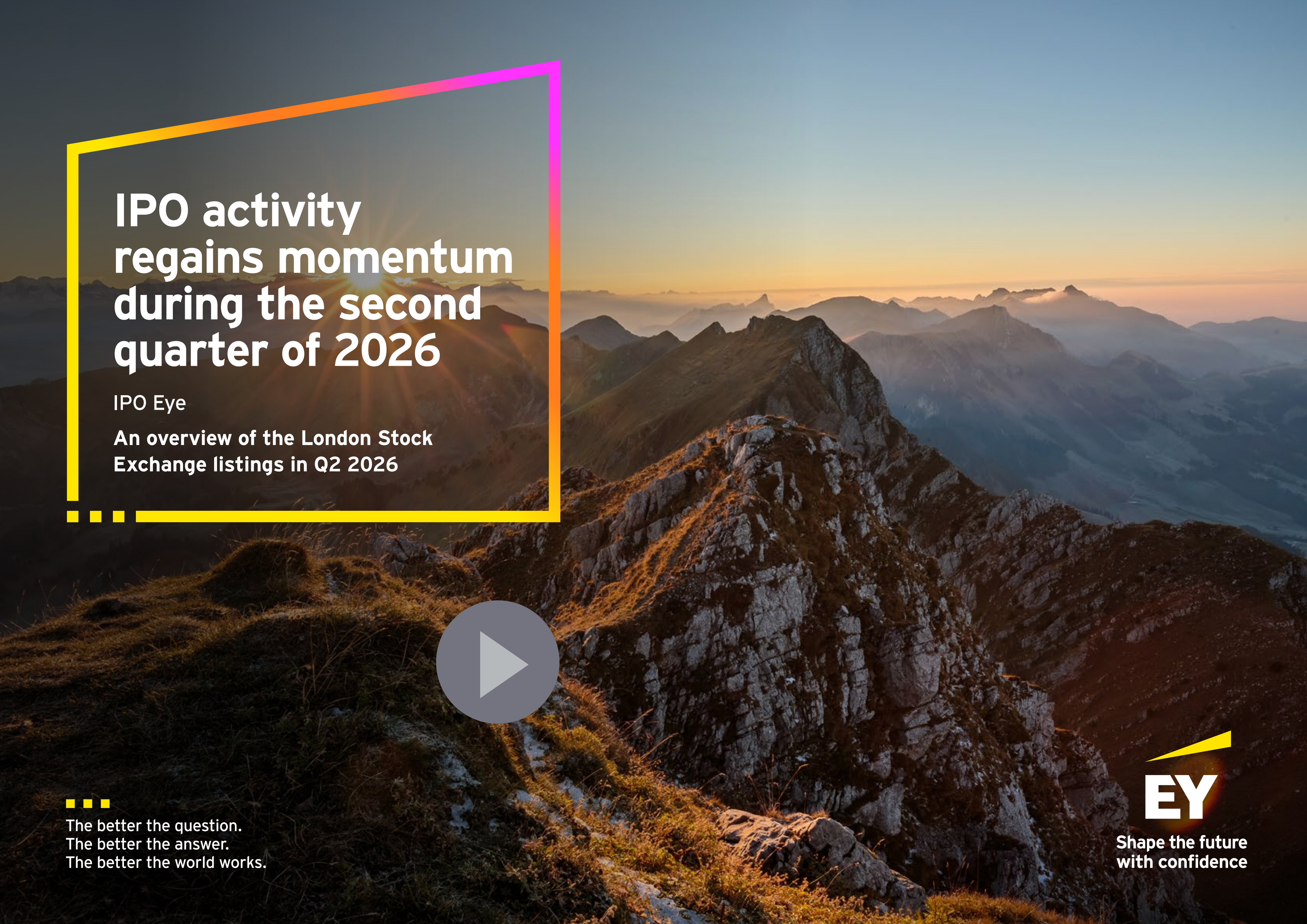

IPO activity regains momentum during the second quarter of 2026

IPO Eye

An overview of the London Stock Exchange listings in Q2 2026

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Market overview

The London Stock Exchange (LSE) saw five listings in the second quarter of 2026, which raised £564mn across the Main Market and the Alternative Investment Market (AIM).

