



Executing a successful IPO



Your success is our business

Wherever you are on your journey, our global network can provide you with the right mix of sector and IPO expertise, along with local and international market insights.

We'll work alongside you through the flotation process and help you prepare your business for life as a public company, regardless of the market you choose to list on.

It's our business to know your business.

Contents

Foreword	5
Introduction	7
The IPO process	8
Maximising value at IPO – the equity story	10
Running an effective dual-track process	12
Structuring your IPO	14
Developing an effective tax strategy	15
Corporate governance in a listed context	16
Incentivising management	17
Interacting with the regulator	18
Managing communication and delivering your message	19
Life as a listed company	20
Conclusion	21
Contacts	22
PwC Capital Markets	23

Foreword

For any business, going public is a significant milestone. Among others, a company must be prepared for structural and regulatory requirements as well as for the increasing demands of external investors. A comprehensive action plan, timetable and communications structure are key ingredients. This involves meticulous planning, an appreciation of the often unpredictable nature of the stock market and an unwavering drive to achieving the end goal – to be a successful publicly listed company.

Listing a company can be one of the most challenging yet fulfilling accomplishments a management team can achieve. The cyclical nature of the IPO market and lengthy lead time mean that it is absolutely imperative your company is very well-prepared. The rewards can be substantial. However, given the scope of tasks and specific complexities of the IPO process, access to these rewards require, more than ever, professional advisors who have extensive experience in public offerings and can foresee issues and help you in resolving them at an early stage.

This guide aims to provide a comprehensive roadmap to IPO in a clear and concise way, exploring key issues such as how to position your business with investors, company structuring, the increased focus on corporate governance and, essentially, what life is like as a listed company.

It's an exciting process and one that needs commitment, patience and expert advice. To that end, we hope you find this guide useful.



Marcus Lam
Assurance Leader
PwC Singapore



Tham Tuck Seng
Capital Markets Leader
PwC Singapore



Introduction

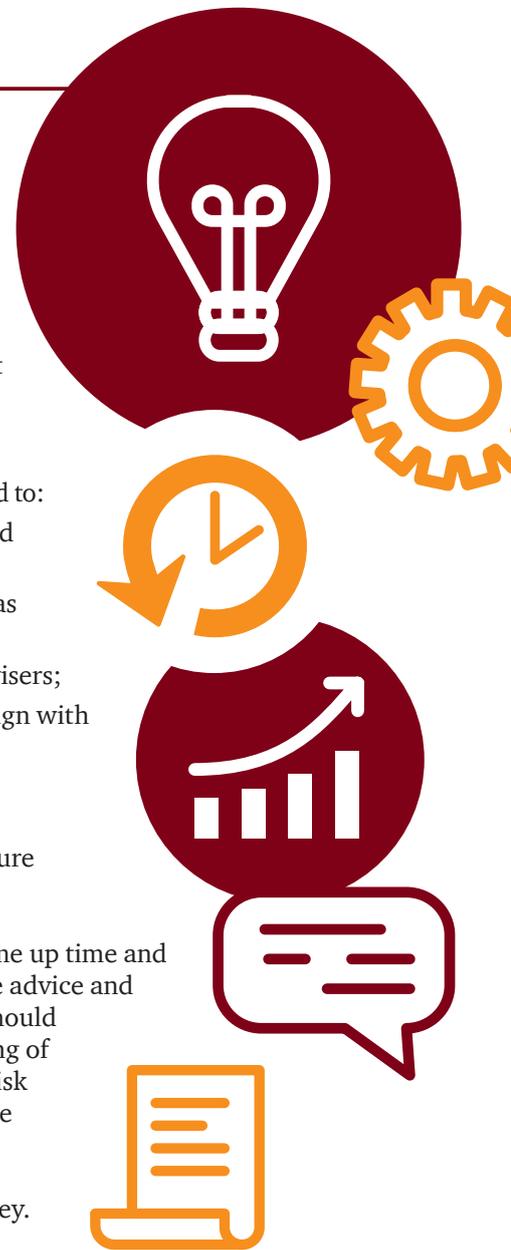
Going public is an extensive transformational process for a private company, one that requires a change in the mindset of the company as it learns to run for the benefit of a wider group of investors and stakeholders, and prepares to meet their needs and expectations.

As you take the steps to going public, you will be expected to:

- define your company's positioning in the market, and build a supportable and attractive equity story;
- determine your company's tax and legal structure as soon as possible;
- select the right management team and team of advisers;
- revise the governance structure and practices to align with market standards and practices;
- engage with potential investors and embark on the roadshow to sell the deal; and
- manage communications with the regulator to ensure required clearances are obtained.

This guide covers certain decisions and issues that come up time and time again during the IPO process, and offers valuable advice and practical tips that the company and its shareholders should consider during their IPO planning process. By thinking of these early on, we believe that you can minimise the risk of disruption to an IPO process and maximise the value of your business on exit.

We hope this helps you in undertaking your IPO journey.



The IPO process

The IPO process consists of three distinct parts:

Planning – understanding your objectives and honestly assessing your readiness

Execution – running separate IPO workstreams to deliver key requirements

Completion – selling your business to potential investors

To drive this process it is critical to have an IPO project leader identified who is responsible for bringing the whole process together.

