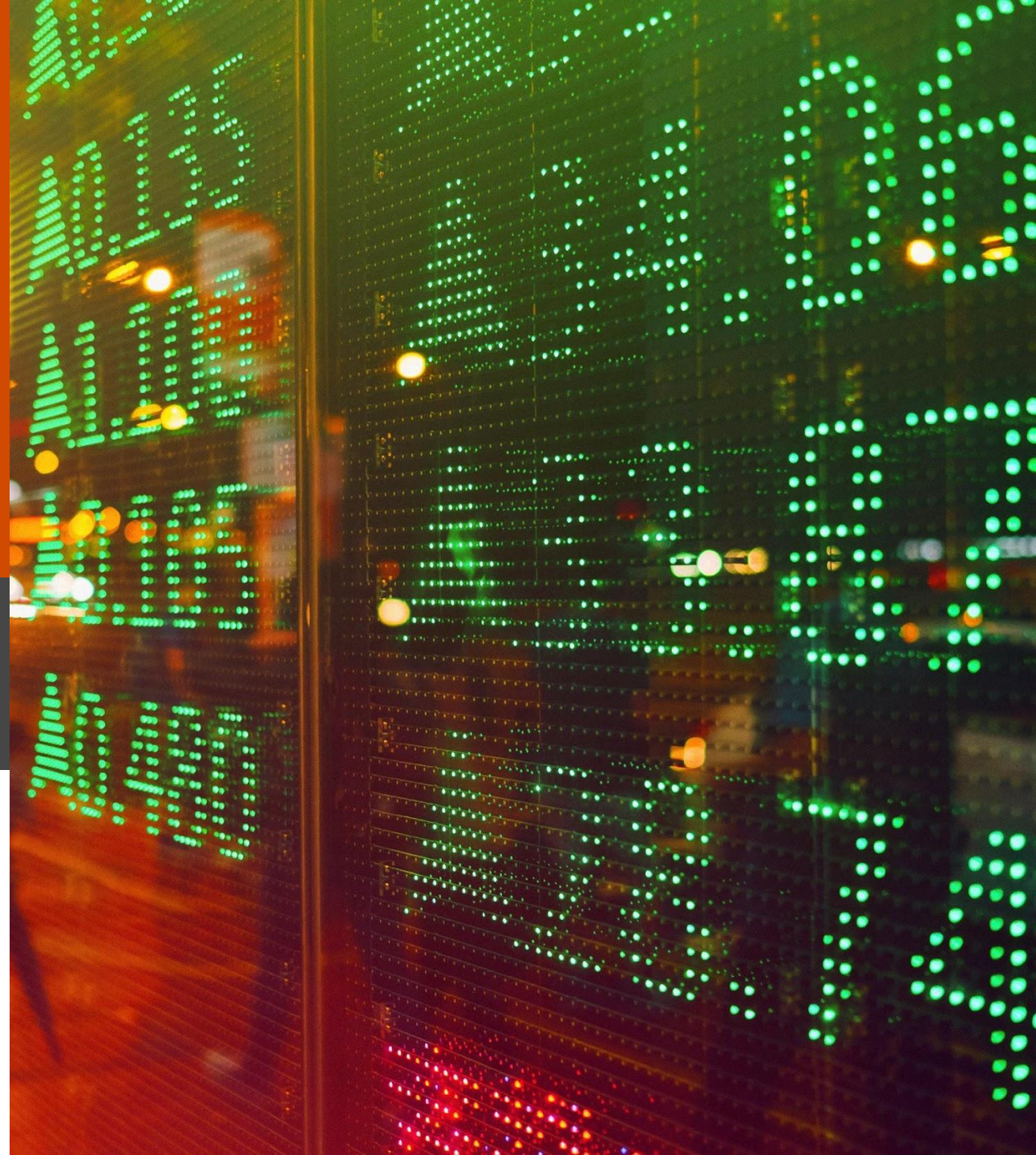


# Global IPO Watch Q1 2022

A PwC Global IPO Centre publication



# Q1 2022 overview and outlook for the remainder 2022

## Q1 2022 overview

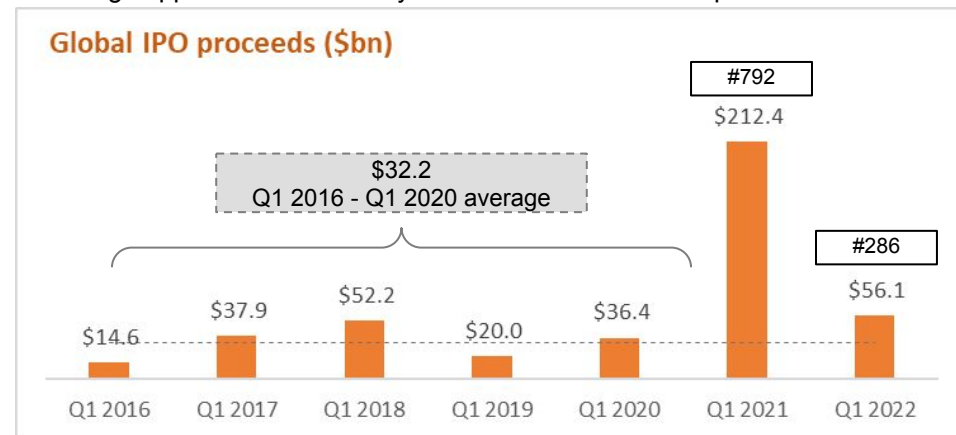
After a record 2021 for equity markets and IPOs, 2022 started with more concerns over IPO pricing and over the potential impact of renewed inflationary risks to the global economy and to corporate prospects. Even though the impact of the Omicron variant was milder and more short-lived than anticipated, higher volatility and more challenging markets for IPO's existed even before the war in Ukraine which, inevitably, materially stalled IPO activity in many markets (with notable exceptions in China and the Middle East).