The London Stock Exchange saw five listings in Q2 2026, raising a combined £564mn across the Main Market and AIM. Activity improved significantly compared with the prior year, with proceeds representing a 422% year-on-year increase and pointing to early signs of recovery in the UK IPO market.

The Main Market accounted for the majority of activity, with two new listings raising £536mn, while AIM saw three new listings raising £28mn. Although overall volumes remained below historical levels, the quarter demonstrated some improvement in issuance momentum, supported by stronger secondary market performance, more stable investor sentiment and renewed appetite for selective UK listings. AIM activity remained modest, reflecting continued caution toward smaller growth companies, but the increase in deal flow across both markets suggests that the UK listing environment is gradually rebuilding after a muted start to 2026.

Scott McCubbin, EY-Parthenon UKI IPO Leader, comments: "The UK IPO market is being shaped by shifting macroeconomic conditions and evolving investor sentiment. Easing oil prices and moderating inflation are bringing interest rate cuts back into focus, creating a more supportive backdrop for capital markets. However, increased volatility in AI-linked equities is creating a headwind, making it more challenging for companies to achieve the stability required for successful IPOs.

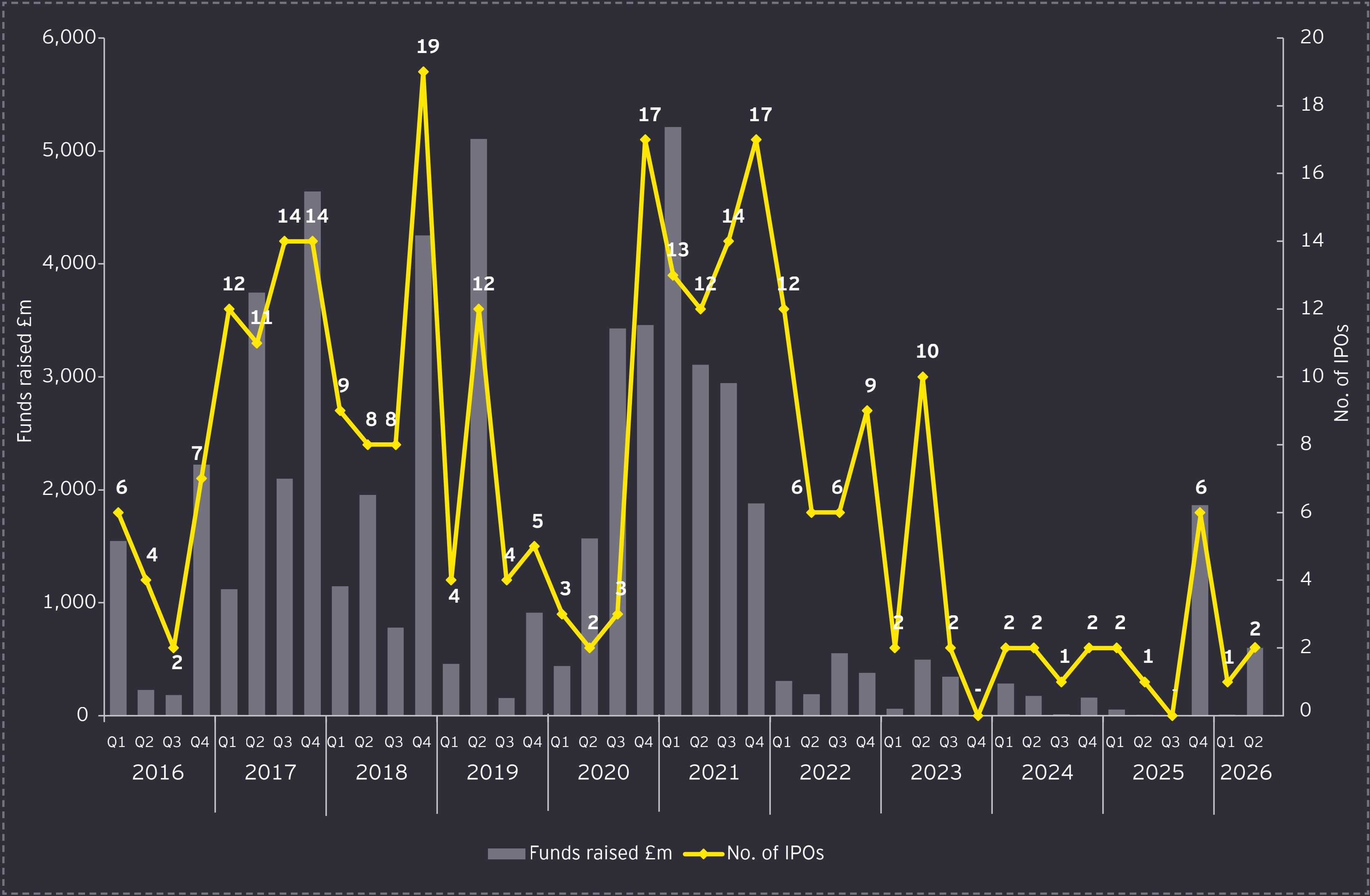
"Despite this, the market is building on the improving conditions seen earlier in the year, with strengthening global momentum supporting a gradual reopening. While activity remains below historic averages, the direction of travel is encouraging, with confidence increasingly translating into execution.

