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Global IPO trends: Q4 2020

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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 full year of 2020\* 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



\*The full year of 2020 covers completed IPOs from 1 January 2020 to 31 December 2020. 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

# In a year full of surprises, 2020 IPO markets defy expectations

“

2020 was full of surprises. Market volatility in the first half of the year was higher than any time since the global financial crisis. But volatility quickly subsided, with the year ending on the back of some stellar IPO market performances. Buoyant global IPO markets have demonstrated the resilience of equity markets despite the pandemic. Capital markets and IPOs allow high-growth companies to fund innovation, accelerate growth and make significant contributions to the society. Looking to the first half of 2021, continued fiscal stimulus, abundance of liquidity and optimism in COVID-19 vaccines should sustain IPO momentum. However, investors should beware of any potential market correction, especially for those companies that have seen their share prices making substantial gains from the market rally in 2020.

Paul Go

EY Global IPO Leader



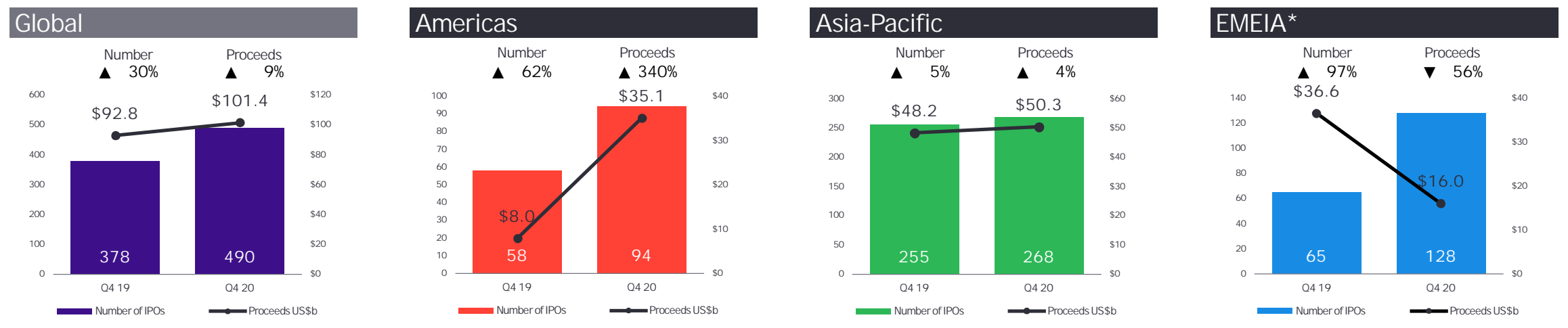
# Global IPO market summary – Q4 2020

## Key highlights

- In this environment of low interest rates and expansionary monetary policies, 2020 equity markets have recovered to pre-pandemic levels and some even reached new heights. Global IPO markets have shown their resilience, supporting fast-growing and innovative companies, which are offering new services and products in response to the changing market dynamics.
- Q4 2020 saw 490 IPOs raise a total of US\$101.4b. This was 30% higher by deal number compared with Q4 2019 and a 9% rise by proceeds. Q4 2020 also saw the highest proceeds raised since Q4 2010, when 480 IPOs raised US\$130.3b.
- October 2020 was the most active October for the last 20 years by deal numbers, with 187 IPOs raising US\$37.4b. With the US presidential election and new waves of the COVID-19 pandemic surfacing in many countries, November 2020 was relatively slow, with 94 IPOs raising US\$22.0b. However, with the US presidential election concluded and a Brexit agreement reached, IPO activity picked up in December, with 209 IPOs raising US\$42.0b.

- Q4 2020's five largest IPOs by proceeds included JD Health (US\$4.0b), Airbnb Inc. (US\$3.8b), DoorDash Inc. (US\$3.4b), Allegro.eu SA (US\$2.7b) and Lufax Holding Ltd. (US\$2.7b) – all technology-related companies.
- Overall, there was a healthy spread of IPO activity across geographies, including the usual players (the US, Mainland China and Hong Kong) and significant uptick in activity from Australia, the UK, Brazil and Japan exchanges. The lower market volatility during the quarter has also helped to provide more favorable market conditions for the IPO launches. NASDAQ, Shanghai and Australia exchanges led by deal numbers in Q4 2020, accounting for 34% of global IPOs. Hong Kong and NASDAQ exchanges dominated by proceeds in Q4 2020, accounting for 23% and 21% of the global IPO proceeds, respectively.
- Technology was the most dominant sector in Q4 2020, both by numbers (23%) and proceeds (35%). Health care (16% of deal numbers and 17% of proceeds) ranked second.

## Q4 2020 comparison



\*In Q4 2019, the largest-ever IPO (Saudi Aramco, which raised US\$29.4b) was listed on the Saudi Tadawul in EMEIA. Excluding this listing, Q4 2020 proceeds would have shown a 122% increase compared with Q4 2019. All values are US\$ unless otherwise noted. 2020 refers to the full year of 2020 and covers completed IPOs from 1 January 2020 to 31 December 2020. Q4 2020 and Q4 20 refer to the fourth quarter of 2020 and cover completed IPOs from 1 October 2020 to 31 December 2020. Data as of COB 3 January 2021.

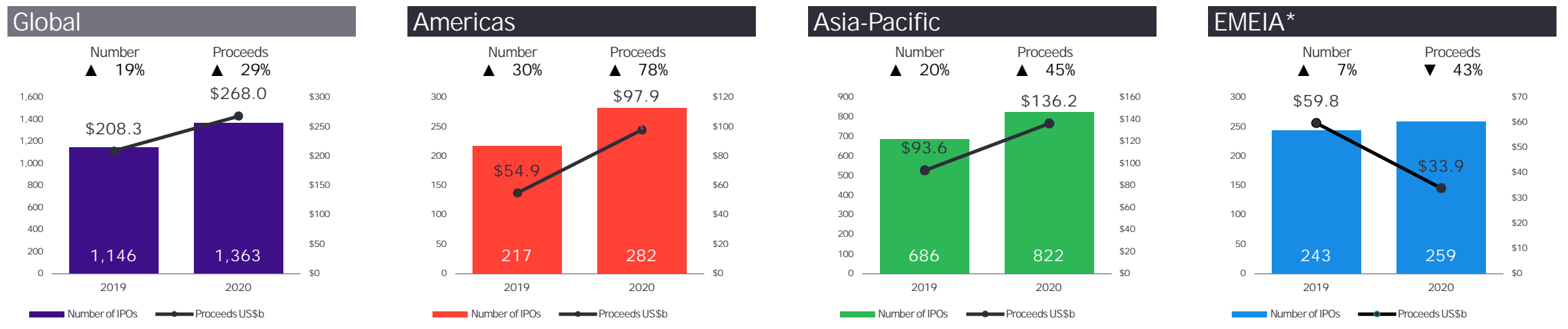
# Global IPO market summary – 2020 review

## Key highlights

- IPO investors enjoyed a good year as IPOs defied the negative impacts of the COVID-19 pandemic. The IPO process and ecosystem have adapted to change (e.g., virtual roadshows). Strong IPO activity demonstrates that the global equity markets are resilient, open and working. For investors in today's low interest rate environment, equity investments offer a means to achieve higher returns.
- Global IPO numbers were up 19%, while proceeds increased 29% from 2019. 2020 saw 1,363 IPOs with total proceeds of US\$268.0b, the highest proceeds since 2010, when US\$290.2b was raised via 1,361 IPOs.
- In the Americas, 2020 IPO activity numbers and proceeds increased 30% and 78%, respectively. Asia-Pacific saw a 20% increase by deal numbers and a 45% rise in proceeds. Meanwhile, EMEIA deal numbers rose by 7%, and proceeds decreased by 43%, compared with 2019.

- IPOs provide an opportunity for high-growth companies to fund innovation and accelerate growth. For example, European COVID-19 vaccine makers BioNTech SE and CureVac NV went public in October 2019 and August 2020, respectively. In Asia-Pacific, China's BeiGene Ltd. (which is listed on NASDAQ and HKEx) helped to develop COVID-19 testing and treatment. Access to funding from capital markets is critical for these companies to make valuable contributions to society.
- Post-IPO returns in 2020 remained high compared with 2019, suggesting there could be more speculative investors chasing higher and faster returns, and more retail investors trading on the stock market. In the Americas, first-day average returns were 45.6%; current average returns are 72.3%; in Asia-Pacific, first-day versus current average returns were 57.9% and 79.5%, respectively; and in EMEIA, first-day versus current average returns were 5.2% and 16.6%, respectively.
- In 2020, the most active sectors were technology, industrials and health care, which accounted for 59% of global deals and 64% of proceeds.

## Full-year comparison

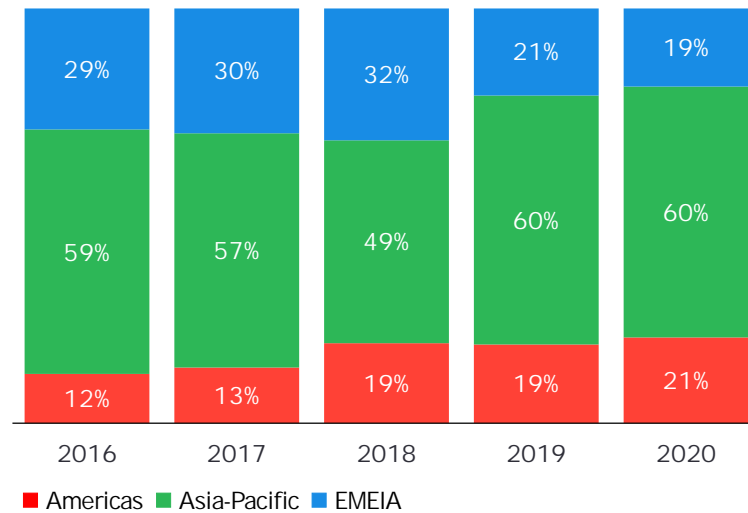


\*In 2019, the largest-ever IPO (Saudi Aramco, which raised US\$29.4b) was listed on the Saudi Tadawul in EMEIA. Excluding this listing, 2020 proceeds would have shown a 12% increase compared with 2019. All values are US\$ unless otherwise noted. 2020 refers to the full year of 2020 and covers completed IPOs from 1 January 2020 to 31 December 2020. Q4 2020 and Q4 20 refer to the fourth quarter of 2020 and cover completed IPOs from 1 October 2020 to 31 December 2020. Data as of COB 3 January 2021.

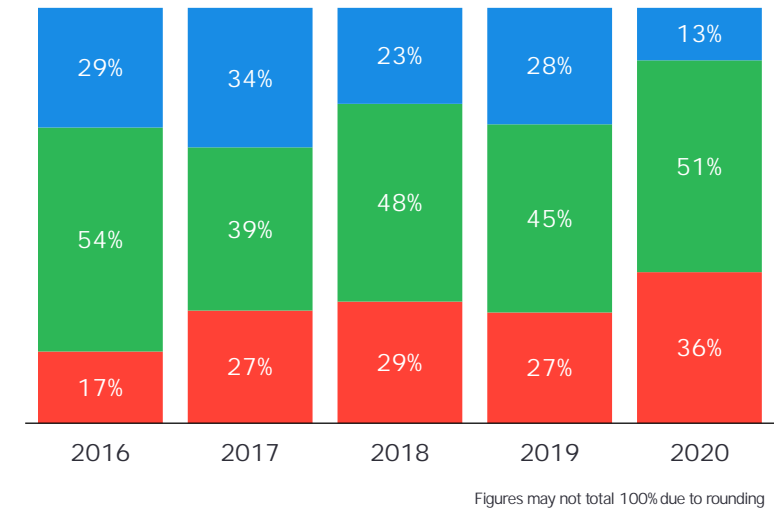
# Americas and Asia-Pacific IPO markets maintain their momentum

- Across the Americas, 2020 IPO activity surpassed 2019 activity, rising 30% by deal number and 78% by proceeds, respectively, largely as a result of increased activity in the US and Brazil markets.
- 2020 Asia-Pacific IPO activity increased 20% by deal numbers and 45% by proceeds compared with 2019. Despite an increase in cross-border activity, US-China tensions have encouraged Mainland Chinese companies to list closer to home and the Hong Kong market has been boosted by many US foreign private issuers (FPIs) that chose to complete a secondary listing outside of the US.
- In EMEIA, IPOs saw a rise of 7% by deal numbers and a decline of 43% by proceeds compared with 2019. In Q4 2020, deal numbers increased 97% over Q4 2019, while proceeds declined by 56%. The increase in deal numbers reflects more medium-sized IPOs in Q4 2020, while the decline in proceeds was due to the gigantic Saudi Aramco IPO that took place in Q4 2019.

