

The Future of Public Markets

Risks & Opportunities for PE

Moderator: Julia Barber

Panelists: Neil Patel, Ariel White-Tsimikalis, Ian Newton, James Bilefield



Introducing the panel |



Neil Patel
Head of TMT Peel Hunt



Neil Patel is an experienced investment banker specialising in the Technology, Media, and Telecoms (TMT) sector. As Head of TMT at **Peel Hunt**, he leads the team in advising listed and private companies on strategic transactions.

Previously, Neil was at Liberum Capital and UBS Investment Bank, building board-level relationships and executing a broad range of corporate finance transactions across the globe. With a deep understanding of the sector, Neil provides clients with expert guidance on navigating capital markets and corporate growth strategies.



Ariel White-Tsimikalis
Partner Goodwin



Ariel White-Tsimikalis is a Partner in the Technology and Life Sciences Group at **Goodwin** leading the Equity Capital Markets & Public Company Advisory practice in London. She advises growth companies, VC and PE investors, and underwriting banks on equity financings, including IPOs, secondary offerings, and private placements.

Ariel has spent time on secondment at Goldman Sachs, Jefferies, and Citi. She serves on the Parker Review Committee, focused on board diversity, and is ranked in Chambers. She was named in the 2023 Powerlist in the City, sponsored by J.P. Morgan, recognising the UK's top 25 most influential Black executives in Tech, financial services, and law.



Ian Newton
Head of Business Development & Strategy Raspberry Pi plc



Ian Newton is Head of Business Development and Strategy at **Raspberry Pi plc**. He joined as the internal IPO adviser to the CEO and Board for Raspberry Pi's June 2024 LSE listing. He is also a Member of the Investment Committee at the ICAEW, Senior Adviser to the 350 Club, and advises private companies on routes to public markets.

Prior to joining Raspberry Pi, he spent over 25 years in investment management, including Head of Equity Capital Markets at Sand Grove Capital Management and Global Head of Equity Investments at Platinum Capital Management.



James Bilefield
Chair & Non-Exec Director SThree plc



James Bilefield is an experienced plc and private equity Chair and Non-Exec Director. He currently chairs FTSE 250 STEM specialist recruiter **SThree plc**, and previously served on the boards of Moneysupermarket Group plc and Stagecoach Group plc. He also chairs 2 private equity backed businesses (photo/video platform MPB and logistics marketplace Anyvan), serves as a Non-Executive Director at the FCDO and Trustee of the Science Museum Group, and acts as an advisor to McKinsey & Co.

He has a background as a Digital Entrepreneur (Skype, OpenX, UpMyStreet), Chief Digital Officer (Condé Nast) and Investment Banker (JP Morgan Chase).

The Future of Public Markets |

Recent IPO activity in the UK and Europe has been at historic lows, with London seeing just 18 listings in 2024 - the worst in over a decade.

This downturn has seen the UK capital markets slip to 20th place in global IPO rankings. Meanwhile, private capital is more abundant than ever, with PE and later stage VC offering founders and investors alternatives to public markets.

Several factors have contributed to the decline: companies delaying public offerings in anticipation of improved economic conditions, intensified competition from private equity, and the allure of more attractive overseas markets. However, 2025 shows promise, with high-profile companies like Shein, Shawbrook Group, Monzo, Starling Bank, and Waterstones considering London listings.

Shein, the Chinese fast-fashion giant, plans a London IPO in 2025, despite controversies surrounding its supply chain practices and environmental impact. The company's valuation has decreased from \$100bn in 2022 to a projected \$50bn, partly due to changes in U.S. tariff policies affecting its largest market.

Shawbrook Group, a British lender, is moving towards a London flotation valued over £2bn, with plans expected in the first half of the year. Digital banks Monzo and Starling are also eyeing public listings, with Monzo's leadership debating between U.S. and UK venues, while Starling leans towards London following strong financial performance. Additionally, UK bookstore chain Waterstones is contemplating an IPO, considering both London and New York exchanges.

