

A D A S T R A

IPO digest | Weeks 1-6 | 2024

Welcome to the 2024 IPO Digest, where we observe the start of a new year filled with promising opportunities. As the curtains rise on this year's IPO landscape, we find ourselves pleasantly surprised by the flurry of activity that has already unfolded. While many anticipated the revival of known and long-awaited names, 2024 began with deals by the companies that kept their cards close to the chest until very recently. With expectations of rate cuts on the horizon, investors are brimming with hope for a resurgence in IPO activity. January and the beginning of February witnessed a surge in the biotech sector, underscoring the backlog of companies eager to reward investors with returns at the later stages of clinical trials. Several sizable European IPOs commenced trading simultaneously for the first time in a few years, in particular, in air travel and military equipment sectors.

NEW IPOs

AMER SPORTS | \$1.4bn raised | \$6.4bn MCAP | NYSE

On January 31, Amer Sports Inc. priced its slightly upsized IPO at 19% below the expected bottom price to raise \$1.37bn.

Amer Sports, a Finland-based manufacturer of sports equipment and apparel, boasts a diverse portfolio of major brands such as Wilson, Arc'teryx, and Salomon, with its products distributed across more than 100 countries and available in over 330 company-owned retail stores. Despite being highly profitable and experiencing robust

A D A S T R A

IPO digest | Weeks 1-6 | 2024

revenue growth, Amer Sports carries a significant debt burden and has primarily relied on the Chinese market to drive recent growth.

Amer Sports's investors headed by Chinese ANTA Sports have pushed hard on valuation since buying it out from NASDAQ Helsinki in 2019. The company intends to use the net proceeds received from the offering to repay all of the outstanding borrowings under the existing shareholder loans.

Amer Sports' other brands include Armada, Atomic, DeMarini, Louisville Slugger, and Peak Performance.

KASPI.KZ | \$1bn ADS sold | \$17.6bn MCAP | NASDAQ

On January 18, Kaspi.kz priced its 26% upsized IPO slightly below the assumed IPO price to raise \$1.04 bn for its shareholders.

Kaspi's mission is to improve people's daily lives by developing innovative, highly relevant world-class mobile services. The company claims that it is the largest payments, marketplace, and FinTech ecosystem in Kazakhstan. Kaspi operates a two-sided Super App business model: the Kaspi.kz Super App for consumers and the Kaspi Pay Super App for merchants and entrepreneurs. It is believed that a business model, reinforced by a highly recognizable brand and continuing product innovation, generates powerful network effects, which have resulted in growth and strong financial performance.

Kaspi generates over 99% of its revenue in Kazakhstan, stating that it has about 13.5m monthly active users, 65% of whom access the services daily. During the last year, it reported a 40% growth of revenue to \$3.8bn, with a 45% net margin.

A D A S T R A

IPO digest | Weeks 1-6 | 2024

Kaspi has traded in London since 2020 and became the third-largest US IPO by market capitalization over the last 2 years after Kenvue and Arm.

Athens International Airport | €785m sold | €2.5bn MCAP | ATHEX

On February 1, Greece's privatization agency (HRADF) priced the offer at the upper end of the range to raise €785m through a combined offering to Greek and foreign investors as well as existing shareholders.

In 2023, Athens International Airport handled 28m+ passengers, accounting for 35% of passenger traffic through all the nation's airports.

The government divested its 30% ownership stake in the 23-year-old airport known as Eleftherios Venizelos in the country's biggest IPO in the last two decades.

AviAlliance, which already had a 40% stake in Athens Airport, was a cornerstone investor in the IPO and bought a further 10%, Bloomberg reported.

BRIGHTSPRING HEALTH | \$693m raised | \$2.2bn MCAP | NASDAQ

On January 25, BrightSpring Health Services Inc. priced its IPO below the bottom of the range, raising \$693m.

BrightSpring Health serves 400,000+ patients daily through its 10,000+ clinical providers and pharmacists. US company offers a home and community-based healthcare services platform. It is focused on delivering services to complex patients, particularly senior and specialty patients. The company has a presence in all 50

A D A S T R A

IPO digest | Weeks 1-6 | 2024

states. Heavily leveraged KKR-backed BrightSpring is going to repay the debts as the main use of proceeds.