Although there are various stakeholders and advisers working with you and supporting management in the process, a strong and dedicated IPO leader is key to being able to direct the flow of information. They will be responsible for making day-to-day decisions and ensuring the control of the process is retained by the company and its shareholders.

Getting started

Many management teams find the IPO process daunting. Undergoing an honest assessment of how ready you are is fundamental to determine what is needed to get your house in order before you open the doors to public inspection and scrutiny.

What should you assess?

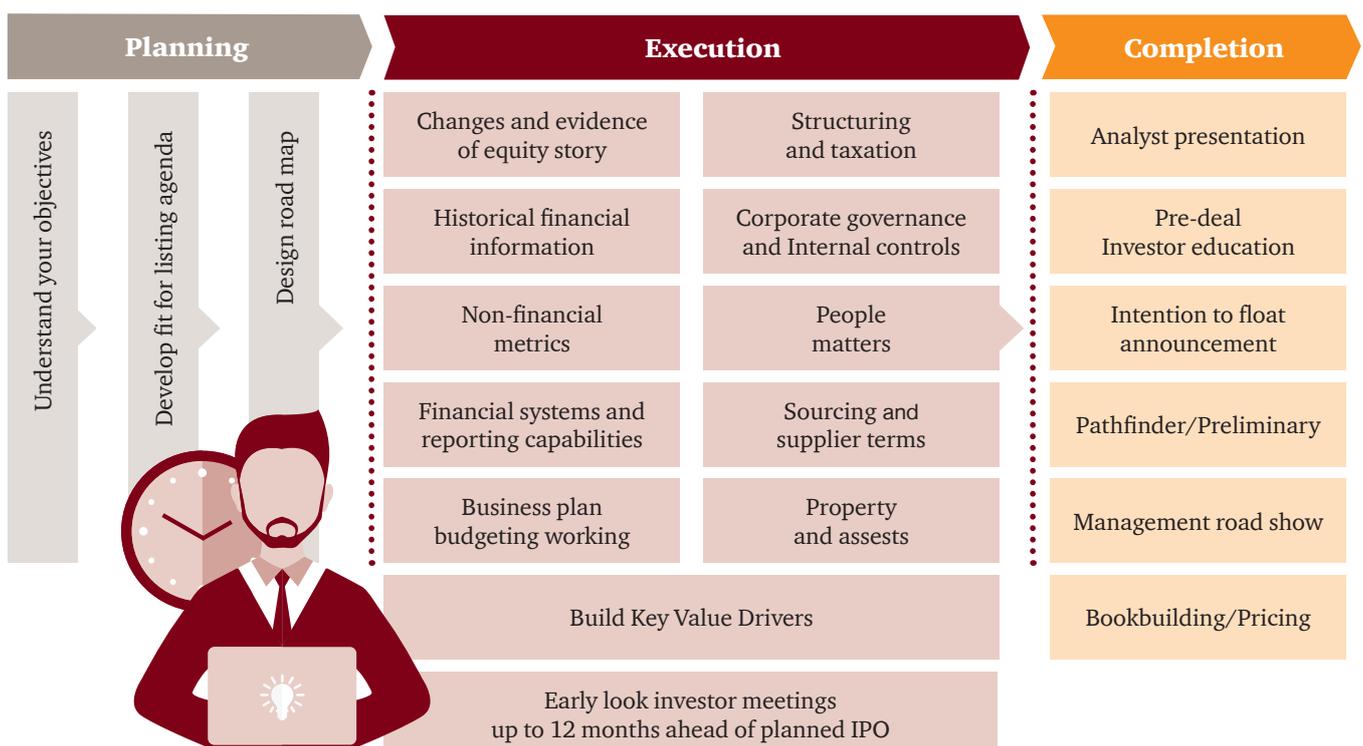
□ Which market

Choosing where to list is one of the most important decisions you will make, whether you are planning an IPO or a secondary listing. As the financial markets become increasingly global, companies may look outside their local market to achieve their ambitions.

Choosing the most appropriate market may not be straightforward and will depend on a number of questions including:

- stage in your company’s development
- your overall growth strategy and objectives
- regulatory requirements on each exchange (initial and ongoing)
- speed and efficiency of listing
- cost involved in the initial process and ongoing
- what type of investors may be interested in your company or sector
- Index eligibility

Figure 1: The building blocks of going public



Management team

Do you have the right team not only for your business but also from an investor standpoint? Key management should have the right credentials, know your business and the team should have depth of experience and expertise.

Investment bank syndicate and other advisers

Successfully completing an IPO depends to a great extent on the quality, commitment and expertise of the investment bank syndicate and other financial advisers who will be leading the transaction. Whilst you will very likely have existing relationships and contacts, it is advisable to run a careful selection process to ensure that you have the best possible team on board. In selecting your bank syndicate, there are a number of factors which need to be considered:

- experience in successfully executing similar IPOs
- the breadth of the distribution franchise and quality of investor access
- the quality and impact of the research analysts who will be writing about your business

Choose all your advisers carefully – credentials are important but choose those who understand your business drivers and priorities and those who you can trust and get on with.

Financial track record

Do you have financial statements in an acceptable GAAP? Are the consolidated financial statements already prepared and audited? Have you considered acquisitions and disposals in the three year track record period? Is your segment presentation optimal in comparison to your peers and complimentary to your equity story? While these are questions that concern external reporting, they can also be as easily applied to internal management reporting. The board and management will need to get the information they need to run the business and report to the market on a timely basis. Often this can lead to the redesign of internal reporting packages to ensure all key performance indicators (“KPIs”) are being reported up through the business.

