

WEBCAST



Critical Insights into the IPO Journey: Essential Strategies for Finance Leaders

Thursday, May 2, 2024 | 1-2 p.m. EST



With you today



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Markets Co-Leader



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Principal
Strategic Finance
Leader



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Agenda for today



**Capital Markets
and Economic
Update**



**Overview of the
IPO Timeline**



**Developing an
Equity Story**



**Essential
Strategies**

Course objectives



Explain current market conditions and their potential impact on IPO strategies



Describe the critical aspects of the IPO process, from technical requirements to strategic considerations, by following a comprehensive timeline and checklist tailored to ensure a smooth and successful journey to going public

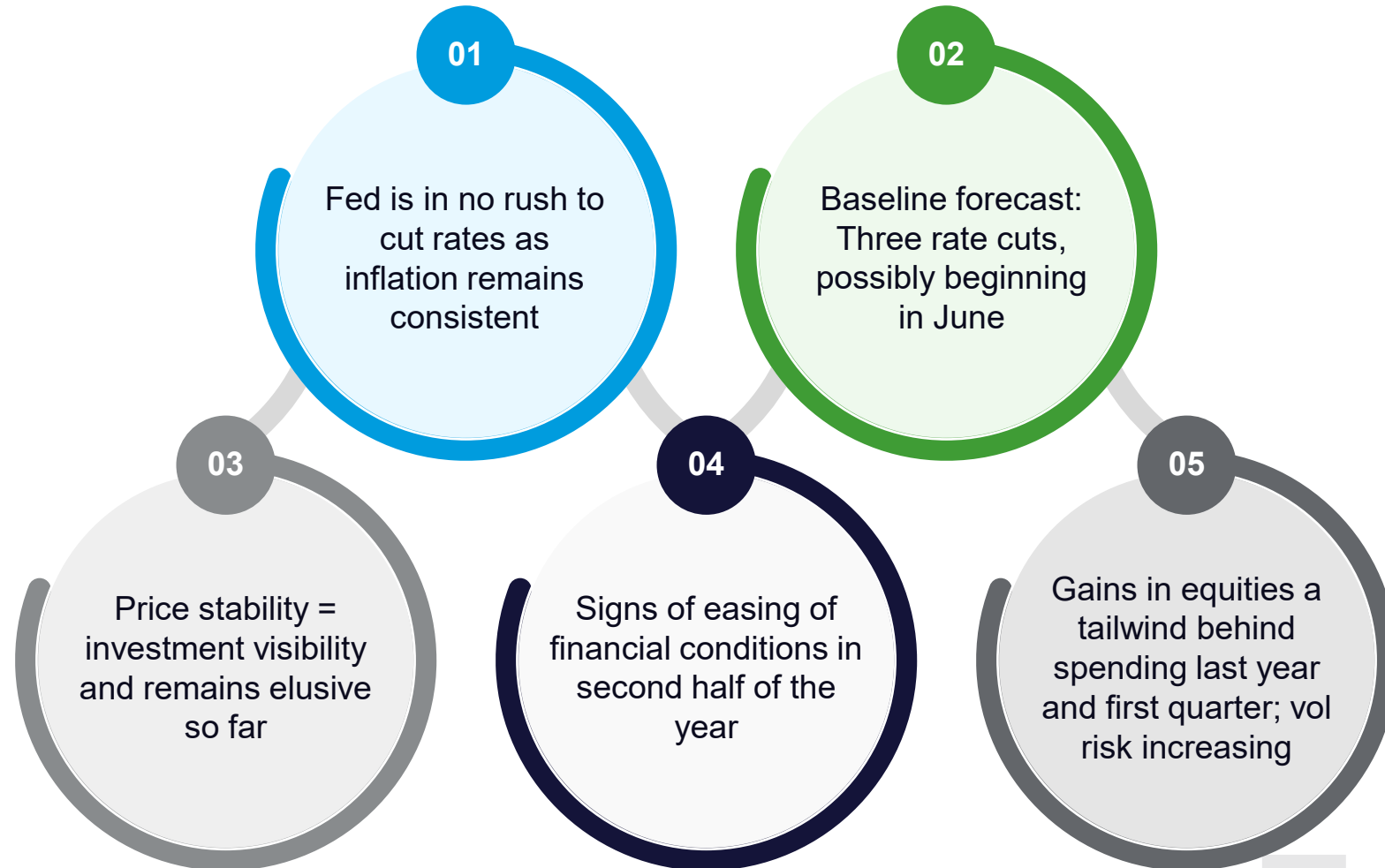


Articulate a company's value proposition to potential investors, enhancing the ability to attract investment and navigate the equity story aspect of the IPO process with confidence