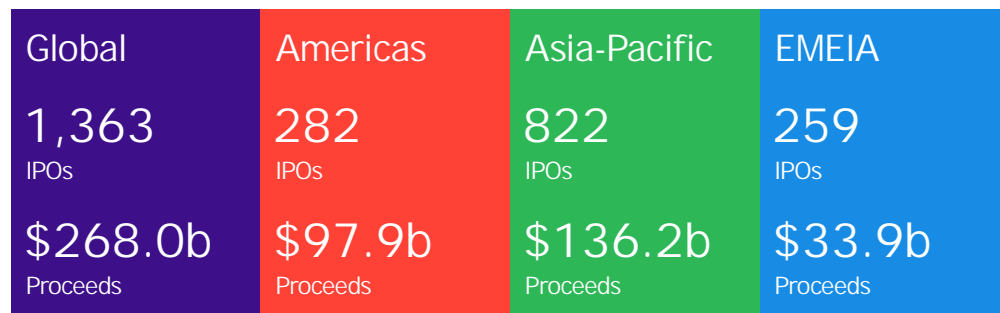
Regional share by number of IPOs



Regional share by IPO proceeds

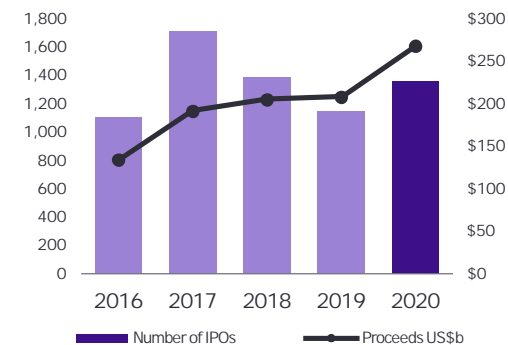


## Markets 2020

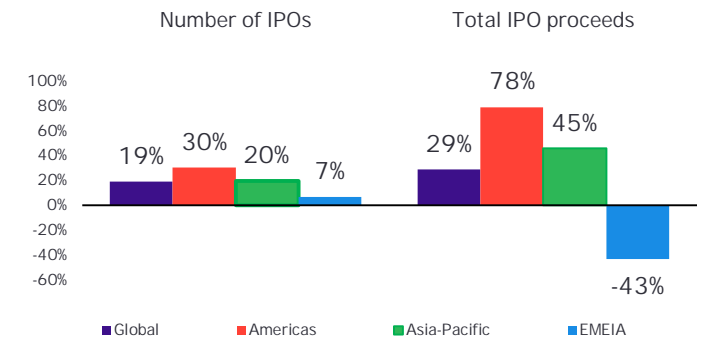


All amounts in table are in US\$

## IPO activity

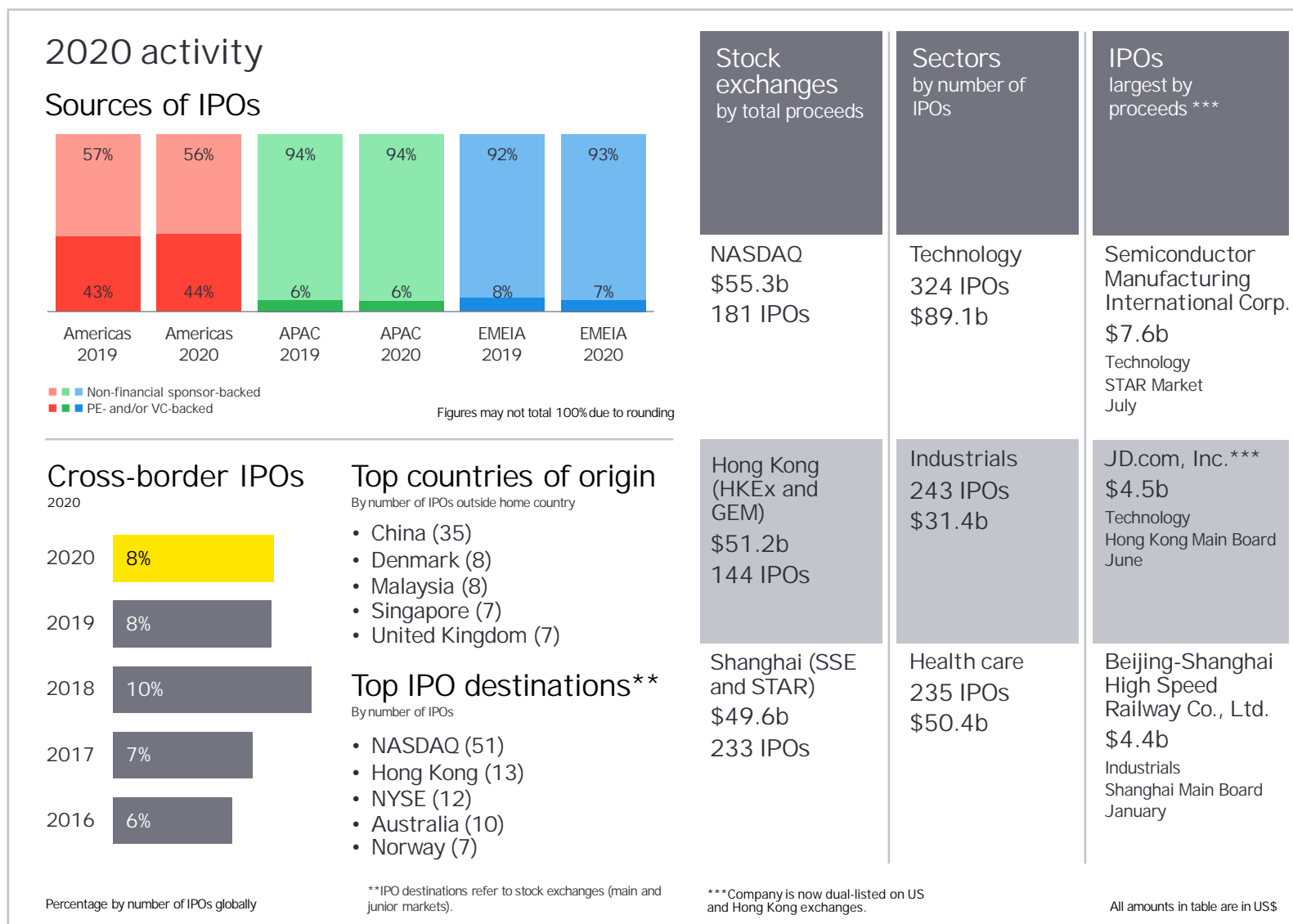


## Year-on-year comparison



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

- Globally, 2020 saw a steady increase in cross-border IPO activity (7.9% of global IPOs compared with 8% in 2019 and 10% by proceeds compared with 7.1% in 2019), reflecting higher average deal size. The top three active inbound exchanges were NASDAQ and NYSE (63 IPOs in aggregate), and Hong Kong (13 IPOs).
- The top three countries of origin were China (35 IPOs), Denmark (8 IPOs), and Malaysia (8 IPOs). Despite the US-China tensions, Chinese companies still accounted for 33 out of 63 cross-border IPOs inbound into the US in 2020.
- Private equity- (PE) and venture capital- (VC) backed IPOs accounted for 14% of global IPOs by number and 33% by proceeds. In the US, the percentage of PE- and VC-backed IPOs was significantly higher, representing 52% in deal numbers and 78% in proceeds.
- In 2020, 255 special purpose acquisition companies\* (SPACs) were created globally, totaling US\$81.5b. In 2020, there were more SPAC IPOs on US exchanges than traditional IPOs (53% of all US IPOs by deal number and 48% by proceeds). Merging with a SPAC is an increasingly popular alternate route for access to public markets.
- Follow-on offerings saw a rise of 25% by deal numbers and 63% by proceeds in 2020 (5,140 deals raising US\$724.7b), compared with 2019. Follow-on activity is expected to continue its momentum in the first half of 2021 (H1 2021) as public companies take advantage of cheaper liquidity and an abundance of capital in the market.

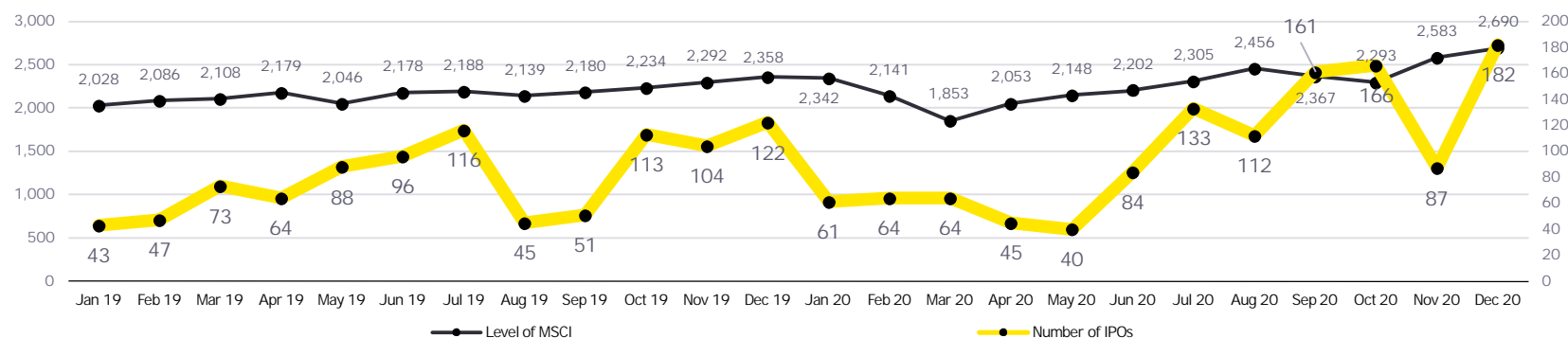


\*SPAC IPOs are excluded in the compilation of all data included in this report, except where indicated. All values are US\$ unless otherwise noted. 2020 refers to the full year of 2020 and covers completed IPOs from 1 January 2020 to 31 December 2020. Q4 2020 and Q4 20 refer to the fourth quarter of 2020 and cover completed IPOs from 1 October 2020 to 31 December 2020. Data as of COB 3 January 2021.

# Global IPO market outlook

- Looking ahead, global IPO pipelines remain healthy. We expect IPO activity to sustain its momentum going into H1 2021 as companies take advantage of ample liquidity and positive sentiment from the availability of new vaccines becoming available in most countries. An agreed Brexit deal will also favor the IPO market sentiments with more clarity on the trade arrangements between EU and the UK going forward.
- However, IPO candidates should beware of a potential market correction. Equity prices, which made significant advances in 2020, will be more exposed to any price correction if market volatility increases in 2021. There is also uncertainty on the effectiveness of the new vaccines to control further spread of the pandemic, which is critical for global economic recovery. Together with the proposed regulatory changes on IPO listing requirements in certain markets, we may see IPO candidates choose to complete their listings while the transaction window remains open.
- Until the pandemic is under control and hard-hit sectors, such as retail, aviation, travel and hospitality begin to recover, we anticipate H2 2021 to be more challenging than H1 2021, as investors review their portfolios and reallocate among different asset classes.
- Americas: Although the traditional IPO model had to adapt during the pandemic, IPO markets continue to be very active and show strong performance. We expect 2021 to be a strong year for IPO-bound companies, with the continued evolution of the traditional IPO model, growth in SPAC formations and direct listings.
- Asia-Pacific: The IPO market trend remains positive for H1 2021. We expect IPO-bound companies in high-performing sectors (technology, health care and industrials) will continue to do well in 2021, including US FPIs looking to complete secondary listing outside of the US. The speed of recovery from the expected disappointing 2020 reported earnings due in Q1 2021 will also affect the market sentiments going into H2 2021.
- EMEIA: With indices recovering much of their losses in early 2020, capital markets appear optimistic about 2021. We expect the IPO market to sustain its H2 2020 momentum into H1 2021, with the caveat that many uncertainties remain.
- Sector: Technology and health care IPOs, which excelled during the pandemic, will likely do well in 2021, as some temporary consumer and workforce shifts become permanent and governments continue to allocate budgets to health care resources. We also expect to see an increased focus on the renewables sector.
- Cross-border listings on the US exchanges may slow down as a result of the Holding Foreign Companies Accountable Act (HFCAA) passed by the US Congress in December 2020. The Act could remove overseas companies from US exchanges if the Public Company Accounting Oversight Board (PCAOB) is not provided with access to financial audit-related documentation. The HFCAA also requires companies to establish that they are not owned or controlled by a foreign government. Foreign companies have three years to comply with the requirements before facing the threat of losing access to US stock markets. The delisting of three mainland Chinese companies by the NYSE in January 2021 adds further regulatory uncertainty and risk for listing in the US market.

## IPO activity vs. MSCI World Index



Global equity index rose to new highs at the end of 2020, while IPO activity continued to climb, 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.

