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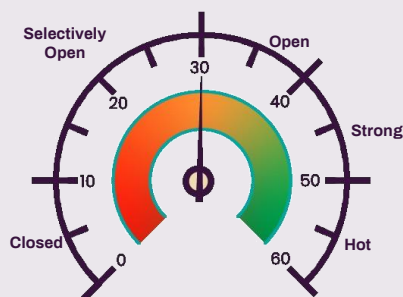
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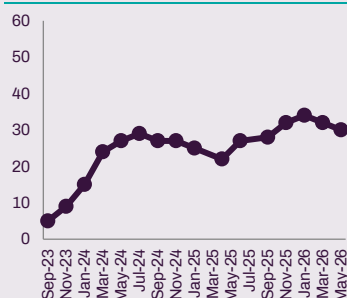
### Current speed



### Change in the last two months



### Change over time



## UK IPO MARKET

### THEMATIC REVIEW

#### Peel Hunt IPO Speedometer: H1 IPO Volumes Subdued But Positive Pipeline Remains

- This month, the Speedometer has decelerated to 30mph from 32mph in March. It remains in third gear, classifying the UK IPO market as “Open”.
- As expected for a number of months, UK IPO volumes have remained subdued in Q2. Although the pipeline has been H2-weighted for some time, the recent market volatility has impacted the timelines of those issuers considering coming to market in H1.
- Despite some of the market headwinds, the pipeline remains the strongest we have seen for several years, and issuers continue to prepare for the coming windows. We have been encouraged by the response these assets have received in pre-marketing from investors.

H1 has remained quiet for IPOs in the UK. There remains a positive pipeline of deals getting ready for post-summer, including a number of jumbo sponsor-backed assets.

**Market volatility continues to impact UK IPO volumes** Despite rebounding markets, uncertainty remains around the market backdrop, particularly in relation to the Iran conflict and now increasingly the UK political picture. Although markets are optimistic and pushing back towards highs, volatility is elevated, sector dispersion is strong and uncertainty remains around the outlook. The UK IPO pipeline has been H2-weighted for some time, but this has paused UK IPO activity over the short term, other than Uzbek fund UzNIF which successfully priced its £446m IPO. UK ECM activity has remained relatively active in primary and secondary transactions that can target shorter execution windows. Although ticket sizes have been smaller in places, we have been encouraged by the investor participation on these deals and transactions have generally worked well.

**European IPO reception has been mixed.** European IPO activity has been more active in Q2. Although not large in size, we are starting to see a broader range of deals beyond the principally defence and energy-led deals from earlier in the year. Aftermarket performance has been mixed, particularly on some of the most notable deals such as CSG which is currently down 35% on issue. This was despite initial positive performance and was impacted by a range of factors including market volatility, softening of the defence thematic and profit-taking from investors. We expect activity to remain quiet pre-summer.

**Positive UK IPO pipeline remains for H2 and 2027.** The pipeline of assets considering coming to the market in the UK remains very positive. It includes a number of large sponsor-backed assets compared with the more mid-cap activity seen over recent years. These companies are continuing with their IPO preparation to ensure that they have optionality over the coming windows. The reception from early look meetings has been positive and many of these issuers are targeting September/October launches.

## Key drivers of the Speedometer model this month

### Broader market backdrop firming as investors begin to price in a path to de-escalation

The direction of travel in equity markets is positive although uncertainty remains. Risk assets have recovered from the late-February lows on a partial de-escalation and expectations of a more permanent resolution to the conflict. However, the recovery is not broad-based and varies significantly by sector. Equity indices in the US, Europe and the UK are off the conflict-driven lows but in most cases have not fully recovered to pre-shock levels, and European volatility has yet to fully normalise. Brent prices have retreated slightly but remain elevated above \$100.

What recent events have changed materially is the expected central bank rate path. Having previously expected c.2 rate cuts that would have taken the Bank Rate down to c.3.25% by year-end, money markets then switched to an expectation of c.2.3 rate hikes, lifting the Bank Rate to c.4.3% by year-end. Positively, recent more promising CPI prints have led to an expectation of just one rate hike in the UK. The Fed saw an even sharper repricing: traders started the year discounting four 25bp cuts on a clean dovish thesis, but after April's US 3.8% CPI print markets have now taken virtually any cut off the table through end-2027 and price a c.37% probability of a hike by the December 2026 meeting (Fed Funds currently 3.50–3.75%). Against a backdrop of muted growth, this central bank cutting path was previously central to the equity market outlook.