"For UK issuers, the focus is shifting from 'if' to 'when'. Listing windows are becoming more frequent, and well-prepared companies with a clear equity story, strong financial fundamentals and flexibility on timing will be best positioned to act. With a robust pipeline in place, the UK market is well placed to benefit from a sustained recovery into 2027."

IPO markets – historical performance

Main market

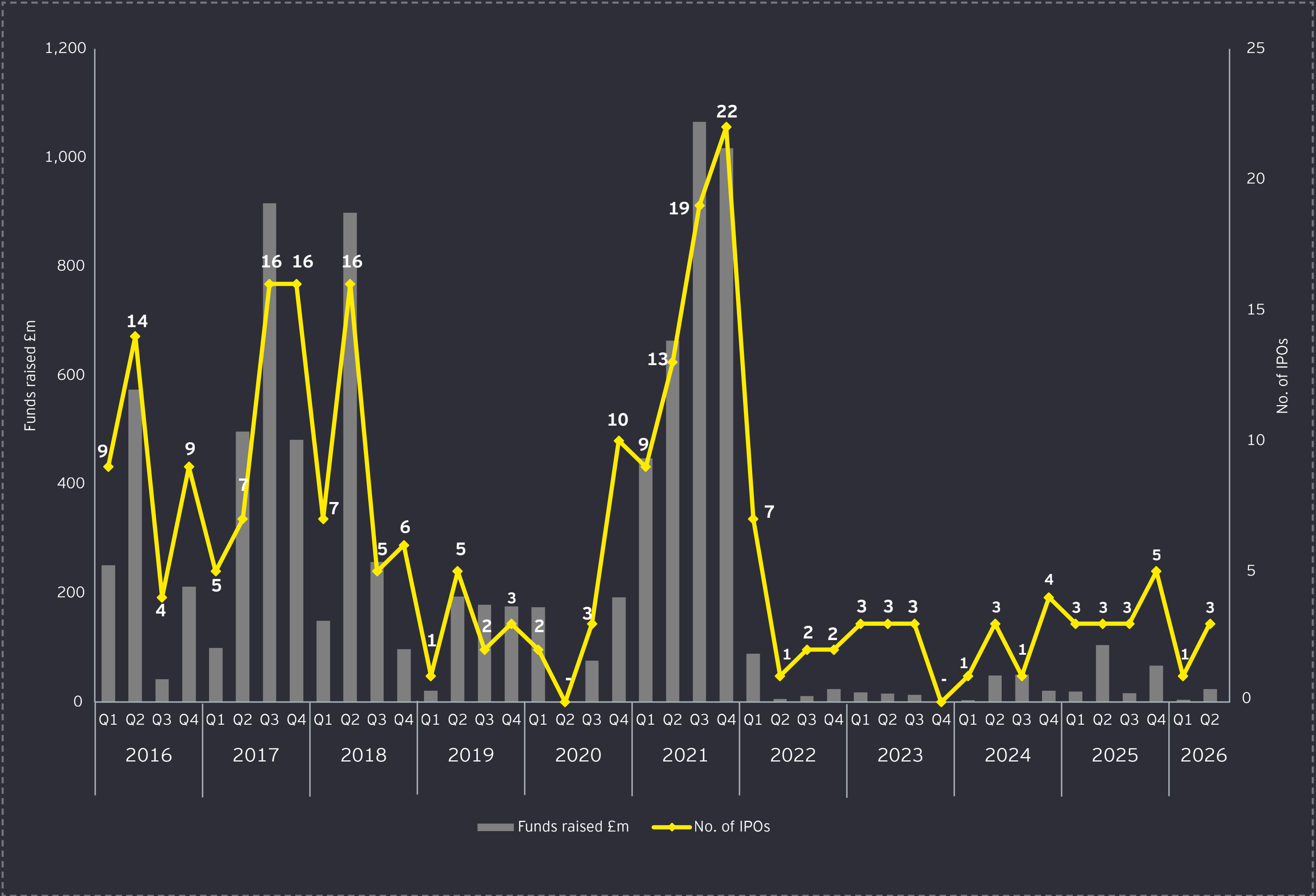
Two floats in Q2. The largest by funds raised was UzNIF JSC, which raised £511.0mn.



