

**Deloitte.**



## **From resilience to reawakening**

European Equity Capital Markets

ECM Update | SUMMER 2024

# Content

- 1 Welcome
- 2 H1 2024 Equity Markets Performance
- 3 European Equity Issuance Levels
- 4 European CFO Survey
- 5 Keeping the window open: The rise of Dual Track
- 6 EU's New Listing Act: A Game-Changer for Access to Capital Markets
- 7 IPO Scanner
- 8 Deloitte Equity Capital Markets

**About this report:** This report contains data sourced from IMF World Economic Outlook, Bloomberg, Refinitiv Workspace, Dealogic, company admission documents and press releases. ECM issuance data is as of 30 June 2024 and includes all European ECM transactions. The Total Deal Value has been calculated by multiplying Dealogic's Total GBP Deal Value and the GBP spot rate of the date of the transaction. Additional market data is as of 30 June 2024.





ENGINE  
START  
STOP

01

## Welcome

This European Equity Capital Markets update contains commentary on recent European and Italian stock markets performance; levels of European equity market issuance and macroeconomic considerations; the European CFO Survey and hot topic on the EU's New Listing Act

# A bullish equity market and reawakening of European IPO despite investor uncertainty



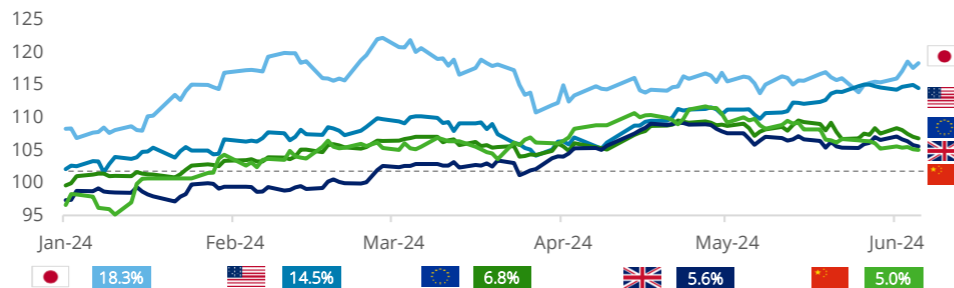
**Davide Bertoia**  
Partner  
Head of Capital Markets  
Tel: + 39-0283322858  
Email: [dbertoia@deloitte.it](mailto:dbertoia@deloitte.it)

This European ECM update includes an **analysis** of the **performance of the major global indices** and the factors that have influenced and shaped this performance. Additionally, we will explore the **implications of declining inflation, economic growth prospects, and the central banks' inactivity regarding monetary policy**. In this report, we delve deeper into several **hot topics**: Deloitte's "European CFO Survey", "The Rise of Dual Track" and the "EU's New Listing Act: A Game-Changer for Access to Capital Markets".

Following a very positive year for major global indices in 2023, **the first half of 2024 has continued with a similar bullish momentum**. As of June 30, 2024, the **major global stock indices, have all closed on the up**, with gains ranging from 5% to 18%, except for the CAC 40, which slipped 0.8% due to the country's political instability. Despite the strong performance of global stock markets, **investors have been highly attentive to the evolution of inflation, interest rate policies, and the risk of entering a period of stagflation**.

**Inflation** has continued its **downward trend**, albeit at a slower pace and with occasional upticks compared to the previous year. As of December 2023, inflation in the euro area stood at 2.9%, decreased to 2.6% in May and is expected to be 2.5% in June.

**Figure 1: 1H 2024 performance of global indices**



Source: Refinitiv Eikon (30/06/2024)

However, despite this positive trend, **central banks have not met the projections** made by analysts at the beginning of the year **regarding monetary policy**.

Despite clear signs of weakening inflation since its all-time peak in October 2022, when it reached a high of 10.6% YoY in the Eurozone, **central banks have maintained a stringent stance on lowering interest rates too quickly**. As a result, throughout the first half of 2024, **one of the only significant rate adjustments was a modest 0.25% cut by the ECB**, bringing the rate down to **4.25%**. In contrast, the **Federal Reserve has kept its interest rates unchanged at 5.25%-5.5%**.

**The performance** of global stock markets has been mainly linked to **corporate earnings** and the potential **impact of inflation and monetary policy trends**.

The bullish equity market **encouraged ECM market activity** which **volumes rose to €73.2 billion, a 20% year-on-year increase**. The improvement in ECM activity is undoubtedly due to the **reawakening of the IPO market**, with IPO volumes reaching **€13.6 billion, a 246% increase** compared to the 1H 2023 and a 26% increase compared to 2023 as a whole. **Blocks have been very present** during the past 6 months, with companies and **sellers taking advantage of the bull equity market and attractive valuations**. Conversely, **right issuances have been scarce**, as companies do not wish to be exposed to market volatility for a long period of time. When compared with the performance of the main European index, **European IPOs have clearly outperformed**, encouraging other companies to view IPOs as a viable option to raise capital or an exit opportunity. **The pipeline for the second semester, and especially for 2025, continues to build up**.

We hope the ECM Update is a helpful resource. Our team is at your disposal for any issues that you may wish to discuss.

02

# H1 2024 Equity Markets Performance



# European stock markets have surpassed their historical highs amidst an improved macroeconomic environment

Figure 2: 1H 2024 performance of European indices

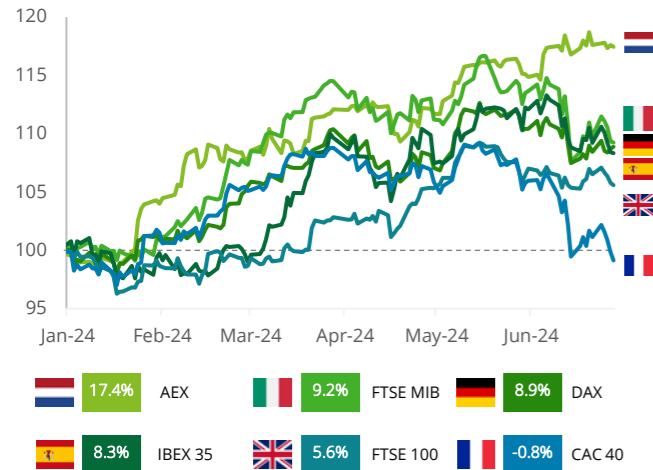
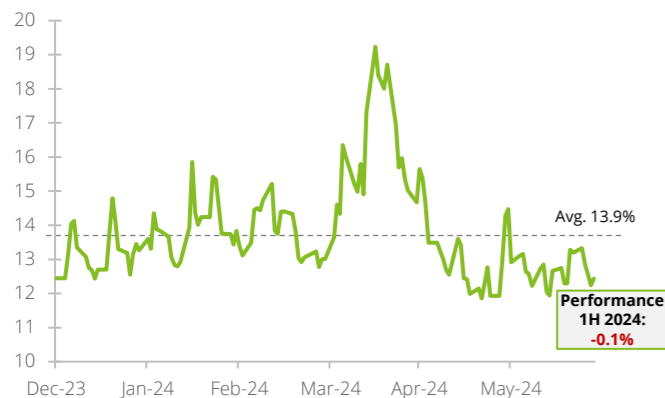


Figure 3: Volatility (VIX)



Source: Refinitiv Eikon, and Bloomberg (30/06/2024)

The major global economies' **main equity indices continued** to experience a **bull market** during the first half of 2024. This growth was **driven by economic recovery and strong corporate earnings**, which helped to **overcome well-founded investor concerns** related to **monetary policy uncertainty, stagflation worries, and geopolitical tensions**.

Equities have rallied in 2024 as main economies **show economic growth resilience, despite** major countries such as the **UK and Germany** entering and subsequently exiting **technical recessions** during the period, which caused **concerns among investors**. Nonetheless, **overall economic growth projections provide a positive outlook** for investors. The IMF projects that **Eurozone economies will grow in 0.8% for 2024 and 1.5% in 2025** contrasting with the economic expansion expected in **the US**, which is estimated to achieve growth rates of **2.7% and 1.9% in 2024 and 2025**, respectively. Meanwhile **the Netherlands** is expected to grow by **0.7% and 1.5%** in the respective periods.

The economic recovery is expected to be driven by **stronger household consumption**, supported by a **decrease in energy prices** and a **decline in inflation**. Projections regarding global inflation are equally promising. The IMF expects global inflation to decline steadily, from 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025, with advanced economies returning to their inflation targets sooner than emerging markets and developing economies. The **core inflation is also expected to decline** mainly due to **monetary policies that are still restrictive**, and a **softening of the labor markets**. The IMF expects **Dutch inflation to stand at 2.7% in 2024** and to decrease to **2.1% in 2025**.

