

Company Name : Destini Berhad
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Destini Diversifying Into Jetty, Port Services For Mining Firms

KUALA LUMPUR (Feb 19): Destini Bhd's wholly-owned subsidiary Destini Armada Pte Ltd is acquiring Indonesia-based PT Muara Badak Perkasa (PT MBP) for S\$4 million (about RM12 million) to diversify Destini's business to include provision of jetty and port-related services to mining companies.

In a filing with Bursa Malaysia today, Destini said Destini Armada had yesterday (Feb 18) entered into a conditional share sale agreement (SSA) with PT Berkah Sadaya Adikarya for the acquisition of 4,999 shares or 99.9% equity interest in PT MBP.

Destini said the acquisition will be satisfied via the issuance of 4.9 million new Destini Armada shares at S\$0.8163 each to PT Berkah Sadaya Adikarya.

"Upon completion of the proposed acquisition, PT Berkah Sadaya Adikarya will emerge as the largest shareholder of Destini Armada, with a 55% equity interest in Destini Armada. Simultaneously, the equity interest of Destini in Destini Armada will be diluted from 100% to 45%.

"Destini Group is presently involved in, among others, the provision of maintenance, repair and overhaul services (MRO) for the aviation, marine, oil and gas and land system industries. It has been Destini Group's strategy to diversify into other related businesses with growth prospects in order to... sustain Destini Group's earnings.

"Upon completion of the SSA, Destini Group's business will be diversified to include the provision of jetty/port operations-related services to mining companies. The board anticipates that the proposed acquisition may in the future contribute 25% or more of the net profits of Destini Group and/or result in a diversion of more than 25% of the net assets of Destini Group," Destini said.

Destini said the corporate proposals are expected to be completed by the third quarter of 2020.

At Bursa today, Destini's share trade was suspended between 9am and 10am. At the 12:30pm afternoon close, the counter was unchanged at 21 sen giving it a market capitalisation of RM258.35 million.