Capital markets and economic update

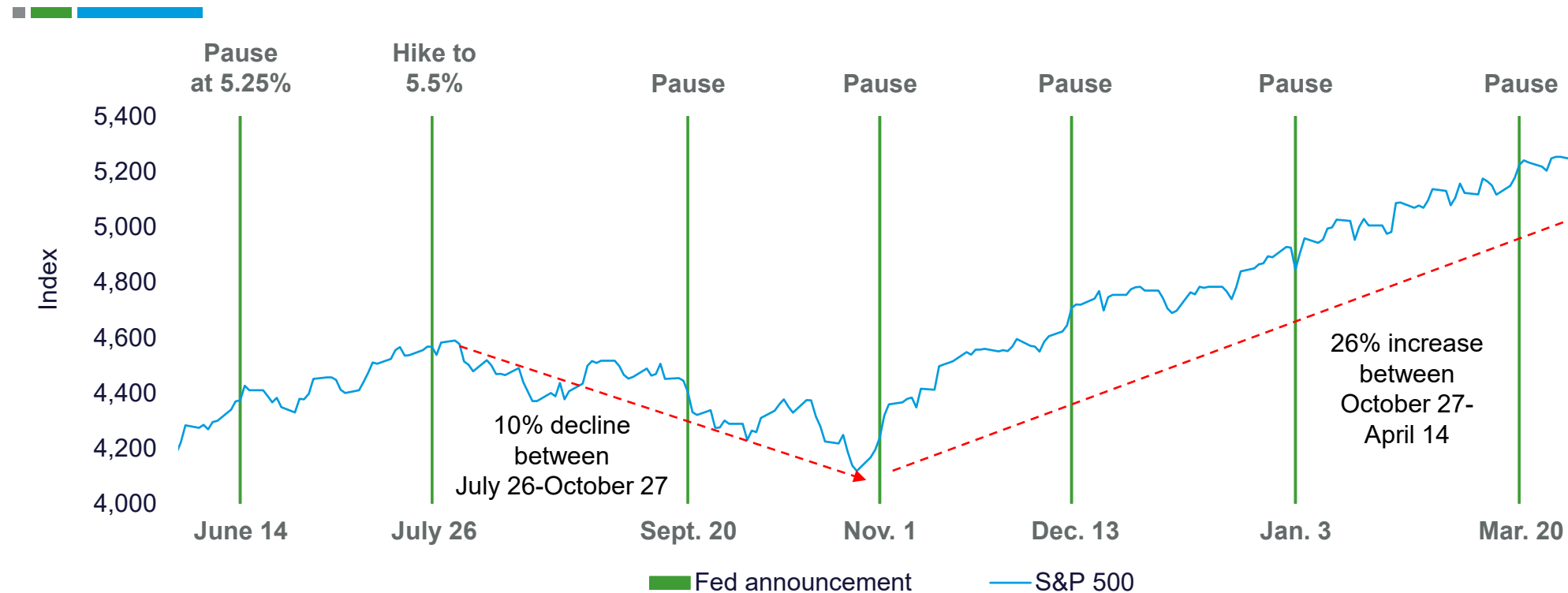


Financial conditions and M&A/IPO outlook



The equity market anticipated strong recovery and profits; higher for longer remains a headwind

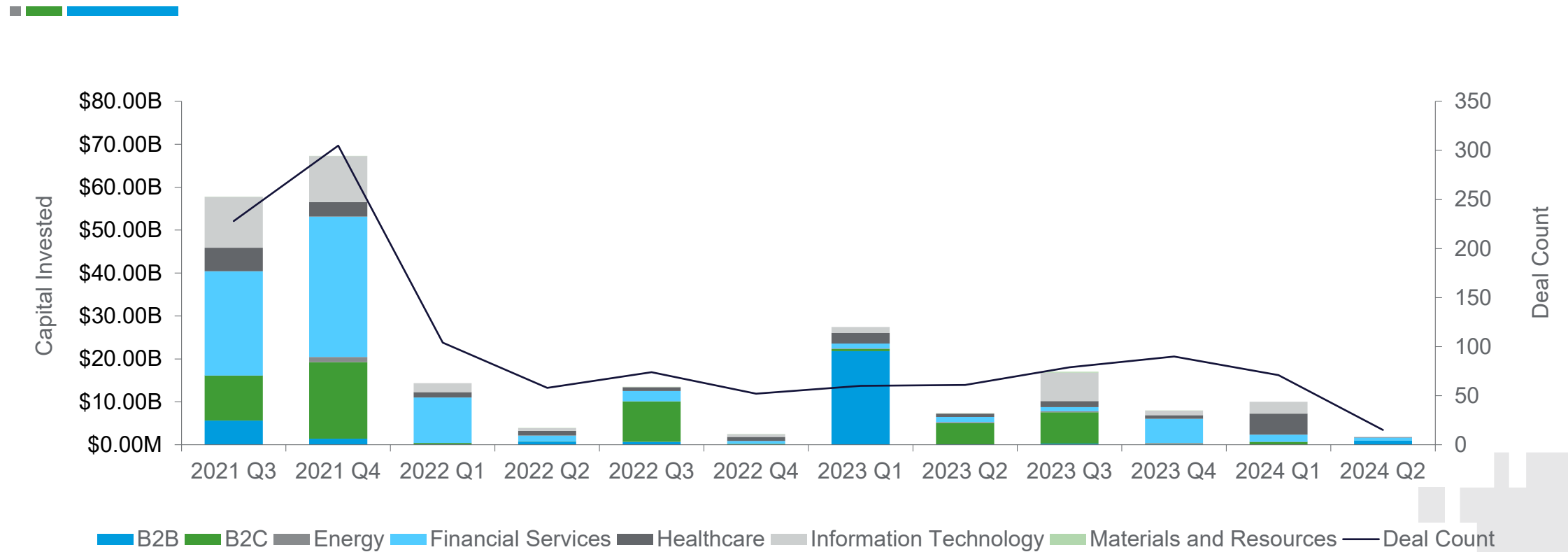
Response of the S&P 500 to pauses in Federal Reserve policy rate hikes



