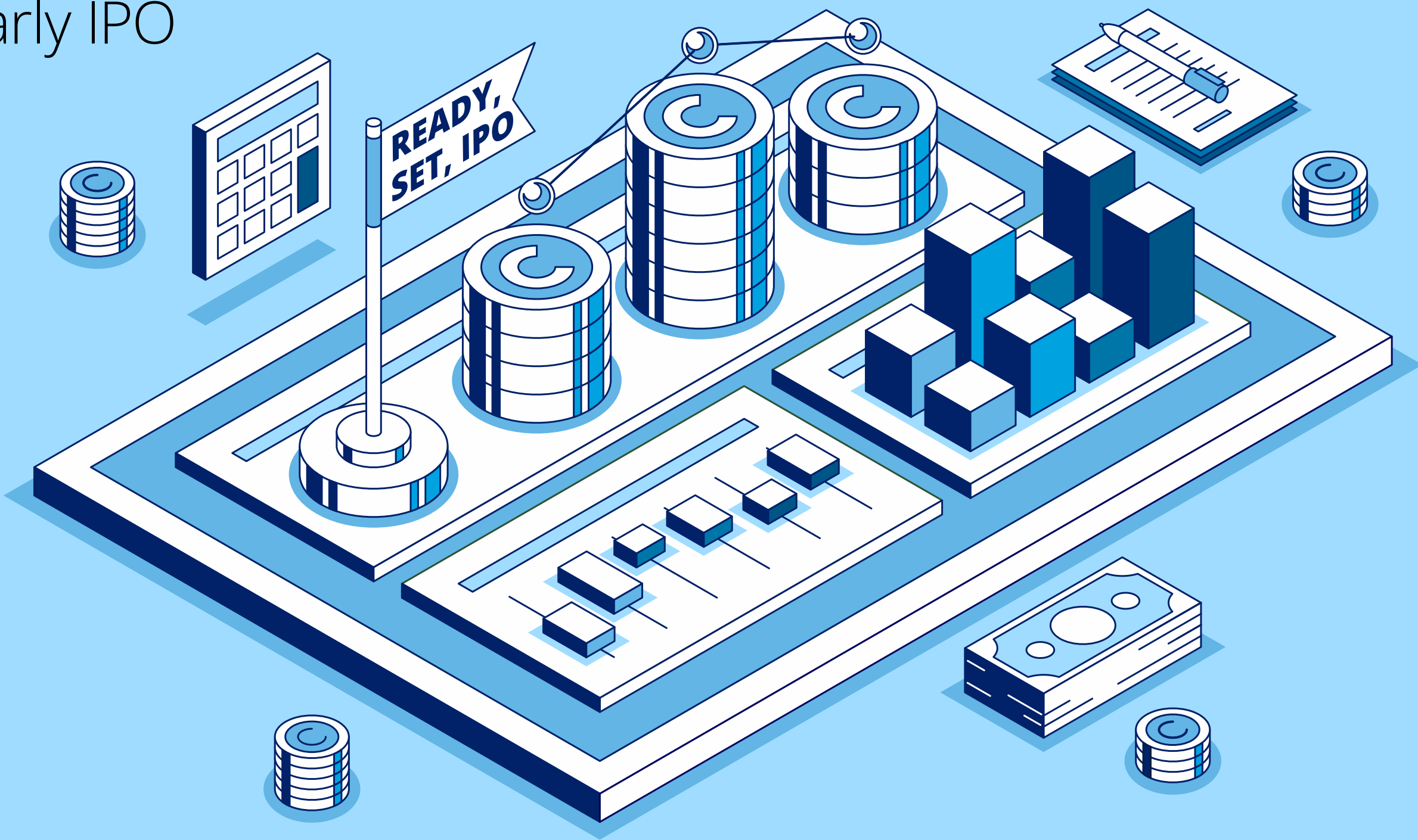


Getting the house in order: The case for early IPO preparation



Listing, or going public through an initial public offering (IPO), is a significant undertaking. In the Middle East—particularly in the GCC region—there has been record interest from across industries in entering the public markets, all with one common aim: to IPO as soon as possible.

