Business Management Journal
Versi Online: https://journal.ubm.ac.id/index.php/business-management/
DOI: dx.doi.org/10.30813/bmj.v22i2.10387

Vol. 22 (No. 2): 261 - 276. Th. 2026
p-ISSN: 1907-0896
e-ISSN: 2598-6775

Opportunity or Uncertainty? Understanding Pre-IPO Information Environment, Investor Preferences, and Early Market Dynamics

Peluang atau Ketidakpastian? Memahami Lingkungan Informasi Pra-IPO, Preferensi Investor, dan Dinamika Awal Pasar

Muhammad Novrizal Ramadhan[1)*], Muhammad Raihan Mubaraq[2)], dan Eureka Try Zarazwanty R Laega[3)]

[1&3)]Administrasi Bisnis/Jurusan Administrasi, Universitas Negeri Makassar
[2)]Akuntasi/Jurusan Akuntansi, Universitas Negeri Makassar

Diajukan 30 Juli 2026 / Disetujui 15 Oktober 2026

Abstract

Research on Initial Public Offerings (IPOs) has predominantly focused on post-listing outcomes, such as underpricing, stock returns, and long-term market performance. Comparatively, the relationships among the pre-IPO information environment, prospective investor preferences, investor participation, and early market dynamics warrant more integrated examination. This study examines the relationships among these dimensions in the Indonesian capital market. It employs a qualitative descriptive approach with a multiple-case study design involving six IPOs in the July 2026 issuance wave on the Indonesia Stock Exchange. Secondary data were obtained from IPO prospectuses, official exchange disclosures, investor preference polls conducted during the offering period, oversubscription statistics, and stock prices during the first seven trading days. The analysis uses a four-stage framework informed by Organizational Information Processing Theory (OIPT) as a descriptive analytical device to compare information characteristics, investor preferences, subscription participation, and early price movements. The findings reveal substantial variation across cases, with oversubscription ranging from 14 times for EMMI to 709.93 times for PRDL. PRDL's share price increased from IDR 120 at the IPO to IDR 386 on the seventh trading day, whereas EMMI closed at IDR 460 against an IPO price of IDR 470. These differences indicate heterogeneity in stated investor preferences, subscription demand, and early price movements. However, the available aggregate and documentary data are insufficient to establish individual information-processing mechanisms or causal relationships among disclosure, preferences, subscription demand, and stock prices. This study contributes an OIPT-informed descriptive analytical framework for comparing these dimensions in an integrated manner and identifying directions for further research in emerging capital markets.

Keywords: Pre-IPO Information Environment; Prospective Investor Preferences; Investor Participation; Early Market Dynamics; Indonesia Stock Exchange.

Abstrak

Penelitian tentang Penawaran Umum Perdana (Initial Public Offering/IPO) sebagian besar berfokus pada hasil pascapencatatan, seperti underpricing, imbal hasil saham, dan kinerja pasar jangka panjang. Sementara itu, keterkaitan antara lingkungan informasi pra-IPO, preferensi calon investor, partisipasi investor, dan dinamika pasar awal masih perlu dikaji secara terpadu. Penelitian ini bertujuan menganalisis keterkaitan antara dimensi-dimensi tersebut dalam konteks pasar modal Indonesia. Penelitian menggunakan pendekatan deskriptif kualitatif dengan desain studi multikasus terhadap enam IPO pada gelombang penerbitan Juli 2026 di Bursa Efek Indonesia. Data sekunder diperoleh dari prospektus IPO, keterbukaan informasi resmi bursa, jajak pendapat preferensi investor selama masa penawaran, statistik oversubscription, dan harga saham selama tujuh hari perdagangan pertama. Analisis dilakukan melalui kerangka empat tahap berbasis Organizational Information Processing Theory (OIPT), yang digunakan sebagai perangkat analisis deskriptif untuk membandingkan karakteristik informasi, preferensi investor, partisipasi pemesanan, dan dinamika harga awal. Hasil penelitian menunjukkan variasi antarkasus yang substansial, dengan oversubscription berkisar antara 14 kali pada EMMI dan 709,93 kali pada PRDL. Harga PRDL meningkat dari Rp120 saat IPO menjadi Rp386 pada hari perdagangan ketujuh, sedangkan EMMI ditutup pada Rp460 dibandingkan harga IPO sebesar Rp470. Perbedaan tersebut menunjukkan heterogenitas preferensi investor, tingkat permintaan pemesanan, dan pergerakan harga awal. Namun, data agregat dan dokumenter yang tersedia tidak cukup untuk menetapkan mekanisme pengolahan informasi individual atau hubungan kausal antara pengungkapan, preferensi, permintaan pemesanan, dan harga saham. Penelitian ini berkontribusi

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p-ISSN: 1907-0896
e-ISSN: 2598-6775

melalui kerangka analitis deskriptif berbasis OIPT untuk membandingkan dimensi-dimensi tersebut secara terpadu dan merumuskan arah penelitian lanjutan pada pasar modal berkembang.
Kata Kunci: *Lingkungan Informasi Pra-IPO; Preferensi Calon Investor; Partisipasi Investor; Dinamika Awal Pasar; Bursa Efek Indonesia.*

*E-mail korespondensi: novrizal.ramadhan@unm.ac.id

Introduction

Initial Public Offerings (IPOs) are important corporate financing events in which firms enter public equity markets and prospective investors evaluate investment opportunities under conditions of uncertainty. Before shares begin trading, investors have limited access to market-based signals and must rely primarily on publicly available information, including corporate prospectuses, business risk disclosures, ownership structures, and intended uses of IPO proceeds. These disclosures provide information about the issuing firms, but their availability does not necessarily mean that investors interpret or evaluate them in the same way. Understanding the relationship between the information disclosed before listing and the different patterns of investor preferences and subsequent market outcomes therefore remains an important issue in IPO research (Ljungqvist, 2007; Ritter & Welch, 2002).