That said, we are nowhere near any kind of sustained recovery and this paper asks the question where does that leave the IPO more generally? If public markets are still critical for both value creation and liquidity, why are so few companies listing? Is this just a temporary slowdown, or has the playbook fundamentally changed?

In our March edition of The PE Perspective, we examined what's really driving these market shifts - what's keeping businesses private, whether public markets can regain their appeal, and what this means for investors and PE-backed companies looking for their next move.

Julia Barber
Director of Platform Engagement



The key questions we wanted to ask in this session:

01

Has the market been 'closed' for so long that good businesses are being overlooked?

02

Are we still of the mindset that an IPO is a 'destination' rather than the start of a new journey?

03

What regulatory and commercial conditions need to exist for the market to open up?

04

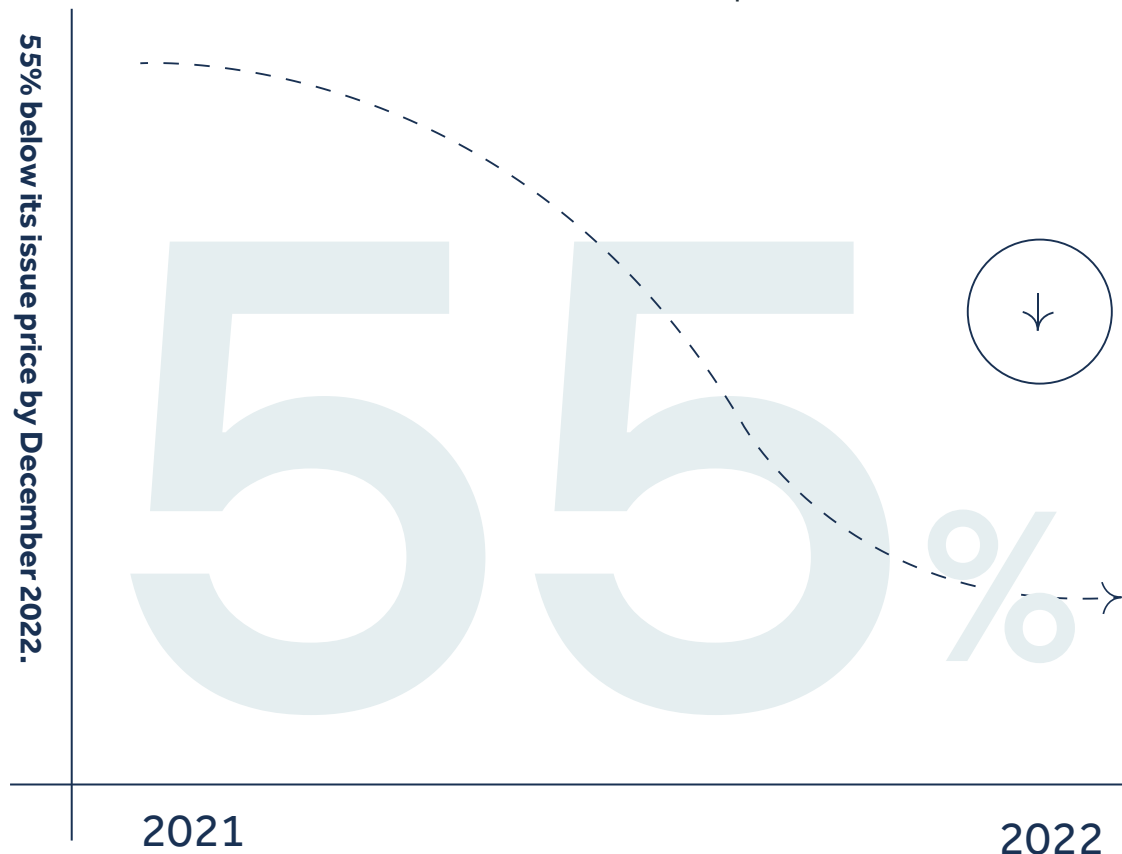
What benefits can listing bring and what are the indicators of success?

