

**All terms and abbreviations used herein shall have the same meanings as those defined in the "Definitions" section of this Abridged Prospectus unless stated otherwise.**

No securities will be allotted or issued based on this Abridged Prospectus after 6 months from the date of this Abridged Prospectus.

**THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, PLEASE CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.**

All enquiries concerning the Rights Issue with Warrants should be addressed to our Share Registrar, Insurban Corporate Services Sdn Bhd at 149 Jalan Aminuddin Baki, Taman Tun Dr Ismail, 60000 Kuala Lumpur (Tel. No. +603 7729 5529).

This Abridged Prospectus has been registered by the SC. The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue with Warrants or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Abridged Prospectus. The SC has not, in any way, considered the merits of the Rights Issue with Warrants. A copy of this Abridged Prospectus, together with the NPA and RSF (collectively, the "Documents") has also been lodged with the Registrar of Companies who takes no responsibility for the contents of the Documents.

The approval from our shareholders for the Rights Issue with Warrants was obtained at our EGM held on 23 November 2023. Approval has been obtained from Bursa Securities via its letter dated 31 October 2023 for the admission of the Warrants to the Official List of Bursa Securities, the listing and quotation of the Rights Shares, Warrants and the Destini Shares arising from the exercise of the Warrants pursuant to the Rights Issue with Warrants on the Main Market of Bursa Securities. However, this is not an indication that Bursa Securities recommends the Rights Issue with Warrants, and shall not be taken as an indication of the merits of the Rights Issue with Warrants. Bursa Securities does not take any responsibility for the correctness of statements made or opinions expressed in this Abridged Prospectus. The listing and quotation of all the said new securities will commence after, amongst others, the receipt of confirmation from Bursa Depository that all the CDS Accounts of our successful Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) have been duly credited and notices of allotment have been despatched to them.

The Documents are only despatched to the Entitled Shareholders whose names appear in our Record of Depositors and who have provided our Share Registrar with a registered address in Malaysia not later than 5:00 p.m. on Tuesday, 13 February 2024. The Documents are not intended to be (and will not be) issued, circulated or distributed in countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue with Warrants complies with the laws of any countries or jurisdiction other than the laws of Malaysia. Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) who are residents in countries or jurisdiction other than Malaysia should therefore immediately consult their legal advisers and/ or other professional advisers as to whether the acceptance and/ or renunciation (as the case may be) of all or any part of their entitlements to the Rights Shares with Warrants would result in a contravention of any laws of such countries or jurisdictions. Such Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) should note the additional terms and restrictions as set out in **Section 10.11** of this Abridged Prospectus. Neither we, UOBKH nor any other professional advisers shall accept any responsibility or liability in the event that any acceptance and/ or renunciation (as the case may be) of the entitlements to the Rights Shares with Warrants made by the Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions.

The SC is not liable for any non-disclosure on our part and takes no responsibility for the contents of this Abridged Prospectus, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Abridged Prospectus.

**FOR INFORMATION CONCERNING RISK FACTORS WHICH YOU SHOULD CONSIDER, PLEASE REFER TO SECTION 6 OF THIS ABRIDGED PROSPECTUS.**

# DESTINI

**DESTINI BERHAD**

(Registration No.: 200301030845 (633265-K))  
(Incorporated in Malaysia)

**RENOUNCEABLE RIGHTS ISSUE OF UP TO 3,327,063,258 NEW ORDINARY SHARES IN DESTINI BERHAD ("DESTINI" OR THE "COMPANY") ("DESTINI SHARE(S)" OR "SHARE(S)") ("RIGHTS SHARE(S)") AT THE ISSUE PRICE OF RM0.04 PER RIGHTS SHARE, ON THE BASIS OF 2 RIGHTS SHARES FOR EVERY 1 EXISTING DESTINI SHARE HELD, TOGETHER WITH UP TO 1,663,531,629 FREE DETACHABLE WARRANTS IN DESTINI ("WARRANT(S)") ON THE BASIS OF 1 WARRANT FOR EVERY 2 RIGHTS SHARES SUBSCRIBED FOR, AS AT 5.00 P.M. ON TUESDAY, 13 FEBRUARY 2024 ("RIGHTS ISSUE WITH WARRANTS")**

*Principal Adviser*

**UOBKayHian**

**UOB Kay Hian Securities (M) Sdn Bhd**

Registration No. 199001003423 (194990-K)  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

**IMPORTANT RELEVANT DATES AND TIME:-**

Entitlement Date	: Tuesday, 13 February 2024 at 5.00 p.m.
Last date and time for sale of provisional allotment of rights	: Tuesday, 20 February 2024 at 5.00 p.m.
Last date and time for transfer of provisional allotment of rights	: Thursday, 22 February 2024 at 4.30 p.m.
Last date and time for acceptance and payment	: Wednesday, 28 February 2024 at 5.00 p.m.
Last date and time for excess application and payment	: Wednesday, 28 February 2024 at 5.00 p.m.

This Abridged Prospectus is dated 13 February 2024

*All terms and abbreviations used herein shall have the same meanings as those defined in the "Definitions" section of this Abridged Prospectus unless stated otherwise.*

#### **RESPONSIBILITY STATEMENTS**

OUR DIRECTORS HAVE SEEN AND APPROVED ALL THE DOCUMENTATION RELATING TO THE RIGHTS ISSUE WITH WARRANTS. THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION. HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THEY CONFIRM THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS WHICH IF OMITTED, WOULD MAKE ANY STATEMENT IN THIS ABRIDGED PROSPECTUS FALSE OR MISLEADING.

UOBKH, BEING OUR PRINCIPAL ADVISER FOR THE RIGHTS ISSUE WITH WARRANTS, ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION, AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS ABRIDGED PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE RIGHTS ISSUE WITH WARRANTS.

#### **OTHER STATEMENTS**

YOU SHOULD NOTE THAT YOU MAY SEEK RECOURSE UNDER SECTIONS 248, 249 AND 357 OF THE CMSA FOR BREACHES OF SECURITIES LAWS INCLUDING ANY STATEMENT IN THIS ABRIDGED PROSPECTUS THAT IS FALSE, MISLEADING, OR FROM WHICH THERE IS A MATERIAL OMISSION; OR FOR ANY MISLEADING OR DECEPTIVE ACT IN RELATION TO THIS ABRIDGED PROSPECTUS OR THE CONDUCT OF ANY OTHER PERSON IN RELATION TO OUR COMPANY.

