

DATE 12 May 2014
PUBLICATION Muscat Daily
SECTION PG-17

Al Batinah, Al Suwadi IPOs open for subscription

Muscat - The initial public offerings (IPOs) of Al Batinah Power Co SAOG (under transformation) and Al Suwadi Power Co SAOG (under transformation) opened for subscription yesterday.

The two companies are the owners of the two largest power plants in Oman.

The founding shareholders are selling their shares to the public to comply with their obligations in the project founders agreement signed with the Electricity Holding Co (EHC) in 2010, a joint press release said.

Al Batinah Power is offering 236,210,601 shares at a price of 128bz each (comprising a nominal value of 100bz, share premium of 26bz and issue

expense of 2bz). Al Suwadi Power is offering 250,042,219 shares at 130bz each (comprising a nominal value of 100bz, share premium of 28bz and issue expense of 2bz). Both IPOs represent an offer of 35 per



At the IPO price, both companies offer an average projected dividend yield of 8.1% for the first five years (excluding issue expenses)



cent of the share capital of each company.

The IPOs will close on June 9. The offerings are open to Omani and non-Omani investors including individual and institutional investors. Sixty-five per cent of the shares have been re-

served for investors applying for a minimum of 1,000 shares and a maximum of 600,000 shares, and the balance 35 per cent have been reserved for investors applying for 600,100 shares or more, up to the maximum appli-

cation amounts (equal to ten per cent of each offer, respectively).

At the IPO price, both companies offer an average projected dividend yield of 8.1 per cent for the first five years (excluding issue expenses). This

compares with an average dividend yield of 6.5 per cent for other power companies listed on the Muscat Securities Market (MSM), and 3.9 per cent yield for the MSM30 index.

The first dividends will be payable in June and November this year, and twice yearly thereafter.

At the offer price, both companies offer an internal rate of return (IRR) of 14 per cent to investors.

This translates into a substantial discount of 40 per cent to 60 per cent over their discounted cash flow-based valuations, the release added.

Bank Muscat is the financial adviser and issue manager for both the IPOs.

DATE 11 May 2014
PUBLICATION Times of Oman
SECTION PG-03

Initial public offerings of two power companies to open today

Both IPOs of Al Batinah Power Co and Al Suwadi Power Company represent an offer of 35% of the share capital of each company

Times News Service

MUSCAT: Al Batinah Power Co and Al Suwadi Power Company have announced the opening of their initial public offerings (IPOs) for subscription today.

The two companies are the owners of the two largest and most efficient power plants currently in operation in Oman. The founding shareholders are selling these shares to the public to comply with the obligations in the project founders' agreement signed with

the Electricity Holding Company (EHC) in 2010. Both IPOs represent an offer of 35 per cent of the share capital of each company, said a company release.

The IPO subscriptions, which will close on June 9, 2014, are open for subscription to Omani and non-Omani investors including individual and institutional investors.

Al Batinah Power is offering 236,210,601 existing shares at a price of 128 baisas per share (comprising nominal value of 100 bai-

sas and a premium of 26 baisas besides an issue expense of 2 baisas) totaling OMR30,234,957. Al Suwadi Power is offering 250,042,219 existing shares at a price of 130 baisas per share (comprising nominal value of 100 baisas, share premium of 28 baisas and an issue expense of 2 baisas) totaling OMR32,505,488.

Minimum of 1,000 shares

In each IPO, 65 per cent of the shares made available for subscription have been reserved for investors applying for a minimum of 1,000 shares and a maximum of 600,000 shares, and the balance 35 per cent of the shares have been reserved for investors applying for 600,100 shares or more, up to the maximum application amount (equal to 10 per cent of each offer, respectively).

The Capital Market Authority is expected to approve share allot-

ment on June 19, and the listing of shares on the Muscat Securities Market is expected on July 23.

At the IPO price, both companies offer an average projected dividend yield of 8.1 per cent for the first five years.

This compares with an average dividend yield of 6.5 per cent for other power companies listed on Muscat Securities Market, and 3.9 per cent dividend yield for the MSM 30 Index.

The first dividends will be payable in June, 2014 and November, 2014, and twice yearly thereafter. At the offer price, both companies offer an IRR of 14 per cent to the investors. This translates into a substantial discount of 40 per cent to 60 per cent over their discounted cash flow based valuations.

