

TEAM

Brian Hanratty
+44 (0) 20 3597 8690
Brian.Hanratty@peelhunt.com



Dan Webster
+44 (0) 20 7418 8869
Dan.Webster@peelhunt.com



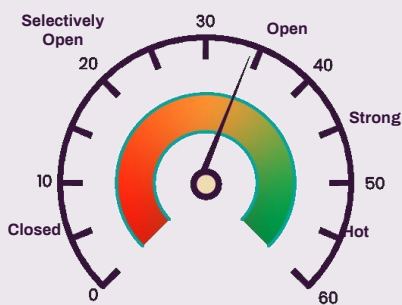
Charles Hall
+44 (0) 20 7418 8955
Charles.Hall@peelhunt.com



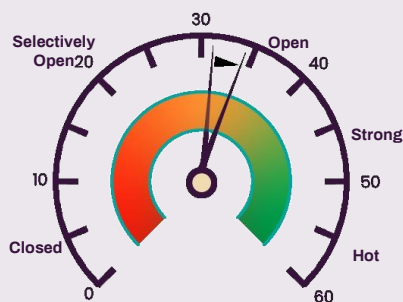
Charlie Rowan Hamilton
+44 (0) 20 7418 8811
Charlie.RowanHamilton@peelhunt.com



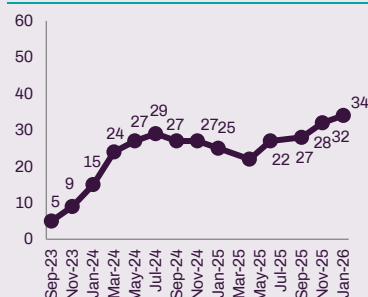
Current speed



Change in the last two months



Change over time



UK IPO MARKET

THEMATIC REVIEW

Peel Hunt IPO Speedometer: H2 '25 UK IPO Activity and Fast European Start Sets a Strong Platform for 2026 IPO Market

- This month, the Speedometer has accelerated to 34mph from 32mph in November. It remains in third gear, classifying the UK IPO market as “open”.
- H2 '25 was a very positive step forward for the UK IPO market, with the largest IPO issuance seen since H2 '21. The performance of those deals has largely been positive and sets a constructive platform for UK IPO issuance in '26. Broader conditions remain supportive, with equity markets continuing to push all-time highs and an encouraging tone with our investor clients despite continued UK domestic fund outflows.
- We have seen a fast start to the European IPO market with the highest YTD issuance since 1995. We expect this to be a positive lead indicator for the UK and give more confidence to the many large assets in the pipeline.

Against a positive backdrop, we are expecting UK IPO activity to ramp up in Q2 once FY '25 results are finalised. The pipeline is the largest we have seen for several years in the UK, with a number of large, sponsor-backed IPOs expected to come to market. This compares with the more mid-cap and often founder-led names seen in recent years.

H2 '25 UK IPO activity sets a positive platform for 2026 deals. H2 '25 saw £2.0bn of UK IPO issuance, the largest since H2 '21. Performance has generally been positive, with most deals trading up in the aftermarket. The IPOs of Shawbrook and Princes demonstrated a clear market for £1bn+ market cap companies to IPO in London. This is further progress in the re-opening of the UK IPO market which in recent years was dominated by smaller companies at the lower end of mid-cap.

European IPO market has positive start to 2026. As has been the case in recent years, we have seen a European-led start to the year from an IPO perspective. The clear highlight was Czech defence company CSG pricing its €3.8bn deal in Amsterdam, the largest EMEA IPO since 2022. The transaction traded up c.30% in the aftermarket, setting a positive tone with investors.

UK IPO pipeline continues to build for 2026 In recent weeks we have seen a notable pick up in the number of issuers holding beauty parades for banks for potential UK IPOs later this year or in H1 '27. This has added to the already constructive 2026 pipeline with many issuers also firming up their timetables for later this year. We are expecting most UK IPO activity to start in Q2, once FY '25 financials have been finalised and the easter break has passed.

Broader dynamics around the UK are improving. Following the outperformance of UK equity markets over recent months, we're seeing a notable increase in international investor interest in the region, both in terms of deal participation and general engagement on our sales desks and company roadshows we are organising. The listing debate is also swinging towards the UK, with numerous notable international companies choosing the LSE as their listing venue.

Key drivers of the Speedometer model this month

H2 '25 sets strong platform for 2026 cohort of UK IPOs

UK IPO activity ramped up significantly in H2 '25 which saw £2.0bn of issuance, the highest since H2 '21. Performance was generally positive, with most deals trading up in the aftermarket. As expected, UK IPO activity remained relatively quiet into year-end given the timing of the UK budget and Thanksgiving. The LSE still saw the IPO of the Mayflower Acquisition SPAC which raised £335m in December. This represented very positive progress over recent years in the UK and has given many potential issuers the confidence to consider an IPO as a tangible option.