Governance

Working out what you have in place against the applicable corporate governance code is a relatively simple exercise. On the other hand, working out how to effectively remediate gaps is more involved as no one solution fits all.

Executive compensation

There continues to be deep focus on executive compensation. Therefore, a sensible plan should be put in place which attracts and retains key management, as well as rewards them for increasing shareholder value. These plans should be comparable with the industry norm and take into account the tax consequences for the individual.

Related party transactions

Related party dealings will be reported publicly and therefore all arrangements and transactions with affiliates such as officers, directors or major shareholders should be captured, assessed and documented. This can involve lawyers, underwriters and accountants who will assess existing relationships for any terms which may delay regulatory approval or indeed dilute value.

Tax and structuring

Determining who the issuer will be, where it is incorporated, the appropriate tax jurisdiction and the capital structure on IPO are fundamental points to be discussed at the planning stage so that you can understand the options available.

Investor relations

Investor relations is the face of your company and this function should be embedded as early on as possible. In this digital age, there are many methods of communication which can be used for establishing your presence with potential investors.

A successful IPO requires a three-step plan – assessing readiness, planning to be ready and remediating any gaps. The considerations above may not all be relevant in all circumstances and there may be other areas which can come to prominence during the process. But what is important is that change is embedded quickly so that functioning as a publicly listed company is as smooth as possible.

Maximising value at IPO – the equity story

Your IPO is an opportunity for you to define how your company is positioned in the market. Even if you already enjoy a high public profile and may have raised debt in the public market, the IPO represents a different level of disclosure, with a very clear focus on the future prospects of your business. It sets the tone for all subsequent market interactions by your company and provides the criteria against which future performance will be judged.

The basis for this positioning in the marketplace is your equity story – which is, in essence, a very clear and cogent explanation as to why investors should buy the stock.

There is no set formula as to how this should be laid out, but in every case, the key is to take the core facts about the business and translate these into a well-substantiated rationale for why your equity story will reliably exhibit certain attractive financial characteristics.

Know your investors

Those who need to understand and buy into your equity story are typically generalist portfolio managers who will be evaluating each IPO as one potential financial instrument to buy versus all the other investment

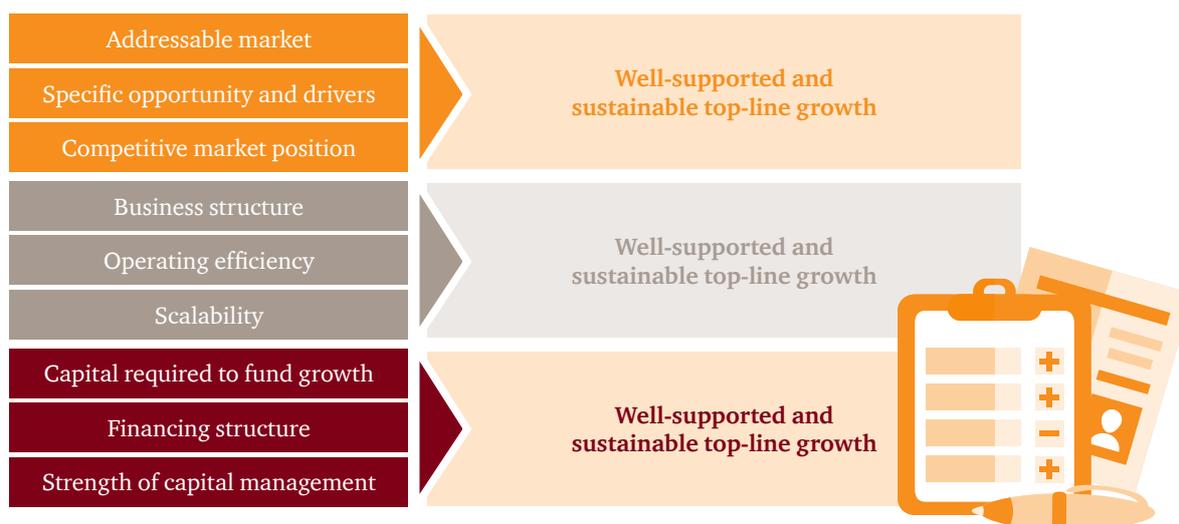
opportunities available to them. This has important implications:

- The business description and selling points need to translate clearly into profit, growth and returns. Potential investors are buying a financial instrument with certain defined characteristics and the equity story is all about substantiating those.
- The total package needs to be attractive in its own right – it is not just about being strong in a given sector, but having a compelling returns profile.
- The three “C”s: the equity story needs to be crisp, comprehensible and compelling in a world where investment opportunities are often competing for attention.

Components of the equity story and investor focus areas

There is no one right answer as to what makes an optimal equity story, given the very broad variety of business models and sector dynamics. An illustrative framework for translating a business plan into an equity story is shown in figure 2.

Figure 2: Framework for the equity story





How and when to prepare

Once the syndicate has been appointed and the IPO process has been formally kicked off, the management team will be expected to provide a detailed presentation of the business to the banks.

This presentation is critical as it sets the tone for how the equity story will be laid out in all subsequent disclosure – for example, in the prospectus and the analyst and investor presentations. Businesses and their owners should ensure their equity story is in a good state and well substantiated, ready for this presentation.

