

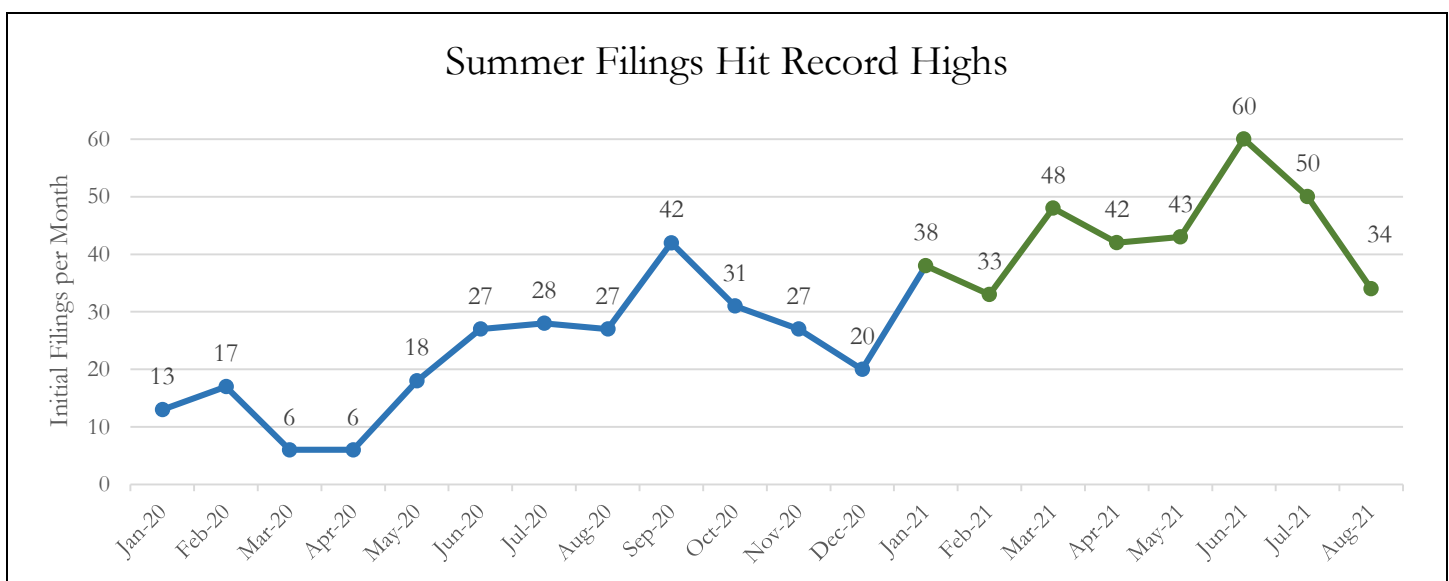
September 1, 2021

Fall 2021 IPO Preview: An Active End to a Record Year

The US IPO market has already posted its busiest year since the internet bubble in 2000, and we expect issuance to stay active in the fall. With broader equity markets at all-time highs and a burgeoning IPO pipeline of private unicorns, many long-awaited names will finally take the leap to public markets, supported by the busiest month of August for new filings in over a decade. That said, fall IPO activity is unlikely to match the summer's frantic pace. August filings were down from prior months, and the year's weak IPO aftermarket returns serve as a headwind, evidenced by several postponements at the end of July. As of September 1, there were [115 US IPOs publicly on file](#), 81 of which have submitted a new or updated filing since June 1. Based on historical trends and both public and confidential IPO filings, we believe that about 90 to 110 US IPOs could raise \$30 billion through year-end, assuming equity markets hold up. The pipeline contains an especially strong backlog of tech unicorns, consumer brands, and biotechs. These include potential billion-dollar IPOs from restaurant payment processor Toast, customer support platform Freshworks, and brand licensor Authentic Brands, while glasses retailer Warby Parker has teed up a direct listing. In addition to the companies publicly on file, we have reviewed the roughly 250 names on our Private Company Watchlist (PCW) and identified 28 candidates that have filed confidentially, selected underwriters, or otherwise indicated that an offering is imminent.

Key Takeaways:

- 2021 IPO Market To Reach All-Time High in Proceeds, with the Most IPOs Since 2000
- August Filings Signal a Very Active Fall, but Not as Hot as Summer
- Visible Pipeline Features Tech and Consumer Including Toast, Authentic Brands, and Warby Parker
- Renaissance Capital's Shadow Backlog Further Supports an Active Fall Featuring Instacart, TPG, and Rivian
- 2021 On Track for 90-110 More Listings, for a Total of About 375 IPOs Raising \$125 Billion



Source: Renaissance Capital.

Note: Monthly filings include all initial S-1s, F-1s or S-11s from companies that lack significant public trading, raising at least \$5 million. Excludes SPACs. Includes direct listings.

Technology Companies Ready to Kick Off the Fall US IPO Market

Producing almost half of IPO proceeds this year, the technology sector shows no sign of slowing as companies pour into the pipeline, supported by the sector's recent outperformance. Enterprise software companies have achieved strong growth during the pandemic, and upcoming deals include ForgeRock, iCIMS, and Amplitude. Recent fintech filers Toast and Remitly both represent a play on the shift to digital payments. Following Coinbase's direct listing in the spring and a rebound in Bitcoin prices, cryptocurrency miners Stronghold Digital Mining and Argo Blockchain will join a growing list of US crypto stocks. For more upcoming tech IPOs, see our PCW highlights on page 6.

Featured Technology IPOs

File Date	Company	Business	Top Shareholders	Deal Size* (\$mm)	LTM Sales (\$mm)	GAAP EBIT%	Sales Growth†
08/27/21	Toast	Digital payment processor.	Tiger, Bessemer	\$1,000	\$1,183	-12.9%	23.8%
08/27/21	Freshworks	Customer support platform.	Tiger, Accel, Sequoia	\$1,000	\$308	-3.7%	44.8
08/20/21	Turing (Thoughtworks)	Software consulting provider.	Apax, Siemens, GIC	\$500	\$901	14.4%	4.0%
08/30/21	Clearwater Analytics	Investment accounting software.	Dragoneer, Permira	\$500	\$226	-10.8%	21.0%
08/30/21	Remitly Global	International money transfer service.	PayU, Stripes Group	\$300	\$354	-6.0%	103.0%
08/23/21	ForgeRock	Identity management platform.	Accel, Riverwood	\$300	\$157	-11.1%	23.1%
08/17/21	Sportradar Group	Sports betting platform.	CPPIB, TCV	\$100	\$570	4.7%	6.5%
08/24/21	a.k.a. Brands Holding	D2C online fashion platform.	Summit, Founders	\$100	\$353	8.1%	111.8%
08/19/21	iCIMS Holding	Enterprise recruiting platform.	Vista, Susquehanna	\$100	\$265	-13.0%	17.3%
08/20/21	Definitive Healthcare	Healthcare SaaS platform.	Advent, Spectrum	\$100	\$140	-11.9%	38.4%
07/27/21	Stronghold Digital Mining	Alternative energy crypto miner.	Q Power	\$100	\$7	-43.1%	-62.7%
08/30/21	Amplitude	Customer behavior analytics platform.	Benchmark, IVP	<i>Direct Listing</i>	\$129	-18.1%	49.9%

Source: Renaissance Capital *Deal size from SEC filing or RC estimate. †Latest FY y/y growth.

Toast: Since its 2011 founding, Toast has become a leading provider of payment services in the restaurant industry. The company serves approximately 48,000 restaurant locations operated by 29,000 customers, processing over \$38 billion in gross payment volume in the trailing 12 months...

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