Bank Muscat is the financial adviser and issue manager for both the Al Batinah Power and the Al Suwadi Power IPOs.

Al Batinah Power owns and operates a power plant in Sohar (known as Sohar-2), a gas-fired combined cycle power generation plant with a contracted power capacity of 744 MW, located approximately 200km northwest of Muscat in Oman. Al Suwadi Power owns and operates a power plant in Barka (known as Barka-3), a gas-fired combined cycle power generation plant with a contracted power capacity of 744 MW, located approximately 80km northwest of Muscat in Oman.

Both plants were commissioned on time, have been operating since the beginning of April, 2013 and have achieved a 99.7 per cent reliability (for Al Suwadi Power) and 99.9 per cent reliability (for Al Batinah Power) in 2013. They are expected to play a major role in meeting Oman's growing power demand for many years to come,

thereby making a valuable contribution to the Sultanate's people, its communities and its industries. The plants constitute a total investment of \$1.7 billion, and a total installed capacity of 1,488 MW, representing about 27 per cent of the total current contracted power capacity of Oman's Main Interconnected System (MIS).

Experienced power players

The companies also benefit from strong and committed founding shareholders, including experienced power players on a global scale, in Oman and in the region, as well as large and reputable Omani investors. GDF SUEZ, the main promoter, is an established international developer, owner and operator of power and water projects. The other founders are Suhail Bahwan Group, Sojitz, Shikoku Electric and Public Authority for Social Insurance (PASI).

DATE 11 May 2014
PUBLICATION Oman Tribune
SECTION Front Page

Batinah, Suwadi power firms' IPO opens today

Companies to offer 35% of share capital

◆ Staff Reporter

OMAN TRIBUNE

MUSCAT Independent power producing companies, Al Batinah Power and Al Suwadi Power, will hit the markets with their initial public offering (IPO) on Sunday.

The two companies are to take the market route as part of the obligation with the government's Electricity Holding Company to offer shares within a period after starting operations.

Al Batinah is offering 236,210,601 existing shares at a price of 128 baisas per share. This comprises the nominal value of 100 baisas, share premium of 26 baisas and issue expenses of two baisas, totalling 30,234,957 rials.

Al Suwadi is offering 250,042,219 shares at 130 baisa per share. This includes the nominal value of 100 baisa, share premium of 28 baisa and issue expenses of two baisa totalling 32,505,488 rials.

The offer is 35 per cent of the share capital of each company.

The IPOs, opening for subscription on Sunday and closing on June 9 are



CEOs of Al Suwadi Power and Al Batinah Power firms.

open for subscription to Omani and non-Omani investors, including individual and institutional ones.

In each IPO, 65 per cent of the shares made available for subscription have been reserved for investors applying for a minimum of 1,000 and maximum 600,000 shares.

The balance is reserved for investors applying for 600,100 shares or more, up to the maximum application amounts which would be equal to 10 per cent of each offer.

At the IPO price, both companies offer an average projected dividend yield of 8.1 per cent for the first five years, excluding

issue expenses. This compares with an average dividend yield of 6.5 per cent for other power companies listed on Muscat Securities Market (MSM), and 3.9 per cent for the MSM 30 Index.

The initial dividends will be payable in June and November, and twice yearly thereafter. At the offer price, both companies offer an IRR of 14 per cent to the investors.

This translates into a substantial discount of 40-60 per cent over their discounted cash flow-based valuations.

Bank Muscat is the financial adviser and issue manager for both the public offerings.



**Website Coverage of
Al Batina and Al Suwadi
Power PR 12/05/2014**



DATE	12 May 2014
PUBLICATION	Zawya
SECTION	Online

Al Batinah Power and Al Suwadi Power IPOs open for subscription today

Muscat, 11 May 2014 - Al Batinah Power Co SAOG (under transformation) and Al Suwadi Power Company SAOG (under transformation) today announced the opening of their Initial Public Offerings (IPOs) for subscription in Oman, which will culminate with a listing of their respective shares on the **Muscat Securities Market** . Prospectuses for the IPOs have been issued and are available for download from the website of the Capital Market

Authority:www.cma.gov.om/Home/IPOs) and the IPOs website:www.poweripos.com.

