

## ABSTRACT

*The Initial Public Offering (IPO) is an important step for companies to obtain external funding and increase visibility in the capital market. In an IPO, companies often set the initial share price below the actual market value, a phenomenon known as underpricing. Underpricing occurs when the stock price on the first day of trading is higher than the initial offering price. This leads to a significant price jump on the first trading day and attracts investor interest in IPO shares. The period from 2021 to 2023 showed a substantial increase in both the number of companies listed on the Indonesia Stock Exchange (IDX) and the total funds raised.*

*This study aims to analyze the level of underpricing and examine the influence of several non-financial factors on underpricing for companies conducting IPOs on the IDX during 2021–2023. The factors analyzed include industry sector, issue size, underwriter reputation, auditor reputation, and legal consultant reputation.*

*The research method employed is a quantitative approach using logistic regression analysis. The sample consists of 187 companies that went public during the 2021–2023 period. The sampling technique used is non-probability purposive sampling.*

*The results show that out of the five variables tested, two variables—issue size and auditor reputation—have a significant effect on underpricing. The larger the issue size, the higher the tendency for underpricing. A reputable auditor can reduce the risk of underpricing by enhancing investor confidence in the quality of disclosed information. Meanwhile, industry sector, underwriter reputation, and legal consultant reputation do not show a significant effect on underpricing. Simultaneously, the five variables do not have a collective influence on the level of underpricing.*

*This study contributes to the context of Indonesia's post-pandemic capital market by identifying non-financial determinants of IPO underpricing. The limitation of this research lies in the scope of variables, which does not include financial aspects and other non-financial elements. The findings are expected to serve as a reference for investors, corporate management, and regulators in making strategic IPO-related decisions and to enrich academic literature on the Indonesian capital market.*

**Keywords:** *Underpricing, Initial Public Offering, Logistic Regression Analysis, Auditor Reputation, Issue Size*