

## **Musandam Power IPO Phase I oversubscribed by over five times.**

**Strong demand from investors of 5.6 times of Phase I offer shares. IPO priced at 316 bzs per offer share. Phase II of the IPO for retail investors (through e-IPO mechanism) to start on Wednesday, 13 November and close on Thursday, 21 November.**

**IPO investors are expected to receive a total dividend of 41.4 baizas per share within 6 months.**

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Musandam Power Company (MPC) SAOG (under transformation), the subsidiary company from Oman Oil and Orpic Group, has announced the successful close of Phase I of its IPO for listing on the Muscat Securities Market. Based on the price discovery process completed through book building by large and institutional investors, the allotment price for shares has been determined at 316 baizas. IPO investors are expected to receive the first dividend of 27.6 baizas in the month of December 2019. Further, as per the Prospectus, MPC is expected to declare next dividend of 13.8 baizas per share in March 2020. With these dividends expected to be declared in December 2019 and March 2020, IPO investors are expected to get a combined dividend of 41.4 baizas per share within first six months of buying the shares in the IPO, refer to the Prospectus for more details

In Phase I of the IPO, the Offer received a strong response with an oversubscription of 5.6 times of Phase I offer shares. The investors included a cross-section of Oman's leading sovereign funds, pension funds, banks, asset management companies, corporates as well as high networth individuals. A high number of bids came at the top end of the price range of Bzs 260 to Bzs 325 per Offer Share which resulted in a cut-off price at 316 Bzs per share.

The Phase II of the IPO, where shares would be offered to retail investors at the price of 316 baizas would open for subscription from Wednesday, 13 November to Thursday, 21 November. Earlier, the IPO had received positive views from the leading research analysts in Oman including Al Maha, Gulf Bader Capital Markets, Ubhar Capital and United Securities with a clear recommendation to 'Subscribe' to the IPO.

Commenting on the success of Phase I, Mr. Sultan Al-Burtmani Shareholders spokesperson said, "Being a benchmark issuance for the Oman Oil and Orpic Group, we are extremely pleased with the success of Phase I of the IPO, which is a positive indication of the confidence in the industry and market in MPC. I would like to take this opportunity to thank all investors who have made Phase I process a success."

Elaborating on the strong response from institutional segment, Mr. Ahmed Tufail Al Rahman, Chairman of MPC added, "Wide and strong participation in the Phase I of the IPO is in line with our expectations and endorses the response we received during our investor meetings. Retail investors now have the advantage to see the strong response from the large investors and can now apply to become part of the success story of Musandam Power and earn average dividend yield of 8.8% p.a. (excluding the 2 baiza issue expenses) and get the first dividend in month of December 2019". (Refer to the prospectus for the IPO for further details including the projected dividends and risk factors)."

Phase II offer to the retail investors, at a price of 316 Bzs and will see the introduction of E-IPO aimed at providing investors with the convenience to apply from their homes or offices using the mobile banking or internet banking channels of collection agents. Under the new E-IPO process, there will be no printed application forms at the branches of the collection agents as was the case for previous IPOs in Oman.

Investors may approach any of the collection agents (i.e. bank muscat, NBO, Bank Dhofar, Ahli Bank, Gulf Bader Capital Markets, Ubhar Capital and United Securities) for the IPO to seek further clarifications to their questions. Phase II will be open for subscription from Wednesday, 13 November to Thursday, 21 November. The shares of Musandam Power are expected to be listed on Muscat Securities Market by the first week of December 2019, post completion of settlement and refund formalities.

Bank Muscat Investment Banking, Oman's largest and most experienced investment bank, is the financial advisor and the sole issue manager for the IPO.

More information on the company is available on [www.musandampower.com](http://www.musandampower.com).

**Ends.**