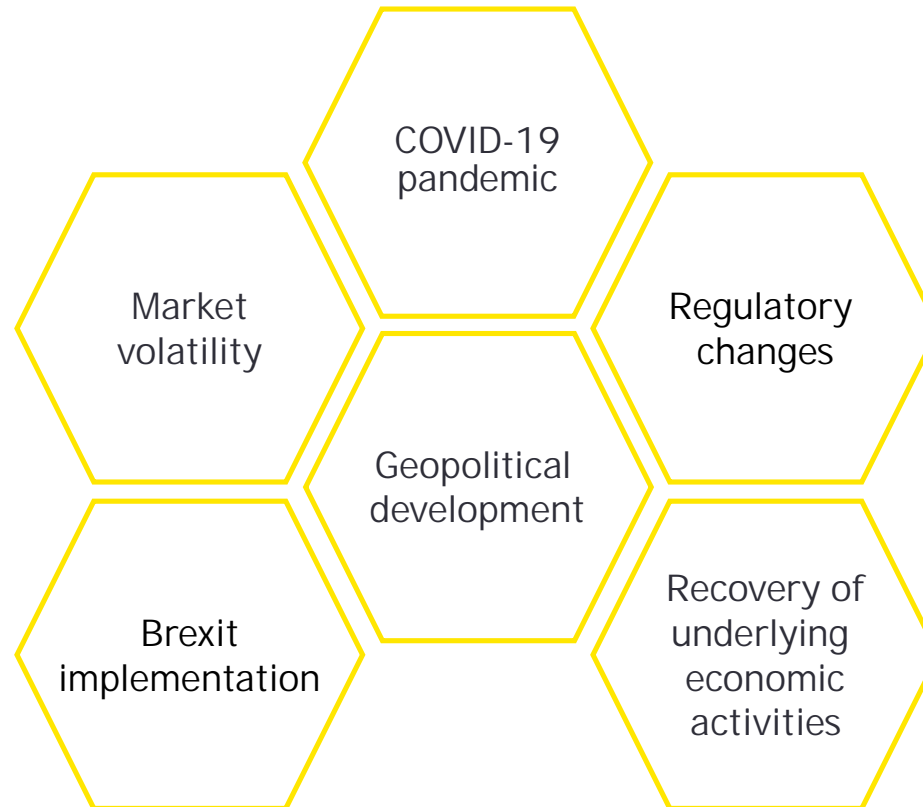


### Implications for IPO candidates

IPO candidates looking to go public face uncertainties caused by the continuing pandemic, underlying economic contraction and financial market volatility. IPO candidates considering an IPO will need to:

- Demonstrate business resilience with innovative business models, supply chain agility and financial strength, as well as a preparedness to live with the impact of the pandemic for at least another 6 to 12 months.
- Conduct extensive pre-marketing and pre-IPO funding to lower transaction risk and improve pricing leverage with investors. Conduct virtual and shorter roadshows to limit market risk.
- Be aware of and consider the geopolitical risk and changing regulatory environment. Need to place more focus on 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

# In response to the COVID-19 pandemic, the traditional IPO model evolves

“

Despite a volatile macroeconomic backdrop, 2020 has proven to be an exciting year in the IPO market, with an evolution in what has historically been a relatively standard model for companies to go public and with volumes not seen since 2014. We anticipate continued innovation of the traditional IPOs, along with SPACs and direct listings, to better align with issuer objectives. The pipeline of companies looking to go public keeps building as stocks continue to perform and investor appetite remains strong.

Rachel Gerring

EY Americas IPO Leader

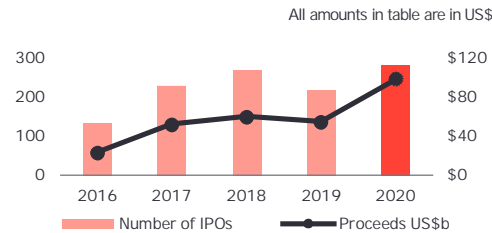
# Americas IPO market highlights

- Americas IPO activity maintained its momentum through Q4 2020, with 94 IPOs that raised \$35.1b in Q4 2020, an increase of 62% and 340%, respectively, from Q4 2019.
- US exchanges accounted for the majority of IPOs in 2020, (79% by deal numbers and 88% by proceeds).
- The Brazil IPO market had a record year, with 28 IPOs raising US\$8.5b in 2020, making it the most active year for Brazil by deal numbers and proceeds since 2007, as low interest rates led investors to the stock market. Signs of slowdown in Q4 2020 were mainly driven by volatility increase in global equity markets, as new waves of the COVID-19 pandemic emerged and the US presidential election created uncertainty. Still, 10 IPOs raised US\$4b in Q4 2020 and a significant number of issuers in the IPO pipeline are expected to execute throughout 2021.
- Health care IPOs continued to be robust, with 46% of deals in Q4 2020, followed by technology with 24%. More than half of IPO proceeds in Q4 2020 were raised by technology companies (51%), followed by health care (31%).

## 2020 activity

282 IPOs  
\$97.9b proceeds

Change on 2019  
▲ 30%  
▲ 78%



### Stock exchanges by total proceeds

US NASDAQ  
\$55.3b | 181 IPOs United States

New York (NYSE)  
\$30.9b | 43 IPOs United States

Brazil B3  
\$8.5b | 28 IPOs Brazil

### Sectors\* by number of IPOs

Health care  
114 IPOs | \$27.9b

Technology  
77 IPOs | \$40.4b

Industrials  
19 IPOs | \$8.0b

### IPOs by largest proceeds

Snowflake Inc. September  
\$3.9b Technology, New York (NYSE)

Airbnb Inc. December  
\$3.8b Technology, US NASDAQ

DoorDash Inc. December  
\$3.4b Technology, New York (NYSE)

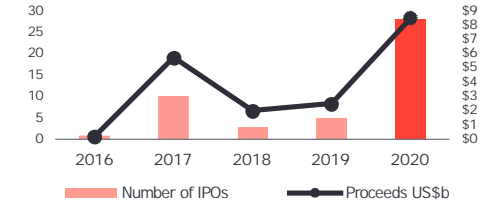
\*IPO activity of Canadian Securities Exchange is excluded from sector analysis.

## Brazil's B3 2020

28 IPOs  
\$8.5b proceeds

Change on 2019

▲ 460%  
▲ 242%

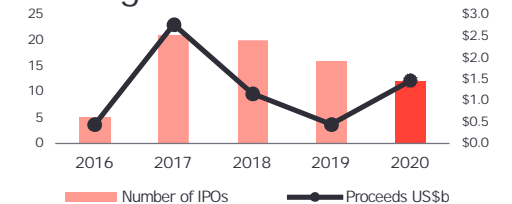


## Canada's Toronto Main and Venture Exchange

12 IPOs  
\$1.5b proceeds

Change on 2019

▼ 25%  
▲ 227%



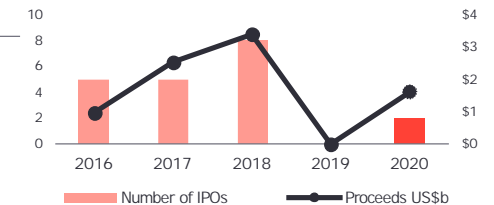
IPO activity of Canadian Securities Exchange is excluded.

## Mexico's Mexican Stock Exchange

2 IPOs  
\$1.6b proceeds

Change on 2019

NA\*  
NA\*



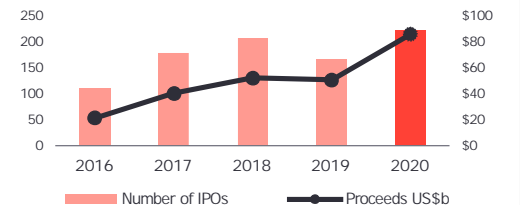
\*There was no IPO activity on Mexican Stock Exchange in 2019.

## US's NASDAQ and NYSE

224 IPOs  
\$86.2b proceeds

Change on 2019

▲ 33%  
▲ 70%



All amounts in table are in US\$

# Americas – US IPO market highlights

- Despite the pandemic and macroeconomic uncertainties, US IPO markets in 2020 were the most active since 2014 in both number of deals and proceeds, with 224 IPOs raising \$86.2b. US IPO activity remained strong until November 2020, when it paused for the US presidential election and the end of the earnings season. Activity resumed in December as markets climbed on news of an election outcome and positive COVID-19 vaccine reports.
- Health care companies dominated activity in 2020, accounting for 50% IPOs (112 IPOs). Technology issuers still garnered the most in funds raised, accounting for 45% of total 2020 proceeds (US\$38.7b raised by 68 IPOs).
- SPACs became more mainstream in 2020. Although the traditional IPO is still an optimal path for many companies, SPACs continue to gain popularity, in part for their speed and deal certainty, as companies weigh different options to going public.
- Despite the resurgence of the COVID-19 pandemic in the US, the S&P 500, the Dow Jones Industrial Average and the NASDAQ Composite closed at record highs in Q4 2020.

## Outlook

- Momentum in SPAC activity remains strong, and companies will continue to explore options between traditional IPOs and other alternatives.
- Even as the IPO model evolves, IPO markets continue to be aggressive and show strong performance. This builds a promising backdrop for 2021, as companies have more options to choose from to meet their transaction goals.
- Direct listings have always attracted attention from corporates and their owners, but the rule change in December permitting companies to raise capital alongside a direct listing will magnify this considerably.

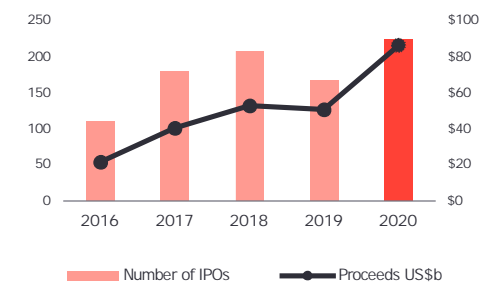
## 2020 activity

224 IPOs ▲ 33%

\$86.2b proceeds ▲ 70%

52% of IPOs are financial sponsor-backed

US NASDAQ \$55.3b 181 IPOs	New York (NYSE) \$30.9b 43 IPOs
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## Cross-border IPOs

top countries/regions of origin 2020

<b>63</b> IPOs	Greater China 33 IPOs (\$13.1b)
	Canada 6 IPOs (\$2.5b)

All amounts in table are in US\$

## Sectors by number of IPOs

Health care  
112 IPOs | \$25.7b

Technology  
68 IPOs | \$38.7b

Consumer products  
9 IPOs | \$3.0b

All amounts in table are in US\$

## IPOs largest by proceeds

Snowflake Inc. NYSE  
\$3.9b Technology September

Airbnb Inc. US NASDAQ  
\$3.8b Technology December

DoorDash Inc. NYSE  
\$3.4b Technology December

Lufax Holding Ltd. NYSE  
\$2.7b Technology October

Royalty Pharma plc US NASDAQ  
\$2.5b Health care June

## Performance 2020

### IPO pricing and performance

US markets	First-day average return	Share price performance since IPO (aka offer-to-current)
	<b>+34.5%</b>	<b>+72.6%</b>
<small>+ or - indicates change compared with offer price at IPO. First-day and current average returns are mean returns of issuers who started trading by 31 December 2020.</small>		

### Equity indices

DJIA +7.2%

S&P 500 +16.3%

NASDAQ Composite +43.6%

+ or - indicates change since 31 December 2019

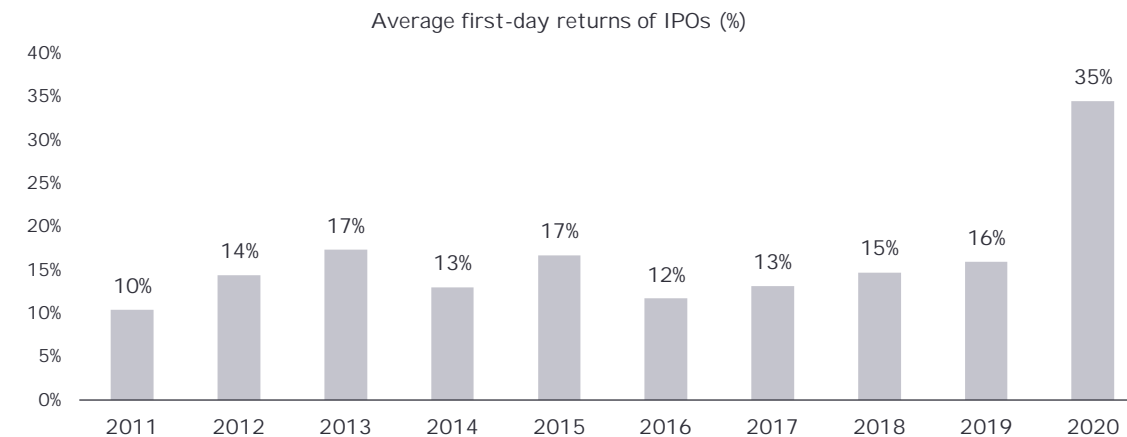
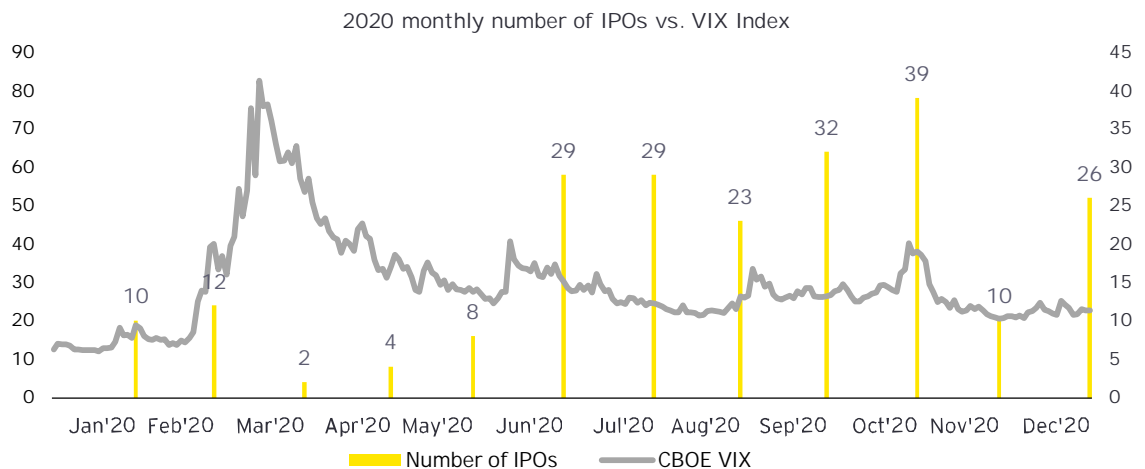
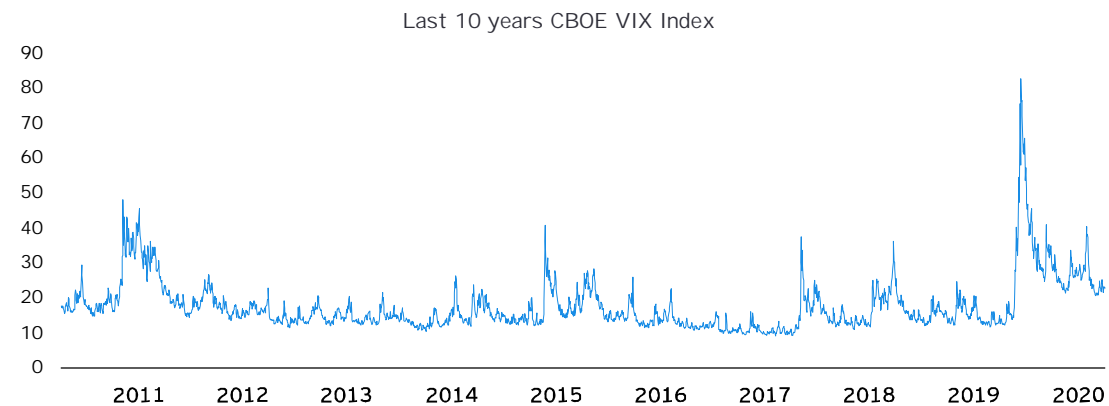
### Volatility index

CBOE VIX®  
22.8 current  
29.3 YTD average  
17.5 10-year average

Current index level is for 31 December 2020



# Americas – US IPO market: strong first-day returns will continue to appeal to more potential IPO investors



US equity markets climbed to new highs by the end of 2020. Strong share price performance will fuel robust investor appetite in H1 2021. Starting IPO readiness preparations early provides maximum flexibility for IPO candidates to respond to evolving market conditions.