Volatility levels have returned to those experienced in 2020 in the midst of the global pandemic with global indices ending the first quarter lower than December 2021.

Whilst Q1 2022 global IPO proceeds of \$56.1bn was notably higher than the pre pandemic five year average (\$32.3bn), the global geopolitical and economic outlook has had a significant impact on EMEA and Americas IPO activity in the quarter. The Asia-Pacific region has been more robust, with the region achieving IPO proceeds of \$34.2bn, 61% of total Q1 2022 global IPO proceeds. Transactions included:

- \$18.2bn proceeds raised in China; and
- South Korea's largest IPO on record with LG Energy Solution raising \$10.7bn in January.

Q1 2021 saw the strongest first quarter for global IPO activity in recent history, to a large extent reflecting suppressed IPO activity in 2020 due to the Covid pandemic.



Source: Dealogic as of 31 March 2022

## Outlook for 2022

Predicting a timescale for the return of appetite for IPOs is challenging at this point. Significant investor liquidity remains, but inflationary risks remain a heightened concern and market volatility is a significant impediment to pricing an IPO. The war in Ukraine will weigh heavily on sentiment until there is a clearer path for resolution.

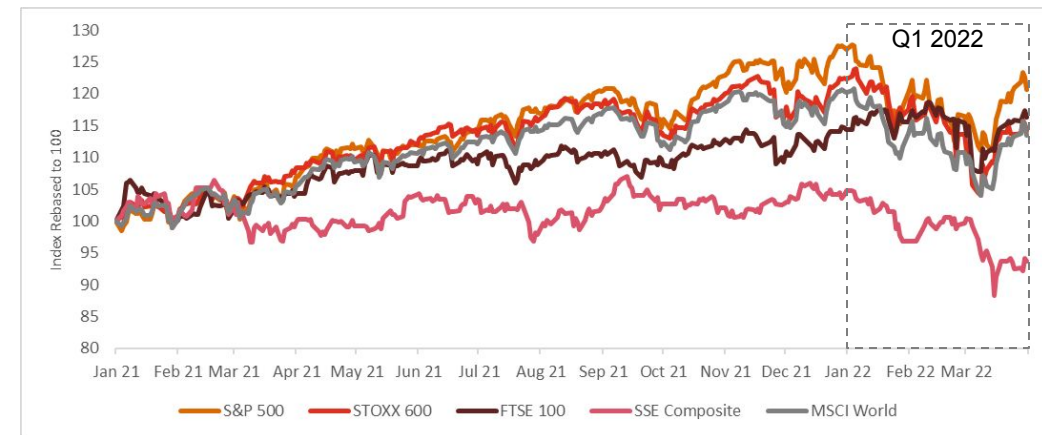
Having said this, we do see preparations underway for some significant assets in order to be ready to take advantage of a market window if one opens and the backlog of IPOs could lead to a strong upswing in volumes if volatility does moderate.

ESG continues to gain increasing focus from equity investors and will be a critical factor in their investment decisions. Regulators are beginning to catch up and in March 2022 the SEC proposed rule amendments that would require public companies to include certain climate-related information in their registration statements and periodic reports.

Given all of these factors, we would expect a heightened focus on risk management, corporate and market resilience.

**Stuart Newman**  
PwC Global IPO Centre Leader  
PwC United Kingdom

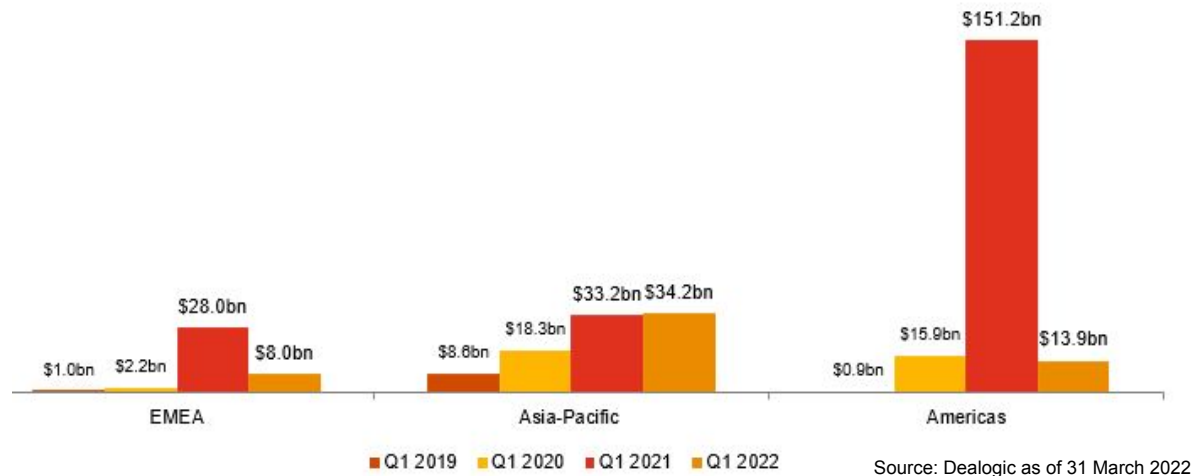
**Nadja Picard**  
PwC Europe Capital Markets Leader  
PwC Germany



Source: Dealogic, Bloomberg as of 31 March 2022.

