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Company terminates proposed restructure scheme

KONSORTIUM Perkapalan Bhd yesterday announced the termination of its proposed restructuring scheme, which would have involved among others, the disposal of subsidiary Pacific Basin Bulk Shipping Ltd to PNSL Holdings Bhd (PHB), formerly known as Diperdana Corporation Bhd.

The disposal was tagged at RM575 million to be satisfied through an issue of 38.33 million new PHB shares.

The restructuring scheme, announced in July last year, had also involved the sale of the entire shipping business of another subsidiary, PNSL Bhd, to PHB for RM400 million to be paid via an issue of 26.67 million new PHB shares at RM15.00 each; and the proposed acquisition of Diperdana Kontena Sdn Bhd from PHB for RM69.5 million through an issue of 12.1 million new Konsortium Perkapalan shares at RM14.00 each.

Also, following the proposed transactions, Konsortium Perkapalan was to have made a mandatory general offer for the remaining PHB shares it did not hold after the completion of the restructuring scheme.

Konsortium Perkapalan chairman Mirzan Mahathir, announcing this at a Press conference yesterday, said the proposal had been terminated because the sale and purchase agreement with PHB had lapsed since it had not been mutually extended.

He added: "The directors felt that it was not in the best interest of Konsortium Perkapalan to continue with the scheme as it would have incurred a significant loss of about RM1.1 billion in its investment in PHB based on current market conditions."

He added that the board also believed that Konsortium Perkapalan would not be able to secure the underwriting and financing for the PHB shares pursuant to the mandatory general offer based on the price of RM15 per share.

(END)