

# Tips for securing a successful IPO

# Top tips for securing a successful IPO

## Preparation and planning

It is never too early to start! It will be vital to get your house in order well in advance of IPO so you can IPO quickly when market conditions are favourable. Thorough preparation is key to a successful IPO.



## Are there any skeletons in the cupboard?

An extensive pre-IPO due diligence exercise will be carried out on the issuer, and you will want to avoid any nasty surprises arising when the IPO process is in flight. Conduct a legal mini-audit to try to identify and address any problem areas in advance.



## IPO perimeter

Ensure that all relevant business assets (and subsidiary companies) are held by the issuer. Any reorganisation once the IPO process has started needs to be avoided.



## Building the right team of advisers

Choosing the right advisers (Nomad and broker, legal, accounting and others) who are experienced and can guide you through the process from an early stage is key.



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## Derisking

Management will be expected to take individual and collective responsibility for the admission document (AIM) or prospectus (main market). A thorough verification process is key to derisking this process, so the management team should prepare for this.



## Management resource

The IPO process is very time intensive and the demands on management are significant (legals, financials, investor roadshows etc.); finding sufficient bandwidth within the management team to also run the business as usual is vital.



## Quality financial information and controls

You should ensure that your accounts are in good order, with three years of audited financial information normally being required (with some exceptions on AIM).



## Future management and incentivisation

Having a strong management team who will stay in place following the IPO will be key. You may consider establishing a new employee share scheme to incentivise employees to stay on.



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