Source: Bloomberg; RSM US LLP

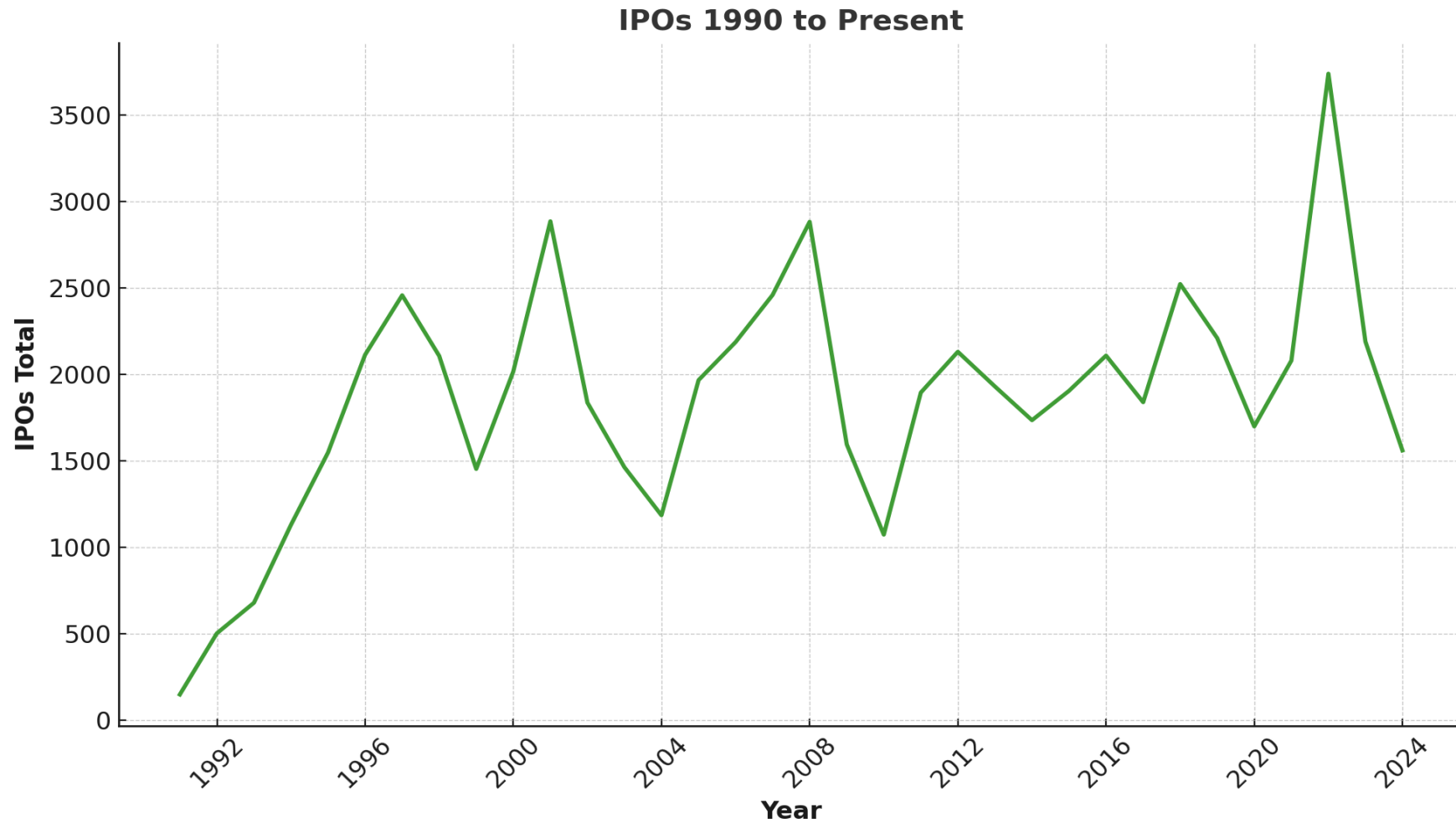
IPO environment remains challenged

Past three year US IPO market by sector



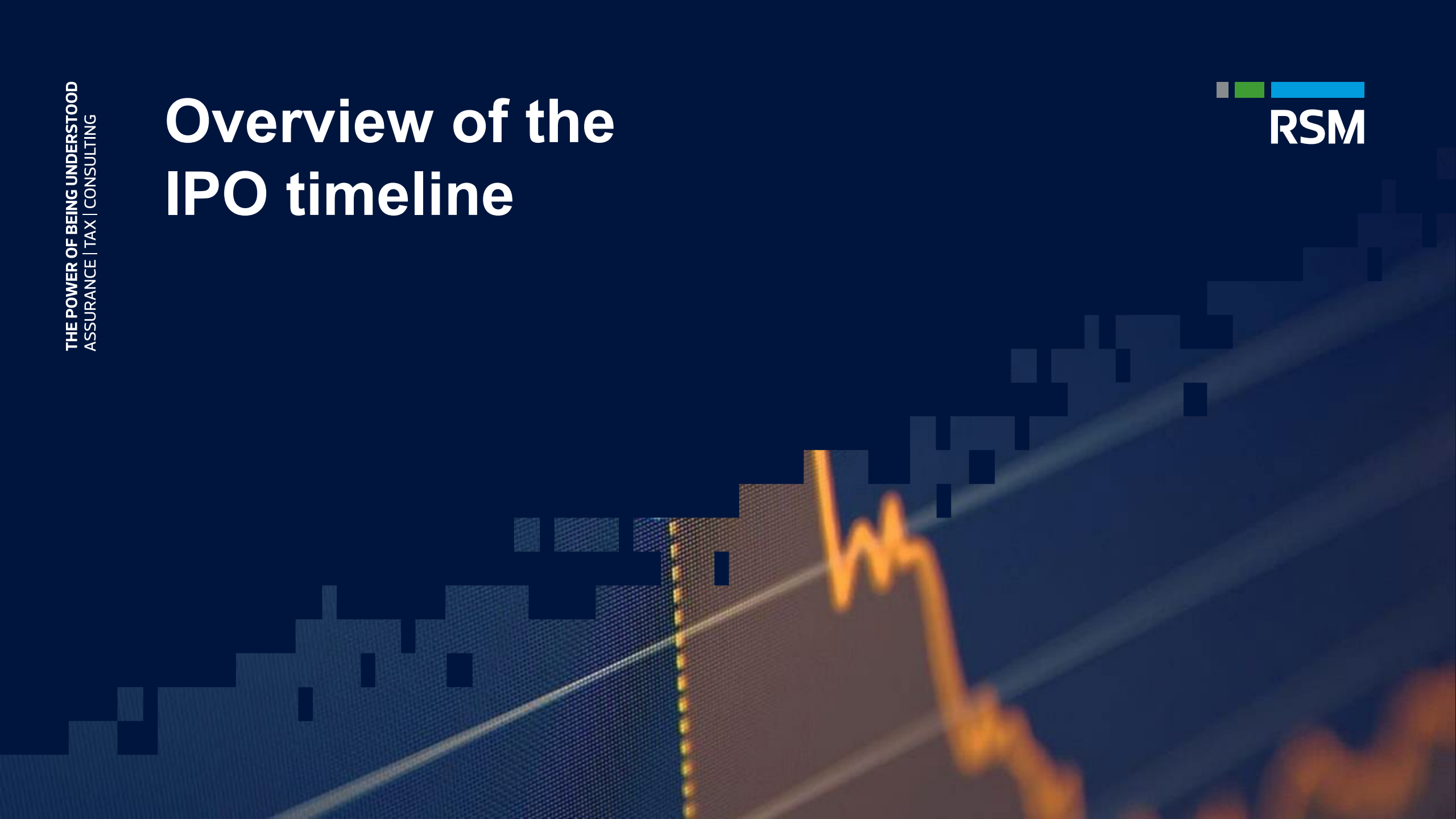
Source: Bloomberg; RSM US LLP

IPO activity cyclicalty over time

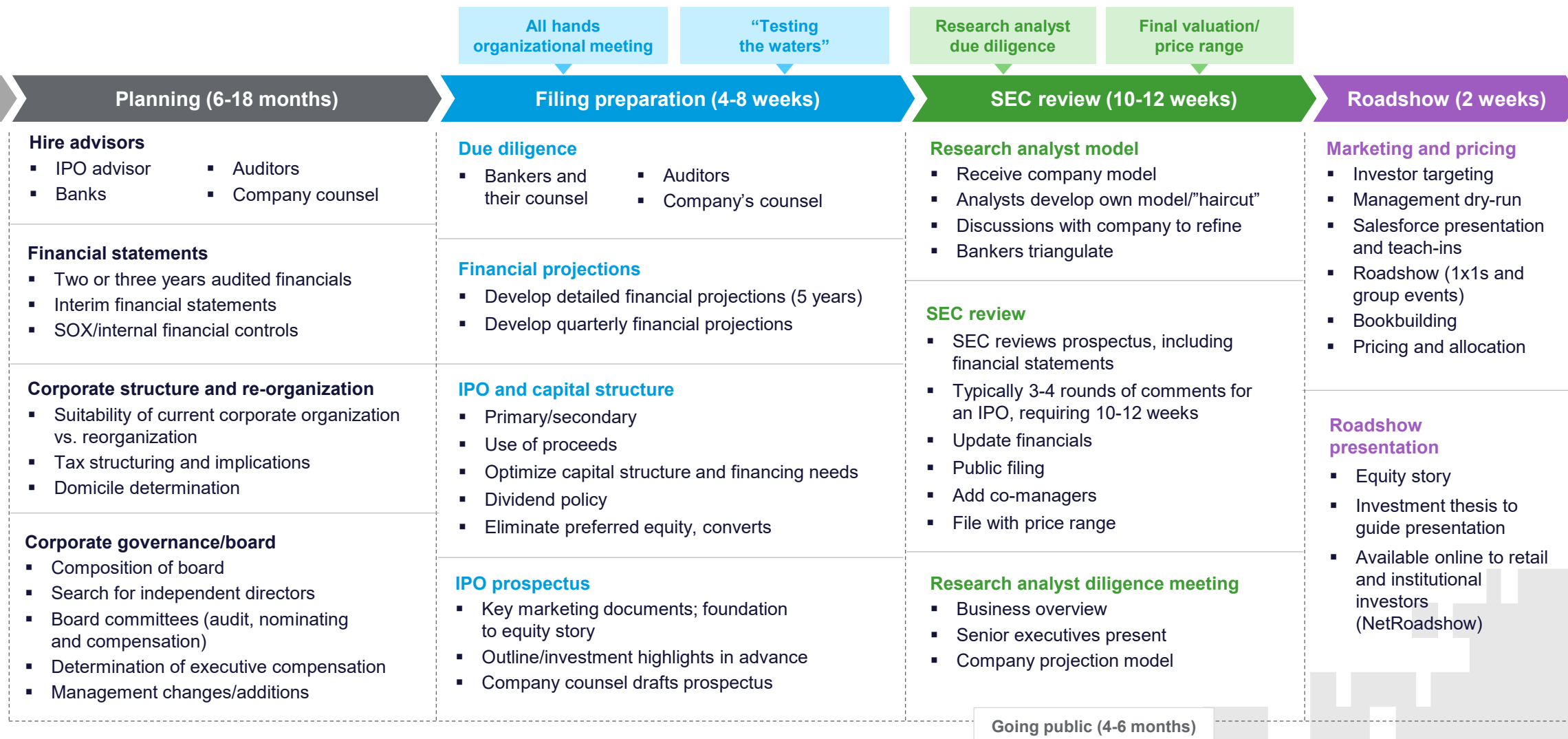


Source: Bloomberg; RSM US LLP

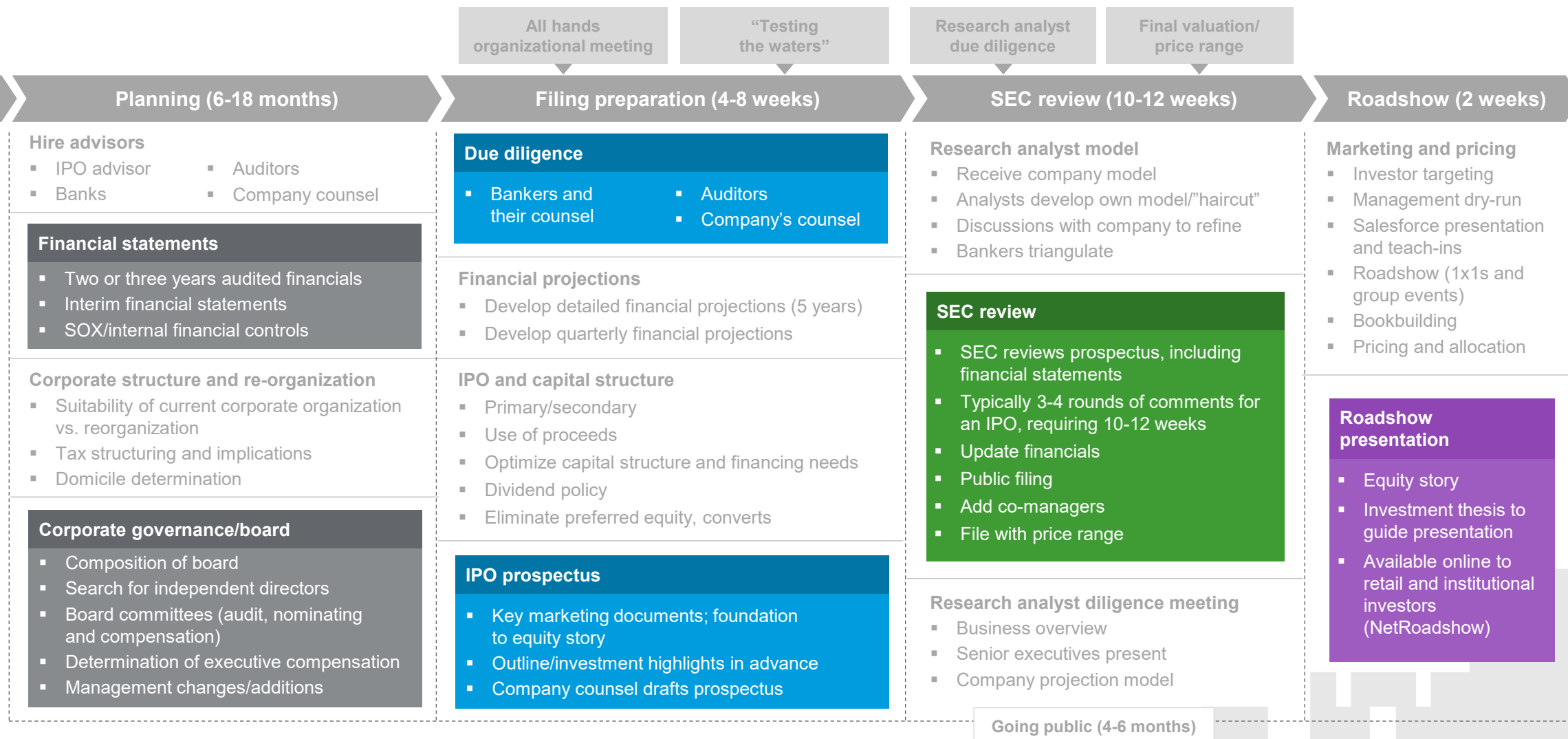
Overview of the IPO timeline



The typical IPO timeline – key activities



The typical IPO timeline – key activities