This issue is particularly relevant in Indonesia, where capital market participation has expanded substantially. Statistics from the Indonesia Central Securities Depository (KSEI) reported 26.49 million capital market investor identification accounts by April 2026, including more than 9.56 million equity investor accounts (Indonesia Central Securities Depository [KSEI], 2026). This structural shift toward a younger investor demographic highlights that primary market participation is increasingly shaped by accessibility, minimum capital requirements, and investment motivation (Afisa et al., 2024). The growth of the investor base increases the relevance of understanding how information disclosed during the IPO offering period is considered alongside investors' stated preferences and observable market outcomes. The Indonesian IPO market also provides an empirical setting in which differences across issuers can be examined within a relatively comparable issuance period. In the six IPO cases examined in this study, oversubscription ratios ranged from 14 times for EMMI to 709.93 times for PRDL. Their early price trajectories also differed: PRDL increased from an IPO price of IDR 120 to IDR 386 on the seventh trading day, whereas EMMI closed at IDR 460 against an IPO price of IDR 470. These descriptive differences raise questions about how the information environment, stated investor preferences, subscription participation, and early market movements can be examined together without assuming that one dimension directly causes another.

Previous IPO research has examined several dimensions of the information environment and market participation. Previous studies have extensively investigated phenomena such as IPO underpricing, initial aftermarket returns, long-term performance, firm valuation, signaling mechanisms, and the influence of institutional environments (Ritter & Welch, 2002; Ljungqvist, 2007; Lowry et al., 2017; Boulton et al., 2017; Chemmanur et al., 2020). More recent inquiries have further emphasized the roles of corporate governance, disclosure quality, and behavioral factors in explaining performance variations (Leuz & Wysocki, 2016; Christensen et al., 2021). Studies of risk disclosure have investigated the association between prospectus information and IPO pricing outcomes. In the Indonesian context, Kuswanto (2020) examined qualitative and quantitative risk disclosures in relation to initial IPO returns. Wasiuzzaman et al. (2018) similarly investigated risk-factor disclosure and initial returns in the Malaysian market, while Sahoo and Raj (2022) examined qualitative disclosure factors in relation to underpricing. Other studies have focused on investor demand and aftermarket outcomes. Clarke et al. (2016), using evidence from India, found that unmet demand among non-institutional investors was associated with IPO initial returns. Wang et al. (2017) examined subscription demand and investor herding in Taiwan, highlighting that exceptionally high demand can be associated with investor responses that warrant careful interpretation. Collectively, these studies demonstrate that risk disclosure, investor demand, and early market outcomes are established areas of IPO research. They also provide a basis for examining these dimensions together, while recognizing that evidence from different markets and research designs cannot be directly generalized to the Indonesian IPO setting.

Despite these contributions, the studies reviewed above address different aspects of the IPO process and employ different empirical designs and outcome measures. The present study therefore does not claim that IPO

Vol. 22 (No. 2): 261 - 276. Th. 2026
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e-ISSN: 2598-6775

disclosure, investor demand, or early market performance has been overlooked in previous research. Instead, it addresses a more specific analytical need: a structured approach for comparing documentary information disclosed before listing, aggregate stated investor preferences during the offering period, reported oversubscription, and early post-listing price movements across the same set of IPO cases. This approach allows the study to identify descriptive similarities and differences across cases without assuming that disclosure characteristics cause particular preferences, subscription levels, or price trajectories. Its contribution lies in organizing these dimensions within a common, OIPT-informed analytical framework rather than establishing a causal model of investor decision-making.

To address this gap, the study draws on Organizational Information Processing Theory (OIPT), which provides a theoretical perspective for considering information requirements and uncertainty in organizational settings (Galbraith, 1974; Daft & Lengel, 1986). OIPT informs the organization of the analysis into four interconnected stages: (1) the pre-IPO information environment, represented by prospectus disclosures concerning company characteristics, business risks, and intended uses of proceeds; (2) prospective investor preferences, represented by aggregate *Buy*, *Wait & See*, and *Skip* responses during the offering period; (3) investor participation, represented by reported oversubscription ratios; and (4) early market dynamics, represented by IPO prices and closing prices during the first seven trading days. The four stages are used as an analytical sequence for comparing the six cases, not as a claim that investors necessarily follow a uniform decision-making process or that the observed stages constitute a causal chain.

Accordingly, this study addresses the following research question: How can the pre-IPO information environment, prospective investor preferences, subscription participation, and early market dynamics be examined together across IPO cases in Indonesia? This question is explored through three related lines of inquiry: (1) what differences in disclosed company characteristics, business risks, and intended uses of proceeds can be identified across the six IPO cases; (2) how do aggregate investor preference patterns and oversubscription ratios vary across these cases; and (3) what similarities and differences are observable between these pre-IPO characteristics and the early post-listing price trajectories?

This study makes three contributions. First, it broadens the descriptive focus of IPO analysis by examining documentary disclosures, stated investor preferences, subscription participation, and early price movements within a common comparative structure. Second, it applies OIPT as a theory-informed analytical lens for organizing these dimensions in the IPO context, without claiming to validate a causal model of investor information processing. Third, it provides a cross-case account of six IPOs listed on the Indonesia Stock Exchange during the July 2026 issuance wave. The resulting framework supports systematic comparison and helps identify propositions for future research using more detailed investor-level data and designs capable of testing causal relationships.

Method

Research Design and Nature of the Framework

This study adopts a descriptive multiple-case study design supported by documentary analysis and descriptive statistics. It examines six initial public offerings (IPOs) listed on the Indonesia Stock Exchange (IDX) during the July 2026 issuance period: RANS Entertainment Indonesia (RANS), Prodia Diagnostic Line (PRDL), Bach Multi Global (BACH), Esa Medika Mandiri (EMMI), Nitrasanata Dharma (JECX), and Niramas Utama (JELI). The multiple-case design enables a structured comparison of the information disclosed before listing, prospective investors' stated preferences, subscription demand, and early post-listing price movements across the selected cases.

