

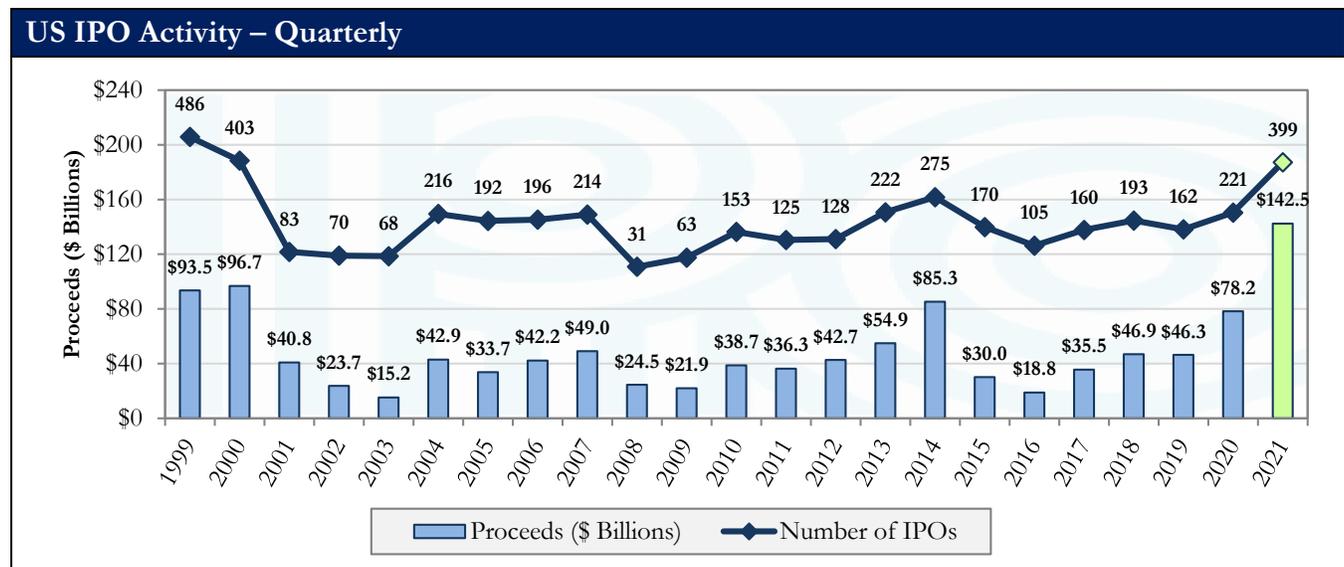
January 3, 2022

2021 IPO Market Makes History as the Busiest Year in Two Decades

The 2021 IPO market was one for the history books. A stunning 397 IPOs raised \$142.4 billion in the busiest year by deal count since 2000 and the biggest year for proceeds ever. 27 billion-dollar deals came to market led by pre-revenue electric truck developer Rivian, which raised \$12 billion in the largest IPO since 2014's Alibaba. On the back of stellar returns in 2020 and a huge pipeline of IPO candidates, deal flow was essentially nonstop, with typical strength in healthcare and technology joined by rising activity in consumer names. Heightened activity was not limited to traditional IPOs: Blank check IPOs had another record-breaking year as 613 SPACs raised \$144.5 billion and nearly 200 private companies listed via SPAC, and direct listings continued to gain footing with six deals. Although IPOs had strong average first-day gains (+31%), these were obliterated in the aftermarket (-22%) as high initial valuations ran into rising fears of inflation and COVID-19 variants, for an average IPO return of -8%. Similarly, the Renaissance IPO Index started off strong but lost momentum, finishing negative and significantly underperforming broader markets. Looking forward, we believe the 2022 IPO market will have a slow start and fail to match the past year's record pace, but ample IPO candidates are ready to take the leap once conditions improve.

Key Takeaways:

- 2021 IPO Count Rises to 397 in Busiest Year Since 2000
- Proceeds Soar to \$142 Billion in Biggest Year for Proceeds Ever
- Majority of IPOs Finish Negative as Poor Aftermarket Trading Wipes Out First-Day Returns
- A Record 27 IPOs Raise \$1 Billion Led by Mega-IPO Rivian
- SPAC Activity Explodes as 613 Deals Raise \$145 Billion with Nearly 200 SPAC Mergers
- IPO Activity Expected to Stabilize in 2022 as Packed Pipeline Meets a More Cautious Market



Source: Renaissance Capital. Data includes IPOs and direct listings with a market cap of at least \$50mm and excludes closed-end funds and SPACs. Includes IPOs scheduled to price before 12/31/21.

About Renaissance Capital

Renaissance Capital is a global IPO investment adviser providing pre-IPO institutional research and management of the [Renaissance IPO ETF](#) (NYSE symbol: IPO) and the [Renaissance International IPO ETF](#) (NYSE symbol: IPOS). For more information, visit www.renaissancecapital.com.

To read the full 2021 IPO Market Review, sign up for a [free 7-day trial of IPO Pro](#), the platform that gives you the tools you need to track the IPO market

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