Source of IPO data: Dealogic, EY. Source of S&P 500 and CBOE VIX Index: S&P Capital IQ. S&P 500 and CBOE VIX indices shown are daily figures.

Special purpose acquisition companies (SPACs) – IPO market insight

## SPACs continue to be an attractive liquidity option

“

Activity in the SPAC market accelerated through the end of 2020 and momentum remains strong. SPACs are here to stay, filling the needs of companies that are ready to go public and want to move more quickly than the traditional IPO. With a tremendous amount of cash placed in SPAC trusts and the strong private investment in public equity (PIPE) market, mergers will continue to be announced with companies across various sectors.

**Karim Amani**

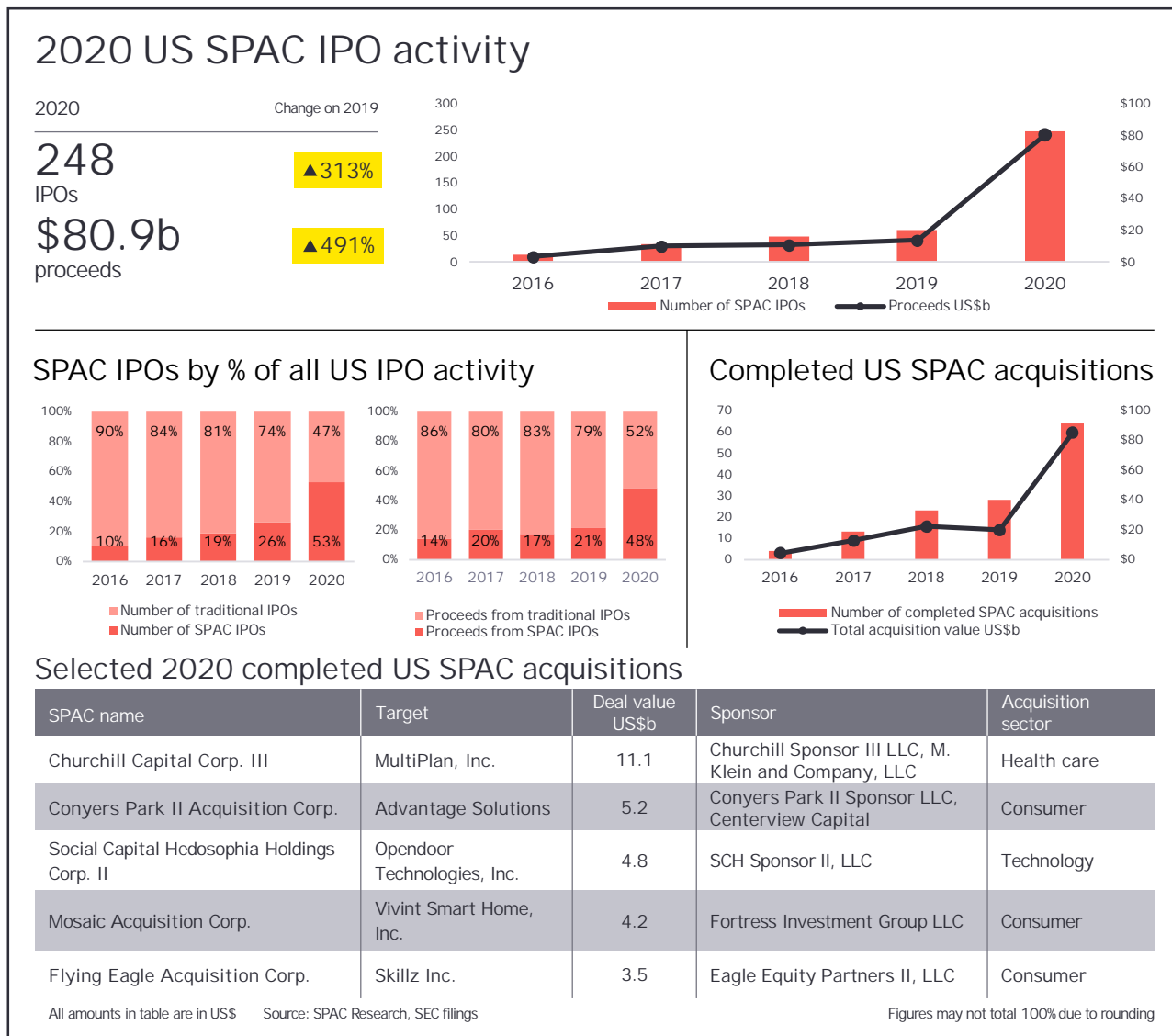
EY Americas SPAC Leader

# US SPAC highlights

- 2020 was a record-breaking year for SPAC IPOs, as 248 IPOs raised US\$80.9b, compared with 60 IPOs for US\$13.7b in 2019.
- In Q4 2020, there were more SPAC IPOs on US exchanges than traditional IPOs. By proceeds, SPAC IPOs accounted for 55% of US total IPO proceeds during the same period.
- There were 64 SPAC acquisitions completed during 2020, with a total acquisition value of US\$85.3b. In Q4 2020 alone, total acquisition value reached US\$54.3b, more than doubling previous full-year values.
- Recently, the SPAC market has been operating with tremendous efficiency and the liquidity alternative for many companies is attractive.
- SPACs are filling a funding need for companies that are ready to go public and want to move more quickly than the traditional IPO route offers.

## Outlook

- Momentum in the SPAC market is expected to remain strong in 2021 as more new SPACs are in the public pipeline every month, with many more behind them.
- There has been a tremendous amount of cash placed in SPAC trusts, especially from the beginning of H2 2020. There are 228 active SPACs, with nearly US\$75b in trust, as of the end of December 2020. As a result, there will likely be more announced SPAC mergers and new public market entrants from SPAC mergers in 2021 and 2022 than ever before.
- Post-SPAC merger companies will need to perform relative to their projections just like any other public company, which is not always a straightforward exercise for early stage businesses. The performance of these companies may affect the future of the SPAC market and could result in a pause in SPAC funding.



## Asia-Pacific

# The COVID-19 pandemic leaves a deep scar, but Asia-Pacific IPO markets prove resilient

“

The COVID-19 pandemic has been the overwhelmingly dominant event of 2020. Few thought people or economies would suffer this long. Yet, somehow, despite this crisis, the Asia-Pacific IPO market proved resilient. Looking ahead, IPO candidates will need to continue to take the necessary precautions to maintain their liquidity. That said, IPO companies, and new economy companies especially, have proven their importance to the economy and their ability to pivot, adapt and prosper in response to the pandemic.

Ringo Choi

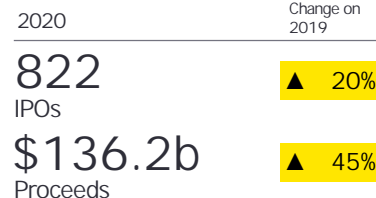
EY Asia-Pacific IPO Leader



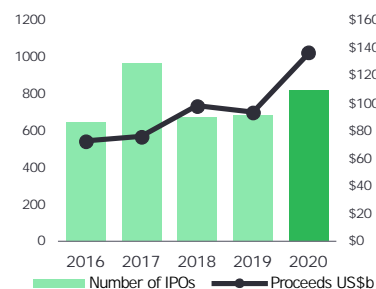
# Asia-Pacific IPO market highlights

- Asia-Pacific IPO activity in 2020 surpassed 2019 (20% by deal numbers and 45% by proceeds). Some of this rise in activity can be attributed to a particularly active H2 2020. Q4 2020 IPO activity remained steady, with deal numbers rising 5% and proceeds increasing 4% compared with Q4 2019. 2020 saw the highest proceeds since 2010.
- With the US presidential election over, there is renewed optimism that a new administration may soften its stance around possible new regulatory requirements for Chinese companies listed on US exchanges.
- In Greater China, Q4 2020 numbers rose slightly – 2% by deal numbers and 3% by proceeds – compared with Q4 2019. Despite the COVID-19 pandemic, 2020 deal numbers increased 47% compared with 2019, while proceeds rose by 55%. 2020 proceeds (US\$119.1b via 536 IPOs) is highest since 2010 (US\$184.2b, 737 IPOs).
- In Japan, its startup ecosystem continued to drive growth in Q4 2020. In 2020, 93 IPOs raised proceeds of US\$3.3b on Japan exchanges, 4% higher by deal numbers and 13% lower in proceeds than 2019.
- In Australia and New Zealand, Q4 2020 saw a flurry of IPO activity with a rise of 150% by deal numbers and 139% by proceeds compared with Q4 2019. 2020 IPO activity rose 49% by deal numbers and 50% in funds raised compared with 2019.
- In ASEAN, 2020 IPO activity saw a modest decline in numbers (13%) and funds raised (5%) compared with 2019. However, it saw two notable IPOs of US\$1b or more in the year: Central Retail Corp. plc (US\$2.3b) and SCG Packaging plc (US\$1.3b) in Thailand. Q4 2020 IPO activity was lower by deal numbers (15%) and proceeds (20%) compared with Q4 2019.
- In South Korea, Big Hit Entertainment Co. Ltd. went public in October 2020 with proceeds of US\$822m. In 2020, South Korea had six IPOs with total proceeds of US\$2.3b, a decline of 89% by numbers and 4% by funds raised compared with 2019.
- Technology remained the hot sector in Q4 2020, accounting for 21% of Asia-Pacific deal numbers and proceeds, followed by the industrials sector with 10% of proceeds. A similar trend was also observed for the full year in 2020, with industrials and technology being the most active sectors by deal numbers, and technology dominating by proceeds.

## 2020 activity



### IPO activity



## Cross-border IPOs

top countries/regions of origin



All amounts in table are in US\$

### Stock exchanges by total proceeds

Hong Kong (HKEx and GEM)  
\$51.2b  
144 IPOs

Shanghai (Main Board and STAR Market)  
\$49.6b  
233 IPOs

Shenzhen (Main Board, SME and ChiNext)  
\$18.3b  
159 IPOs

\* Company is now dual-listed on US and Hong Kong exchanges.