To operationalize this investigation, the study employs an explicitly defined analytical framework rather than a validated causal model. Following rigorous methodological standards, it is vital to distinguish among three distinct analytical layers within this framework:

1. Theoretical Concepts: Grounded in Organizational Information Processing Theory (OIPT) (Galbraith, 1974; Daft & Lengel, 1986), concepts such as uncertainty reduction, information load, and organizational response serve as the foundational theoretical lens.
2. Empirical Indicators: Observable, objective data extracted from secondary sources, encompassing corporate disclosures in official IPO prospectuses (Stage 1), retail investor community polling results

Vol. 22 (No. 2): 261 - 276. Th. 2026
p-ISSN: 1907-0896
e-ISSN: 2598-6775

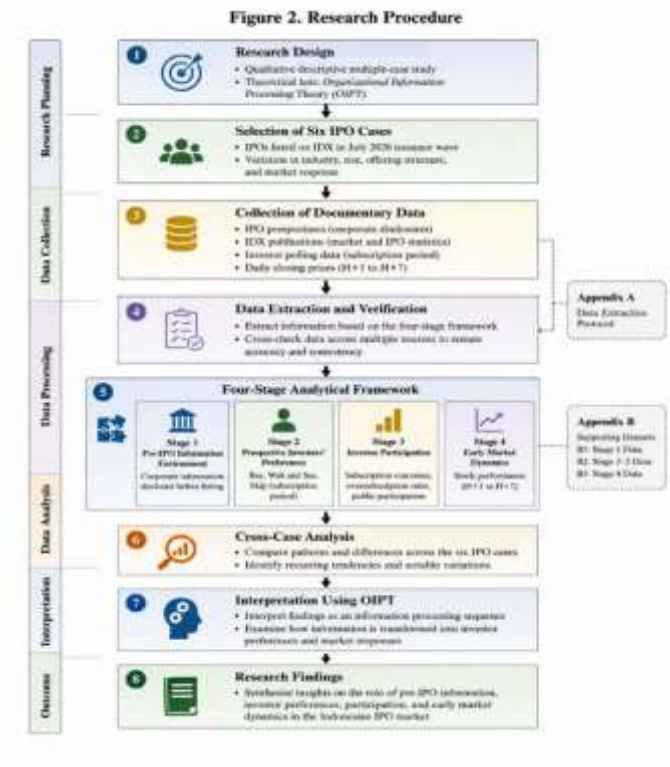
reflecting stated preferences (Stage 2), official oversubscription statistics from the Indonesia Stock Exchange (IDX) (Stage 3), and daily closing prices from Day 1 ($H + 1$) to Day 7 ($H + 7$) (Stage 4).

3. Analytical Mechanisms (Propositions): The transitions linking formal corporate disclosures to investor preferences, subsequent subscription participation, and post-listing market dynamics are conceptualized as theoretical mechanisms operating at the level of analytical propositions. These mechanisms describe patterned sequences of information processing rather than verified causal pathways.

Regarding the methodological boundary concerning cognitive processes, it is important to acknowledge that because this study does not employ direct interviews, individual observations, or cognitive process tracking, aggregate retail investor polling reveals only the expressed preferences (*Buy*, *Wait & See*, *Skip*) of respondents rather than the unobserved psychological reasons underlying those choices. Consequently, all conclusions are strictly limited to descriptive patterns and conceptual interpretations of collective market behavior. Furthermore, while the study incorporates numerical data and percentages (such as oversubscription ratios and polling proportions), it is framed as a qualitative multiple-case study supported by descriptive statistics and comparative document analysis, utilizing quantitative metrics solely to capture descriptive empirical variations across cases rather than for statistical inference.

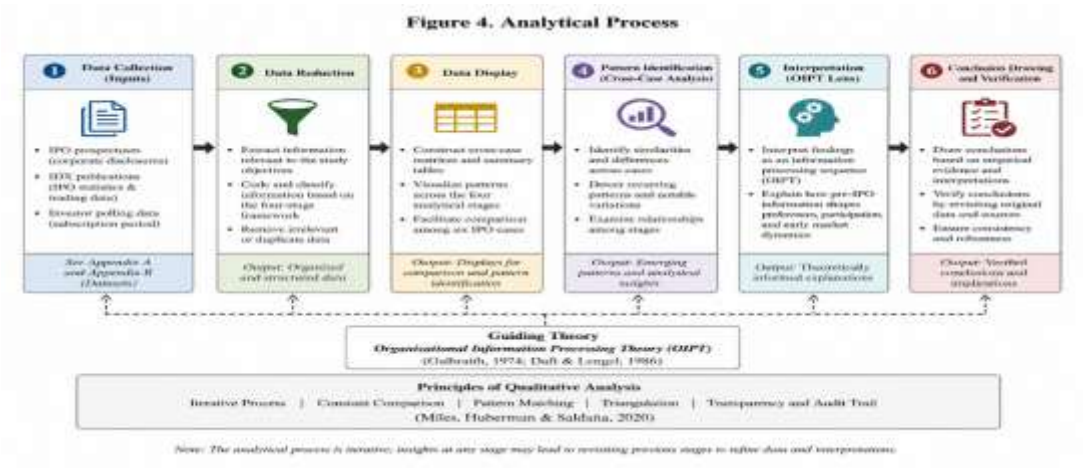
The contribution of the proposed framework does not lie in the novelty of its individual indicators, but in their systematic organization into a four-stage analytical sequence for cross-case comparison. By linking documentary disclosures, stated investor preferences, subscription participation, and early post-listing price movements, the framework provides a structured basis for identifying descriptive patterns and formulating propositions about information processing in IPO settings. The framework is intended as an OIPT-informed analytical device rather than a validated causal model. Accordingly, the observed patterns do not establish that disclosures cause particular investor preferences, oversubscription levels, or price movements.

Figure 2. Research Procedure



Vol. 22 (No. 2): 261 - 276. Th. 2026
p-ISSN: 1907-0896
e-ISSN: 2598-6775

Figure 4. Analytical Process



Case Selection and Sampling Criteria

The six IPOs were selected through purposive multiple-case sampling. The July 2026 issuance period was chosen to provide a shared temporal context for comparing the cases under broadly similar market and regulatory conditions. The cases were included when they met the following criteria: (1) listing on the IDX during the defined issuance period; (2) availability of an official prospectus and relevant public disclosures; (3) availability of subscription or oversubscription information; and (4) availability of daily closing-price data for the first seven trading sessions after listing. The selected cases also provide variation in business sectors, offer size, public share allocation, oversubscription, and early price trajectories.

