Revolution Beauty: Make-up retailer's AIM float marked down amid rocky day for markets

M
ake-up retailer Revolution Beauty endured a less-than flattering public debut on Monday on a rocky day for the markets.

The Camden-based company floated on London's junior AIMmarket under the ticker symbol REVB in an IPO that valued the business at £495 million.

The company, whose backers include the founders of Boohoo and The Hut Group, floated at 160p. Shares opened up, before tumbling over 4% in conditional trading.

It came on a day where pandemic fears overshadowed so-called Freedom Day and the FTSE 100 and pound dipped sharply.

The group was founded eight years ago by father-of-four Adam Minto, 51, from Hampstead, and is now stocked in-store in 45 countries.

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The listing raised £110.7 million for the group and £189.3 million for shareholders, with Minto and fellow founder Tom Allsworth taking home £31 million. It was the largest fundraise on AIM to date in 2021.

The founders will retain a 30% stake and the firm said proceeds will be used to fuel expansion and invest more in tech, staff and marketing.

Revolution markets its brand on social media by partnering with influencers, as well as having ranges stocked in high street retailers Boots and Superdrug, and in target stores in the US.

The company recorded sales of £157.6 million in the 14 months to February 28 and sells make-up, shampoo and skincare ranges.

Ahead of the float, Minto said: “We are now in the best possible position to broaden our global reach and deliver against our significant growth prospects.”

Zeus Capital acted on the IPO.