The two companies are the owners of the two largest and most efficient power plants currently in operation in Oman. The founding shareholders are selling these shares to the public to comply with their respective obligations in Project Founders Agreements signed with government owned Electricity Holding Company (EHC) in 2010



DATE 12 May 2014
PUBLICATION ameinfo
SECTION Online

Al Batinah Power and Al Suwadi Power IPOs open for subscription

: Sunday, May 11 - 2014 @ 09:58

Al Batinah Power Co SAOG (under transformation) and Al Suwadi Power Company SAOG (under transformation) today announced the opening of their Initial Public Offerings (IPOs) for subscription in Oman, which will culminate with a listing of their respective shares on the Muscat Securities Market. Prospectuses for the IPOs have been issued and are available for download from the website of the Capital Market Authority: www.cma.gov.om/Home/IPOs) and the IPOs website: www.poweripos.com.

The two companies are the owners of the two largest and most efficient power plants currently in operation in Oman. The founding shareholders are selling these shares to the public to comply with their respective obligations in Project Founders Agreements signed with government owned Electricity Holding Company (EHC) in 2010.

Highlights:

- The IPOs open on 11 May 2014 and will close on 9 June 2014
- Open for subscription to Omani and non-Omani investors, including individual and institutional investors, that have an investor account with the Muscat Clearing and Depository Company SAOC
- Both IPOs involve the offering of 35% of the share capital of each company
- Al Batinah Power:
 - o Offering 236,210,601 existing shares
 - o Shares priced at Bzs 128 per share (comprising nominal value of Bzs 100, share premium of Bzs 26 and issue expenses of Bzs 2)
- Offer size of RO 32,505,488
- The projected average dividend yield on an investment in either company at the IPO price (excluding issue expenses) for the next five years is 8.1% p.a.
- Dividends are payable twice yearly (May and November, but with a first dividend in June 2014)
- Due to long-term off-take and gas supply agreements with the Oman Government, both companies are able to offer returns that will likely be unaffected by market downturns (contracted until 2028)
- bank muscat is the financial adviser and issue manager for both the Al Batinah Power IPO and the Al Suwadi Power IPO



DATE 12 May 2014
PUBLICATION gulf business
SECTION Online

Omani Power Firms Set To Double Profits After Share Offer

Oman's Al Batinah Power Co and Al Suwadi Power Co, which launched twin initial public share offers on Sunday and are owned by the same consortium, will double their profits from 2014 to 2018 as they pay off start-up costs, a top executive said.

The firms, whose owners aim to raise a combined OMR62.7 million (\$163 million) through the sale of 35 per cent of each company, together provide just over a quarter of the electricity for Oman's main power grid – around the capital, Muscat.

The companies were required to go public and list on the sultanate's bourse under the terms of their licences, having launched operations in April 2013.

"If people are looking for robust and very predictable dividends this is a nice opportunity," said Przemek Lupa, chief executive of Al Suwadi Power and project manager for the two IPOs, told Reuters. "We're profitable."

Al Suwadi's net profits will rise to OMR10.9 million in 2018 from OMR4.8 million this year, according to the IPO prospectuses, while Al Batinah's profits will rise to OMR10.3 million from OMR4.6 million over the same period.

Their earnings before tax, interest, depreciation and amortisation will remain steady at around OMR30 million a year while finance charges from constructing the plants reduce over time.



They have supply contracts with Oman until 2028.

According to IPO documents, this will enable the companies to offer subscribers an average annual dividend yield of 8.1 per cent over the next five years. Dividends will be paid twice yearly, with the first dividend planned for June.

Al Batinah is selling 236.2 million shares at OMR0.128 per share, for a total of OMR30.2 million.

Al Suwadi is the larger of the two IPOs, offering 250 million shares at OMR0.13 per share, which would raise OMR32.5 million if fully subscribed.

Bank Muscat is acting as financial adviser and lead manager on both flotations.

In the IPOs, 65 per cent of the shares are reserved for retail investors, with the remainder for institutions and wealthy individuals making orders of more than 600,000 shares.

Should the retail or institutional tranches be undersubscribed any extra subscriptions in the other part can be utilised to meet the shortfall. There are no restrictions on foreign participation, although no person or entity can acquire more than a 3.5 per cent stake in each company through the IPO.

The companies' shareholders will sell shares in the IPOs on a proportional basis.

This means French utilities group GDF Suez's holding will fall to 30 per cent from 46 per cent, while that of local firm Suhail Bahwan Group will drop to 14 per cent from 22 per cent.