IPO markets – historical performance

AIM

Three floats in Q2. The largest by funds raised was Coastal Africa Group Ltd, which raised £17.4mn.



Market overview

Market performance

The FTSE 100 rose 3.2% in Q2 2026, extending its positive momentum from the first quarter. Performance was supported by the index's exposure to internationally diversified, cash generative sectors, with aerospace and defence, financials and selected mining stocks helping to drive returns. Defence stocks benefited from continued geopolitical uncertainty and expectations of sustained government spending, while banks remained resilient as interest rates remained stable, supporting earnings expectations. Commodity linked constituents also contributed, helped by improving base metal values and renewed optimism around global growth.

Despite the positive quarterly return, performance was not linear. The index experienced periods of volatility as investors assessed the implications of geopolitical tensions, energy price moves, inflation risks and the pace of monetary easing. However, the FTSE 100's sector mix remained a relative advantage, with large, dividend paying and globally exposed constituents continuing to attract investor interest. Sterling movements also remained relevant for returns, given the index's substantial overseas earnings base. Overall, the FTSE 100 proved resilient in a still uncertain macroeconomic environment, continuing to benefit from its defensive and international characteristics.

In contrast to Q1, the FTSE AIM All-Share rose 7.7% in Q2 2026, recovering some of the weakness seen earlier in the year. The rebound reflected improved risk appetite and a recovery from depressed valuations following the sharp Q1 sell off, with investors selectively returning to smaller companies as broader UK equity sentiment improved. AIM's performance was supported by pockets of strength in resource, energy and industrial names, although trading remained volatile and liquidity conditions continued to constrain parts of the market. The index gave back some gains late in the quarter, highlighting the continued sensitivity of smaller growth companies to shifts in investor confidence, interest rate expectations and macroeconomic uncertainty. Nevertheless, Q2 marked a notable reversal from Q1, narrowing the performance gap between large cap and small cap UK equities.

Global IPO activity

Global IPO activity regained momentum in the first half of 2026, with proceeds increasing 210% year-on-year to US$193.6bn across 509 IPOs. The recovery was supported by improving investor appetite, stronger aftermarket performance and a broadening of sector activity, with AI and related infrastructure becoming a key driver of both corporate earnings growth and IPO pipeline strength, albeit with some continued volatility in tech stocks as a result of questions around the impact of AI.

