapidly accelerate your IPO readiness activities.

European regulators are keeping a close eye on the SPAC phenomenon. In return, SPAC investors and IPO candidates considering a SPAC merger should keep close watch on regulators as they deliberate over the implementation of stricter regulations for SPACs.

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Building a better
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Top 12 stock exchanges

By number of IPOs

Ranking	Stock Exchange	Number of deals	% of global IPOs
1	US NASDAQ	161	15.0%
2	Shanghai (SSE and STAR)	139	13.0%
3	Shenzhen (SZSE and ChiNext)	108	10.1%
4	NASDAQ OMX and First North	75	7.0%
5	Australia (ASX)	67	6.3%
6	New York (NYSE)	57	5.3%
7	Tokyo (First Section, Second Section), MOTHERS and JASDAQ	54	5.0%
8	Tel Aviv (TASE)	49	4.6%
9	Hong Kong (HKEx and GEM)	46	4.3%
10	Oslo Bors and Axess	46	4.3%
11	London (Main and AIM)	42	3.9%
12	India National (NSE and SME) and Bombay (BSE and SME)	42	3.9%
	All other exchanges	184	17.3%
	Global IPO Activity	1,070	100.0%

2021 year-to-date

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%
	Global IPO Activity	1,363	100.0%

2020 full year

By proceeds

Ranking	Stock Exchange	Proceeds (US\$b)	% of global IPOs
1	US NASDAQ	49.2	22.2%
2	US NYSE	35.0	15.7%
3	Hong Kong	27.4	12.4%
4	Shanghai	22.5	10.1%
5	London	12.7	5.7%
6	Shenzhen	10.4	4.7%
7	Deutsche Börse (Main and Scale)	9.6	4.3%
8	Euronext and Alternext	9.1	4.1%
9	NASDAQ OMX and First North	6.8	3.0%
10	Brazil B3	6.1	2.8%
11	India	4.9	2.2%
12	Oslo Bors and Axess	3.9	1.8%
	All other exchanges	24.4	11.0%
	Global IPO Activity	222.0	100.0%

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 (SET and MAI)	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%
	Global IPO Activity	268.0	100.0%

Regional IPO facts and figures: Americas

Year-to-date comparison

Quarterly comparison

Regions/country*	Year-to-date comparison				Quarterly comparison					
	IPOs YTD	Change YOY%	Proceeds US\$b YTD	Change YOY%	IPOs current quarter: Q2 2021	Change QOQ% (vs. Q2 20)	Change previous quarter% (vs. Q1 21)	Proceeds US\$b current quarter: Q2 2021	Change QOQ% (vs. Q2 20)	Change previous quarter% (vs. Q1 21)
US	218	235%	84.2	275%	120	193%	22%	42.6	181%	2%
Canada ¹	31	182%	3.5	>1,000%	14	367%	(18%)	2.4	>1,000%	118%
Brazil ²	27	440%	6.1	574%	12	>1,000%	(20%)	2.7	>1,000%	(24%)
Mexico ³	0	(100%)	0.0	(100%)	0	(100%)	NA	0.0	(100%)	NA
Americas	276	229%	93.9	282%	146	217%	12%	47.7	193%	3%

¹ In YTD 2021, there were 31 IPOs on Toronto Stock Exchange and TSX Venture Exchange that raised US\$3.5b. Whereas in Q2 2021, there were 14 IPOs on Toronto Stock Exchange and TSX Venture Exchange that raised US\$2.4b. In comparison, Q2 2020 had no IPOs on Toronto Stock Exchange and TSX Venture Exchange, while there were three IPOs on Canadian Securities Exchange that raised US\$3m combined.

² In YTD 2021, there were 27 IPOs that raised US\$6.1b in total on Brazil's B3 exchange. Whereas, there were 12 IPOs that raised US\$2.7b in Q2 2021, there was one IPO that raised US\$51m in total during Q2 2020.

³ In YTD 2021, there were no IPOs on Mexican Stock Exchange. There was one IPO in Q2 2020, that raised US\$1.1b and no IPOs in Q1 2020.