SECURITIES ARE OFFERED TO THE PUBLIC ON THE PREMISE OF FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE RIGHTS ISSUE WITH WARRANTS, FOR WHICH ANY PERSON SET OUT IN SECTION 236 OF THE CMSA, E.G. DIRECTORS AND ADVISERS, IS RESPONSIBLE.

THE DISTRIBUTION OF THE DOCUMENTS IS SUBJECT TO MALAYSIAN LAWS. WE AND OUR ADVISERS ARE NOT RESPONSIBLE FOR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE MALAYSIA. WE AND OUR ADVISERS HAVE NOT TAKEN ANY ACTION TO PERMIT AN OFFERING OF OUR SECURITIES BASED ON THE DOCUMENTS OR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. THE DOCUMENTS MAY NOT BE USED FOR AN OFFER TO SELL OR AN INVITATION TO BUY OUR SECURITIES IN ANY COUNTRY OR JURISDICTION OTHER THAN MALAYSIA. WE AND OUR ADVISERS REQUIRE YOU TO INFORM YOURSELF OF SUCH RESTRICTIONS AND TO OBSERVE THEM.

THE DOCUMENTS HAVE BEEN PREPARED AND PUBLISHED SOLELY FOR THE RIGHTS ISSUE WITH WARRANTS UNDER THE LAWS OF MALAYSIA. WE AND OUR ADVISERS HAVE NOT AUTHORISED ANYONE TO PROVIDE YOU WITH INFORMATION WHICH IS NOT CONTAINED IN THESE DOCUMENTS.

## DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Abridged Prospectus:-

"Abridged Prospectus"	:	This abridged prospectus dated 13 February 2024 in relation to the Rights Issue with Warrants
"Act"	:	The Companies Act 2016
"Additional Undertaking"	:	The irrevocable and unconditional additional undertaking provided by Dayanine vide its letter dated 28 August 2023 to subscribe for additional 300,000,000 Rights Shares not subscribed by Entitled Shareholders and/or their renounee(s) via the excess Rights Shares application, subject to the allocation criteria set out in <b>Section 10.9</b> of this Abridged Prospectus
"Bloomberg"	:	Bloomberg Finance Singapore L.P.
"Board"	:	Our Board of Directors
"Bursa Depository"	:	Bursa Malaysia Depository Sdn Bhd
"Bursa Securities"	:	Bursa Malaysia Securities Berhad
"CDS"	:	Central Depository System
"CDS Account"	:	A securities account established by Bursa Depository for a depositor pursuant to the SICDA and the Rules of Bursa Depository for the recording of deposits of securities and for dealings in such securities by the depositor
"Closing Date"	:	Wednesday, 28 February 2024 at 5:00 p.m., being the last date and time for the acceptance of and payment for the Provisional Rights Shares with Warrants and the application and payment for the Excess Rights Shares with Warrants
"CMSA"	:	Capital Markets and Services Act 2007 of Malaysia
"Code"	:	Malaysian Code on Take-overs and Mergers 2016
"Constitution"	:	Constitution of our Company
"COVID-19"	:	Coronavirus disease 2019
"Dato' Aziz"	:	Dato' Abd Aziz bin Haji Sheikh Fadzir
"Dayanine"	:	Dayanine Equity Sdn Bhd
"Dayatahan"	:	Dayatahan Sdn Bhd
"Deed Poll "	:	The deed poll dated 26 January 2024 constituting the Warrants
"Destini" or our "Company"	:	Destini Berhad
"Destini Group" or our "Group"	:	Destini and its subsidiaries, collectively
"Destini Share(s)" or "Share(s)"	:	Ordinary share(s) in Destini

## DEFINITIONS (CONT'D)

"Director(s)"	:	The director(s) of our Company and shall have the meaning given in Section 2(1) of the CMSA
"Documents"	:	This Abridged Prospectus together with the NPA and RSF, collectively
"EGM"	:	Extraordinary General Meeting of our Company held on 23 November 2023
"Entitled Shareholder(s)"	:	Our shareholders whose names appear in the Record of Depositors of our Company on the Entitlement Date
"Entitlement Date"	:	At 5.00 p.m. on Tuesday, 13 February 2024, being the time and date on which the names of our shareholders must appear in the Record of Depositors in order to be entitled to participate in the Rights Issue with Warrants
"Entitlement Undertakings"	:	The irrevocable and unconditional undertakings provided by the Undertaking Shareholders vide their letters dated 28 August 2023 as set out in <b>Section 3</b> of this Abridged Prospectus
"EPS/ (LPS)"	:	Earnings per share/ (Loss) per share
"Excess Application"	:	Application for Excess Rights Shares with Warrants as set out in <b>Section 10.9</b> of this Abridged Prospectus
"Excess Rights Shares with Warrants"	:	Rights Shares with Warrants which are not taken up or not validly taken up by the Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) by the Closing Date
"Foreign Entitled Shareholder(s)"	:	Entitled Shareholder(s) who have not provided an address in Malaysia for the service of documents to be issued for the purpose of the Rights Issue with Warrants
"FPE"	:	Financial period ended 30 September
"FYE"	:	Financial year ended/ ending 31 December
"Issue Price"	:	The issue price of the Rights Shares of RM0.04 per Rights Share
"Listing Requirements"	:	Main Market Listing Requirements of Bursa Securities
"LPD"	:	24 January 2024, being the latest practicable date prior to the registration of this Abridged Prospectus
"LTD"	:	25 August 2023, being the last traded day of Destini Shares prior to the date of the announcement of the Rights Issue with Warrants
"Market Day"	:	A day on which the Bursa Securities stock market is open for trading in securities, which may include a surprise holiday*
		*A "surprise holiday" refers to a day declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year
"Maximum Scenario"	:	Assuming all of the Entitled Shareholders fully subscribe for their respective entitlements under the Rights Issue with Warrants
"MGO"	:	Mandatory take-over offer under the CMSA and Rules

