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IPO digest | December 2023

With the start of 2024, the IPO market is getting ready for a comeback after a two-year break. Many companies, eagerly awaiting at the doors of major stock exchanges, are getting ready to enter the market this year. The uncertainties that hung over the IPO scene in recent years are fading away, showing positive signs for the new offerings. The year 2023 saw a significant slowdown in activity, creating a shallow starting point, and paving the way for an IPO boost in 2024. While things look promising, whether this positive trend will last depends on the changing global economic situation.

While main regions have experienced an IPO slowdown in recent years, the Middle East has bucked the trend, gaining momentum and culminating in a series of successful deals by the end of 2023. Recognizing this positive trend, we find it worthwhile to feature the top exchanges in the region in our IPO digest for the year 2024.

As the IPO activity slowed down in the US market, European listings gained more attention in December 2023, with a notable IPO in Warsaw - the first in two years.

NEW IPOs

MURAPOL | €310m MCAP | €84m sold | GPW

Real estate developer Murapol was newly listed on the **WARSAW STOCK EXCHANGE (GPW)** Main Market on 15 December 2023 with a

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free float of 22%. The company priced its IPO at 33 zlotys per share, giving it a valuation of 1.35bn zlotys (\$344.5m).

From the launch of its operations in 2001 until 30 September 2023, the Murapol Group completed 81 development projects in 17 cities in Poland, including the construction of 411 buildings and 27,200 residential and commercial units. Thanks to the growth of its operations, the group has become one of the largest entities in Poland in terms of the number of flats sold and flats handed over to clients. Murapol is also the most geographically diversified residential developer in Poland.

It was Murapol's second attempt at listing. It scrapped its previous IPO plans in 2021 citing uncertain market conditions, pricing itself at the time at 40 zlotys a share, according to Reuters. Murapol's debut marks the end of a two-year IPO drought for the Polish bourse which has only seen stock transfers from its small companies market.

ZKH GROUP | \$2.5bn MCAP | \$62m raised | NYSE

On December 14, ZKH Group priced its ADS at the low end of its price range to raise \$62m down from its original target of \$200m.

Incorporated in the Cayman Islands, the company provides one-stop maintenance, repair, and operations (MRO) procurement and management services, and offers digital and fulfillment solutions for participants along the industry value chain in China. They spearhead the digital transformation of the MRO industry for cost reduction and efficiency improvement.

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BOLOGNAFIERE | €244m MCAP | €15m raised | EURONEXT

On December 20, a total of € 15m was raised by the leading player in the international exhibition business, BolognaFiere, on **EURONEXT Growth Milan**. The free float at the time of admission was 32%.

The Group covers all stages of the value chain (exhibition organization, venue management, set-up & architecture), operates in more than 15 countries located on 3 continents (Europe, Asia, and America), and organizes more than 100 exhibition events every year. In 2005, it was the first Italian exhibition operator to open an office in China, now employing about 60 people. It is the first operator in Italy in terms of share of turnover and events organized abroad, is a world leader in the Cosmetics sector with the CosmoProf brand and in the Italian exhibition market with the brands under Henoto, and organizes the most important international children's publishing fair, the Bologna Children's Book Fair.

GARDEN STAGE | \$126m MCAP | \$10m raised | NASDAQ

On December 1, Garden Stage upsized its IPO by 25% and priced at the low end of the range to raise \$10m. Garden Stage is a Hong Kong-based financial services provider principally engaged in the provision of placing and underwriting services, securities dealing and brokerage services, and asset management services.

Garden Stage business is carried out through the wholly owned Operating Subsidiaries: I Win Securities, which is licensed to conduct dealing in securities, and I Win Asset Management, which is licensed to conduct advising on securities and asset management.

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INNO Holdings, an innovative building-technology company, raised \$10m on **NASDAQ**.

STIF, the leading French manufacturer of components for bulk product handling, raised €9m on **EURONEXT Growth Paris**.

Linkage Global, a cross-border e-commerce integrated services provider headquartered in Japan, raised \$6m on **NASDAQ**.

Cloudia Research, a computerized, automated, and interconnected management systems provider, raised €3.5m on **EURONEXT Growth Milan**.

Simone S.p.A., a publishing company raised €3m on **EURONEXT Growth Milan**.

Lemon Sistemi, provider of photovoltaic, thermohydraulic, and storage systems, raised €2m on **EURONEXT Growth Milan**.

Diabetes and obesity-focused biotech **Carmot Therapeutics** withdrew its IPO filing as it prepares to be acquired by **Roche** for up to \$3.1bn.

IPO PLANS AND FILINGS

Kazakhstan-based fintech company **Kaspi.kz** has revealed a significant increase in profits and revenue for its latest quarter as it moves closer to a US listing by making its paperwork public, according to Reuters. Currently valued at nearly \$19bn on **LSE**, where its GDRs are listed, Kaspi.kz aims to tap into a larger and more

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diverse investor base with the US listing. In 3Q2023, the company reported a 40% increase in net income to 233bn Kazakh tenge (\$512m) and a nearly 51% growth in revenue to 508bn Kazakh tenge. Kaspi.kz offers payments, marketplace, and fintech solutions for consumers and merchants, including e-commerce purchases, BNPL options, license renewals, and business registrations. While the number of shares to be sold in the offering was not disclosed, the offer price is expected to be similar to the trading price of its **LSE**-listed depositary receipts. Kaspi.kz has applied to list its ADS on the **NASDAQ**, with Morgan Stanley, J.P. Morgan, and Citigroup serving as the lead underwriters.