To eliminate selection bias, all IPO issuers listed on the IDX during the July 2026 issuance wave that satisfied the data completeness criteria were included in the sample. This purposeful variation across the complete cohort permits robust cross-case comparison and analytical replication, which are central to multiple-case study methodology (Yin, 2018).

Investor Preference Data

Investor preference data were collected through separate polls conducted in June 2026, before the IPO listings examined in this study, using the account of a securities firm that maintains a stock-investing community. A separate poll was conducted for each IPO issuer, allowing community members to express their preferences regarding the respective offering. The number of respondents therefore varied across issuers because participation depended on the level of engagement among community members in each issuer-specific poll, rather than on a predetermined equal sample size.

Respondents' stated preferences were classified into three categories: *Buy*, *Wait & See*, and *Skip*. For each issuer, the analysis used the reported number of participants and the percentage distribution across these categories to describe investor preferences before listing. Because participation differed across polls, the respondent counts are reported separately for each issuer, and the results are interpreted as descriptive evidence of preferences among participating members of the securities firm's community. They are not treated as representative estimates of all Indonesian investors, actual IPO subscription decisions, or subsequent trading behavior.

Data Collection, Operational Definitions, and Sources

Data were collected exclusively from publicly accessible secondary sources to ensure transparency, auditability, and replicability. The primary data collection was conducted between June and July 2026. The sources and operational definitions comprise:

- Official IPO Prospectuses: Obtained from the official website of the Indonesia Stock Exchange (IDX) disclosures repository ([https://www.idx.co.id]), detailing company profiles, core business models, ownership structures, financial highlights, intended use of IPO proceeds, and principal business risks (operationalized for Stage 1).
- Market Statistics: Official IDX publication data covering IPO prices, total shares offered, free-float percentages, subscription levels, and official oversubscription ratios (calculated as total demand relative

Vol. 22 (No. 2): 261 - 276. Th. 2026
p-ISSN: 1907-0896
e-ISSN: 2598-6775

to eligible shares available), alongside daily trading records from the (operationalized for Stage 3 and Stage 4).

- Investor Preference Data: Structured descriptive polling data collected from an active Indonesian retail investor community during the official subscription period, categorized into *Buy*, *Wait & See*, and *Skip* (operationalized for Stage 2).

Data Extraction, Verification Procedures, and Framework Operationalization

To maintain strict methodological consistency across all cases, documentary evidence was systematically extracted using a standardized data extraction protocol (detailed in Appendix A). Extracted variables were cross-checked through rigorous triangulation between official prospectuses, IDX daily trading bulletins, and investor community publications to verify data accuracy and resolve discrepancies. The data were analyzed using the interactive qualitative analysis framework outlined by Miles, Huberman, and Saldaña (2020), which involves data reduction, data display (structured comparative matrices in Appendix B), cross-case pattern matching, and theoretical interpretation through OIPT. Trustworthiness was established through credibility (source triangulation), transferability (transparent context and case descriptions), dependability, and confirmability via a clear audit trail (Lincoln & Guba, 1985). To operationalize the four-stage analytical process under the guidance of Organizational Information Processing Theory (OIPT), the research variables, empirical indicators, data sources, and analytical purposes are structured as presented in Table 1 below.

Table 1. Operationalization of the Analytical Framework

Analytical Stage	Conceptual Component	Empirical Indicators	Data Source	Analytical Purpose
Stage 1	**Structured Information**	Company profile, industrial sector, IPO price, offered shares (free float), amount of proceeds, intended use of proceeds, disclosed business risks	IPO Prospectus	To describe the formal information environment available to prospective investors before the IPO listing.
Stage 2	**Socially Generated Information**	Investor polling results (Buy, Wait & See, Skip), number of polling participants	Investor community polling conducted during the official offering period	To describe how prospective investors collectively interpreted the available information during the IPO offering period.
Stage 3	**Investor Participation (Market-generated Information)**	Oversubscription ratio (times)	Indonesia Stock Exchange (IDX) & IPO Prospectus	To describe aggregate investor participation as an observable market signal during the offering process.
Stage 4	**Early Market Dynamics**	Daily closing prices from Day 1 to Day 7 after listing	Indonesia Stock Exchange (IDX)	To describe the market's initial response immediately following the completion of the IPO offering period.

