



**Selective Reopening:**  
Setting the stage for 2026

**Deloitte Equity Capital Markets**

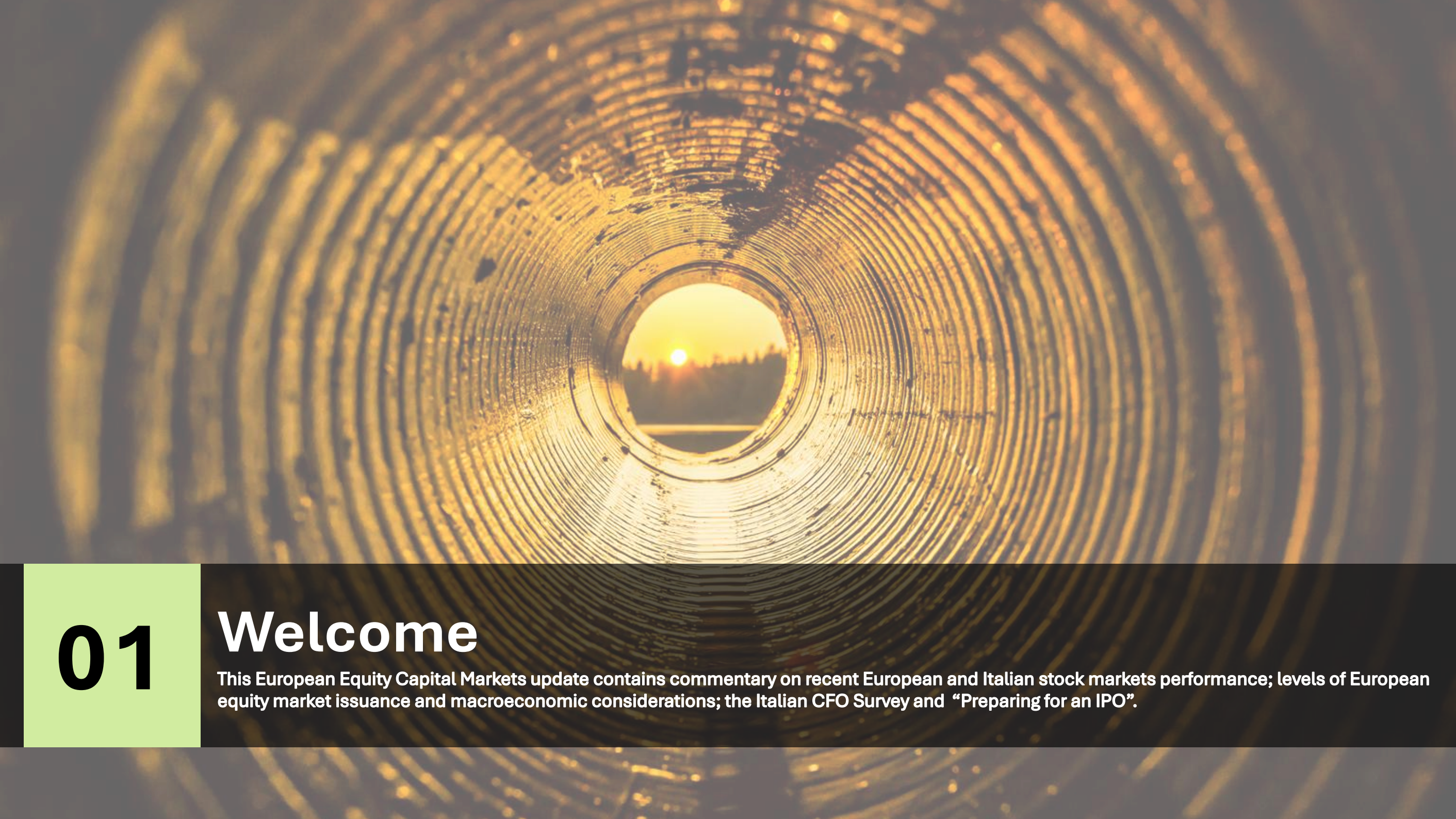
Italy ECM Update | Winter 2026

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***About this report:** This report contains data sourced from S&P Capital IQ, IMF World Economic Outlook, Bloomberg, Refinitiv Workspace, Reuters, European Fund and Asset Management Association, company admission documents and press releases.*

*ECM issuance data is as of 31 December 2025 and includes all European ECM transactions. Additional market data is as of 31 December 2025.*



**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 Italian CFO Survey and “Preparing for an IPO”.

# ECM growth accelerates, backed by improving macro trends and an equity rally



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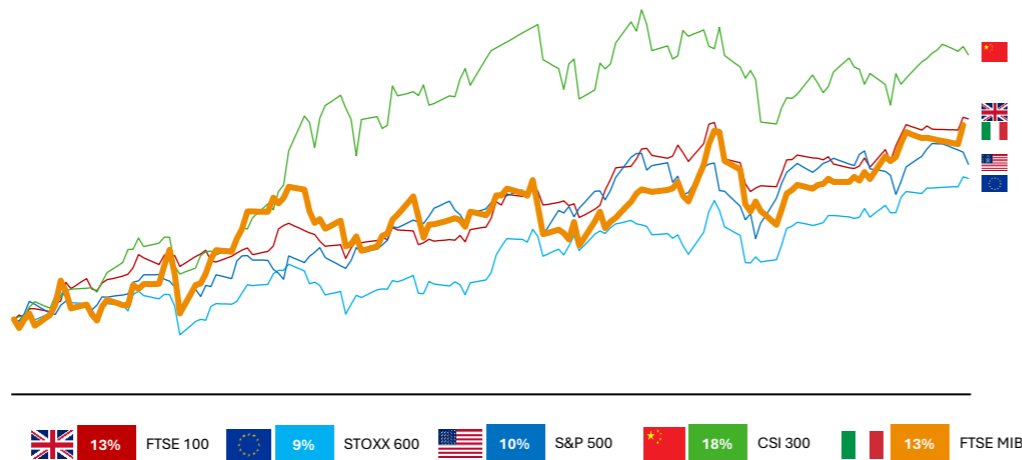


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Our European ECM update explores how shifting monetary policies, inflation dynamics, tariff developments, growth prospects and geopolitical flashpoints are shaping equity markets. In this half-year edition, we widen the lens by examining passive flows and the tighter environment for new listings alongside findings from our Italian CFO Survey and broader Deloitte network research. This combination provides a rich view of corporate sentiment and market drivers, helping to frame financing strategies for the months ahead.

After a volatile start to the year, the second half of 2025 began with improved macro visibility. Announced tariff rollbacks reduced uncertainty, energy prices stabilised and central banks signalled a pause in monetary tightening. Equity markets responded positively over the July–December period: compared with end-June levels, the CSI 300 advanced about 18 %, the FTSE 100 13 %, the S&P 500 10 % and the STOXX 600 9 %, underscoring resilience despite softer global growth momentum. By contrast, Italy’s FTSE MIB surged 13% in the second half of 2025, outpacing the S&P 500 and STOXX 600, which both rose around 10%. The FTSE MIB’s stronger gain reflected the rally in banks and industrial sectors, while more globally exposed tech and consumer names, lagged behind.

**Figure 1: Performance of global indices in H2 2025**




Source: S&P Capital IQ (31/12/2025)

The macro backdrop remains constructive but nuanced. The IMF’s October 2025 World Economic Outlook projects global growth to ease from 3.3 % in 2024 to 3.2 % in 2025 and 3.1 % in 2026, with inflation declining to 4.2 % in 2025 and 3.7 % in 2026. Europe is expected to expand by about 1.2 % in 2025, euro-area inflation is forecast to slow to 2.1 % next year. Policy divergence persists: the European Central Bank is projected to hold rates near 2 %, while the U.S. Federal Reserve is expected to bring its federal funds rate down to the mid-3 % range. These contrasts, coupled with weaker energy and broad commodity price trends and an ongoing AI-driven investment boom, underpin the global equity rally while reminding investors to monitor policy signals closely. The combination of easing inflation and resilient labour markets – with euro-area unemployment projected to remain near 6.4 % – supports a constructive equity environment. However, it also leaves markets highly sensitive to policy signals, where any misstep or shift in central-bank communication could quickly disrupt risk appetite and narrow the IPO issuance window.

Funding markets remain selective. European IPO volumes stayed subdued relative to 2024, with deal sizes shrinking and pricing becoming more sensitive amid a drought of new offerings. Nevertheless, successful transactions, active block trades and resilience in secondary trading demonstrate that well-positioned issuers can still access capital. Also on average, the IPOs discussed in this update have delivered around a 10 % gain from their offer prices. Passive flows into European equity funds also gained momentum, providing a supportive bid for broad indices even as discretionary investors focused on fundamentals. Looking ahead, we expect more private-equity-backed companies to test the market once volatility recedes. Investor appetite is strongest for businesses with clear exposure to AI adoption, digital infrastructure, defence, aerospace and energy-security themes, where earnings visibility and policy support are translating into sustained demand.

Overall, H2 2025 underscores that Europe’s capital markets can weather volatility when anchored by sound fundamentals and proactive policy support. With growth projections steady, inflation moderating and central banks cautious, the outlook for 2026 remains constructive provided trade tensions stay contained, geopolitical and political developments do not materially disrupt market functioning and issuers price deals sensibly.