### Sectors by number of IPOs

Industrials  
181 IPOs  
\$20.8b

Technology  
180 IPOs  
\$38.7b

Materials  
95 IPOs  
\$7.4b

### IPOs largest by proceeds

Semiconductor Manufacturing International Corp.  
\$7.6b  
Technology  
STAR Market  
July

JD.com, Inc.\*  
\$4.5b  
Technology  
Hong Kong  
Main Board  
June

Beijing-Shanghai High Speed Railway Co., Ltd.  
\$4.4b  
Industrials  
Shanghai Main Board  
January

All amounts in table are in US\$

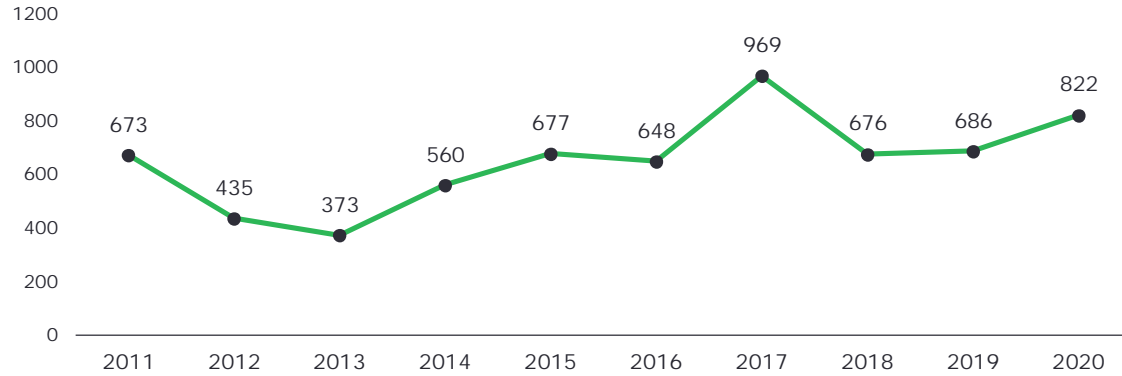
## Asia-Pacific IPO market outlook

- The COVID-19 pandemic has left a scar on Asia-Pacific economies. Companies in sectors that have performed well throughout the crisis have healed investor sentiment. IPO-bound companies in high-performing sectors (technology, industrials and health care) will be well received in the markets in 2021. For IPO candidates in heavily impacted sectors, the wound is still deep, and they will continue to find it hard to raise money until the economy rebounds.
- Overall, we expect more companies to go public in 2021. IPO-bound companies need to raise funds to expand, acquire and protect their business. The IPO market outlook remains positive for H1 2021, but we anticipate a slowdown in H2 2021 as heavily impacted sectors are expected to report on disappointing 2020 results that may dampen investor sentiment.
- In Greater China, market reforms and active government policies have opened a transaction window for IPO candidates. We expect Hong Kong IPO activities to remain active in 2021 as there should be a continued influx of secondary listings of US-listed Chinese companies on the HKEx. In Mainland China, an abundance of liquidity and a further roll out of the registration-based system to other exchanges will promote IPO activity in 2021.
- In Japan, the government's 2021 initiative to create a new digital agency focused on digitalization creates ideal conditions for a wave of technology and new economy startup companies to come to market in 2021. A successful Tokyo Olympic Games will further boost the country's economic activities.
- In Australia and New Zealand, the IPO market outlook continues to improve for H1 2021, with more IPOs from small-cap companies expected. Companies that demonstrated resilient business models during the COVID-19 pandemic, such as health and e-commerce sectors, and those exhibiting a strong growth story and a reason for listing, are likely to be successful in going public.
- In ASEAN, Q3 2020 and Q4 2020 recorded a steady number of IPOs (33 and 34 IPOs, respectively). However, proceeds rose significantly (US\$1.1b in Q3 2020 to US\$3.3b in Q4 2020), due to a rise in average deal size. This could signal the return in 2021 of more medium-sized IPOs, rather than just small-cap IPOs.

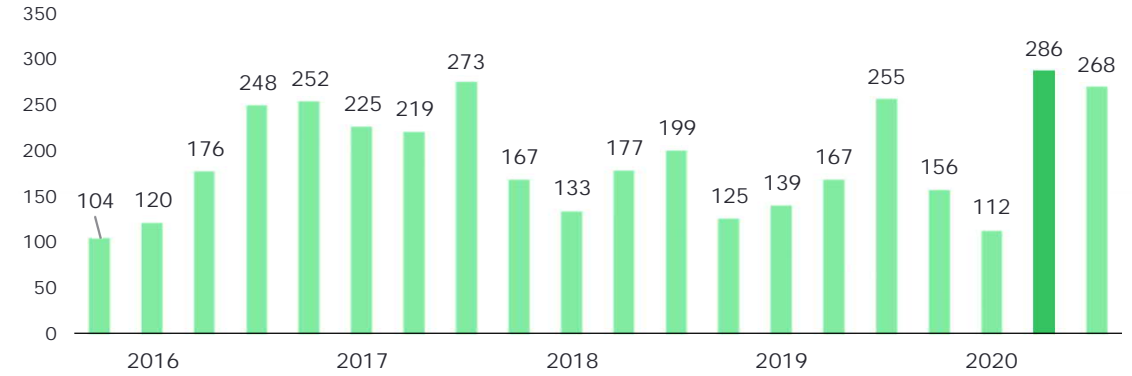
Asia-Pacific has been making a better recovery from the pandemic and it should continue to spearhead the global IPO activity in 2021. The US-China relationship and regulatory development will affect the cross-border IPO transactions going outbound from the region, and also the number of US FPIs that may contemplate for a secondary listing back into the region.

# Asia-Pacific IPO market: good first-day returns in selected IPOs continue to attract retail investors' interests despite market volatility

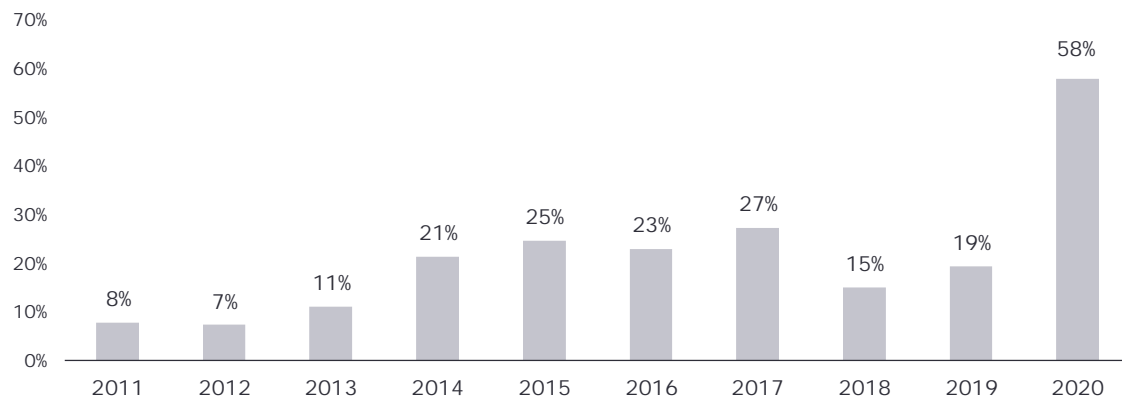
Annual IPO activity



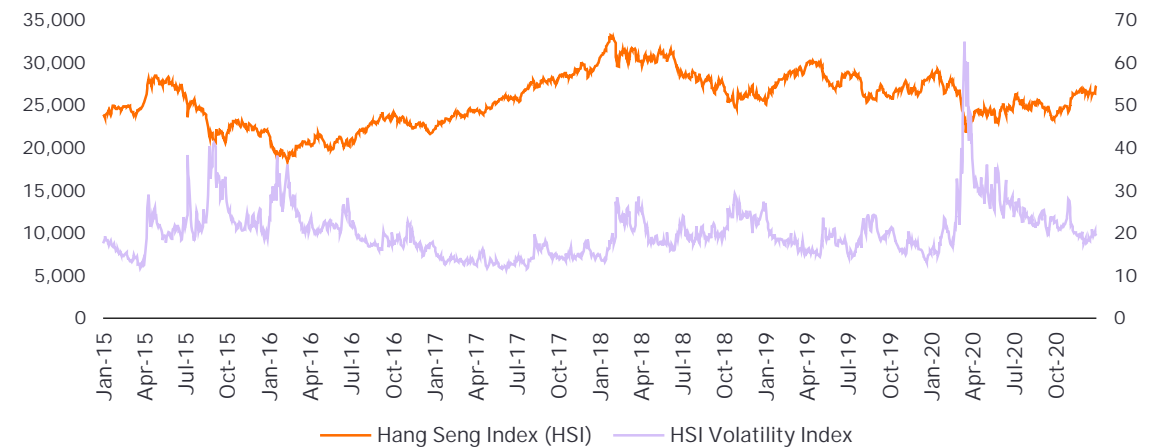
Quarterly IPO activity



Average first-day returns of IPOs (%)



Valuation and risk



As 2020 saw IPO activity at the second highest level, and average first-day returns more than doubled the previous high recorded in the last 10 years, there are signs of bubbles and speculations with more retail investors entering into the stock markets. Any signs of market uneasiness can exaggerate the volatility.

Source of IPO data: Dealogic, EY. Source of Hang Seng Index (HSI) and HSI Volatility Index: S&P Capital IQ. Hang Seng and HSI Volatility indices shown are daily figures.

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

## Greater China IPO activity in 2020 reaches record levels

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Greater China IPO activity remained robust in 2020 despite the negative impact of the COVID-19 pandemic. The A-share market has been boosted by the adoption of the registration-based system on the ChiNext exchange in 2020, after its successful introduction in 2019 when the STAR Market was launched. This system is expected to be extended to the Shanghai Main Board and the Shenzhen SME Board in 2021, marking an important milestone for the A-share capital market. In Hong Kong, secondary listings of US-listed Chinese companies have pushed up total proceeds – a trend we expect will continue in 2021.

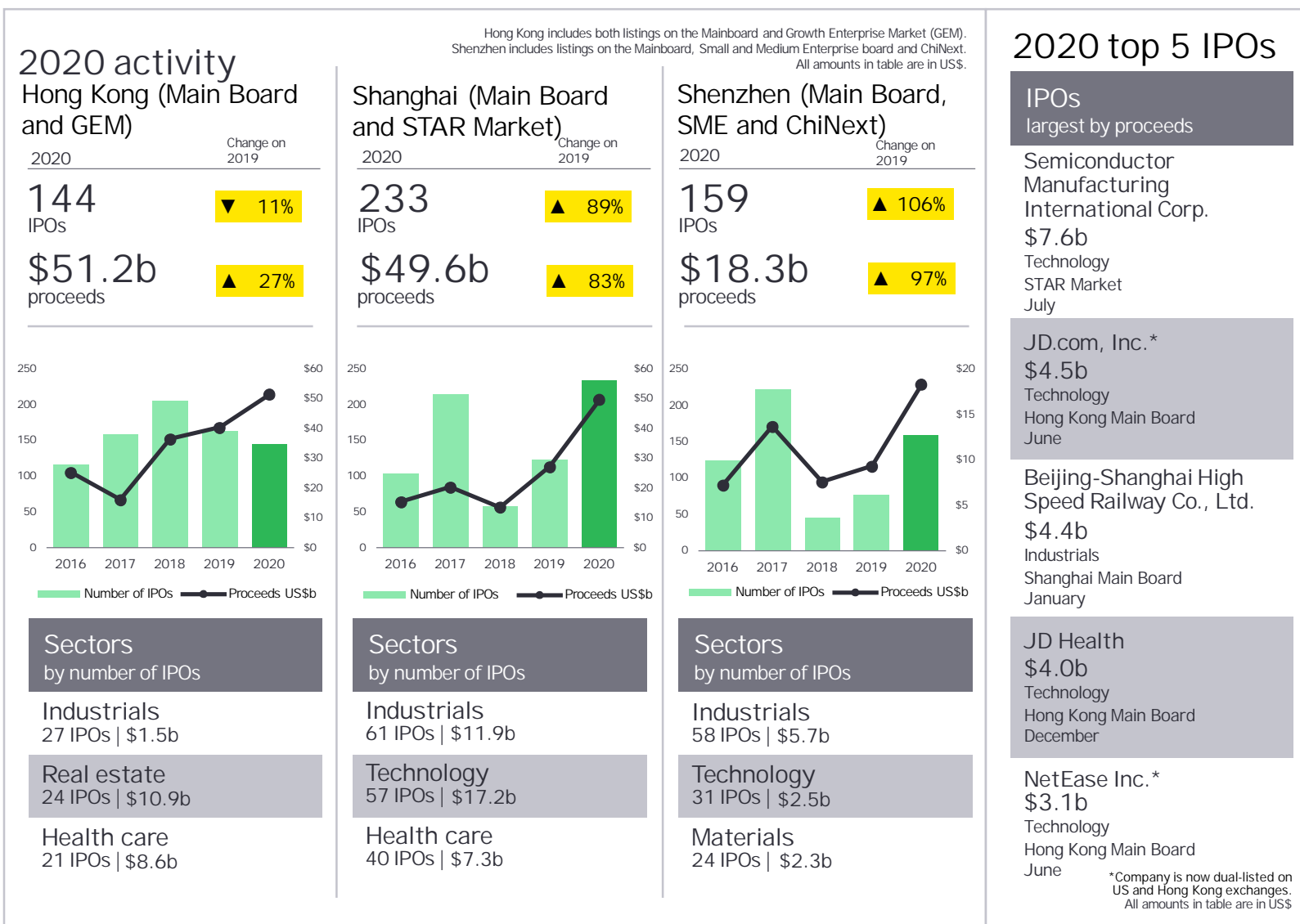
Terence Ho

EY Greater China IPO Leader



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

- Despite the COVID-19 pandemic, Greater China exchanges' deal numbers in 2020 increased by 47% compared with 2019, while proceeds rose 55%. Moreover, 2020 activity saw the highest proceeds (US\$119.1b via 536 IPOs) on Greater China exchanges since 2010 (US\$135.1b via 433 IPOs).
- Greater China accounted for three of the top five exchanges globally by deal numbers and proceeds in 2020. By sector, industrials once again dominated by deal numbers (27%) in 2020 while technology dominated by proceeds (30%).
- In Hong Kong, 2020 IPO activity saw an 11% decline in deal numbers compared with 2019 because of the negative impact of the COVID-19 pandemic. However, an uptick in secondary listings by US-listed Chinese companies on the Hong Kong Stock Exchange pushed 2020 proceeds 27% above 2019 levels. The technology sector had 18 IPOs and raised US\$15.9b, which is the largest sector by proceeds.
- Investor sentiment remained positive in Q4 2020, but returned to more rational levels. The average first-day returns of newly listed companies on the Hong Kong Main Board in Q4 2020 was 19.7% versus 27.4% in Q3 2020.
- In Mainland China, 2020 deal numbers and proceeds surged well ahead of 2019 totals. The surge was largely because of the STAR Market, which has attracted many technology companies since its launch in July 2019, and the move by the ChiNext to become registration-based since July 2020. With 2020 proceeds reaching US\$67.9b, total funds raised for the year exceeded the 20-year high set in 2010 (US\$61.5b).