BBB FOODS | \$589m raised | \$2bn MCAP | NYSE

On February 8, BBB Foods Inc. priced its upsized IPO at the top of its increased range raising \$589m.

Fast-growing discount grocery chain dominates the grocery hard discount sector in Mexico, operating 2,288 stores as of 2023, with the potential for expansion to approximately 12,000 additional stores. The Tiendas 3B name, which references “Bueno, Bonito y Barato” – a Mexican saying which translates to “Good, Nice and Affordable” – summarizes the company’s mission. The company’s business model is simple yet disruptive: it offers a limited assortment of products that cover the daily grocery needs of the clients. The stores also offer convenience, since they are generally located in the central neighborhoods that allow for daily visits and minimize transportation needs of the customers.

Total revenue reached \$1.85bn for 2022 and increased to \$2.3bn in the last 12-month period ended September 30, 2023. Despite its strong market presence, the company carries significant leverage, leading to substantial interest expenses, and has a track record of net losses.

RENK | €448m sold | €2.5bn MCAP | FWB

On February 7, industrial machinery maker Renk AG priced its IPO at the low end of its last range raising €448m in Frankfurt.

A D A S T R A

IPO digest | Weeks 1-6 | 2024

RENK Group AG, headquartered in Augsburg, Germany, is a leading global manufacturer of propulsion technologies in civil and military markets. The product portfolio includes gear units, vehicle drives, powerpacks, hybrid drives, suspension systems, slide bearings, couplings, and testing systems. In 2022, RENK generated sales revenues of €849m.

Renk's private equity owner Triton pulled a planned IPO last year amid a volatile stock market, now it could potentially receive €500m with full greenshoe realization.

CG ONCOLOGY | \$380m raised | \$1.2bn MCAP | NASDAQ

On January 24, CG Oncology Inc. upsized its IPO at the level above the top of its price range raising \$380m, and soared by 96% on the first trading day, the biggest surge for a sizable IPO since the summer 2023 Cava record.

The company's primary clinical asset is currently under development for a specific type of bladder cancer and is undergoing a Phase 3 trial, with anticipated topline data expected by the end of 2024. Should the cretostimogene trial prove successful, the biotech anticipates that it could form the basis for a Biologics License Application submission to the FDA.

AIR ASTANA | \$370m raised | \$847m MCAP | LSE, AIX, KASE

On February 9, a Kazakh airline group co-owned by BAE Systems debuted on the **LSE** with an IPO, receiving a valuation of \$847m in the mid-range pricing. The upsized offering raised as much as \$370m, including \$120m to support the Kazakhstan-based carrier's

A D A S T R A

IPO digest | Weeks 1-6 | 2024

growth plans. The firm's triple listing strategy, including the domestic Kazakhstan Stock Exchange and Astana International Exchange, attracted local and international investors.

The Air Astana Group, the largest airline group in Central Asia and the Caucasus region by market share, and one of the fastest-growing airline groups in the world, carries around 8m customers annually and delivers award-winning levels of service on board its aircraft.

Over its 20-year history, the Air Astana Group has consistently generated profitability throughout the cycle, culminating in a post-COVID recovery that outperformed global peers, delivering EBITDAR CAGR of 19.0% between 2019 and 2022.

KYVERNA THERAPEUTICS | \$319m raised | \$898m MCAP | NASDAQ

On February 6, Kyverna Therapeutics Inc. increased its IPO proceeds by 49% by increasing the number of shares sold and the price range. Kyverna Therapeutics is a Phase 2 clinical biotech company specializing in autoimmune diseases. The company develops cell therapies for patients suffering from lupus nephritis and systemic sclerosis. The company's flagship product KYV-101 is an autologous CD19 CAR T-cell therapy, developed under license from the National Institutes of Health.

