

A high-angle, low-perspective shot from the deck of a white sailboat, looking forward towards the horizon. The boat's white hull, wooden deck planking, and complex rigging of ropes and pulleys are visible. The sail is partially unfurled, catching the wind. The ocean is a deep blue with white-capped waves, and the sky is a clear, pale blue.

Global IPO Trends: Q1 2017

Pathway to growth



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About this report

EY *Global IPO Trends* report is released every quarter and looks at the IPO markets, trends and outlook for the Americas, Asia-Pacific, Japan and EMEA regions.

The report provides insights, facts and figures on the 2017 IPO market year-to-date and analyzes the implications for companies planning to go public in the short and medium term.

You will find this report at the [EY Global IPO Center](#), where you can also subscribe for future editions.

All values are US\$ unless otherwise noted.

A high-angle, low-perspective shot from the deck of a sailboat, looking forward towards the horizon. The boat's white hull and complex rigging of ropes and masts are visible in the foreground. The ocean is a deep blue, and the sky is a mix of orange, yellow, and grey, indicating a sunset or sunrise. The overall mood is serene and expansive.

Global IPO market

Global IPOs off to a brisk start

“Global IPO markets in Q1 2017 saw the highest first quarter by global number of IPOs since 2007. The outlook for accelerated growth in 2017 is optimistic. Economic fundamentals are improving in the major developed economies. Equity index performance and valuations are trending upward, with several major indices reaching all-time highs. At the same time, volatility is low, underpinning positive IPO sentiment. This has been reflected in a promising start to global IPO activity, supported by the successful US listing of a large technology unicorn.”

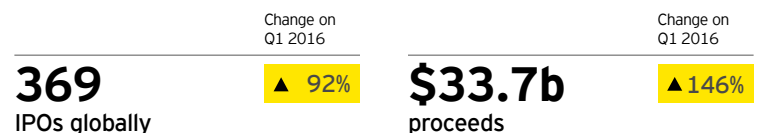
Dr. Martin Steinbach

EY Global and EMEA IPO Leader

Highlights from the markets

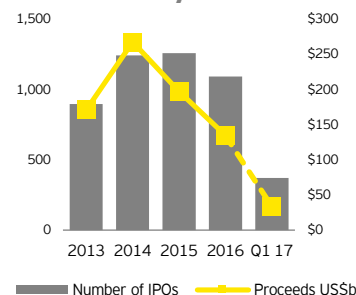
- ▶ With global equity markets at record highs and volatility low, global IPO activity got off to a brisk start in Q1 2017, with 369 IPOs raising US\$33.7b, a 92% year-on-year increase in number of IPOs and a 146% increase in proceeds.
- ▶ Q1 2017 was the most active first quarter by global number of IPOs since Q1 2007, when 399 IPOs raised US\$47.5b altogether.
- ▶ The quarter saw the first technology megadeal of the year, (i.e., listings with proceeds above US\$1b): the US IPO of Snap Inc., parent company of Snapchat. The highly anticipated listing of this unicorn raised US\$3.9b, making it the largest tech IPO since Alibaba Group Holding Ltd.
- ▶ Snap Inc. and the US\$1.8b listing of Invitation Homes Inc. helped ensure the New York Stock Exchange (NYSE) as the most active exchange by proceeds in Q1 2017.
- ▶ Asia-Pacific continued to be the real engine of activity, accounting for 70% of global IPOs and 48% of global proceeds in Q1 2017. Globally, China's Shenzhen and Shanghai exchanges were the most active exchanges by number of IPOs, accounting for 20% and 19% respectively.
- ▶ The proportion of PE- and VC-backed deals rose in Q1 2017 compared with Q1 2016, accounting for 10% of global activity compared with 9% by number of IPOs in Q1 2016 – reflecting the strength of US IPOs where financial sponsors are more active. By proceeds, financial sponsors' share improved to 39% in the first quarter, against 19% in Q1 2016.

Markets Q1 2017

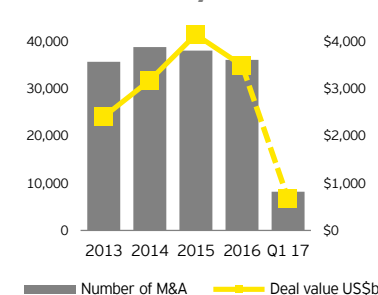


All amounts in table are in US\$

IPO activity

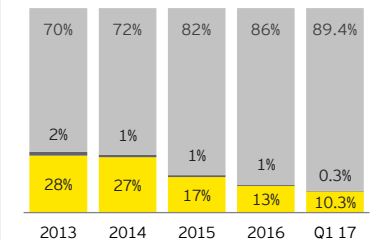
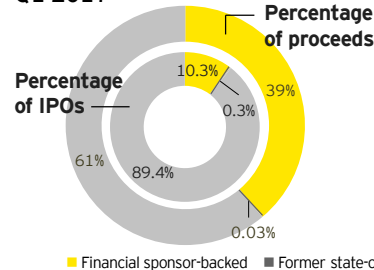


M&A activity



Sources of IPOs

Q1 2017



Figures may not total 100% due to rounding

Activity Q1 2017

Stock exchanges
by highest total proceeds

New York (NYSE)
\$9.6b
15 IPOs

Shanghai (SSE)
\$6.5b
70 IPOs

Shenzhen (SZSE and Chinext)
\$4.2b
73 IPOs

Sectors
by highest number of IPOs

Industrials
66 IPOs
\$4.2b

Materials
54 IPOs
\$2.3b

Consumer products
48 IPOs
\$4.6b

IPOs
largest by proceeds

Snap Inc.
\$3.9b
Technology
US
New York (NYSE)

Invitation Homes Inc.
\$1.8b
Real estate
US
New York (NYSE)

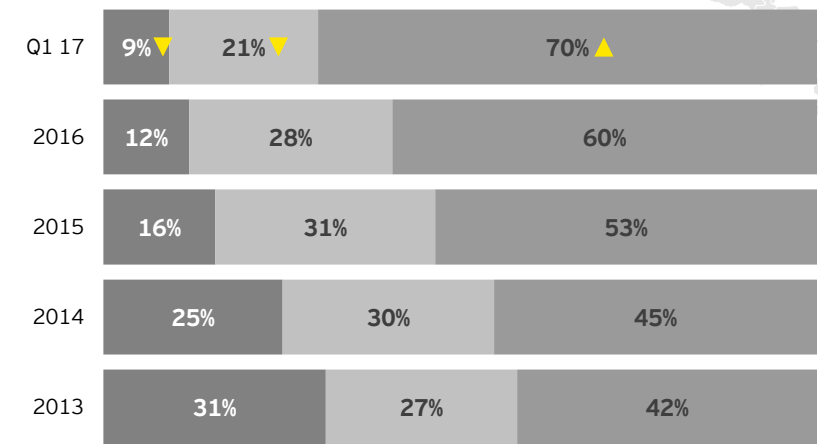
Becle SAB de CV
\$0.9b
Consumer staples
Mexico
Mexican (BMV)

All amounts in table are in US\$

Regional performance and trends

Asia-Pacific, led by Greater China, was once again the epicenter of global IPO activity in Q1 2017, dominating in both number of IPOs and proceeds. With the Chinese authorities increasing the pace of IPO approvals to clear the extensive backlog in the pipeline, this dominance is expected to continue.

Regional share by number of IPOs



Regional share by proceeds

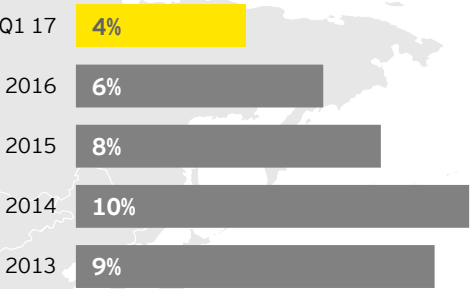


▲ or ▼ = increase or decrease for Q1 2017 compared to the full year of 2016
Figures may not total 100% due to rounding

■ Americas ■ EMEIA ■ Asia-Pacific

Cross-border IPOs

Percentage by number of IPOs globally



Top IPO issuers Q1 2017

by number of IPOs outside home country

- ▶ Mainland China (4)
- ▶ US (3)
- ▶ Canada (2)
- ▶ Israel (2)
- ▶ Singapore (2)

Top IPO destinations Q1 2017

by number of IPOs

- ▶ Australia (4)
- ▶ NASDAQ (3)
- ▶ London (3)
- ▶ Hong Kong (3)
- ▶ NYSE (2)

Outlook

- ▶ The prospects for global IPO activity look more positive at the start of 2017 compared with 2016 as many threats to the stability of the global economy ease and investors regain confidence.
- ▶ The post-election market rally in the US and post-Brexit market rally in the UK have put a spring in investors' steps on both sides of the Atlantic. Pent-up demand for public offerings suggests global IPOs will rebound in 2017.
- ▶ Despite the increasing availability of private capital, appetite for public listings is strong, among both companies and investors alike.
- ▶ Planned regulatory interventions such as in Mainland China by China Securities Regulatory Commission (CSRC) to increase the pace of IPO approvals and reduce the size of the IPO pipeline; by Singapore in regard to REITS and by the UK's FCA proposal to improve information disclosure by IPO candidates to investors at an earlier stage, may encourage heightened levels of activity in 2017 and beyond.
- ▶ Uncertainty about new US industrial and trade policies remains an issue for many businesses around the world.
- ▶ In EMEIA, elections in several European countries could challenge the cohesion of the Eurozone, which may trigger uncertainty and volatility.
- ▶ Despite downside political risks, however, we feel greater clarity is emerging following a year of almost unprecedented economic and geopolitical uncertainty and we expect IPO activity in 2017 will surpass the level in 2016.