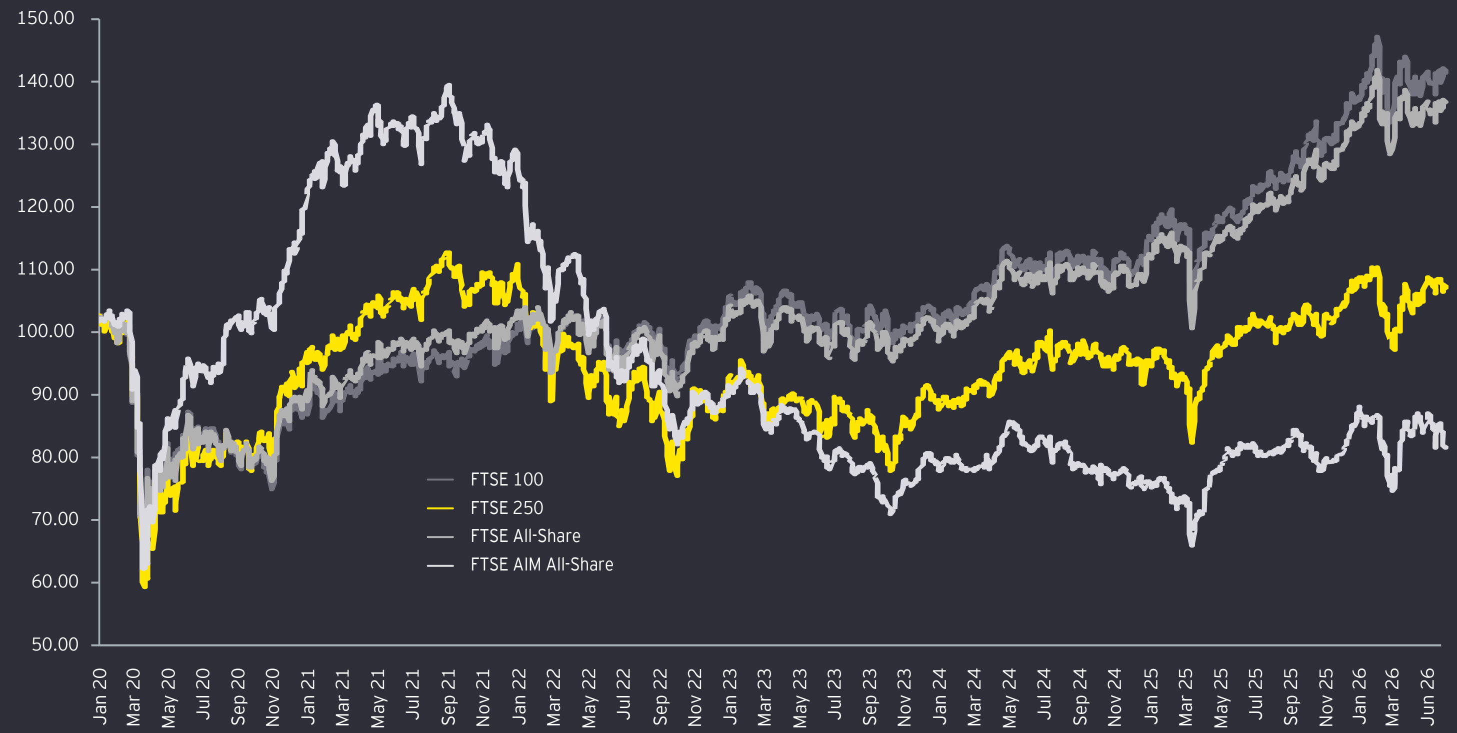
The Americas led the recovery by proceeds, underpinned by the largest IPO in history (SpaceX), which raised US$86.2bn and helped drive heightened anticipation for further large-scale transactions. At a country level, Greater China recorded the highest number of IPOs globally, with 163 listings raising US$42.3bn, followed by India with 102 IPOs. This highlighted the increasingly divergent regional picture, with the US driving proceeds (US$128bn) while Greater China and India remained highly active by deal count.