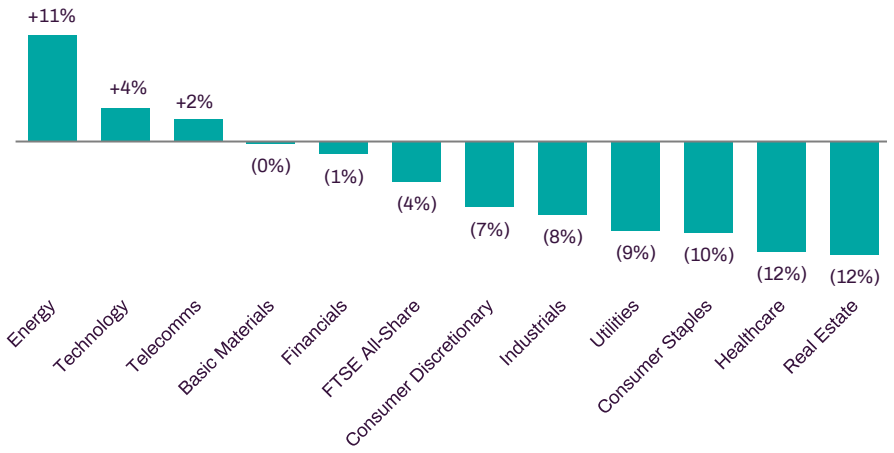
Alongside this, domestic political uncertainty has driven a spike in UK bond yields — with long-dated gilts hitting a 28-year high — reflecting market concern over potential Labour leadership candidates and how market-friendly their policies might be. On our trading desk, we have principally seen this impact sentiment on small/mid cap domestic names, whereas larger cap and more internationally diversified names have remained more resilient. Much of the IPO pipeline is either internationally diversified or has a track record of resilience through economic cycles so should mitigate a lot of this risk.

Figure 1: Index performances

	2026 YTD	Since Iran Conflict
FTSE 100	4.0%	(5.3%)
FTSE 250	0.4%	(5.0%)
STOXX 600	3.2%	(3.6%)
S&P	7.4%	6.9%
NASDAQ	11.3%	14.1%