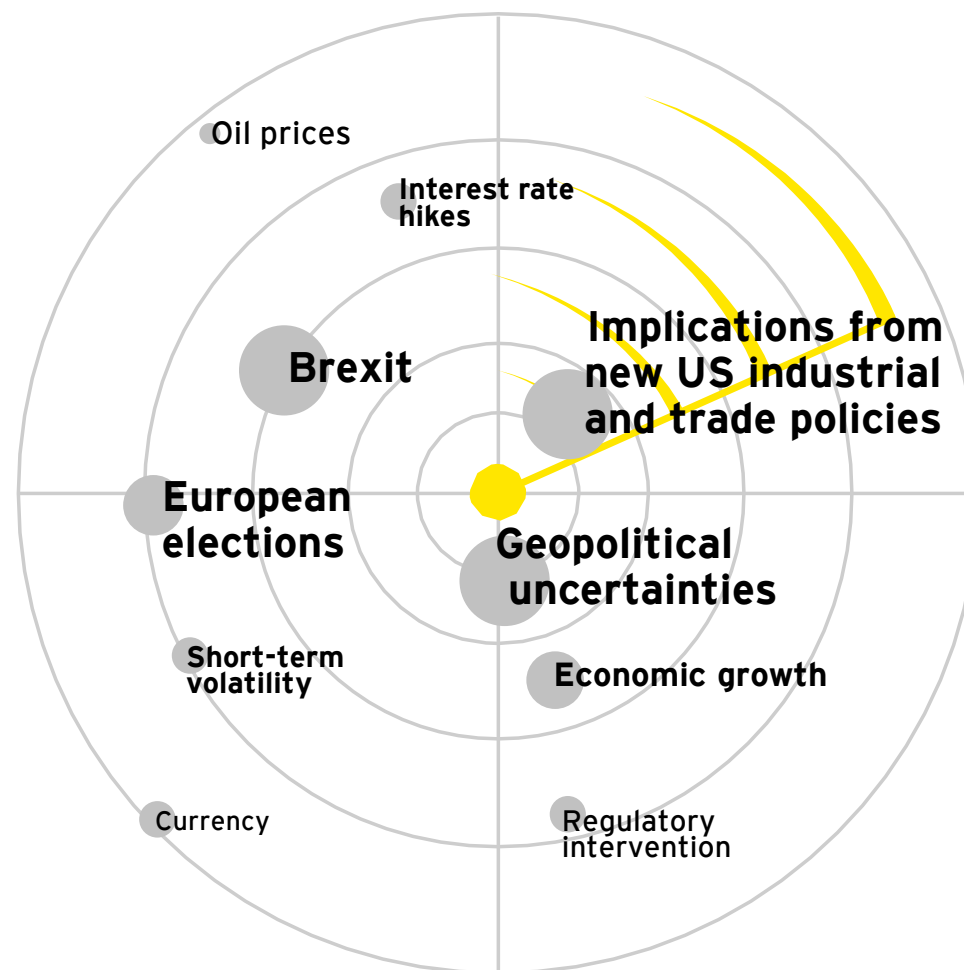
EY IPO sentiment radar

Our radar contains a variety of market factors that may impact investor sentiment for IPOs.

Pre-IPO companies should analyze how these factors may affect their business and ultimately their impact on the timing and value of their transaction in view of their chosen IPO destination.

Potential impact

- ▶ **Prepare for more narrow IPO windows**
- ▶ **Preserve optionality with early IPO readiness preparations**
- ▶ **Consider an array of exit alternatives**
- ▶ **Need for flexibility in timing and pricing**



A high-angle, low-perspective shot from the deck of a sailboat, looking down the length of the vessel towards the horizon. The boat's white hull, rigging, and masts are visible in the foreground and middle ground. The ocean is dark blue with white foam from the boat's wake visible on the right. The sky is a mix of orange, yellow, and blue, indicating sunset or sunrise. The overall mood is serene and expansive.

Americas

Americas sees strong activity across the region

“The Americas IPO market is off to a strong start in Q1 2017, fueled by a backlog of IPO candidates looking to take advantage of stability and stronger valuations in the equity markets. The Americas stock exchanges set a tone for the global IPO markets, securing five of the top ten IPO spots in Q1 2017, with the US and Mexico exchanges represented. Canada and South America were also active in the IPO markets, with a concentration of activity in the metals and mining and consumer products sectors.”

Jackie Kelley

EY Americas IPO Markets Leader

Highlights from the markets

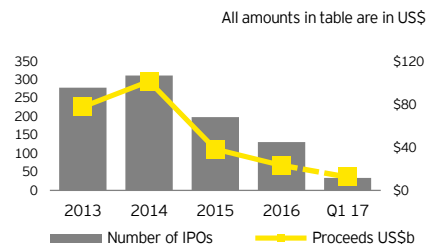
- ▶ There were 34 IPOs on Americas exchanges in Q1 2017 raising US\$12.5b, a rise of 1,392% in terms of proceeds and 143% by number of IPOs compared to Q1 2016. In Q1 2017, the Americas saw five of the global top ten IPOs and ten of the global top 20 IPOs by proceeds.
- ▶ Mexican Stock Exchange hosted the third largest IPO globally, which raised US\$904m.
- ▶ Brazil's BOVESPA saw two IPOs, which raised US\$425m, in Q1 2017 – its highest number of IPOs since Q4 2013.
- ▶ Toronto Stock Exchange and TSX Venture Exchange saw four deals that raised a total of US\$137m.

Markets Q1 2017

34 IPOs
\$12.5b proceeds
\$165.8m median deal size

Change on Q1 2016

▲ **143%**
 ▲ **1,392%**
 ▲ **208%**



Activity Q1 2017

Stock exchanges by highest total proceeds

NYSE
 \$9.6b | 15 IPOs US

NASDAQ
 \$1.2b | 9 IPOs US

Mexican (BMV)
 US\$0.9b | 1 IPO Mexico

Sectors by highest number of IPOs

Materials
 7 IPOs | \$669m

Consumer products
 5 IPOs | \$977m

Technology
 4 IPOs | \$4.6b

IPOs largest by proceeds

Snap Inc.
 \$3.9b Technology, NYSE, US

Invitation Homes Inc.
 \$1.8b Real estate, NYSE, US

Becle SAB de CV
 \$904m Consumer staples, Mexican (BMV), Mexico

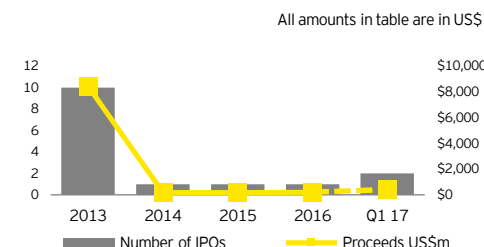
Brazil's BOVESPA Q1 2017

2 IPOs
\$425m proceeds
\$212.3m median deal size

Change on Q1 2016

NA*
 NA*
 NA*

*In Q1 2016, BOVESPA saw no IPOs. Hence comparison of Q1 2017 vs. Q1 2016 is undefined

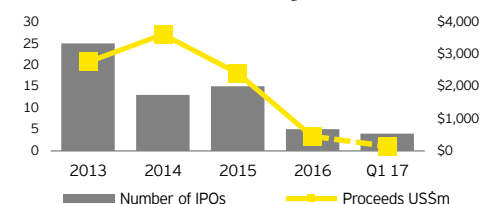


Canada's Toronto Stock Exchange and TSX Venture Exchange** Q1 2017

4 IPOs
\$137m proceeds
\$13.7m median deal size

Change on Q1 2016

▲ **300%**
 ▲ **31,755%**
 ▲ **3,077%**

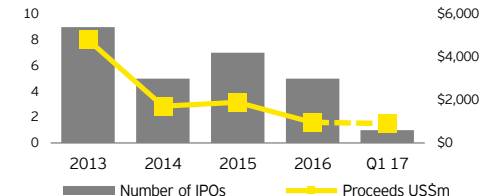


Mexico's Mexican Stock Exchange Q1 2017

1 IPO
\$904m proceeds
\$904m median deal size

Change on Q1 2016

0%
 ▲ **799%**
 ▲ **799%**

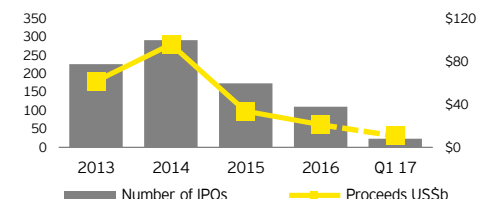


US's NASDAQ and NYSE Q1 2017

24 IPOs
\$10.8b proceeds
\$230.1m median deal size

Change on Q1 2016

▲ **200%**
 ▲ **1,380%**
 ▲ **161%**



A background image of a sailboat on the ocean. The boat's mast, rigging, and sails are visible on the left side. A thick rope with green and white patterns is tied to the mast on the right. The ocean is a deep blue with white foam from the boat's wake visible in the lower half. The sky is a clear, pale blue.