Regional IPO facts and figures: Asia-Pacific

Year-to-date comparison

Quarterly comparison

Regions/country*	IPOs YTD	Change YOY%	Proceeds US\$b YTD	Change YOY%	IPOs current quarter: Q2 2021	Change QOQ% (vs. Q2 20)	Change previous quarter% (vs. Q1 21)	Proceeds US\$b current quarter: Q2 2021	Change QOQ% (vs. Q2 20)	Change previous quarter% (vs. Q1 21)
Indonesia	22	(19%)	0.5	113%	11	22%	0%	0.3	414%	33%
Thailand	15	650%	2.9	28%	10	NA	100%	1.3	NA	(21%)
Singapore	3	(50%)	0.2	(52%)	2	100%	100%	0.0	21%	(92%)
Malaysia	12	71%	0.1	108%	8	NA	100%	0.1	NA	17%
Philippines	2	100%	1.3	>1,000%	1	0%	0%	1.0	>1,000%	270%
Asean¹	54	23%	5.0	58%	32	167%	45%	2.7	>1,000%	11%
Mainland China	247	109%	32.9	66%	147	119%	47%	21.1	147%	80%
Hong Kong	46	(22%)	27.4	129%	14	(36%)	(56%)	9.8	(3%)	(44%)
Greater China²	293	66%	60.3	90%	161	81%	22%	30.9	66%	5%
Australia	67	415%	2.6	>1,000%	44	1,000%	91%	1.9	>1,000%	181%
New Zealand ³	0	NA	0.0	NA	0	NA	NA	0.0	NA	NA
Oceania	67	415%	2.6	>1,000%	44	1,000%	91%	1.9	>1,000%	181%
Japan	54	59%	3.0	374%	34	386%	70%	1.9	>1,000%	75%
South Korea ⁴	3	NA	3.4	NA	2	NA	100%	2.1	NA	60%
Asia-Pacific	471	76%	74.3	108%	273	144%	38%	39.5	108%	13%

¹ There were no IPOs on Myanmar, Sri Lanka, Maldives and Vietnam's stock exchanges during YTD 2021. During Q2 2020, there were no IPOs on Thailand Stock Exchange and MAI and on Bursa Malaysia and its ACE and LEAP markets.

² In YTD 2021, there were no IPOs on Taiwan Stock Exchange.

³ In YTD 2021 and in YTD 2020, there were no IPOs on New Zealand Stock Exchange.

⁴ In YTD 2021, there were three IPOs on Korea Stock Exchange and KOSDAQ raising US\$3.4b. Whereas, there was no IPO during YTD 2020 and in Q2 2020.

Regional IPO facts and figures: EMEIA

Year-to-date comparison

Quarterly comparison

Regions/country*	IPOs YTD	Change YOY%	Proceeds US\$b YTD	Change YOY%	IPOs current quarter: Q2 2021	Change QOQ% (vs. Q2 20)	Change previous quarter% (vs. Q1 21)	Proceeds US\$b current quarter: Q2 2021	Change QOQ% (vs. Q2 20)	Change previous quarter% (vs. Q1 21)
Nordics (Denmark, Norway, Sweden and Finland)	131	424%	10.8	>1,000%	80	433%	57%	6.0	>1,000%	25%
Central and Southern Europe (CESA)	6	20%	1.8	>1,000%	4	100%	100%	1.3	>1,000%	190%
Germany, Switzerland and Austria (GSA)	13	225%	11.1	>1,000%	10	150%	233%	5.8	>1,000%	8%
Mediterranean (Italy and Spain)	15	275%	1.0	50%	11	267%	175%	0.9	33%	629%
WEM (Western Europe)	19	280%	9.2	196%	13	550%	117%	3.9	33%	(25%)
Continental Europe	184	328%	33.9	574%	118	354%	79%	17.9	300%	12%
UK and Ireland ¹	43	975%	12.7	385%	24	>1,000%	26%	3.2	64%	(66%)
Europe	227	383%	46.6	509%	142	426%	67%	21.1	228%	(17%)
Africa and WEM (Maghreb) ²	0	(100%)	0.0	(100%)	0	NA	NA	0.0	NA	NA
India ³	42	147%	4.9	244%	19	375%	(17%)	2.3	>1,000%	(11%)
Middle East and North Africa ⁴	54	391%	2.3	124%	17	183%	(54%)	1.0	366%	(33%)
EMEIA	323	325%	53.8	430%	178	381%	23%	24.4	267%	(17%)

¹ In YTD 2021, there were 22 IPOs on London Main Market, which raised US\$11.2b, while there were 20 IPOs on AIM, which raised US\$1.5b in total. There was one IPO on International Property Securities Exchange but no IPO activity on Dublin Stock Exchange in YTD 2021. Whereas, in Q2 2021 there were 11 IPOs on the London Main Market, which raised US\$2.3b, 12 IPOs on AIM that raised US\$0.9b and one IPO on International Property Securities Exchange. While during Q2 2020, there was one IPO on the London Main Market, which raised US\$2.0b and no IPOs on AIM.

² In YTD 2021, there were no IPOs on African exchanges. Whereas, there was one IPO that raised US\$29m in YTD 2020 (which was listed in Q1 2020). While there was no IPO activity on African exchanges in Q2 2021 or Q2 2020.