The background of the slide is a complex financial chart. It features a grid of vertical lines in various colors (green, blue, red, yellow) and several overlapping line graphs in yellow, blue, and red. The overall aesthetic is that of a high-tech, data-driven financial analysis tool.

**02**

**H2 2025**

**EQUITY MARKET PERFORMANCE**

# European IPO Market Builds Pace in H2 2025

## H2 2025 – Top 10 European IPOs (by market capitalisation)

Pricing Date	Company	Market cap (€b)	Capital raised (€m)	Company nationality	Exchange	Industry
08-10-2025	Verisure plc	13.7	3 155	Switzerland	Nasdaq Stockholm	Industrial Goods & Services
08-12-2025	The Magnum Ice Cream Company	7.8	-*	Netherlands	Euronext Amsterdam	Food & Beverages
19-09-2025	Swiss Marketplace Group Holding AG	4.8	967	Switzerland	SIX Swiss Exchange	Technology
07-10-2025	Ottobock SE & Co. KGaA	4.2	702	Germany	Frankfurt Stock Exchange	Healthcare
26-09-2025	NOBA Bank Group AB	3.2	690	Sweden	Nasdaq Stockholm	Banks
07-07-2025	Cirsa Enterprises, S.A.	2.5	453	Spain	Spanish Exchanges	Travel & Leisure
30-10-2025	Shawbrook Group PLC	1.9	395	United Kingdom	London Stock Exchange	Banks
31-10-2025	Princes Group plc	1.3	455	United Kingdom	London Stock Exchange	Food & Beverages
01-12-2025	Framery Group Oyj	0.6	199	Finland	Nasdaq Helsinki	Personal & Household Goods
14-07-2025	Zito d.o.o.	0.5	146	Croatia	Zagreb Stock Exchange	Food & Beverages

Source: S&P Capital IQ (31/12/2025)

\*Note: TMICC listed via a spin-off from Unilever; no primary capital was raised at admission, and shares were distributed to existing Unilever shareholders.

# Navigating H2 2025 Geopolitics & Policy Shifts

Figure 2: Performance of European indices in H2 2025

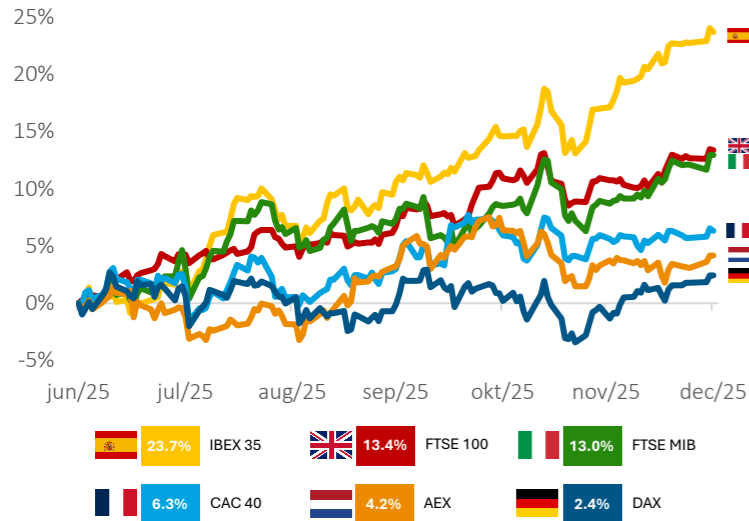
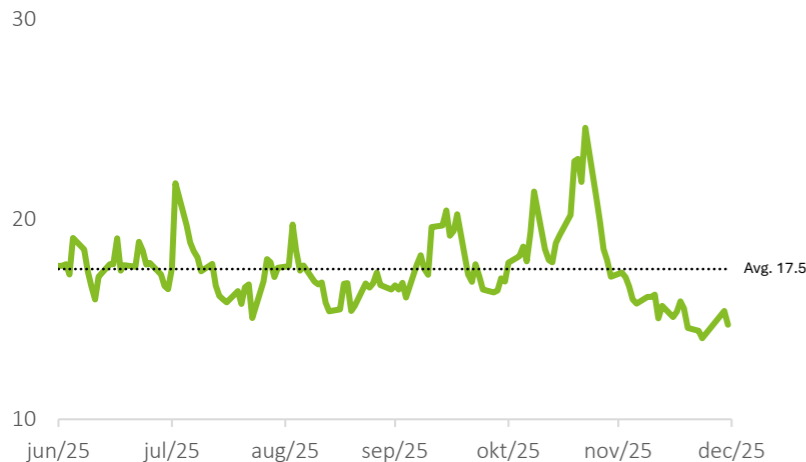


Figure 3: EURO STOXX 50 Volatility Index (V2TX)



Source: S&P Capital IQ (31/12/2025)

European equity markets consolidated through the second half of 2025 after the turbulence of H1. Improved visibility on monetary policy and moderating growth projections encouraged a shift from macro-shock pricing toward fundamentals. While global growth momentum has cooled, Europe's ongoing disinflation helped anchor equity valuations and promote clearer distinctions in performance across sectors. Investment flows into artificial-intelligence and energy-transition themes, highlighted by the IMF as potential near-term productivity boosters, benefited selective European names. At the same time, the IMF cautions that the front-loading of trade and investment activity in early 2025 is unwinding, making earnings resilience and balance-sheet strength ever more important for sustainable market performance. Germany's decision to loosen fiscal policy by ramping up infrastructure and defence spending also added a new macro layer, supporting certain sectors while prompting investors to keep a close eye on sovereign balance sheets.

Geopolitical risks persisted but became less disruptive to market functioning. The Russia-Ukraine conflict and Middle East tensions continued to pose structural headwinds, yet energy prices stabilised and supply-chain pressures eased as the year progressed. No new tariff escalations emerged during much of H2, reducing tail-risk pricing and enabling investors to focus on companies' fundamentals. The EURO STOXX 50 Volatility Index illustrates this dynamic: it began July near 17.7, declined toward the mid-teens by late August, spiked above 24.5 in late November amid U.S.-EU trade uncertainty, and then retreated to roughly 14.7 by year-end. Early-July readings around 18 signalled elevated risk, while the subsequent decline underscored returning calm; the late-November spike marked the index's largest surge since early 2024 as traders hedged year-end event risk. These swings reflect a market increasingly attuned to event-driven risks but more willing to look through temporary shocks, highlighting confidence in the macro-policy environment.

Labour-market dynamics across Core European economies reinforced this stabilisation narrative. Unemployment rates remain historically low and real wages are recovering modestly, supporting household demand. High-frequency data show euro-area activity slowing markedly from the rapid pace seen in early 2025, reflecting front-loaded consumption and investment, yet the region's easing inflation and steady policy stance should allow earnings to offset softer volumes.

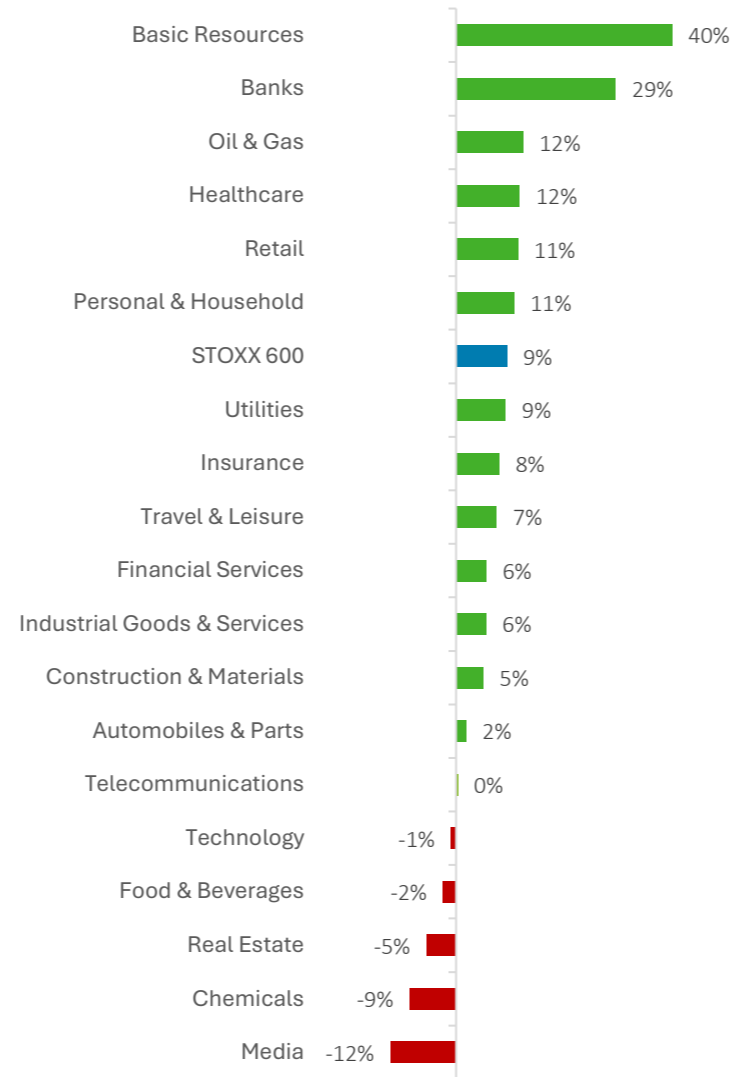
Performance across European equity indices was positive but uneven. From end-June to end-December, Spain's IBEX 35 surged about 23.7%, buoyed by robust domestic demand and strength in banking and infrastructure stocks. Italy's FTSE MIB and the UK's FTSE 100 each gained in the low-teens, while France's CAC 40 delivered a mid-single-digit advance of about 6.3%. Amsterdam's AEX posted a modest 4.2% increase and Germany's DAX closed the period up roughly 2.4%, reflecting mixed manufacturing momentum and exposure to global trade headwinds. The pan-European STOXX 600 nevertheless advanced steadily, narrowing the performance gap with U.S. indices. Persistent trade-policy uncertainty, tighter immigration policies and any abrupt unwinding of the AI boom remain risks, but moderating inflation and a more predictable interest-rate outlook point to a constructive backdrop for European equities heading into 2026 – provided policy clarity is maintained, and geopolitical tensions do not re-escalate.