Yet, the route to IPO is not easy or a “quick win.” It is a journey that can challenge the very fundamentals of an organization—requiring a cold, hard look at its financial, operational, and commercial set-up. Preparing to go public means opening up the organization to immense scrutiny and the unpredictability of public perception. Furthermore, the resources, focus, and support needed to get to the end game, and ring the bell at the stock exchange, can be significant.

Benefits of an IPO



- **Raising capital:** A company can generate funds to finance growth initiatives, such as expanding operations, investing in research and development, or paying off existing debts.



- **Increased transparency:** Going public requires increased regulatory adherence, including regular financial disclosures and audits. This increased transparency can improve a company's credibility and reputation, building trust among investors, customers, and partners. Enhanced transparency can also lead to improved corporate governance and operational efficiency.



- **Access to markets:** Public offerings can facilitate easier access to capital markets, increasing a company's visibility and brand recognition.

There are additional benefits to be considered from the IPO preparation process that are not dependent on achieving the end result of an actual listing. Many organizations use the reorganization and transformation required on the road to an IPO as an opportunity to refresh their strategy and purpose, unlock value, and pursue optimizations in their business model.

The journey to an IPO can be cathartic—a catalyst for addressing all the “skeletons in the closet” and gaining clarity on what truly matters in the business and what doesn't.

“For many founders, going public is crucial to their overall business strategy. However, getting to the point of ringing the bell of the NYSE or Nasdaq is no easy feat.¹

- Seth Farbman, Entrepreneur with three successful exits, and former Forbes Council Member

IPOs are trending in the GCC

In 2024, the GCC experienced a robust year for IPO listings, raising approximately US\$13 billion, which accounted for 10.5% of the total global IPO fundraising, as reported by S&P Global Market Intelligence. This marks an increase from US\$11 billion (9.1%) in 2023, but a decrease from US\$23.5 billion (13%) in 2022.

In 2025, this IPO momentum is expected to continue with no signs of slowing down. According to S&P Capital IQ's database, around 23 companies were listed in the GCC in the first half of 2025, mostly based in Saudi Arabia, with an estimated market capitalization of US\$17.45 billion (based on data extracted in June 2025).²

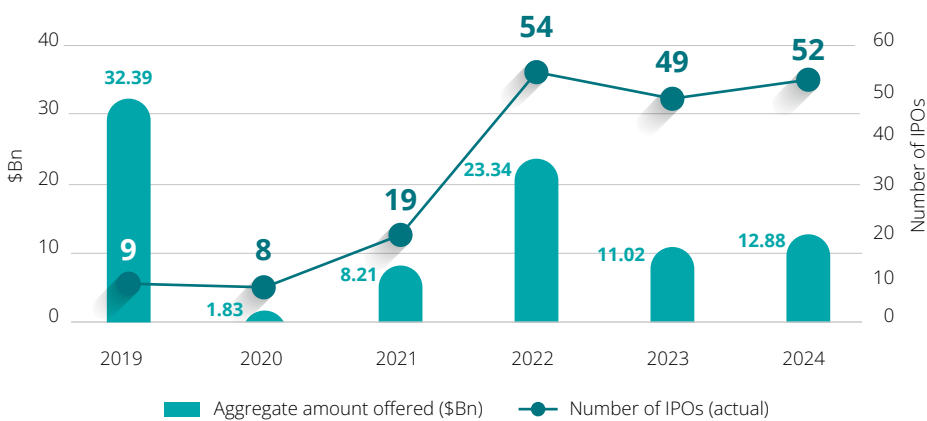


Figure 1: IPO activity in the GCC region

Note: Analysis includes IPOs completed where the target is headquartered in either Bahrain, Kuwait, Oman, Qatar, Saudi Arabia or United Arab Emirates. Excludes private placements. Aggregate amount offered includes overallotments.
Source: S&P Global Market Intelligence