Two Japanese investors, Sojitz Corp and Shikoku Electric Power Co, will cut their respective stakes to seven per cent from 11 per cent, with Oman's state pension fund also reducing its holding to about seven per cent from 10 per cent.

The offers run from May 11 to June 9 and the companies expect to list on June 23.



DATE 12 May 2014
PUBLICATION Times of Oman
SECTION Online

Initial public offerings of two power companies to open on May 11

Muscat: Al Batinah Power Co and Al Suwadi Power Company have announced the opening of their initial public offerings (IPOs) for subscription on Sunday.

The two companies are the owners of the two largest and most efficient power plants currently in operation in Oman. The founding shareholders are selling these shares to the public to comply with the obligations in the project founders' agreement signed with the Electricity Holding Company (EHC) in 2010. Both IPOs represent an offer of 35 per cent of the share capital of each company, said a company release.

The IPO subscriptions, which will close on June 9, 2014, are open for subscription to Omani and non-Omani investors including individual and institutional investors.

Al Batinah Power is offering 236,210,601 existing shares at a price of 128 baisas per share (comprising nominal value of 100 baisas and a premium of 26 baisas besides an issue expense of 2 baisas) totaling OMR30,234,957. Al Suwadi Power is offering 250,042,219 existing shares at a price of 130 baisas per share (comprising nominal value of 100 baisas, share premium of 28 baisas and an issue expense of 2 baisas) totaling OMR32,505,488.

Minimum of 1,000 shares

In each IPO, 65 per cent of the shares made available for subscription have been reserved for investors applying for a minimum of 1,000 shares and a maximum of 600,000 shares, and the balance 35 per cent of the shares have been reserved for investors applying for 600,100 shares or more, up to the maximum application amount (equal to 10 per cent of each offer, respectively).

The Capital Market Authority is expected to approve share allotment on June 19, and the listing of shares on the Muscat Securities Market is expected on July 23.

At the IPO price, both companies offer an average projected dividend yield of 8.1 per cent for the first five years.

This compares with an average dividend yield of 6.5 per cent for other power companies listed on Muscat Securities Market, and 3.9 per cent dividend yield for the MSM 30 Index.

The first dividends will be payable in June, 2014 and November, 2014, and twice yearly thereafter. At the offer price, both companies offer an IRR of 14 per cent to the investors. This translates into a substantial discount of 40 per cent to 60 per cent over their discounted cash flow based valuations.

Bank Muscat is the financial adviser and issue manager for both the Al Batinah Power and the Al Suwadi Power IPOs.

Al Batinah Power owns and operates a power plant in Sohar (known as Sohar-2), a gas-fired combined cycle power generation plant with a contracted power capacity of 744 MW, located approximately 200km northwest of Muscat in Oman within the Sohar Industrial Port area. Al Suwadi Power owns and operates a power plant in



Barka (known as Barka-3), a gas-fired combined cycle power generation plant with a contracted power capacity of 744 MW, located approximately 80km northwest of Muscat in Oman.

Both plants were commissioned on time, have been operating since the beginning of April, 2013 and have achieved a 99.7 per cent reliability (for Al Suwadi Power) and 99.9 per cent reliability (for Al Batinah Power) in 2013. They are expected to play a major role in meeting Oman's growing power demand for many years to come, thereby making a valuable contribution to the Sultanate's people, its communities and its industries. The plants constitute a total investment of \$1.7 billion, and a total installed capacity of 1,488 MW, representing about 27 per cent of the total current contracted power capacity of Oman's Main Interconnected System (MIS)



DATE	12 May 2014
PUBLICATION	construction week
SECTION	Online

IPOs of two power companies open for subscription

Two leading power companies - Al Batinah Power Co SAOG (under transformation) and Al Suwadi Power Company SAOG (under transformation) - have announced the opening of their Initial Public Offerings (IPOs) for subscription in Oma

This will result in a listing of their respective shares on the Muscat Securities Market. Both companies are required to offer 35% of their share capital to the public. Al Batinah Power, which owns the Sohar 2 power plant, will offer 236.21mn existing shares, while Al Suwadi Power, which owns the Barka 3 power plant, intends to offer 250.04mn existing shares IPO.