**With inflation projected to continue declining** towards national targets, policy rates of **central banks** in major advanced economies are generally **expected to shift towards a rate-cutting cycle**.

Regarding **monetary policies**, the disparity between anticipated and actual interest rate cuts by central banks generated significant uncertainty during the first half of the year. In December 2023, experts projected that **interest rates would be lowered between five and six times in both Europe and the US**. However, as of June 30, 2024, **only the ECB had reduced rates by 0.25%, to 4.25%**. The Fed, during its last meeting in June, **decided to hold interest rates unchanged** at 5.25%-5.5%, and its latest hawkish message signaled **only one upcoming rate cut during the second half of the year**.

Furthermore, such **divergence** between expected and actual **rate cuts alongside the rising tension in the Middle East** driven by the Israeli-Palestinian conflict were the **main reasons behind the volatility spike experienced in April**. The VIX index, hit 19.2, its highest level since October 2023, and very far from the 13.8-points-level that persisted on average during the first half of the year. **Geopolitical tensions, although present, have taken a backseat**, as they did not have a significant impact on commodity prices such as oil or grain during 1H 2024.

Despite these issues, **major European stock markets** ended the first half of the year **on the up**, driven by a noticeable **improvement** in the **macroeconomic environment**, but primarily by the continuous improvement in **corporate earnings**, which for many companies have already surpassed 2019 levels. **Most European indices** consistently set and **surpassed** their respective **all-time highs**. This trend continued until early May, when the Dutch, Italian, UK, German, and French indices reached their historical peaks. Since then, European stock markets have experienced a slight correction.

It should be noted that, on this occasion, the **indices of some major European economies have demonstrated the poorest performance**, relinquishing the lead to the Netherlands (AEX: 17.4%), followed by Italy (FTSE MIB: 9.2%), significantly outpacing the UK (FTSE 100: 5.6%) and particularly France (CAC 40: -0.8%).

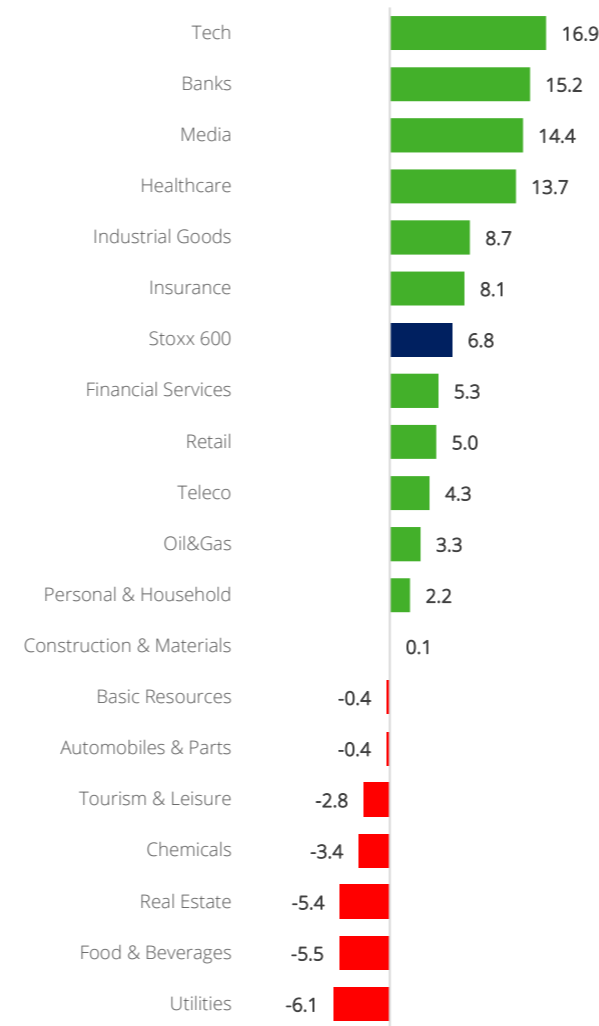
## Strong corporate earnings and AI momentum lead to positive returns across global indices

In the first half of 2024 equities continue to rally despite markets being submerged in a **state of uncertainty**, especially regarding a **potential shift of monetary policy** and its potential effects. At the midpoint of the year, **many key indices were obtaining positive returns**, closing the period as follows: AEX up 17.4%, Nasdaq 100 up 17.0%, S&P 500 up 14.5%, FTSE MIB up 9.2%, DAX up 8.9%, IBEX 35 up 8.3%, Stoxx 600 up 6.8%, and the FTSE 100 up 5.6%, with the clear exception of the CAC 40, down by -0.8%, which suffered after the success achieved by the far-right parties and the subsequently political instability.

Like the previous year, the **main indices in the US outperformed their European counterparts**, helped by a **resilient domestic economy** and significant contributions from **major tech companies**, which are being boosted by the momentum of Artificial Intelligence. **Concerns regarding the breadth of the US market continue**, as close to **half of S&P's 500 gain can be attributed to Nvidia, Apple, Microsoft and Alphabet**. As of June 30, 2024, Nvidia's stock had appreciated by 149%, surpassing the €3 trillion market value mark, staying close behind Microsoft and Apple, constituting the podium of the world's most valuable companies.

The main **Dutch index, AEX**, was **by far the best performing European index, gaining 17%** in the first half of the year, **almost doubling the second-best performer, the Italian FTSE MIB**. The AEX has a **significant proportion of technology companies** which, as mentioned earlier, have been positively driven by the **momentum of AI and strong tech company earnings**, in many cases **above expectations**. Key semiconductor related companies, **ASM International and ASML Holding**, saw **substantial growth** during the period, **boosting the performance of the index**.


Figure 4: 1H 2024 Stoxx 600 sector performance



Source: Refinitiv Eikon (30/06/2024)

In terms of sectors, the **pan-European Stoxx 600** ended the first half of the year on a high note, with **most of its industries closing in green**. Notably, the **technology sector**, up by **16.9%**, climbed on the back of **advancements in AI** and cloud computing, with many companies in the sector showing strong corporate earnings, such as ASM, ASML, SAP or Prosus. Meanwhile, the **European banking sector**, up by **15.2%**, benefited from prevailing **interest rate levels**, with stocks such as UniCredit, Intesa Sanpaolo, ING and Santander showing significant double digit gains. However, seven sectors ended the year down, with **utilities (-6.1%)** and **food & beverage (-5.5%)** being the **worst performers**. The **utility sector has struggled due to regulatory challenges** and the impact of higher interest rates, with stocks such as EDP, Naturgy, and RWE being among the most affected. Furthermore, within the **food and beverages** sector, companies such as JDE Peets, Pernod Ricard and Davide Campari Milano were the worst performers having being impacted by increased production costs. The European real estate market has been impacted since the rate hikes in 2022 with the rise in borrowing costs, tumbling prices and asset devaluation. **The delays in rate cuts by central banks have severely impacted the sector**. Companies such as Deutsche Wohnen, Aroundtown, Kojamo, CPI Property and Vonovia have been among the stocks most severely hit.

The Italian index, FTSE MIB, performed **very positively**. The **FTSE MIB climbed by 9.2%**, **above the growth experienced by the Stoxx 600 index (6.8%)**. Among the top five best-performing companies in the first half of 2024 are three financial services companies: **Unipol, BPER, and Banca MPS** (ranking 1st, 3rd, and 5th respectively), in line with the positive trend of the European banking sector. **Saipem** follows in second place, boosted by the excellent economic-financial results and the ESG objectives achieved. **Leonardo** ranks fourth, benefiting from the growth in the aerospace & defense sector.

A financial candlestick chart with a dark background and a light gray grid. The chart features green and orange candlesticks representing price movements. A white line tracks the price closely, while a blue line represents a moving average. The chart shows a general upward trend with some volatility.