	Company (Ticker)	Exchange	Closed date	Gross amount offered (\$M)	
	Talabat Holding PLC (TALABAT)	Dubai Financial Market	11/29/24	2,028.8	
	OQ Exploration and Production SAOG (OQEP)	Muscat Securities Market	10/17/24	1,986.0	
	Lulu Retail Holdings PLC (LULU)	Abu Dhabi Securities Exchange	11/06/24	1,721.0	
	NMDC Energy – P.J.S.C. (NMDCENR)	Abu Dhabi Securities Exchange	09/05/24	876.6	
	Dr. Soliman Abdel Kader Fakeeh Hospital Co. (4017)	Saudi Stock Exchange (Tadawul)	05/27/24	763.5	
	Alef Education Holding PLC (ALEFEDT)	Abu Dhabi Securities Exchange	06/06/24	514.6	
	OQ Base Industries (SFZ) SAOG	Muscat Securities Market	12/04/24	488.7	
	Almoosa Health Co.	Saudi Stock Exchange (Tadawul)	12/29/24	449.5	
	Parkin Company P.J.S.C. (PARKIN)	Dubai Financial Market	03/14/24	428.7	
	Spinneys 1961 Holding PLC (SPINNEYS)	Dubai Financial Market	05/01/24	374.9	
Sector	 Consumer	 Energy & utilities	 Healthcare	 Industrials	 Materials

Figure 2: Largest IPOs in GCC region in 2024

Source: S&P Global Market Intelligence

“The six-country bloc's significance to global IPO investors will continue in 2025 as regional governments pursue part-privatization programs to bolster state revenues, diversify regional stock markets, and potentially increase their representation in emerging or frontier market equity indexes.³

- Matt Smith and Annie Sabater, for S&P Global in January 2025

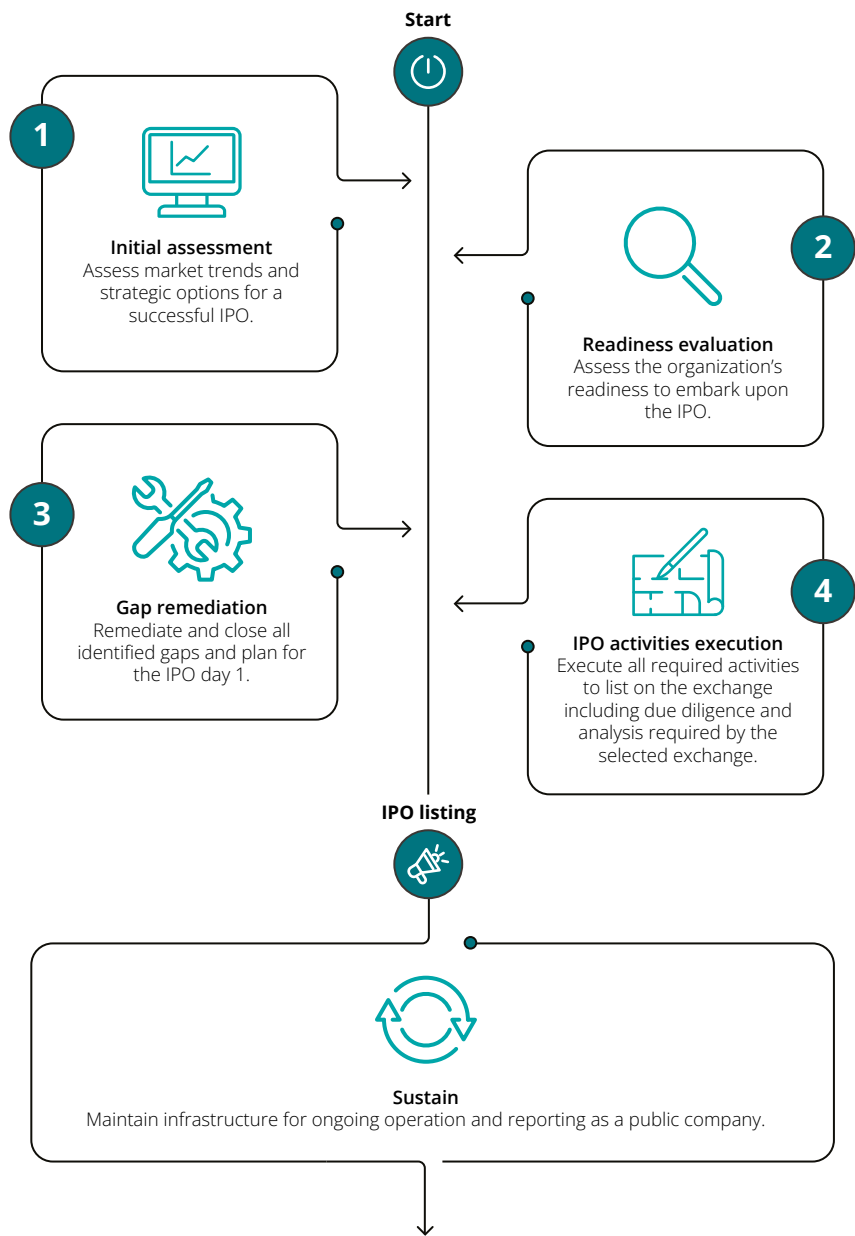
IPO: Focus on the journey, not just the destination