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**DEFINITIONS (CONT'D)**

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"Minimum Scenario"	:	Assuming the Rights Issue with Warrants is undertaken on the Minimum Subscription Level (i.e. only the Undertaking Shareholders subscribe for their respective Rights Shares pursuant to the Entitlement Undertakings (collectively totalling 246,600,000 Rights Shares as at the LPD) and Additional Undertaking (300,000,000 Rights Shares) and none of the other Entitled Shareholders subscribe for their respective entitlements under the Rights Issue with Warrants)
"Minimum Subscription Level"	:	Minimum subscription level of 546,600,000 Rights Shares by the Undertaking Shareholders, comprising Entitlement Undertakings (collectively totalling 246,600,000 Rights Shares as at the LPD) and Additional Undertaking (300,000,000 Rights Shares) based on the Issue Price, in order to meet the minimum level of funds intended to be raised by the Company amounting to RM21.86 million through the Rights Issue with Warrants
"MM"	:	Milimetre(s)
"MRO"	:	Maintenance, repair and overhaul
"NA"	:	Net assets attributable to the owners of our Company
"NPA"	:	Notice of provisional allotment of Rights Shares with Warrants pursuant to the Rights Issue with Warrants
"NRS"	:	Nominee Rights Subscription service offered by Bursa Depository at the request of Destini, to Authorised Nominees for electronic subscription of the Rights Issue with Warrants through Bursa Depository's existing network facility with the Authorised Nominee
"Official List"	:	A list specifying all securities listed on the Main Market of Bursa Securities
"PAT/ (LAT)"	:	Profit/ (Loss) after taxation
"PBT/ (LBT)"	:	Profit/ (Loss) before taxation
"Provisional Rights Shares with Warrants"	:	Rights Shares with Warrants provisionally allotted to the Entitled Shareholders
"Record of Depositors"	:	A record of security holders provided by Bursa Depository to our Company under Chapter 24.0 of the Rules of Bursa Depository
"Rights Issue with Warrants"	:	Renounceable rights issue of up to 3,327,063,258 Rights Shares at the issue price of RM0.04, on the basis of 2 Rights Shares for every 1 existing Destini Share held, together with up to 1,663,531,629 Warrants on the basis of 1 Warrant for every 2 Rights Shares held as at 5.00 p.m. on Tuesday, 13 February 2024
"Rights Share(s)"	:	Up to 3,327,063,258 new Destini Shares to be issued at the Issue Price pursuant to the Rights Issue with Warrants
"RM" and "sen"	:	Ringgit Malaysia and sen, respectively
"RSF"	:	Rights Subscription Form in relation to the Rights Issue with Warrants
"Rules"	:	Rules on Take-overs, Mergers and Compulsory Acquisitions

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**DEFINITIONS (CONT'D)**

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"Rules of Bursa Depository"	:	The Rules of Bursa Depository as issued pursuant to the SICDA
"SC"	:	Securities Commission Malaysia
"Share Registrar"	:	Insurban Corporate Services Sdn Bhd
"SICDA"	:	Securities Industry (Central Depository) Act 1991
"TERP"	:	Theoretical ex-rights price
"Undertaking Letters"	:	Letters by the Undertaking Shareholders to provide their irrevocable and unconditional undertaking to subscribe in full of their respective full entitlements to the Rights Shares and additional undertaking by Dayanine to subscribe additional 300,000,000 Rights Shares not subscribed by Entitled Shareholders and/ or their renounee(s) via the excess Rights Shares application
"Undertaking Shareholders"	:	Dato' Aziz, Dayanine and Dayatahan, collectively
"Undertakings"	:	Entitlement Undertakings and Additional Undertaking, collectively
"UOBKH" or the "Principal Adviser"	:	UOB Kay Hian Securities (M) Sdn Bhd
"VWAP"	:	Volume weighted average market price
"Warrant(s)"	:	Up to 1,663,531,629 free detachable warrants in Destini with a tenure of 5 years to be issued pursuant to the Rights Issue with Warrants

All references to "our Company" in this Abridged Prospectus are to Destini and all references to "our Group" are to our Company and subsidiary collectively. All references to "we", "us", "our" and "ourselves" are to our Company, and where the context requires otherwise, shall include our subsidiaries. All references to "you" and "your" in this Abridged Prospectus are made to the Entitled Shareholders and/ or, where the context otherwise requires, their renounee(s) and/ or transferee(s) (if applicable).

Words incorporating the singular shall, where applicable include the plural and vice versa. Words incorporating the masculine gender shall where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include a corporation, unless otherwise specified.

Unless otherwise stated and wherever applicable, the amounts represented in this Abridged Prospectus have been rounded to the nearest whole cent, for ease of reference.

Any reference in this Abridged Prospectus to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Abridged Prospectus shall be a reference to Malaysian time, unless otherwise specified.

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**ADVISERS' DIRECTORY**

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- COMPANY SECRETARIES** : TAN TONG LANG  
MAICSA 7045482  
SSM PC No. 202208000250
- THIEN LEE MEE  
LS0010621  
SSM PC No. 201908002254
- B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No.  
1, Medan Syed Putra Utara, 59200 Kuala Lumpur,  
Wilayah Persekutuan
- Tel. No.: +603-9770 2200  
Fax. No.: +603-9770 2239
- PRINCIPAL ADVISER** : UOB Kay Hian Securities (M) Sdn Bhd
- Suite 19-03, 19th Floor  
Menara Keck Seng  
203 Jalan Bukit Bintang  
55100 Kuala Lumpur
- Tel. No.: +603-2147 1900  
Fax. No.: +603-2147 1950
- DUE DILIGENCE SOLICITORS** : Messrs Lin Partnership
- Unit 821, 8th Floor, Block A, Lift lobby 6  
Damansara Intan, No. 1 Jalan SS20/27  
47400 Petaling Jaya, Selangor Darul Ehsan
- Tel. No.: +603-7710 0388  
Fax. No.: +603-7731 0288
- SHARE REGISTRAR** : Insurban Corporate Services Sdn Bhd
- 149 Jalan Aminuddin Baki  
Taman Tun Dr Ismail  
60000 Kuala Lumpur
- Tel. No.: +603-7729 5529  
Fax. No.: +603-7728 5948
- STOCK EXCHANGE LISTING** : Main Market of Bursa Securities