## Sector-Specific Trends and Key Index Analysis

Sector performance in H2 2025 reflected a decisive shift toward cyclical recovery themes alongside selective defensiveness. As inflation eased and the ECB adopted a more accommodative stance, investors rotated toward sectors leveraged to nominal growth, pricing power and fiscal support. Germany's infrastructure and defence spending commitments added to demand in construction-linked industries and metals. However, volatility spikes in October and November reinforced a preference for balance-sheet strength and earnings visibility, resulting in wide dispersion across STOXX 600 sectors. Within this environment, commodity-linked plays stood out.

**Top performers:** Basic Resources delivered the standout performance, climbing roughly 40%. A rebound in global commodity demand – especially from China – and geopolitical tensions were key catalysts. Rio Tinto noted that iron-ore prices reached their highest levels since February because Beijing's targeted infrastructure stimulus boosted steel output and China's iron-ore imports hit a record in September. This, along with record copper production and strong bauxite output, lifted miners such as Rio Tinto and peers BHP and Fortescue. Precious-metals miners also surged as safe-haven demand for gold and silver pushed prices to historic highs; spot silver jumped above \$70 an ounce and gold hit a record after geopolitical tensions spurred strong central-bank buying. Diversified trader Glencore capitalised on price spikes in metals and energy markets and profited from the U.S. doubling tariffs on aluminium imports by selling part of its stake in Century Aluminum. European steelmaker ArcelorMittal reported a better-than-expected third-quarter profit, with its shares up more than 50% for the year; management highlighted signs of stabilisation and optimism for 2026 amid higher tariffs and supportive industry policies. Banks followed closely, buoyed by robust net interest margins, stable asset quality and generous capital returns. Oil & Gas, Healthcare, Retail and Personal & Household goods also posted double-digit gains, aided by steady energy prices and recovering real wages.

Figure 4: Stoxx 600 sector performance in H2 2025




Source: S&P Capital IQ (31/12/2025)

**Mid-table sectors:** Defensives and rate-sensitive names fared well. Utilities and Insurance drew inflows as investors sought income and stability, while Travel & Leisure benefited from strong tourism. Financial Services enjoyed higher market volumes, and Industrial Goods & Services saw strength in defence and automation even as other exporters lagged. Construction & Materials gained on infrastructure plans across Europe, while Automobiles & Parts eked out modest gains amid tariff risk and Chinese EV competition. Telecommunications was broadly flat, reflecting intense competition and mixed capital-return prospects.

**Underperformers:** Technology slipped after a strong first half, with European semiconductor and equipment names, cooling as order momentum softened. Food & Beverages underperformed as pricing power faded and input-cost deflation squeezed margins. Real Estate remained under pressure from high financing costs and muted transactions. Chemicals faced weak global demand, elevated energy costs and tariff uncertainty, while Media was hit by advertising cutbacks and digital disruption, making it the weakest sector.

Overall, H2 2025 sector performance underscored a market rewarding exposure to broader European fiscal support, pricing power and earnings resilience while penalising leverage, structural disruption and trade sensitivity. While Germany's infrastructure and defence spending was a key catalyst, supportive fiscal measures across several European economies contributed to improved visibility for capital-intensive and domestically oriented sectors. These dynamics were mirrored in ECM activity: banking, healthcare and industrial services issuers found stronger investor support, while more cyclical or structurally challenged names stayed cautious.



**03**

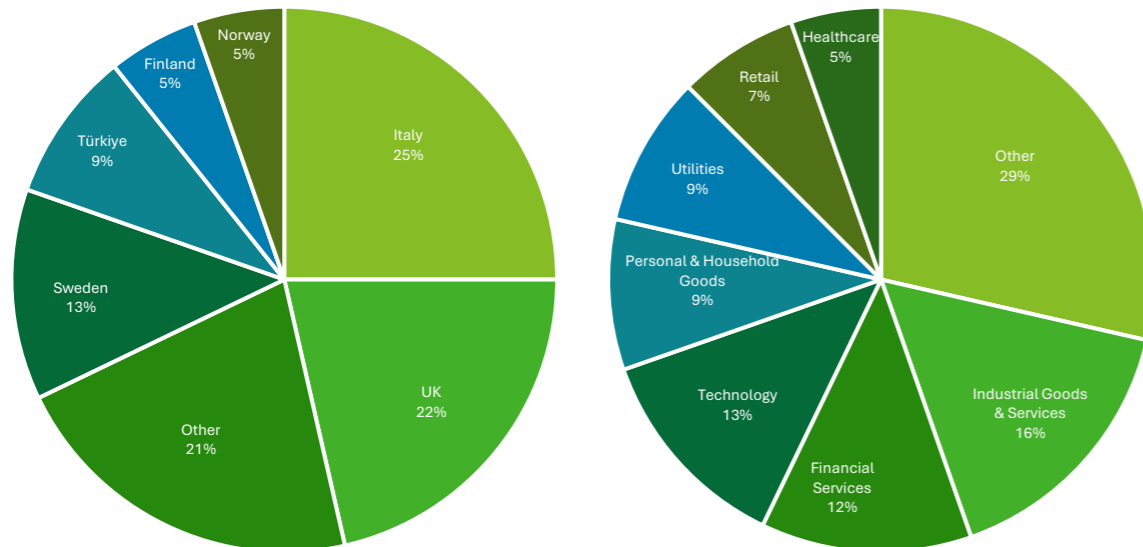
# EUROPEAN EQUITY ISSUANCE LEVELS

# European IPO Activity Regains Momentum in H2 2025

European equity issuance regained momentum in the second half of 2025 after a subdued start to the year. A total of 56 IPOs raised approximately €8.7 billion across Q3 and Q4, almost double the €4.8 billion recorded in H1. The recovery was driven by a handful of larger transactions and a pronounced pickup in Q4, which contributed the majority of proceeds following a quieter summer. While overall issuance remained well below pre-2022 levels, H2 marked a clear improvement in investor sentiment and risk appetite relative to the first half.

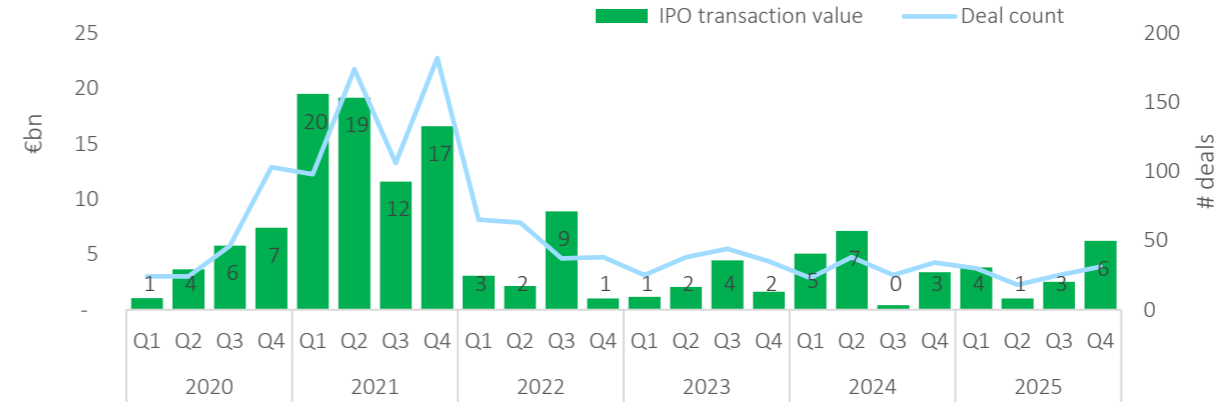
Geographically, IPO activity was broad-based across Europe. Italy led by deal count with 14 IPOs, reflecting strong domestic participation in smaller and mid-cap listings, while the UK followed closely with 12 transactions as London markets reopened late in the year. Sweden remained an important venue with 7 offerings, including several of the largest deals, and Türkiye contributed 5 IPOs amid resilient local investor demand. The Nordic region stayed active, with Norway and Finland each hosting 3 listings, while a further 12 IPOs across other European markets confirmed that the rebound was not confined to a single exchange.

