

Great news for fintech: A review of the Notwics event

Notwics hosted a breakfast roundtable, where participants covered a wide range of topics around the private Techn space in the UK mainly, but also the EU.

Temps de lecture : minute

22 March 2024

The Round Table is the mystical piece of furniture around which gathered the legendary King Arther and his knights.

Not only did they talk military strategies, conquests and kingdom management, they also and mainly discussed one primordial topic: the holy grail.

A thousand year after the legend was written, what's happended to the table and the grail? Where are they now?

Stop looking in Glastonbury, Montségur or Roslin; the relics are now in London.

The knights, still on a quest, do not meet in a castle, but in an office. They traded their armour for shirts and their swords for knowledge. They gather and exchange on the evolution, improvements and future of tech, not only within the kingdom but around the world.

It's with this in mind that *Notwics*, supported its sponsors by *Gateley Group* and *CFPro*, gathered knowledgeable and fascinating participants around its breakfast roundatble. The participants covered a wide range of topics around the private Technology space in the UK mainly, but did

discuss the EU.

IPO's Evolution

The broad topic was the UK Tech IPO environment, how this could help trigger the return of M+A <exits> and the implications of the closing of the capital circle for VCs.

In their mission to approach these exciting and sensitive topics, Notwics could count on Neil Shah, Head of LSE Tech IPOs and Barbara Spurrier, the Queen of UK M&A at CFPro. These two leaders in Tech have enlightened the audience with their thoughts and wisdom.

Notwics and their allies entered the meeting potentially fearing the worst, but actually left the room with reassurance, peace of mind and satisfaction, as Neil did an excellent job at giving some comfort over the current IPO space and private markets in 2024.

Far from the doldrums

The UK IPO space is certainly not in the doldrums, akin to the constant “Exchange Bashing” in the UK press, with the pace of activity reported to be very lively so far this year at the Exchange. This means we could be starting to see an uptick in activity as early as April.

Neil seemed confident that the headline issuance number of £18.8B in 2023 was a continuation of post 21 lows and we’ll be in a better £23B - £25B range this year.

Neil referenced a strong pipeline (half of it was Fintech / some Semiconductor, Deep-Tech and AI) and also hinted that several of the leading firms he has a regular discourse within the square mile and Canary Wharf were “busy”, in fact busier than normal for this time of the

year.

Some names in the paper were Raspberry Pi, Clickasnap, Viiz and Bank of Telecom.

English Boxing

On the eternal USA V UK boxing match - the UK is the winner. Neil gave some truths around the US Tech IPO space, backed up by a number of supportive comments from members of the audience:

Success hasn't been great for UK firms going there. Of the 23 British companies that floated in the US (all sectors) in the last 12 years, only 4 were still trading above issue - Arm, Endava, Immunocore and Manchester United. This analysis excludes SPACs which have ruined several VC backed British companies.

The US market is expensive in terms of fees, and remains a completely different backdrop, with size being everything, as there is little chance to even be noticed if a business is not doing over £1B in revenues.

The valuations and liquidity you get on the Exchange aren't dramatically different either, to Nasdaq for UK/EU issuers. This again, dispelled one of the great misconceptions, often aired by the UK Financial press.

Also fact rather than words! This was recently justified by the performance of Boku, which would have got lost in the US, but fundamentally found great institutional backers and valuation in the UK.

Neil also did a fine and subtle job reminding the audience of 25 VCs mainly, that the UK is a great place to IPO, a well oiled machine with an excellent ecosystem of bankers, advisors, PR and law firms that are well positioned to deliver in the foreseeable future.

Article by Maddyneess UK