Some helpful macroeconomic context |

In his opening remarks, **Ian Newton** provided a sharp and useful overview of recent public market conditions. He highlighted that while 2021 appeared to be a banner year for IPO activity - both in terms of volume and capital raised - the longer-term picture has been less optimistic. Of the 179 IPOs completed in that year, the average listing was trading at 55% below its issue price by December 2022.

Five years on, Ian noted, the market is still feeling the aftershocks. Investor caution remains high, and memories of those disappointing returns continue to cast a long shadow over the appetite for new listings.

He also pointed to what he described as a "confidence problem" in the UK. In his view, many founder-led businesses are still too cautious, despite the strong foundations and pedigree of UK-grown technology companies.



"This obsession with listing only when the market is hot - needing a superheated IPO market - is actually really unhelpful."

Ariel White-Tsimikalis



"If you're a great company, with a great management team, strategically unique, with clear evidence of your ability to execute and the intention to take the business to the next level - you can raise money," Ian said. "That's what happened with Raspberry Pi last year."



The Raspberry Pi Story |

"I met 70 companies, and targeted about six. I re-engaged with Raspberry Pi and sat down with Eben, the founder, in Cambridge in the middle of 2023.

We were talking about IPO and the awful state of the market - whether he should consider going to the US and/or other options. I spent weeks giving him advice and finally he said, "Why don't you come and join us?"

And I thought - well, there's not a lot going on in the IPO market so why on earth not!

I left Sandgrove and joined as the internal IPO advisor in January 2024. I advised the CEO and the board. I worked with Neil, who was team leader at Peel Hunt, and Kate Bannatyne as well as Jefferies.

We listed the business in June of last year and raised £227 million. We brought on board two cornerstone investors: ARM and Lansdowne who were two of the existing shareholders. They accounted for 55%.

It's important to state that we had an incredible amount of interest - we had interest globally and not just from the UK. The demand was international. Global money came to London because Raspberry Pi was fundamentally a good business."

Ian Newton

£227 million.

Current market analysis |

The main discussion began with a broad view of the current UK and European public markets, focusing on the key question: are strong businesses being overlooked, or are they simply opting out of listing altogether?

Neil Patel of Peel Hunt, speaking from a unique vantage point, observed that several of the UK's more prominent technology companies are actively exploring IPO options. While some of these businesses are private equity-owned, others are VC-backed and now reaching a scale and maturity where selling to a US strategic buyer is no longer the preferred route.



As we know PE prioritises returns and often doesn't always care what the exit route is. They're kind of agnostic - whether it's an IPO or a strategic exit.

However, Neil raised a more pressing issue: will those US strategic buyers even be in the market when the time comes? And if not, what are the credible alternatives?

He noted that creating competitive tension in the exit process is critical - especially for later-stage, private equity-backed businesses. Without that, sellers risk becoming overly reliant on a narrow pool of strategic acquirers from the US, Asia or Europe.

Neil returned to the example of Raspberry Pi, noting that the company floated at a 27x forward PE multiple.



That is a competitive valuation in any market, really, for any company and that's why I want to talk about the importance of valuation.

Valuation and the flow of capital |



One of the first key points the panel raised was that there is a market emerging in the UK for later-stage, private equity-owned businesses. Global capital is flowing into listed UK technology companies, and at valuations that are increasingly competitive.



"There are listed UK tech companies trading on higher valuations than their US counterparts right now."

Neil highlighted several examples to illustrate this point:

01

Softcat trades at 17x forward EBITDA, while its nearest US peer, CDW, trades at 13x

02

Craneware versus Health Catalyst

03

Boku versus DLocal

04

Cerillion versus Amdocs



Any business has to be a great business to IPO.

These may not be household names, but they are best-in-class businesses within their respective verticals—and they are trading at higher multiples than their US equivalents.

Neil was clear in his assessment that the idea that "everything's better in the US" is simply not true. What matters most is the quality of the business.



