
Bogdanka aiming to raise USD 166 million in share sale

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Bloomberg reported that Lubelski Wegiel Bogdanka SA plans to raise as much as PLN 528 million in Eastern Europe's biggest initial public offering since November to boost output.

It said that Bogdanka, which will become the first publicly traded domestic coal mine in a country that relies on the fuel for 96% of its power needs, set its price range for the IPO of 11 million shares at between PLN 42 and PLN 48. The final price will be set by June 5.

According to its issue prospectus, the company aims to sell a 32% stake between June 1 and June 10 and the shares will start trading by June 25. The share sale is part of the government's plan to speed up state-asset disposals to prop up public finances as the country faces its worst economic slowdown in almost a decade.

State owned utility Enea SA, whose Koziencice power plant is Bogdanka's client and chemical producer Zaklady Azotowe Pulawy SA earlier said that they may purchase Bogdanka shares in the IPO.

According to data compiled by Bloomberg, Bogdanka, based near the eastern city of Lublin is seeking funds as it plans to double output to about 11 million tonnes of coal a year by 2014. Its IPO will be the largest in the region since the 2 billion-zloty share sale of Enea.

The Warsaw exchange is central Europe's biggest equity market by stock listings. There are 466 companies traded on its main market and NewConnect platform. Five new companies have started trading on Warsaw's main market this year.

(Sourced from Bloomberg)

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