



FINANCIAL SPONSOR INSIGHTS | Summer 2026

## **Building on Momentum**

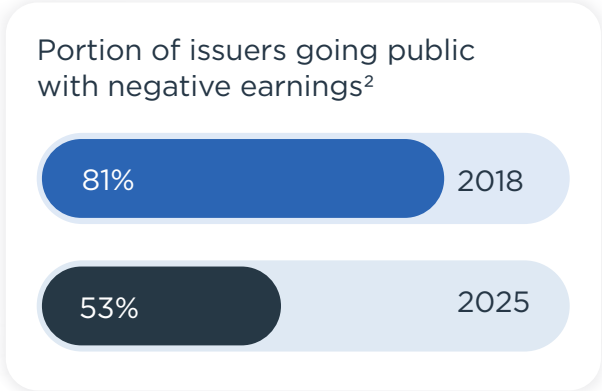
Expert perspectives on a rebounding IPO market



Slowly recovering from the 90% year-over-year decline in 2022, the initial public offering (IPO) market has seen steady gains in both the number of transactions and total proceeds. The U.S. IPO market surpassed \$44 billion in 2025<sup>1</sup> and is on track to meet and exceed those levels in 2026. That said, an elevated level of geopolitical uncertainty and market volatility, potential regulatory reform and new leadership at the Securities and Exchange Commission (SEC) may all impact the market for better and/or worse. To gain insight into the current state of the market and the implications that might have for companies exploring the possibility of going public, we sought the insights of two highly experienced experts in the field: David Earling, managing director at Solebury Capital, and Robert Hayward, partner of the law firm Kirkland & Ellis LLP. The consistent message from both is that in a market defined by narrow windows and heightened investor scrutiny, the single variable companies can control is how prepared they are when the opportunity arrives.

## A promising market for proven companies

While both David Earling and Robert Hayward foresee continued momentum in the IPO market, both believe that a more selective and valuation sensitive climate will persist. Earling suggests, “Investors want to see earnings, or at least a near-to-medium term path to positive cash flow and earnings.” He suggests that greater uncertainty about the macro political and economic environment may have a dampening effect, while favoring reliably profitable industrial companies as well as those in the aerospace and defense sector. He notes that companies that provide energy-related services to data centers are also particularly appealing in the current climate. Hayward adds that the government shutdown in the fall of 2025 is also having a short-term impact as all IPO issuances were paused for six weeks, creating a historic backlog of filings for SEC review.



## Decisive action requires early preparation

With investor enthusiasm still somewhat muted and a less predictable geopolitical and economic climate in flux, Hayward and Earling report that IPO execution windows are narrow and often fleeting. As Robert Hayward suggests, “These windows that pop up reward the companies who are ready and can drive through them, because as quickly as they open, they can quickly shut down. We saw this with emerging tariffs in 2025, along with geopolitical events in 2026.” The remedy, both experts agree, is to invest the time to be ready whenever opportunity presents itself.

<sup>1</sup>Renaissance Capital. “2026 IPO Market Stats.” Renaissance Capital, *The IPO Expert*,” June 2026.

<sup>2</sup>Jay R. Ritter. “Initial Public Offerings: Updated Statistics.” Eugene F. Brigham Department of Finance, Insurance, and Real Estate Warrington College of Business, University of Florida, May 2026.

For Hayward, the first and most important step for any company even considering a future IPO is to assess the status and timing of audited financials. “The timing of those financials is a key action item that we triangulate an IPO process and timeline around. Does the company have the requisite number of years of audit and have they been uplifted

to SEC standards?” Earling suggests that step two is getting the right team in place, in particular, the right CFO. “If your company is on an IPO path in the next 18 months, don’t wait another year before hiring a search firm to find a public company ready CFO if you don’t already have one in place.”

Both experts emphasize the importance of building relationships with bankers, as well as with analysts, as early as possible in the process. Robert Hayward believes one of the more common pitfalls companies make is not treating investor relations as a strategic priority for the C-suite at the very beginning. Hayward suggests that engaging with analysts should start before you initiate formal relationships with bankers, as they will have greater impact on the long-term success of the venture. Earling notes as the saying goes, “You date the bankers and you marry the research analysts.”

## Additional scrutiny on sponsor-led IPOs

Clear communication and trusting relationships with the analyst and investments communities are particularly important when IPOs are led by sponsors, as the timing of their equity sales will be under close scrutiny. David Earling suggests, “Sponsors will have the spotlight on them for 18-24 months post IPO. It’s important to send the right messages on how you monetize. Hopefully, you’re monetizing when the stock’s going up versus when it’s flat or down, as you shouldn’t be sending a message that the seller is price insensitive.” He notes that coordination is essential in club deals, particularly market-friendly lockup structures to avoid situations where multiple parties are trying to fall over each other to monetize at the same time.