More businesses are approaching the IPO journey with a clearer understanding of the importance of early planning and the need for a “structured readiness assessment” at the outset. This is a significant development—one that reflects the growing maturity in how companies view the listing process.

A notable increase in requests for IPO readiness assessments is being seen at the very beginning of the journey, often well before any formal decision to list has been made.

This early engagement allows for a more holistic approach with clients. Furthermore, by comparing companies against listing requirements and best practices, it becomes possible to identify and differentiate between the types of gaps that exist, and the timeframes required to address them. This leads to better alignment between shareholder expectations and market realities.

More businesses are approaching the IPO journey with a clearer understanding of the importance of early planning and the need for a “structured readiness assessment” at the outset



Principal categories of identified gaps include:



• **Strategic focus:** These gaps relate to the attractiveness of the asset or strategic and financial hurdles that materially affect investor appetite. These can be complex and may require longer time frames to resolve, including potential disposal of non-performing divisions or review of a company's long-term business plan.



• **Finance operations and organizational structure:** These gaps relate to the company's ability to report financial results accurately and on time. The market also places value on an experienced management team with a track record of managing listing companies. Elements of this can have a significant lead time; for example, investing in enterprise resource planning (ERP) systems or trying to attract the right talent into an organization.



• **Governance and controls:** There are stringent listing requirements pertaining to the corporate governance of an organization. These are usually within the company's control and can often be resolved within a 12 to 18-month window with dedicated support.

Helping shareholders understand these gaps and associated consequences early on creates more grounded expectations about what is realistically achievable, and over what time frame. In doing so, companies can make more informed decisions, allocate resources more effectively, and approach the capital markets in a way that is both credible and sustainable.

IPO readiness assessments are increasingly popular and are happening sooner, helping distinguish between issues that can be resolved internally and quickly, and deeper strategic and financial challenges that take longer to resolve. That clarity is key to setting realistic expectations from the outset.

– Azhar Hussain, Partner at Deloitte

By **Azhar Hussain**, Partner, **Saima Jalal**, Partner, and **Areej Shalabi**, Director, Strategy & Transactions Advisory, Deloitte Middle East

Endnotes

1. <https://www.forbes.com/councils/forbesbusinesscouncil/2023/10/12/unlocking-liquidity-the-benefits-and-challenges-of-going-public/>.
2. Log In | S&P Capital IQ, Figures extracted in June 2025.
3. <https://www.spglobal.com/market-intelligence/en/news-insights/articles/2025/1/gulf-ipo-momentum-to-extend-into-2025-after-strong-13b-year-87015954>.