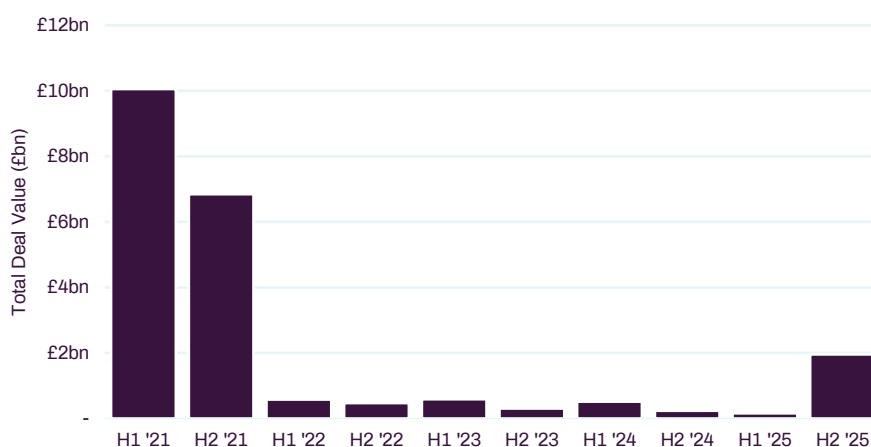
Having led the largest UK IPO in 2025 (Princes), we were encouraged by the broad investor participation seen in deals, particularly amongst the domestic UK long only group. Although ticket sizes were smaller than seen historically in many instances, we saw high quality books of demand with flagship investors.

Figure 1: UK IPOs over £30m (2025-6)

Date	Company	Shareholder	Sector	Deal value (£m)	% of company	% primary	1M perf.	Perf. to date
Dec-25	Mayflower Acquisition	Primary	SPAC	335	100%	100%	3%	3%
Nov-25	Winvia Entertainment	Primary	Technology	40	20%	100%	4%	23%
Oct-25	Princes Group	Primary	Consumer	400	34%	100%	(1%)	(5%)
Oct-25	Shawbrook Group	Pollen Street, BC Partners	Financials	323	18%	14%	13%	24%
Oct-25	TBTG	Group of Shareholders	Consumer	100	36%	27%	(2%)	16%
Sep-25	Fermi	Primary	Real Estate	584	6%	100%	25%	(53%)
Apr-25	MHA plc	Group of entities/employees	Prof. Services	96	36%	100%	4%	65%
Feb-25	Achilles Investment	Fund	Trusts	54	100%	100%	3%	1%
Average				193	49%	77%	3%	6%

Source: Dealogic, 29 January 2026

Figure 2: UK IPO volumes by half since 2021



Source: Dealogic, 29 January 2026

Strong early momentum from the European IPO market

European IPO activity continued its momentum into 2026 with Amsterdam-listed CSG group raising £3.3bn in January and is currently trading up +31%. The deal size represented a 15% free float and came at a c.40% discount to key peer Rheinmetall. This again repeated the playbook of a manageable deal size (from a free float perspective) at an attractive valuation that we've seen on many European IPOs in recent months. There were cornerstone commitments of €900m in aggregate from Artisan Partners, Blackrock and QIA. The company also went with a fixed price offer and an accelerated 3-day bookbuild timetable, strategies we expect to see other issuers utilise over the coming months to help mitigate some of the uncertain market backdrop. This is the best start from an IPO issuance perspective the European market has seen since 1995.

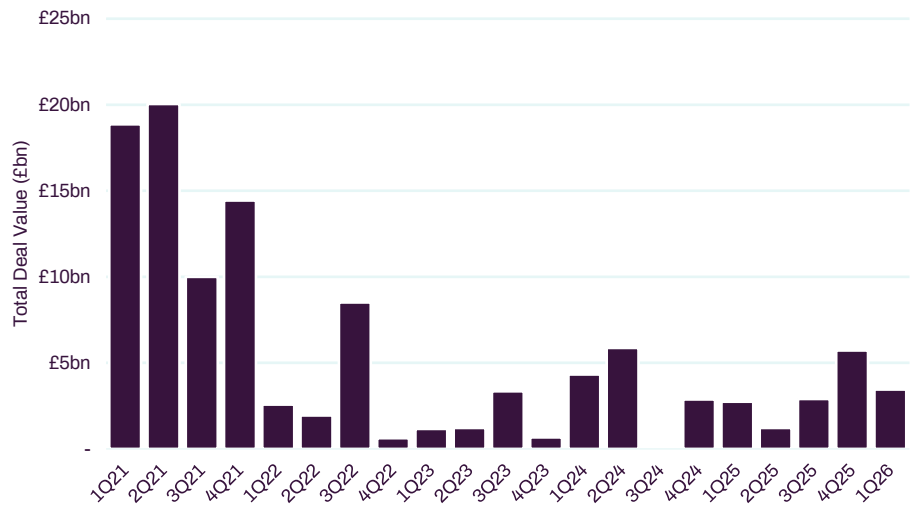
Elsewhere, Asta Energy Solutions, an Austrian maker of copper components for power generation and transmission, priced its €190m IPO and traded in Frankfurt on Friday (+c.40% at the time of print). Like CSG, they went with an accelerated bookbuild period (4 days), compared with the more typical 6-7 days usually seen on transactions, and had cornerstones for c.30% of the deal. The transaction priced at the top of the range.

