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These weeks, the IPO scene has seen a notable shift, with Türkiye emerging as a focal point with seven prominent IPOs while the US and European markets have remained relatively subdued. However, the upcoming pipeline in both Europe and the US holds promise, hinting at the anticipation of new major listings in the months to come.

NEW IPOs

OBA MAKARNA | \$120m raised | \$602m MCAP | BIST

On March 1, Oba Makarnacılık Sanayi ve Ticaret raised TRY3.78bn in a fixed-price offering on **BORSA ISTANBUL** Star Market. The IPO became a mix of 75% primary and 25% secondary shares with a free float of 20%. Oba Makarna business operates in the food sector, and its main activity is the production and sale of pasta, noodles, semolina, flour, and other wheat products, as well as grain trade. Oba Makarna claims to produce 25% of the country's pasta with Türkiye being the third largest pasta producer in the world. Moreover, the company exports to over 100 countries on six continents.

MOGAN ENERJİ | \$94m raised | \$857m MCAP | BIST

On March 7, Mogan Enerji Yatırım Holding raised TRY2.98bn in a fixed-price offering on **BORSA ISTANBUL**. The company is engaged in the operation of renewable energy plants, including geothermal, hydroelectric, and wind power plants in Türkiye. Mogan Enerji is

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committed to contributing to environmental preservation by reducing approximately 1.3m tons of carbon emissions annually through its renewable energy operations.

BOR ŞEKER | \$61m raised | \$210m MCAP | BIST

On February 15, Bor Şeker raised TRY1.86bn in a fixed-price offering on **BORSA ISTANBUL**. Bor Şeker is one of Türkiye's leading and well-established sugar producers with its strategic investments aimed at sustainable growth. In addition, the company also operates in the molasses and pulp market as by-products.

LIMAK DAÇ | \$36m raised | \$120m MCAP | BIST

On February 22, Limak Doğu Anadolu Çimento Sanayi ve Ticaret raised TRY1.13bn in a fixed-price offering on **BORSA ISTANBUL**. The company operates an integrated cement factory for the production of clinker and cement in its facility located in the southeastern Anatolia region of Türkiye. Limak DAÇ has a total of 10 cement factories and a clinker capacity of 9.6m tons, making it the second largest clinker capacity in Türkiye. Additionally, the company has been operating in Sub-Saharan Africa since 2016.

PASIFIK TEKNOLOJİ | \$31m raised | \$155m MCAP | BIST

On February 13, Pacific Hardware and Software Information Technologies raised TRY945m in a fixed-price offering on **BORSA ISTANBUL**. Focusing on advanced network and network security solutions, the company offers technological services such as

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consultancy, engineering, security operation center, and network operation management center to its customers in Türkiye and around the world. The company also supplies the hardware, engineering, and manufacturing infrastructure related to the services provided.

EFFI CAPITAL NADLAN | \$26m raised | \$146m MCAP | TASE

On March 3, Effi Capital Nadlan raised NIS92m on the **TEL AVIV STOCK EXCHANGE**. The company engages in the construction and sale of real estate projects in Israel. Effi Capital Nadlan develops residential construction projects nationwide, including urban renewal projects, affordable housing projects, commercial projects, offices, and logistic centers. The long-term strategy prioritizes the company's business development, primarily through land acquisitions, advancement of existing projects, and initiation of real estate development collaborations.

SOLARMAX TECHNOLOGY | \$18m raised | \$178m MCAP | NASDAQ

On February 27, SolarMax Technology raised \$18m in line with its final prospectus. The company is active in integrated solar energy production in the USA and China.

Alves Kablo Sanayi ve Ticaret, a Turkish cable manufacturer, raised \$25m on **BORSA İSTANBUL**.

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Artemis Hali, a Turkish carpets producer, raised \$16m on **BORSA İSTANBUL**.

Ryde Group, a Singapore-based ride-hailing app, raised \$12m on **NYSE**.

Wetouch Technology, a Chinese touchscreens producer, raised \$10.8m in a **NASDAQ** uplisting from the OTCQB.

Palingeo, an Italian geotechnic service provider, raised €7.4m on **EURONEXT Growth Milan**.

Chromocell Therapeutics, a biotech company focused on developing painkillers, raised \$6.6m on **NYSE**.

Lucas GC, a Chinese human capital management service provider, raised \$6m on **NASDAQ**.

Vocodia Holdings, a conversational AI technology company, raised \$6m on the **CHICAGO BOARD OPTIONS EXCHANGE**.

Unusual Machines, a drone technology company raised \$5m on **NYSE**.

Sorted Group Holdings, a complete end-to-end post-purchase solution for e-commerce, raised £2m in the reverse takeover on **AIM (LSE)**.