# IPOs - Q1 2022 highlights (1 of 2)

## IPO proceeds by region (\$bn)



## Regions

### Asia-Pacific

Q1 2022 IPO proceeds in the Asia-Pacific region were broadly in-line with Q1 2021 countering the trend elsewhere, mainly due to China issuance. Technology and Consumer Discretionary sectors accounted for more than half of the total proceeds.

### EMEA

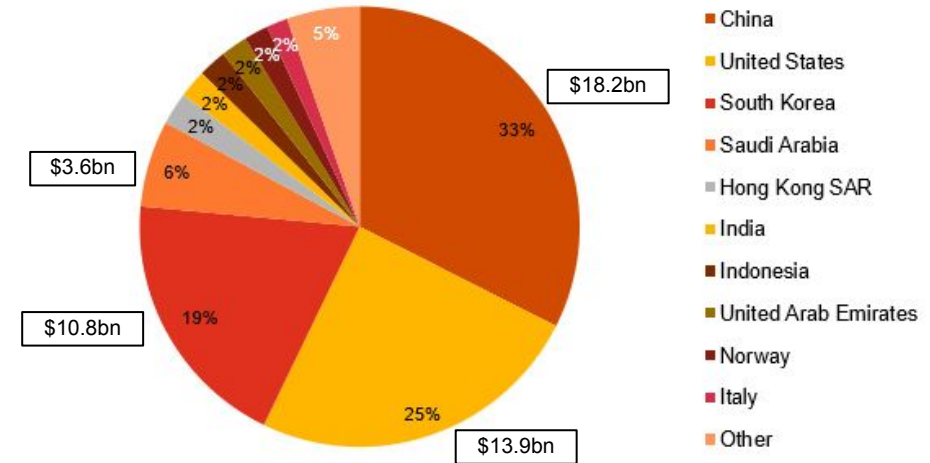
Whilst IPO proceeds in the EMEA region were notably higher than the first quarter of 2019 and 2020, largely driven by the Middle East, there was a \$20.0bn (71%) decline on Q1 2021.

IPO issuance was building momentum in January and February across EMEA. However, this came to an abrupt end in early March with the exception of Saudi Arabia, where four IPOs raised \$1.9bn representing the vast majority of March 2022 EMEA IPO proceeds of \$2.3bn.

### Americas

The Americas IPO market was also building momentum in January and February with \$12.4bn raised in the first two months of the quarter, whereas March IPO proceeds were \$1.5bn. \$10.0bn (72%) of the total Americas IPO proceeds (\$13.9bn) were attributable to SPACs. This compares with \$96.0bn (63%) in Q1 2021.

## Top 10 countries (% of Global IPO proceeds)



Source: Dealogic as of 31 March 2022

## Top 10 countries

Q1 2022 was the first quarter in recent years where **China** IPO proceeds were higher than the US; 77 IPOs raised \$18.2bn (Q1 2021: 116 IPOs / \$12.6bn). The average IPO size was \$0.2bn.

**US** IPOs raised \$13.9bn in proceeds this quarter, \$10.0bn of which were SPAC IPOs (see *overleaf for further analysis of SPAC IPOs*).

**South Korea's** largest IPO on record, LG Energy Solution, raised \$10.7bn in January. This was also the largest global IPO of the quarter. LG Energy Solution is the world's second-largest battery maker.

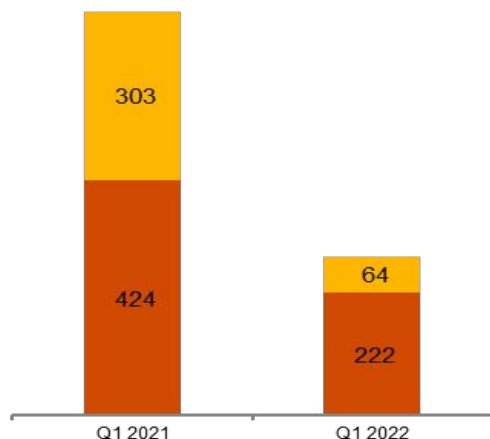
There were 13 IPOs in **Saudi Arabia** in Q1 2022 with total proceeds of \$3.6bn (Q1 2021: 2 IPOs / \$0.3bn), including \$1.4bn raised by Nahdi Medical Co, a Saudi pharmacy chain.

**Hong Kong SAR** IPO activity was subdued in Q1 2022, 12 IPOs raised \$1.3bn (Q1 2021: 27 IPOs / \$10.9bn) representing the worst quarter since 2009.