Americas – US IPO market insight

US market returning to form

“The first quarter of 2017 was one of the strongest for the US IPO market and established a solid runway for more deals for the remainder of the year. This positive performance should attract more tech and unicorns to the public markets and further open the door for other sectors such as retail, energy and real estate. With the market currently insulated from the political uncertainty, more companies are expected to enter the filing process.”

Jackie Kelley

EY Americas IPO Markets Leader

Highlights from the market

- US IPO activity got off to a strong start in 2017, easily surpassing Q1 2016 levels in terms of number of IPOs and proceeds. There were 24 IPOs, which raised US\$10.8b, an increase of 1,380% in terms of proceeds and 200% by number of IPOs on Q1 2016.
- The US accounted for four of the global top ten IPOs and nine of the global top 20 IPOs, of which eight IPOs were on NYSE and one IPO on NASDAQ.
- The IPOs of Snap Inc. and Invitation Homes Inc., both US\$1b+ megadeals by proceeds, were the largest IPOs in the US since Q4 2015.

Markets q1 2017

24 IPOs

\$10.8b proceeds

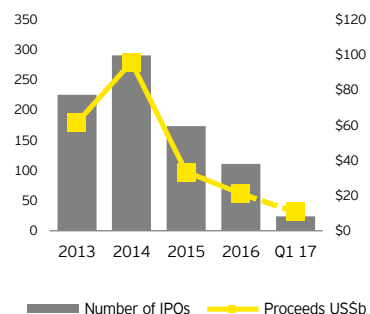
75% of IPOs are financial sponsor-backed

Change on Q1 2016

▲ 200%

▲ 1,380%

▼ 14%



NASDAQ
\$1.2b

9 IPOs

NYSE
\$9.6b

15 IPOs

All amounts in table are in US\$

Activity Q1 2017

All amounts in table are in US\$

Sectors

by highest number of IPOs

Technology

4 IPOs | \$4.6b

Consumer products

4 IPOs | \$797m

Real estate

3 IPOs | \$1.9b

Energy

3 IPOs | \$1.4b

Materials

3 IPOs | \$641m

IPOs

largest by proceeds

Snap Inc.

\$3.9b Technology, NYSE

Invitation Homes Inc.

\$1.8b Real estate, NYSE

JELD-WEN Holding Inc.

\$661m Industrials, NYSE

Keane Group Inc.

\$585m Energy, NYSE

Laureate Education, Inc.

\$490m Consumer products, NASDAQ

Performance

All amounts in table are in US\$

IPO pricing and performance Q1 2017

US markets

+ or - indicates change compared to offer price at IPO

First-day average return

+22.3%

Share price development since IPO

+19.4%

Equity indices Q1 2017

DJIA

+4.2%
US

S&P 500

+4.7%
US

Volatility index

VIX

-7.7% | 12.96 index level
YTD

- indicates a decrease in volatility as at 24 March 2017 compared to 30 December 2016 for year-to-date (YTD).

+ or - indicates change since 31 December 2016

Trends

	Q1 2017	Change on Q1 2016
Median deal size	\$230.1m	▲ 161%
Post-IPO market cap	\$975.5m	▲ 152%
New registrations	Q1 2017 33 IPOs US\$10.2b	Q1 2016 26 IPOs US\$3.9b

Cross-border IPOs: top IPO issuers

5 IPOs

Europe 2 IPOs (\$451m)

Canada 1 IPO (\$294m)

Israel 1 IPO (\$12m)

China 1 IPO (\$3m)

All amounts in table are in US\$

Outlook

- US IPO outlook remains positive. 2017 activity level should exceed that of 2016, with many unicorns ready to list when the timing is right.
- Increases in public registrations combined with accelerated processes suggest a strong pipeline of deals are building in the IPO backlog.
- Financial sponsors will remain active players in the IPO markets, consistent with historical trends. Their exits from portfolio companies will continue to be a key source of IPO candidates.



Asia-Pacific **Asia-Pacific set to dominate global IPO activity**

“IPO activity in Asia-Pacific has been powering ahead due to the region’s relative insulation from political uncertainty elsewhere in the world, ample liquidity in emerging markets and strengthening investor sentiment on the back of reduced volatility and steady stock market gains. While IPO activity will increase on Mainland China and selected ASEAN exchanges during the second and third quarters, there may be a slowdown in new listings in other markets. Hence, this region may see a temporary drop in activity, but is expected to rebound in the final quarter of the year.”

Ringo Choi

EY Asia-Pacific IPO Leader

Highlights from the markets

- ▶ Asia-Pacific remained the world's stand-out region for IPO activity in Q1 2017. The region accounted for 70% of global number of IPOs and 48% by global proceeds.
- ▶ Asia-Pacific saw six of the world's ten most active stock exchanges by number of IPOs and five by proceeds, but there were no megadeals this quarter.
- ▶ Greater China exchanges were the busiest, hosting 182 IPOs, but activity was spread across the region with listings on public markets in Japan (27), Australia (23), Southeast Asia (14) and South Korea (12).
- ▶ Industrials and consumer products were the region's leading sectors by proceeds; while industrials and materials led by number of IPOs.
- ▶ The first quarter – traditionally a quiet period for IPOs in Australia – saw stable activity. At 23 IPOs, the number of deals was 53% higher than Q1 2016. IPO proceeds fell by 15%, reflecting the number of smaller offerings that have come to market. Materials was the most active sector, which saw 10 IPOs but each deal raised less than US\$10m.
- ▶ In Southeast Asia there were a number of hotspots, with five IPOs in Thailand, four IPOs in Malaysia, three IPOs in Singapore in Q1 2017, as well as one IPO each in the Philippines and Indonesia.

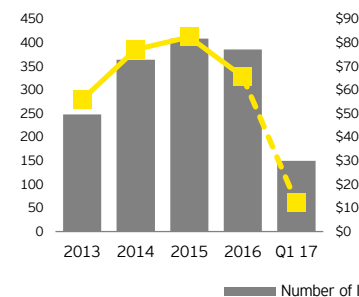
Markets Q1 2017

	Change on Q1 2016		Change on Q1 2016
258 IPOs	▲ 141%	\$16.1b proceeds	▲ 108%

All amounts in table are in US\$

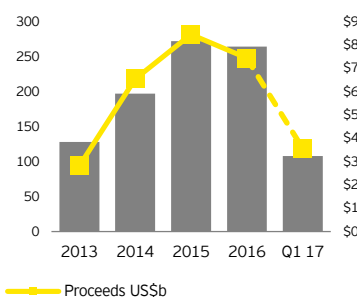
Main markets

	Change on Q1 2016
150 IPOs	▲ 154%
\$12.5b proceeds	▲ 84%



Junior markets

	Change on Q1 2016
108 IPOs	▲ 125%
\$3.6b proceeds	▲ 292%



All amounts in table are in US\$

Activity Q1 2017

**Stock
exchanges**
by highest total
proceeds

**Shanghai
(SSE)**
\$6.5b
70 IPOs
Mainland China

**Shenzhen
(SZSE and
Chinext)**
\$4.2b
73 IPOs
Mainland China

Tokyo (TSE)
\$1.9b
27 IPOs
Japan

Sectors
by highest
number of IPOs

Industrials
58 IPOs
\$3.0b

Materials
39 IPOs
\$1.6b

Technology
34 IPOs
\$1.6b

IPOs
largest by
proceeds

**Sushiro
Global
Holdings Ltd.**
\$611m
Media and
entertainment
Japan
Tokyo (TSE)

**China Galaxy
Securities
Co. Ltd.**
\$591m
Financials
China
Shanghai (SSE)

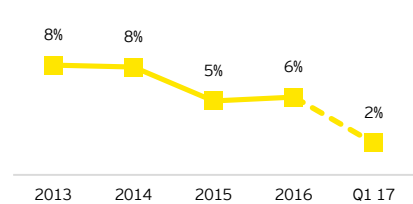
**Eco World
International
Bhd**
\$584m
Real estate
Malaysia
Bursa Malaysia
(KLSE)

All amounts in table are in US\$

Trends

Cross-border activity

Asia-Pacific issuers' cross-border activity
Percentage of all Asia-Pacific issuers



IPO activity in Asia-Pacific is spread across a range of exchanges. Companies of different sizes across a spread of industries are coming to the public markets, highlighting the breadth and depth of opportunities available to investors looking for returns in the region.

Q1 2017

Cross-border

2% of all Asia-Pacific issuers* listed abroad but within the Asia-Pacific region

5 IPOs

Outbound

0.4% of all Asia-Pacific issuers* listed outside Asia-Pacific

1 IPO

Inbound

19% of cross-border IPOs globally** listed in Asia-Pacific but came from outside the region

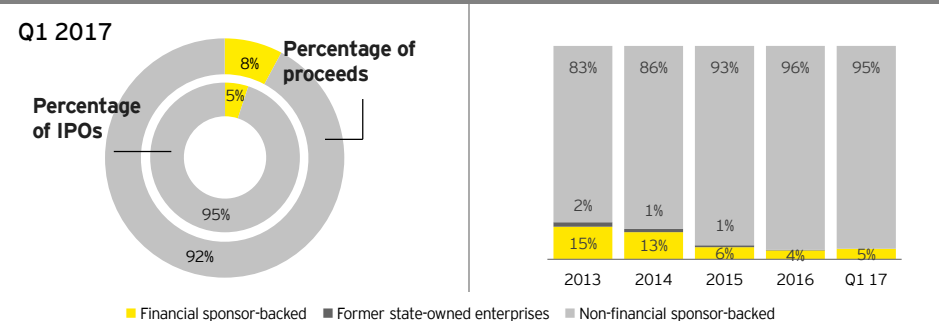
3 IPOs

*There were 256 IPOs by Asia-Pacific issuers in Q1 2017. This analysis is based on the listed company domicile, regardless of the listed company exchange.
** There were 16 cross-border IPOs globally in Q1 2017.