Some key preparatory steps could include:

- Thorough testing of the business plan, including downside sensitivities, with management and stakeholders fully ‘bought in’
- Reviewing financial disclosure and segmentation and ensuring that there is alignment between this and the drivers to be laid out in the equity story for the market
- Ensuring the business plan is sufficiently sophisticated to be able to respond to detailed potential bank queries as to operational performance
- Assessing the need for third-party validation (market and other experts’ reports) and commencing discussions with providers as appropriate
- Starting to build a working draft equity story, with the assistance of external advisers as required
- Creating a working Q&A document, including identification of risks and weaknesses and how those are mitigated

- Building a ‘research model’ to establish the forecasts that would likely be generated by analysts on the basis of the information to be provided – to ensure that the company will be positioned to reach or beat estimates
- Ensuring disclosure is consistent in any refinancing being run concurrently or just prior to the IPO

And lastly, the equity story will endure into listed company life. The management team will continue to be measured and monitored on how they will deliver against the strategic priorities, beat the financial forecasts established by analysts in their deal research and show progress against non-financial KPIs disclosed at IPO.



Key takeaways

- A powerful equity story translates into profit, growth and returns
- Adhere to the 3 C’s – be crisp, comprehensible and compelling
- There is no one right answer as to what makes an optimal equity story – just make sure it is the right message for you
- Test your business plan thoroughly and know and understand the risks and mitigations
- Walk the talk – you will be measured against the equity story once public

Running an effective dual-track process

One of the common requests from shareholders is their desire for optionality. Many IPOs are kicked off as part of a dual-track process, with a private sales process being openly publicised or a statement from the shareholder that they would be open to a sale if the opportunity presented itself.

A dual-track process has a number of key advantages in that it can set valuation expectations, increase market interest and promote the company in the eyes of the investor. Having said that it also adds a degree of complexity as the sale and IPO processes sometimes have conflicting goals.

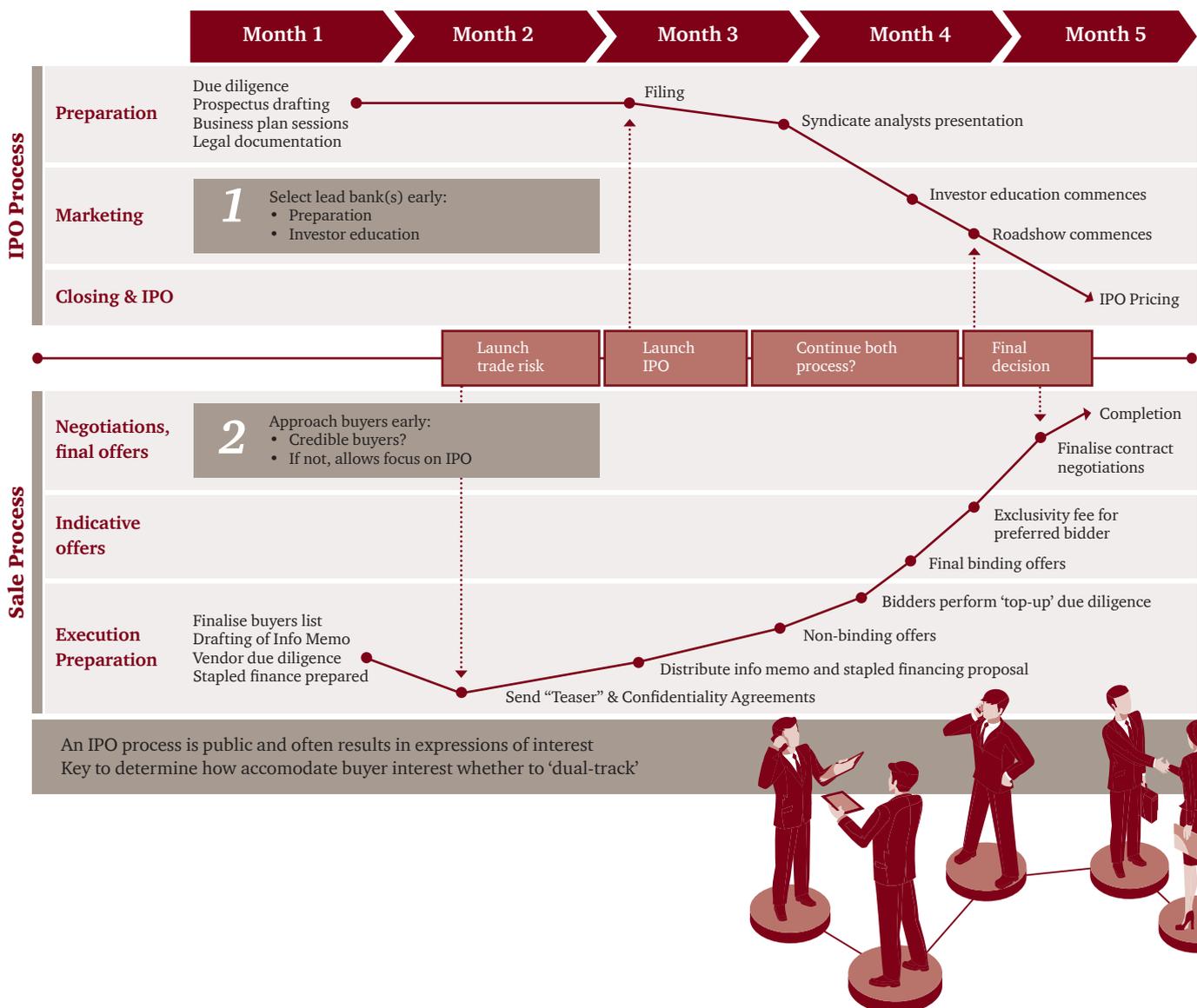
The following areas of focus are important to both an IPO and a sale process:

□ Performance metrics

In both processes there will be focus on the quality of earnings and key performance metrics.