Critical infrastructure to support public reporting

SEC and financial reporting

- SEC reporting, disclosures
- MD&A preparation
- Segment reporting and EPS
- Document accounting position papers
- Establish policies and estimates

Technology

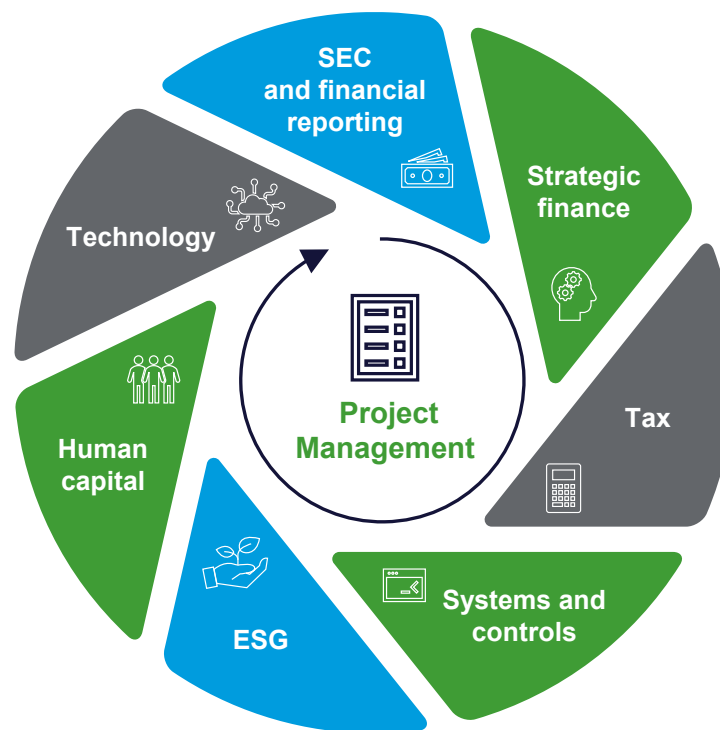
- ERP, CRM & BI selection/implementation
- Network infrastructure and storage
- Application integration/development
- Strategic business process outsourcing
- Financial close services (Blackline certified)

Human capital

- Executive compensation
- Talent management and development
- HR IT operations and integration
- Employee experience/onboarding and recruiting

Environmental, social and governance

- Strategy advisory
- Systems implementation for ESG reporting
- ESG risk advisory, including climate advisory
- Federal and state credits and incentives



Strategic finance

- Develop equity story
- Evaluate budget and projections
- Align strategy and projections
- Business model and KPI identification
- Establish FP&A team

Tax

- Define legal entity tax structure
- State and local tax planning
- Considerations of tax assets, NOL

Systems and controls

- Establish internal audit and SOX program
- Build controls and compliance program
- Document policies and procedures

Project management

- Coordination of project scope and deliverables
- Communicate plan alignment and cadence
- Active alignment of stakeholder expectations