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

- The Hong Kong Stock Exchange is proposing to increase the profit requirement for listed companies by 150% to 200%. The reform focuses on the profitability level of IPO candidates to align with the increase in market capitalization requirements introduced in 2018. The consultation period for the proposed reform ends on 1 February 2021. Depending on the outcome, the new reform may force some IPO candidates to choose the GEM Board for their listing.
- We expect Hong Kong IPO activities to remain active in 2021 and a small increase in listings in H1 2021 on the HKEx. It remains to be seen how the new proposed reform will be finalized, and how it will impact smaller to medium-sized companies that may not be able to meet the new track record profit requirements as currently proposed.
- In Mainland China, we expect an abundance of liquidity and the rollout of the registration-based system to the Shanghai Main Board and the Shenzhen SME Board to further promote IPO activity in 2021. We also anticipate a number of unicorn IPOs in 2021.
- Although much has been made of the proposed regulatory changes for Chinese and other overseas companies listed on the US exchanges, a review of Chinese company listings on the US exchanges for H2 2020 and H2 2019 reveals that proceeds were 452% higher and deal numbers rose by 13% in 2020. While the HFCAA may be a topical issue for politicians, investors seem relatively unconcerned. How this may affect the issuer's choice of IPO destination will depend on the policy development under the new US administration.
- Across Greater China, market reforms and active government policies have opened a transaction window for IPO candidates. Chinese companies looking to go public in the next 6 to 12 months should understand and take full advantage of these policies. IPO-bound companies in 2021 will also want to instill a governance culture that promotes transparency and accurate disclosures. The new registration-based system places a high priority on these attributes. Companies will want to be well-prepared to avoid any last-minute setbacks.

IPO pipeline		vs. September 2020
193	companies are in the China Securities Regulatory Commission (CSRC) pipeline	214
110	companies have submitted public filings with HKEx	147
246	companies are in the STAR Market pipeline	226
455	companies are in the ChiNext pipeline	354

Asia-Pacific – Japan IPO market insight

## Japan IPO markets shake off the worst of the COVID-19 pandemic

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IPO markets in Japan continued to gain momentum in Q4 2020, having recovered from the worst of the COVID-19 pandemic. With the government's intention to stay on course with Abenomics under Japan's new leader and with the administration's support of startups, we expect IPO activity to sustain its surge into the first half of 2021.

Masato Saito  
EY Japan IPO Leader

## Asia-Pacific – Japan IPO market highlights

- Japan's startup ecosystem continued to drive growth and stimulate IPO markets in Q4 2020. Technology companies maintained their dominance in Japan IPO activity by deal numbers and proceeds in both Q4 2020 and 2020 full year. Consumer products ranked second by deal numbers and proceeds for Q4 2020 and 2020. Other businesses, such as those in the retail sector, continued to face the negative effects of the pandemic.
- Q4 2020 IPO activity continued its rebound from earlier in 2020. Q4 2020 saw a rise of 95% by deal numbers and 170% increase by proceeds compared with Q3 2020, while Q4 2020 continued to improve from the early days of the COVID-19 pandemic. Quarter-on-quarter, Q4 2020 saw a modest rise of 8% by deal number while proceeds remained flat.
- During 2020, there were 93 IPOs with total proceeds of US\$3.3b on Japan exchanges, 4% higher by deal numbers, but 13% lower in proceeds than 2019 due to smaller average deal sizes.
- Japan exchanges ranked fifth among the top 12 global exchanges by deal numbers in 2020.
- The Tokyo Stock Exchange continues its course to integrate its five markets into three markets (Prime, Standard and Growth).

## Outlook

- The new administration's pledge to create a new digital agency in 2021 focused on digitalization creates ideal conditions for a wave of technology and new economy startup companies to come to the public market in 2021 and beyond. A successful Tokyo Olympic Games can further boost the economic confidence, and vice versa.
- Japanese IPO candidates looking to complete their IPOs in the next 6 to 12 months will want to maintain a course of growing revenues, strengthening compliance activities and demonstrating their resilience in the current economic environment.





Europe, Middle East, India and Africa

## More EMEIA IPO-bound companies leaped through the open IPO window in Q4 2020

“

Despite the impact of the pandemic, EMEIA IPO markets proved resilient and adaptive. After a period of high volatility and unusual uncertainties, we saw a strong rebound of IPO activity in Q4 2020, resulting in higher 2020 IPO activity than 2019. With continued momentum, expected vaccine success, high valuation and lower volatility levels, everything is in place for a strong start to 2021. IPO candidates will need to demonstrate resilience and rise to the level of ESG standards that investors are expecting.

Dr. Martin Steinbach

EY EMEIA IPO Leader

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

- During 2020, EMEIA saw a rise of 7% by deal numbers but 43% decline by proceeds compared with 2019. The notable decline is due to the US\$29.4b Saudi Aramco IPO in December 2019, which was the largest IPO on record. With this deal excluded, 2020 saw a 12% increase in proceeds compared with 2019.
- Despite a second wave of the COVID-19 pandemic, EMEIA continued to gain momentum in Q4 2020, with deal numbers increasing 97% over Q4 2019, but proceeds declined by 56% due to higher number of medium-sized IPOs. Again, Q4 2020 proceeds would rise by 122% with the exclusion of the Saudi Aramco IPO in the Q4 2019 figures.
- Technology (including eCommerce), industrials and health care, as well as other sectors that have indirectly benefited from the pandemic, thrived in 2020. For EMEIA technology and biotech companies, IPOs remain an opportunity to fund innovation and accelerate growth. For example, European COVID-19 vaccine makers BioNTech SE and CureVac NV went public in October 2019 and August 2020, respectively.
- EMEIA accounted for 4 of the top 12 exchanges by deal numbers in 2020: NASDAQ OMX, Indian exchanges, Oslo Bors and London. EMEIA also saw 4 exchanges among the top 12 by proceeds: London, Indian exchanges, Oslo Bors and Euronext.
- In Europe, IPO activity continued along a positive trajectory, with Q4 2020 numbers increasing 115%, while proceeds improved 122% over Q4 2019. 2020 deal numbers were 23% higher than 2019, while proceeds rose by 9%. Europe also saw four mega IPOs in Q4 2020 (including two from the UK as described below).
- In the UK, IPO activity in Q4 2020 maintained the momentum it had gained in Q3 2020, with two mega IPOs. Overall, 2020 deal numbers rose by 30%, while proceeds increased by 56% compared with 2019.
- MENA IPO activity rose 59% by deal numbers but proceeds fell by 93% in 2020 compared with 2019. By proceeds, Saudi Tadawul saw four IPOs that raised US\$1.4b in 2020, while the Tel Aviv Exchange saw 17 IPOs with total proceeds of US\$819m.
- In India, the momentum gained in Q3 2020 continued into Q4 2020 as 19 IPOs launched on Indian exchanges with proceeds totaling US\$1.8b. However, 2020 deal numbers declined 33% as compared with 2019, while proceeds increased 61%.



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

- With continued momentum from Q4 2020, expected vaccine success, high valuation and lower volatility levels, everything is in place for a strong start to 2021. Additionally, with the US presidential election decided and BREXIT negotiated, market sentiment across EMEIA appears more positive.
- Yet, even as volatility declines and hope rises, many uncertainties remain as we look ahead to 2021. Trends toward remote working, online shopping and a virtual IPO journey suggest that we will not be returning to the normal we once knew. In the new world order, companies and sectors that benefited during the pandemic will likely to continue to thrive, while those that have struggled may have to reimagine their business models for a world of less business travel, smaller commercial real estate footprints and greater virtual interaction. IPO candidates will need to demonstrate resilience and elevate their ESG standards to meet investor expectations.
- In Europe, improving investor sentiment and a healthy IPO pipeline bodes well for higher IPO activity levels in 2021 as IPO-bound companies that stood on the sidelines in 2020 take advantage of the open IPO window in 2021. That said, IPO candidates will have to keep a close eye on emerging trends in Europe, including the Green Deal, rising taxes and supply chain independence.
- In the UK, there is cause for cautious optimism in the IPO markets in 2021, and especially cross-border activity as foreign companies look to take advantage of high liquidity levels in the London markets. With clarity around the future relationship with Europe, confidence is building, but at the same time, we still expect some risks and volatility in Q1 2021 as the US navigates a transition of power following the US presidential election.

## Europe IPO snapshot

### Markets

2020	Change on 2019	2020	Change on 2019
185 IPOs	▲ 23%	\$27.4b proceeds	▲ 9%
8% of IPOs are financial sponsor-backed		32% of IPOs are financial sponsor-backed	

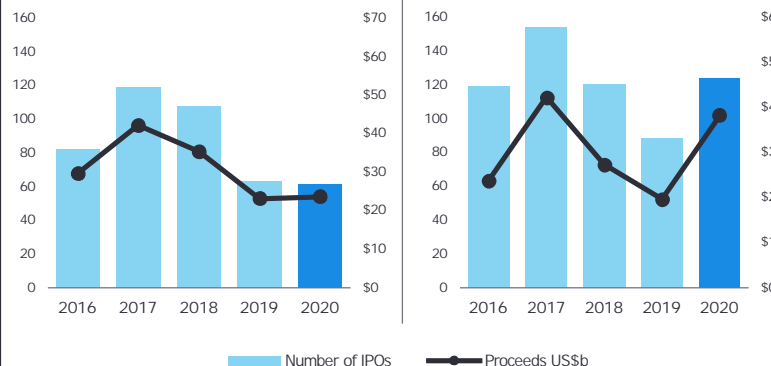
All amounts in table are in US\$

### Main markets

2020	Change on 2019
61 IPOs	▼ 3%
\$23.6b proceeds	▲ 2%

### Junior markets

2020	Change on 2019
124 IPOs	▲ 41%
\$3.8b proceeds	▲ 94%



### Activity 2020

#### Sectors by number of IPOs

Technology  
60 IPOs | \$9.6b

Industrials  
30 IPOs | \$2.4b

Health care  
24 IPOs | \$1.1b

#### IPOs largest by proceeds

JDE Peet's NV  
\$2.9b Consumer staples Euronext (Amsterdam) May

Allegro.eu SA  
\$2.7b Technology Warsaw (Main Market) October

THG Holdings plc  
\$2.4b Technology London (Main Market) September

#### Stock exchanges by total proceeds

London (Main and AIM)  
\$11.7b | 30 IPOs UK

Oslo Bors and Axess  
\$3.4b | 42 IPOs Norway

Euronext and Alternext  
\$3.3b | 11 IPOs Netherlands, France, Belgium, Portugal

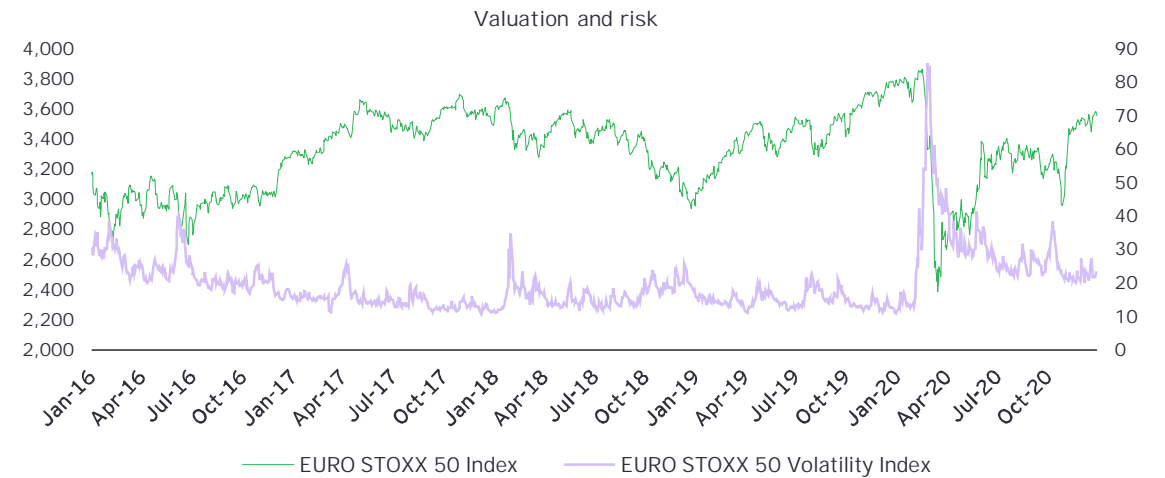
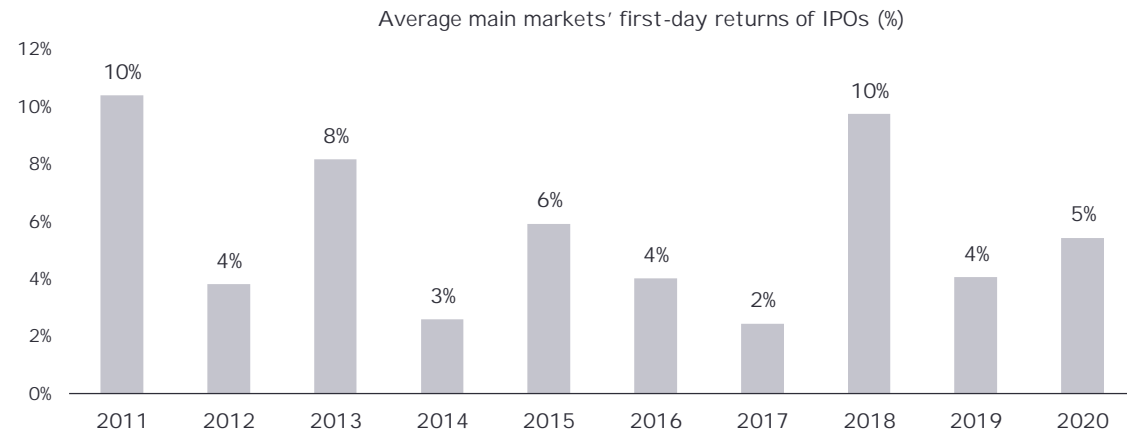
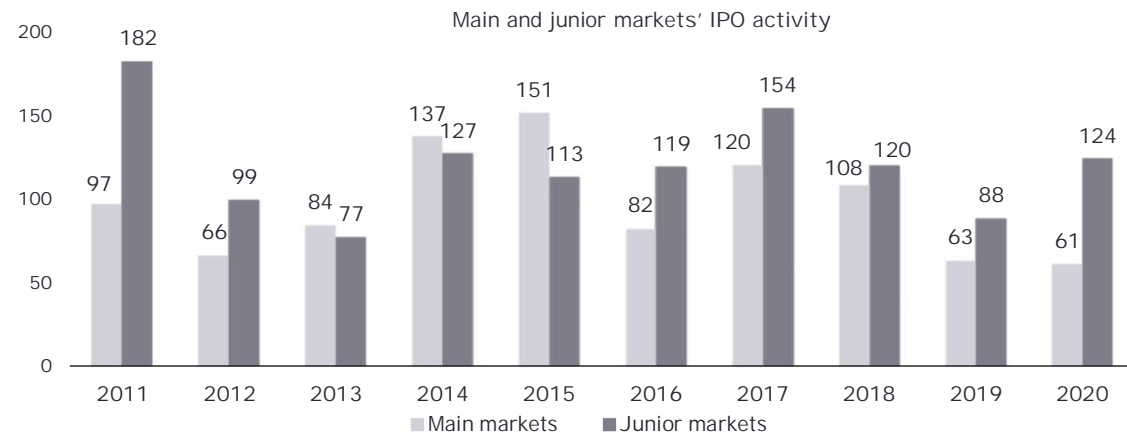
All amounts in table are in US\$