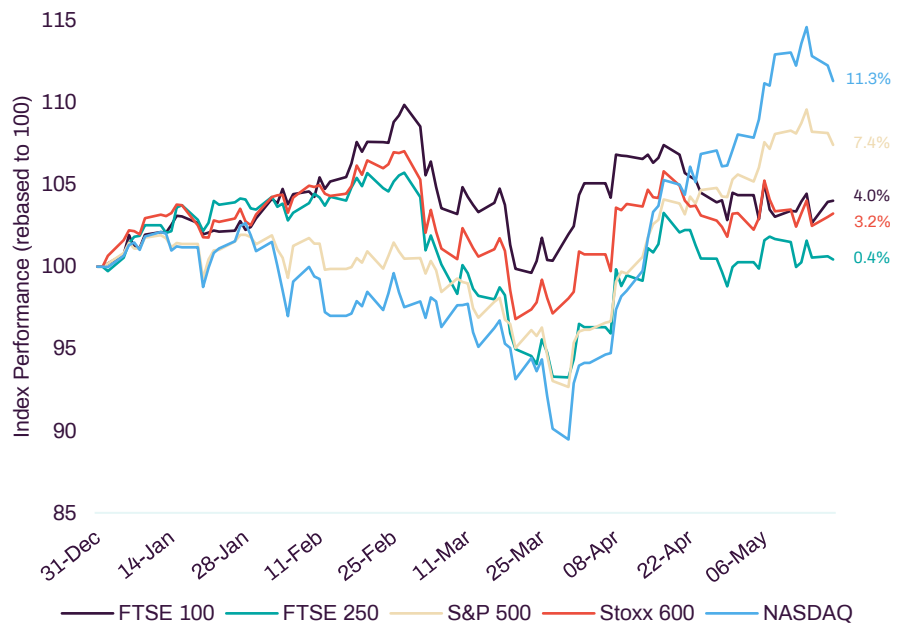
Source: Factset, 19 May 2026

Figure 2: FTSE Sector Performance since Iran Conflict



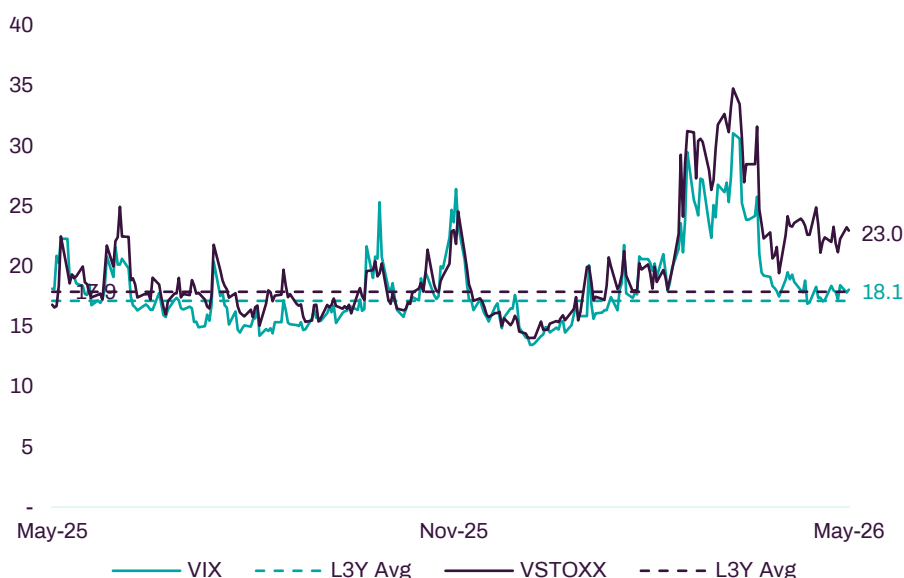
Source: Factset, 19 May 2026

Figure 3: Index performance 2026 YTD



Source: Factset, 19 May 2026

Figure 4: European and US Volatility



Source: Factset, 19 May 2026

### Persistent IPO activity, with a mixed aftermarket

UK IPO activity has remained subdued, with issuers focussing on post-summer execution windows. The most notable recent transaction is UzNIF – the National Investment Fund of the Republic of Uzbekistan, managed by Franklin Templeton – which priced its London/Tashkent dual listing on 29 April at \$25 per GDR, valuing the fund at \$1.95bn in a secondary offering by the Uzbek Ministry of Economy and Finance. UzNIF has traded up c.10% since pricing and is the first IPO of meaningful size on the LSE this year. Given the nature of asset (privatisation fund of numerous Uzbek assets), we see limited readacross for developed market candidates. However, it is positive to see more EM activity on the LSE and a further broadening of assets coming to market.

European IPO activity has been more active, although transaction sizes have been relatively small as the more jumbo assets pushed timetables until later in the year. Of particular note has been the weaker aftermarket performance of some of the IPOs from earlier in the year. This was particularly impacted by some softening in the defence theme, the volatile market backdrop and also profit taking from some investors. This is a reminder that the market remains cautious and careful execution and follow up in the aftermarket is important.

Figure 5: UK IPOs over £30m (2025-6)

Date	Company	Shareholder	Sector	Deal value (£m)	% of company	% primary	1M perf.	Perf. to date
May-26	UzNIF	Uzbekistan	Fund	446	31%	0%	-	10%
Dec-25	Mayflower Acquisition	Primary	SPAC	335	100%	100%	3%	(7%)
Nov-25	Winvia Entertainment	Primary	Technology	40	20%	100%	1%	15%
Oct-25	Princes	Primary	Consumer	400	34%	100%	(1%)	(21%)
Oct-25	Shawbrook	Pollen Street, BC Partners	Financials	323	18%	14%	13%	(19%)
Oct-25	TBTG	Group of Shareholders	Consumer	100	36%	27%	(2%)	18%
Sep-25	Fermi	Primary	Real Estate	584	6%	100%	25%	(69%)
Apr-25	MHA	Group of entities/employees	Prof. Services	96	36%	100%	4%	55%
Feb-25	Achilles Investment	Fund	Trusts	54	100%	100%	3%	(1%)
<b>Average</b>				<b>264</b>	<b>42%</b>	<b>71%</b>	<b>6%</b>	<b>(2%)</b>