## SUMMARY OF THE RIGHTS ISSUE WITH WARRANTS

**THIS SUMMARY OF THE RIGHTS ISSUE WITH WARRANTS ONLY HIGHLIGHTS THE KEY INFORMATION FROM OTHER PARTS OF THIS ABRIDGED PROSPECTUS. IT DOES NOT CONTAIN ALL INFORMATION THAT MAY BE IMPORTANT TO YOU. YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE WHOLE ABRIDGED PROSPECTUS.**

### Key information Summary

**Basis of allotment and number of Rights Shares and Warrants to be issued pursuant to the Rights Issue with Warrants** : The Rights Issue with Warrants entails an issuance of up to 3,327,063,258 Rights Shares on the basis of 2 Rights Shares for every 1 existing Destini Share held, together with up to 1,663,531,629 Warrants on the basis of 1 Warrant for every 2 Rights Shares subscribed for by the Entitled Shareholders on the Entitlement Date.

The Rights Shares with Warrants which are not taken up or validly taken up shall be made available for Excess Application. Our Board intends to allocate the Excess Rights Shares with Warrants in a fair and equitable manner in accordance with the procedures set out in **Section 10.9** of this Abridged Prospectus.

The Rights Issue with Warrants will be undertaken on a minimum subscription level basis, which would entail a subscription of 546,600,000 Rights Shares together with 273,300,000 Warrants, which will be channelled towards the proposed utilisation as set out in **Section 4** of this Abridged Prospectus.

Further details are set out in **Section 2.1** of this Abridged Prospectus.

**Issue price of the Rights Shares** : RM0.04 per Rights Share

Further details are set out in **Section 2.2** of this Abridged Prospectus.

**Exercise price of the Warrants** : RM0.054 per Warrant

Further details are set out in **Section 2.3** of this Abridged Prospectus.

**Undertaking** : The Undertaking Shareholders had on 28 August 2023, provided their Undertakings to subscribe in full of their respective full entitlements to the Rights Shares (collectively totalling 246,600,000 Rights Shares as at the LPD) based on their shareholdings as at the Entitlement Date and in addition, Dayanine has given an additional undertaking to subscribe for additional 300,000,000 Rights Shares that remain unsubscribed by the Entitled Shareholders and/ or their renounee(s) via the excess Rights Shares application.

The details of the Undertakings are set out below:-

Undertaking Shareholders	Direct shareholdings as at the LPD		Entitlement Undertakings No. of Shares	Additional Undertaking No. of Shares	Direct shareholdings after the Rights Issue with Warrants	
	No. of Shares	%			No. of Shares	%
Dato' Aziz	19,500,000	1.17	39,000,000	-	58,500,000	2.65
Dayanine	94,000,000	5.65	188,000,000	300,000,000	582,000,000	26.33
Dayatahan	9,800,000	0.59	19,600,000	-	29,400,000	1.33
<b>Total</b>	<b>123,300,000</b>	<b>7.41</b>	<b>246,600,000</b>	<b>300,000,000</b>	<b>669,900,000</b>	<b>30.31</b>

Further details are set out in **Section 3** of this Abridged Prospectus.

**Utilisation of proceeds and timeframe for utilisation** : The gross proceeds to be raised from the Rights Issue with Warrants will be utilised in the following manner:-

Details of utilisation	Timeframe for utilisation	Amount of proceeds			
		Minimum Scenario		Maximum Scenario	
		RM'000	%	RM'000	%
Working capital	Within 24 months	18,675	85.41	129,478	97.29
Repayment of bank borrowings	Within 12 months	2,479	11.34	2,895	2.18
Estimated expenses	Upon completion	710	3.25	710	0.53
<b>Total</b>		<b>21,864</b>	<b>100.00</b>	<b>133,083</b>	<b>100.00</b>

Further details are set out in **Section 4** of this Abridged Prospectus.

## SUMMARY OF THE RIGHTS ISSUE WITH WARRANTS (CONT'D)

Key information	Summary
Rationale	<p>: (i) To strengthen our financial position and capital base, by reducing our gearing level and increasing our NA thereby providing greater financial flexibility;</p> <p>(ii) To enable the issuance of new Destini Shares without diluting shareholders' equity interest, assuming that all Entitled Shareholders subscribe in full for their respective entitlements under the Rights Issue with Warrants;</p> <p>(iii) To provide all Entitled Shareholders with an opportunity to further participate in the prospects and future growth of our Group on a pro-rata basis; and</p> <p>(iv) To raise the requisite funds without incurring additional interest expense, as compared to bank borrowings, thereby minimising any potential cash outflow in respect of interest servicing.</p> <p>Further details are set out in <b>Section 5</b> of this Abridged Prospectus.</p>
Risk factors	<p>: You should consider, amongst others, the following risk factors before subscribing for or investing in the Rights Issue with Warrants:-</p> <p>(i) Our Group's business and performance is dependent on independent contractors and our Group may not always be able to control the timing and quality of these deliverables. In the event of any interruption to the products and services provided by independent contractors, this may result in our Group not being able to complete our contractual obligations in a timely manner or if we are not able to obtain adequate replacement on satisfactory terms, we may not be able to complete our contractual obligations within our cost constraints;</p> <p>(ii) Our Group may experience delay in payment from our customers, or in more severe cases, we may not be able to collect the full amount as they become due. In the event of payment defaults, we would have to cater for provision of doubtful debts or to write off these bad debts, which may have an adverse impact on our profitability and/ or financial position due to the reduced cash flow;</p> <p>(iii) The market price of our Shares is influenced by the prevailing market sentiments, volatility of the equity markets, the outlook of the industries we operate in and our financial performance. Accordingly, there can be no assurance that the market price of the Rights Shares and the Warrants will be at a level that meets the specific investment objectives or targets of any holders of the Rights Shares and the Warrants; and</p> <p>(iv) The Rights Issue with Warrants is exposed to the risk that it may be aborted or delayed on the occurrence of any material adverse change of events/ circumstances, unfavourable changes in the governments' policies as well as other force majeure events.</p> <p>Further details are set out in <b>Section 6</b> of this Abridged Prospectus.</p>
Procedures for application for the Rights Issue with Warrants and Excess Rights Shares with Warrants	<p>: Acceptance of and payment for the Provisional Rights Shares with Warrants and application for the Excess Rights Shares with Warrants must be made by way of the RSF enclosed together with this Abridged Prospectus and must be completed in accordance with the notes and instructions in the RSF.</p> <p>The last day, date and time for acceptance of and payment for the Provisional Rights Shares with Warrants and the application and payment for the Excess Rights Shares with Warrants is on Wednesday, 28 February 2024 at 5:00 p.m..</p> <p>The Rights Issue with Warrants is renounceable in full or in part. Accordingly, the Entitled Shareholders may subscribe for and/ or renounce their respective entitlements under the Rights Issue with Warrants in full or in part.</p> <p>Further details are set out in <b>Section 10</b> of this Abridged Prospectus.</p>