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Developing an equity story





Q&A with RSM's Strategic Finance Leader

Jeff Katz

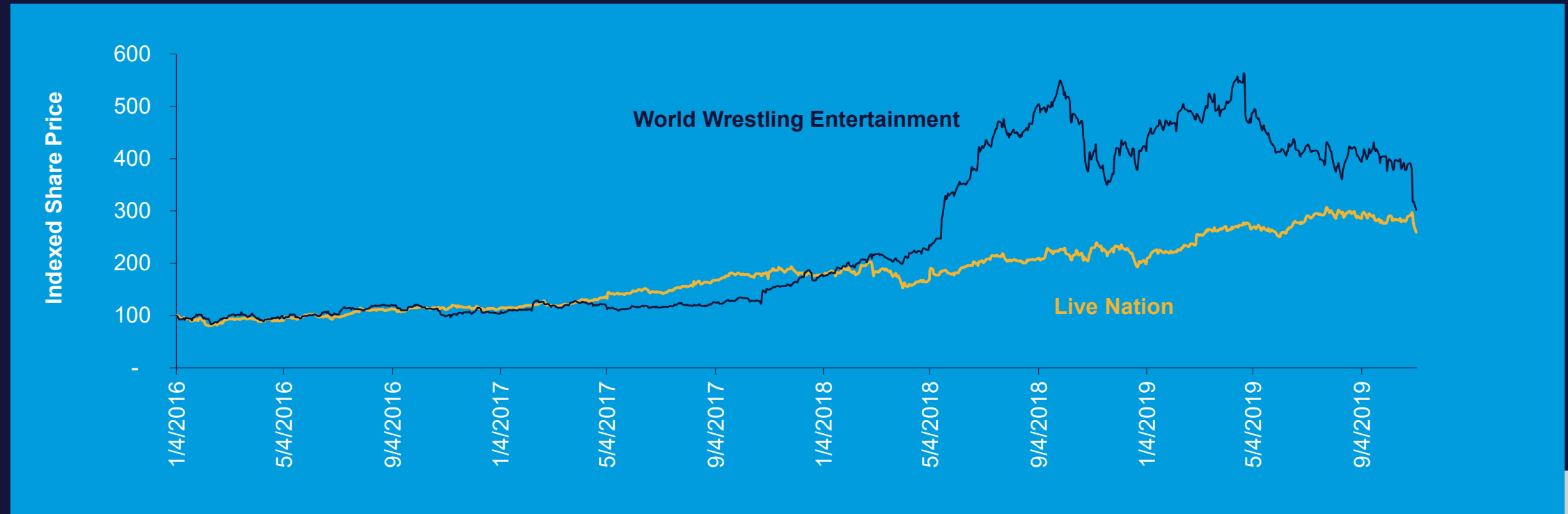
Principal
Strategic Finance Leader

Why is an equity story important?



Equity story: A case study

Share Price Performance, 2016-2019 (Indexed)

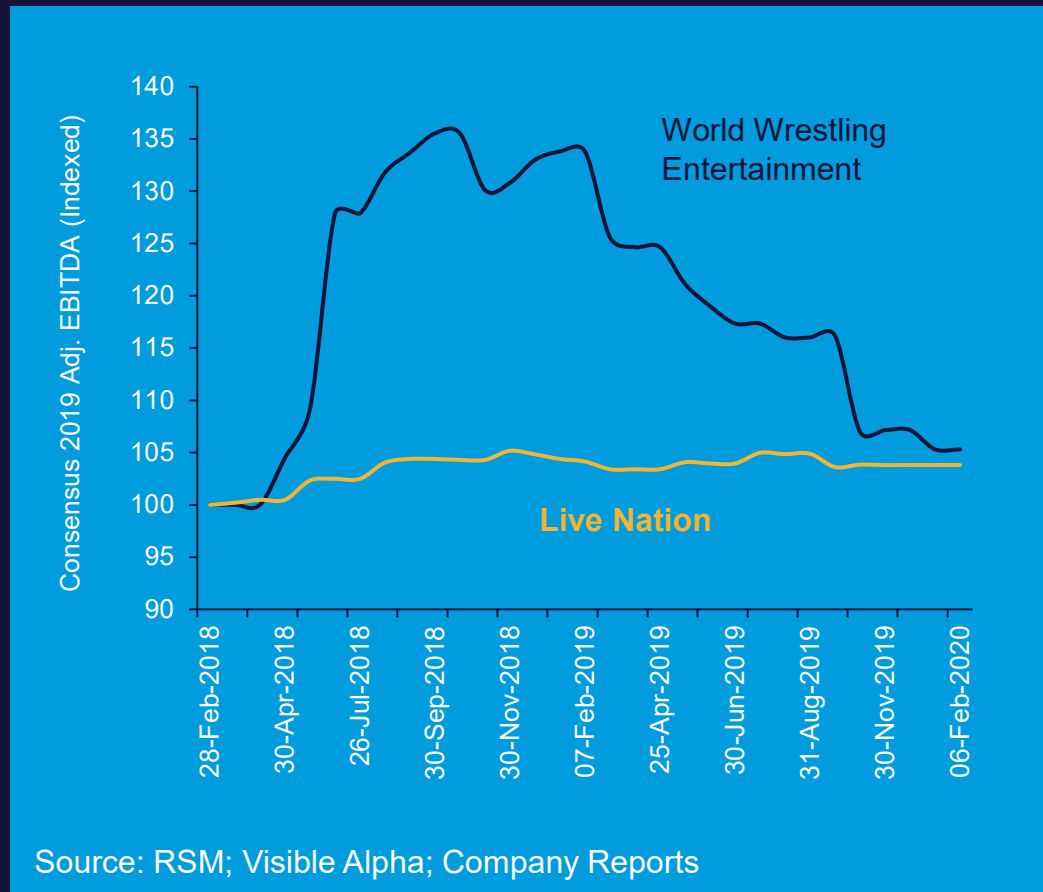


How can two comparable companies exhibit radically different paths to the same end point?