Sector activity broadened beyond the narrow concentration seen earlier in the cycle. Semiconductors, power and data centre infrastructure, robotics and advanced manufacturing were key areas of investor focus, reflecting demand for companies exposed to AI adoption and the infrastructure required to support it. Investors remained selective, favouring issuers able to demonstrate credible AI-driven growth strategies, resilient earnings and clear paths to value creation.

Private equity and venture capital sponsors also played an important role in supporting issuance during the first half of the year. Improved post-IPO performance helped rebuild confidence in public market exits, encouraging sponsors to bring higher-quality assets to market after extended hold periods. However, execution windows remained sensitive to geopolitical and macroeconomic developments, particularly across EMEIA and parts of Asia-Pacific, where energy price volatility and regional uncertainty continued to influence issuer timing.

Overall, H1 2026 marked a clear improvement from the equivalent period in 2025. While IPO markets remained selective and regionally uneven, the scale of proceeds raised, the return of large transactions and the broadening of sector participation suggest that global IPO markets are entering a more constructive phase, with AI-related growth themes and sponsor-backed exits likely to remain central to activity through the remainder of 2026.

Market overview (cont.)



Market listings

New Issues – Main Market

Date of admission	Company	Private Equity (PE) backed?	Country of primary business	Sector	Market cap. on admission (£mn)	Funds raised (£m)	Placing price (p)	Closing price (after first day of trading)	Closing price at QTR end (p)	Quarter end % change in price from IPO
01-May-26	Meridian Mining plc		Brazil	Industrial Metals and Mining	472.2	25.00	92.0	95.00	85.80	-9.7%
13-May-26	UzNIF JSC*		Uzbekistan	Not applicable	1,441.8	511.0	25.0	26.01	31.60	21.5%

*placing price and closing prices are shown in USD $

New Issues – AIM

Date of admission	Company	Private Equity (PE) backed?	Country of primary business	Sector	Market cap. on admission (£m)	Funds raised (£m)	Placing price (p)	Closing price (after first day of trading)	Closing price at QTR end (p)	Quarter end % change in price from IPO
22-Apr-26	Rift Helium plc		Tanzania	Oil, Gas and Coal	13.4	8.09	10.00	9.75	7.65	-21.5%
27-Apr-26	Serval Resources plc		Botswana	Industrial Metals and Mining	7.6	3.0	22.5	25.00	26.50	6.0%
10-Jun-26	Coastal Africa Group Ltd		West Africa	Closed End Investments	218.6	17.4	161.0	200.00	200.00	0.0%

Looking ahead

Looking ahead to the remainder of 2026, global IPO markets appear to be entering a more constructive phase, supported by stronger first-half issuance, improved investor appetite and a broadening pipeline across AI, infrastructure, advanced manufacturing and sponsor-backed assets.

Despite this improvement, market access is likely to remain selective. Issuers will need to demonstrate resilient earnings, credible growth strategies and clear value creation, particularly where AI is part of the equity story. Investors are expected to continue favouring scaled, well-prepared companies with timing flexibility, while macroeconomic uncertainty, interest rate decisions, energy prices and geopolitical developments will continue to influence market windows. Overall, the outlook for the rest of the year is more positive than at the start of 2026, but successful IPO execution will depend on preparation, valuation discipline and the ability to move quickly when conditions are supportive.

“

Global IPO markets are entering a new phase, with momentum building across multiple regions and sectors. What sets this recovery apart is its breadth — activity is no longer concentrated in isolated markets or industries but is being supported by a wider base of issuers and investors. While this points to a continued re-acceleration in global IPO activity through the second half of 2026 and beyond - supported by improving investor sentiment, strong pipelines and structural growth themes - uncertainty and volatility remain key considerations. In this environment, success will depend on preparation, a compelling and credible equity story, flexibility on timing, and the ability to act decisively when the right window opens.

Grant Humphrey
Partner, EY-Parthenon

IPO Centre of Excellence

Our Global IPO Centre of Excellence is a virtual hub which provides access to tools and knowledge for every step of the journey from finding out more about what going public means to considering capital raising options and addressing post-IPO risks. It provides access to all our IPO knowledge, tools, thought leadership and contacts from around the world in one easy-to-use source.

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