Is the IPO always The Destination? |

01

The conversation then turned to **James Bilefield**, who challenged the idea that IPOs should be viewed as the ultimate goal for every business.



"I absolutely agree that great businesses can and should IPO. But speaking honestly, there aren't that many great businesses in most of our portfolios. There are lots of good ones, and maybe a few less-good ones."

02

James explained that while good companies can often be sold privately - especially if they aren't IPO-ready - those that need significant work are often better served staying in private hands.



"If you're going to be working that hard on the business, you're better off doing that in private hands - not public markets."

03

He acknowledged that there is a cohort of businesses that are genuinely public company-ready. These companies have predictable revenues, earnings, scale, strong leadership, and the resources to manage both the IPO process and the demands of life as a listed company.



"There are benefits to being a public company - don't get me wrong. It's a flag-waver for the wider economy. It's a way to raise capital, raise brand profile, and attract and retain staff."

04

However, James pointed to a broader shift in capital markets that is reshaping how companies think about listing. Despite 18 IPOs in the UK last year, 88 companies exited the market - contributing to a long-standing average de-equitisation rate of around 5%.



"That's been the average over the last 10 to 20 years - not just in the UK but globally."

05

He argued that this isn't about a lack of capital, but rather a structural reallocation - away from public equities and into private pools of capital. This, he said, is why more businesses are able to stay private for longer.



"So even if you do have a really great company - not just a good one - many boards now will say, 'Okay, we'll dual-track it and see what the right answer is over time.'"

What does IPO readiness look like? |

Ariel opened this section by encouraging companies to rethink how they view IPOs - not as a Day One exit, but as part of a longer-term funding strategy. She stressed the strength of the UK's secondary market and advised that listing should be seen as a capital-raising opportunity that supports a company's growth trajectory.

"Raise capital on Day One and then hold on to the asset. Reduce the free float - the UK requires only 10%, down from 25%. That means a lot less equity dilution and that a lot less of the company needs to be given up at the time of IPO. You then keep a piece of the upside and benefit from post-IPO share price performance and sell down later - exit further down the line."



She encouraged companies to approach the public markets as a two-step process: raise, then realise. This approach, she suggested, offers greater control and long-term value creation.

Ian followed by pointing to broader market conditions. In 2023, he noted, there was approximately £250 billion in de-equitisation - equivalent to around 9% being removed from the capital base of the FTSE. He shared a sentiment echoed by active managers:

"We have a reduced palette now. We're up against passives, we're up against index trackers - we need quality."

He observed that weaker companies tend to be taken out of the market first, resulting in diminishing quality across the investable universe. This, he stressed, is not just a UK issue, but part of a global pattern of de-equitisation.

At this point, the panel paused to recap: for truly great companies, multiple options exist - dual-track processes, the secondary market, and more. But the key question remains: what else needs to change to make IPOs a more compelling option compared to staying private or selling outright?

Ariel shared her perspective on the regulatory progress that has already been made. She highlighted substantial changes in the UK's listing framework, particularly focused on attracting high-growth sectors like tech and life sciences:

01

Leadership teams can now bring pre-revenue businesses to the main market

02

The required free float has been reduced to 10%

03

The Mansion House reforms now require pension funds to allocate 5% of portfolios to high-growth companies by 2030—unlocking an estimated £70 billion

04

Post-Brexit, the UK regime has moved closer to NASDAQ standards

05

Dual-share structures are now permitted on the main market

That said, Ariel acknowledged that challenges remain. Access to capital remains more fluid in the US, where companies can raise significant sums overnight. However, she pointed to an ongoing review of the UK's secondary fundraising framework that may soon allow companies to raise up to 75% of their share capital without the need for a prospectus—accelerating access to capital significantly.

Finally, she noted cultural differences between markets. While the UK holds the second-largest pool of institutional capital globally, that capital is not always directed back into public companies in the way it is in the US.

Despite these gaps, Ariel concluded by commending the UK for the speed and substance of the reforms implemented so far.



