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Konsortium's plan to buy Diperdana hits a snag

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KONSORTIUM Logistik Bhd's plan to buy the entire haulage and freight forwarding business from Diperdana Holdings Bhd has hit a snag following the expiry of a supplementary memorandum of understanding (MOU) on the exercise.

Diperdana earlier said it is still considering the proposal despite the expiry of the supplemental MOU on September 19 but did not elaborate.

A source who spoke on condition of anonymity says an important announcement could be made as early as next week but declined to provide details on the deal's final outcome.

Analysts say the recent economic developments following the terrorist attacks in the US may make it necessary for Konsortium to seriously "rethink" the proposals under MOU.

Last Friday, shares of Konsortium - which is controlled by Mirzan Mahathir - were down 8 sen to RM1.30.

Diperdana shares lost 6 sen to RM1.34.

Although details of the deal are not available, analysts say Konsortium is expected to pay close to RM400 million in cash - in addition to issuing its own shares - to buy Diperdana's haulage business, which could see Konsortium owning more than 1000 prime movers and 6,000 trailers.

"The sum of RM400 million is a lot of money under any circumstance and Konsortium may have to eventually sell some of its primemovers and trailers to raise cash.

"But current condition may make it difficult for Konsortium to find interested buyers as there are not too many hauliers keen to spend money on second hand primemovers and trailers," adds the analyst.

A industry observer says the scenario would be different if the global and domestic economy recovers next year as Konsortium could see its market share boosted under the deal.

"Konsortium will control close to 40 per cent of the local container haulage business if it buys Diperdana's business compared to the 18 per cent now," says the observer.

Under the MOU, Diperdana will also buy a controlling stake in Pelikan Holding AG, seen as backdoor listing opportunity for the German-based Pelikan Group.

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