MBC GROUP | \$222m raised | \$2.9bn MCAP | TADAWUL

On January 8, MBC Group successfully listed on the **TADAWUL** stock exchange in Saudi Arabia with its shares soaring 30% on their debut.

A D A S T R A

IPO digest | Weeks 1-6 | 2024

MBC Group, established in 1991 in London and headquartered in Dubai since 2002, has expanded its operations significantly, operating over 13 TV channels, 3 radio stations, and the Shahid streaming platform. MBC Group is a major media company in the Middle East with TV broadcasting and streaming services like Shahid known as the "Netflix of the Middle East".

This IPO, managed by HSBC and JPMorgan Chase, is part of Saudi Arabia's privatization drive to support its Vision 2030 strategy, aimed at diversifying the economy and attracting new investments. The IPO valued MBC at almost \$2.9bn, with the government retaining a majority 54% stake in the company.

The company plans to leverage its IPO proceeds to grow its subscriber base, expand advertising sales, and diversify into sports, music, gaming, and events. MBC aims to capitalize on the large regional population and the Arab diaspora market for further growth.

ARRIVENT BIOPHARMA | \$175m raised | \$575m MCAP | NASDAQ

On January 25, oncology biotech ArriVent BioPharma Inc. upsized its IPO to raise \$175m.

The biotech's primary clinical candidate furmonertinib is a kinase inhibitor developed for non-small cell lung cancer, targeting a wide range of epithelial growth factor receptor mutations. The medication is presently undergoing assessment in various trials, including a pivotal Phase 3 trial, with anticipated topline data to be disclosed in 2025.

ArriVent BioPharma received Breakthrough Therapy Designation for furmonertinib from the FDA in October 2023 indicating that the

A D A S T R A

IPO digest | Weeks 1-6 | 2024

product candidate, alone or in combination with one or more other drugs, may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development.

THEON | €154m raised | €700m MCAP | Euronext Amsterdam

On February 7, Cypriot defense company Theon International priced its IPO at the bottom of the marketed range at Euronext Amsterdam. This has become the first listing in the Netherlands in nearly two years.

Theon designs and manufactures cutting-edge customizable night vision and thermal imaging systems. Its solutions allow the visualization of images in low light or obscure conditions for defense and security applications. The company, founded in 1997, has main production facilities in Greece and has become one of the most relevant players in the industry, with a global footprint.

According to Theon's CEO, the raised equity capital will give the company flexibility to pursue its long-term growth ambitions through actively exploring bolt-on M&A opportunities in Europe and North America within the next 18 months.

SMITH DOUGLAS HOMES | \$162m raised | \$1.1bn MCAP | NYSE

On January 11, Smith Douglas Homes Corp. priced its IPO at the high end raising \$161.5m. The company is one of the US fastest-growing private homebuilders by number of closings and is engaged in the design, construction, and sale of single-family homes in some of the highest growth and most desirable markets in the Southeastern US.

A D A S T R A

IPO digest | Weeks 1-6 | 2024

Smith Douglas employs an efficient land-light, production-focused, and conservatively leveraged business model, which results in a compelling combination of strong home closing gross margins, construction cycle times, and returns. It offers homebuyers an attractive value proposition by providing a personalized home-buying experience at affordable prices.

AVALON PHARMA | \$131m raised | \$437m MCAP | TADAWUL

On January 24, Avalon Pharma priced its IPO at the top of its range raising the equivalent of \$131m. The offer represented 30% of its issued share capital on the Saudi Exchange's Main Market with the retail demand accounting for 10% of the shares.

Avalon Pharma, headquartered in Riyadh, specializes in the development, manufacturing, and marketing of consumer health and beauty brands, along with generic prescription medicines. The Company's activity, according to its commercial registration, is the manufacture of disinfectants and sterilizers for medical and non-medical devices, and the production of cosmetics, and pharmaceutical solutions for human use.

ALTO NEUROSCIENCE | \$129m raised | \$409m MCAP | NYSE

On February 2, Alto Neuroscience Inc. priced its upsized IPO at the top of the range to raise \$128.6m.