# DESTINI

## DESTINI BERHAD

(Registration No.: 200301030845 (633265-K))  
(Incorporated in Malaysia)

### Registered Office

No. 10 Jalan Jurunilai U1/20  
Hicom Glenmarie Industrial Park  
40150 Shah Alam  
Selangor Darul Ehsan

13 February 2024

### Board of Directors

Tan Sri Datuk Azhar bin Azizan @ Harun (*Independent and Non-Executive Chairman*)  
Dato' Ahmad Suhaimi bin Endut (*Non-Independent and Non-Executive Director*)  
Dato' Abd Aziz bin Haji Sheikh Fadzir (*Non-Independent and Non-Executive Director*)  
Dato' Bahudin bin Mansor (*Independent and Non-Executive Director*)  
Datuk Kabol Bin Surat (*Executive Director*)  
Syed Javed Islam (*Independent and Non-Executive Director*)  
Ismail Bin Mustaffa (*Executive Director*)  
Farah Nadia Binti Fazaruddin (*Independent and Non-Executive Director*)

### To: The Entitled Shareholders

Dear Sir/ Madam,

**RENOUNCEABLE RIGHTS ISSUE OF UP TO 3,327,063,258 RIGHTS SHARES AT THE ISSUE PRICE OF RM0.04 PER RIGHTS SHARE, ON THE BASIS OF 2 RIGHTS SHARES FOR EVERY 1 EXISTING DESTINI SHARE HELD, TOGETHER WITH UP TO 1,663,531,629 WARRANTS ON THE BASIS OF 1 WARRANT FOR EVERY 2 RIGHTS SHARES SUBSCRIBED FOR, AS AT 5.00 P.M. ON TUESDAY, 13 FEBRUARY 2024**

## 1. INTRODUCTION

On 28 August 2023, UOBKH had, on behalf of our Board, announced that we proposed to undertake the Rights Issue with Warrants.

On 31 October 2023, UOBKH had, on behalf of our Board, announced that Bursa Securities had, vide its letter dated 31 October 2023, resolved to approve the following:-

- (i) admission to the official list of Bursa Securities and listing and quotation of up to 1,663,531,629 Warrants to be issued pursuant to the Rights Issue with Warrants;
- (ii) listing and quotation of up to 3,327,063,258 new ordinary shares to be issued pursuant to the Rights Issue with Warrants; and
- (iii) listing and quotation of up to 1,663,531,629 new ordinary shares to be issued pursuant to the exercise of the Warrants,

subject to the conditions set out below:-

Conditions	Status of compliance
(a) Destini and UOBKH must fully comply with the relevant provisions under the Listing Requirements at all times pertaining to the implementation of the Rights Issue with Warrants;	To be complied within the course of implementation of the Rights Issue with Warrants
(b) UOBKH to inform Bursa Securities upon the completion of the Rights Issue with Warrants;	To be complied with upon completion of the Rights Issue with Warrants

Conditions	Status of compliance
(c) UOBKH to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Rights Issue with Warrants is completed; and	To be complied with upon completion of the Rights Issue with Warrants
(d) Destini to furnish Bursa Securities on a quarterly basis a summary of total number of new ordinary shares listed pursuant to the exercise of Warrants as at the end of each quarter together with a detailed computation of listing fees payable.	Our Board will ensure compliance

On 23 November 2023, our shareholders had approved the Rights Issue with Warrants at our EGM.

On 26 January 2024, UOBKH had, on behalf of our Board, announced the Entitlement Date and other relevant dates pertaining to the Rights Issue with Warrants.

The admission of the Warrants to the Official List and the listing of and quotation for the Rights Shares and Warrants to be issued pursuant to the Rights Issue with Warrants will commence after, amongst others, receipt of confirmation from Bursa Depository that all the CDS Accounts of the successful applicants have been duly credited and notices of allotment have been despatched to them.

No person is authorised to give any information or to make any representation not contained in this Abridged Prospectus in connection with the Rights Issue with Warrants and if given or made, such information or representation must not be relied upon as having been authorised by us or UOBKH.

**YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENT OF THIS ABRIDGED PROSPECTUS. IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.**

## 2. DETAILS OF THE RIGHTS ISSUE WITH WARRANTS

### 2.1 Basis and number of Rights Shares and Warrants to be issued

The Rights Issue with Warrants entails an issuance of up to 3,327,063,258 Rights Shares at the Issue Price on the basis of 2 Rights Shares for every 1 existing Destini Share held, together with up to 1,663,531,629 Warrants on the basis of 1 Warrant for every 2 Rights Shares subscribed for by the Entitled Shareholders on the Entitlement Date at the Issue Price.

As at the LPD, Destini has an issued share capital of RM479,828,496 comprising 1,663,531,629 Destini Shares and does not retain any treasury shares.

The Rights Issue with Warrants will be undertaken on a Minimum Subscription Level basis, after taking into consideration the minimum level of funds our Company intends to raise from the Rights Issue with Warrants amounting to RM21.86 million based on the Issue Price, which would entail a subscription of 546,600,000 Rights Shares together with 273,300,000 Warrants, which will be channelled towards the proposed utilisation as set out in **Section 4** of this Abridged Prospectus.

