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Reach Energy approved as Malaysia's largest shell company listing-sources **[IPO-RESE.KL](#) - RTRS**

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KUALA LUMPUR, June 20 (Reuters) - Malaysia's Reach Energy Bhd, a special-purpose acquisition company (SPAC) with no existing assets, said on Friday it has obtained regulatory approval to list shares on the local bourse.

The IPO could raise 750 million ringgit (\$233.14 million) and is expected in the third quarter this year, the company said.

Reach issued its statement after Reuters earlier reported it had been approved for the deal.

The IPO could mark Malaysia's largest listing by a shell company with no assets. A SPAC is set up with the intention of buying firms that will be later folded into the business.

The company, led by Shahul Hamid Mohd Ismail who used to helm Malaysia's listed Shell Refining Company Bhd [SLRS.KL](#), is looking to buy firms involved in the oil and gas exploration and production sector in the Asia region, according to the company.

The IPO of Reach Energy would exceed those by similar local firms such as Sona Petroleum Bhd [SONA.KL](#) and Cliq Energy Bhd [CLIQ.KL](#), which raised between \$100 million and \$150 million each last year.

The IPO comprises 1 billion shares at an issue price of 75 sen each. The offer comes with 1 billion free detachable warrants on the basis of 1 warrant for 1 share subscribed, according to the statement.

Hong Leong Investment Bank is the principal adviser, placement agent and underwriter for Reach Energy's listing.

(\$1 = 3.2170 Malaysian ringgit)

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