**03**

## European Equity Issuance Levels

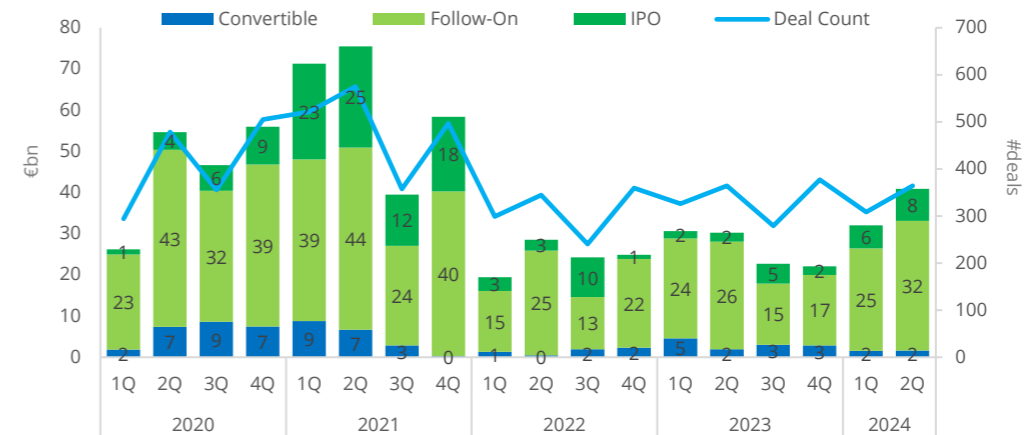
## Encouraging ECM market activity driven by rising IPO and block volumes

**Amid a mixed macroeconomic environment**, with inflation gradually approaching the 2% target set by central banks, interest rates remaining high, and GDP growing slightly, **the ECM market has shown improvement compared to the previous year**. During the first half of the year, the **ECM market** has seen an increase in activity, with volumes increasing to **€73.2 billion, a 20% year-on-year**, mainly from IPO and block volume issuances, although the number of deals decreased, by -3% year-on-year. During the first half of the year, we have seen **the size of the transactions rising compared with the average size of last year**. In H1 2024, the average transaction size reached €109 million, up from €88 million in the same period of 2023, reflecting a 23% growth.

The **improvement in ECM activity** is undoubtedly due to the **reawakening of the IPO market**. During the first half of 2024, **IPO activity amounted to €13.6 billion**, representing a **26% increase** compared to the **total volume raised in 2023**. This is primarily due to a **much larger average IPO size** (€192 million average IPO size in 2024 compared to €61 million in 2023). **Private Equity-backed companies** made a **comeback in the IPO market**, boosting megadeals. During 1H 2024, **€57 billion** were raised via **Follow-Ons (FO)**, **12% more** than during the same period last year. Nonetheless, when one **looks closer on FO deals, performances have been mixed**. **Blocks have been very present** during the past 6 months, with companies and sellers taking **advantage of the bull equity market and attractive valuations**. Conversely, **right issuances have been scarce**, as companies do **not wish to be exposed to market volatility for a long period of time**. Furthermore, there may be misconceptions as companies perceive that rights issues are associated with corporate trouble, which should not be the case. Lastly, the **convertibles market** has fared the worst, with **only 16 transactions** in the first six months of the year, amounting to **€3.1 billion, a 51% decrease year-on-year**.

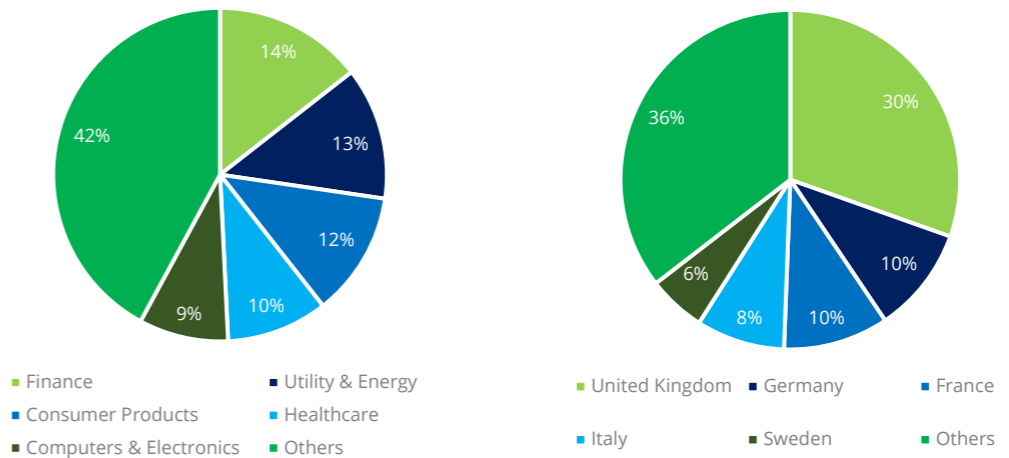
From an industry perspective, the **Finance sector has raised the most capital**, reaching €10.5 billion, **mainly through CVC IPO** (€2.3 bn) and **London Stock Exchange Group blocks** (€1.8 bn and €1.7 bn, respectively). This is followed by the **Utilities and Energy** sector with €9.5 billion, and the **Consumer products** sector in third place with €8.8 billion. Conversely, at the lower end of the scale, the **Insurance** sector raised €131 million, while **Dining & Lodging** and **Aerospace** sectors raised €69 million and €34 million, respectively. In terms of equity raised by country, the **UK once again leads the table with €22.3 billion**, followed by **Germany** with €7.4 billion and **France** with €7.3 billion. **The Netherlands ranks eighth**, with €3.0 billion raised through **only seven transactions**: CVC Capital Partners plc, THEON International plc, follow-on offerings from IMCD NV, InPost SA, Avantium NV and NX Filtration NV and, lastly, the convertible bond issue by Pharming Group NV.

Figure 5: European equity issuances since 2020



Source: Dealogic (30/06/2024)

Figure 6: 1H 2024 volume of equity issuances by sector and country



Source: Dealogic (30/06/2024)

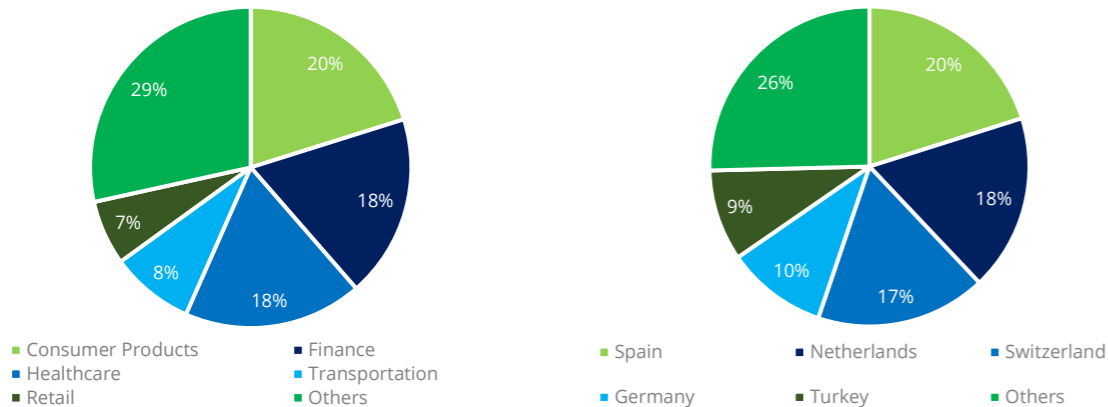
# The IPO market has bounced back, with successful and significant deals encouraging others to come to market in the second half of the year and in 2025, building a healthy pipeline

Following a very poor 2023 for IPOs in Europe, the **first half of 2024 experienced a significantly improved level of activity**. While the number of IPOs remained relatively stable, with only six more deals than in the first half of the previous year, **the total volume of transactions increased significantly**.

In the first half of the year the **aggregate size of IPOs in Europe reached €13.6 billion, a 246% increase compared to the same period last year** and a 26% increase compared to 2023 as a whole. The **three most significant IPOs exceeded €2 billion each**: Spanish beauty group, Puig (€2.7 billion), followed by Swiss skincare products maker, Galderma (€2.4 billion) and, lastly, Private Equity CVC (€2.3 billion). In comparison, in the first half of 2023, there was only one **IPO above €500 million**, whereas **in 2024 there were 6 IPOs** above this value.

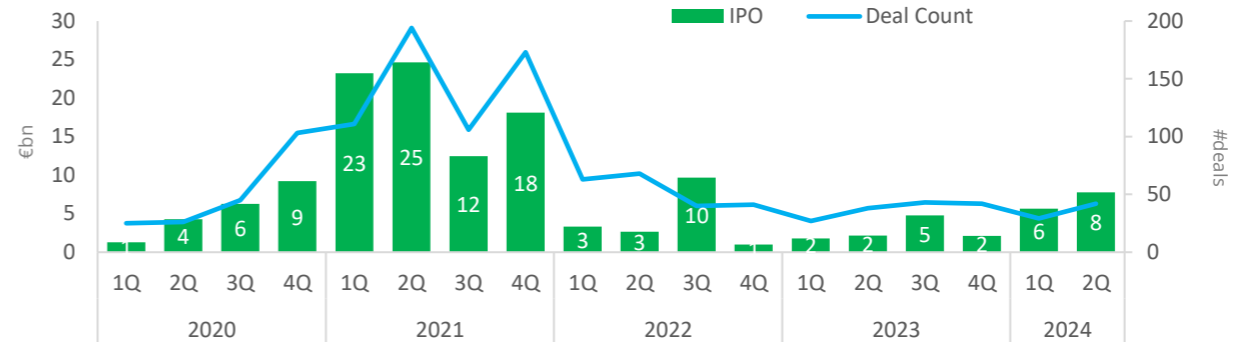
Regarding the most active countries in IPO volume, **Spain ranks first** with €2.7 billion, **Netherlands was in second place** with €2.4 billion, followed by **Switzerland** in third place with €2.4 billion. The **UK, which used to lead the rankings, is now in eighth place out of seventeen** with only two IPOs above €50m, Raspeberry Pi and Air Astana, raising €205 million and €330 million, respectively.

