

Summary

The topic of the submitted thesis is the Economic and legal aspects of IPO (Initial Public Offering) and its purpose is to describe the process of an Initial Public Offering and subsequently apply the findings in the case study of one particular IPO – Pivovary Lobkowicz Group.

The thesis is composed of six chapters, each of them dealing with different aspects of Initial Public Offering. Chapter One is introductory and defines basic terminology used in the thesis. The chapter is subdivided into five parts. Part One describes the capital market. Part Two deals with IPO history, its subpart One with global history and subpart Two with Czech history of IPO. Part three focuses on securities, its subpart One on securities in general and subpart Two on shares specifically. Part four explains the share issue. Part five looks at the term Initial Public Offering itself.

Chapter Two illustrates the reasons for an IPO. The chapter consists of six parts. Part One focuses on acquiring capital. Part Two investigates the prestige and credibility. Part Three addresses the issue of marketing use and advertising. Part four examines benefits for existing shareholders. Part five describes obtaining information about company value. Part six deals with increasing employees involvement.

Chapter Three is subdivided into three parts and provides an outline of the whole IPO process. Part One discusses the decision to undertake an IPO. Part Two looks at the preparatory phase of an IPO and is divided into the three following subparts: IFRS implementation, corporate governance, and other requirements. Part Three examines the implementation phase of an IPO and is divided into the eight following subparts: selection of the project team, selection of the market and timing, due diligence, valuation, general meeting of shareholders, prospectus, road show, and dealing with the market organizer and admission of shares.

Chapter Four concentrates on post-transaction phase of an IPO and is subdivided into four parts. Part One attempts to analyze the problem of underpricing. Part Two explains subsequent development on the market. Part Three addresses the hot issue phenomenon. Part Four deals with the long-term underperformance.

Chapter Five sums up relevant Czech and European legislation, as well as relevant quasi-legal rules. It also describes changes in the legislation which will come into effect later.

Chapter Six is the case study of the Pivovary Lobkowicz Group IPO. The chapter is subdivided into three parts. Part One concentrates on general information about the issuer. Part Two focuses on the reasons which drove Pivovary Lobkowicz Group to the IPO. Then, part Three examines the IPO process of Pivovary Lobkowicz Group. Part Three is divided into four following subparts: decision to perform the IPO, preparatory phase, IPO implementation phase, and post-transaction phase.

The main aim of the thesis is to describe the IPO process theoretically and then in the case study of Pivovary Lobkowicz Group IPO, which has been reached.