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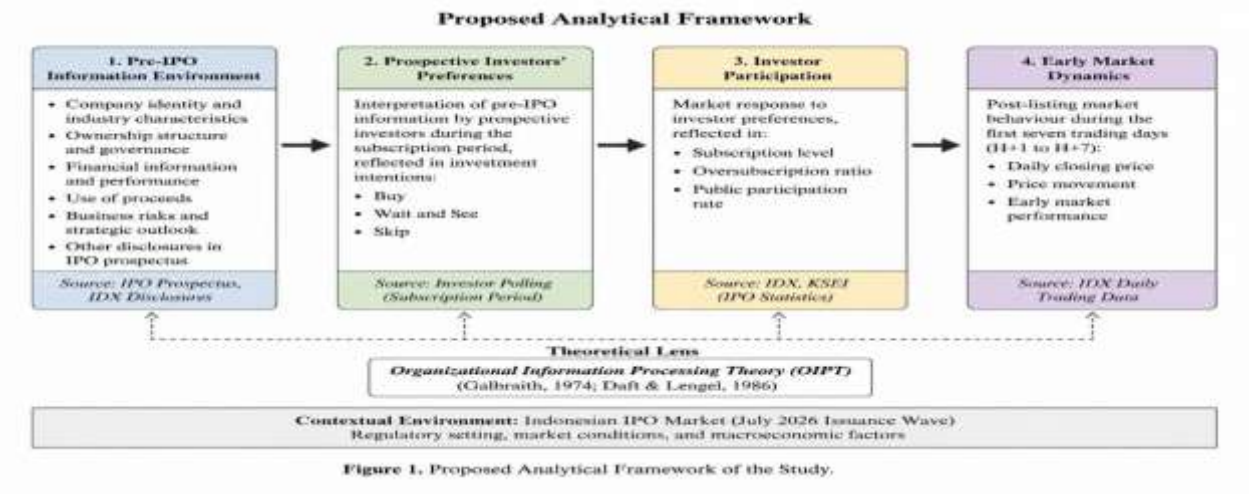
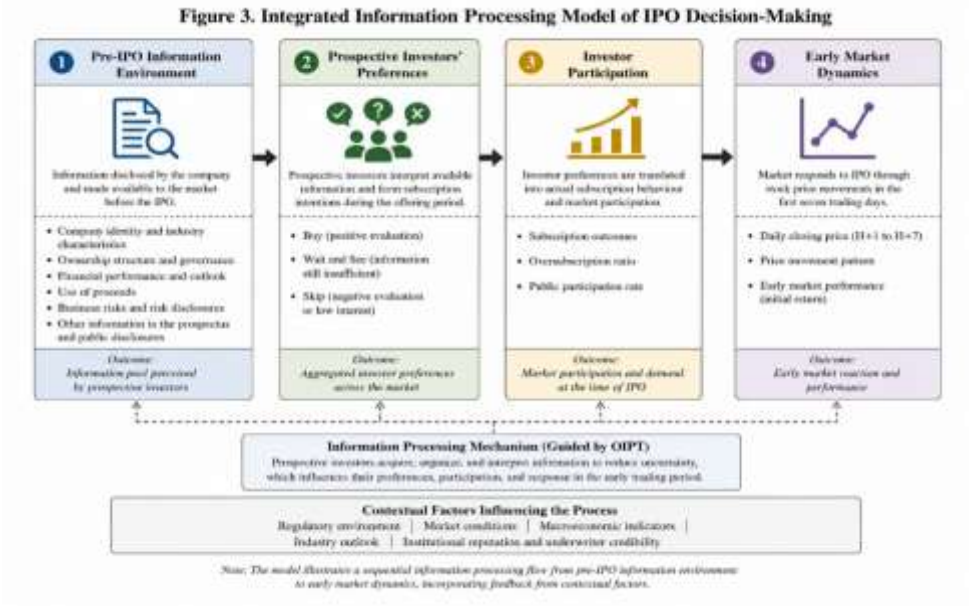


Figure 1. Proposed Analytical Framework of the Study.



Results And Discussion

Empirical Findings across the Four Analytical Stages

The empirical investigation examines six initial public offerings (IPOs) listed on the Indonesia Stock Exchange (IDX) during the July 2026 issuance wave: RANS Entertainment Indonesia (RANS), Prodia Diagnostic Line (PRDL), Bach Multi Global (BACH), Esa Medika Mandiri (EMMI), Nitrasanata Dharma (JECX), and Niramas Utama (JELI). The empirical evidence collected across the four analytical stages is summarized in the structured matrices below.

Table 2 presents a comparative matrix mapping the information environment characteristics, key operational risks, intended use of IPO proceeds, and observed investor preference responses across the six issuers.

Table 2. Comparative Matrix of Pre-IPO Information Environment, Key Risks, Use of Proceeds, and Investor Responses

IPO Ticker	Sector & Core Business	Offering Structure & Pricing	Key Disclosed Risks	Primary Use of Proceeds	Evaluated Information Characteristics	Investor Response (Buy / Wait & See / Skip)

Vol. 22 (No. 2): 261 - 276. Th. 2026
p-ISSN: 1907-0896
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PRDL	Healthcare (In vitro diagnostic manufacturing)	Price: IDR 120 Shares: 1.742.900.000 Free Float: 30.00%	Parent-company dependence, R&D failure risk, technology & supply chain variables	Debt repayment, R&D expansion, raw material procurement	High relevance, direct operational clarity, well-structured debt restructuring roadmap	Buy: 84% Wait & See: 10% Skip: 6%
JELI	Consumer Non-Cyclicals (Coconut-based F&B)	Price: IDR 900 Shares: 266.000.000 Free Float: 25.93%	Raw material price volatility, consumer trend shifts, domestic competition	Production facility expansion, distribution network, working capital	Clear tangible expansion goals, straightforward consumer business model	Buy: 82% Wait & See: 11% Skip: 7%
BACH	Industrials (Power rental & telecom infrastructure)	Price: IDR 442 Shares: 4.084.430.000 Free Float: 15.06%	Client concentration, Service Level Agreement (SLA) compliance, material prices	Energy capacity expansion, telecommunications infrastructure	Moderate complexity, capital-intensive infrastructure roadmap	Buy: 74% Wait & See: 16% Skip: 10%
JECX	Healthcare (Integrated eye healthcare services)	Price: IDR 1,250 Shares: 3.253.222.300 Free Float: 15.00%	Specialist doctor dependence, medical malpractice exposure, tariff regulations	JEC Bali hospital development, medical technology acquisition	High institutional credibility, specialized market focus, capital-heavy expansion	Buy: 57% Wait & See: 24% Skip: 19%
RANS	Consumer Cyclicals (Entertainment & IP management)	Price: IDR 170 Shares: 12.609.250.000 Free Float: 28.85%	Key-person dependence, audience retention, IP management, ad revenue shifts	Live concerts, Cipungland park development, AI tech, debt repayment	High public visibility but complex intangible asset valuation and broad allocation scope	Buy: 60% Wait & See: 18% Skip: 22%
EMMI	Healthcare (Medical device & pharma distribution)	Price: IDR 470 Shares: 1.742.857.000	Exclusive contract renewals, trade receivables, foreign exchange risk	Manufacturing facility construction, import activities, sales network	Higher contractual dependency risk, complex supply chain exposure	Buy: 47% Wait & See: 23%

Vol. 22 (No. 2): 261 - 276. Th. 2026
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		Free Float: 30.00%				Skip: 30%

Source: Compiled from official IPO prospectuses and investor community polling data.