Transaction sizes

	Main markets		Junior markets	
	Q1 2017	Change on Q1 2016	Q1 2017	Change on Q1 2016
Median post-IPO market cap	\$170.7m	▲ 29%	\$88.5m	▲ 70%
Median deal size	\$48.0m	▲ 37%	\$25.5m	▲ 146%
Trends				
<div><p>■ Median post-IPO market cap US\$m</p><p>■ Median deal size US\$m</p></div>				

Sources of IPOs



All amounts in table are in US\$. Figures may not total 100% due to rounding

Performance

IPO pricing and performance Q1 2017

	First-day average return	Share price development since IPO
Main markets	+29.4%	+158.1%
Junior markets	+37.8%	+209.4%

+ or - indicates change compared to offer price at IPO

Equity indices Q1 2017

HANG SENG
+10.7%
Hong Kong

Nikkei 225
+0.8%
Japan

ASX 200
+1.5%
Australia

Shanghai Composite
+5.3%
Mainland China

FTSE Straits Times
+9.1%
Singapore

KOSPI
+7.0%
South Korea

+ or - indicates change since 31 December 2016

Volatility index

Hang Seng Volatility
13.29 index level
-21.3%
YTD

- indicates a decrease in volatility as at 24 March compared to 31 December 2016 for year-to-date (YTD)

Outlook

- ▶ Asia-Pacific is expected to strengthen its position as the world's most active IPO market in Q2 2017 and throughout the remainder of 2017.
- ▶ Mainland China exchanges are expected to see another surge in new listings, given the country's recent move to allow the exchanges to take over the IPO approval process and clear the backlog of companies waiting to list, while the resurgent market in Hong Kong is creating a healthy IPO environment.
- ▶ IPO activity in Japan remains on a steady course to match 2016 levels.
- ▶ The outlook for 2017 in Australia is cautiously optimistic, with a comparable number of IPOs to 2016 expected, although proceeds will decline.
- ▶ We have seen an increase in the use of dual-tracking on larger deals in Australia and expect this trend to continue. Issuers will look to maintain optionality to mitigate market volatility and benefit from strong demand for quality assets from alternate sources of capital, particularly foreign companies that are actively seeking assets in the health care, food, agriculture and property industries.
- ▶ Southeast Asia IPO activity looks set to pick up in the next few quarters, led by Singapore, Thailand and the Philippines. This is driven by improving equity markets, lower volatility and ample liquidity in the market looking for investment opportunities.
- ▶ The Singapore Exchange (SGX) is promoting itself as a center for business trusts and REITs, and has begun public consultation to allow companies to list with dual-class share structures, in a bid to make Singapore a more attractive listing venue to high-quality companies.
- ▶ Longer term, Southeast Asia is seeing robust entrepreneurial activity with many start-ups and FinTech companies looking to leverage technology to disrupt the market. This bodes well for the IPO pipeline in Southeast Asia, although technology companies may tend to favor listing on a US exchange.

The background of the slide is a photograph of a sailboat on the ocean. The boat's white sails are partially visible, and a thick rope with green and white patterns is in the foreground. The water is a deep blue, and the sky is a clear, lighter blue.

Asia-Pacific – Greater China market insight

IPOs set to accelerate in Greater China

“IPO activity in Greater China has made a good start in 2017. The Hong Kong stock market has been trending higher since the start of the year and the recovery in investor sentiment led to a steady increase in IPO numbers in the first quarter. In Mainland China, the fast pace of new listings continues as the regulator strives to improve the efficiency of capital market allocation to better serve the real economy. The regulators in both markets are expected to discuss more market-oriented listing rules in a bid to attract more listings of competitive enterprises.”

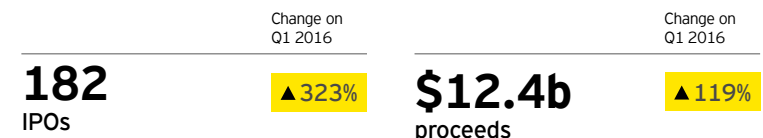
Terence Ho

EY Greater China IPO Leader

Highlights from the markets

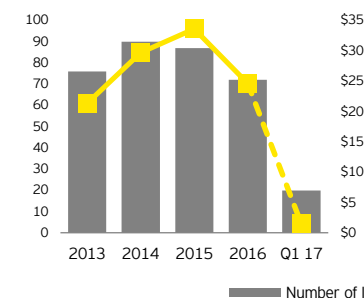
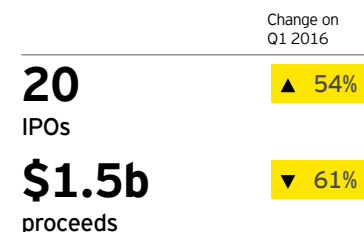
- ▶ Within Asia-Pacific – the world's most active region for IPOs in Q1 2017 – Greater China was the stand-out market.
- ▶ Shanghai (SSE), Shenzhen (SZSE and Chinext) and Hong Kong (HKEx and GEM) were the top three exchanges worldwide, with 20%, 19% and 11% of the global number of IPOs respectively. The same three exchanges also performed strongly in terms of proceeds, behind New York (NYSE), which led the way buoyed by two megadeals in the quarter.
- ▶ Although Greater China has yet to host any megadeals in 2017, it saw three of the world's 20 largest deals by proceeds in the first quarter.
- ▶ On Hong Kong Main Market, while the number of IPOs in Q1 2017 was up 54% on Q1 2016, IPO proceeds fell 61% due to the lack of sizeable deals. Consumer products and financials were the top two sectors in Hong Kong by proceeds, with 35% and 30% respectively of Hong Kong Main Market's total IPO proceeds.
- ▶ In Mainland China, the high pace of approval of new listings continues with IPO volume up 496% on Q1 2016. Industrials was the most active sector by both deal number and proceeds in Q1 2017.

Markets Q1 2017

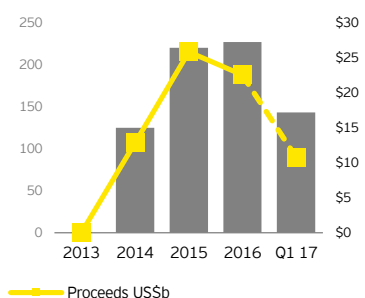
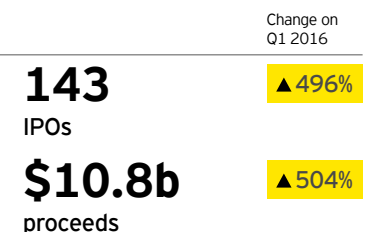


All amounts in table are in US\$

Hong Kong Main Market



Shanghai and Shenzhen



Shenzhen includes both listings on the Mainboard, Small & Medium Enterprise Market and Chinext
All amounts in table are in US\$

Activity Q1 2017

All amounts in table are in US\$

Hong Kong Main Market

Sectors
by highest number of IPOs

Industrials
8 IPOs | \$206m

Consumer products
4 IPOs | \$527m

Health care
3 IPOs | \$205m

IPOs
largest by proceeds

Jilin Jiutai Rural Commercial Bank Corp. Ltd.
\$446m
Financials

China Yuhua Education Corp. Ltd.
\$198m
Consumer products

Minsheng Education Group Co. Ltd.
\$178m
Consumer products

Shanghai and Shenzhen

Sectors
by highest number of IPOs

Industrials
37 IPOs | \$2.6b

Materials
26 IPOs | \$1.5b

Technology
23 IPOs | \$1.4b

IPOs
largest by proceeds

China Galaxy Securities Co. Ltd.
\$591m
Financials, Shanghai

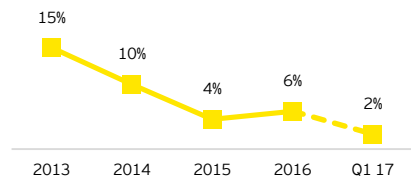
Central China Securities Co. Ltd.
\$406m
Financials, Shanghai

Oppein Home Group Inc.
\$301m
Consumer products, Shanghai

Trends

Cross-border activity

Greater China issuers' cross-border activity
Percentage of all China issuers



Investors in Hong Kong are showing renewed enthusiasm for smaller offerings. Forty-nine percent of the IPOs in the first quarter were on the Growth Enterprise Market and the performance of those companies has been robust with average first-day returns of 337%.