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

- In MENA, following Tadawul's launch in Q3 2020 of its derivatives market to enhance the depths of the Saudi capital markets, we expect more products, such as Single Stock Futures (SSFs) and options to launch in 2021. What impact this will have on IPO markets remains unknown, but is worth monitoring. In the UAE, IPO candidates should benefit from the region's move to a single regulator.
- In India, strong IPO momentum is expected to continue into 2021. The rush of IPOs in the latter part of 2020 and high investor demand raises the prospects for IPO companies in the pipeline. We expect more new economy companies to list in 2021. We also anticipate more cross-border activity with the approval from the Indian Parliament of direct overseas listings of Indian incorporated companies.
- Across EMEIA, ESG will need to be a top priority and a key part of the equity story for every IPO-bound company in 2021. More than ever before, investors will be looking for IPOs that are green, good and purposeful.

As part of IPO de-risking strategies, IPO-bound companies can also evaluate merging with a listed SPAC to better manage unexpected market volatility. Alongside SPACs, companies will want to consider traditional IPOs, direct listings, carve out and reverse mergers.

# EMEIA – Europe IPO market: first-day returns balancing the interests of issuers and investors at reasonable levels



IPO activity tends to be higher when valuation levels are up (reflected by higher equity indices) or market uncertainty is lower (as shown by lower volatility indices). IPO candidates should prepare for their IPO early to have the flexibility necessary to leap when narrow IPO windows are open.

Source of IPO data: Dealogic, EY. Source of EURO STOXX 50 Index and EURO STOXX 50 Volatility Index: S&P Capital IQ. EURO STOXX 50 and EURO STOXX 50 Volatility indices shown are daily figures.



EMEIA – UK IPO market insight

## IPO window stays open in the UK as momentum builds in Q4 2020

“

Despite a second wave of the COVID-19 pandemic in the UK, London markets demonstrated resilience, maintaining a strong and steady course in Q4 2020. With only two and a half quarters of activity, IPO deal numbers and proceeds have exceeded 2019 full year activity. With the London Markets ranked sixth in the world in terms of funds raised in 2020, we expect a busy 2021. UK IPO candidates should prepare to take advantage of the IPO window in the first half of 2021.

Scott McCubbin

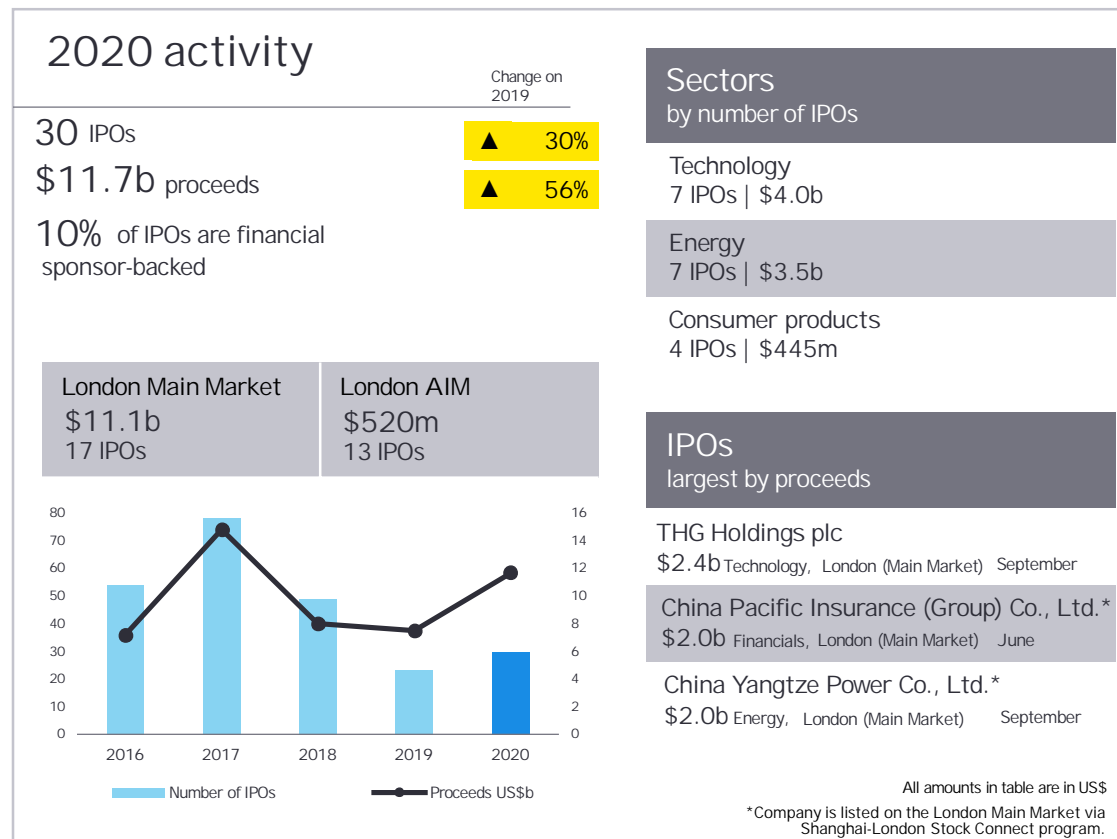
EY UK&I IPO Leader

# EMEIA – UK IPO market highlights

- Q4 2020 UK IPO activity continued apace, building on the positive momentum that started in Q3 2020 with IPO candidates seizing the open IPO window in H2 2020.
- The UK saw two IPOs with proceeds of US\$1b or more go public in Q4 2020 – Reinsurance startup Conduit Holdings Ltd. (US\$1.1b) and Kazakhstan’s Kaspi.kz JSC (US\$1b). Pipelines are healthy, equity capital markets are busy and with the UK still ranked sixth globally by funds raised, the UK IPO market appears to be returning to business as usual.
- Technology and energy were the most active sectors by deal numbers in Q4 2020, demonstrating the resilience of some companies to thrive amid adversity.

## Outlook

- Even as the new variant of the COVID-19 virus continues to have an impact in the UK, we remain cautiously optimistic about the months ahead. COVID-19 vaccines have received approval for use in the UK and confidence continues to build with the Brexit deal now giving clarity around the future relationship with Europe. At the same time, we still expect some risks and volatility in Q1 2021 as the US navigates a transition of power following the US presidential election.
- Some businesses have been able to seize an advantage during the COVID-19 pandemic, which has accelerated their business plans. We expect some of these businesses to come to market sooner than would have been the case in pre-pandemic times.
- We are also seeing continued activity in follow-on fundraising as issuers shore up balance sheets and maintain liquidity, and in some cases, transact. The pandemic has forced large companies to re-examine their portfolios, resulting in some demerger activity and spinoffs that could wind up in the IPO pipeline.
- Technology, health care (including biotech) and consumer brands that are not dependent on the high streets will keep coming to the public markets and we may also see increased interest in renewables. However, we expect traditional retail, automotive and aerospace will continue to struggle until the fallout from the pandemic is more fully understood.



We expect competition for capital. Companies looking to go public in 2021 in the UK will need to be ready, maintain flexibility and demonstrate that they can thrive in any environment.

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## Top 12 stock exchanges

## By number of IPOs

2020 full year

Ranking	Stock Exchange	Number of deals	% of global IPOs
1	Shanghai (SSE and STAR)	233	17.1%
2	US NASDAQ	181	13.3%
3	Shenzhen (SZSE and Chinext)	159	11.7%
4	Hong Kong (HKEx and GEM)	144	10.6%
5	Tokyo(First Section, Second Section), MOTHERS, JASDAQ and PRO	93	6.8%
6	Australia (ASX)	75	5.5%
7	Indonesia (IDX)	50	3.7%
8	NASDAQ OMX and First North	44	3.2%
9	India National (NSE and SME) and Bombay (BSE and SME)	43	3.1%
10	New York (NYSE)	43	3.1%
11	Oslo Bors and Axess	42	3.1%
12	London (Main and AIM)	30	2.2%
	All other exchanges	226	16.6%
	<b>Global IPO Activity</b>	<b>1,363</b>	<b>100.0%</b>

2019 full year

Ranking	Stock Exchange	Number of deals	% of global IPOs
1	Hong Kong	162	14.1%
2	US NASDAQ	130	11.3%
3	Shanghai	123	10.7%
4	Tokyo	85	7.4%
5	Shenzhen	77	6.7%
6	India	64	5.6%
7	Indonesia	55	4.8%
8	Korea (KRX) and KOSDAQ	53	4.6%
9	Australia	49	4.3%
10	US NYSE	38	3.3%
11	NASDAQ OMX and First North	35	3.1%
12	Borsa Italiana (Main Market and AIM)	34	3.0%
	All other exchanges	241	21.1%
	<b>Global IPO Activity</b>	<b>1,146</b>	<b>100.0%</b>

## By proceeds

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 (Amsterdam, Brussels, Paris, Lisbon)	3.3	1.2%
	All other exchanges	23.0	8.7%
	<b>Global IPO Activity</b>	<b>268.0</b>	<b>100.0%</b>

Ranking	Stock Exchange	Proceeds (US\$b)	% of global IPOs
1	Hong Kong	40.3	19.4%
2	Saudi (Tadawul and Nomu Parallel Market)	30.5	14.6%
3	US NASDAQ	27.4	13.1%
4	Shanghai	27.1	13.0%
5	US NYSE	23.3	11.2%
6	Shenzhen	9.3	4.5%
7	London	7.5	3.6%
8	Deutsche Börse (Main and Scale)	4.0	1.9%
9	Tokyo	3.8	1.8%
10	Thailand	3.7	1.8%
11	Euronext and Alternext	3.3	1.6%
12	Switzerland SIX Swiss	3.0	1.5%
	All other exchanges	25.1	12.0%
	<b>Global IPO Activity</b>	<b>208.3</b>	<b>100.0%</b>

\*Data based on domicile of the exchange, regardless of the listed company domicile. Euronext includes Amsterdam, Paris, Brussels and Lisbon; Shenzhen (SZSE) includes the Main Board, SME Board and ChiNext. Figures may not total 100% due to rounding. 2020 refers to the full year of 2020 and covers completed IPOs from 1 January 2020 to 31 December 2020. Data as of COB 3 January 2021.

## Regional IPO facts and figures: Americas

Quarterly comparison

Regions/country*	IPOs YTD	Change YOY%	Proceeds US\$b YTD	Change YOY%	IPOs current quarter: Q4 2020	Change QOQ% (vs. Q4 2019)	Change previous quarter% (vs. Q3 2020)	Proceeds US\$b current quarter: Q4 2020	Change QOQ% (vs. Q4 2019)	Change previous quarter% (vs. Q3 2020)
US	224	33%	86.2	70%	75	83%	-11%	30.5	375%	-9%
Canada <sup>1</sup>	26	-32%	1.5	189%	9	-25%	50%	0.6	160%	-33%
Brazil	28	460%	8.5	242%	10	233%	-23%	4.0	203%	14%
Mexico <sup>2</sup>	2	NA	1.6	NA	0	NA	-100%	0.0	NA	-100%
Jamaica <sup>3</sup>	2	-50%	0.1	151%	0	-100%	NA	0.0	-100%	NA
Chile <sup>4</sup>	0	-100%	0.0	-100%	0	NA	NA	0.0	NA	NA
<b>Americas</b>	<b>282</b>	<b>30%</b>	<b>97.9</b>	<b>78%</b>	<b>94</b>	<b>62%</b>	<b>-10%</b>	<b>35.1</b>	<b>340%</b>	<b>-8%</b>

1. In 2020, there were 12 IPOs raising US\$1.5b in total on Toronto Stock Exchange and TSX Venture Exchange. There were also 14 IPOs on the Canadian Securities Exchange that raised US\$18m altogether – these listings were excluded on page 11. Whereas in Q4 2020, there were 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 in total. In comparison, Q4 2019 saw seven IPOs raising US\$223m on Toronto Stock Exchange and TSX Venture Exchange, while there were five IPOs on Canadian Securities Exchange that raised US\$3m combined.