Table 3 details the breakdown of prospective investor preference intentions collected during the official subscription period.

Table 3. Prospective Investor Preferences during pra IPO Offering Period in June 2026

IPO Ticker	Polling Participants (n)	Buy (%)	Wait & See (%)	Skip (%)
PRDL	355	84%	10%	6%
JELI	437	82%	11%	7%
BACH	346	74%	16%	10%
RANS	305	60%	18%	22%
JECX	390	57%	24%	19%
EMMI	323	47%	23%	30%

Source: Compiled from investor community polling conducted during the official subscription window.

Table 4 presents the relationship between investor preferences, aggregate subscription demand, and the structural supply parameters of each offer.

Table 4. Investor Preferences, Offer Supply Parameters, and Oversubscription Ratios

IPO Ticker	Buy Preference (%)	Shares Offered	Free Float (%)	Total Demand vs. Available Supply Basis	Oversubscription Ratio (×)
PRDL	84%	1.742.900.000	30.00%	High demand against low nominal issue price (IDR 120) and tight public float	709.93 ×
JELI	82%	266.000.000	25.93%	Strong demand relative to small total share issuance (266M shares)	273.37 ×
BACH	74%	4.084.300.000	15.06%	Robust demand constrained by low public allocation quota (15.06%)	167.00 ×
JECX	57%	3.253.222.300	15.00%	Moderate retail demand against higher unit price (IDR 1,250) & low float	62.50 ×
RANS	60%	12.609.250.000	28.85%	Substantial aggregate demand absorbed by large issue volume (12.6 B shares)	22.90 ×
EMMI	47%	1.742.857.000	30.00%	Weak retail subscription enthusiasm relative to available float quota	14.00 ×

Vol. 22 (No. 2): 261 - 276. Th. 2026
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Note: Oversubscription is defined as the total volume of valid subscription orders received during the offering period divided by the total number of shares offered to the public pool.

Table 5 tracks post-listing market dynamics across the first seven trading sessions ($H + 1$ to $H + 7$).

Table 5. Early Market Dynamics across the First Seven Trading Days (Closing Prices in IDR)

IPO Ticker	IPO Price	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7
PRDL	120	162	218	272	340	424	436	386
JELI	900	1,125	1,405	1,755	1,495	1,275	1,085	1,035
JECX	1,250	1,560	1,950	1,660	1,430	1,375	1,325	1,405
BACH	442	550	550	500	515	550	570	565
RANS	170	228	204	218	272	254	250	238
EMMI	470	550	500	490	470	470	474	460

In-Depth Cross-Case Analysis and Theoretical Discussion

1. Disclosure Characteristics, Business Risks, and Stated Investor Preferences

The comparison of the six IPO cases reveals differences in how issuer characteristics, disclosed business risks, and intended uses of proceeds coexist with prospective investors' stated preferences. Rather than treating disclosure volume as an indicator of information quality, this study examines four qualitative dimensions of the pre-IPO information environment: completeness, relevance, readability, and risk transparency. Completeness refers to whether the prospectus addresses material aspects of the issuer's business and offering; relevance concerns the usefulness of the disclosed information for understanding the company's business prospects and capital requirements; readability concerns the clarity with which the business model and intended use of proceeds are presented; and risk transparency refers to the identification of material operational, financial, and strategic vulnerabilities.

These dimensions provide an interpretive framework for comparing disclosures rather than a validated numerical measure of disclosure quality. The analysis therefore does not establish that one issuer possesses objectively superior information quality or that a particular disclosure characteristic produces a specific investment response.

The cross-case evidence illustrates several contrasting patterns. PRDL and JELI recorded the highest stated *Buy* preferences in the polling results. Their prospectuses describe identifiable business activities and intended uses of proceeds, including debt repayment and research and development for PRDL, and production and distribution expansion for JELI. These characteristics provide a basis for understanding the companies' stated business priorities. Nevertheless, the polling results alone cannot establish that the clarity of these disclosures explains the stronger *Buy* preferences.

RANS and EMMI present a different combination of business characteristics and disclosed risks. RANS describes a range of planned activities alongside risks associated with key-person dependence, intellectual property management, audience retention, and advertising revenue. EMMI discloses risks relating to contractual dependence, trade receivables, and foreign exchange exposure. Both cases illustrate why the assessment of an IPO requires consideration of not only the intended use of proceeds but also the business dependencies and uncertainties surrounding those plans. Their polling distributions indicate a comparatively larger proportion of *Skip* responses than those observed for PRDL and JELI. However, this descriptive correspondence does not demonstrate that the disclosed risks caused respondents to become more cautious.

JECX and BACH further demonstrate that investor preferences must be interpreted in relation to different business models and offering characteristics. JECX operates in specialised healthcare services and discloses risks involving specialist-doctor dependence, medical malpractice, and tariff regulation. BACH operates in power rental and telecommunications infrastructure, with risks associated with client concentration, service-level compliance, and material prices. The distribution of stated preferences differs between these two cases, indicating that issuers with distinct operating models and risk profiles do not necessarily receive similar responses from participating investors.

Taken together, these comparisons suggest that pre-IPO information should be assessed in relation to the nature of the issuer's business, the material risks disclosed, and the purpose of the proposed capital raising. The practical value of a prospectus cannot be inferred from its length or the apparent simplicity of the business model alone. Instead, the disclosures provide a basis for comparing investment opportunities, while the extent

Vol. 22 (No. 2): 261 - 276. Th. 2026
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to which individual investors understand or use that information remains beyond the direct observation of this study.

2. Interpreting Oversubscription in Relation to Demand and Share Supply

Oversubscription provides an observable indication of aggregate subscription demand relative to the shares available under the relevant offering arrangements. Its interpretation, however, requires attention to the calculation basis and the supply conditions of each IPO. A high ratio should not automatically be interpreted as evidence of superior information quality, stronger corporate fundamentals, or more effective investor decision-making.