Figure 7: 1H 2024 IPOs by sector and equity volume issuances by country



Source: Dealogic (30/06/2024)

Figure 8: European IPOs since 2020



Source: Dealogic (30/06/2024)

Regarding the most active sectors, **companies in the consumer products sector stand out, capturing 26% of the capital raised and amounting to nearly €2.8 billion**, driven by the Puig IPO. The **financial sector ranks second**, led by the **CVC deal** while Galderma IPO was responsible for enabling the **healthcare sector to rank as the third** most active in terms of IPO volume.

The **average IPO size has increased significantly**, reaching €192 million compared to €61 million in 2023 YoY, as investors focus on **big names**, that can show **strong, resilient growth and have a solid track-record**. Furthermore, despite **bullish equity markets, investors remain very price sensitive** due to the **uncertainty surrounding markets**, and hence it is common to see a **big valuation gap** between sellers and investors, who are **demanding heftier IPO discounts**.

Regarding the IPO market in **the Netherlands, the Main Market has reopened after nearly two years of inactivity with the THEON International IPO**. The last IPOs that came to market were SPACs back in 2022, being RA Special Acquisition Corp and GP Bullhound Acquisition I SE, raising €217 million and €197 million, respectively. Despite the limited activity in the domestic market over the past few years, the pipeline for 2024 and 2025 includes several notable (international) companies from various sectors. However, although 2024 has now seen the first two IPOs in years, it will take some more time for IPO levels to return to the historical 2021 high of €11 billion raised across 23 IPOs.

# European IPO Barometer

During the first half of 2024, **32 IPOs were priced above €50 million**, of which 3 were above the €1billion mark of deal value. One country that was very active is Turkey. **Excluding Turkish and Russian IPOs, 18 IPOs were priced above €50 million in Europe.** This represents a **396% increase** in volume from what we saw back in 1H 2023 from similar transactions.

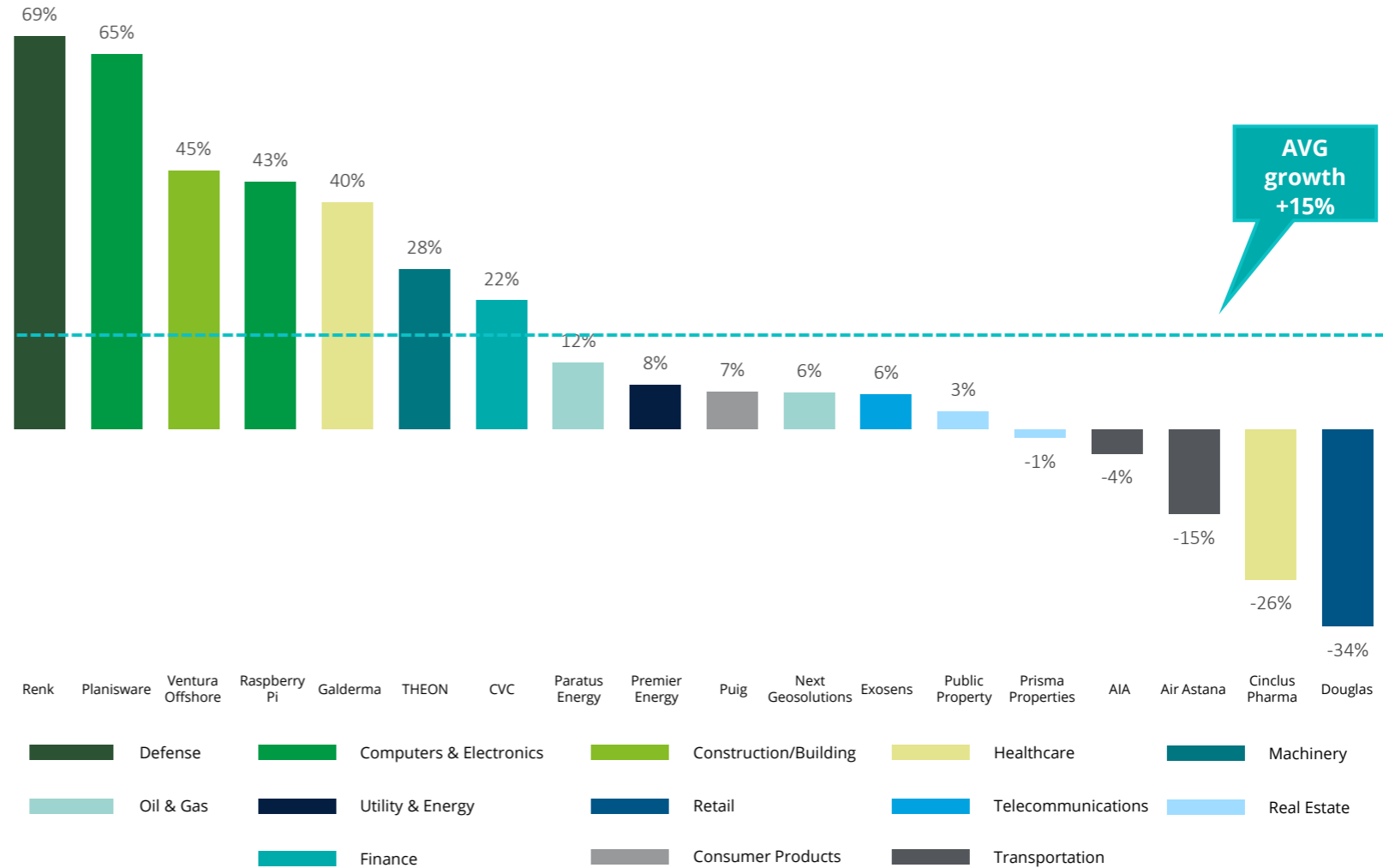
Overall, European IPOs during 1H 2024 had a **very positive performance**, with average growth of **+15.1%** (above €50 million and excluding Turkish & Russian companies). **When compared** with the performance of the main European index (STOXX 600: **+6.8%**), **European IPOs have clearly outperformed**, encouraging other companies to view IPOs as a viable option to raise capital or an exit opportunity. In fact, out of the 18 IPOs priced in Europe above €50 million, only 5 were, as of June 30, trading down.

The best performing IPOs of 2024 are German manufacturer **Renk** (defense sector) and French software provider **Planisware** (tech sector) with a **69%** and **65%** increase, respectively.

It is **worth highlighting** that as **investors remain price sensitive**, many IPOs are said to have **applied a significant IPO discount** to ensure the success of the deal and a positive aftermarket performance.

**Going forward**, it seems that **many companies are preparing for a potential IPO, building the pipeline for the second half of the year as well as for 2025.** A successful pricing will depend on investors' appetite for the story and the **willingness of issuers to accept IPO discount demands.**

Figure 9: Deloitte's European IPO Barometer 1H 2024



Source: Source: Dealogic (30/06/2024). Data includes all European IPO above €50m, excluding Turkish and Russian IPOs



**04**

# European CFO Survey

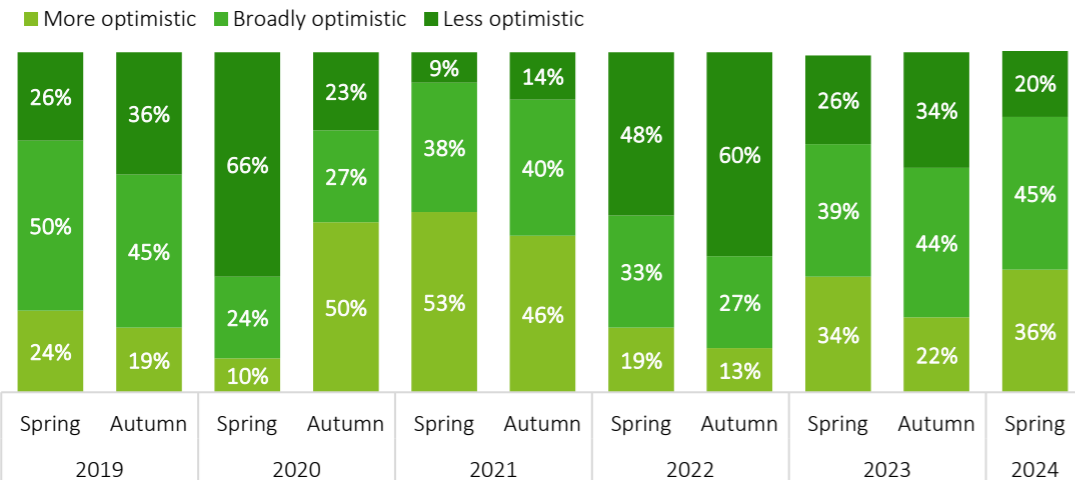
## European CFOs embrace optimism and shift focus to growth as economic conditions improve despite geopolitical uncertainty

Despite persistent inflationary pressures, continued restrictive monetary policy, and ongoing geopolitical tensions, **European CFOs are exhibiting greater optimism compared to Autumn 2023**. This **renewed sense of confidence** is driven by the perception that these **challenges are becoming less severe in 2024 than originally anticipated**.