In order to meet the Minimum Subscription Level, the Undertaking Shareholders had vide letters dated 28 August 2023 provided their irrevocable and unconditional undertaking to subscribe for their respective full entitlement to the Rights Shares based on their shareholdings as at the Entitlement Date and in addition, Dayanine has given an additional undertaking to subscribe for additional 300,000,000 Rights Shares that remain unsubscribed by the Entitled Shareholders and/ or their renouncee(s) via the Excess Application. Further details of the Undertakings are set out in **Section 3** of this Abridged Prospectus.

The actual number of Rights Shares with Warrants to be issued will depend on the total issued Shares of our Company as at the Entitlement Date and the eventual subscription rate of the Rights Issue with Warrants.

The Warrants will be immediately detached from the Rights Shares upon issuance and will be traded separately. The Warrants will be issued in registered form and constituted by the Deed Poll.

The Rights Issue with Warrants is renounceable in full or in part. Accordingly, the Entitled Shareholders who renounce all or any part of their entitlements to the Rights Shares provisionally allotted to them under the Rights Issue with Warrants will simultaneously relinquish any accompanying entitlement to the Warrants. For avoidance of doubt, the Rights Shares and the Warrants are not separately renounceable.

In determining the entitlements of the Entitled Shareholders under the Rights Issue with Warrants, fractional entitlements, if any, will be disregarded and dealt with in such manner and on such terms and conditions as our Board in its sole and absolute discretion deem fit or expedient and in the best interests of our Company.

The Rights Shares together with Warrants which are not taken up or validly taken up, shall be made available for Excess Application by the other Entitled Shareholders and/ or their renounee(s) and/ or transferee(s). Our Board intends to allocate the Excess Rights Shares with Warrants in a fair and equitable manner in accordance with the procedures set out in **Section 10.9** of this Abridged Prospectus.

## 2.2 Basis of determining and justifications for the Issue Price

The issue price of RM0.04 per Rights Share was determined by our Board after taking into consideration, amongst others, the following:-

- (i) the funding requirements of our Group as set out in **Section 4** of this Abridged Prospectus;
- (ii) the market conditions and market prices of Destini Shares. The Issue Price represents a discount of approximately 26.47% to the TERP of RM0.0544, calculated based on the 5-day VWAP of Destini Shares up to and including the LTD of RM0.0831 per Share.

In addition, the issue price also represents the following discount to the respective TERPs based on the respective VWAPs of Destini Shares as follows:-

Up to and including the LTD	VWAP RM	TERP RM	Discount to the TERP RM	%
5-day VWAP of Destini Shares	0.0831	0.0544	0.0144	26.47
1-month VWAP of Destini Shares	0.0808	0.0536	0.0136	25.37
3-month VWAP of Destini Shares	0.0925	0.0575	0.0175	30.43
6-month VWAP of Destini Shares	0.0867	0.0556	0.0156	28.06
12-month VWAP of Destini Shares	0.0833	0.0544	0.0144	26.47

(Source: Bloomberg)

Based on the above, the Issue Price represents a discount ranging from approximately 25.37% to 30.43% to the TERP, calculated based on the 5-day VWAP, 1-month VWAP, 3-month VWAP, 6-month VWAP and 12-month VWAP up to and including the LTD; and

- (iii) the rationale for the Rights Issue with Warrants as further discussed in **Section 5** of this Abridged Prospectus.

### 2.3 Basis of determining and justifications for the exercise price of the Warrants

The Warrants attached to the Rights Shares will be issued at no cost to the Entitled Shareholders and/ or their renouncee(s) who subscribe for the Rights Shares.

The exercise price of RM0.054 per Warrant was determined by our Board after taking into consideration, amongst others, the following:-

- (i) the Warrants will be issued at no cost to the Entitled Shareholders and/ or their renouncee(s) who successfully subscribe for the Rights Shares; and
- (ii) the historical trading prices of Destini Shares for the past 12 months;

The exercise price of RM0.054 per Warrant is equivalent to the TERP of Destini Share, calculated based on the 5-day VWAP of Destini Shares up to and including the LTD of RM0.0831 per Share.

### 2.4 Ranking of the Rights Shares and new Destini Shares to be issued arising from the exercise of the Warrants

The Rights Shares shall, upon allotment and issuance, rank equally in all respects with the existing Destini Shares, save and except that the Rights Shares shall not be entitled to any dividends, rights, allotments and/ or any other forms of distribution that may be declared, made or paid for which the entitlement date precedes the date of allotment and issuance of the Rights Shares.

The new Destini Shares to be issued arising from the exercise of the Warrants shall, upon allotment and issuance, rank equally in all respects with the existing Destini Shares, save and except that the new Destini Shares to be issued arising from the exercise of the Warrants shall not be entitled to any dividends, rights, allotments and/ or any other forms of distribution that may be declared, made or paid for which the entitlement date precedes the date of allotment and issuance of such new Destini Shares.

### 2.5 Salient terms of the Warrants

<b>Terms</b>	<b>Details</b>
Issue size	: Up to 1,663,531,629 Warrants, each carrying the right to subscribe for one new Shares during the exercise period at the exercise price, subject to the terms and conditions of Deed Poll.
Issue price	: The Warrants will be issued at no cost to the Entitled Shareholders.
Form	: The Warrants will be issued in registered form and will be constituted by the Deed Poll.
Board lot	: The Warrants are tradeable upon listing in board lots of 100 units carrying rights to subscribe for 100 new Destini Shares at any time during the exercise period or such other number of units as may be prescribed by Bursa Securities.
Exercise price	: RM0.054 per Warrant.
Exercise period	: Five (5) years commencing on and including the date of issuance of the Warrants and ending at the close of business at 5.00 p.m. in Kuala Lumpur, on the day preceding the fifth (5th) anniversary of the date of issuance, or if such date is not a Market Day, then it shall be the Market Day immediately preceding the said non-Market Day. Any Warrants not exercised during the exercise period will thereafter lapse and cease to be valid.