The comparison of the six issuers highlights the importance of considering the number of shares offered, the public allocation, the free-float proportion, and the nominal offer price alongside the reported oversubscription ratio. An offering with a relatively restricted pool of available shares may record a high ratio when subscription demand is substantial. Conversely, an issuer offering a much larger number of shares may attract substantial aggregate demand but record a lower multiple because the available supply is also larger.

The cases of PRDL and RANS illustrate why the ratio must be interpreted in conjunction with offering size. PRDL's offer price and number of shares offered imply a different offering scale from that of RANS, which offered a substantially larger number of shares. Consequently, their oversubscription ratios cannot be compared as if they represented demand under identical supply conditions. The difference in ratios may reflect a combination of demand and offering structure rather than differences in the information environment alone.

The offering structures of BACH and JECX also require attention to public share availability. Both issuers have relatively low free-float proportions compared with some of the other cases. A restricted supply of shares available to public investors can affect the resulting oversubscription multiple. Nevertheless, free float and the number of shares offered should not be treated as interchangeable measures: free float concerns the proportion of shares available for public trading, whereas the oversubscription calculation depends on the specific pool of shares and subscription orders defined by the relevant offering arrangements.

Accordingly, the official oversubscription figures reported in this study should be interpreted using their documented calculation bases. Where the official source defines the ratio using valid subscription orders and shares available to the public, that definition should be stated explicitly and applied consistently. Differences in investor allocation, eligibility rules, and the availability of shares may also affect the resulting ratio.

This interpretation qualifies the relationship between the analytical stages. The polling results describe preferences stated by participating members of a securities-firm investor community before the IPOs, whereas oversubscription reflects subscription activity under the formal offering arrangements. These measures represent different forms of evidence and should not be treated as interchangeable. The polling data do not establish that the respondents subsequently subscribed to the offerings, nor do they identify the extent to which their stated preferences corresponded with aggregate subscription demand.

3. Early Market Dynamics and the Analytical Contribution of OIPT

The first seven trading sessions provide a further perspective on how market assessments can change after an IPO begins trading. Across the six cases, the observed price trajectories include continued increases, subsequent corrections, and partial recoveries. PRDL rose substantially during the early trading sessions before declining from its sixth-session closing price by the seventh session. JELI also experienced an early increase followed by a series of declines, while JECX recorded an initial rise, subsequent correction, and a recovery in the final observed session. RANS fluctuated after its first-day increase, whereas BACH and EMMI displayed different patterns of early price adjustment.

These trajectories demonstrate that initial market performance is not necessarily a uniform continuation of the preferences expressed before listing. Once trading begins, prices are also shaped by transactions among market participants, the availability of shares, liquidity, expectations, and other market-specific factors. The evidence in this study does not isolate the contribution of these factors or establish a causal relationship between pre-IPO preferences, oversubscription, and subsequent price movements.

Organizational Information Processing Theory (OIPT) provides a useful conceptual lens for organising these observations. In this study, the theory informs a four-stage analytical framework. First, prospectuses and official disclosures establish the formal information environment available before listing. Second, the polling results describe the stated preferences of participating members of an investor community. Third, oversubscription records aggregate subscription demand in relation to the relevant share supply. Fourth, post-listing prices capture observable market developments during the first seven trading sessions.

Vol. 22 (No. 2): 261 - 276. Th. 2026
p-ISSN: 1907-0896
e-ISSN: 2598-6775

The contribution of this framework lies in bringing these distinct forms of evidence into a common comparative analysis. It directs attention to the sequence in which information disclosures, stated preferences, subscription participation, and early market outcomes can be examined, rather than treating each as an entirely separate topic. However, the framework is an analytical structure informed by OIPT, not a validated causal model. The available evidence does not directly observe the cognitive processes through which individual investors interpret disclosures, nor does it establish that each stage necessarily determines the next.

This distinction is important for interpreting the study's theoretical contribution. The findings demonstrate the usefulness of OIPT as an organising perspective for comparing IPO cases under conditions of uncertainty. They do not demonstrate a causal mechanism through which disclosure quality determines investor preferences or early market performance. Future research could extend this framework by combining prospectus-based indicators with individual-level investor data, subscription records, and longer post-listing observations to examine the relationships between these stages more directly.

Overall, the six cases show that the pre-IPO information environment, stated investor preferences, subscription participation, and early market dynamics provide complementary but distinct perspectives on the IPO process. Their integration enables a more comprehensive description of IPO decision contexts while preserving the distinction between observed evidence and theoretical interpretation.

Conclusion

Summary of Empirical Findings

This study examined six initial public offerings (IPOs) listed on the Indonesia Stock Exchange (IDX) during the July 2026 issuance period through a qualitative descriptive multiple-case study informed by Organizational Information Processing Theory (OIPT). The cross-case analysis identified substantial variation in the pre-IPO information environment, stated investor preferences, subscription demand, and early post-listing price movements.

The findings indicate that the six issuers presented different combinations of business characteristics, operational risks, and intended uses of IPO proceeds. These differences provided distinct informational contexts for prospective investors. The pre-IPO polling results also revealed heterogeneous stated preferences, ranging from stronger Buy preferences for some issuers to more cautious responses for others. However, the aggregate polling data do not establish the specific reasons behind individual preferences or demonstrate that particular disclosure characteristics directly produced those preferences.

Subscription outcomes varied considerably across the six cases, with reported oversubscription ratios ranging from 14 times for EMMI to 709.93 times for PRDL. This variation should be interpreted in relation to both subscription demand and the number of shares available for public subscription. The first seven trading days also showed different price trajectories. PRDL closed at IDR 386 on its seventh trading day, compared with its IPO price of IDR 120, whereas EMMI closed at IDR 460 against its IPO price of IDR 470. These contrasting outcomes illustrate that substantial differences in early market performance can occur among IPOs launched within the same issuance period.

Taken together, the findings demonstrate the value of examining disclosure characteristics, stated investor preferences, subscription outcomes, and early trading movements within a common comparative framework. Nevertheless, the observed patterns should be interpreted as descriptive associations and cross-case contrasts rather than evidence of direct causal relationships.