**Elevated inflation**, even if already easing, **weighed especially on the purchasing power of households and businesses**, and **restrictive monetary policy weakened demand** for goods and services and **increased financing costs** in Europe and many other countries. Meanwhile, **uncertainty** about the economy and geopolitical tensions made both **consumers and businesses hesitant to increase their spending** or investments.

However, the **situation has now shifted significantly**, both from an economic perspective and in terms of business strategies. This survey exhibits **increased CFO confidence** compared to the previous one, as **36% of CFOs are now feeling “more**

Figure 10: CFO's financial prospects



**optimistic” about their companies' financial prospects** than they were three to six months earlier (compared to 22% in Autumn 2023).

**Revenue expectations among European CFOs are now more positive** than they were in Autumn 2023. CFOs in **Ireland and Spain** currently report the **highest expectations for future revenues**. From a sectorial perspective, **life sciences, financial services, and tourism and travel sectors are now anticipating the highest increases** in revenue.

Additionally, there has been an **improvement in optimism about operating margins**, thanks to the **reduction in inflation rates**, which are expected to continue falling, as well as **lower interest rates**, which subsequently **reduce financing costs**.

As a direct consequence, **companies' strategies have pivoted**. There has been a **180-degree shift in company strategies, moving from cost reduction to focusing on the organic growth of the company and its business**. This **shift** in priorities appears to be a **response to improving economic conditions** and highlights an opportunity for businesses to refocus on expansion and growth.

In addition to the improved sentiment among CFOs, their **concerns have also changed**. **From Autumn 2022 to Autumn 2023, the economic outlook topped the list of concerns** for European CFOs. However, **as the worst of the downturn is presumably behind us**, it is not surprising that European CFOs no longer list the economic outlook as the main risk to their businesses. **Now, they rate geopolitical risks as the key threat to their businesses over the next 12 months**. Russia's invasion of Ukraine and the renewed conflict in the Middle East are clearly on the minds of CFOs as **they contemplate where to invest and how to secure their supply chains**.

In addition to the geopolitical risks of a military nature, **there are also governmental risks, including elections for the US presidency, the impact of the recent UK general election as well as the second round of the French parliamentary elections, and the continuing US-China rivalry**.



**05**

## Keeping the window open The rise of Dual Track

## The reopening of the IPO market has resurged Dual-Track transactions, as companies are looking to navigate the new market environment to ensure a successful deal

### UNCERTAIN MARKETS AS THE FOUNDATION OF THE RESURGENCE

After an exceptional 2021 for European IPOs, activity significantly declined during 2022 and 2023, primarily due to rising inflation, the tightening of monetary policy, geopolitical tensions (notably the wars between Ukraine and Russia & Israel and Hamas), the increase in oil and electricity prices, the risk of economic recession, and market volatility. These "risk factors" not only impacted IPOs but also influenced M&A transactions, which have substantially decreased, mainly due to the higher cost of financing.

In 2024, we are seeing several of these risk factors begin to dissipate, creating a new window of opportunity for IPOs. During the first half of the current year, €13.6 billion was raised through 71 IPOs, representing a 246% increase compared to the volume raised during 1H 2023. One of the aspects to highlight of this new wave of IPOs, is that the average size of IPOs has increased significantly to € 192 million (up 215% compared to the same period in 2023), reflecting investors' appetite for less risky assets, as they welcome large companies with sound financials, proven growth and profit potential.

Despite the good start of the year, investors remain cautious and very sensitive to valuation, resulting in several postponements or cancellations of IPOs, such as Golden Goose, Europastry, Jordanes or Ampere. Some companies that initially postponed their transactions came back to the market later, as in the case of CVC, which after two previous attempts successfully attracted plenty of demand, boosting its aftermarket performance. Galderma, Renk and Planisware are further examples that second and third chances do exist, as these companies attempted an IPO but after quoting unfavorable market conditions, chose to look for a better IPO window. They are all trading favorable following their public debut.

Due to market sensitivity, many issuers have opted to increase their chances of a successful deal by keeping their options open and structure their IPOs in a Dual Track format.



**Davide Bertoia**  
Partner  
Head of Capital Markets  
Tel: + 39- 3480033712  
Email: [dbertoia@deloitte.it](mailto:dbertoia@deloitte.it)



**Gabriele Arioli**  
Partner  
Capital Markets  
Tel: + 39- 3492681701  
Email: [garioli@deloitte.it](mailto:garioli@deloitte.it)



**Emanuele Martelli**  
Partner  
M&A  
Tel: + 39-3480618160  
Email: [emartelli@deloitte.it](mailto:emartelli@deloitte.it)

### DUAL TRACK POPULARITY

In the past the IPO and M&A dual-track transaction setup was one of the options to build the transaction strategy upon. And now, after a period of challenging markets, this type of transactions seems to become more popular again. Running an IPO and a private sale process simultaneously complicates the deal-execution and can incur higher costs, but it offers numerous advantages, especially in the current environment, where having optionality is highly valued. This combined with the creation of price tension by driving demand from competing sources of capital can give the company the best chance of delivering an attractive outcome. Other benefits may include the greater clarity that such a process can bring on a variety of issues such as valuation levels, the amount that can be monetized and alternatives for the residual ownership position. On the other hand, one of the complexities of a Dual-Track transaction, relates to the considerations for potential investors. Investors typically don't appreciate companies put up for a listing as a last resort after an unsuccessful private sale process.

More recently we have seen IPOs of Ithaca Energy and Italian Design Brands, as well as the M&A transactions of Gruppo Florence, Essentra and Best in Parking, reflecting the reality of this new trend, as they were all run at some point in the transaction as Dual-Tracks. The trend is very present in Private Equity transactions, which, due to economic and corporate market conditions, might opt to retain their assets for a longer period, with global PE AUMs at historic highs (>\$5 trillion). Of the six largest European IPOs, four were backed by Private Equity: Renk, Douglas, CVC, and Galderma. Down the pipeline, several PE-backed firms and other companies said to be undergoing a dual track process. Only time will tell which way they choose, but it is clear that issuers are keeping the doors open to the best possible outcome.

# Deloitte’s practical support and advice to help companies navigate through a complex transaction to ensure the best outcome for their shareholders

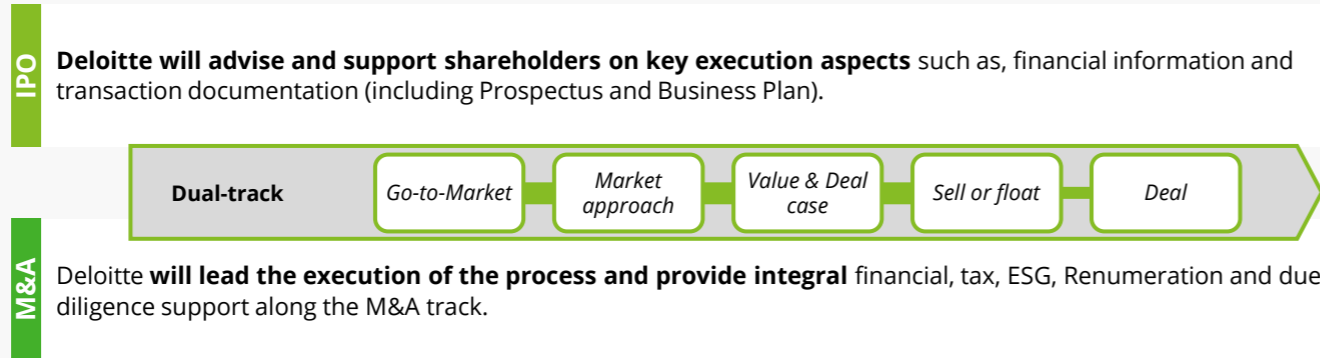
Deloitte’s multidisciplinary team led by M&A and IPO experts helps clients navigate dual track transactions to take full advantage of the synergies between the two tracks. We advise and provide practical support from the side of the company and its shareholders to protect their interests, reduce transaction risk, coordinate all the parties and workstreams, ultimately easing the burden on management. We can act in each of the three distinct phases of the dual track process:

**Pre-Deal**  
1-2 years before

- Goal:** Provide integral support, anticipate deal-breakers, minimize duplications, and generate process synergies
- **Readiness and Value Creation:** Understand objectives, performing transactions readiness assessment and assess value creation opportunities (i.e., cost reduction programs, revenue & margin enhancements)
  - **Company Readiness:** Strengthening capabilities and closing gaps to prepare the company for the deal
  - **Dual-Track Design:** Defining the deal roadmap and preparing common data-sets and documentation

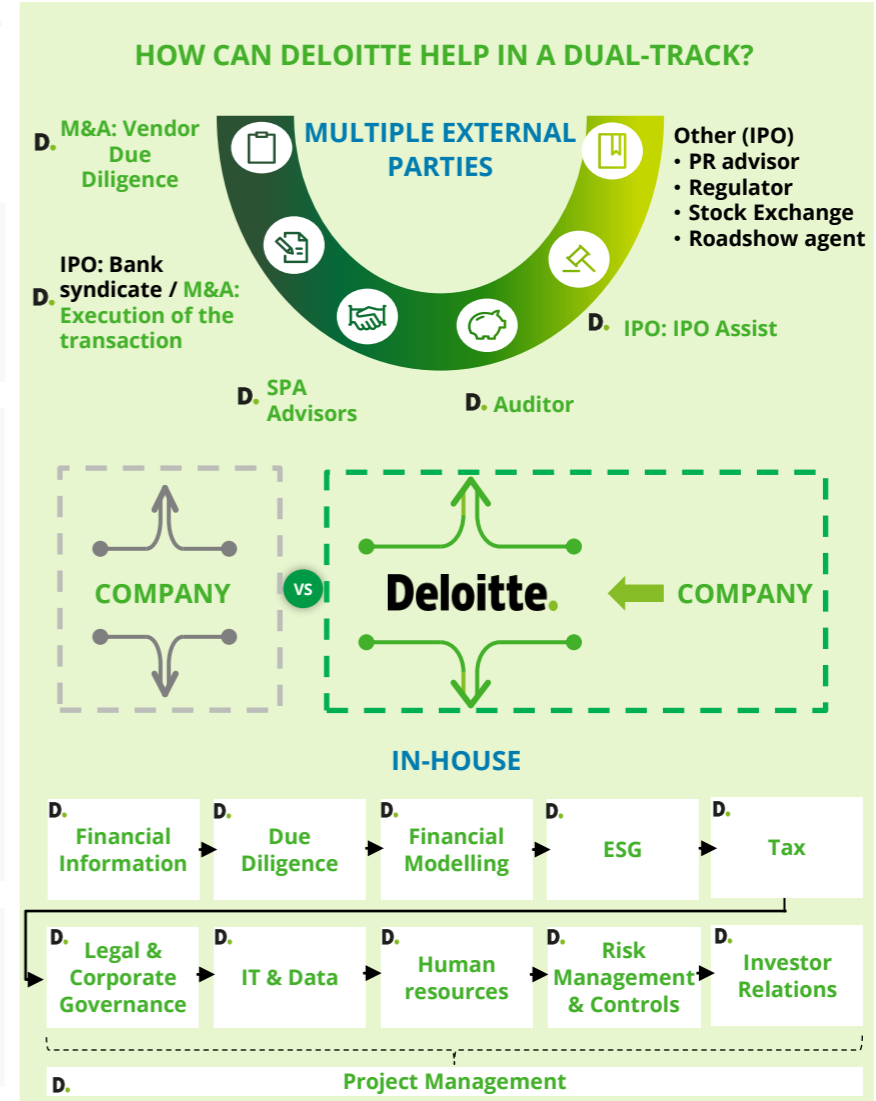
**Deal**  
6-10 months before

**Goal:** Create competitive tension, maximize value, and optimize the probability of success for the transaction. Deloitte will coordinate the entire process and all parties involved, though other specific tasks will depend on the track



**Post-Deal**  
1-2 years later

- Goal:** Ensure the company successfully executes its business plan and meets investors' expectations while enhancing value
- **M&A post-deal requirements:** Resolve contingencies post-process including SPA clause management
  - **Reporting as a listed company:** Assist the company to ensure full compliance with reporting requirements, including financial reporting, ICFR system implementation, IR and ESG support
  - **Business Plan (BP) execution:** Ensure successful BP execution incl. 100-day plan, synergy capture plan, M&A growth



D. Roles/Workstreams where Deloitte could lead/assist



- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9



**06**

# **EU's New Listing Act: A Game-Changer for Access to Capital Markets**

# A Game-Changer for Access to Capital Markets



**Gianfilippo Pezzulo**  
 Partner –Head of Capital Markets  
 Legal  
 Tel: +39 02-83324230  
 Email: [gpezzulo@deloitte.it](mailto:gpezzulo@deloitte.it)

In a landmark move on April 24, 2024, the European Parliament adopted the EU Listing Act, a comprehensive set of reforms aimed at making the EU's public capital markets more accessible and attractive to companies, particularly small and medium-sized enterprises (SMEs). This initiative is part of the broader Capital Markets Union effort, which seeks to diversify funding sources for companies beyond traditional bank lending. The Listing Act introduces significant changes to existing regulations and directives, simplifying the listing process and reducing compliance burdens, thereby fostering a more business-friendly environment in the EU.

## Key Changes in the Prospectus Regulation

The Listing Act introduces several targeted amendments to the Prospectus Regulation (EU 2017/1129) to simplify and streamline the requirements for companies seeking to list or already listed on EU public capital markets. Among the notable changes are additional exemptions to the obligation to publish a prospectus, the introduction of new types of documents, and a shortened IPO offer period. Some key changes are described below:

**Additional Exemptions:** New thresholds and conditions have been established for exempting certain public offers and admissions to trading from the obligation to publish a prospectus. Issuers can offer securities fungible with those already listed on a regulated market or SME growth market without a prospectus if they represent less than 30% (instead of 20%, as currently provided) of the existing listed securities over a twelve-months period. This is provided the issuer is not under insolvency or restructuring. This requires the filing of the new Annex IX, a short-form document for specific exemptions, aimed at reducing the administrative burden on issuers. Furthermore, the pre-existing exemption thresholds for admission to trading of fungible securities and admission of shares resulting from conversion or exchange has been increased from 20% to 30%.

**Small Offers:** The Act introduces a harmonized threshold for prospectus exemptions at EUR 12 million over 12 months. This change aims to make it easier for smaller companies to raise capital without the costly and time-consuming process of preparing a full prospectus.

**Credit Institutions:** The threshold for exempting an offer, or admission to trading, of non-equity securities from the obligation to publish a prospectus has been permanently increased from EUR 75 million to EUR 150 million, providing greater flexibility for credit institutions.

**EU Follow-On and Growth Issuance Prospectuses:** The Act simplifies the requirements for secondary issuances and SME growth issuance prospectuses, limiting the documentation to 50 pages and 75 pages respectively, making the listing process more accessible and less burdensome for SMEs already admitted to trading on a regulated market or SME growth market for at least 18 months.

**Page Limitation and Standardisation:** A 300-page limit for share prospectuses has been introduced to reduce unnecessary information and improve the clarity and usability of prospectuses. This limit excludes certain sections like e.g. summaries, incorporated references or complex financial history information.

## Simplifications to the Market Abuse Regulation and MiFID II

The Listing Act also addresses the Market Abuse Regulation (EU 596/2014) and MiFID II to alleviate some of the compliance burdens on issuers while maintaining market integrity.

**Market Abuse Regulation:** Key changes include:

- A change to the conditions under which delaying of the disclosure of inside information is permitted. The requirement that disclosure is likely to prejudice the interest of the issuer and the ability of the issuer to ensure confidentiality continue to apply, whilst the third requirement (i.e. previous generic condition that the delay should not mislead the public) is replaced by the condition that inside information should not be contradicting to the latest publicly announced information on that matter.
- The removal of disclosure obligations for intermediary steps in protracted processes. Where steps in a protracted process result in a particular event, issuers will now only have to disclose the event or result that will follow from the protracted process.
- The threshold for managers' transaction notifications is increased from EUR 5 thousand to EUR 20 thousand. These changes aim to reduce the administrative burden on issuers and provide more flexibility in managing sensitive information.