Alto Neuroscience is a clinical-stage biotechnology company focused on CNS disorders. The company's present pipeline comprises five clinical-stage assets aimed at treating major depressive disorder and schizophrenia. Its most advanced programs are currently

A D A S T R A

IPO digest | Weeks 1-6 | 2024

undergoing evaluation in Phase 2b trials, with anticipated topline data to be disclosed between the 2H2024 and 1H2025.

Through insights derived from the scalable and proprietary Precision Psychiatry Platform, which applies rigorous data science and robust analytics to data gathered by neurocognitive assessments, electroencephalography, and wearable devices, the company aims to discover brain-based biomarkers to better identify which patients are more likely to respond to their novel product candidates.

FRACTYL HEALTH | \$110m raised | \$714m MCAP | NASDAQ

On February 1, Fractyl Health Inc. priced its IPO at the midpoint raising \$110m.

Fractyl Health, focusing on diabetes and obesity, developed an outpatient procedural therapy aimed at long-lasting modification of duodenal dysfunction. The company's primary candidate, the Revita DMR System is designed to enable durable and repeatable metabolic improvement via hydrothermal ablation of the dysfunctional duodenal mucosa to address duodenal pathology and consequent metabolic disease progression directly. The Revita system is already approved in Europe for patients with poorly controlled type 2 diabetes, with plans to submit the necessary documentation for FDA approval in the US in the 1H2024. Additionally, Fractyl is advancing a pancreatic gene therapy platform and aims to nominate its initial candidate in the 1Q2024.

A D A S T R A

IPO digest | Weeks 1-6 | 2024

METAGENOMI | \$94m raised | \$600m MCAP | NASDAQ

On February 8, Metagenomi Inc. priced its IPO at the low end of the range raising \$93.8m. Metagenomi is a preclinical gene-editing biotech company backed by Moderna and Bayer Healthcare. The company is committed to developing curative therapeutics for patients using its proprietary comprehensive metagenomics-derived genome editing toolbox and believes it is well-positioned to uniquely access the entire genome and select the optimal tool to unlock the full potential of genome editing for patients.

AUTONOMIX MEDICAL | \$11m raised | \$106m MCAP | NASDAQ

On January 26, Autonomix finalized its Reg A offering raising \$11.2m. Autonomix Medical is a medical device company focused on advancing innovative technologies to revolutionize how diseases involving the nervous system are diagnosed and treated. The Company's first-in-class technology platform includes a catheter-based microchip sensing array that can detect and differentiate neural signals with approximately 3,000 times greater sensitivity than currently available technologies. The company's technology constitutes a platform with the potential to address dozens of indications, including in cardiology, renal denervation, and chronic pain management across a wide disease spectrum.

Roma Green Finance, a Hong Kong climate sustainability services provider, raised \$12m on **NASDAQ**.

A D A S T R A

IPO digest | Weeks 1-6 | 2024

Haoxi Health Technology, a Chinese provider of short video ads for healthcare companies, raised \$9.6m on **NASDAQ**.

Perfect Moment, a US luxury ski, swim, and activewear apparel company, raised \$8m on **NYSE**.

Telomir Pharmaceuticals, a pre-clinical biotechnology company developing an oral small molecule to treat the side effects of cancer treatment and age-related conditions, raised \$7m on **NASDAQ**.

J-Long Group Limited, an authorized distributor of 3M Scotchlite reflective materials in Hong Kong, raised \$7m on **NASDAQ**.

CCSC Technology International Holdings, manufacturing interconnect products customized for industrial, automotive, and robotics products, raised \$5.5m on **NASDAQ**.

Silynxcom, an Israeli in-ear headsets manufacturer, raised \$5m on **NYSE**.

SU Group Holdings, a Hong Kong security-related engineering services provider, raised \$5m on **NASDAQ**.

Planet Image International, a leading export-oriented manufacturer of toner cartridges compatible with a wide range of laser printers, raised \$5m on **NASDAQ**.

MicroSalt, producer of a patented full-flavour, low-sodium salt for food manufacturers and consumers, raised £3.1m on **AIM LSE**.