Source: RSM; Yahoo Finance

Equity story: A case study (cont'd.)

Share Price Performance, 2016-2019 (Indexed)



	2015	2016	2017	2018	2019
Live Nation					
Adjusted EBITDA (\$MM)	\$579	\$640	\$735	\$829	\$943
Memo: Y/Y Growth		11%	15%	13%	14%
World Wrestling Entertainment					
Adjusted EBITDA (\$MM)	\$81	\$80	\$112	\$179	\$180
Memo: Y/Y Growth		-1%	40%	60%	0%

By determining and consistently delivering on the key metric that matters to investors, companies can maximize equity value while minimizing volatility and other market-induced distractions.

Developing an equity story and IPO readiness



Characteristics of an equity story



Investor Appeal



Strategic Direction



Valuation Justification



Risk Mitigation

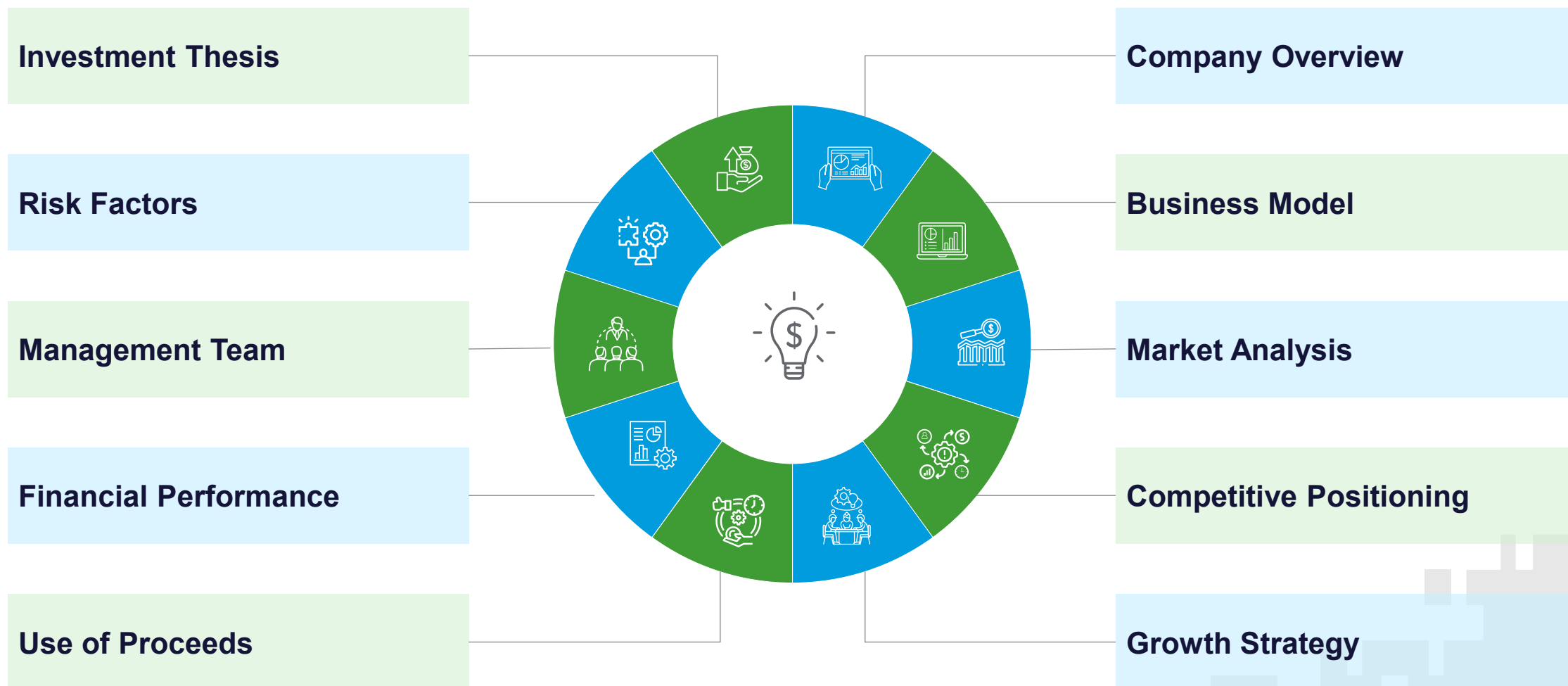


**Image / Reputation /
Brand Equity**



**Total Addressable Market and
Competitive Strengths**

Components of an equity story



Is developing an equity story a one-time IPO event?



Essential strategies



Essential strategies



Culture

Tone from the top

Consistency in all meetings



Project management

Workstream leaders

Accountability & milestones



Significant workstreams

PCAOB audits

Strategic finance



Operating as a public company

Two quarters

Complete filings

Closing



Thank you



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