<b>Terms</b>	<b>Details</b>
Rights of Warrant holders	The holder of Warrants shall not be entitled to any voting rights or to participate in any dividends, rights, allotments and/ or other forms of distributions and/ or offer of further securities in our Company other than on winding-up, compromise or arrangement of the Company as provided in the Deed Poll until and unless such holders of the Warrants becomes a shareholder of Destini by exercising their Warrants into new Destini Shares or unless otherwise resolved by Destini in a general meeting.
Ranking of new Destini Shares	The new Destini Shares to be issued pursuant to the exercise of the Warrants will, upon allotment and issuance, rank equally in all respects with the existing Destini Shares, save and except that the new Destini Shares will not be entitled to any dividends, rights, allotments and/ or any other forms of distribution where the entitlement date precedes the relevant date of allotment and issuance of the new Destini Shares.
Listing of the Warrants	The Warrants and new Destini Shares to be issued from the exercise of the Warrants will be listed on the Main Market of Bursa Securities.
Adjustment in the exercise price and/ or number of Warrants	<p>The Exercise Price and the number of Warrants held by each Warrant Holder shall from time to time be adjusted in the manner as provided in the Deed Poll in all or any of the following cases:</p> <ul style="list-style-type: none"> <li>(i) alteration of the share capital of our Company by reason of the consolidation or subdivision (including if so permitted by the relevant authorities, a subdivision by way of a bonus issue by our Company of ordinary shares without capitalisation of profits or reserves) or conversion of shares;</li> <li>(ii) issuance of ordinary shares by our Company to its ordinary shareholders for which no consideration is payable but which are to be credited as fully paid by way of capitalisation of profits or reserves (other than an issue of ordinary shares to its members who had an option to take cash or other dividend in lieu of the relevant ordinary shares);</li> <li>(iii) capital distribution including distribution in cash or in specie made by our Company to its ordinary shareholders whether on a reduction of capital (but excluding any cancellation of capital which is lost or unrepresented by available assets) or otherwise;</li> <li>(iv) offer or invitation made by our Company to its ordinary shareholders whereunder they may acquire or subscribe for new ordinary shares by way of rights; or</li> <li>(v) offer or invitation to its ordinary shareholders made by our Company by way of rights whereunder they may acquire or subscribe for securities convertible into new ordinary shares or rights to acquire or subscribe for new ordinary shares.</li> </ul> <p>Notwithstanding any of the above, no adjustment to the Exercise Price and the number of Warrants will be required in respect of:</p> <ul style="list-style-type: none"> <li>(i) issuance of new ordinary shares upon the exercise of any conversion rights attached to securities convertible into ordinary shares or upon exercise of the Warrant; or</li> <li>(ii) issuance of new ordinary shares or other securities or rights to acquire or subscribe for new ordinary shares to officers, including directors, or employees of our Company or any of its subsidiaries pursuant to any purchase or option schemes approved by the ordinary shareholders in a general meeting; or</li> </ul>



**Terms**

**Details**

- (iii) issuance by our Company of new ordinary shares or of securities convertible into or rights to acquire or subscribe for new ordinary shares, in any such case as full consideration or part consideration for the acquisition of any other securities, assets or business; or
- (iv) purchase by our Company of its own ordinary shares in accordance with the Act and all other applicable laws and regulations; or
- (v) issuance of new ordinary shares by our Company (other than bonus or rights issues) where the aggregate issues of which in any one financial year do not exceed ten per cent (10%) (or any other quantum as may be prescribed by the relevant regulatory authorities) of the current issued ordinary share capital; or
- (vi) issuance by our Company of new ordinary shares or other securities convertible into or rights to acquire or subscribe for new ordinary shares to Bumiputera investors pursuant to a special issue approved by the relevant authorities and the members of our Company at a general meeting of such members; or
- (vii) issuance by our Company of securities convertible into or rights to acquire or subscribe for new ordinary shares as replacement for existing securities convertible into or rights to acquire or subscribe for ordinary shares.

In any circumstances where the directors of our Company consider that adjustments to the exercise price and/ or the number of the Warrants as provided for under the provisions of the Deed Poll should not be made or should be calculated on a different basis or different date or that an adjustment to the exercise price and/ or the number of the Warrants should be made notwithstanding that no adjustment is required under the provisions of the Deed Poll, our Company may appoint an adviser or auditors to consider whether for any reason whatsoever the adjustment, calculation or determination to be made (or the absence of an adjustment, calculation or determination) is appropriate or inappropriate, as the case may be. If such adviser or auditors shall consider the adjustment, calculation or determination to be inappropriate, the adjustment shall be modified or nullified (or an adjustment, calculation or determination made even though not required to be made) in such manner as may be considered by such adviser or auditors to be in its opinion appropriate. The opinion shall be certified by the auditors or adviser.

- Transferability : The Warrants shall be transferable in the manner in accordance with the Deed Poll subject always to the provisions of the SICDA, as amended and revised from time to time and the Rules of Bursa Depository and any appendices.
- Rights in the event of winding-up, liquidation, compromise and/ or arrangement : Where a resolution has been passed for a members' voluntary winding up of our Company, or where there is a scheme of compromise or arrangement under Section 366 of the Act (whether or not for the purpose of or in connection with a scheme for the reconstruction of our Company or the amalgamation of our Company with one or more companies) then:-
  - (i) if such winding up, compromise or arrangement to which the Warrant holders or some person designated by them for such purposes by special resolution shall be a party, the terms of such winding up, compromise or arrangement shall be binding on all the Warrant holders; and

**Terms**

**Details**

- (ii) in any other case and to the extent permitted by law, every Warrant holder shall be entitled upon and subject to the conditions contained in Deed Poll at any time within 6 weeks after the passing of such resolution for a members' voluntary winding up of our Company or within 6 weeks after the granting of the court order approving the compromise or arrangement (but in both cases, not later than the end of the exercise period), by irrevocable surrender on a Market Day of his/ her Warrants to our Company by submitting the duly completed exercise form(s) authorising the debiting of his/her Warrants, together with payment of the relevant exercise price, to elect to be treated as if he/ she had immediately prior to the commencement of such winding up, compromise or arrangement, exercised the exercise rights represented by such Warrants to the extent specified in the exercise form and be entitled to receive out of the assets of our Company which would be available in liquidation if he/ she had on such date been the holder of the new Destini Shares to which he/ she would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly.