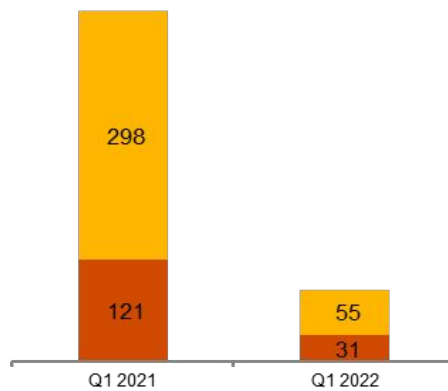
The **UK** was not in the top 10 countries in terms of IPO proceeds with only 10 IPOs raising total proceeds of \$0.5bn, a considerable decline on Q1 2021 where 21 IPOs raised \$8.3bn.

# IPOs - Q1 2022 highlights (2 of 2)

## SPAC IPOs - Global



## SPAC IPOs - Americas



■ Number of traditional IPOs ■ Number of SPACs

■ Number of traditional IPOs ■ Number of SPACs

Source: Dealogic as of 31 March 2022

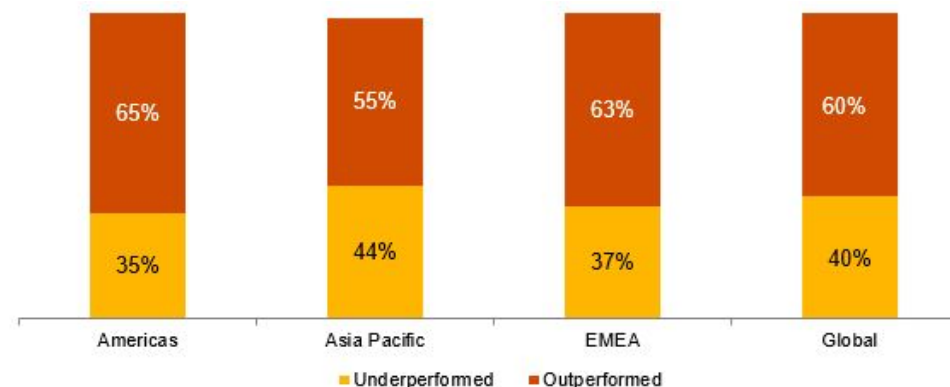
In Q1 2021, SPAC IPOs represented 42% of global IPOs. In Q1 2022 the proportion dropped to 22%. In the Americas region, which still accounted for the majority of SPACs, SPAC IPOs and SPAC merger announcements slowed down markedly as they face increased challenges due to declining investor sentiment combined with relatively poor post-merger price performance. They also must contend with proposed new SEC regulations announced at the end of the first quarter.

55 of all global SPAC IPOs (64) took place in the Americas. Outside of the Americas:

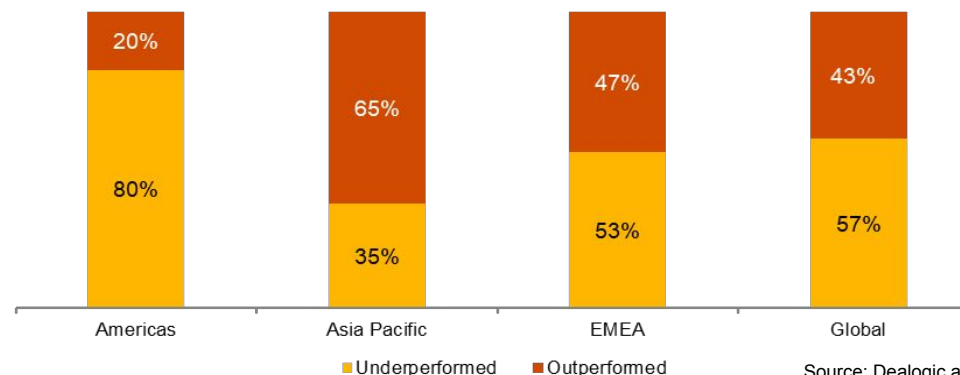
- Aquila Acquisition Corp raised \$127.8m in Hong Kong SAR's first ever SPAC IPO;
- Three SPAC IPOs in Singapore raised \$345.5m as this asset class gathers interest from Asian investors; and
- Europe continued to see SPAC activity with two SPAC IPOs in London and one each in Frankfurt and Amsterdam.

Globally, over 600 SPACs are still searching for acquisition targets and in excess of \$200bn of capital has been raised by SPACs in recent years. This represents a significant potential deal pipeline as these SPACs look for opportunities to de-SPAC within their 2-year life.

