

There is much talk and buzz in corporate Malaysia. You decide.

Reach Energy to release prospectus by mid-month

SOON-TO-BE-LISTED Reach Energy Bhd is expected to release the company's draft prospectus in the next two weeks. It is poised to be the fourth special-purpose-acquisition vehicle (SPAC) to be listed on Bursa Malaysia Securities Bhd.

Sources say Reach Energy could be valued at as much as RM750 mil in the initial public offering.

Reach will be the latest oil and gas SPAC to be listed on the exchange; the company plans to go into the exploration and production segment. Other listed oil and gas SPACs are Sona Petroleum Bhd and CLIQ Energy Bhd, which made its debut on the exchange last year; while Hibiscus Petroleum Bhd was listed in 2011.

In July, Daya Materials Bhd announced an RM8 mil investment plan in Reach Energy. The former said it would subscribe to 533,334 redeemable convertible preference shares in Reach Energy at RM4.50 each and acquire 12.44 million shares in the shell company at 45 sen each.