Often this manifests itself in the presentation of an adjusted EBITDA measure which adjusts certain non-cash, non-recurring or exceptional items. Care should be taken over which adjustments are presented in the public offering documents. Often, this forms the keystone of the presentation to analysts, rating agencies and buy-side teams. If using non-financial KPIs, consideration should be given to how robust and consistent the data is as it will need to stand up to legal verification for a public process.

Figure 3: Running the transaction phase – example of a ‘dual-track’ process





Liquidity and working capital

There will also be consideration of the level of working capital required and amount of debt and debt-like items on the balance sheet. Leverage ratios are often scrutinised by investors wanting to understand what the capital structure of the listed group will be going forward.

Forecasting

A sale process tends to look out three to five years whereas a working capital statement, required for the prospectus, will look out 18-24 months. There may be slight differences in assumptions and outlook, but in the main, these two models should be produced on a relatively similar basis.

Offering Materials

Although there are many required disclosures for a prospectus or registration statement, there are also many similarities to an offer document for a sale. The business, strategy and trend analysis flow through both a listing and the selling materials, and therefore can be put together early on in the process.

While there are some synergies, there are also distinct IPO work streams which cannot be left until a decision is made on which route to progress. The three key areas to focus on are:

Financial track record

The three-year historical track record must be prepared in accordance with IFRS for most exchanges, and additional disclosures are required for public companies. There is the potential need for interim financial statements depending on the timeframe for listing, and the segmental presentation should support the equity story.

Governance

It is important to establish high quality corporate governance standards as early on in the process as possible. These will be underpinned by robust management information and management reporting systems and an experienced board of directors. New directors should be brought on board as early as possible. This will help to bring them up to speed and educate them on the culture, commercial and operational aspects of the business.

Planning the optimal company structure for IPO

Moving from a private equity structure to a public company deleveraged model can lead to a change in taxes. This should be carefully considered when reassessing the tax structure and debt package for the IPO.



Key takeaways

- Careful and rigorous planning is needed to protect management and the demands placed on them from two, sometimes competing, workstreams
- Maintaining optionality may come at the price of being cost effective
- Identify a strong project manager who understands both an IPO and a sales process
- If undertaking a refinancing, ensure change of control clauses are flexible and take into account IPO scenarios
- When financial modelling for both tracks, link the different models and ensure they are flexible – it allows changes and modifications to flow through both concurrently

Structuring your IPO

Getting the right company or group structure in place is critical to driving value and efficiency. Structuring considerations should include the following:

New company or existing holding company?

While both options are possible, we more often see a new company being incorporated with the purpose of being the issuer of the securities. This new company has the advantage of providing a 'clean' company for investors to invest in. Key considerations would include:

- potential for the existing top company to act as the listing vehicle
- marketability of the issuer's jurisdiction
- ability to create distributable reserves

Distributable reserves and dividend policy

When planning for an IPO, consideration should be given to ensuring that the issuer has a buffer of distributable profits in order to be able to pay dividends in the future. In our experience, directors prefer a three- to five-year dividend cover to provide the board with certainty that, subject to available cash, they can pay dividends in the short to medium term.

Cash flow in the chain

In the short term, if groups have dividend blocks in the holding chain, they may fund dividends through loaning of cash to the issuer (which can use the buffer of distributable reserves that have been created). This is not, however, a sustainable means of funding dividends long term. Balance sheet restructuring may be needed to address deficits and clear the way for dividends to flow through the structure in the future.

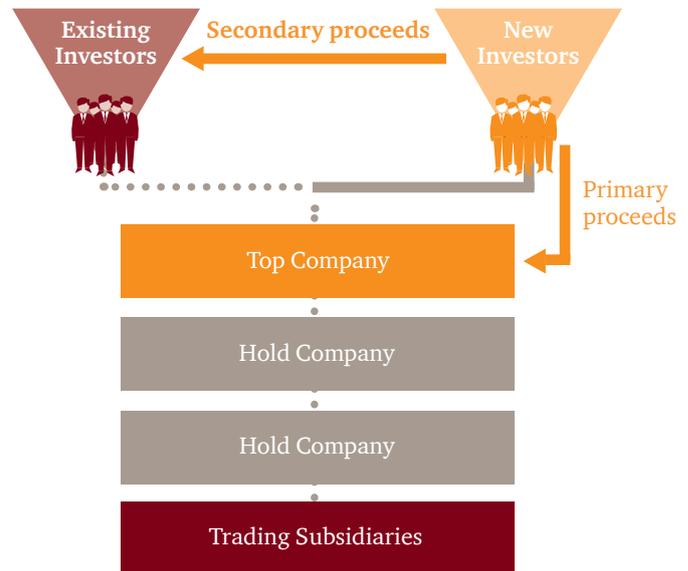
Accounting framework

Listed groups or SFRS are commonly required to prepare consolidated accounts in accordance with IFRS.