Figure 5: H2 2025 IPOs volumes by country and sector



Source: S&P Capital IQ (31/12/2025)

Figure 6: European IPOs since 2020



Source: S&P Capital IQ (31/12/2025)

Sector composition in H2 pointed to a broad and balanced recovery. Industrials led with 9 IPOs, supported by continued demand for manufacturing, logistics and services-oriented businesses. Financial services and technology followed with 7 listings each, reflecting renewed confidence in banks, platforms and software-driven models. Stable, income-orientated sectors also featured prominently, with utilities and personal & household goods contributing 5 IPOs apiece. Retail and healthcare saw 4 and 3 deals respectively, while the remaining 16 IPOs were spread across other sectors, highlighting that investor appetite extended across both cyclical and growth segments.

Several large-cap and cornerstone transactions underpinned the recovery and lifted overall proceeds. Verisure’s €3.2 billion Nasdaq Stockholm IPO remained the largest European listing of 2025 by proceeds, accounting for a substantial share of H2 issuance. Other notable deals included Swiss Marketplace Group (€967 million, SIX), Ottobock (€702 million, Frankfurt) and NOBA Bank (€691 million, Stockholm). London also saw renewed momentum, with Princes Group and Shawbrook completing sizeable offerings alongside Mayflower Acquisition’s €430 million SPAC listing. In December, The Magnum Ice Cream Company (TMICC) debuted on Euronext Amsterdam following its spin-off from Unilever, becoming the largest Euronext listing of 2025 by market capitalisation, although no primary capital was raised.

Despite these successes, issuance levels remain subdued by historical standards. Looking ahead, a growing pipeline suggests pent-up supply, with execution dependent on macro stability, easing financial conditions and sustained investor confidence.

# European IPO Barometer

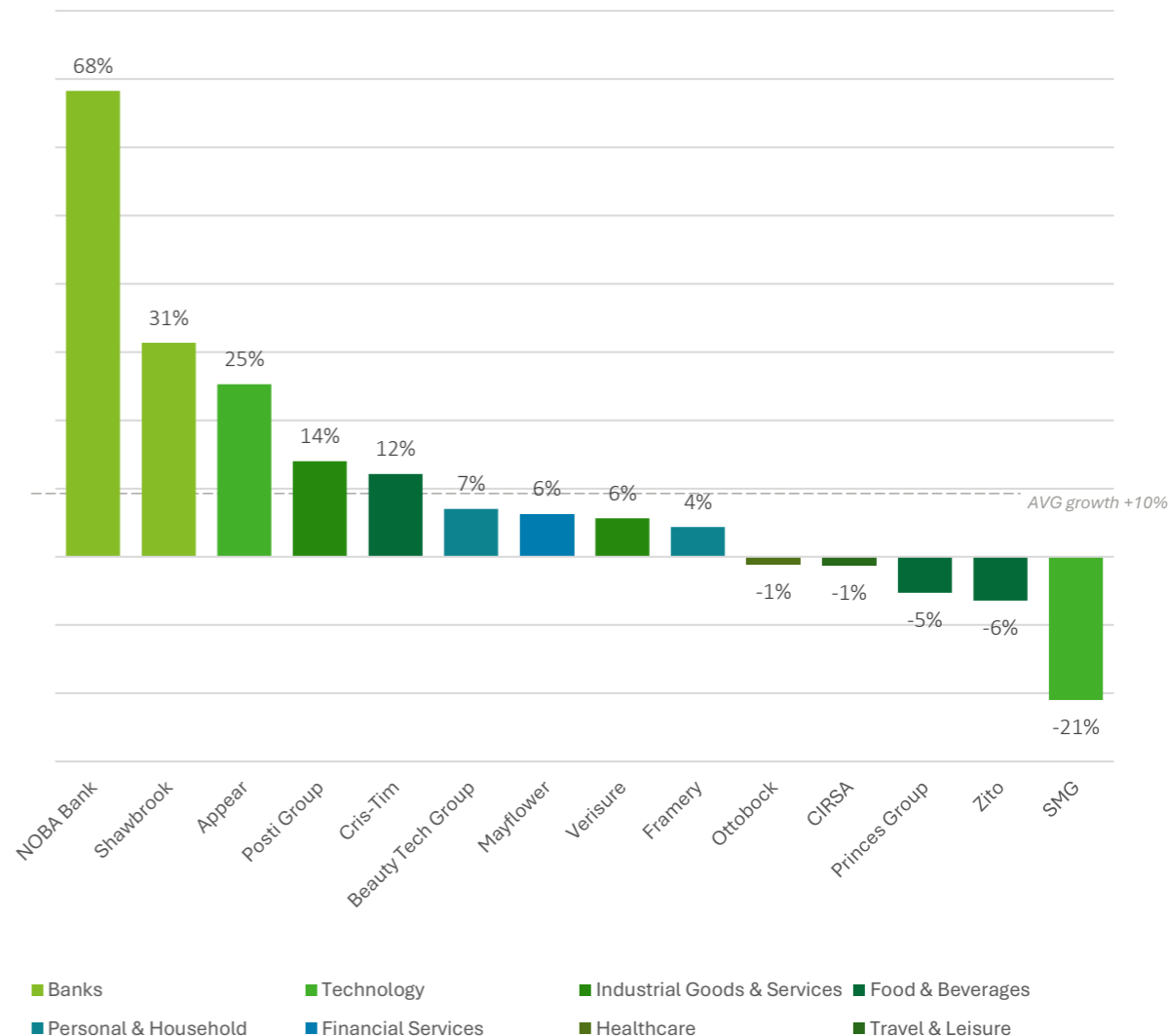
Europe’s IPO landscape gained traction in the second half of 2025 as easing interest rates, moderating inflation and Germany’s fiscal spending push created a more supportive backdrop. Equity markets rallied and the STOXX 600 approached record levels as investors diversified away from richly valued U.S. technology stocks. While geopolitical tensions and tariff uncertainty still caused some companies to shelve offerings, reduced volatility and renewed fund inflows reopened the window for listings across Frankfurt, Zurich and Stockholm. In early December, The Magnum Ice Cream Company (TMICC) — a spin-off from Unilever — debuted on Euronext Amsterdam. TMICC shares rose nearly 6% in the days after listing, but because no new capital was raised (the shares were distributed to Unilever shareholders), TMICC is not included in our performance chart.

Aftermarket performance varied widely. Banking floats delivered the most striking gains. Swedish challenger NOBA Bank surged about 68 %, buoyed by investor enthusiasm for its digital banking model and resilient margins at a time when European lenders are regaining favour. U.K. specialist lender Shawbrook climbed roughly 31 %, supported by its focus on secured lending and robust capital buffers that appealed to investors seeking exposure to steady credit growth. In technology, cloud communications provider Appear advanced around 25 %; strong demand for unified communications platforms and attractive growth metrics drew buyers despite broader caution around tech valuations. Industrial and consumer plays also performed well: Finnish postal and logistics group Posti Group rose about 14 % as e-commerce volumes remained firm, while Romanian food producer Cris-Tim gained 12 % thanks to pricing power and stable demand. Mid-sized names such as Beauty Tech Group, Mayflower, Verisure and Framery posted gains between 4 % and 7 %. These successes underscore how clarity on monetary policy and improving demand supported companies with clear growth drivers and pricing power.

Not all listings fared as well. Orthopaedics firm Ottobock and Spanish gaming operator CIRSA ended nearly flat, reflecting investor caution around leveraged buyout exits and regulatory risks. Food producers Princes Group and Croatian company Zito slipped mid-single digits amid waning consumer sentiment, while media group SMG tumbled more than 20 % after profit warnings. These underperformers highlight that, despite improved sentiment, investors remain unforgiving of weak guidance and overleveraged balance sheets. Trade-sensitive sectors also faced scepticism as questions lingered over tariff policies and global demand.

Overall, H2 2025 shows a cautiously reopening European IPO market. Proceeds were bolstered by a handful of sizable deals, but performance remained highly selective. Investors rewarded issuers with solid fundamentals, conservative pricing and distinct growth narratives, particularly in banking, technology and consumer goods, while deals in structurally challenged sectors struggled. On average, the IPOs discussed here have delivered around a 10 % gain from their offer prices, reflecting healthy investor appetite for quality offerings even in a selective environment. With interest rates expected to stay low and fiscal support continuing, conditions for 2026 appear constructive, yet issuers must remain vigilant to geopolitical flare-ups and tariff uncertainties that could quickly close the window again.

Figure 7: Deloitte’s European IPO<sup>1</sup> Barometer FY 2025 – H2 2025 Closing Price vs IPO Offer Price



Source: S&P Capital IQ (31/12/2025); (1) Data includes all European IPO above €50m, excluding Turkish IPOs



**04**

# PASSIVE FLOWS AND THE IPO SQUEEZE

## Passive funds starve small IPOs of demand until index inclusion unlocks real capital

The continued rise of passive and index-tracking investment strategies is reshaping Europe's equity markets and challenging the traditional dynamics of IPO execution. The **IPO-to-index-inclusion lifecycle** illustrates why newly listed companies struggle to attract institutional ownership: passive funds cannot allocate meaningfully until a company meets benchmark eligibility criteria, a process that can take 6–24 months after listing. This structural delay is happening at a time when the **share of passive UCITS (Undertakings for Collective Investment in Transferable Securities) in Europe has nearly tripled over the past decade** (from 11% in 2014 to 29% in 2024), meaning a larger proportion of total equity capital is now mechanically directed toward established index constituents. Together, these trends create a widening demand gap for IPOs — particularly for smaller floats and mid-cap issuers that fall below immediate index thresholds.