A D A S T R A

IPO digest | Weeks 1-6 | 2024

Kruso Kapital, active in the valuation and investment of valuable assets and works of art, raised €2.7m on **EURONEXT Growth Milan**.

WITHDRAWALS

Renault has decided to cancel its planned IPO of its new electric vehicle and software business, **Ampere**. Renault cited market conditions and improved profitability across the company as reasons for scrapping the IPO that could potentially value Ampere at up to €10bn.

Specialty insurer **Fortegra** withdrew its planned \$297m IPO ahead of its expected pricing, citing market conditions. Subsidiary of **Tiptree**, the specialty insurer had previously attempted to go public in early 2021 but scrapped those plans ahead of pricing as well.

One of Vietnam's most promising tech startups, **VNG** withdrew its registration for a potentially \$150m IPO in the US, citing uncertain market conditions. Known for its gaming and messaging services the company had previously postponed its IPO plans in September 2023 with hopes of better market demand. The withdrawal caused a 6% drop in the company's shares on Vietnam's Unlisted Public Company Market.

IPO PLANS AND RUMORS

Financial Times reported, that **EQT**, a private equity group, is reviving plans for a \$20bn IPO of **Galderma**, a dermatology company spun out of Nestlé in 2019. The IPO is expected to take place in Switzerland

A D A S T R A

IPO digest | Weeks 1-6 | 2024

in 1H2024 and could become the largest in Europe for the last few years. Galderma's growth is fueled by specialist skincare products and injectible aesthetics. Last year, it received FDA approval for new injectibles and reported record net sales. EQT had previously considered listing Galderma, but challenges in selling portfolio companies on public markets led to delays. However, a private placement last June helped strengthen Galderma's balance sheet, potentially allowing for a smaller IPO offering this time. Private equity executives anticipate increased activity in 2024, with other companies considering listings. Galderma's IPO planning accelerated due to the rising demand for cosmetic treatments amid the Covid-19 pandemic.

Wiz, an Israeli cloud security unicorn, has achieved a remarkable milestone of \$350m in Annual Recurring Revenue within just four years of its inception. With a recent valuation of \$10bn and substantial backing of \$900m in funding, the company is eyeing a target of reaching \$1bn in sales. To support its growth trajectory, Wiz plans to add 400 employees globally in 2024, bringing its total workforce to 900 across the US, Europe, Asia, and Israel. The company also announced the appointment of Dali Rajic, former President and COO of Zscaler, as its President and COO, to oversee growth strategy and operations. Wiz serves over 40% of the Fortune 100, including prominent clients like Salesforce, Slack, BMW, and DocuSign. CEO and co-founder Assaf Rappaport expressed enthusiasm for the company's future, highlighting ambitions for an IPO and the potential for transformative impact in the cybersecurity realm as reported by CTech.

A D A S T R A

IPO digest | Weeks 1-6 | 2024

Circle Internet Financial, the operator of the USDC stablecoin, has confidentially filed for a potential IPO in the US, as reported by Financial Times, marking its second attempt at a listing after abandoning plans just over a year ago. The move follows regulatory approval for the launch of 11 spot bitcoin exchange-traded funds by the SEC, signaling a positive shift in market sentiment toward digital assets. Circle's filing comes amidst hopes for improved market conditions for new listings, with various companies eyeing IPOs as expectations rise for Fed interest rate cuts. Circle's USDC stablecoin ranks as the world's second-largest, with \$25bn in circulation, but its market share declined notably last year after revelations about its holdings in the now-collapsed Silicon Valley Bank.

Two cybersecurity unicorns, **Snyk** and **Cato Networks**, are reportedly gearing up for IPOs, as per the report from The Information. Snyk is expected to file its IPO prospectus with regulators within several months, while Cato Networks is expected to engage banks to lead its IPO as early as in March, with plans to go public later in 2024. Snyk CEO Peter McKay has stated that much of the groundwork for Snyk's IPO has already been completed. Snyk currently holds a valuation of \$7.4bn, making it one of the top-valued cybersecurity unicorns, while Cato Networks disclosed a valuation exceeding \$3bn following a \$238m funding round in September 2023.