Share classes and number of shares

The Issuer shall ensure that Securities of the same class have identical rights in accordance with National Regulations, the Issuer's articles of association and other constitutional documents.

Figure 4: Target holding structure



Key takeaways

- Consider whether an existing group company or a new company is the best listing vehicle for you
- Assess and plan for distributable reserves early on to ensure there is capacity to sustain the publicised dividend policy in the short to medium term
- Look at whether there is a sustainable route for cash to flow from the trading companies to the holding company, and if there are any dividend blocks in the holding chain
- Consider if the existing number of shares and class of shares can be listed, or if a share conversion, consolidation or split may be required
- Consider where and how the IPO proceeds will be used and how those will flow through the group structure

Developing an effective tax strategy

The transition from private to public company status creates a number of challenges from a direct taxation perspective.

Jurisdiction of the listing vehicle

One of the key challenges for most companies seeking a public listing will be selecting the most appropriate issuer and its jurisdiction.

The drivers behind this selection will be tax and non-tax, though it is vital to understand that tax aspects will cascade through to areas such as corporate governance, corporate financing and treasury management, the development of intellectual property and location of new investment.

An important tax factor in the parent location is access to double tax treaties, such that cash and profits can be most efficiently circulated within the group and the controlled foreign company rules of the host country.

Some of the more traditional parent company locations employed, for example, by private equity-owned companies such as Luxembourg and the Netherlands, have a solid tax system for listed companies. For instance, the Netherlands has one of the most extensive treaty networks to reduce withholding tax payments within the group and to institutional investors. Nowadays, it is even more of a requirement to ensure that the operational substance of the listing company is aligned with the parent company location, and therefore, traditional parent company locations such as the UK (certainly post-Brexit) or Luxembourg, may require more attention to maintain all the relevant requirements from a substance perspective.

Tax strategy

Prior to listing, many companies, have had greater flexibility to determine the tax efficiency of their capital structure and freedom in their choice of corporate domicile. Conversely, public companies often enjoy wider access to international tax treaties.

For many private companies, there is no requirement to have a tax strategy, but it has often formed a valuable part of the equity story.

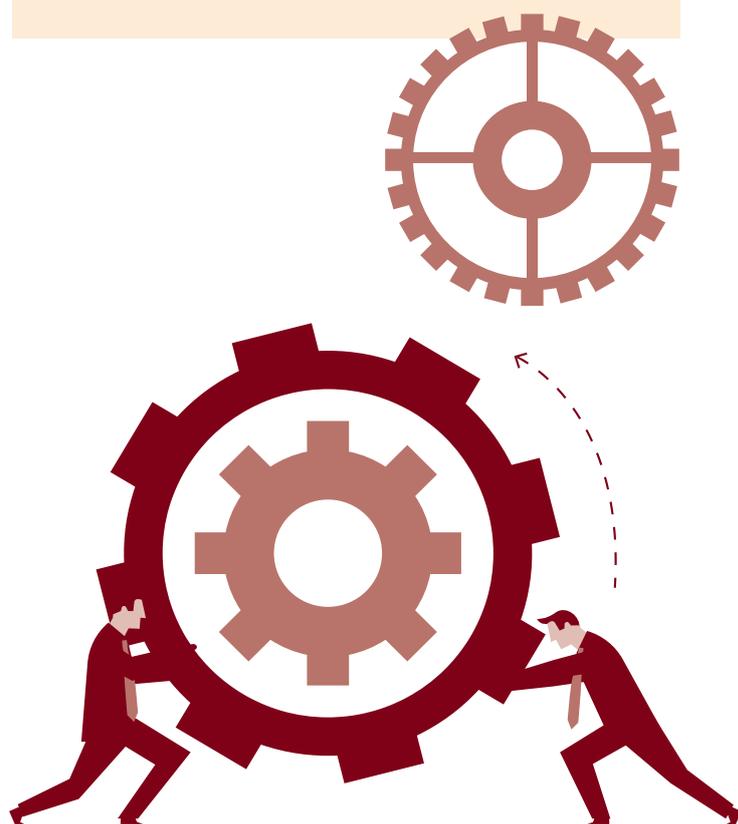
Housekeeping

Once public, the market will generally expect more time to be devoted to tax management, compliance, transfer pricing and effective tax rate reporting. In the interests of being well prepared, many tax directors will spend time revisiting the adequacy of their transfer pricing documentation and benchmarking their effective rate of taxes against peers and comparators, all before carefully defining and getting board approval of the company's ongoing tax strategy.



Key takeaways

- When considering a listing venue, assess tax, legal and accounting considerations and the perception of investors
- Model debt capacity by key territory
- Define dividend policy and funding requirements
- Determine robust transfer pricing policy and country by country reporting.
- Identify impact/effect of any significant M&A transactions



Corporate governance in a listed context

Going public will bring with it significantly more focus on governance and your reporting of how you adhere to regulation. The listing venue, the country of incorporation of your issuer and investor expectations will drive which corporate governance standards are applied. This, in turn, will play a part in determining a suitable board structure and suitable candidates.