Espe, an Italian electrical systems provider in the alternative energy sector, raised €1.8m on **EURONEXT Growth Milan**.

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IPO PLANS AND DISCLOSURES

Telegram, the messaging app, has reached 900m users and is on the verge of profitability, according to its owner, Pavel Durov. The company has seen significant revenue growth, especially after introducing advertising and premium subscription services. According to Financial Times, Durov expressed interest in a US IPO to maintain the company's independence, despite receiving offers valuing Telegram at over \$30bn. The company has raised about \$2bn in debt financing and may offer equity to its loyal users. Telegram plans to enhance moderation processes and deploy AI mechanisms to address potential issues while maintaining a commitment to free speech and competition of ideas.

Klarna, the Swedish FinTech company, released its annual report showing rising revenues and narrowing losses for 2023, marking its first profitable month and quarter in four years, according to PYMNTS. The report highlights Klarna's growth in its largest market, the US, with 37m US users, representing a 44% increase since 2022. Despite continued investment in growth, Klarna saw a significant reduction in losses, totaling \$241m, compared to \$1bn in 2022, while revenues climbed 22% to \$217m. The release of the annual report comes amid reports of Klarna's potential US IPO, valued at \$20bn, with speculation suggesting a listing could occur as early as 3Q24. Klarna's IPO plans follow a period of valuation fluctuations, from \$45.6bn in 2021 to \$6.7bn in 2022, attributed to concerns about rising interest rates affecting online lending platforms. Bloomberg reported that the company had spent months working on a new AI

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assistant after consultations with Sam Altman. Klarna claims the technology is doing the work of 700 full-time customer-service agents and it helps to improve profits by \$40m in 2024.

Swiss skincare company **Galderma Group** has set the price range for its IPO aiming to raise approximately €2.4bn. According to Bloomberg, the IPO is expected to be the largest in Europe since 2022, implying a market capitalization of up to €13.1bn. Despite previous delays due to volatile markets, Galderma's offering garnered demand exceeding the full deal size within an hour of opening orders. Founded in 1981, Galderma was acquired by an EQT-led consortium in 2019 for ca. €9.2bn. Proceeds from the IPO will be used to bolster the balance sheet and reduce debt. EQT will raise around €16m in the IPO, with the option for additional shares through a greenshoe offering. The skincare company includes leading brands like Cetaphil and injectable products, with recent acquisitions expanding its anti-aging product portfolio.

Deel, a prominent HR startup with a \$12bn valuation, is embarking on an acquisition spree, acquiring African-based payroll and HR software company PaySpace, TechCrunch reported. This move offers Deel an opportunity to strengthen its presence in Africa, on the one hand, and acquire advanced payroll solution technology on the other. This follows its recent acquisition of Munich-based Zavvy. Deel's latest acquisitions are part of its strategy to expand globally, with a focus on owning the full HR stack across six continents. With over 150 entities worldwide and in-house payroll teams in 70 countries, Deel aims to serve 100 countries with native payroll

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engines in the next four years. While Deel's IPO plans are slated for 2025-26, its recent acquisitions signal ambitious growth potential leading up to the public offering.

According to CNBC, **Etihad Airways**, based in Abu Dhabi, is preparing for a potential IPO after experiencing increased revenue in 2023 due to a 40% rise in passenger numbers. CEO Antonoaldo Neves stated that the company is working to be ready for an IPO whenever the time is right, amid reports of discussions between the airline's owner, ADQ, and banks regarding a possible listing as soon as this year. An IPO would allow Etihad to access capital markets for future growth and expansion plans, potentially making it the first major Gulf carrier to go public. Neves emphasized efforts to enhance governance and profitability, aligning the company with listed counterparts. Etihad reported an operating profit of \$394m in 2023, and total revenue reached \$5.5bn, with a net profit of \$143m.

Reddit and its investors are seeking to raise up to \$748m in one of the biggest IPOs of the year so far on **NYSE**. The company's valuation is expected to be around \$6.5bn. As Bloomberg reported, the journey to IPO has been marked by fluctuations in market conditions, with Reddit being valued at \$10bn in 2021 and potentially reaching \$15bn in subsequent reports. The company saw a net loss of \$91m on revenue of \$804m in 2023, an improvement from the previous year. Reddit aims to expand its advertising business and is exploring AI licensing opportunities. Reddit aims to offer a substantial portion of its shares to its most active users, numbering around 75k individuals in the upcoming IPO. This unique move grants these users the rare

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opportunity to purchase Reddit shares at the IPO price before they hit the public market, a privilege typically reserved for institutional investors. While this approach could foster greater user loyalty and engagement, it also carries inherent risks, particularly if the stock doesn't perform well post-IPO.