### Newly listed companies remain outside major benchmarks for extended periods, limiting access to passive capital

Index providers such as STOXX and MSCI typically require minimum size, liquidity and free-float criteria that many IPOs do not meet at listing. This means most new issuers—especially those with smaller floats—remain **excluded from major indices for 6–24 months**, delaying the point at which passive capital can begin to accumulate their shares in size.

### The rapid expansion of passive UCITS amplifies the visibility and liquidity disadvantage faced by new issuers

As the accompanying UCITS chart shows, passive funds have grown from **11% to 29%** of long-term equity assets in Europe since 2014. This shift means a structurally smaller pool of active managers is available to absorb new issuance, while a rising share of capital is tied to benchmark constituents rather than emerging public companies.

### Benchmark-driven capital allocation systematically reinforces the liquidity and valuation premium of large-cap incumbents

Passive strategies replicate index weights, channeling inflows toward Europe's largest listed companies. This creates a **feedback loop**: large caps benefit from continual inflows, while IPO candidates — which are unindexed by definition — struggle to build liquidity, secure research coverage, or achieve comparable investor visibility.

Figure 8: IPO-to-index-inclusion lifecycle

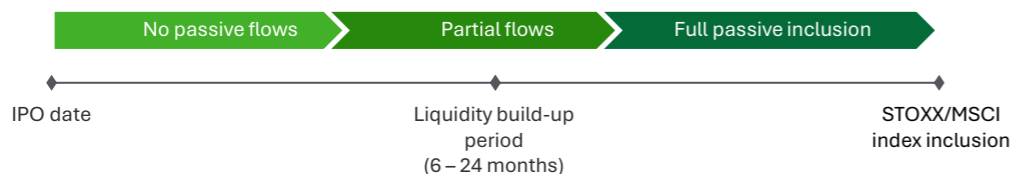
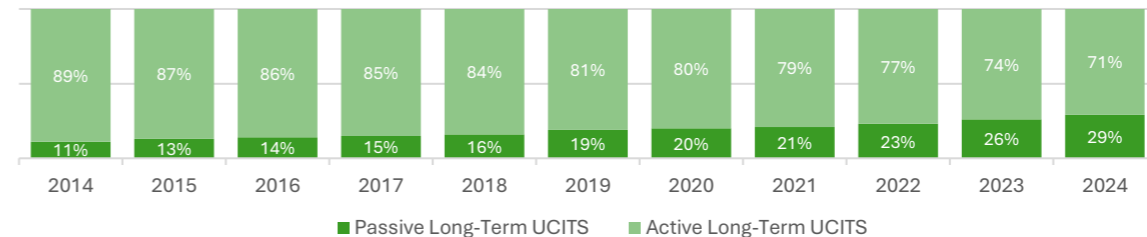


Figure 9: Net Assets of Active and Passive Long-Term UCITS by Funds domiciled in Europe (percent)



Source: European Fund and Asset Management Association - Fact Book 2025

### European small/mid-cap IPOs are disproportionately exposed

In markets where many potential issuers fall below the STOXX 600 or key domestic index thresholds—new listings face wide valuation dispersion based on expected index eligibility. Deals below €1bn in market cap often struggle to attract diversified institutional demand, leading to tighter free floats, higher volatility, and slower index inclusion.

### Implication: Index eligibility and float design are now core IPO design variables

Index inclusion has become a central element of IPO readiness, with issuers and investors focused on the likelihood and timing of benchmark entry as a driver of early liquidity, valuation support and aftermarket performance. As passive strategies represent a growing share of European equity capital, index eligibility increasingly determines when and how that capital can engage with new listings.

IPO structuring has therefore shifted from maximising headline free-float percentages to **engineering sufficient free-float market capitalisation** and liquidity to meet index thresholds early post-listing. Deal size, cornerstone participation, sell-down levels and lock-ups are now calibrated with index mechanics in mind, and these considerations are increasingly influencing **listing-venue selection**, as issuers favour exchanges offering clearer inclusion criteria, fast-track mechanisms or broader index coverage.

## Large investors avoid small IPOs because deal sizes can't absorb meaningful allocations

A structural shift in the European fund landscape has made large investment tickets the norm, creating a widening mismatch between the deal sizes of most European IPOs and the allocation needs of mega-investors. Over the past decade, the share of UCITS assets managed by funds **greater than €10bn has doubled** (from ~12.5% in 2014 to 25% in 2024), while the share managed by smaller and mid-sized funds has steadily declined. As capital concentrates in these mega-funds, the pool of investors able and willing to participate meaningfully in sub-€1bn IPOs continues to shrink — raising execution risk, reducing orderbook diversity, and limiting liquidity formation for new listings.

### Minimum ticket sizes at large institutional investors exceed what most European small and mid-cap IPOs can accommodate

Mega-funds — often managing tens or hundreds of billions — typically require **€20–€50m minimum allocations** to justify operational oversight and monitoring costs. Given that many European IPOs offer free floats of only €75–€150m, accommodating a single investor's minimum ticket could result in disproportionate ownership. This mismatch is intensifying as **funds over €10bn now represent a quarter of all UCITS assets**, up from just 12.5% a decade ago.

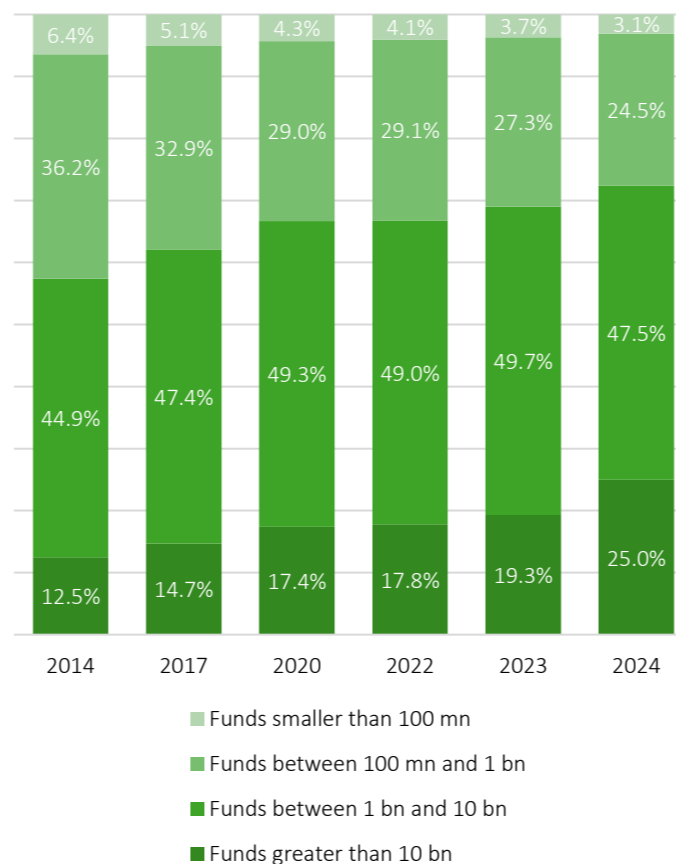
### Liquidity and exit risk remain key reasons why mega-funds avoid smaller listings

For a multi-hundred-billion-euro allocator, even modest positions in a newly listed small-cap can create material exit risk, as daily liquidity is insufficient to unwind holdings without price disruption. This risk asymmetry leads mega-funds to systematically avoid smaller IPOs regardless of issuer quality or sector appeal.

### European institutional portfolios increasingly favour global benchmark products over regional small caps

Pension funds and insurers across Europe allocate heavily to global index funds and ETFs. As assets have shifted toward these larger passive vehicles and away from mid-sized active managers, the natural domestic investor base for small and mid-cap IPOs has weakened.

**Figure 10: Net Assets of UCITS – Breakdown by Fund Size**  
(percentage of total net assets)



Source: European Fund and Asset Management Association - Fact Book 2025

### Orderbooks for sub-€1bn IPOs now rely heavily on mid-sized active managers, specialist small-cap funds, and private wealth channels

With large UCITS funds growing and smaller funds shrinking (funds under €1bn now represent less than 28% of total assets, down from over 36% in 2014), IPO execution increasingly depends on niche investor types. This results in narrower books, valuation sensitivity, and higher volatility in aftermarket trading.

### Reduced investor diversity translates into lower aftermarket liquidity and higher volatility

When a handful of specialist investors dominate the free float, trading volumes remain thin and price formation becomes more reactive. This dynamic can also slow index inclusion timelines and reduce the stock's visibility among larger institutional allocators.

### Issuers must now actively plan for free-float size, anchor participation, and liquidity strategy to offset structural demand gaps

Cornerstone commitments, enhanced free-float design, and pre-engagement with active managers have become essential for smaller issuers seeking to offset reduced participation from mega-funds. These tools help to stabilise execution and improve aftermarket resilience in a market increasingly dominated by very large asset managers.