## Q1 2022 - % of IPOs outperforming / underperforming MSCI World index post IPO



## 2021 - % of IPOs outperforming / underperforming MSCI World index post IPO



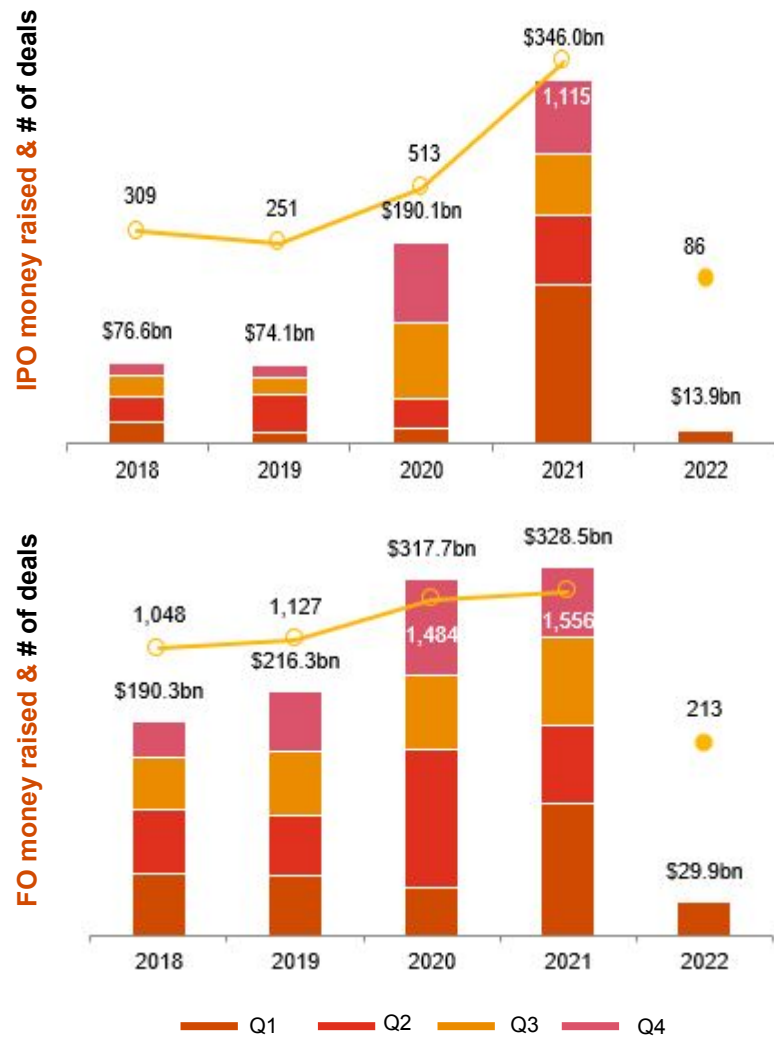
Source: Dealogic as of 31 March 2022

2021 saw a significant proportion of IPO's underperforming global indices, with some regional variation. In part this reflected strong issuance in H1 at a point when markets were buoyant and valuations high.

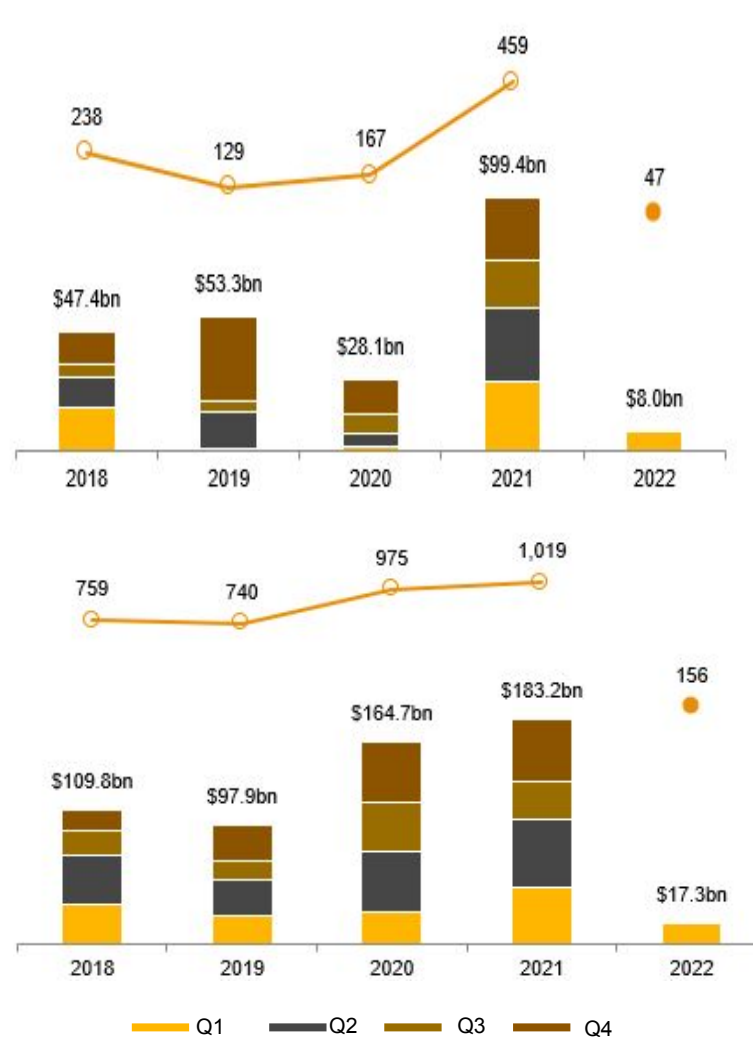
One quarter's data for 2022 provides limited insight and we will monitor this through the remainder of 2022. However, regional variations appear to be less prominent so far with the level outperformance perhaps reflecting more conservative IPO pricing.

