

Gulf Energy set for year's top IPO

DARANA CHUDASRI

Gulf Energy Development Plc, one of Thailand's largest independent power producers, is poised to surpass TPI Polene Power Plc as the biggest IPO this year with a fund-raising amount of up to 24 billion baht.

Gulf Energy yesterday announced an IPO price range of 40-45 baht a share for the IPO placement of 533.3 million shares.

The IPO, valued at 21.3-23.99 billion baht, will be the year's largest. Trading is likely to commence on the Stock Exchange of Thailand (SET) in early December.

In the year to date, TPI Polene is the biggest IPO (17.5 billion baht), followed by B.Grimm Power Plc (10.4 billion) and TOA Paint Thailand Plc (6.1 billion), according to SET data.

Gulf Energy's registered capital stands at 10.7 billion baht, comprising 2.1 billion ordinary shares with a par value of five baht each. Authorised and paid-up capital stands at 8 billion baht, comprising 1.6 billion ordinary shares.

The IPO reflects the company's clear business strategy, continuous development plans and robust operational performance, said president Pornnipa Chinvetkitvanit.

Gulf Energy is a holding company with a portfolio of electricity, steam and chilled water power-generating projects and other related businesses.

During the first nine months of the year, the company posted revenue of 2 billion baht, up sharply from 156.2 million in the same period last year.

The company's financial advisers, which include Kasikorn Securities, Siam Commercial Bank and Bualuang Securities, have said investors are confident in Gulf Energy's management vision and business fundamentals in the power industry, with future growth anticipated.

There have been 29 IPOs this year on the SET and the Market for Alternative Investment. IPO activity is booming after many years of stagnation.

SET executive vice-president Santi Kiranand said the number of IPO deals could hit 39 this year.

"There were three new IPOs in the last two weeks," he said. "There could be at least one new listing each week, starting from next week, until the end of the year."

IPOs are active not just in Thailand this year, but also elsewhere in Asean such as Malaysia, Singapore and Indonesia.

Mr Santi said Thailand remains the IPO leader of Asean, with related parties such as financial advisers, auditors and regulators working hard during the stagnant years.

The SET expects the market capitalisation of IPOs to reach 280 billion baht this year, with the market cap of secondary public offerings forecast to hit 270 billion.