## Fewer large asset managers mean more index flows and fewer buyers for small-cap IPOs

The consolidation of Europe's asset-management landscape is accelerating, reinforcing the shift toward passive strategies and reshaping how capital flows across public markets. A growing share of AuM is controlled by a small number of global managers whose business models favour scalable, low-fee index products. This pattern is mirrored in private markets, where industry commentary indicates that only a fraction of the 15,000 private-capital firms have raised funds in recent years and that a significant number may be at risk of becoming long-term "zombie" managers as fundraising conditions tighten. Together, these developments point to an investment ecosystem increasingly dominated by mega-allocators, with material implications for IPO sponsorship, liquidity formation, and the breadth of the investor base across Europe.

### Consolidation of Mega-Managers

Europe's asset-management industry is increasingly dominated by a small cohort of mega-managers whose scale favours passive and benchmark-tracking strategies. This concentration drives a growing share of equity flows toward index constituents, reducing the proportion of capital available for issuer-specific stock selection and new issuance.

### Shrinking Active Small-Cap Capacity

Active management capacity — particularly in small-cap strategies — continues to contract as boutique managers struggle to compete on distribution, fees, and scale. This limits the pool of investors capable of supporting sub-€1bn IPOs, resulting in weaker price discovery, lower aftermarket liquidity, and higher execution risk.

### Private-Market Consolidation Reduces Future IPO Sponsorship Diversity

Only around one-third of private-capital firms have successfully raised funds in the past seven years, and industry leaders suggest that most new inflows in the coming decade will accrue to just 50–100 globally diversified firms. This potential concentration among private-market allocators reduces diversity in future IPO sponsorship and may compress the variety of issuer types able to reach public markets.

### Shift Toward Global Benchmark Allocations

Europe's institutional allocations increasingly favour global benchmark-driven strategies, channelling a rising share of savings into US large-caps and globally diversified funds. This reinforces liquidity and valuation advantages for benchmark incumbents while limiting regional capital available to support new European issuers.

### Market Structure Favouring Large-Cap Incumbents

The combination of passive inflows, declining active capacity, and global benchmark preferences pushes market structure toward fewer, larger public companies. Smaller issuers face widening valuation discounts, reduced research coverage, and longer timelines to index inclusion, raising the bar for successful market entry.

### Implications for Europe's IPO Ecosystem

Europe faces a structural challenge in sustaining a broad and dynamic IPO pipeline as capital allocation becomes increasingly index-driven. In response, exchanges and index providers are adapting: fast-track index inclusion mechanisms are gaining prominence, and benchmarks such as the AEX have expanded their number of constituents to distribute passive demand across a wider set of companies. While these measures help mitigate the IPO demand gap by accelerating access to passive flows, they do not fully offset declining active small-cap capacity. As a result, European IPO markets remain increasingly reliant on large issuers, cornerstone investors and tightly structured transactions, reinforcing selectivity rather than broadening access to public capital.



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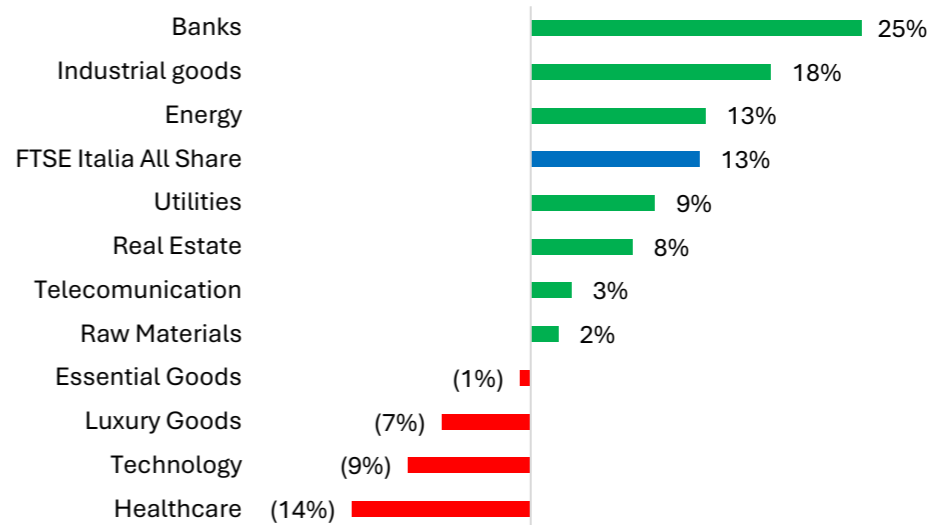
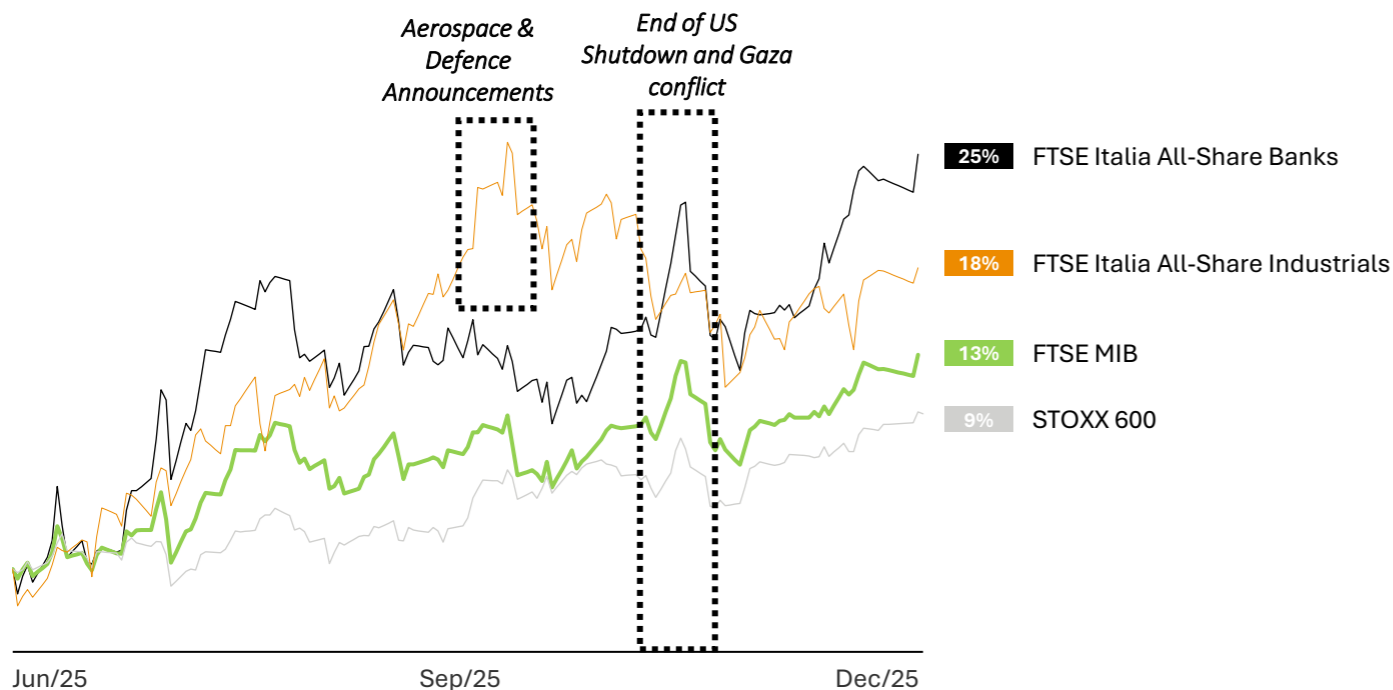


**05**

**Italian ECM Update**

# Borsa Italiana - Key market trends

Figure 11: FTSE Italia All-Share Banks vs FTSE MIB and FTSE Industrials performance H2 2025

