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Reach Energy shares oversubscribed by 41.86 times

KUALA LUMPUR: Reach Energy Bhd's 20 million shares under the public portion of the initial public offer (IPO) were oversubscribed by 41.86 times.

In a statement, Reach Energy said the valid acceptances and excess applications received amounted to 857.3 million units, an over-subscription of 20 million

shares. A total of 23,821 applications for 857.30 million shares were received from the public.

For the bumiputera category, a total of 10,839 applications for 349.03 million shares were received, representing an over-subscription rate of 33.9 times, it said.

"12,982 applications for 508.26 million shares were received for

the other Malaysian public category, representing an over-subscription rate of 49.83 times," it said.

Reach Energy is expected to make its debut on Bursa Malaysia on Aug 15. It will be the largest oil and gas special-purpose acquisition company (SPAC) to be listed on Bursa Malaysia.

Reach Energy said all notices

of allotment for the public shares and the attached warrants will be mailed to successful applicants on or before Aug 14.

To recap, Reach Energy aims to raise RM750 million from its IPO of one billion shares.

To sweeten the deal, investors will also get an eight-year free detachable warrants.

From the one billion shares, some 980 million shares have been placed out while the balance 20 million will be made available for balloting by the Malaysian public.

Hong Leong Investment Bank Bhd is the principal adviser, placement agent and underwriter for the IPO.