BC Partners, the private equity firm owning a 47% stake in **Springer Nature**, is considering plans to list the German academic publisher, potentially through an IPO in 2H24. According to Reuters, the IPO could value Springer Nature at up to €9bn. Springer Nature, the publisher of renowned journals like Nature and Scientific American, has been exploring listing options since deferring its plans in 2020 due to the COVID-19 pandemic. The company recently secured a €2.5bn credit line, seen as a preparatory move for an IPO.

WSJ reported, that **Webull**, a digital brokerage platform, has opted to go public through a merger with a **NASDAQ** SPAC, SK Growth Opportunities around September 2024. The deal is projected to raise approximately \$100m, valuing Webull at \$7.3bn. The funds will support Webull's international expansion and the development of new products. The decision to pursue a SPAC merger over an IPO was driven by the desire for certainty, as the IPO market has been sluggish since 2022. Webull, known for its commission-free stock trading, experienced a surge in popularity during the GameStop frenzy in 2021 and has since expanded globally with approximately 20m registered users. The company has maintained profitability for eight consecutive quarters and has a content partnership with Dow Jones.

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eToro, a UK-focused retail broker, is contemplating an IPO with a valuation target exceeding \$3.5bn, exploring both New York and London as potential listing destinations. FT reported that eToro manages \$11.3bn in customer assets across 3m accounts, benefiting from increased retail trading activity amid record highs in stock markets and cryptocurrencies. However, eToro's valuation has declined since its 2021 IPO attempt, terminated due to market conditions. The company's CEO Yoni Assia remains undecided about allowing customers to invest directly in the IPO, unlike Robinhood, citing differences in customer demographics and market infrastructure.

Reuters reported German perfume retailer **Douglas** is set to launch one of Europe's first major IPOs this year, raising up to €907m, primarily through the issuance of new stock, potentially giving it a market capitalization of up to €3.1bn. Controlled by CVC Capital Partners and the Kreke family, Douglas plans to begin trading on the **FRANKFURT STOCK EXCHANGE** on March 21. Proceeds from the IPO will be used to reduce company debt, with the owners committing around €300m in additional capital to strengthen the balance sheet.

Cloud storage service **Egnyte** has chosen underwriters for a potential IPO in New York, aiming for a valuation exceeding \$3bn, as reported by Reuters. JPMorgan Chase has been appointed to lead the IPO preparations, with UBS Group also serving as an underwriter. Egnyte, a competitor of firms like Box and Dropbox, offers storage, governance, and security solutions to various industries. The increasing demand for cloud computing services, driven by the

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growth of genAI, contributes to the company's growth prospects. Founded in 2007, Egnyte raised \$75m in a funding round led by Goldman Sachs' growth equity arm in 2018, valuing the startup at \$460m. With investments from firms like Kleiner Perkins and GV, Egnyte has experienced steady growth and achieved profitability.

As per Reuters, **Harry's Inc.**, a maker of razors and personal care products, has confidentially filed for an IPO with the SEC. The company, valued at \$1.7bn in 2021, has Goldman Sachs, JPMorgan, Barclays, and Wells Fargo to prepare for its stock market debut in New York. Harry's, with investors like Bain Capital and Macquarie Capital, is nearing \$1bn in annual revenue and is profitable. Harry's initially operated as a direct-to-consumer men's grooming brand but has since expanded into brick-and-mortar retail and diversified its product range to include hair care, body care, and other items. It operates its factory in Germany and an in-house brand incubator called Harry's Labs.

Dubai's Road and Transport Authority organized its parking business into a company named **Parkin**, which is likely to IPO in the coming months. According to Bloomberg, the IPO could raise up to \$429m, valuing the firm at \$1.7bn. This IPO marks the sixth privatization by the Dubai government, part of a larger plan to list state-owned companies to boost trading volumes. The company plans to pay a minimum dividend of either 100% of profit or free cash flow to equity for the full 2024 fiscal year. Joint global coordinators for the IPO include Emirates NBD Capital, Goldman Sachs Group, and HSBC Holdings, with Rothschild & Co. serving as an independent financial

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adviser. Due to strong demand, Parkin has increased the number of shares available to retail investors up to 12% of the total shares offered.

Banca Progetto SpA, owned by Oaktree Capital Management, is considering an IPO in 2Q24, intending to sell a stake of 35% to 40% on the Star segment of the EURONEXT Milan, Bloomberg reported. Banca Progetto is focused on loans to small and medium-sized enterprises backed by state guarantees. Its profits surged by 38% to €72m in the previous year, attributed to income from lending and a diversified business mix. The bank is working with STJ Advisors, Citigroup, Intesa Sanpaolo, and UBS Group on the potential listing, with media reports suggesting a valuation of up to €600m.

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.

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