# A Game-Changer for Access to Capital Markets

**MiFID II:** Whilst maintaining the EUR 1 million foreseeable market capitalisation condition, MiFID II reduces the minimum free float requirement for listings on regulated markets from 25% to 10%. Furthermore, it enhances rules for investment research. This includes a general requirement for research to be fair, clear and not misleading and a new EU code of conduct for issuer-sponsored research to ensure fairness and transparency.

## Directive on Multiple Vote Share Structures

A new directive under the Listing Act addresses multiple vote share structures (MVS) for companies seeking admission on a multilateral trading facility (MTF). This directive aims to encourage founders to list their companies while retaining control post-listing. The directive includes safeguards to protect non-MVS shareholders, such as requiring qualified majority approval for adopting or amending MVS structures and introducing potential sunset clauses.

## Entry into Force

The majority of the amendments introduced by the Listing Act will come into force 20 days following their publication, expected around November of this year. However, certain provisions, such as those related to the EU Growth issuance prospectus and the Follow-On prospectus, will not take effect until the second half of 2025. The Directive on multiple vote structures is currently expected to be implemented within two years of its entry into force, likely by 2026.

## Conclusion

The EU Listing Act represents a significant shift in the regulatory landscape of EU public capital markets. By simplifying the listing requirements and reducing the compliance burdens, the Act aims to make the EU a more attractive destination for companies seeking to raise capital. This is particularly beneficial for SMEs, which often face higher barriers to entry in public markets. As these reforms take effect, they are expected to foster a more dynamic and accessible capital market environment in the EU, encouraging more companies to go public and drive economic growth.



1

2

3

4

5

6

7

8

9



**07**

# IPO Scanner



**Are you a founder, CEO, or CFO considering taking your company public? Do you have a clear understanding of what an IPO entails, and how your company can ensure it is ready for not only the IPO process but also life as a listed company?**

## Now including a new ESG module

Early preparation is key to a successful transaction and ensuring your business is able to attract the right investors and achieve the value your business warrants. Our [IPO Scanner](#) helps you to clearly identify the key actions and resources required, so your company can set out a practical and realistic roadmap to IPO.

Our [IPO Scanner](#) now features a newly added **ESG module**, allowing you to assess your company's readiness for an IPO in the face of ESG. You'll be evaluated on aspects such as **ESG strategy**, and new European ESG regulations including the **EU taxonomy** and **CSRD**. This upgrade empowers you to navigate the evolving landscape of sustainable finance, ensuring that your company is not only IPO-ready, but also equipped to thrive in a future defined by ESG considerations.

### What is the IPO Scanner?

Our free and easy-to-use [IPO Scanner](#) provides you with a headline assessment of your company's readiness to IPO, with analysis across seven key categories – including equity story, diligence and working capital, financial reporting, risk and controls, and more.

Once you have completed the [IPO Scanner](#), you will receive a PDF report outlining your company's preparedness across these seven categories. The report includes commentary and best practice to help you start your journey towards an IPO.

### Next steps

Our team is also available to discuss the findings with you in more depth, supporting you through the development and implementation of a bespoke plan and practical solutions to get your business fit and ready for life as a listed company.



Submit your name and contact details to start the [IPO Scanner](#)



Click in the link in your email to complete the full assessment (*this should take about 15 minutes*)



Receive your free **IPO readiness report** – with further detail and commentary assessing your company's readiness across eight key categories



**08**

# Deloitte Equity Capital Markets

**Deloitte.**

# Equity Capital Markets team – Deloitte Italy

## Partner



**Davide Bertola**  
Partner - Head of Capital  
Markets & Transaction  
[dbertola@deloitte.it](mailto:dbertola@deloitte.it)



**Gianfilippo Pezzulo**  
Partner – Legal - Head of  
Capital Markets  
[gpezzulo@deloitte.it](mailto:gpezzulo@deloitte.it)



**Gabriele Arioli**  
Partner  
[garioli@deloitte.it](mailto:garioli@deloitte.it)



**Luca Franchino**  
Partner  
[lfranchino@deloitte.it](mailto:lfranchino@deloitte.it)



**Alessandro Repetto**  
Partner PPD  
[arepetto@deloitte.it](mailto:arepetto@deloitte.it)

## Senior Managers



**Marco Manfredi**  
Senior Manager  
[mmanfredi@deloitte.it](mailto:mmanfredi@deloitte.it)



**Eugenio Tortorelli**  
Senior Manager  
[etortorelli@deloitte.it](mailto:etortorelli@deloitte.it)



**Simone Gargano**  
Senior Manager  
[sgargano@deloitte.it](mailto:sgargano@deloitte.it)



**Elio Tartaglia**  
Senior Manager  
[etartaglia@deloitte.it](mailto:etartaglia@deloitte.it)

## Managers



**Federico Morassi**  
Manager  
[fmorassi@deloitte.it](mailto:fmorassi@deloitte.it)



**Chiara Aloisi**  
Manager  
[caloisi@deloitte.it](mailto:caloisi@deloitte.it)



**Patrick Melai**  
Manager  
[pmelai@deloitte.it](mailto:pmelai@deloitte.it)



**Ilaria Satiro**  
Manager  
[ilsatiro@deloitte.it](mailto:ilsatiro@deloitte.it)



**Beatrice Fiumi**  
Manager  
[bfiumi@deloitte.it](mailto:bfiumi@deloitte.it)



1

2

3

4

5

6

7

8

9



## Selected European ECM team members

## Spain

**Tomás de Heredia**  
[tdeheredia@deloitte.es](mailto:tdeheredia@deloitte.es)**Javier Fernandez Galiano**  
[jfernandezgaliano@deloitte.es](mailto:jfernandezgaliano@deloitte.es)**Mayrin García Arzola**  
[mgarciarzola@deloitte.es](mailto:mgarciarzola@deloitte.es)

## Austria

**Albert Hannak**  
[ahannak@deloitte.at](mailto:ahannak@deloitte.at)**Bernhard Hudernik**  
[bhudernik@deloitte.at](mailto:bhudernik@deloitte.at)

## Bulgaria

**Alex Zahariev**  
[azahariev@deloitte.com](mailto:azahariev@deloitte.com)

## Belgium

**Nico Houthaeye**  
[nhouthaeye@deloitte.com](mailto:nhouthaeye@deloitte.com)

## Croatia

**Vedrana Jelušić**  
[vjelusic@deloitte.com](mailto:vjelusic@deloitte.com)

## Czech Republic Denmark

**Jan Brabec**  
[jbrabec@deloitte.com](mailto:jbrabec@deloitte.com)**Bjørn Würtz Rosendal**  
[brosendal@deloitte.dk](mailto:brosendal@deloitte.dk)**Sumit Sudan**  
[ssudan@deloitte.dk](mailto:ssudan@deloitte.dk)

## Estonia

**Enele Perolainen**  
[eperolainen@deloitte.com](mailto:eperolainen@deloitte.com)

## Finland

**Lars Bjorknas**  
[lars.bjorknas@deloitte.fi](mailto:lars.bjorknas@deloitte.fi)**Kirsi Vuorela**  
[kirsi.vuorela@deloitte.fi](mailto:kirsi.vuorela@deloitte.fi)

## France

**François Champarnaud**  
[fchamparnaud@deloitte.fr](mailto:fchamparnaud@deloitte.fr)

## Germany

**Andre Konopka**  
[akonopka@deloitte.de](mailto:akonopka@deloitte.de)

## Germany (cont'd)

**Andreas Faulmann**  
[afulmann@deloitte.de](mailto:afulmann@deloitte.de)**Joerg Niemeyer**  
[jniemeyer@deloitte.de](mailto:jniemeyer@deloitte.de)**Oliver Rattka**  
[orattka@deloitte.de](mailto:orattka@deloitte.de)

## Hungary

**Balazs Csuros**  
[bcsuros@deloitte.com](mailto:bcsuros@deloitte.com)

## Iceland

**Runolfur Thor Sanders**  
[runolfur.thor.sanders@deloitte.is](mailto:runolfur.thor.sanders@deloitte.is)**Davide Bertoia**  
[dbertoia@deloitte.it](mailto:dbertoia@deloitte.it)**Gabriele Arioli**  
[garioli@deloitte.it](mailto:garioli@deloitte.it)**Luca Franchino**  
[lfranchino@deloitte.it](mailto:lfranchino@deloitte.it)

## Ireland

**David Kinsella**  
[davkinsella@deloitte.ie](mailto:davkinsella@deloitte.ie)**Marc Rogers**  
[mrogers@deloitte.ie](mailto:mrogers@deloitte.ie)**Craig Bale**  
[cbale@deloitte.ie](mailto:cbale@deloitte.ie)**Ian Whitefoot**  
[iawhitefoot@deloitte.ie](mailto:iawhitefoot@deloitte.ie)