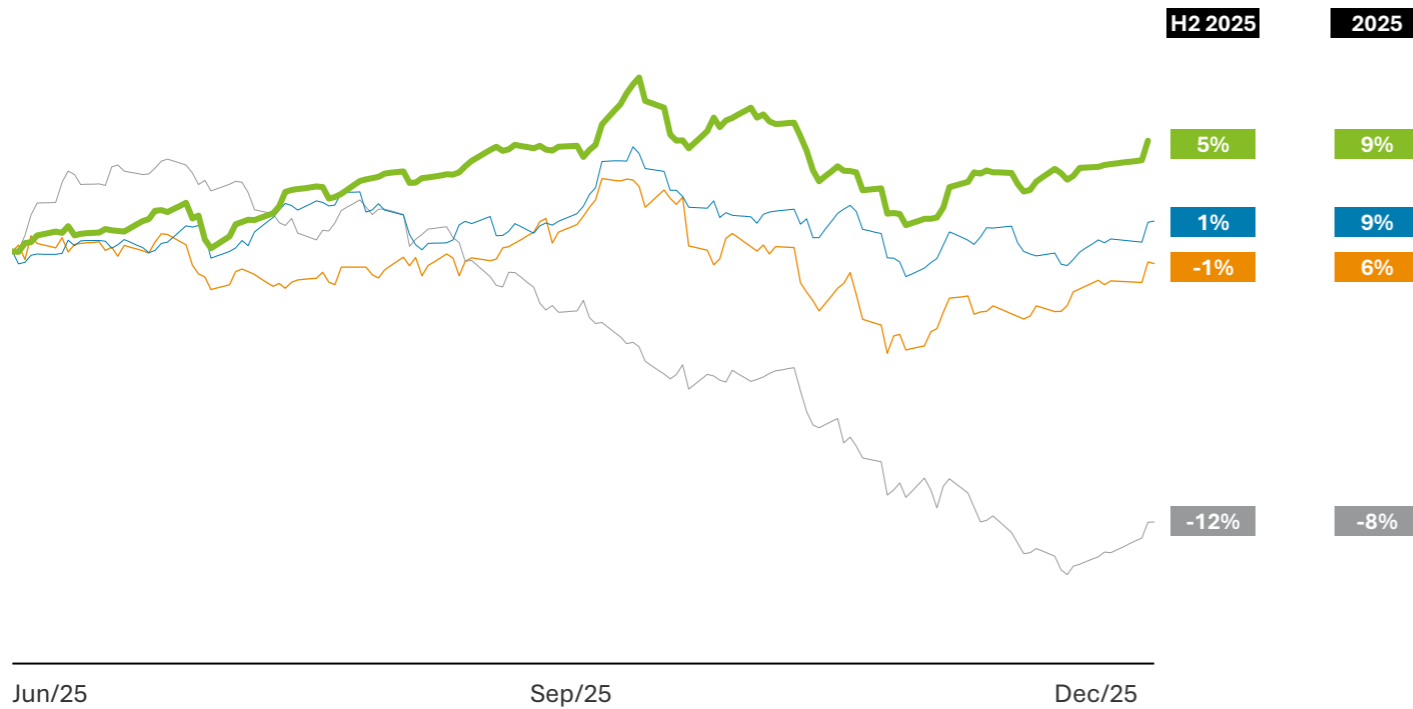


The FTSE MIB Index recorded exceptional performance in H2 2025 (+13%) driven mainly by strength in the financial services and industrial goods and services sectors. In the banking sector, valuations benefited from extraordinary consolidation activity, with Monte dei Paschi di Siena’s acquisition of Mediobanca and BPER’s bid for Banca Popolare di Sondrio generating significant gains for the target banks and reinforcing expectations of further sector consolidation. At the same time, ECB policy stability improved visibility on net interest margins, while a more favorable macroeconomic backdrop reduced credit risk and supported loan demand. The industrial sector, particularly aerospace and defense, also contributed strongly to the rally, supported by elevated geopolitical tensions and rising expectations of increased defense spending. The rise in FTSE Industrials between September and October 2025 was driven by strategic corporate announcements from key Italian players, including Leonardo’s share buyback and industrial agreements with Airbus and Thales, Avio’s capital increase, and Officina Stellare’s reverse takeover of GATG. The subsequent mid-October–November rally was instead fueled by lower geopolitical and political uncertainty, as de-escalation in the Gaza area and the resolution of the U.S. government shutdown improved global risk sentiment, further supporting cyclical sectors and consolidating the FTSE MIB’s strong second-half performance.



# European Growth Markets indexes performance

Figure 12: European Growth Markets indexes performance H2 2025



In the second half of 2025, several European markets dedicated to small and medium-sized enterprises (SMEs) displayed divergent performance patterns, reflecting differences in market structure, investor composition, and macroeconomic sensitivity. Italy’s FTSE Italia Growth index rose by approximately 5%, while other SME-focused indices recorded more subdued dynamics, such as the Euronext Growth index (+1%) and the FTSE AIM All-Share index (-1%), indicating broadly cautious investor positioning across the European small-cap segment.

By contrast, the Nasdaq First North index declined sharply in H2 2025 (-12%), as a combination of weaker global risk appetite, tighter liquidity conditions, and a reassessment of valuation premia led investors to reduce exposure to early-stage growth companies. This adjustment was particularly pronounced given that Nasdaq First North operates as a marketplace for smaller, early-stage, and often technology-oriented or emerging growth firms across the Nordic and Baltic markets, which are structurally more sensitive to changes in financing conditions, interest rate expectations, and capital market volatility.

Overall, the comparison among these indices highlights how the Italian SME market demonstrated relative resilience, supported by more selective investor positioning, a higher presence of domestically oriented business models, and greater emphasis on operational profitability rather than purely growth-driven valuations. Although the global macroeconomic context in 2025 remained characterized by uncertainty, volatility, and cautious capital allocation, Italy’s SME ecosystem continued to offer comparatively attractive investment opportunities within the European landscape, especially in terms of risk-adjusted performance and relative stability when compared with more speculative growth-oriented markets.



# Euronext Growth Milan at a glance

Euronext Growth Milan includes 212 companies for a total market capitalization of 9.9€bn as of December 31<sup>st</sup> 2025. The market has been active with 21 IPOs in 2025, with total IPO proceeds of around 126€mIn, mostly concentrated in H2 2025 (15), compared to the 14 in the same period of 2024. The EGM market was affected by 19 delistings in 2025, 11 of which were due to public takeover offers (OPAs), resulting in a lost capitalization of approximately 790€mIn. As companies with meaningful market share were delisted, the median market capitalization declined in 2025.

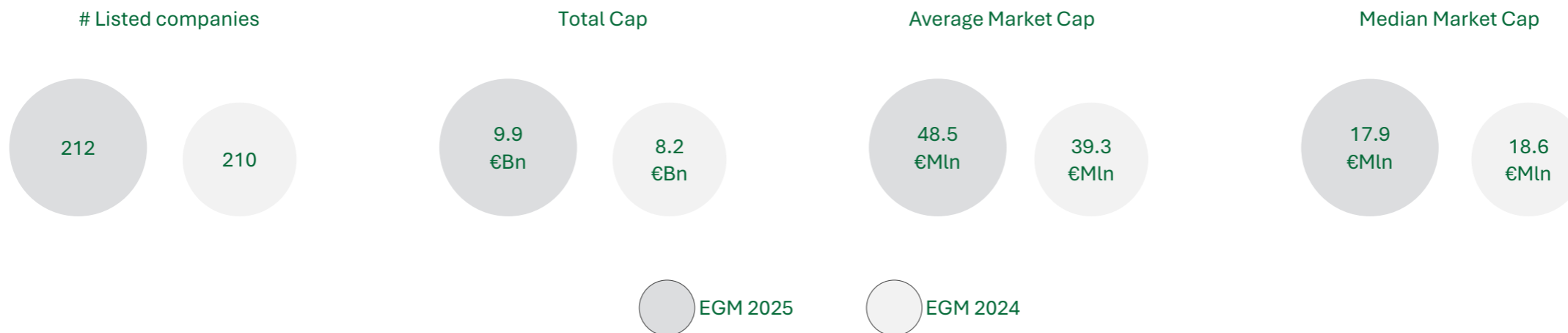
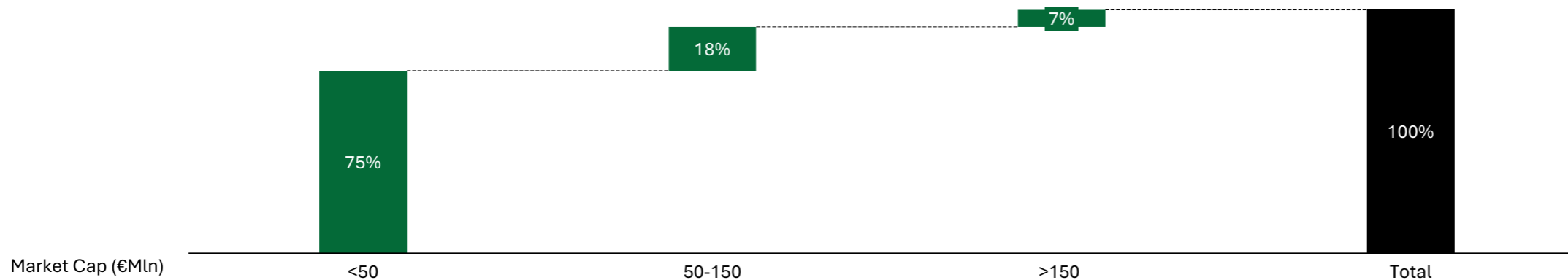


Figure 13: Euronext Growth Milan Market Cap distribution



Source: Borsa Italiana



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**06**

## **ITALIAN CFO SURVEY**

# Geopolitical risks kick in: CFOs' optimism fading away

READ THE FULL REPORT [HERE](#)

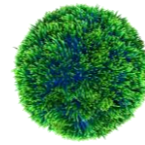


### Financial prospects

Italian CFOs remain confident about their ability to grow revenues, even in the face of slightly weaker financial prospects. A majority, 53%, expect an increase in revenues over the next year, while only 21% anticipate a decline. This outlook is largely consistent with the broader European trend.

When it comes to operating margins, however, Italian CFOs stand out as more optimistic than their European peers. Nearly half of them, 47%, believe margins will improve, compared to just 24% who foresee a decrease.

Capital expenditure is expected to stay cautious, though sentiment in Italy is slightly stronger than across Europe. Around 34% of CFOs anticipate increasing their investments, 22% plan to reduce spending, and 44% expect no significant changes. This cautious approach appears more closely aligned with the broader financial outlook.



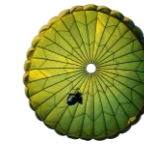
### Uncertainty & Business Risk

Italian CFOs identify sluggish economic growth and geopolitical risks as the most pressing business threats, cited by 63% and 50% of respondents respectively.

Rising costs also emerge as a critical concern for 51% of CFOs, with many highlighting the potential impact on both profitability and long-term investment decisions. In particular, 33% expect raw material prices to weigh heavily on their companies' bottom lines.