To which destination? Q1 2017

- 1 IPO to US exchange
- 3 IPOs to Asia-Pacific exchanges

Leaving Greater China

Outbound

2.2% of Greater China issuers* listed abroad

4 IPOs

Coming to Greater China

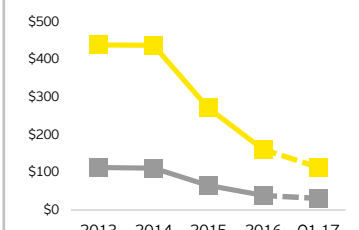
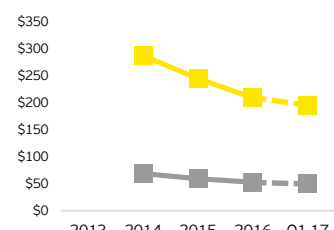
Inbound

19% of cross-border IPOs globally** were listed on HKEx

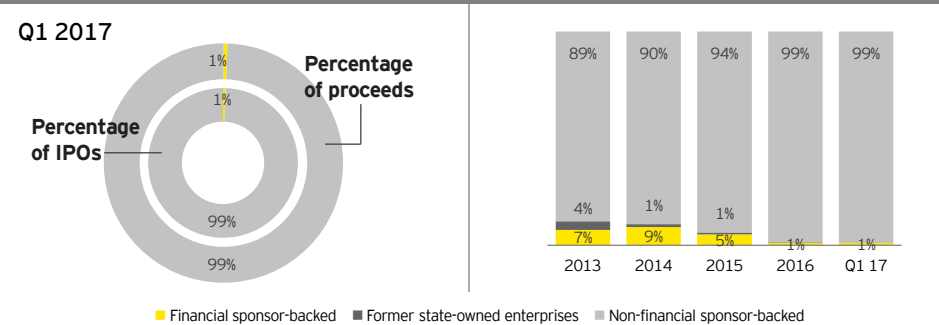
3 IPOs

*There were 183 IPOs by Greater China issuers in Q1 2017. This analysis is based on the listed company domicile, regardless of the listed company exchange.
** There were 16 cross-border IPOs globally in Q1 2017.

Transaction sizes

	Hong Kong Main Market		Shanghai and Shenzhen	
	Q1 2017	Change on Q1 2016	Q1 2017	Change on Q1 2016
Median post-IPO market cap	\$113.3m	▼ 32%	\$195.2m	▼ 27%
Median deal size	\$31.1m	▼ 27%	\$49.4m	▼ 18%
Trends				

Sources of IPOs



All amounts in table are in US\$. Figures may not total 100% due to rounding.

Performance

IPO pricing and performance Q1 2017

	First-day average return	Share price development since IPO
Hong Kong Main Market	+5.7%	+13.4%
Shanghai and Shenzhen	+35.6%	+216.2%

+ or - indicates change compared to offer price at IPO

Equity indices Q1 2017 Mainland China

Shanghai Composite +5.3%	Shenzhen Composite +3.9%	Shenzhen SME +6.0%
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Equity indices Q1 2017 Hong Kong

Hang Seng +10.7%	Hang Seng China Enterprises +12.5%	Hang Seng China Affiliated Corporations +12.3%
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+ or - indicates change since 31 December 2016

Volatility index

Hang Seng Volatility 13.29 index level -21.3% YTD
--

- indicates a decrease in volatility as at 24 March 2017 compared to 31 December 2016 for year-to-date (YTD).

IPO pipeline

More than

650 **42**

companies are in the China Securities Regulatory Commission (CSRC) pipeline.

companies have submitted public filings with HKEx.

Outlook

- ▶ Greater China is expected to remain one of the most active markets for IPOs globally in Q2 2017 and into the second half of 2017. There is a healthy pipeline of IPO-ready companies ready to list – more than 650 on Mainland China exchanges and 42 companies have submitted public filings with HKEx – where investor sentiment has been largely unaffected by political shockwaves elsewhere in the world.
- ▶ The regulator in Mainland China, CSRC, is looking to reduce the size of the IPO pipeline and has signalled that it will continue to accelerate the pace of new listings, as well as reduce government intervention in share sales to allow the market to play a bigger role.
- ▶ The focus of the CSRC is expected to shift to managing financial risks as well as progressing with reforms at a gradual pace, now that stability and confidence of the market have been restored.
- ▶ The resurgent Hong Kong equity market is creating a healthy environment for IPOs and, as the Shenzhen-Hong Kong Stock Connect program becomes more established, this will be further supported by an increased in-flow of capital from Mainland China.
- ▶ Investor appetite for Hong Kong IPOs will remain keen – almost half of new listings in Q1 2017 priced in the upper range; all on the Main Board were over-subscribed.
- ▶ There will be an increase in Mainland China companies – especially in the FinTech and education sectors – looking to list on US exchanges. FinTech will also feature domestically in Hong Kong in the second quarter with two big deals slated for this sector.
- ▶ Moving forward, efforts are being made in Hong Kong to launch a third board, with more relaxed regulations, to attract IPOs from technology companies. The sector accounted for just 3% of funds raised on the Hong Kong Main Market in 2016.



Asia-Pacific – Japan market insight

Japan IPOs on steady course

“The IPO market in Japan remains on a steady course with macro-economic indicators on a stable-to-positive footing in part due to the ‘Trump rally’ in the US as well as the 2019 Rugby World Cup and the 2020 Tokyo Olympics, which are starting to create a buzz in the market. IPO activity for the full year is forecast to match 2016 levels, with the technology and service sectors expected to see an increase in new listings.”

Shinichiro Suzuki

EY Japan IPO Leader

Highlights from the market

- Investor confidence in Japan continues to strengthen this year with sentiment supported by lower stock market volatility and a relatively stable Nikkei Stock Average, which has made steady gains through the first quarter of 2017.
- There were 27 IPOs in Japan in Q1 2017, slightly up from 24 IPOs in Q1 2016. IPO proceeds rose by 47% over the same period and investor preference for smaller deals was reflected in the bulk of new listings taking place on the junior markets, JASDAQ and Tokyo MOTHERS, which saw 21 IPOs in total, compared to 6 IPOs on the Tokyo Main Market.
- Companies transferring from the junior markets to be listed on the Tokyo Main Market was active in Q1 2017, with 11 transfers to the Tokyo Main Market. This compares with 57 transfers during 2016, which also saw 68 IPOs on JASDAQ and Tokyo MOTHERS.
- Financial sponsors continue to be a driver of IPO activity. 41% of IPO in Japan were PE- and/or VC-backed in Q1 2017. The majority of these were companies relisting after a management buy-out or merger or acquisition.
- The technology and media and entertainment sectors – supported by the recovery in consumption – remain popular with investors and were well represented in Q1 2017. This will continue in the longer term as a result of the Japanese Government's innovation plan, designed to stimulate funding into cutting-edge sectors.
- Overall, Japan is on course for around 40 to 50 IPOs at the mid-way point of 2017, with around 90 IPOs expected for the full year.

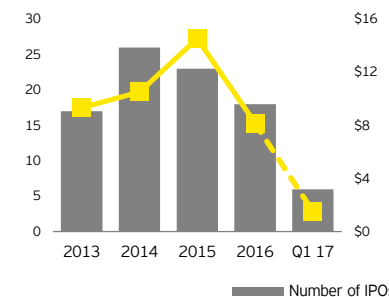
Markets Q1 2017

	Change on Q1 2016		Change on Q1 2016
27 IPOs	▲ 13%	\$1.9b proceeds	▲ 47%

All amounts in table are in US\$

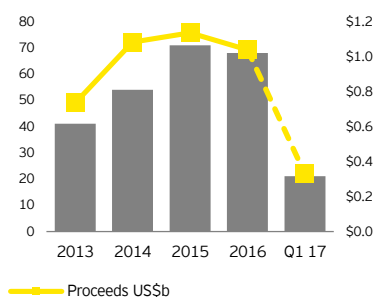
Tokyo Main Market

	Change on Q1 2016
6 IPOs	▲ 20%
\$1.5b proceeds	▲ 52%
\$225.2m median deal size	▲ 739%



JASDAQ and MOTHERS

	Change on Q1 2016
21 IPOs	▲ 11%
\$330m proceeds	▲ 31%
\$9.2m median deal size	▲ 2%



All amounts in table are in US\$

Activity Q1 2017

Sectors by highest number of IPOs

**Media and
entertain-
ment**
9 IPOs
\$192m

Technology
5 IPOs
\$120m

Industrials
4 IPOs
\$38m

IPOs largest by proceeds

**Sushiro
Global
Holdings
Ltd.**
\$611m
Retail
Main Market

**Macromill
Inc.**
\$433m
Consumer
services
Main Market

**Mori Trust
Hotel Reit
Inc.**
\$397m
Real estate
Main Market

Tokyo Main Market

IPO pricing and
performance

First-day
average return

-1.6%

Share price
development
since IPO

+0.9%

+ or - indicates
change compared to
offer price at IPO

Equity index

Nikkei 225
+0.8%
Japan

All amounts in table are in US\$. + or - indicates change since 31 December 2016

A background image of a sailboat on the ocean. The boat has a blue sail and white ropes. The water is dark blue with white foam from the boat's wake. The sky is a clear, pale blue.

Europe, Middle East, India and Africa **Optionality essential as EMEIA reaches previous year's level**

“The start of the year is traditionally quiet for IPOs and EMEIA saw a moderate growth in activity this quarter against a backdrop of heightened political uncertainty, with many countries preparing for elections. But with regional equity indices sitting at all-time highs, volatility low, a solid reporting season to date and economies on the upswing right across the region, investor and business sentiment are rising. Pipelines are building, but when the future is uncertain, preserving optionality with a multitrack strategy will be key for companies looking to accelerate growth.”

