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SONA POWER... Sona Petroleum Bhd managing director Datuk Seri Hadian Hashim prepares to hit the gong to mark the listing of the company's shares on the Main Market while members of the board look on (story on page 10).

Sona Petroleum debuts on Bursa

Eye three regions for acquisitions

by **Shalini Kumar**
 TheEdge.com.my

KUALA LUMPUR: The third special purpose acquisition company (SPAC), Sona Petroleum Bhd, which was listed on the local bourse yesterday, has targeted qualifying assets in Africa, the Middle East and Southeast Asia within the next three years.

Its managing director Datuk Seri Hadian Hashim said Sona has already received a number of proposals from interested parties. However, he declined to offer more details.

The assets can come from any one of those regions, but Africa plays a very important part in the global oil market. We have already identified 10 countries in Africa that we are interested in, he told the media after Sona's listing yesterday.

Based on the company's prospectus, Africa currently holds 7.8% of the world's oil reserves and 7.7% of the world's natural gas.

Sona chairman Andre van Strijp, however, said the company would



Hadian (left) and Van Strijp at the post-listing press conference.

not be rushing into making any acquisitions, even though it has set a timeline of three years within which to use the proceeds raised from its IPO to acquire the qualifying assets.

The company will utilise 90% of the RM230 million proceeds from the IPO to acquire assets in the exploration and production (E&P) phases of the oil and gas value chain. The

remainder will be utilised for working capital and listing expenses.

There will also be further capital fundraising through the conversion of the five detachable warrants issued with the IPO shares, which will be used for business expansion and as working capital, he added.

shares come with an equivalent number of warrants. Institutional investors were offered 559 million shares, while the Malaysian public was offered 1.41 million shares under the retail portion.

The retail tranche of Sona's IPO was oversubscribed by about 4.97 times. Sona's IPO is the largest SPAC in Malaysia based on the proceeds raised.

The two earlier listed SPACs — Hibiscus Petroleum Bhd and Ciq Energy Bhd — raised proceeds of RM233 million and RM364 million respectively from their IPOs.

A SPAC is a shell or blank cheque company that has no operations but goes public with the intention of merging with or acquiring another company using proceeds from the IPO exercise. They have three years from the listing date to acquire the assets.

At its debut yesterday, Sona shares began trading at 41 sen, which was 9 sen lower than its offer price of 50 sen. Its five detachable warrants performed better with an opening price of 24 sen.

Sona shares closed at 44.5 sen yesterday. Sona warrants ended at 26 sen, placing it on the most active across the exchange.