## Latvia

**Janis Dzenis**  
[jdzenis@deloitte.com](mailto:jdzenis@deloitte.com)**Linas Galvele**  
[lgalvele@deloitte.com](mailto:lgalvele@deloitte.com)

## Lithuania

## Norway

**Are Skjøy**  
[askjoy@deloitte.no](mailto:askjoy@deloitte.no)**Anne Randmæl Jones**  
[annejones@deloitte.no](mailto:annejones@deloitte.no)**Iver Lykke**  
[ilykke@deloitte.no](mailto:ilykke@deloitte.no)**Per Fossan-Waage**  
[pfossan-waage@deloitte.no](mailto:pfossan-waage@deloitte.no)

## Poland

**Tomasz Ochrymowicz**  
[tochrymowicz@deloitte.com](mailto:tochrymowicz@deloitte.com)

## Romania

**Ioana Filipescu**  
[ifilipescu@deloitte.com](mailto:ifilipescu@deloitte.com)

## Sweden

**Thomas Strömberg**  
[tstroemberg@deloitte.se](mailto:tstroemberg@deloitte.se)**Sofia Schön**  
[sschoen@deloitte.se](mailto:sschoen@deloitte.se)

## Switzerland

**Flurin Poltera**  
[fpoltera@deloitte.ch](mailto:fpoltera@deloitte.ch)**Oliver Koester**  
[okoester@deloitte.ch](mailto:okoester@deloitte.ch)**Liam Baynes**  
[libaynes@deloitte.ch](mailto:libaynes@deloitte.ch)

## United Kingdom

**Matthew Howell**  
[mahowell@deloitte.co.uk](mailto:mahowell@deloitte.co.uk)**Robert Beeny**  
[rbeeney@deloitte.co.uk](mailto:rbeeney@deloitte.co.uk)**Jim Brown**  
[jimbrown@deloitte.co.uk](mailto:jimbrown@deloitte.co.uk)**Simon Olsen**  
[solsen@deloitte.co.uk](mailto:solsen@deloitte.co.uk)**Richard Thornhill**  
[rthornhill@deloitte.co.uk](mailto:rthornhill@deloitte.co.uk)

# Selected Italian Credentials

Both equity and debt offerings

 <p><b>Fincantieri</b> Capital Increase - EXM</p> <p>2024 €500m (Capital raised)</p>	 <p><b>Juventus</b> Capital Increase - EXM</p> <p>2024 €200m (Capital raised)</p>	 <p><b>CDP</b> Bond Issuance</p> <p>2024 €750m</p>	 <p><b>Team System</b> Bond Issuance</p> <p>2024 €700m</p>	 <p><b>Fedrigoni</b> Bond Issuance</p> <p>2024 €730m</p>
 <p><b>Novamarine</b> IPO - EGM</p> <p>2024 €45m (Market cap)</p>	 <p><b>DEA</b> IPO - EGM</p> <p>2024 €24m (Market cap)</p>	 <p><b>Engineering</b> Bond Issuance</p> <p>2023 €385m</p>	 <p><b>BF</b> Capital Increase - EXM</p> <p>2023 €300m (Capital raised)</p>	 <p><b>Comer Industries</b> Translisting - EXM</p> <p>2023 €912m (Market cap)</p>
 <p><b>Eurogroup</b> IPO - EXM</p> <p>2023 €922m (Market cap)</p>	 <p><b>Gentili Mosconi</b> IPO - EGM</p> <p>2023 €71m (Market cap)</p>	 <p><b>Yolo</b> IPO - EGM</p> <p>2023 €32m (Market cap)</p>	 <p><b>De Nora</b> IPO - EXM</p> <p>2022 €2.723m (Market cap)</p>	 <p><b>General Finance</b> IPO - EXM</p> <p>2022 €91m (Market cap)</p>
 <p><b>Zegna</b> IPO - NYSE</p> <p>2021 €2.400m (Market cap)</p>	 <p><b>Safilo</b> Capital Increase - EXM</p> <p>2021 €135m (Capital raised)</p>	 <p><b>Autogrill</b> Capital Increase - EXM</p> <p>2021 €600m (Capital raised)</p>	 <p><b>SECO</b> IPO - MTA Star</p> <p>2021 €397m (Market cap)</p>	 <p><b>Directa</b> IPO - EGM</p> <p>2021 €50m (Market cap)</p>



1

2

3

4

5

6

7


8

9



# Selected European Credentials

Both equity and debt offerings

 <b>CVC Capital Partners</b> IPO 2024 €2.3b	 <b>Q-Park</b> High yield Bond 2024 €430m + €550m	 <b>Boels</b> High yield Bond 2024 €600m   2023 €400m	 <b>Infopro Digital Group</b> High Yield Bond 2024 €610m   2023 €975m	 <b>Wolter Kluwer N.V.</b> Senior Bonds 2023 €700m
 <b>Hunkemöller</b> High Yield Bond 2022 €273m	 <b>Heineken N.V.</b> EMTN Update 2022 €20b	 <b>European FinTech</b> IPO Company 1 IPO 2021 €382m	 <b>Viterra</b> EMTN Update 2021 €5b	 <b>Stedin Holding N.V.</b> EMTN Update 2021 €3b
 <b>JDE Peet's</b> Guaranteed Bond Programme 2021 €2.5b	 <b>CTC</b> IPO 2021 €190m	 <b>Just Eat Takeaway</b> Offering and US listing 2021 €6.1b	 <b>Allfunds</b> IPO 2021 €2.2b	 <b>JDE Peet's</b> IPO 2020 €2.6b
 <b>Just Eat Takeaway</b> UK listing 2020 €6.9b	 <b>DSC 2</b> IPO 2020 €110m	 <b>DSC 1</b> IPO 2020 €80m	 <b>Dutch Star Companies One</b> IPO 2018 €55m	 <b>VolkerWessels</b> IPO 2017 €575m
				 <b>Takeaway.com</b> IPO 2016 €350m



1

2

3

4

5

6

7

8

9



# 09 Powering ahead | Deloitte Equity Capital Markets

## ECM service offerings



### Independent IPO Adviser

- Truly independent advice throughout the IPO process
- Detailed peer benchmarking and market/industry reports
- Offer and transaction structuring advice
- Assistance with adviser selection and monitoring their performance throughout the IPO execution phase
- Input into equity story
- Project and syndicate management
- Advice on pricing and allocation
- PMO activity



### IPO / Exit Readiness

- Help companies prepare for an IPO/Dual-Track transaction
- Readiness assessment with a key findings report identifying deficiencies that may delay or prohibit a transaction
- Scope covers financial, commercial and organisational areas
- Design remediation plan to address shortcomings prior to the project's kick-off
- Categorisation of findings into necessary for listing, best practices, effort required to implement the finding, as well as the IPO timing to be executed (pre/post or during the IPO execution)



### IPO Assist

- Support and advice where and when needed including:
  - Acting as Project management office for the IPO, which includes coordinating all parties, ensuring resources are in place to carry out all tasks in a timely manner, avoiding the distraction of management in their day-to-day activities, anticipating risk, and tracking IPO costs
  - Offering the secondment of staff when needed
  - Building models for the IPO
  - Working as an integrated part of the company's team



### ECM & Dual-Track Transaction management office

- Provide expertise in project management office support for a transaction
- Experienced personnel to ensure the transaction is performed according to schedule and issues are identified and dealt with
- Tried and tested project management methodologies and tools
- Fully scalable model that can be deployed rapidly across an entire program or discreet workstreams



### Dual-Track and Public Company M&A

- Advise shareholders and management in the preparation and execution of Dual-Track transactions
- Act as a lead adviser on the buy-side or sell-side of a deal
- P2Ps, public offerings, hostile takeovers
- Advice on corporate restructurings and demergers
- Support and advice on preparing bid defense procedures



### SPACs

- Dedicated and experienced SPAC services team
- Support provided throughout the lifecycle of a SPAC from initial IPO through to the SPAC
- Experience in supporting target management teams through a SPAC merger





# Deloitte.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more.

Deloitte provides industry-leading audit and assurance, tax and legal, consulting, financial advisory, and risk advisory services to nearly 90% of the Fortune Global 500® and thousands of private companies. Our professionals deliver measurable and lasting results that help reinforce public trust in capital markets, enable clients to transform and thrive, and lead the way toward a stronger economy, a more equitable society and a sustainable world. Building on its 175-plus year history, Deloitte spans more than 150 countries and territories. Learn how Deloitte’s more than 415,000 people worldwide make an impact that matters at [www.deloitte.com](http://www.deloitte.com).

This communication contains general information only, and none of DTTL, its global network of member firms or their related entities is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte organization shall be responsible for any loss whatsoever sustained by any person who relies on this communication.