



Excited to share that an Article on recent Reddit **IPO** by **Shahid Nazir**, Partner Corporate Finance and Deal Advisory has been published in **Arabian Business** in **UAE**.

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Reddit recently went public in one of the most anticipated IPOs of the year. But despite early trading success that saw shares surge **48 percent** on day one, the company faces major challenges that could affect its future as questions linger about its **financial viability** and business model.

“The decision to **delay Reddit’s IPO in 2022** can be attributed to a challenging business climate, uncertainties in the tech sector, and some concerns about the company’s profitability and growth potential,” **said Muhammad Shahid Nazir**, Partner of Corporate Finance and Deal Advisory at Insights UAE.

“Reddit’s IPO saw strong investor appetite, with shares opening at **\$47** and reaching a high of **\$57.80** on the first day of trading, marking a **48 percent** increase from the IPO price of **\$34**,” said Shahid Nazir.

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Reddit's stock price surged after its initial public offering last week. The shares, which were priced at **\$34**, ended up closing at **\$59.80** on the first day of trading. This significant increase meant that Reddit and its early backers were able to raise approximately **\$750** million collectively through the IPO.

“By and large, while **Reddit** has shown that past fights considerably affected **income**, financial backers stay worried about the chance of future interferences, which could influence client development, commitment, and the state's ability to enlist and keep publicists,” **Shahid Nazir explained.**

“Conflicts with **moderators** and **disruptions** on the platform could raise concerns for investors regarding Reddit's **corporate governance** and community management. Addressing these dynamics is crucial to maintain investor confidence and ensure a stable operating environment.”

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