Jurgen De Vyt, CEO of Al Batinah Power, and Przemek Lupa, CEO of Al Suwadi Power, jointly commented: "Both Al Batinah Power and Al Suwadi Power benefit from stable and predictable cash flows. This is on account of their revenues being contracted on an availability basis with OPWP, which is owned by the Government of Oman, pursuant to a 15-year Power Purchase Agreement (PPA) that expires in March 2028."





DATE 12 May 2014
PUBLICATION Trade Arabia
SECTION Online

Omani power companies launch major IPO

Muscat, 1 days ago

Two Omani electricity-generating companies Al Batinah Power and Al Suwadi Power have launched their RO62.7 million (\$162.9 million) IPO offering 35 per cent of the shares for sale to both retail and institutional investors.

Al Batinah Power Company (under transformation) and Al Suwadi Power Company SAOG (under transformation) are offering a total of 33.4 million existing ordinary shares at a fixed offer price of RO1.590.

Both companies, which are owned by mostly foreign consortiums, said the IPOs which opened today (May 11) will close on June 9. The duo aims to raise RO62.7 million (\$162.9 million) from these offerings.

The IPO launch will culminate with a listing of their respective shares on the Muscat Securities Market.

Al Suwadi Power said it will raise 32.5 million rials through the sale of 250 million shares priced at 0.13 rials each, while Al Batinah Power's offering of 236 million shares at 0.128 rials each would generate 30.21 million rials.

The two companies are the owners of the two largest and most efficient power plants currently in operation in Oman. The founding shareholders are selling these shares to the public to comply with their respective obligations in Project Founders Agreements signed with government owned Electricity Holding Company (EHC) in 2010.

The offer is open to Omani and non-Omani investors, including individual and institutional investors, that have an investor account with the Muscat Clearing and Depository Company SAOC, said the companies in a joint statement.

In each IPO, 65 per cent of the shares made available for subscription have been reserved for investors applying for a minimum of 1,000 shares and a maximum of 600,000 shares. The balance 35 per cent of the shares has been reserved for investors applying for 600,100 shares or more, up to the maximum application amounts (equal to 10 per cent of each offer, respectively), it stated.

The projected average dividend yield on an investment in either company at the IPO price (excluding issue expenses) for the next five years is 8.1 per cent per year. The dividends are payable twice yearly (May and November, but with a first dividend in June 2014), the statement added.

The companies said due to long-term off-take and gas supply agreements with the Oman Government, both are able to offer returns that will likely be unaffected by market downturns (contracted until 2028)

Bank muscat is the financial adviser and issue manager for both the Al Batinah Power IPO and the Al Suwadi Power IPO.

This compares favourably with an average dividend yield of 6.5 per cent for other power companies listed on the Muscat Securities Market, and 3.9 per cent dividend yield for the MSM 30 Index.



The first dividends will be payable in June and November 2014, and twice yearly thereafter (in May and November). At the offer price, both companies offer an IRR of ~ 14 per cent to the investors. This translates into a substantial discount of 40 to 60 per cent on a discounted cash flow-based valuation.

Al Batinah Power owns and operates a power plant in Sohar (known as the Sohar 2 power plant), a gas-fired combined cycle power generation plant with a contracted power capacity of 744 MW, located approximately 200km northwest of Muscat in Oman within the Sohar Industrial Port area.

Al Suwadi Power owns and operates a power plant in Barka (known as the Barka 3 power plant), a gas-fired combined cycle power generation plant with a contracted power capacity of 744 MW, located approximately 80km northwest of Muscat in Oman.

Speaking at the IPO launch, Jurgen De Vyt, the CEO of Al Batinah Power, and Przemek Lupa, the CEO of Al Suwadi Power, said: “Both Al Batinah Power and Al Suwadi Power benefit from stable and predictable cash flows. This is on account of their revenues being contracted on an availability basis with OPWP, which is owned by the Government of Oman, pursuant to a 15 year Power Purchase Agreement (PPA) that expires in March 2028.”

“Each company also benefits from a gas supply agreement with the government over the same period. Owing to the well-tested and proven back-to-back contractual framework, neither company is exposed to changes in gas prices and to fluctuations in power demand for power until 2028, thereby offering returns that are unaffected by market downturns,” they stated.

Application forms for both IPOs and their respective prospectuses are available for collection at branches of Bank Muscat, Bank Dhofar, National Bank of Oman, Oman Arab Bank, Bank Sohar and Ahli Bank. **-TradeArabia News Service**