# IPO and FO activity per region

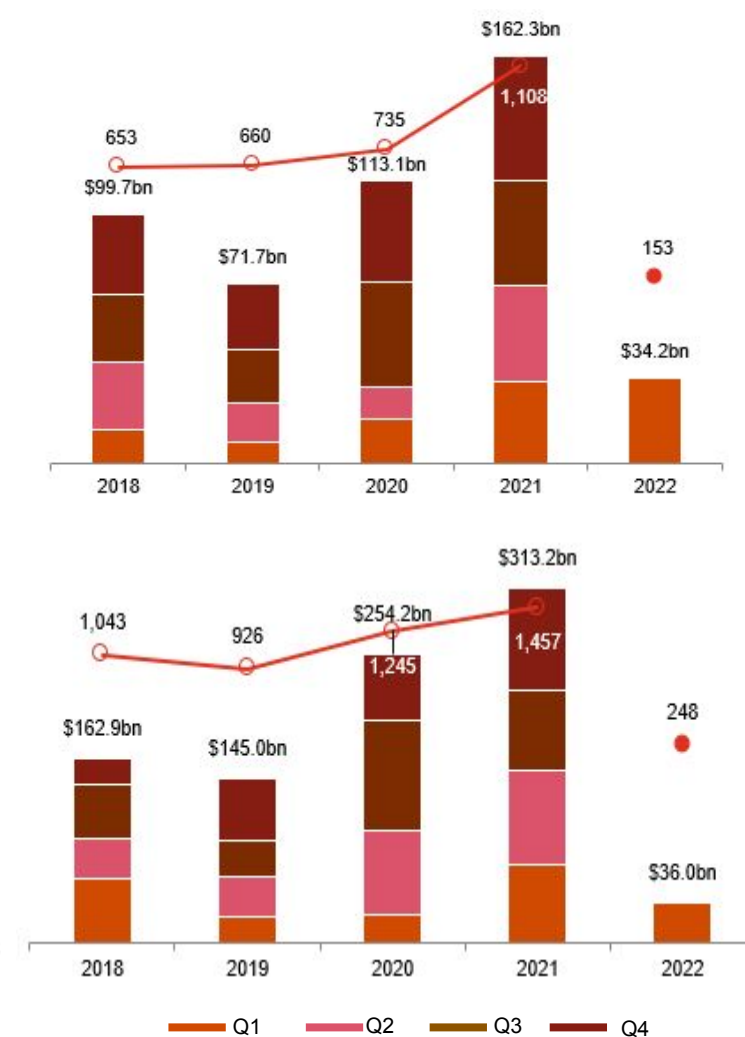
## Americas



## EMEA

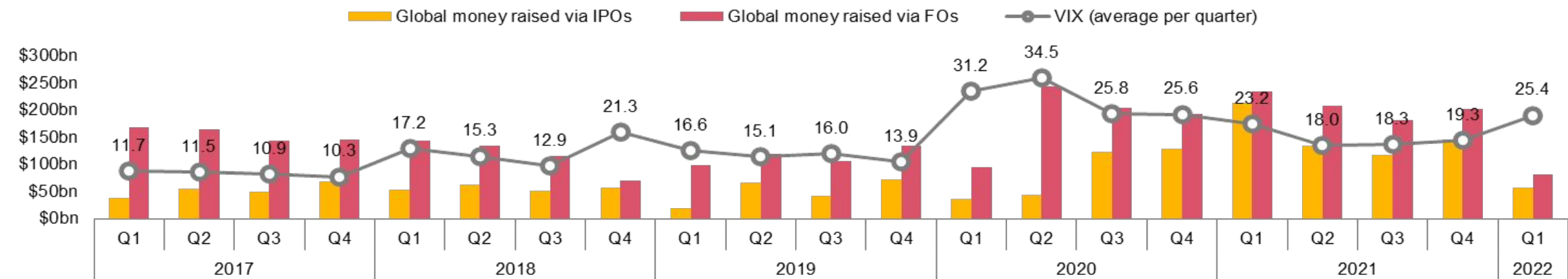


## Asia-Pacific

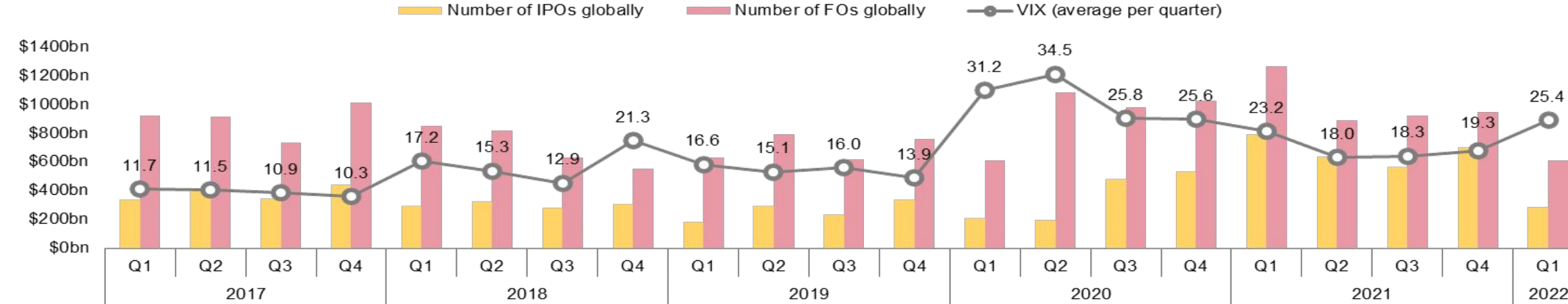


# Volatility background to IPO and FO activity

Money raised via IPOs and FOs versus volatility



Number of IPOs and FOs versus volatility



# Basis of preparation

- The **Global IPO** Watch analyses IPO and FO trends on a quarterly basis, both at a global and regional level.
- This document includes data derived from data provided under Licence by Dealogic. Dealogic retains and reserves all rights in such Licenced data. Only transactions with a minimum of \$5 million money raised have been included.
- Transaction proceeds include the overallotment option (if exercised).
- The data excludes PIPOs and transactions on Over-The-Counter exchanges.
- In case IPOs or FOs take place on two or more exchanges, the full amount of money raised is attributed to all exchanges. The same applies to countries and regions. This does not apply to two exchanges within the same country or two countries within the same region.
- Country indicates the company's country of domicile.
- Industry classification is based on the FTSE Russell Industry Classification Benchmark.
- Index performance is based on pricing data extracted from Bloomberg.