Theoretical Interpretations

This study contributes to IPO research by applying Organizational Information Processing Theory (OIPT) to a descriptive analysis of the pre-IPO and early post-listing stages of the primary capital market. The proposed four-stage analytical framework connects the pre-IPO information environment, prospective investor preferences, investor participation, and early market dynamics within a single analytical sequence. The framework offers a way to organize evidence that is commonly examined separately in IPO research. It highlights how formal disclosures, stated preferences, aggregate subscription outcomes, and subsequent market prices represent distinct but analytically connected dimensions of the IPO process. It also emphasizes that the transition from publicly available information to observable market outcomes should not be assumed to be automatic or uniform across issuers.

Vol. 22 (No. 2): 261 - 276. Th. 2026
p-ISSN: 1907-0896
e-ISSN: 2598-6775

The contribution is therefore conceptual and analytical rather than causal or predictive. Because the study relies on documentary evidence, aggregate polling results, and descriptive market data, it does not directly observe individual information-processing mechanisms or validate the proposed transitions as causal pathways. The framework should consequently be understood as an OIPT-informed analytical proposition that can guide more detailed empirical testing in future research

Policy and Practical Implications

The empirical and conceptual insights of this study offer several targeted practical implications:

- For Issuing Companies: Managers and underwriters must focus on presenting transparent, coherent, and decision-relevant information during the IPO process. Enhancing the clarity of operational roadmaps and ensuring transparent risk communication help reduce interpretive friction among prospective investors.
- For Regulators and Market Authorities (OJK and IDX): Regulatory frameworks should be evaluated to enhance the readability and plain-language formatting of risk disclosures, ensuring that complex operational vulnerabilities are easily understood by retail participants. Additionally, regulatory oversight should increase transparency regarding the intended use of IPO proceeds, requiring issuers to provide more granular, measurable milestones for capital deployment to assist investor evaluation.
- For Market Participants: The four-stage analytical framework provides a structured perspective for retail and institutional investors, encouraging a systematic, sequential assessment of disclosed data, investor sentiment, subscription participation, and early trading behavior rather than relying on isolated indicators.

Limitations and Future Research Directions

Despite its contributions, this study acknowledges several methodological limitations that provide avenues for future research:

1. Sample Scope: The analysis is restricted to six IPOs listed during a single issuance wave (July 2026) in the Indonesian capital market, which may limit the transferability of findings to different macroeconomic conditions or regulatory environments.
2. Data Granularity: Investor preferences are captured through descriptive polling data from a single retail investor community rather than direct individual behavioral observations or cognitive interviews, meaning the data reflect collective community sentiment rather than individual decision-making processes.
3. Observation Horizon: The study focuses exclusively on the short-term post-listing window ($H + 1$ to $H + 7$), and therefore does not evaluate whether the observed information-processing patterns persist over longer investment horizons.

Future research could fruitfully extend this framework by incorporating a broader cross-section of IPOs across diverse industrial sectors, market cycles, and international capital markets. Combining this qualitative framework with quantitative econometric modeling or incorporating institutional investor behavior would further enrich the understanding of primary market information processing.

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Vol. 22 (No. 2): 261 - 276. Th. 2026
p-ISSN: 1907-0896
e-ISSN: 2598-6775

APPENDIX A
Data Extraction Protocol

Purpose

This protocol was developed to ensure that all IPO cases were examined using a consistent and transparent analytical procedure. The protocol specifies the information extracted from each data source before descriptive analysis was conducted.

Data extracted

Analytical Stage	Information Extracted	Source
Stage 1	Company identity, ticker, industry, ownership, use of proceeds	IPO Prospectus
Stage 2	Buy, Wait and See, Skip	Investor Polling
Stage 3	Oversubscription ratio	IDX
Stage 4	IPO price, H+1–H+7 closing prices	IDX Daily Trading Data

Appendix B.1 Company Characteristics

IPO	Sector	Core Business	IPO Price (IDR)	Oversubscription	Intended Use of IPO Proceeds	Principal Business Risks
JELI	Consumer Non-Cyclicals	Coconut-based food and beverage products	900	273.37×	Production expansion, distribution, working capital	Raw material prices, consumer trends, competition, exchange rates
JECX	Healthcare	Integrated eye healthcare services	1,250	62.50×	JEC Bali development, medical technology, working capital	Specialist dependence, malpractice, tariff regulation, imported equipment
BACH	Industrials	Power rental and telecommunication infrastructure	442	167×	Energy expansion, telecommunication infrastructure, working capital	Client concentration, SLA compliance, material prices, HSE
EMMI	Healthcare	Medical device and pharmaceutical distribution	470	14×	Import activities, manufacturing facility, sales network	Exclusive contracts, receivables, regulation, exchange rate
PRDL	Healthcare	In vitro diagnostic manufacturing	120	709.93×	Debt repayment, research and development, raw materials	Parent-company dependence, R&D failure, technology, supply chain

Vol. 22 (No. 2): 261 - 276. Th. 2026
p-ISSN: 1907-0896
e-ISSN: 2598-6775

RANS	Consumer Cyclicals	Entertainment platform, intellectual property, talent management	170	22.90×	Concerts, Cipungland development, AI technology, debt repayment	Key person, audience retention, IP management, advertising

Appendix B2. Investor Preference Matrix During the IPO Offering Period

IPO	Poll Participants (n)	Buy	Wait & See	Skip
JELI	437	82%	11%	7%
JECX	390	57%	24%	19%
BACH	346	74%	16%	10%
EMMI	323	47%	23%	30%
PRDL	355	84%	10%	6%
RANS	305	60%	18%	22%

Appendix B3. Early Market Dynamics

IPO	IPO Price	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7
JELI	900	1125	1405	1755	1495	1275	1085	1035
JECX	1250	1560	1950	1660	1430	1375	1325	1405
BACH	442	550	550	500	515	550	570	565
EMMI	470	550	500	490	470	470	474	460
PRDL	120	162	218	272	340	424	436	386
RANS	170	228	204	218	272	254	250	238