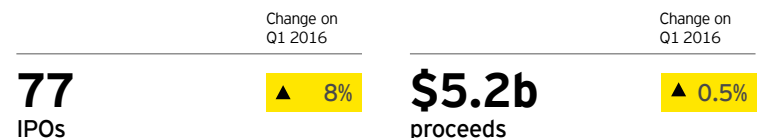
Dr. Martin Steinbach

EY Global and EMEIA IPO Leader

Highlights from the markets

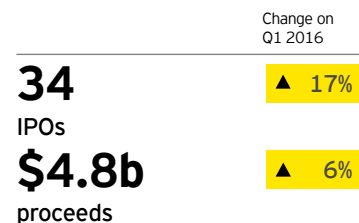
- ▶ The EMEIA region ranked second behind Asia-Pacific by number of IPOs in Q1 2017, accounting for 21% of global number of IPOs. By proceeds, the region ranked third behind Asia-Pacific and the Americas, accounting for 15% of global proceeds.
- ▶ EMEIA saw three of the world's ten most active stock exchanges by number of IPOs and two by proceeds.
- ▶ Bolsa de Madrid; London Main and AIM; and Bombay Main Market and SME were the three most active markets by proceeds within the EMEIA region.
- ▶ India and UK were the most active regional markets in Q1 2017 with 26 and 12 IPOs respectively, followed by Saudi Arabia with 7 IPOs.
- ▶ Saudi Arabia was active this quarter with seven IPOs listed on its new platform called "Nomu - Parallel Market", which is an alternative equity market with lighter listing requirements.
- ▶ IPOs were well-balanced across sectors. Consumer products, financials and consumer staples were the three most active sectors by number of IPOs. In terms of proceeds, real estate led (US\$1.4b raised via 7 IPOs) followed by consumer products (US\$1.3b via 10 IPOs) and retail (US\$786m via 5 IPOs).
- ▶ Financial sponsor-backed IPOs represented 9% of deals in the region and 30% by proceeds. This was in line with the proportion of financial sponsor-backed IPOs of 10% in Q1 2016, but represented a slightly lower proportion by total capital raised (30% in Q1 2017) versus 38% in Q1 2016.

Markets Q1 2017

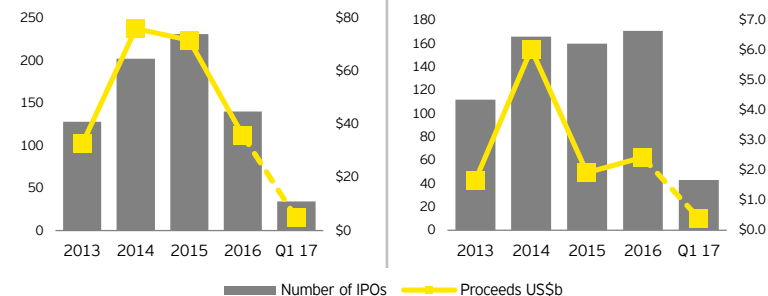
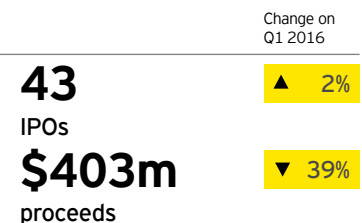


All amounts in table are in US\$

Main markets



Junior markets



All amounts in table are in US\$

Activity Q1 2017

Stock exchanges

By highest proceeds

Bolsa de Madrid
\$1.6b
2 IPOs
Spain

London Main and AIM
\$1.1b
12 IPOs
UK

Bombay and SME
\$407m
14 IPOs
India

Sectors

by highest number of IPOs

Consumer products
10 IPOs
\$1.3b

Financials
9 IPOs
\$274m

Consumer staples
9 IPOs
\$136m

IPOs

largest by proceeds

Proseguar Cash SA
\$798m
Consumer products
Spain
Bolsa de Madrid

Neinor Homes S.A.U.
\$753m
Real estate
Spain
Bolsa de Madrid

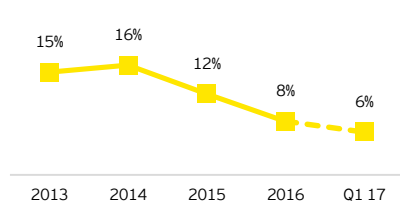
OA O Detsky Mir
\$324m
Retail
Russian Federation
MICEX

All amounts in table are in US\$

Trends

Cross-border activity

EMEIA issuers' cross-border activity
Percentage of all EMEIA issuers



Politics will be the watchword for European markets in 2017. Businesses will be tracking not just the all-important national elections, but also the outcome of new US industrial, trade and interest rate policies that will impact the outlook for the whole EMEIA region.

Q1 2017

Cross-border

6% of all EMEIA issuers* listed abroad

5 IPOs

Outbound

5.1% of all EMEIA issuers* listed outside EMEIA

4 IPO

Inbound

12.5% of cross-border IPOs globally** listed on EMEIA exchanges but came from outside the region

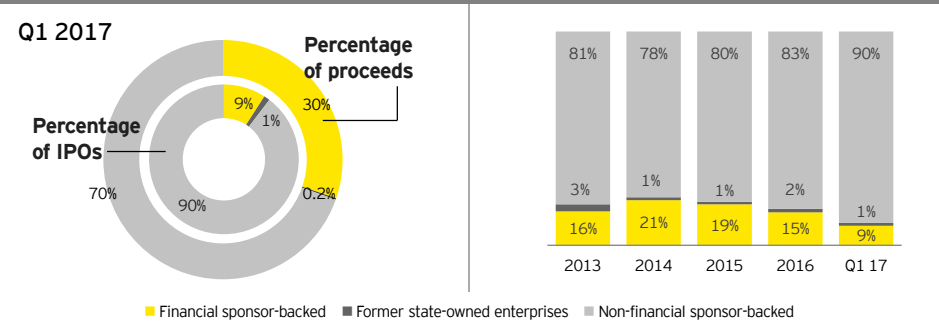
2 IPOs

*There were 79 IPOs by EMEIA issuers in Q1 2017. This analysis is based on the listed company domicile, regardless of the listed company exchange.
** There were 16 cross-border IPOs globally in Q1 2017.

Transaction sizes

	Main markets		Junior markets	
	Q1 2017	Change on Q1 2016	Q1 2017	Change on Q1 2016
Median post-IPO market cap	\$177.6m	▼ 17%	\$12.2m	▲ 52%
Median deal size	\$88.6m	▲ 47%	\$3.8m	▲ 144%
Trends				
	Median post-IPO market cap US\$m		Median deal size US\$m	

Sources of IPOs



All amounts in table are in US\$. Figures may not total 100% due to rounding.

Performance

IPO pricing and performance Q1 2017

	First-day average return	Share price development since IPO
Main markets	+27.7%	+25.4%
Junior markets	+7.2%	+7.1%

+ or - indicates change compared to offer price at IPO

Equity indices Q1 2017

BSE SENSEX +10.5% India	CAC 40 +3.3% France	DAX 30 +5.1% Germany	Euro STOXX 50 +5.3% Europe
FTSE 100 +2.7% UK	JSE All Share +2.3% South Africa	MICEX -8.6% Russian Federation	Tadawul All Share -4.6% Saudi Arabia

+ or - indicates change since 31 December 2016

Volatility indices

VSTOXX® 15 index level -16.1% YTD	VDAX® 11.03 index level -38.2% YTD	VFTSE 100 11.65 index level +0.8% YTD
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- indicates a decrease in volatility as at 24 March 2017 compared to 31 December 2016 for year-to-date (YTD). Whereas + indicates an increase in volatility over the same time period.

Outlook

- ▶ Despite the moderate growth of IPO activity at the start of the year, EMEIA exchanges look set for something of an IPO resurgence in Q2 2017. The positive outlook is backed by solid economic fundamentals, with many major equity indices trending upward and low levels of market volatility.
- ▶ Several countries within the Middle East, including the UAE, are taking steps to make themselves less dependent on oil and switching their focus to commodities.
- ▶ Saudi Arabia is also taking steps to overhaul its economy, including plans to privatize the state-owned energy giant, Saudi Arabian Oil Company (Saudi Aramco), which could become one of the largest IPOs by proceeds ever. It has been reported that London, the US, Hong Kong, Japan and smaller European exchanges are being considered as possible listing venues.
- ▶ In India, Avenue Supermarts Ltd. has completed its US\$281m IPO on 21 March 2017. This IPO came at a time when share markets are rallying, with the BSE SENSEX Index at its highest level on 17 March 2017 since March 2015. This was the largest IPO by proceeds since the IPO of PNB Housing Finance Ltd. in October 2016.
- ▶ UK IPO activity may remain slow in the next few months until the full implications of Brexit are better understood.
- ▶ Improved conditions around capital markets activity are expected in Africa in 2017, with an increase in IPOs from companies pursuing privatization plans in Nigeria, Rwanda and Tanzania.
- ▶ The European IPO pipeline looks healthy, although upcoming elections in France and Germany have the potential to unsettle IPO markets across Europe, as do the UK's Brexit negotiations.
- ▶ In the low interest rate environment, investors are looking for returns and are hungry for investment opportunities with compelling and well-supported equity stories, attractive valuations and a differentiated product offering.



EMEIA – UK IPO market insight

Continuing uncertainty subdues UK activity

"Now that the UK Government has activated Article 50, we are expecting a number of companies to complete their listings within the two-year period in order to take advantage of the European passporting regulations and the opportunities, as well as greater access to European investors that it offers. We are likely to see a higher number of IPOs take place in the fourth quarter of this year and in early 2018. Our view of the IPO pipeline supports this point of view."