"There really isn't much difference anymore - at least from a legal or regulatory perspective - between listing in New York and listing in London."

The question of geography |

The panel then turned to the location question - specifically, how the UK compares to the US in offering public market opportunities for growth companies.

Neil opened the discussion with some hard data. Since 2014, only 20 UK companies have listed in the **US raising over \$100 million**. Of those, 9 have since delisted, 7 are currently trading down an average of 84%, and only 4 are trading up. Most of these listings have come from the biotech sector, with very few representing broader technology businesses.

Neil also observed that, in many ways, the US market has become a victim of its own success. NASDAQ now hosts around 3,500 listed companies, with the first 700 to 800 representing multi-billion-dollar market caps.

The implication, he argued, is that only the very largest companies benefit from meaningful visibility and momentum on US public markets.



"It's the larger companies that make a splash, that get research coverage, whose equity stories are out in the market—and actually get the benefit of being listed: tapping the market, raising capital."



"UK IPOs are essential for growth. They're also essential for the companies themselves - in terms of retention and hiring of staff, the ability to raise capital and to do transformative deals, and overall profile raising."

Ian Newton



Why Raspberry Pi chose London |

The panel then invited **Ian** to share Raspberry Pi's decision-making process around choosing London for its IPO—and what benefits that choice brought.

Ian explained that when speaking to founder-led businesses looking at the public markets, the first question they typically ask is which exchange in which location..

"It's the first thing they ask, right after stating 'I'm thinking of listing in the US.'

He recalled first getting to know Eben Upton, founder of Raspberry Pi, back in 2021, when the company initially explored an IPO. At the time, the listing was ultimately postponed due to the Ukraine conflict and the global semiconductor shortage. Eben made the decision to pause and reassess all options.

When they revisited the conversation in early 2023, Ian and Eben worked through a comprehensive checklist of questions relevant to choosing between a UK and US listing:



"Where is the success story that makes the US path so overwhelmingly positive?"

Neil Patel



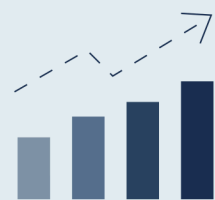
What does 'small-cap' mean in the US context?

"Three years ago in the US, small-cap was \$3 billion. A year and a half ago it was \$4 billion. I think now it's \$5 billion."



What are the costs of Directors & Officers insurance?

In the US, D&O cover can be up to seven times more expensive due to higher litigation risk.



How high is your brand profile in the US?

"Look at Fever-Tree for example—a strong business but with absolutely no profile in the US, so it would make no sense for them to have listed there."



What percentage of your sales come from the US?

If it's less than 25–30%, meaningful investor engagement can be difficult.



Is your business prepared for quarterly reporting?

This is a core expectation in the US market and can be a major operational burden.



Will your long-term buyers be agnostic to the listing location?

Ian advised companies to think not just about the IPO itself, but who the future institutional buyers might be.



"Even if you've got a great banker, great advice, wonderful lawyers who've convinced you... it's tempting to take the short-term money. That's true for investors - and it's true for founders, too."

James Bilefield



"What's fascinating is that the marginal buyer for Raspberry Pi has come from the US. So even though we were a UK IPO, we are seeing US money involved in the re-raise of the business."

Ian Newton

What happens post-IPO? |

The panel then explored what happens after a company goes public - which businesses go on to thrive, and which ones fall short. The views were thoughtful and at times contrasting.

Neil opened with a clear message: long-term thinking matters more than chasing inflated Day One numbers.

"I think the companies that are long-term greedy are the ones that do really, really well. What do I mean by that? At IPO, there's often a push from the selling shareholder to make sure they're getting proper value, which means that the forecasts that go into the analyst IPO model are quite punchy. The theory is: the more growth you show, the higher the multiple you get, the higher the EV you get."

He shared that in his experience, IPOs that pursue this aggressive growth story tend to miss their numbers - and underperform over the medium term.

