

Pre IPO Planning

The key to a successful IPO is to keep an eye on the long-term horizon through careful planning and preparation. The IPO is not a one-time transaction but rather, it is a long-term transformation.

A successful IPO process commonly shares a mix of clearly articulated objectives and carefully deployed corporate strategies and financial plan. RSM Strategic Business Advisors will assist you in setting the right frame of tasks involved to ensure that you have proper groundwork. The more thorough the management plans for the transformation process, the greater the likelihood for long term success.

Pre IPO Planning in Malaysia

With the globalisation climate reaching its subsequent phases, many corporations have since opted merger and acquisition (M&A) to enlarge the required working capitals to stay competitively in the market place. However, current trend of M&A has resulted directly a positive impact on the global economy which spurs sustainable activities to the stock exchange markets. The current trend shows a timely opportunity for capital enlargement through Initial Public Offerings (IPOs) via the actively traded bourses.

The preparation of an IPO requires full commitment from the board of directors and the management team. Whether your company is an emerging business seeking venture capital, or an established company seeking to expand through an initial public offering, we are prepared to provide you with the expertise and insight you need at every stage financing. We work with fast-growing companies to identify financing resources, ensure that proper controls and processes are in place, provide due diligence services and serve as an advisor to prepare you for an IPO listing.

RSM Strategic Business Advisors has access to a diverse team of experts from multiple disciplines, and most importantly, we are connected to the depth and breadth of knowledge and expertise required to help you embark on the IPO road.

- Diagnostic Review & Business Planning
- Corporate Restructuring & Reorganisation
- Short listing of Professional Advisors
- Preparation for Prospectus and Board

Updates on Bursa Malaysia Listing

The Securities Commission and the Bursa Malaysia Securities Berhad have recently launched a new framework for listings, which was implemented beginning 3rd of August 2009. ACE (which stands for Access, Certainty and Efficiency) has replaced the MESDAQ Market - is open to all types of companies regardless of the type and stage of the business, thus creating more alternatives to raise funds. This shift towards a more market-oriented regulatory approach is to ensure greater efficiency, competitiveness and investor protection.

RSM!RKT Group Strength In Numbers

30,000 professionals • 730 office • 73 countries

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Realising Opportunities, Achieving Greater Heights

Taking a company public is not an easy process. We will evaluate and assess the level of compliance to both the quantitative and qualitative listing requirements to identify issues that will affect the listing process and provide solutions to close the gap. This will reduce the possibility of subsequent delays and revisions that are critical in ensuring an effective listing. From our experience, the success for listing commonly hinges on timing, profits, reputation and expectations. Some examples of our recent transactions include:

- Assisted a technology & communications company to prepare for potential listing on Bursa Malaysia main market to fund it business expansions. Advisory services to restructure tighten and monitor internal controls within the firm, as well as to set and measure performance of its operations and key business segments.
- Working with an export oriented, homegrown agricultural and plantations equipment manufacturer to prepare the firm for potential listing on the ACE market in 2010 to fund it business expansions. Our services include providing the necessary guidance and IPO preparatory work which includes managing, coordinating, driving and assisting to expedite the entire listing process.
- Project managed a strategic business plan write up and operational re-engineering of one of Malaysia's strong branded lighting retailers after having acquired their competitor, whilst bringing in short term pre-IPO and unsecured trading facilities and funding.
- Assisted in administration and successful shareholder corporate restructuring of two Bursa Malaysia Main Board listed entities involved in timber and tin electroplating, with 100% payouts to collective creditors in excess of RM400million as Special Administrators under Danaharta.
- Project managed the long-term business and funding strategy and secured efficient working capital facilities for a medical devices manufacturer FDI into Malaysia using options such as private equity funding, bank loans or IPO funding.
- Preparation of a 5-year Strategic Business Plan, assisting to project future cash flows and financial statements, advising stakeholders and management on generic business strategies for regional and international market penetration, in addition to negotiating funding facilities from banks on behalf of our client before the IPO planning stage.
- Assisted our client to structure, tighten and monitor internal controls within the firm, as well as to set and measure performance of its production, & key business segments in its bid to achieve its strategic objectives.
- Mandated to source and facilitate a combination of debt and equity funding and M&A target asset for biotechnology and agriculture industry start up. We assisted the group to review their information memorandum and present the same to potential investors, whilst structuring the corporate structure, capital base and potential investment.
- Worked with the client on pre IPO planning to ensure that the firm meets the listing requirements and is on track to be successfully listed thereafter. Prepared housekeeping report to analyze problems and weaknesses in business processes, and restructured HR plan for the firm's local and international operations.
- Performed competitor analysis to improve the business for a potential public listed company. Setting Key Performance Indicators (Sales, Gross Profit, Profit before Tax, Profit after Tax, Cost of Goods Sold, Cost of Goods Manufactured, etc.) and monitor key production and key business segments.
- Project managed administration, sale by tender and debt restructuring of listed construction entity on Bursa Main Board plus parent company with more than 60 subsidiaries under Special Administrator by Danaharta.
- Headed corporate finance team to secure private equity for start-up biotechnology and environmental impact businesses involving overseas investors at valuation. The Company was on route to IPO on AIMS London.
- Reviewed the accounting, auditing, secretarial, legal, intellectual property, financial, banking, funding, regulatory and corporate matters and activities for a group of companies prior to application for listing.