A time of transition

Different companies take different approaches to corporate governance whilst private – in some cases, there will already be a developed and formal approach to governance; in others, particularly businesses which have grown quickly, governance procedures may be more informal. In each case, there will likely be a transition to be undertaken in order to meet the board standard and governance required for being public. The key to managing this transition is ensuring that the resulting board is both acceptable to public market investors and, importantly provides an environment of constructive challenge and support which allow the business to achieve its full potential.

Strike the right balance

Achieving the right board involves striking a balance between the demands of the regulatory regime and the needs of the business. For developed markets, such as Euronext, Deutsche Börse or the Premium Segment of the London Stock Exchange, there is a strong focus on independence in order to safeguard the interests of the new minority shareholders. Continental Europe, traditionally, has seen two-tier board structures, with an independent Chair of the Supervisory Board and an overall majority of independent directors. However, more and more companies are opting for a one-tier board.

In most cases, there will be a desire to appoint a Chair of the Board and an Audit Committee Chair who are suitably senior and recognisable to public market investors. At the same time, consideration should be given to ensuring there is a suitable balance of relevant skills, experience and insight among the independent directors to be able to bring real value to the table in boardroom discussions. A further factor which is increasingly attracting scrutiny is boardroom diversity, including ensuring an appropriate balance of women on the board.

Allow sufficient time to get it right

Building the right board takes time and needs to be initiated early in an IPO timetable. Independent directors, especially candidates to chair the board, will need to be identified but then will need to spend time understanding and undertaking due diligence of the business. It is vital that there is appropriate 'chemistry' with the CEO so that a good working relationship can be established.



Incentivising management

Prior to an IPO, we often see companies both winding up and resolving legacy issues in pre-IPO remuneration plans (most often connected to the management equity plans), while designing and implementing new post-IPO remuneration policy and plans.

Legacy plans and issues

It can be common for management remuneration packages in private equity-owned companies to be biased towards the expected value of the equity at the expense of immediate cash in the form of salary and bonus.

Management may also not be able to sell much or any of their equity on the IPO due to the lock-in periods required by the sponsoring banks. This is to ensure new investors in the IPO have confidence that management are tied in to the equity.

Issues may arise where, for a variety of reasons, the equity value held by management has been eroded or in some cases wiped out.

Where additional compensation due to underperforming incentive schemes is provided, it is often in the form of equity, sometimes earned on the basis of the satisfaction of additional performance conditions, and is normally earned over the period of two years post-IPO based on continued employment.

There is no real 'market practice', as the amounts are very specific to the company. More often than not, this additional compensation is not linked to the post-IPO executive remuneration policy. It is a one-off expense paid for by the current owners of the business rather than pushed into the post-IPO world of institutional shareholders, corporate governance and regulation.

Remuneration policy post-IPO

The second aspect of executive remuneration is determining whether the design and implementation of the remuneration policy is fit for the post-IPO listed world. As a public company, there is a huge variety of influences, including individual institutional shareholder guidelines, shareholder representative bodies, government regulations and 'market practice'.

It is challenging for companies to be creative on the design of a remuneration policy and incentive plans in an IPO situation, not least because the company does not know who will hold the shares post-IPO. Institutional shareholders all have views on executive remuneration which can be very different from one another.



Key takeaways

- ❑ Do not assume the existing incentive arrangements will be effective or attractive on IPO – it is important to review these early
- ❑ Do not forget the value of corporate tax deductions – in some jurisdictions with high corporate tax rates, the difference between income and capital treatment may be minimal once corporate tax relief is included
- ❑ Remember to assess how the accounting for options will impact results and earnings per share
- ❑ Take advice on tax reporting and withholding tax impacts early – errors are often costly to rectify
- ❑ The remuneration structure implemented on IPO is likely to be quite 'vanilla', but it can be changed to improve efficiency post-IPO

Interacting with the regulator

Dealing with regulators has become an ever more important feature of a successful listing and each exchange has a regulator which operates in a slightly different way. The regulators continue to focus on items such as compliance with Prospectus and Listing rules, but in addition to this, they are focusing on eligibility and reputational concerns.

Each regulator has its own requirements and methods of ensuring that its rules are being met.

It is essential for companies seeking to list to get their communications with the regulators right. Decisions by regulators can have a huge impact on a company: increasing costs, potential for extending the timetable, altering key elements of the company's business model and strategy, affecting reputation.



Key takeaways

- Clearly articulated and well thought out communication is clear
- Precedents are an incredibly useful tool when navigating your way through complex rules and regulation
- The regulator can comment on all public information, whether in your filing documents or on your website or in the press – it is important that there are no contradictions or omissions
- Use your advisers to your best advantage to guide you through interpreting complex regulatory requirements





Managing communication and delivering your message

Communication to potential investors is important not just in the run up to an IPO, but remains a challenge in retaining and attracting investment once you are a listed company. Setting up an internal investor relations function early and employing a specialist agency in the process can save valuable time. Importantly, it will help you establish a two way communication path between you and the financial markets.

Communication can take many forms, from meetings with potential investors, news releases, annual reports and setting up and maintaining your company website. The messaging across all channels should be the same and the sole goal is to inform stakeholders about the company so that they can gain a better understanding about the business, the strategy, governance, financial performance and prospects.

During an IPO, this is often the first time the business has been in communication with the investor community and the investor education process, and change in culture to one of increased transparency can be challenging.