Source: Dealogic, 19 May 2026

Figure 6: European IPOs over £100m (Excluding UK, YTD)

Date	Company	Country	Shareholder	Sector	Deal value (£m)	% of company	% primary	1M perf.	Perf. to date
May-26	TSK	Spain	Primary	Industrials	130	26%	100%	-	23%
May-26	Silex Microsystems	Sweden	Sai MicroElectronics	Technology	159	21%	50%	-	187%
Apr-26	Rex Concepts	Poland	Rex Invest	Consumer	102	56%	100%	-	(5%)
Apr-26	Lumina Metals*	Canada Poland	Sitka	Mining	220	30%	77%	-	(5%)
Mar-26	Vincorion	Germany	STAR Capital	Industrials	290	39%	0%	0%	8%
Mar-26	Gabler Group	Germany	Possehl	Industrials	116	50%	40%	(5%)	(15%)
Feb-26	Capital Tankers	Norway	Primary	Industrials	349	25%	100%	(1%)	(9%)
Jan-26	ASTA Energy	Germany	Directors	Industrials	144	39%	76%	55%	118%
Jan-26	CSG	Netherlands	Directors	Industrials	3,308	15%	23%	24%	(35%)
<b>Average</b>					<b>535</b>	<b>33%</b>	<b>63%</b>	<b>15%</b>	<b>30%</b>

Source: Dealogic, 19 May 2026

\* Primary Listing in Toronto with secondary listing in Warsaw

### Broader UK ECM issuance remains resilient

UK ECM has remained relatively open through the volatility of the past quarter. c.16 ABBs and placings of size priced in the UK between March and early May, raising c.£3.7bn in aggregate across a meaningfully broad set of sectors — Energy, Mining, Consumer, TMT, Real Estate, Investment Trust and Industrials. It also consisted of a positive split of both primary and secondary transactions. Aftermarket performance has been encouraging: the majority of the deals have traded up, with a median move of c.+5% in week 1 performance. Market depth at the larger end of the market has also been positive, with United Utilities pricing a £795m primary ABB in April with no discount to its prior close and Harbour Energy executing two secondary blocks totalling £335m in March (BASF and LET). These broader UK ECM datapoints give us confidence on the investor demand available for the right transactions and IPOs.

Peel Hunt has remained active across the equity capital markets, carrying out 9 transactions with a combined value of c.£425m this year. We saw positive levels of long only demand, plus significant international capital playing alongside UK funds. On all Peel Hunt deals YTD we have seen well over £1bn of investor demand, 40% of which was international.

Figure 7: UK ECM deals L3M over £20m

Date	Company	Selling Shareholder	Deal Type	Sector	Deal Value £m	1w Perf.
May-26	Seraphim Space IT	-	Primary ABB	Investment Trust	76	2%
May-26	Glenveagh	Teleios Capital	Secondary ABB	Real Estate	22	7%
May-26	Beauty Tech	Group of Shareholders	Secondary ABB	Consumer	26	9%
Apr-26	United Utilities	-	Primary ABB	Industrials	795	7%
Apr-26	Meridian Mining	-	Primary ABB & Fully Marketed	Mining	22	8%
Apr-26	Applied Nutrition	JD	Secondary ABB	Consumer	49	2%
Mar-26	Videndum	-	Primary ABB & Guaranteed Preferential Allocation	Consumer	85	3%
Mar-26	Harbour Energy	BASF	Secondary ABB	Energy	218	5%
Mar-26	Trustpilot	Advent	Secondary ABB	TMT	46	(10%)
Mar-26	KEFI Gold & Copper	-	Primary ABB & Cash Placing	Mining	34	-
Mar-26	Air Astana	BAE Systems	Secondary ABB	Transportation	23	4%
Mar-26	Harbour Energy	LET	Secondary ABB	Energy	117	6%
Mar-26	Harbour Energy	EIG	Secondary ABB	Energy	153	14%
Mar-26	Kosmos Energy*	-	Primary ABB	Energy	139	9%
Mar-26	Diversified Energy**	EIG	Secondary Bought Deal	Energy	40	(1%)
Mar-26	Rosebank Industries	-	Primary ABB	Industrials	1,900	(1%)
<b>Average</b>					<b>234</b>	<b>4%</b>