97% 

of private equity professionals say their portfolio companies should always be exit-ready.

20% 

of portfolio company CFOs, 20% felt like they are currently ready.<sup>3</sup>

**“What you’re rewarded for today is pricing discipline, realistic guidance and a regular cadence of meet, beat and raise right out of the box.”**

**David Earling**

<sup>3</sup> Accordion. “Exit Readiness in Private Equity: The State of the PE Sponsor & CFO Relationship,” November 2025.



## Managing risk and controlling expenses

Going public is a significant investment in its own right. It can be an expensive and time-consuming process, and it introduces a new risk profile: one that rewards companies who assess and prepare for it well in advance. Earling recommends that management conduct a thorough internal review and take proactive measures to address any legacy issues before they surface in the disclosure process. He also cautions companies that directors & officers insurance (D&O) is often an expense that is underestimated. He urges companies to consult with their D&O insurance broker to determine how your cost profile is going to change post-IPO, so you can more accurately factor it into your model.

**“Companies that are prepared financially with a clear framework around disclosures are better positioned. Management teams should use counsel, underwriters, risk management and other external advisors to assess meaningful contingent liabilities and clearly communicate how they are being isolated and addressed.”**

**Robert Hayward**



## The compelling case for going public

While there are more options than ever before, the case for going public remains compelling for the right company at the right moment. Access to permanent capital, a liquid currency for acquisitions and the discipline that public reporting demands can accelerate a company's trajectory in ways that staying private simply cannot replicate. Equally important, a successful IPO builds a culture of shared ownership — employees, investors and leadership aligned around a common mission and a transparent measure of value creation. The companies that thrive post-IPO share a common trait: C-suite leaders who fully embrace their roles as the public face of the firm and treat the investment community as a long-term strategic partner rather than an audience to manage.

## Moving your clients forward

HUB's Private Equity specialists understand that a successful IPO isn't built on the day a company files; it's built across the months and years of preparation that precede it.

That preparation spans the full spectrum: the financial and disclosure readiness that makes an audit defensible, the leadership infrastructure that gives investors confidence, the analyst and investor relationships that sustain momentum after listing, and the risk management framework that protects value at every stage. HUB advisors work alongside financial sponsors, counsel and investment bankers to make sure that arc is well-constructed, not assembled under pressure when a window appears.

On the insurance side, HUB's Professional & Executive Risk (ProEx) specialists help clients assess how their risk and cost profile will evolve as a public company, structure directors and officers (D&O) and management liability programs built for the demands of going public, and close on terms that reflect the strength of their preparation. Our advisors focus by both coverage line and industry — meaning the professionals advising you genuinely understand your exposure profile, not just the mechanics of a policy form. That depth is backed by advanced analytical tools, including proprietary benchmarking, stochastic modeling and program structure analysis, so program design decisions are driven by data, not convention.

When a claim arises, that same rigor applies. HUB's Claims and Legal Risks Group — staffed by attorneys with deep expertise in D&O and related coverages — provides support from pre-claim policy wording review through recovery, ensuring your program performs when it matters most.

Our expertise goes beyond traditional insurance counsel. HUB's Private Equity team advises GPs, sponsors and management teams across industries — from healthcare, food and beverage to industrials and energy services — bringing nuanced insights that meaningfully inform underwriting, disclosure strategy and deal evaluation. And because complex risks rarely fit neatly within a single team's scope, HUB operates without organizational boundaries: local, national and international specialists integrate seamlessly around your account, while dedicated senior professionals ensure the continuity and consistency that long-cycle transactions demand.

The path to a successful IPO rewards those who treat readiness as a strategic investment, not a last-minute checklist. When you're ready for a partner who understands the full cycle of private equity ownership — from initial investment through portfolio company transformation and public markets debut — HUB is ready to move with you.

Contact HUB's Private Equity team today at [hubinternational.com/privateequity](https://hubinternational.com/privateequity)

# Hi, we're HUB

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- **Impacting EBITDA through Value Creation:** We deliver enterprise risk management (ERM) frameworks and customized risk transfer solutions to create efficiencies across diverse holdings, strengthening performance and protecting value creation strategies.
- **Enabling Growth & Innovation:** As firms invest in AI-driven efficiencies, digital infrastructure and talent strategies, HUB supports resilience through cyber coverage, tailored employee benefit strategies and human capital resources that safeguard leadership teams and workforce vitality.
- **Supporting the Exit Landscape:** Whether through IPO, continuation funds or private liquidity events, we ensure portfolio companies are exit-ready, with risk and insurance programs built to withstand investor scrutiny and regulatory review, preserving deal value and accelerating close.

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active private  
equity clients

**130+**  
team members  
dedicated to due  
diligence

**20+**  
average years  
of service  
experience

**10%**  
average of total  
North American  
transactions  
engaged annually

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