Figure 3: European IPOs over £100m (excluding UK, 2025-6)

Date	Company	Country	Shareholder	Sector	Deal value (£m)	% of company	% primary	1M perf.	Perf. to date
Jan-26	ASTA	Germany	Directors	Industrials	144	39%	76%	-	-
Jan-26	CSG	Netherlands	Directors	Industrials	3,308	15%	23%	-	31%
Dec-25	Framery	Finland	Group of Shareholders	Industrials	202	36%	10%	4%	7%
Oct-25	Verisure	Sweden	Hellman & Friedman	Prof. Services	3,121	26%	98%	0%	6%
Oct-25	Ottobock	Germany	Naeder Holding	Healthcare	645	18%	14%	0%	(5%)
Sep-25	NOBA Bank	Sweden	Nordic Capital, Sampo	Financials	693	25%	0%	29%	73%
Sep-25	SMG	Switzerland	Mobilair, Ringier & General Atlantic	Technology	928	22%	0%	(1%)	(18%)
Jul-25	ZITO dd	Croatia	Directors	Consumer	112	24%	80%	1%	(6%)
Jul-25	Cirsa	Spain	Blackstone	Consumer	391	18%	88%	3%	(2%)
Jun-25	Hacksaw	Sweden	Group of Shareholders	Technology	258	15%	0%	6%	(25%)
Jun-25	Enity	Sweden	EQT	Financials	130	59%	0%	24%	98%
Jun-25	Sentia	Norway	Ratos	Industrials	117	32%	0%	33%	26%
May-25	innoscripta	Germany	Directors	Technology	160	16%	0%	(16%)	(24%)
May-25	PFISTERER	Germany	Directors	Technology	141	34%	57%	40%	166%
Mar-25	Asker	Sweden	Sixth Swedish National Pension	Healthcare	788	40%	17%	16%	10%
Mar-25	Roko	Sweden	Group of Shareholders	Investment	405	17%	0%	(11%)	(19%)
Feb-25	Ferrari	Netherlands	Directors	Consumer	187	29%	0%	(9%)	21%
Feb-25	HBX	Spain	CPP, Cinven, EQT	Technology	624	26%	97%	(9%)	(31%)
Jan-25	Diagnostyka	Poland	MidEuropa	Healthcare	338	48%	0%	21%	83%
Average					669	29%	29%	9%	22%

Source: Dealogic, 29 January 2026

Figure 4: European IPOs since 2021



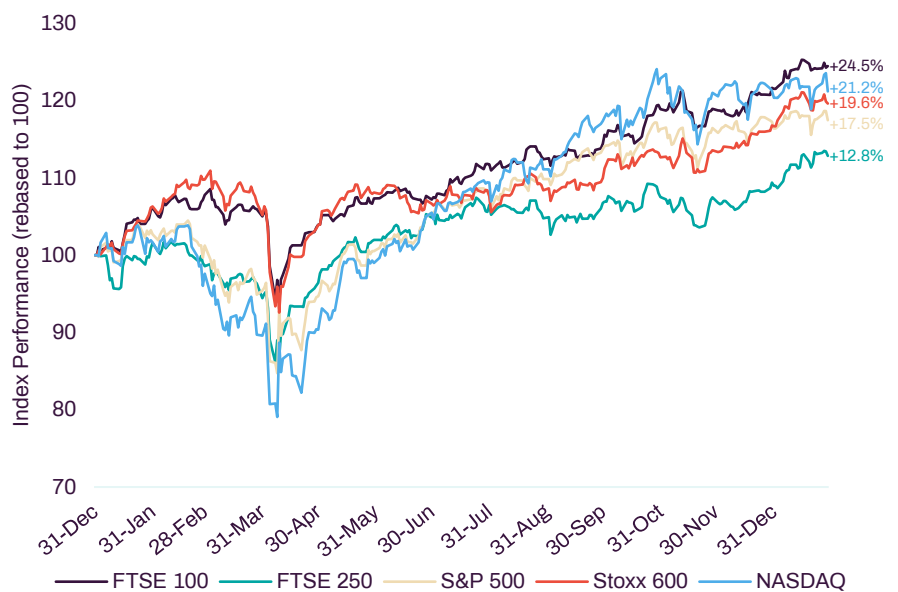
Source: Dealogic, 29 January 2026

Equity market backdrop remains constructive

The equity market backdrop remains supportive for IPO issuance, with indices trading near all-time or multi-year highs, and volatility at supportive levels.