Neil cited Codemasters as a case study. Rather than push for extreme growth targets, his team helped the company position itself with a **more sustainable 20% EBITDA growth rate** instead of aiming for 35%.

"They made a higher IRR and a higher money multiple than if they'd come in with a much punchier Day One valuation."

Ariel added that in the US, it is rare to see a secondary sell-down on Day One for growth IPOs—unlike in the UK, where this remains common practice. She argued that this can backfire.

"You can push for a high UK valuation on Day One, but if the post-IPO share price performance is dismal, what's the benefit of pushing for that extra-high valuation?"

Instead, **Ariel** recommended taking a more measured approach—entering the market at a realistic price, then selling down gradually as the share price performs.

James agreed with Neil's view on long-term value creation, but raised a challenge: even with the right advisors and a well-structured IPO plan, when a dual-track process is in play, the lure of short-term private market offers can be hard to resist.

"Even if you've got a great banker, great advice, wonderful lawyers who've convinced you... it's tempting to take the short-term money. That's true for investors—and it's true for founders, too."

Ian added a note of balance, acknowledging the pressure but also pointing to the opportunity for long-term value.

He quoted Andy Brough, a well-known portfolio manager at Schroders:

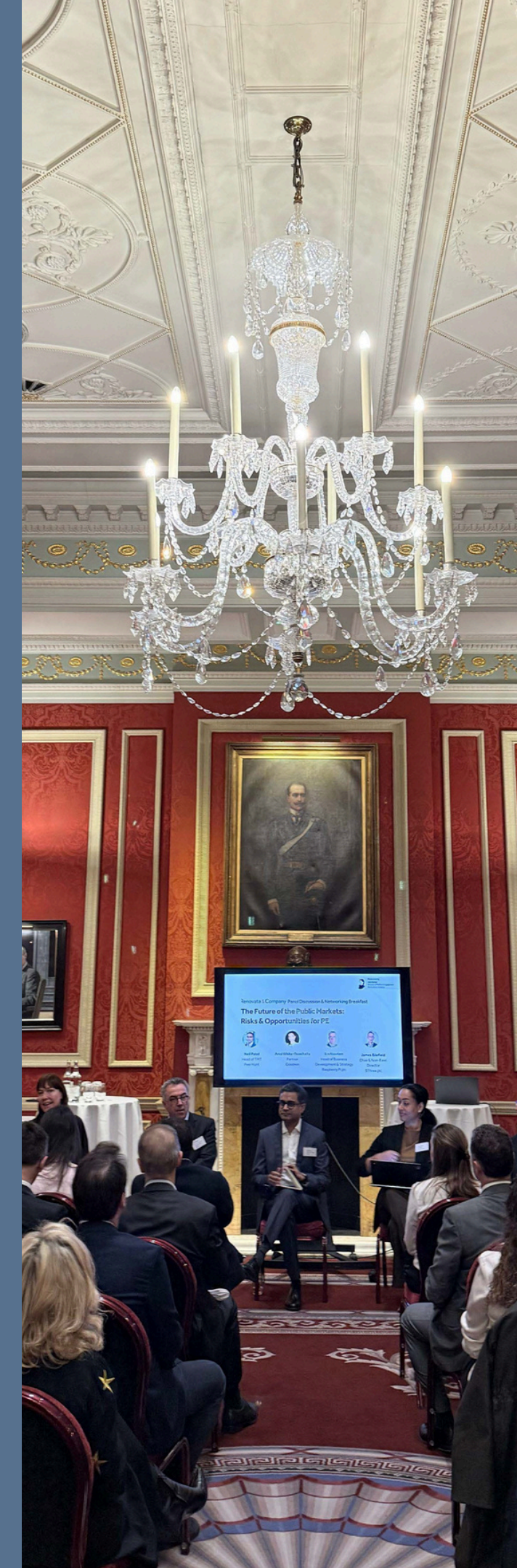
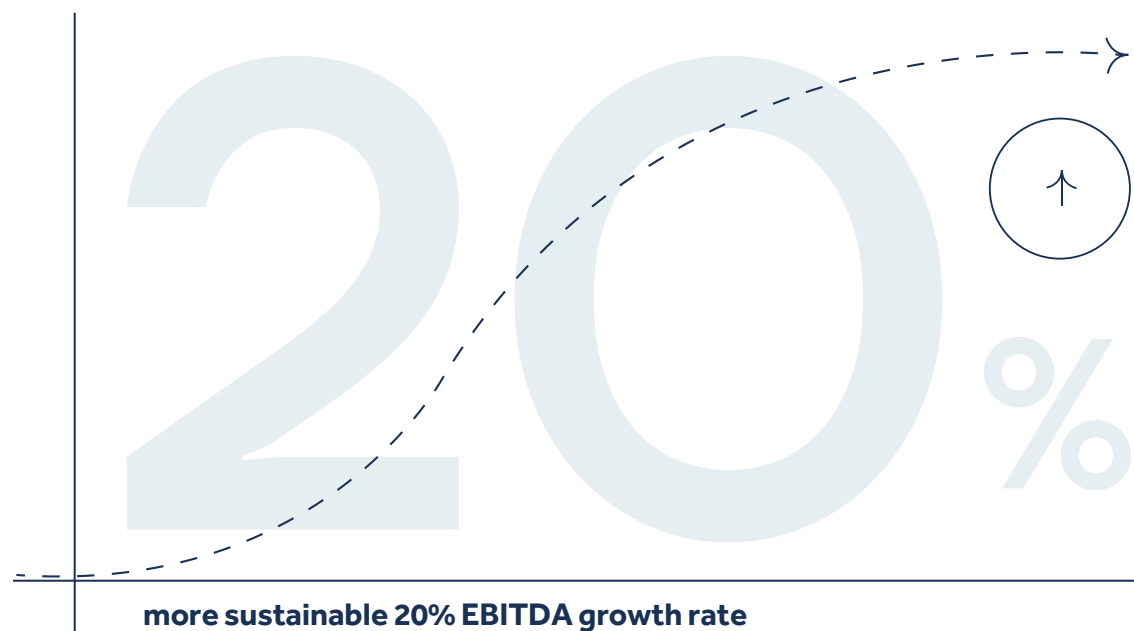
"You should always think of an IPO like a children's birthday party. Everyone should leave with a balloon and a slice of cake."