³ In YTD 2021, India which includes India's National and Bombay Stock Exchange Main Market and SME raised US\$4.9b via 42 IPOs. This includes India completed IPOs from 1 January to 30 June 2021 (Data as at COB 30 June 2021). As at 5 July, the expected IPO of Crompton Greaves Consumer Electricals Ltd. (with proceeds of US\$185m) was reclassified as a follow-on listing by data provider Dealogic. This listing would be excluded from India IPO activity (as at 5 July 2021). In Q2 2021, there were 19 IPOs raising US\$2.3b on India's National and Bombay Stock Exchange Main Market and SME and no IPOs on Bangladesh's Dhaka Stock Exchange. There were four IPOs raising US\$2m on India's National and Bombay Stock Exchange Main Market and SME during Q2 2020.

⁴ Middle East and North Africa includes IPO activity on Saudi (Tadawul and Nomu Parallel Market), there were two IPOs that raised US\$282m, Qatar, Egyptian and Muscat exchanges saw one IPO each, that raised a total of US\$182m, US\$131m and US\$13m respectively, in YTD 2021. Moreover, in YTD 2021, Israel's Tel Aviv Stock Exchange (TASE) saw 49 IPOs which raised US\$1.8b. Whereas during YTD 2020, there were two IPOs on Saudi that raised US\$707m, one IPO which raised US\$13m on Egyptian Exchange, one IPO which raised US\$13m on Muscat Stock Exchange and one IPO which raised US\$33m on Kuwait Stock Exchange. Also, there were 6 IPOs which raised US\$289m on TASE in YTD 2020. On a quarterly basis, Q2 2021 saw 16 IPOs on TASE which raised US\$816m and one IPO on Egyptian Stock Exchange which raised US\$131m. Whereas, in Q1 2021, there were 33 IPOs on TASE with total proceeds of US\$943m, as well as 2 IPOs on Saudi exchange that raised US\$282m, 1 IPO each on Qatar and Muscat exchanges that raised US\$182m and \$13m, respectively. Moreover, in Q2 2020, TASE saw four IPOs raising US\$162m, while Kuwait and Saudi exchanges saw one IPO each with proceeds of US\$33m and US\$8m, respectively.

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 18-19) and UK section (page 21).

Most active sectors around the world

Summary of the top three sectors by number of IPOs, by region* and sub-region* for Q2 2021 (▲) and YTD 2021 (■)

Stock exchange regions	Technology	Health care	Industrials	Materials	Consumer products	Energy	Consumer staples	Financials	Real estate	Retail	Media and entertainment	Telecommunications
Americas	▲■	▲■			▲■							
US ¹	▲■	▲■	■		▲			■				
Asia-Pacific	▲■		▲■	▲■								
Greater China	▲■	▲■	▲■									
Japan ²	▲■	■	■		▲■						▲	
EMEIA ³	▲■	▲	▲■		▲■	■						
Europe ⁴	▲■	▲■	▲			▲■						
UK	▲■	▲■	▲			■						
Global	▲■	▲■	▲■									
Q2 2021 IPO activity	158	107	78	57	49	32	44	22	18	17	11	4
YTD 2021 IPO activity	284	187	140	102	88	71	61	45	35	26	20	11

* 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 YTD 2021, US exchanges saw four active sectors. Health care led with 91 IPOs and technology saw 72 IPOs, while industrials and financials accounted for eight IPOs each, with proceeds of US\$4.5b and US\$2.5b respectively.

² For YTD 2021, Japanese exchanges saw four active sectors. Technology led with 22 IPOs and consumer products saw 10 IPOs. Industrials and health care accounted for five IPOs each with proceeds of US\$210m and US\$104m respectively.

³ For YTD 2021, EMEIA exchanges saw four active sectors. Technology led with 99 IPOs and energy saw 38 IPOs. Consumer products and industrials accounted for 32 IPOs each with proceeds of US\$6.4b and US\$5.2b respectively. During Q2 2021, EMEIA exchanges saw four active sectors. Technology led with 58 IPOs and health care saw 21 IPOs. Industrials and consumer products accounted for 18 IPOs each with proceeds of US\$4b and US\$1.7b respectively.

⁴ For Q2 2021, European exchanges saw four active sectors. Technology led with 54 IPOs and health care saw 17 IPOs. Industrials and energy accounted for 15 IPOs each with proceeds of US\$3.3b and US\$1.2b respectively.

Methodology

- ▶ The data presented in the Global IPO trends: Q2 2021 report and press release is from Dealogic and EY. Q2 2021 (i.e., April–June) and YTD 2021 (January–June) is based on completed IPOs as of 30 June 2021 (i.e., IPOs that has started trading by 30 June). Data is as of COB 30 June 2021. 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, the 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 30 June 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 six months of 2021 with the first six months of 2020 for this current report.
- ▶ YTD stands for year-to-date. This refers to completed IPOs from 1 January to 30 June 2021.

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