Regulation continues to be perceived more as a burden than an opportunity, with 22% of respondents naming it as a significant challenge.

Labor-related issues also remain a source of concern: 21% of CFOs report difficulties in finding skilled workers, while 18% worry about the risk of losing valuable talent to competitors.



### Strategic priorities

Italian CFOs continue to focus on three main strategic priorities: streamlining costs, driving digital innovation, and sustaining organic growth.

Cost reduction continues to lead the agenda (39%), though its dominance over other strategies has narrowed compared to six months ago.

Digitalization and innovation (34%) hold stable importance, with CFOs emphasizing the need for outcome-driven investments rather than adopting technology for its own sake.

Organic growth ranks third (30%), supported by initiatives such as developing new products or services (24%), entering new markets (20%), and strengthening positions in existing ones (20%). Inorganic growth, including M&A, is considered by 22% of CFOs, but its appeal has weakened in the current economic climate.

Chart 1: CFOs Revenue expectation in the upcoming 12 months

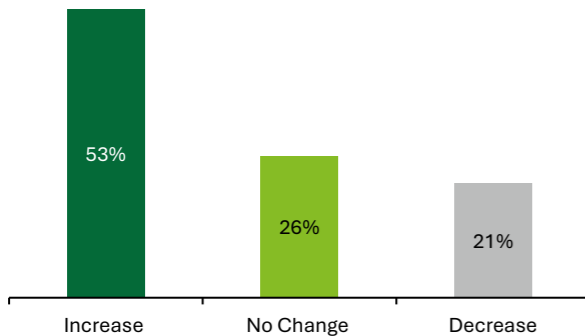


Chart 2: Most important business risks (%)

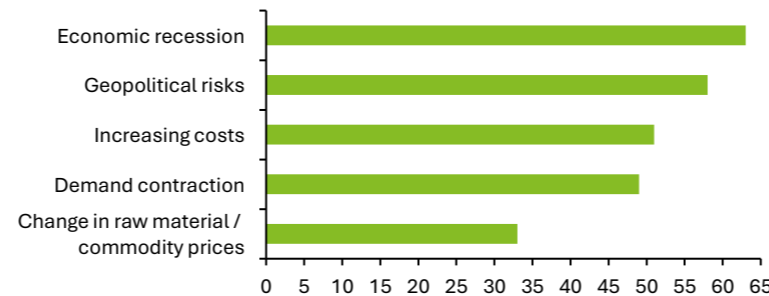
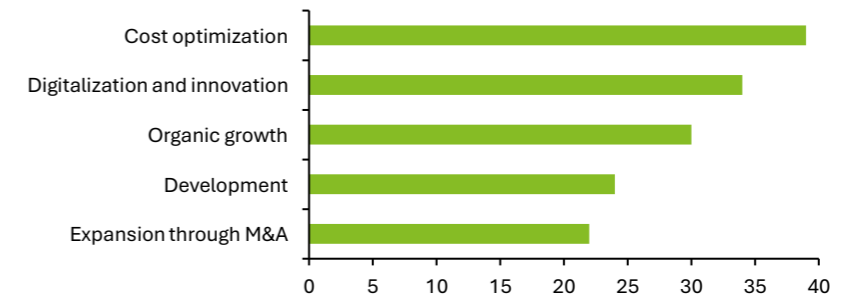



Chart 3: Most important strategic priorities (%)



A financial candlestick chart with a grid background. The chart features green and orange candlesticks, a white line representing the price, and several blue and grey moving average lines. The chart shows a peak on the left, a dip, and then a series of fluctuations with a notable dip in the lower right.

**07**

**PREPARING FOR AN IPO**

## Starting the process

Leverage our tools and services to start your IPO journey

Achieving a successful IPO starts with early and deliberate preparations, which is why we recommend beginning the readiness journey 18–24 months in advance.

Through our IPO Lab, IPO Scanner, Readiness Assessment and Readiness Report, we equip companies with the insights, tools, and roadmap needed to approach the market with confidence.

### IPO Lab

- An IPO lab to walk you through the IPO process in detail
- Tailored to your listing jurisdiction and business
- Focuses on your business and your IPO timeline



### IPO Scanner

- Leverage our free-to-use [IPO scanner](#) – an unrivalled product in the market
- 8 modules that deliver a tailored output for your business
- Refer to next page for further information



### IPO Readiness assessment

- Undergo an IPO readiness exercise to deep dive into your business and highlight the key areas of focus and remediations required to get you to a successful IPO



### Readiness Report

- The output of the IPO Readiness assessment is an in-depth analysis of your current state and a transaction roadmap



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## Deloitte IPO Scanner

Our free and easy-to-use IPO Scanner provides you with a headline assessment of your company's readiness to IPO



### 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.

Once you have completed the IPO Scanner, you will receive a PDF report outlining your company's preparedness across these seven categories.



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



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



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





**08**

# **DELOITTE EQUITY CAPITAL MARKETS**

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# Selected Credentials

Both equity and debt offerings

 <p><b>Avio</b> Capital Increase</p> <p>2025 €395m (Capital raised)</p>	 <p><b>Italgas</b> Capital Increase</p> <p>2025 €1,000m (Capital raised)</p>	 <p><b>Ferrari Group Ltd</b> IPO - Amsterdam</p> <p>2025 €196m (Capital raised)</p>	 <p><b>Tecno</b> IPO - EGM</p> <p>2025 €40m (Market cap)</p>	 <p><b>Carraro India Ltd</b> IPO - Mumbai</p> <p>2024 €200m (Capital raised)</p>
 <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>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>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>

# Selected Credentials

Both equity and debt offerings

 <p><b>Flora Food Group</b> High Yield Bond</p> <p>2025 €250m   2024 €125m   2024 €500m</p>	 <p><b>Havas</b> Listing</p> <p>2024 €1.8b</p>	 <p><b>CVC Capital Partners</b> IPO</p> <p>2024 €2.3b</p>	 <p><b>Q-Park</b> High yield Bond</p> <p>2024 €430m + €550m</p>	 <p><b>Boels</b> High yield Bond</p> <p>2024 €600m   2023 €400m</p>
 <p><b>Infopro Digital Group</b> High Yield Bond</p> <p>2024 €610m   2023 €975m</p>	 <p><b>Wolter Kluwer N.V.</b> Senior Bonds</p> <p>2023 €700m</p>	 <p><b>Hunkemöller</b> High Yield Bond</p> <p>2022 €273m</p>	 <p><b>Heineken N.V.</b> EMTN Update</p> <p>2022 €20b</p>	 <p><b>EFIC1</b> European FinTech IPO Company 1 IPO</p> <p>2021 €382m</p>
 <p><b>Stedin Holding N.V.</b> EMTN Update</p> <p>2021 €3b</p>	 <p><b>JDE Peet's</b> Guaranteed Bond Programme</p> <p>2021 €2.5b</p>	 <p><b>CTC</b> IPO</p> <p>2021 €190m</p>	 <p><b>Just Eat Takeaway</b> Offering and US listing</p> <p>2021 €6.1b</p>	 <p><b>Allfunds</b> IPO</p> <p>2021 €2.2b</p>
 <p><b>JDE Peet's</b> IPO</p> <p>2020 €2.6b</p>	 <p><b>Just Eat Takeaway</b> UK listing</p> <p>2020 €6.9b</p>	 <p><b>DSC 2</b> IPO</p> <p>2020 €110m</p>	 <p><b>DSC 1</b> IPO</p> <p>2020 €80m</p>	 <p><b>VolkerWessels</b> IPO</p> <p>2017 €575m</p>
				 <p><b>Takeaway.com</b> IPO</p> <p>2016 €350m</p>

# 08 Powering ahead | Deloitte Equity Capital Markets

## ECM service offerings



### IPO Attest

- Independent auditor's role reporting to both the company and the Global Coordinators / Bookrunners
- Required on IPOs, further equity issuances and debt offerings requiring a prospectus
- Principal workstreams typically include: historical financial information, long form due diligence, financial position & prospects procedures, profit forecast, and working capital reporting
- Special purpose financial statements
- Pro-forma financial statements



### 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
- Drive value creation, long-term growth, and seamless IPO execution
- Develop remediation plan to address shortcomings prior to the project's kick-off
- Assessment of resource requirements, prioritisation of findings, and preparation of a detailed project workplan required to remediate the finding (pre/post or during the IPO execution)



### IPO Assist

- Working company-side to support management and finance teams throughout a transaction
- Provides both resource capacity and technical expertise, tailored to the support required for the transaction, including:
  - Preparation of financial information or track records;
  - Governance and internal control enhancements;
  - Complex modelling; and
  - Integration/separation considerations



### IPO & Dual-Track Transaction management office

- Provide expertise in project management office support for an IPO/Dual-Track 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, carve-outs and demergers
- Support and advice on preparing bid defense procedures



### Post-deal Advisory

- Provide "after-care" advice and practical hands-on support post IPO/transaction to tackle typical challenges such as:
  - Compliance with listing rules and regulations;
  - Financial reporting as a listed company;
  - Effective governance and internal audit;
  - Finance transformation and efficiency of finance team; and
  - Ongoing remuneration policy, benchmarking, and establishing long term incentive frameworks



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