

Diperdana proposes bonus issue, new business

STAR 20 NOV 2001

DIPERDANA Holdings Bhd is proposing a 1-for-3 bonus issue of 11.666 million new shares.

In addition, the company is selling its container haulage business to Konsortium Logistik Bhd and finding a new business in writing instruments and stationery products via the acquisition of Pelikan Holding AG.

Diperdana said it had signed a deal last Friday to sell its entire business undertaking to Konsortium for RM100mil in exchange for RM20mil cash plus RM50mil new Konsortium shares at RX11.60 each.

Diperdana will also buy a 64.94% stake in Pelikan Holdings AG from Pelikan Holdings Sdn Bhd (PHSB) for

RM299mil, in exchange for a combination of new Diperdana shares issued at RM1.50 each, irredeemable convertible unsecured loan stocks (Iculs) and redeemable convertible unsecured loans stocks (Rculs).

It will also issue new shares in exchange for a 75% stake in Pelikan Japan KK from Pelikan Singapore-Malaysia Pte Ltd and a 100% stake in Geha-Werke GMBH from Office Express Network Sdn Bhd.

Diperdana will subsequently make a voluntary general offer (VGO) for the remaining shares in Pelikan to be exchanged for new Diperdana shares, with a minimum 15.1% acceptance level sought to give the compa-

ny a minimum shareholding of 86.04% in Pelikan.

Mirzan Mahathir indirectly holds a 43.01% stake in Konsortium, and a 64.94% indirect stake in Pelikan Holding AG via his 21.43% indirect interest in PHSB.

The proposals are inter-conditional.

Diperdana said the proposed sale of its business to Konsortium was in view of a decline in the overall trade volumes for the local logistics industry given the current economic downturn.

The prospect of weakening exports and imports was compounded by the liberalisation of the industry, which

had resulted in an additional 55 companies being given licences to operate more than 1,000 prime movers, Diperdana added.

Haulage rates, which were previously controlled, could no longer be so controlled now and customers were seeking an average 20% reduction in rates, and this would have a direct impact on profitability, the company said.

It also said Pelikan's business had better prospects as "it is an international business that can be further built up based on its established brand" and hence would enhance Diperdana's profitability in the future. AFX