He highlighted that some private equity firms understand this dynamic well and have built strong reputations with the buy side by taking a more patient, value-driven approach.

You have to play the long game.

"I think the companies that are long-term greedy are the ones that do really, really well."

Neil Patel



Conclusion: A market in transition |

The discussion painted a nuanced picture of a market still finding its footing in 2025. While the IPO window remains narrow, the panel made clear that high-quality businesses - those with scale, strong leadership, and compelling equity stories - can still succeed in going public in Europe.

What's clear is that public markets still matter - but they no longer hold a monopoly on scale, profile, or liquidity. Founders, investors and boards must be sharper, more flexible, and increasingly long-term in their thinking.

Valuation discipline, dual-track optionality, and long-term thinking emerged as recurring themes.

As Ariel noted, public markets should be viewed not as a Day One exit but as part of a broader growth strategy. Ian's reflections on Raspberry Pi reinforced that great UK businesses don't need to default to a US listing - there's capital, credibility, and a clear path to success at home.

Meanwhile, James challenged the assumption that IPOs should always be the destination, and Neil reminded us that sustainable performance will always outperform punchy projections.

Our thanks to Neil, Ariel, Ian, and James for such a thoughtful and honest discussion - and to everyone who joined us for the conversation.

We look forward to seeing you at the next one.



— The Renovata & Company Events Programme exists to create value and increase engagement within our network, deepening relationships with our clients, candidates and partners.

If you would like to be involved in our events schedule going forward - as a guest, speaker or partner - then please do get in touch.



Contact Us:

Julia Barber
Director of Platform Engagement
julia.barber@renovataplatform.com