Scott McCubbin

EY UK and Ireland IPO Leader

Highlights from the markets

- Amid ongoing political and economic uncertainty, IPO activity on the London Main Market and Alternative Investment Market (AIM) fell in Q1 2017. There were 12 IPOs in Q1 2017 on the London Main Market and AIM, raising US\$1.1b. This represented a 61% drop in proceeds and a 25% decline in the number of IPOs compared with Q1 2016.
- Seven IPOs were on the London Main Market while five IPOs were on AIM.
- The real estate, consumer products, energy, financials and materials sectors saw two IPOs each, accounting for 80% of UK's proceeds altogether.
- The listing of four companies from the energy and materials sectors also emphasized the continuing importance of natural resources in the London equity market.
- Two of the twelve IPOs this quarter were PE-backed – Xafinity plc and Ramsdens Holdings – which represented 23% of UK's IPO proceeds. This was in line with the proportion of PE-backed IPOs in Q1 2016, but represents a much lower proportion of total capital raised (23% in Q1 2017) versus 55% in Q1 2016.
- Despite recent currency volatility, three of the quarter's twelve IPOs were cross-border IPOs with two IPOs from US companies and one IPO from an Italian company.

Markets Q1 2017

	Change on Q1 2016		Change on Q1 2016
12 IPOs	▼ 25%	\$1.1b proceeds	▼ 61%

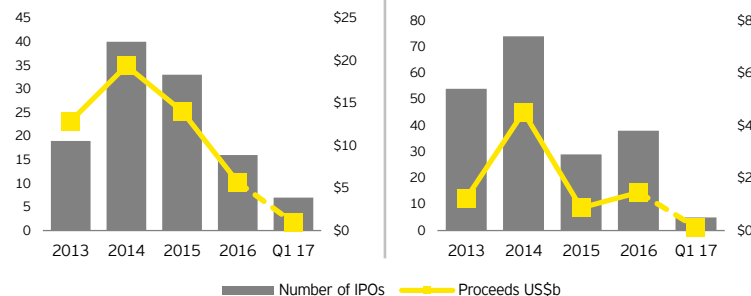
All amounts in table are in US\$

London Main Market

	Change on Q1 2016
7 IPOs	0%
\$941.2m proceeds	▼ 61%

London AIM

	Change on Q1 2016
5 IPOs	▼ 44%
\$124.6m proceeds	▼ 62%



All amounts in table are in US\$

Activity Q1 2017

Sectors
by highest number of IPOs

Real estate
2 IPOs
\$370m

Consumer products
2 IPOs
\$349m

Energy
2 IPOs
\$62m

IPOs on Main Market
largest by proceeds

Xafinity plc
\$225m
Consumer products
UK

Impact Healthcare REIT plc
\$198m
Real estate
UK

LXI REIT plc
\$172m
Real estate
UK

IPOs on AIM
largest by proceeds

Diversified Gas & Oil plc
\$50m
Energy
US

GBGI Ltd.
\$40m
Financials
US

Ramsdens Holdings plc
\$20m
Financials
UK

All amounts in table are in US\$

Trends

Cross-border activity Q1 2017

AIM

Top IPO issuers

- ▶ US (2 IPOs | \$90m)
- ▶ Italy (1 IPO | \$3m)

Leaving UK

Outbound

0% of UK issuers* listed abroad

0

IPOs

Coming to UK

Inbound

19% of cross-border IPOs globally** were listed on UK exchanges

3

IPOs

*There were 9 IPOs by UK issuers in Q1 2017. This analysis is based on the listed company domicile, regardless of the listed company exchange.

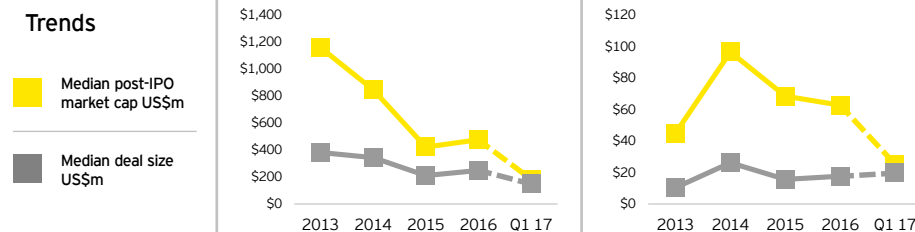
** There were 16 cross-border IPOs globally in Q1 2017.

Despite currency volatility being a live issue, three of the quarter's twelve IPOs were cross-border IPOs with two IPOs from US companies and one IPO from an Italian company. The pipeline of cross-border IPO activity continues to build on the London markets.

Transaction sizes

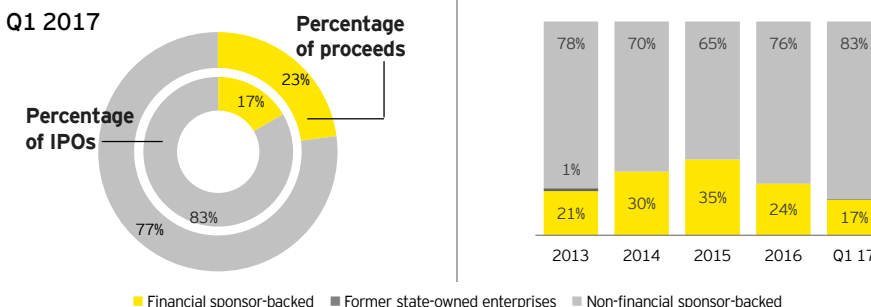
	London Main Market		London AIM	
	Q1 2017	Change on Q1 2016	Q1 2017	Change on Q1 2016
Median post-IPO market cap	\$183.0m	▼ 84%	\$25.4m	▼ 59%
Median deal size	\$148.2m	▼ 66%	\$19.7m	▲ 37%

Trends



Sources of IPOs

Q1 2017



All amounts in table are in US\$. Figures may not total 100% due to rounding.

Performance

IPO pricing and performance Q1 2017

	First-day average return	Share price development since IPO
London Main Market	+10.8%	+13.3%
London AIM	+0.5%	+3.4%

+ or - indicates change compared to offer price at IPO

Equity indices Q1 2017

FTSE 100
+2.7%
UK

FTSE 350
+3.1%
UK

FTSE AIM All-Share
+8.7%
UK

+ or - indicates change since 31 December 2016

Volatility indices

FTSE 100 VIX (VFTSE 100)
11.65 index level
+0.8%
YTD

+ indicates an increase in volatility as at 24 March 2017 compared to 31 December 2016 for year-to-date (YTD).

Outlook

- ▶ The FTSE has reached record levels during Q1 2017, largely driven by the weakness of the pound, which has made UK investments of particular interest to international investors. We expect investors will look at stocks with strong dividends as their key investment areas. Given the rising trend in UK equity prices, IPOs may struggle to whet investors' appetite over and above those opportunities.
- ▶ Overall, the low valuation of the pound, continued uncertainty around the UK's exit from the EU and the uncertain impact of policy shifts in the US are all expected to delay a return to more normal levels of IPO activity in the UK market.
- ▶ Currency fluctuations are creating pricing issues for IPO candidates. While there have been no withdrawn IPOs in Q1 2017, a number of prospective IPO candidates are delaying their IPO plans until late 2017 or early 2018, when political instability is expected to subside.
- ▶ The pipeline is looking strong for smaller Main Market IPOs and AIM listings. Currently, the transaction window looks to be the strongest in Q4 2017. The largely UK focus of AIM candidates means that they are less affected by currency volatility issues.
- ▶ PE-backed IPO activity is expected to remain relatively low because PE funds currently have high levels of dry powder and can afford to wait for higher valuations.
- ▶ Plans by the Financial Conduct Authority (FCA) to bring the UK IPO process more in line with US practices could support IPO activity in 2018 and beyond. In the long term, the FCA's recent recommendations are intended to increase IPO activity through companies having greater access to investors, much earlier than the current situation allows.



Appendix

Areas and regional IPO markets
facts and figures

Definitions

Top 12 stock exchanges

By number of IPOs

Ranking	Stock exchanges	Number of IPOs	% of global IPOs
1	Shenzhen (SZSE) and Chinext	73	19.8
2	Shanghai (SSE)	70	19.0
3	Hong Kong (HKEx) and GEM	39	10.6
4	Tokyo, MOTHERS and JASDAQ	27	7.3
5	Australia (ASX)	23	6.2
6	New York (NYSE)	15	4.1
7	Bombay (BSE) and SME	14	3.8
8	London Main Market and AIM	12	3.3
9	Korea (KRX) and KOSDAQ	12	3.3
10	National (NSE) and SME	12	3.3
11	NASDAQ	9	2.4
12	Nomu - Parallel Market	7	1.9
	Other stock exchanges (28 exchanges)	56	15.2
	Global IPO activity	369	100.0

Ranking	Stock exchanges	Number of IPOs	% of global IPOs
1	Shenzhen (SZSE and Chinext)	124	11.4
2	Hong Kong (HKEx) and GEM	116	10.6
3	Shanghai (SSE)	103	9.4
4	Tokyo, MOTHERS and JASDAQ	86	7.9
5	Australia (ASX)	78	7.1
6	NASDAQ	77	7.1
7	Bombay (BSE) and SME	68	6.2
8	NASDAQ OMX (Copenhagen, Helsinki, Iceland, Sweden) and First North	59	5.4
9	Korea (KRX) and KOSDAQ	57	5.2
10	London Main Market and AIM	54	4.9
11	New York (NYSE)	34	3.1
12	Thailand (SET) and MAI	26	2.4
	Other stock exchanges (51 exchanges)	210	19.2
	Global IPO activity	1,092	100.0