Source: Dealogic, 19 May 2026

\*Primary listing on the NYSE with secondary listing on the LSE

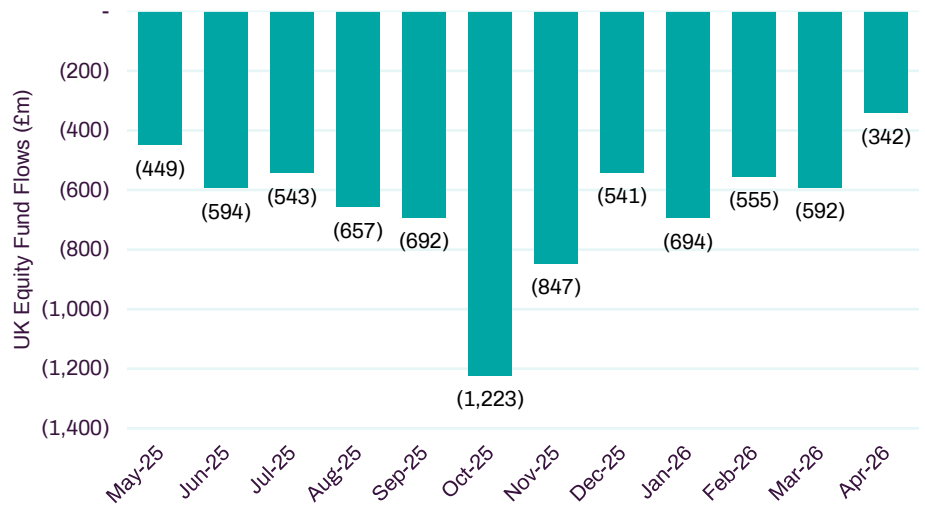
\*\* Dual-listed on the NYSE and LSE

### UK-focused equity fund outflows persist

UK-focused equity funds saw outflows of £342m in April, the lowest outflow since December 2024. Outflows are now showing a decreasing trend. Despite the ongoing outflows, there remains clear capital to put to work in UK IPOs and ECM transactions, as evidenced by the persistent deal activity.

We have now seen almost four years of outflows from domestic UK equity funds, with outflows in 58 of the past 59 months. We see the promising pipeline of issuers set for H2 2026, particularly on the larger-cap side, as an important test-point for available funds on the LSE.

Figure 8: Equity fund flows



Source: Calastone

## Background to the PH IPO Speedometer

The IPO Speedometer is a tool for potential issuers, shareholders, and investors to accurately assess the current health and outlook of the UK IPO market. Based on a proprietary model with over 25 qualitative and quantitative inputs, it gives a numerical score (0-60mph) for the health of the UK IPO market. It is published on a bimonthly basis.

### PH IPO Speedometer scale

Speed	IPO market status	IPO market characteristics
0-10mph	Closed: 'First Gear'	Market not open for IPOs, including Tier 1 assets
10-30mph	Selectively open: 'Second Gear'	Market open and receptive to deals, however, investors remain circumspect and selective Some combination of the following required: Tier 1 assets, attractive pricing/IPO discount, sensible sizing, significantly de-risked/cornerstones
30-40mph	Open: 'Third Gear'	Regular flow of IPOs across sectors IPO discount still typically required
40-50mph	Strong: 'Fourth Gear'	Broader investor appetite and participation Increasing deal sizes and further ability to do larger secondary offerings
50-60mph	Hot: 'Fifth gear'	IPO market open for a wide range of companies Relatively low IPO discount and opportunity to do large deal sizes

### Methodology and inputs for the PH IPO Speedometer

In order to calculate the speed of the Peel Hunt IPO Speedometer in any month, we assess datapoints across eight main buckets, giving each bucket an overall score. These buckets are then split into primary and secondary drivers of the UK IPO market and a weighting (depending on their importance) is assigned to each overall score. This then provides us with the output in the 0-60mph range. The eight main buckets and their inputs include the following:

1. Equity fund flows (primary driver).
2. Volume and performance of IPO/ECM activity (primary driver).
3. General investor sentiment (primary driver).
4. LO investor engagement (primary driver).
5. Market stakeholder objectives/expectations.
6. Equity market performance.
7. Macro backdrop.
8. Broader trading activity/market liquidity.

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