# Contacts



**Stuart Newman**

*PwC Global IPO Centre Leader – PwC UK*

[stuart.newman@pwc.com](mailto:stuart.newman@pwc.com)



**Richard Spilsbury**

*Partner, Capital Markets – PwC UK*

[richard.j.spilsbury@pwc.com](mailto:richard.j.spilsbury@pwc.com)



**Nadja Picard**

*PwC Europe Capital Markets Leader – PwC Germany*

[nadja.picard@pwc.com](mailto:nadja.picard@pwc.com)



**Carsten Stäcker**

*Partner, Equity Advisory – PwC Germany*

[carsten.staecker@pwc.com](mailto:carsten.staecker@pwc.com)



**David Ethridge**

*IPO Services Co-Leader - PwC US*

[david.a.ethridge@pwc.com](mailto:david.a.ethridge@pwc.com)



**Michael Bellin**

*IPO Services Co-Leader - PwC US*

[michael.j.bellin@pwc.com](mailto:michael.j.bellin@pwc.com)



**Kennedy Liu**

*Partner, Capital Market Services - PwC China*

[kennedy.liu@hk.pwc.com](mailto:kennedy.liu@hk.pwc.com)



**Brian Choi**

*Capital Markets and Accounting Advisory Services  
Leader - PwC China*

[brian.my.choi@cn.pwc.com](mailto:brian.my.choi@cn.pwc.com)

# Appendices

- IPO and FO activity statistics
- Leading transactions Q1 2022

# IPO and FO activity statistics

## Global IPO and FO activity

	2019	2020	2021	Q1 2020	Q1 2021	Q1 2022
<b>IPO activity</b>						
Number of IPOs	1,040	1,415	2,682	210	792	286
% sponsor-backed	6.6%	9.4%	10.2%	6.2%	11.5%	1.0%
Money raised	\$199.2n	\$331.3bn	\$607.7bn	\$36.4bn	\$212.4bn	\$56.1bn
% sponsor-backed	18.2%	24.5%	22.1%	22.7%	23.2%	5.2%
<b>Advanced metrics</b>						
Free float %	31.1%	37.7%	42.2%	32.4%	52.4%	39.0%
Overallotment exercised (%)	32.0%	34.6%	42.3%	28.1%	55.3%	28.7%
% secondary shares	12.3%	9.7%	11.1%	10.7%	9.2%	11.4%
<b>FO activity</b>						
Number of FOs	2,783	3,689	4,015	610	1,260	610
Money raised	\$457.8bn	\$734.3bn	\$823.0bn	\$95.0bn	\$233.4bn	\$81.4bn

## IPO and FO activity in EMEA

	2019	2020	2021	Q1 2020	Q1 2021	Q1 2022
<b>IPO activity</b>						
Number of IPOs	129	167	459	23	93	47
% sponsor-backed	14.7%	9.0%	11.1%	13.0%	15.1%	2.1%
Money raised	\$53.3bn	\$28.1bn	\$99.4bn	\$2.2bn	\$28.0bn	\$8.0bn
% sponsor-backed	23.9%	33.4%	32.4%	33.4%	43.1%	11.0%
<b>Advanced metrics</b>						
Free float %	38.1%	37.9%	37.3%	32.7%	43.6%	31.9%
Overallotment exercised (%)	25.8%	17.0%	25.9%	14.3%	28.3%	17.8%
% secondary shares	34.3%	23.9%	26.7%	26.4%	32.6%	38.6%
<b>FO activity</b>						
Number of FOs	740	975	1,019	183	287	156
Money raised	\$97.9bn	\$164.7bn	\$183.2bn	\$27.1bn	\$47.3bn	\$17.3bn

## IPO and FO activity in the Americas

	2019	2020	2021	Q1 2020	Q1 2021	Q1 2022
<b>IPO activity</b>						
Number of IPOs	251	513	1,115	50	434	86
% sponsor-backed	15.1%	19.9%	16.4%	18.0%	16.4%	1.2%
Money raised	\$74.1bn	\$190.1bn	\$346.0bn	\$15.9bn	\$151.2bn	\$13.9bn
% sponsor-backed	24.8%	33.3%	25.8%	39.3%	23.9%	7.9%
<b>Advanced metrics</b>						
Free float %	40.0%	56.7%	59.6%	53.2%	70.1%	68.1%
Overallotment exercised (%)	74.8%	72.3%	80.9%	80.0%	87.0%	72.8%
% secondary shares	4.9%	4.2%	3.5%	2.6%	3.1%	0.3%
<b>FO activity</b>						
Number of FOs	1,127	1,484	1,556	268	611	213
Money raised	\$216.3bn	\$317.7bn	\$328.5bn	\$42.1bn	\$117.3bn	\$29.9bn