Key takeaways

- Get to know your new investor base very well – make time for regular CEO conversations and listen to their concerns
- Develop a plan to broaden understanding of your equity story – among sell-side analysts and investors who did not buy in the IPO
- Select your communication tools – with increasing use of social media by companies, there are many communication channels available to help you maximise success
- Set your financial reporting calendar – taking into account regulatory requirements
- Secure board commitment for adherence to this dialogue

Life as a listed company

Whilst the IPO process can at times be all-consuming for companies and their management teams, it is important to remember that becoming listed is only the beginning and the business will need to adjust to life as a public company.

Setting and beating expectations

It is important to understand that, as part of the IPO process, research will be published which will establish consensus expectations as to what the business will deliver – from turnover through to earnings per share, plus dividends where they are paid. It is imperative that correct expectations are set during the IPO and that the company can meet or, preferably, slightly exceed them with its first set of results and beyond. To achieve this requires transparent and very detailed modelling work with the banks to ensure that appropriate guidance is provided to research analysts and, in turn, to investors.

Living with KPIs

For most businesses, there will be a set of KPIs established with analysts and investors at the time of the IPO, which will give a fuller picture on the drivers of the business – these will also help them to model future performance. It is important to spend time early in the preparation to

ensure that KPIs are chosen which authentically reflect how the business is managed, and which you will be happy to continue to provide once listed.

The rhythm of corporate reporting

For many companies, there will be a degree of adjustment to the pattern of regular public corporate reporting – which means awarded results at the year end, and quality results at the three-month period. These will need to be carefully drafted, usually with the advice of corporate brokers and financial PR advisers, and will generally be supported by a management presentation or conference call. You may need to consider any enhancements which may be required in order to meet the demands of the reporting calendar.

Investor relations

In addition to results announcements, thought needs to be given to managing and developing the new public investor base which has bought shares in the IPO. The banks' equity research analysts will also need to be kept up to speed on developments, including ensuring their expectations are managed. With these aspects in mind, most companies hire a dedicated investor relations officer, possibly in advance of going public.



Conclusion

In summary, whilst the macro-economic environment which influences whether the IPO market is open, cannot be controlled, there are many eventualities that you can take control of and plan for to maximise your chances for a successful IPO.

The most successful IPOs are typically seen with companies that have already been acting as though they were a public company in the year ahead of listing. By doing this, you are able to ensure that any issues or challenges have been successfully addressed before listing and you will be ready for life in the public eye as a publicly traded company.

You can start to do this by:

- Working with your advisers to engage with investors early so that they are familiar with the business and the management team
- Evolving management and public reporting towards public company standards
- Forming a clear view of what additional procedures would need to be put in place for you to operate as a listed company, and have a clear idea of how long this will take

In this way, the workload during the transaction phase itself is reduced and the IPO can be achieved in a shorter timeframe. The quicker the company can complete the process, the more chance it has to take advantage of a favourable market.

Going public requires sound business reporting, adherence to strict regulation and listing rules, and the involvement of numerous trusted advisers to ensure a successful outcome.

An IPO is a transformational event for any company. While it may be viewed as the end of a journey, it really is the beginning of the next stage of a company's development and life as a public company.



Thoughts for stakeholders

- Consistent and clear public communication starting from the very first engagement with investors
- Appoint the right IPO leader – this will be the person in the management team who will bring the project together
- Choose the right advisers for you – they should have relevant experience and credentials, but more importantly, understand your drivers and priorities
- Consider additional resources to support key management through the transaction
- If you are considering a concurrent trade sale and IPO process (dualtrack), it is important to weigh up potential value benefits versus additional costs and timetable risk



Thoughts for portfolio company management

- Make an honest assessment of your readiness well in advance of the process starting – this will help you understand what you need to do to get ready, set a realistic timeline and ensure you have a crisp story to tell investors
- Map out how long it would take you to address all the issues and who would do it
- Brainstorm upfront all the difficult questions and what could go wrong
- Choose advisers with care – credentials are important, and remember you will be spending a lot of time with them
- Put a project structure in place to create the plan for how the transaction will be delivered, monitor progress and communicate with the working group

Contacts

To have a deeper discussion about executing a successful IPO, please contact:



Marcus Lam

Partner, Assurance Leader
marcus.hc.lam@sg.pwc.com
+65 6236 3678



Tham Tuck Seng

Partner, Capital Markets Leader
tuck.seng.tham@sg.pwc.com
+65 6236 3048



Rebekah Khan

Partner, Capital Markets
rebekah.khan@sg.pwc.com
+65 6236 7218



Alex Toh

Partner, Capital Markets
alex.wk.toh@sg.pwc.com
+65 6236 7188

PwC Capital Markets

At PwC, we have a dedicated capital markets team of about 500 professionals in over 30 countries who have extensive experience, market intelligence and tools to support you through every stage of the IPO process, from preparation to execution.

In addition to overseeing the substantial documentation and administration required, we can accelerate the process by working with you throughout all aspects of the transaction, from early strategic planning to carrying out a comprehensive IPO readiness assessment for your organisation.

We can highlight potential deal breakers, unforeseen issues and other critical areas where your current processes and structures might fall short of regulatory requirements and best practice.

We'll then help you prioritise the key areas that need remediation—so that when you are ready to set your IPO in motion, you can be confident that your processes are in line with the latest market requirements and stakeholder expectations for a listed company.



pwc