Panera Bread has confidentially filed for an IPO, as reported by CNBC. The restaurant chain, known for its soups, sandwiches, and bagels, indicated its interest in going public several months ago. In May 2023, Panera announced a CEO transition, stating that leadership changes were in preparation for its eventual IPO. Panera was last publicly traded in 2017 when it was acquired by **JAB Holding** for \$7.5bn. The investment arm of the Reimann family has been reworking its portfolio in recent years, selling **Au Bon Pain** in 2021 and taking **Krispy Kreme** public. Panera attempted to go public in 2022 but called off the deal with a SPAC led by Danny Meyer, citing market conditions.

Walgreens Boots Alliance is reportedly in early discussions regarding the separation of its UK-based **Boots** drugstore chain, contemplating the option of an IPO on **LSE**, according to Bloomberg. A potential valuation of the drugstore chain is estimated at around £7bn, as

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reported by Reuters. This follows Walgreens' decision in 2022 to abandon plans to sell the UK high street pharmacy chain due to a lack of adequate offers amid global financial market turmoil. The company initiated a strategic review focused on the Boots business in January 2023, with the possibility of inviting fresh offers or pursuing an IPO. The Boots business comprises 2,200 stores across the UK, including pharmacies, health, and beauty stores.

Dallas-based fintech company **Apex Fintech Solutions**, a provider of investing and wealth management tools, has confidentially filed a draft registration statement for an IPO in the US, as reported by Fintech Futures. Majority-owned by **Peak6 Investments**, Apex Fintech has not yet determined the number of shares to be offered or the price range for the proposed offering, which is currently under review by the SEC. The company, founded in 2012, offers a range of services, including custody and clearing, advisory, institutional, digital assets, and SaaS solutions. Apex Fintech's client list includes SoFi, eToro, Webull, Tornado, and ViewTrade, with reported \$115+bn in assets under its custody. The IPO move follows previous attempts in 2021 when the company sought a \$4.7bn SPAC merger deal with Northern Star Investment Corp II, which did not materialize.

Danish spend management firm **Pleo** is appointing Søren Westh Lonning as its new CFO in 2024, according to AltFi. Lonning, formerly CFO of Danish Endurance and group CFO of listed Danish bioscience firm Chr. Hansen, had been advising Pleo in recent months. Pleo CEO Jeppe Rindom stated that hiring an experienced CFO like Lonning provides "optionality" for a potential IPO and enhances

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processes around accounting, risk, and compliance. Despite recent workforce reductions in 2022, Pleo aims to drive efficient growth and expand its mid-market customer base. Pleo last raised funds in December 2021, securing a \$200m extension to its previous \$150m capital raise, valuing the company at \$4.7bn.

Specialty insurance and reinsurance company **Aspen Insurance Holdings**, backed by **Apollo Global Management**, has filed for an IPO, targeting a \$4bn valuation, as reported by Financial Times. The IPO will be underwritten by Goldman Sachs, Citigroup, Jefferies, and Apollo Global Securities. For the six months ending June 30, Aspen reported a net income of \$197m and gross written premiums of \$2.1bn, compared to \$26m in net income and \$2.4bn in gross written premiums in the same period of the previous year. The deal comes almost five years after Apollo acquired Aspen in 2019.

PE firm **Permira** has chosen Bank of America, JPMorgan, and Mediobanca as joint global coordinators for the upcoming IPO of **Golden Goose**, its Italian luxury sports shoe brand. The listing is expected to take place on **EURONEXT Milan** in the first half of 2024 and could value Golden Goose at approximately €3bn. Golden Goose, known for its distressed trainers, was acquired by Permira from Carlyle in 2020 for about €1.3bn, as reported by the Financial Times.

Digital challenger bank **OakNorth** has appointed Lord Adair Turner, former head of the FSA, as its chair as it considers an IPO. OakNorth, backed by **SoftBank**, focuses on funding small and medium-sized businesses. It recently expanded its services to include business savings and current accounts, putting it in more direct competition

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with major banks. The bank notched pretax profits of £152m in 2022, up from £135m in 2021. According to Financial Times, OakNorth, valued at \$2.8bn in 2019, has turned a profit just over a year after its launch and is considering ways of listing on multiple exchanges to access a broader investor base.

Brokerage firm **Marex Group**, known for dealing metals on the London Metal Exchange, is preparing for a US listing and has filed paperwork for an IPO with the SEC, as The Wall Street Journal reported. Marex, backed by PE firm **JRJ Group**, had canceled plans to list in London two years ago. According to Financial Times, the targeted valuation for the IPO is \$2.2-2.8bn, marking a significant increase from its previous goal in 2021. Marex has grown through acquisitions and expanded its operations in North America, doubling pre-tax profit in the first half of 2023 to \$120m on \$1.2bn of revenues.

Fractyl Health, a metabolic therapeutics company developing procedural and gene therapies for type 2 diabetes and obesity, has filed for an IPO to raise \$100m, according to Benzinga. The S-1 filing with the SEC outlines Fractyl's lead candidate, the Revita DMR System, an outpatient procedural therapy approved for inadequately controlled type 2 diabetes in Europe. Fractyl is also developing Rejuva, an adeno-associated virus-delivered pancreatic gene therapy platform. Fractyl Health plans to list on **NASDAQ** with BofA Securities, Morgan Stanley, and Evercore ISI as joint bookrunners on the deal.

Marine transportation services provider **Hornbeck Offshore** has publicly disclosed its paperwork for a stock market listing on **NYSE**,

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as reported by Reuters. The filing reveals that Hornbeck's revenue for the July-to-September period increased to \$160m from \$125m a year ago. This move marks Hornbeck's attempt to re-enter public markets after emerging from Chapter 11 bankruptcy in September 2020. JPMorgan and Barclays are the lead underwriters for the IPO.

This digest covers key IPO deals on European and US exchanges.

Our main focus is on companies exceeding \$100 mn in market capitalization.

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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.

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