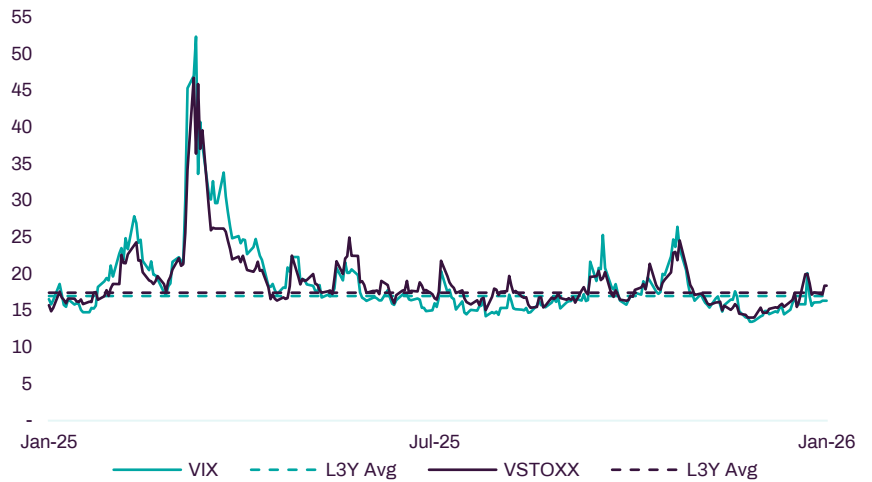
Global indices finished 2025 posting strong returns across the year and showed signs of broadening beyond a narrow group of technology stocks. In the final quarter of 2025, the outperformance of Eurozone and UK equities continued versus the US with international and value-tilted markets offering cheaper valuations and opportunities to de-risk US-centric holdings. In the Eurozone, financials, healthcare and utilities stocks performed particularly well as lower interest rates and stable cash flows and dividends attracted global investors.

Figure 6: Index performance (2025 to 2026 YTD)



Source: FactSet, 29 January 2026

Figure 7: European and US volatility



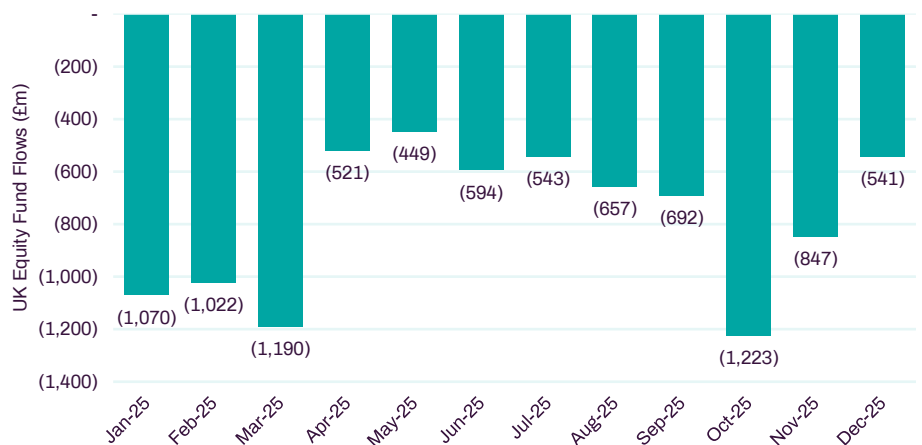
Source: FactSet, 29 January 2026

UK-focused equity fund outflows persist

UK-focused equity funds saw outflows of £847m in November and £541m in December. Despite UK share prices trading at all-time highs, outflows from UK-focused funds equalled £9.55bn across 2025 (marginally lower than the £9.56bn outflow in 2024). The month-on-month decline in outflows following the Budget speculation was a primary-driver of record outflows. We have now seen outflows for 54 out of the previous 55 months.

Despite the continued outflow picture, we have seen a notable positive tone with our investor client base in the new year, with clear appetite to put money to work in the right ECM situations (primary raises, blocks and IPOs). This is a clear change compared with pre-Christmas. Earlier this week, we priced the £130m primary capital raise by Atalaya Mining Copper to fund development projects. The book was multiple times oversubscribed with strong support from shareholders, long only accounts and sector specialists.

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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