N26, the German neobank once heralded as the country's most valuable startup, has revised its IPO timeline to three to five years away, a shift from the previously anticipated 2023 debut. Despite challenges including hefty fines and executive departures, CEO

A D A S T R A

IPO digest | Weeks 1-6 | 2024

Valentin Stalf remains optimistic, asserting a "super clear" equity story for potential investors. According to Shifted, the company aims to achieve profitability by 2H2024, a crucial step towards going public. With a focus on product expansion and customer growth, N26 is navigating competitive pressures in the German banking sector while consolidating its presence in Europe. Despite setbacks in global expansion, the bank remains committed to intensifying its presence in existing markets and fostering a proactive relationship with regulators. Amidst these efforts, N26 continues to innovate, rolling out investment and savings products and preparing for future milestones on the path to an eventual IPO.

Reddit, the popular internet discussion forum, is reportedly considering an IPO, targeting a valuation of at least \$5bn in a deal in March, according to Bloomberg. This valuation is about half the price at which Reddit last raised funds privately. In this case, Reddit's valuation would be in line with peers' revenue multiples, including Snap, and would be slightly below Pinterest. The company generated over \$800m in revenue in 2023, according to The Information.

Rubrik, a cybersecurity startup backed by Microsoft, is reportedly planning an IPO in April 2024. This decision comes after the company is said to be handling a Department of Justice probe into a former employee. The investigation revolves around allegations that the ex-employee diverted funds from 110 Rubrik contracts, totaling \$46m, into his entity, according to Reuters. Rubrik is said to be cooperating with the probe. While the company has not commented

A D A S T R A

IPO digest | Weeks 1-6 | 2024

on the matter, it was previously reported that Rubrik was expected to raise approximately \$500m in the IPO. The IPO is reportedly being led by Goldman Sachs, Barclays, and Citigroup, aiming to surpass Rubrik's most recent valuation of \$4bn from two years ago.

Astera Labs, a semiconductor company founded in 2017 by former Texas Instruments executives, is gearing up for an upcoming IPO slated for March. Specializing in addressing data center bottleneck issues, Astera Labs' products aim to enhance the efficiency and speed of connections within data centers, catering to the increasing demand driven by the surge in genAI applications. With recorded revenues of \$50m in the 4Q2023 and projected revenues of up to \$300m for 2024, the company has attracted significant investor interest, having raised \$206m across four funding rounds, with major backers including Fidelity and Intel, according to CTech. Astera Labs seeks to achieve a valuation of \$4bn in its IPO, poised to capitalize on its innovative semiconductor solutions and strong market position within the technology sector.

Raspberry Pi, the single-board computer company, is progressing towards a potential IPO in 2024, taking a step closer by appointing Peel Hunt and Jefferies to prepare documentation for a listing on the **LSE** as per tech.eu. Founded in 2011, Raspberry Pi has become a staple in the tech community, selling 7m+ units annually and catering to various users from hobbyists to enterprises. The company, controlled by a charitable foundation with a focus on tech education, received investments from Lansdowne Partners and the Ezra Charitable Trust in 2021 amidst increased interest in DIY

A D A S T R A

IPO digest | Weeks 1-6 | 2024

computing during the pandemic. Arm acquired a minority stake in Raspberry Pi in November 2023 to support the IoT developer community, valuing the company at approximately \$560m. Although speculations about listings in previous years failed to materialize, the possibility of a 2024 IPO remains significant, potentially highlighting the hardware capabilities of Raspberry Pi against Chinese and US manufacturers.

This digest covers key IPO deals on European, US, and Middle East exchanges. Our main focus is on companies exceeding \$100 mn in market capitalization.

YOUR PARTNER AND GUIDE IN ENHANCING THE SHAREHOLDER VALUE

We are excited to keep you posted with news and insights on the European and US public equity capital markets. Please share with us your feedback and let us know if you would like to hear more from us about some particular subjects of your interest.

 **today@adastra.today**