## IPO and FO activity in Asia-Pacific

	2019	2020	2021	Q1 2020	Q1 2021	Q1 2022
<b>IPO activity</b>						
Number of IPOs	660	735	1,108	137	265	153
% sponsor-backed	1.8%	2.2%	3.6%	0.7%	2.3%	0.7%
Money raised	\$71.7bn	\$113.1bn	\$162.3bn	\$18.3bn	\$33.2bn	\$34.2bn
% sponsor-backed	7.1%	7.5%	7.9%	7.6%	3.7%	2.8%
<b>Advanced metrics</b>						
Free float %	26.6%	24.8%	26.6%	25.5%	26.9%	25.2%
Overallotment exercised (%)	18.0%	12.8%	10.3%	13.1%	13.2%	8.5%
% secondary shares	10.8%	10.3%	12.3%	11.1%	10.9%	9.2%
<b>FO activity</b>						
Number of FOs	926	1,245	1,457	165	367	248
Money raised	\$145.0bn	\$254.2bn	\$313.2bn	\$26.1bn	\$70.2bn	\$36.0bn

# Leading transactions Q1 2022 - *Global*

Note: current price is at 31 Mar 2022

## Top 10 largest IPOs Q1 2022

Pricing date	Issuer name	Issuer Country	Sector	Exchange	Money raised	After market performance		
						1-day	1-month	Current
14-Jan-22	LG Energy Solution Ltd	South Korea	Industrials	Korea Exchange-KOSPI	\$10.7bn	68%	40%	47%
14-Jan-22	Jinko Solar Co Ltd	China	Energy	Sci-Tech Innovation Board (STAR Market)	\$1.6bn	111%	132%	145%
10-Mar-22	Nahdi Medical Co	Saudi Arabia	Consumer Staples	NYSE	\$1.4bn	15%	N/A	18%
12-Jan-22	TPG Inc	United States	Financials	NYSE	\$1.1bn	15%	5%	2%
7-Feb-22	Abu Dhabi Ports Co	United Arab Emirates	Industrials	Abu Dhabi Securities Exchange	\$1.1bn	13%	6%	4%
30-Mar-22	PT GoTo Gojek Tokopedia Tbk	Indonesia	Technology	Indonesia Stock Exchange	\$1.0bn	N/A	N/A	N/A
15-Feb-22	Var Energi ASA	Norway	Energy	Oslo Stock Exchange	\$0.9bn	-1%	5%	32%
7-Mar-22	Ganzhou Tengyuan Cobalt New Materials Co Ltd	China	Basic Materials	Shenzhen Stock Exchange-ChiNext	\$0.9bn	7%	N/A	-10%
27-Jan-22	PIMCO Access Income Fund	United States	Financials	New York Stock Exchange-NYSE	\$0.9bn	0%	0%	-9%
30-Jan-22	Elm Co	Saudi Arabia	Technology	Saudi Stock Exchange	\$0.8bn	30%	51%	68%

# Leading transactions Q1 2022 - *Global*

Note: current price is at 31 Mar 2022

## Top 10 largest FOs Q1 2022

Pricing date	Issuer name	Issuer country	Sector	Exchange	Deal type	Money raised	After market performance		
							1-day	1-month	Current
26-Jan-22	CITIC Securities	China	Financials	Shanghai Stock Exchange	FO - Rights Offer	\$3.5bn	67%	62%	45%
4-Jan-22	Sea Ltd	Singapore	Technology	New York Stock Exchange-NYSE	FO - Bought Deal	\$3.0bn	-5%	-30%	-42%
22-Mar-22	Bank of Montreal	Canada	Financials	New York Stock Exchange-NYSE Toronto Stock Exchange	FO - Bought Deal	\$2.5bn	-1%	N/A	-1%
4-Jan-22	Alexandria Real Estate Equities Inc	United States	Financials	New York Stock Exchange-NYSE	FO - Accelerated Bookbuild	\$1.7bn	-2%	-9%	-4%
17-Jan-22	Nippon Paint Holdings Co Ltd	Japan	Industrials	Tokyo Stock Exchange	FO - Fully Marketed	\$1.3bn	3%	11%	17%
29-Mar-22	Barclays plc	United Kingdom	Financials	London Stock Exchange	FO - Accelerated Bookbuild	\$1.2bn	4%	N/A	-1%
23-Mar-22	Samsung Electronics Co Ltd	South Korea	Technology	Korea Exchange-KOSPI	FO - Accelerated Bookbuild	\$1.1bn	1%	N/A	1%
9-Mar-22	Coupang Inc	South Korea	Consumer Discretionary	New York Stock Exchange-NYSE	FO - Bought Deal	\$1.1bn	-10%	N/A	-16%
24-Mar-22	Glencore plc	Switzerland	Basic Materials	London Stock Exchange	FO - Accelerated Bookbuild	\$1.0bn	1%	N/A	1%
2-Feb-22	BRF SA	Brazil	Consumer Staples	BM&FBOVESPA-Novo Mercado New York Stock Exchange-NYSE	FO - Fully Marketed	\$1.0bn	-1%	-17%	-7%

© 2022 PwC. All rights reserved. PwC refers to the PwC network and/or one or more of its member firms, each of which is a separate legal entity. Please see [www.pwc.com/structure](http://www.pwc.com/structure) for further details.

This content is for general information purposes only, and should not be used as a substitute for consultation with professional advisors.