2. In 2020, there were two IPOs on the Mexican Stock Exchange that raised US\$1.6b in total, these took place in Q2 2020 and Q3 2020. There were no IPOs on the Mexican Stock Exchange during 2019.

3. In 2020, there were two IPOs on the Jamaica Stock Exchange, which raised US\$118m altogether. Both IPOs were completed during Q1 2020. There were no IPOs on the exchange during Q4 2020 while there were two IPOs that raised US\$5m in Q4 2019.

4. In 2020, there were no IPOs on Chile's Santiago Stock Exchange, while there were two IPOs in 2019 that raised US\$1.1b. There was one IPO in Q1 2019 that raised US\$69m and one IPO in Q2 2019, which raised US\$1.1b.



## Regional IPO facts and figures: Asia-Pacific

Quarterly comparison

Regions/country*	IPOs YTD	Change YOY%	Proceeds US\$b YTD	Change YOY%	IPOs current quarter: Q4 2020	Change QOQ% (vs. Q4 2019)	Change previous quarter% (vs. Q3 2020)	Proceeds US\$b current quarter: Q4 2020	Change QOQ% (vs. Q4 2019)	Change previous quarter% (vs. Q3 2020)
Indonesia	50	-9%	0.4	-65%	5	-71%	-72%	0.0	-90%	-77%
Thailand	28	-10%	4.9	33%	19	19%	171%	1.9	-39%	162%
Singapore	11	0%	1.0	-58%	4	300%	300%	0.5	-31%	>1,000%
Malaysia	18	-31%	0.5	0%	5	25%	-17%	0.4	627%	>1,000%
Philippines	3	-25%	0.8	112%	1	0%	0%	0.5	>1,000%	105%
Cambodia <sup>1</sup>	1	NA	0.1	NA	0	NA	NA	0.0	NA	NA
<b>Asean<sup>1</sup></b>	<b>111</b>	<b>-13%</b>	<b>7.7</b>	<b>-5%</b>	<b>34</b>	<b>-15%</b>	<b>3%</b>	<b>3.3</b>	<b>-20%</b>	<b>200%</b>
Mainland China	392	96%	67.9	86%	98	34%	-44%	17.0	6%	-45%
Hong Kong	144	-11%	51.2	27%	45	-32%	13%	23.4	1%	49%
Taiwan <sup>2</sup>	0	-100%	0.0	-100%	0	-100%	NA	0.0	-100%	NA
<b>Greater China</b>	<b>536</b>	<b>47%</b>	<b>119.1</b>	<b>55%</b>	<b>143</b>	<b>2%</b>	<b>-34%</b>	<b>40.4</b>	<b>3%</b>	<b>-14%</b>
<b>Japan</b>	<b>93</b>	<b>4%</b>	<b>3.3</b>	<b>-13%</b>	<b>39</b>	<b>8%</b>	<b>95%</b>	<b>2.0</b>	<b>0%</b>	<b>170%</b>
<b>South Korea</b>	<b>6</b>	<b>-89%</b>	<b>2.3</b>	<b>-4%</b>	<b>2</b>	<b>-89%</b>	<b>-50%</b>	<b>1.2</b>	<b>-13%</b>	<b>-9%</b>
Australia	75	53%	3.8	60%	49	145%	277%	3.4	138%	>1,000%
New Zealand <sup>3</sup>	1	-50%	0.0	-92%	1	NA	NA	0.0	NA	NA
<b>Oceania</b>	<b>76</b>	<b>49%</b>	<b>3.8</b>	<b>50%</b>	<b>50</b>	<b>150%</b>	<b>285%</b>	<b>3.4</b>	<b>139%</b>	<b>&gt;1,000%</b>
<b>Asia-Pacific</b>	<b>822</b>	<b>20%</b>	<b>136.2</b>	<b>45%</b>	<b>268</b>	<b>5%</b>	<b>-6%</b>	<b>50.3</b>	<b>4%</b>	<b>0%</b>

1. There were no IPOs on Myanmar, Maldives and Vietnam's stock exchanges during 2020. There was one IPO on the Cambodia Stock Exchange, which raised US\$87m during Q2 2020, whereas there were no IPOs during 2019.

2. In 2020, there were no IPOs on the Taiwan Stock Exchange. Whereas in Q4 2019, there was one IPO that raised US\$20m.

3. In 2020, there was one IPO on the New Zealand Exchange raising US\$1m, which was completed in Q4 2020. Whereas, there were no IPOs in Q4 2019.

\*Data based on domicile of the exchange, regardless of the listed company domicile. Euronext includes Amsterdam, Paris, Brussels and Lisbon; Shenzhen (SZSE) includes the Main Board, SME Board and ChiNext. Figures may not total 100% due to rounding. 2020 refers to the full year of 2020 and covers completed IPOs from 1 January 2020 to 31 December 2020. Data as of COB 3 January 2021.

# Regional IPO facts and figures: EMEIA

Quarterly comparison

Regions/country*	IPOs YTD	Change YOY%	Proceeds US\$b YTD	Change YOY%	IPOs current quarter: Q4 2020	Change QOQ% (vs. Q4 2019)	Change previous quarter% (vs. Q3 2020)	Proceeds US\$b current quarter: Q4 2020	Change QOQ% (vs. Q4 2019)	Change previous quarter% (vs. Q3 2020)
Nordics (Denmark, Norway, Sweden and Finland)	96	104%	6.7	85%	51	200%	155%	4.8	374%	386%
Central and Southern Europe (CESA)	15	-32%	3.4	>1,000%	7	17%	133%	3.4	>1,000%	>1,000%
Germany, Switzerland and Austria (GSA)	10	-17%	1.3	-82%	3	200%	0%	0.2	-74%	-72%
Mediterranean (Italy and Spain)	23	-38%	1.0	-69%	15	25%	275%	0.3	-27%	>1,000%
WEM (Western Europe)	11	22%	3.3	2%	4	-33%	100%	0.1	-96%	20%
<b>Continental Europe</b>	<b>155</b>	<b>22%</b>	<b>15.7</b>	<b>-10%</b>	<b>80</b>	<b>90%</b>	<b>150%</b>	<b>8.8</b>	<b>63%</b>	<b>380%</b>
UK and Ireland <sup>1</sup>	30	25%	11.7	52%	21	320%	320%	4.5	663%	1%
<b>Europe</b>	<b>185</b>	<b>23%</b>	<b>27.4</b>	<b>9%</b>	<b>101</b>	<b>115%</b>	<b>173%</b>	<b>13.3</b>	<b>122%</b>	<b>111%</b>
Africa and WEM (Maghreb) <sup>2</sup>	3	-25%	0.1	-8%	1	0%	0%	0.1	-37%	253%
India <sup>3</sup>	44	-38%	4.1	58%	19	58%	138%	1.8	408%	117%
Middle East and North Africa <sup>4</sup>	27	59%	2.3	-93%	7	40%	-22%	0.8	-97%	62%
<b>EMEIA</b>	<b>259</b>	<b>7%</b>	<b>33.9</b>	<b>-43%</b>	<b>128</b>	<b>97%</b>	<b>133%</b>	<b>16.0</b>	<b>-56%</b>	<b>109%</b>

- In 2020, there were 17 IPOs on the London Main Market which raised US\$11.1b, while 13 IPOs on AIM raised a total of US\$520m. There were no IPOs on Dublin Stock Exchange in 2020, versus one IPO that raised US\$158m in 2019.
- In 2020, there were two IPOs on the Malawi Stock Exchange that raised a total of US\$48m, which took place in Q1 2020 and Q3 2020. There was one IPO on Morocco's Casablanca Stock Exchange that raised US\$67m in Q4 2020.
- In 2020, India includes India's National and Bombay Stock Exchange Main Market and SME (43 IPOs, US\$4.1b) and Bangladesh's Dhaka Stock Exchange (one IPO, US\$7m). In Q4 2020, there were 19 IPOs raising US\$1.8b on India's exchanges. During Q4 2019, there were 11 IPOs (US\$343m) on India's National and Bombay Stock Exchange Main Market and SME and one IPO on the Dhaka Stock Exchange that raised US\$18m.
- Middle East and North Africa includes IPO activity on Saudi (Tadawul and Nomu Parallel Market), Israel, Pakistan, Egypt, Kuwait and Oman exchanges. In 2020, there were four IPOs that raised a total of US\$1.4b on Saudi, 17 IPOs raising US\$819m on Israel's Tel Aviv Stock Exchange, three IPOs on Pakistan that raised US\$34m and one each on Kuwait, Egypt and Oman that raised US\$33m, US\$13m, and US\$13m respectively. In Q4 2020, there was one IPO each on Saudi Arabia and Pakistan exchanges, which raised US\$585m and US\$24m respectively. Israel saw five IPOs raise US\$174m in Q4 2020. During Q4 2019, MENA saw one IPO each from Saudi Arabia, Qatar, Israel, Egypt, Oman raising US\$29.4b, US\$395m, US\$144m, US\$109m and US\$23m 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 26-30) and UK section (page 31-32).

\*Data based on domicile of the exchange, regardless of the listed company domicile. Euronext includes Amsterdam, Paris, Brussels and Lisbon; Shenzhen (SZSE) includes the Main Board, SME Board and ChiNext. Figures may not total 100% due to rounding. 2020 refers to the full year of 2020 and covers completed IPOs from 1 January 2020 to 31 December 2020. Data as of COB 3 January 2021.

## Most active sectors around the world

Summary of the top three sectors by number of IPOs, by region\* and sub-region\* for Q4 2020 (▲) and YTD 2020 (■)

Stock exchange regions	Technology	Industrials	Health care	Materials	Consumer products	Consumer staples	Real estate	Energy	Retail	Financials	Media and entertainment	Telecommunications
Americas	▲■	■	▲■						▲			
•US	▲■		▲■		■				▲			
Asia-Pacific	▲■	▲■		▲■								
•Greater China	▲■	▲■	■	▲								
•Japan <sup>1</sup>	▲■	▲■	▲		▲■							
EMEIA <sup>2</sup>	▲■	▲■	■			▲		▲				
•Europe <sup>3</sup>	▲■	▲■	▲■			▲		▲				
•UK <sup>4</sup>	▲■		▲■		■			▲■				
Global	▲■	▲■	▲■									
Q4 2020 IPO activity	115	75	76	52	37	32	33	23	16	19	6	6
2020 IPO activity	324	243	235	122	90	83	77	65	45	44	23	12

\* 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 Q4 2020, Japan exchanges saw four active sectors. Technology led with 19 IPOs and consumer products saw 11 IPOs. Industrials and health care accounted for two IPOs each with proceeds of US\$25m and US\$23m respectively.

2. For Q4 2020, EMEIA exchanges saw four active sectors. Technology led with 36 IPOs and industrials saw 22 IPOs. Energy and consumer staples accounted for 11 IPOs each with proceeds of US\$1.4b and US\$379m respectively.

3. For Q4 2020, European exchanges saw five active sectors. Technology led with 34 IPOs and industrials saw 18 IPOs. Energy, consumer staples and health care accounted for eight IPOs each with proceeds of US\$1.3b, US\$292m and US\$142m respectively.

4. For 2020, UK exchanges saw four active sectors. Technology and energy led with seven IPOs each, with proceeds of US\$4.0b and US\$3.5b respectively. Consumer products and health care accounted for four IPOs each with proceeds of US\$445m and US\$216m respectively.

## Methodology

- The data presented in the *Global IPO trends: Q4 2020* report and press release is from Dealogic and EY. Q4 2020 (i.e., January–December) and 2020 (January–December) is based on completed IPOs as of 31 December 2020 (i.e., IPOs that has started trading by 31 December 2020). Data is up to 3 January 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, Chile, Colombia, Jamaica, Mexico and Peru.
- Asean includes Brunei, Cambodia, Guam, Indonesia, Laos, Malaysia, Maldives, Myanmar, North Mariana Islands, Philippines, Singapore, Sri Lanka, Thailand and Vietnam.
- Asia includes Bangladesh, Greater China, Indonesia, Japan, Laos, Malaysia, Philippines, Singapore, South Korea, Sri Lanka, Thailand and Vietnam.
- Asia-Pacific includes Asia (as stated above) plus Australia, New Zealand, Fiji and Papua New Guinea.

- Central and South America includes Argentina, Bermuda, Brazil, Chile, Colombia, Ecuador, Jamaica, Mexico, Peru and Puerto Rico.
- EMEIA includes Armenia, Austria, 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.
- North America consists of the United States and Canada.

## 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 versus the closing price at their first trade date, with the exception of the US section (page 12 and 13), where this is the mean of issuers' offer price versus 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 31 December 2020 versus 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 12 months of 2020 with the first twelve 12 of 2019 for this current report.
- YTD stands for year-to-date. This refers to priced IPOs from 1 January to 31 December 2020.

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