By proceeds

Ranking	Stock exchanges	US\$b	% of global IPOs
1	New York (NYSE)	9.6	28.6
2	Shanghai (SSE)	6.5	19.4
3	Shenzhen (SZSE) and Chinext	4.2	12.5
4	Tokyo, MOTHERS and JASDAQ	1.9	5.6
5	Hong Kong (HKEx) and GEM	1.7	5.0
6	Bolsa de Madrid and MAB	1.6	4.6
7	NASDAQ	1.2	3.4
8	London Main Market and AIM	1.1	3.2
9	Mexican (BMV)	0.9	2.7
10	Bursa Malaysia (KLSE) and ACE	0.8	2.3
11	Sao Paulo (BM&F BOVESPA)	0.4	1.3
12	Bombay (BSE) and SME	0.4	1.2
	Other stock exchanges (28 exchanges)	3.5	10.2
	Global IPO activity	33.7	100.0

Ranking	Stock exchanges	US\$b	% of global IPOs
1	Hong Kong (HKEx) and GEM	25.2	18.7
2	Shanghai (SSE)	15.3	11.3
3	New York (NYSE)	13.5	10.0
4	NASDAQ OMX (Copenhagen, Helsinki, Iceland, Sweden) and First North	9.4	7.0
5	Tokyo, MOTHERS and JASDAQ	9.2	6.8
6	NASDAQ	7.7	5.7
7	Shenzhen (SZSE) and Chinext	7.3	5.4
8	London Main Market and AIM	7.2	5.3
9	Deutsche Boerse	5.8	4.3
10	Korea (KRX) and KOSDAQ	5.4	4.0
11	Australia (ASX)	4.7	3.5
12	Bombay (BSE) and SME	4.0	3.0
	Other stock exchanges (51 exchanges)	20.0	14.9
	Global IPO activity	134.5	100.0

**Data based on domicile of the exchange, regardless of the listed company domicile. Euronext includes Euronext (Amsterdam, Paris, Brussels and Lisbon); Shenzhen (SZSE) includes the Main Board, SME Board and ChiNext.

Methodology

- ▶ The data presented in the *Global IPO Trends: Q1 2017* report and press release is from Dealogic and EY. Q1 2017 (i.e., January-March) and YTD 2017 (January-March) is based on priced IPOs as of 24 March 2017 and expected IPOs in March. Data is up to 24 March 2017, 5p.m. UK time. All data contained in this document is sourced to Dealogic and EY unless otherwise noted.
- ▶ For the purposes of these reports and press releases, we focus only on **IPOs of operating companies** and define an IPO as a **company's first offering of equity** to the public.
- ▶ This report includes only those IPOs for which Dealogic and EY offer data regarding the issue date (the day the offer is priced and allocations are subsequently made), trading date (the date on which the security first trades) and proceeds (funds raised, including any over-allotment sold). Postponed IPOs, or those which have not yet been priced, are therefore excluded. Over-the-counter (OTC) listings are also excluded.
- ▶ In an attempt to exclude non-operating company IPOs such as trusts, funds and special purpose acquisition companies (SPACs), companies with the following Standard Industrial Classification (SIC) codes are excluded:
 - ▶ 6091: Financial companies that conduct trust, fiduciary and custody activities
 - ▶ 6371: Asset management companies such as health and welfare funds, pension funds and their third-party administration as well as other financial vehicles
 - ▶ 6722: Companies that are open-end investment funds
 - ▶ 6726: Companies that are other financial vehicles
 - ▶ 6732: Companies that are grant-making foundations
 - ▶ 6733: Asset management companies that deal with trusts, estates and agency accounts
 - ▶ 6799: Special purpose acquisition companies (SPACs)
- ▶ In our analysis, unless stated otherwise, IPOs are attributed to the domicile of the company undertaking an IPO. The primary exchange on which they are listed is as defined by Dealogic and EY research.
- ▶ A cross-border (or foreign) listing is where the stock exchange nation of the company is different from the company's domicile (i.e., issuer's nation).
- ▶ For IPO listings on HKEx; SSE; SZE; Japan's Tokyo Stock Exchange (TSE); TSE MOTHERS; Korea's KRX and KOSDAQ; Thailand's SET and MAI; Indonesia IDX; WSE; NewConnect; TSX and TSX-V exchanges, we use their first trading date in place of issue date.

Markets definitions

- ▶ Many stock exchanges have set up **main markets and junior markets**:
 - ▶ **Main markets** are where medium and large IPOs (by proceeds) are usually listed and traded. **Junior markets** are where small-cap companies or smaller IPOs are listed or traded. Stock exchanges without junior markets are classified as main markets.
 - ▶ **Junior markets** include **Americas**: Toronto Venture Exchange and Canadian National Stock Exchange; **Asia-Pacific**: Malaysia ACE Market, Bombay SME, Hong Kong Growth Enterprise Market, Japan JASDAQ, Japan MOTHERS, Korea KOSDAQ, Thailand's Market for Alternative Investment, National SME, Shenzhen ChiNext, Singapore Catalist, Tokyo Stock Exchange MOTHERS Index; **EMEIA**: Alternext, London Alternative Investment Market, Germany's Frankfurt SCALE (formerly Entry Standard), Spain's Mercado Alternativo Bursatil, NASDAQ OMX First North, Warsaw New Connect, Johannesburg Alternative Market, Nomu - Parallel Market.
- ▶ **Emerging markets or rapid-growth markets** include issuers from Argentina, Armenia, Bangladesh, Bolivia, Brazil, Bulgaria, Chile, Colombia, Croatia, Cyprus, Egypt, Ethiopia, Greater China, Hungary, India, Indonesia, Ireland, Israel, Kenya, Kuwait, Kazakhstan, Laos, Lithuania, Malaysia, Mauritius, Mexico, Namibia, Pakistan, Peru, Philippines, Poland, Qatar, Russian Federation, Saudi Arabia, Sierra Leone, Singapore, Slovenia, South Africa, South Korea, Sri Lanka, Tanzania, Thailand, Tunisia, Turkey, Ukraine, United Arab Emirates, Vietnam and Zambia.
- ▶ **Developed markets** include issuers from Australia, Austria, Belgium, Bermuda, Canada, Denmark, Finland, France, Germany, Greece, Guernsey, Isle of Man, Italy, Japan, Jersey, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, the United Kingdom and the United States.

Geographic definitions

- ▶ **Africa** includes Algeria, Botswana, Egypt, Ghana, Kenya, Madagascar, Malawi, Morocco, Namibia, Rwanda, South Africa, Tanzania, Tunisia, Uganda, Zambia and Zimbabwe.
- ▶ **Americas** includes North America and Argentina, Bermuda, Brazil, Chile, Colombia, Jamaica, Mexico and Peru.
- ▶ **Asia** includes Bangladesh, Greater China, Indonesia, Japan, Laos, Malaysia, Philippines, Singapore, South Korea, Sri Lanka, Thailand and Vietnam.
- ▶ **Asia-Pacific** includes Asia (as stated above) plus Australia, New Zealand, Fiji and Papua New Guinea.
- ▶ **Central and South America** includes Argentina, Bermuda, Brazil, Chile, Colombia, Ecuador, Jamaica, Mexico, Peru and Puerto Rico.

- ▶ **EMEIA** includes Armenia, Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, India, Ireland, Isle of Man, Italy, Kazakhstan, Luxembourg, Lithuania, Netherlands, Norway, Pakistan, Poland, Portugal, Russian Federation, Spain, Sweden, Switzerland, Turkey, Ukraine and United Kingdom plus the Middle East and Africa countries listed below.
- ▶ **Greater China** includes Mainland China, Hong Kong, Macau and Taiwan.
- ▶ **Middle East** includes Bahrain, Iran, Israel, Jordan, Kuwait, Oman, Qatar, Saudi Arabia, Syria, United Arab Emirates and Yemen.
- ▶ **North America** consists of the United States and Canada.

Glossary

- ▶ **Financial sponsor-backed IPOs** refer to IPOs that have Private Equity, Venture Capital investors or both.
- ▶ **First-day average returns** is the median of issuers' offer price versus the closing price at their first trade date.
- ▶ **Median deal size** refers to the median IPO proceeds.
- ▶ **Post-IPO market cap** is the market value of the company after its IPO is completed.
- ▶ **Proceeds** refers to total fund raised by the issuer company and selling shareholders. This is the total deal size.
- ▶ **QOQ** refers to quarter-on-quarter. This refers to the comparison of IPO activity on Q1 2017 with Q1 2016 for this current report.
- ▶ **Share price development since IPO** is the median current returns, which is the year-to-date returns as at 24 March 2017 versus offer price. This should be compared with equity indices performance that is also measured YTD.
- ▶ **State-owned enterprise (SOE) privatizations** refers to former state-owned entities that have completed their IPO listings to become public companies.
- ▶ **YOY** refers to year-on-year. This refers to the comparison of IPO activity for the first three months of 2017 with the first three months of 2016 for this current report.
- ▶ **YTD** stands for year-to-date. This refers to priced IPOs from 1 January to 24 March 2017 plus expected IPOs by end of March.

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