If our Company is wound up by way of members' voluntary winding up or an order has been granted for such compromise or arrangement, all exercise rights which have not been exercised within 6 weeks of either the passing of such a resolution for winding up or the granting of the court order for the approval of such compromise or arrangement, as the case may be, shall lapse and the Warrants will cease to be valid for any purpose.

If our Company is wound up (other than by way of a members' voluntary winding up), all exercise rights which have not been exercised prior to the date of commencement of the winding up shall lapse and the Warrants will cease to be valid for any purpose.

**Modifications**

- : Our Company may, from time to time, subject to the terms and conditions of the Deed Poll, without the consent or sanction of the Warrant holders, modify, amend or add to the Deed Poll, if such modification, amendment or addition made does not materially prejudice the interests of the Warrant holders or is made to correct a manifest error or to comply with the prevailing laws of Malaysia.

Save for the above, any modification, amendment, deletion or addition to the Deed Poll shall require the approval of the holders of Warrants sanctioned by special resolution and may be effected only by the Deed Poll, executed by our Company and expressed to be supplemental hereto and subject to the approval of the relevant authorities, if necessary.

**Governing Laws**

- : Laws of Malaysia.

**2.6 Other equity fund raising exercises in the past 12 months**

Our Company has not undertaken any other equity fund raising exercises in the 12 months prior to the date of this Abridged Prospectus.

### 3. IRREVOCABLE AND UNCONDITIONAL UNDERTAKINGS

Our Board has determined to undertake the Rights Issue with Warrants on the minimum subscription basis after taking into consideration the amount of funds of approximately RM21.86 million that our Company intends to raise from the Rights Issue with Warrants which will be channeled towards the proposed utilisation as set out in **Section 4** of this Abridged Prospectus.

In order to meet the Minimum Subscription Level, certain shareholders of the Company, namely Dato' Aziz, Dayanine and Dayatahan had vide their Undertaking Letters dated 28 August 2023 provided the following Undertakings:-

- (a) **Dato' Aziz, the Non-Independent and Non-Executive Director and a substantial shareholder of Destini**, has undertaken to subscribe in full for his Rights Shares entitlement at the Issue Price based on his shareholdings as at the Entitlement Date (which amounts to 39,000,000 Rights Shares as at the LPD).
- (b) **Dayanine, a substantial shareholder of Destini**, has undertaken to subscribe in full for its Rights Shares entitlement at the Issue Price based on its shareholdings as at the Entitlement Date (which amounts to 188,000,000 Rights Shares as at the LPD), as well as to subscribe for additional 300,000,000 Rights Shares not subscribed by other Entitled Shareholders and/ or their renounee(s) by way of the excess Rights Shares application at the Issue Price (otherwise referred to as Additional Undertaking), subject to the allocation criteria as set out in **Section 10.9** of this Abridged Prospectus.
- (c) **Dayatahan, a shareholder of Destini**, has undertaken to subscribe in full for its Rights Shares entitlement at the Issue Price based on its shareholdings as at the Entitlement Date (which amounts to 19,600,000 Rights Shares as at the LPD).

The details of the Undertakings are set out below:-

Undertaking Shareholders <sup>*1</sup>	Direct shareholdings as at the LPD		Entitlement Undertakings		Additional Undertaking		Direct shareholdings after the Rights Issue with Warrants		Gross proceeds raised from Entitlement Undertakings		Warrants entitlement No. of Warrants
	No. of Shares	% <sup>*2</sup>	No. of Shares	% <sup>*3</sup>	No. of Shares	% <sup>*3</sup>	No. of Shares	% <sup>*4</sup>	RM <sup>*5</sup>	RM <sup>*5</sup>	
Dato' Aziz	19,500,000	1.17	39,000,000	1.17	-	-	58,500,000	2.65	1,560,000	-	19,500,000
Dayanine	94,000,000	5.65	188,000,000	5.65	300,000,000	9.02	582,000,000	26.33	7,520,000	12,000,000	244,000,000
Dayatahan	9,800,000	0.59	19,600,000	0.59	-	-	29,400,000	1.33	784,000	-	9,800,000
<b>Total</b>	<b>123,300,000</b>	<b>7.41</b>	<b>246,600,000</b>	<b>7.41</b>	<b>300,000,000</b>	<b>9.02</b>	<b>669,900,000</b>	<b>30.31</b>	<b>9,864,000</b>	<b>12,000,000</b>	<b>273,300,000</b>

**Notes:-**

- \*1 For information purpose, Dato' Aziz is the director and shareholder (direct interest of 100%) of Dayanine as well as director of Dayatahan
- \*2 Based on the total issued shares of 1,663,531,629 of Destini as at the LPD
- \*3 Based on 3,327,063,258 Rights Shares available for subscription
- \*4 Based on the enlarged issued shares of 2,210,131,629 of Destini after Rights Issue with Warrants under the Minimum Scenario
- \*5 Computed based on the Issue Price

As the Rights Issue with Warrants will be undertaken on a minimum subscription level, our Company does not intend to procure any underwriting arrangement for the remaining Rights Shares not taken up by other Entitled Shareholders and/ or their renouncee(s). The Undertaking Shareholders have confirmed that they have sufficient financial resources to fulfil their respective Undertakings and such confirmations have been verified by UOBKH, being the adviser for the Rights Issue with Warrants.

The Undertaking Shareholders are obliged to subscribe in full for their respective Rights Shares entitlements pursuant to their Entitlement Undertakings. However, the Undertaking Shareholder namely Dayanine is not obliged to subscribe for its Rights Shares entitlement pursuant to the Additional Undertaking if the Minimum Subscription Level has been achieved via subscription by all other Entitled Shareholders and/ or their transferee(s) and/or their renouncee(s) (if applicable). While Dayanine is not obliged to subscribe for the Rights Shares in such event under the Additional Undertaking, Dayanine may still choose to do so at its own discretion.

**MGO implication**

As illustrated in the table above, the collective shareholdings of the Undertaking Shareholders in our Company will increase from 7.41% to 30.31% pursuant to the completion of the Rights Issue with Warrants under the Minimum Scenario. As such, the subscription of the Rights Shares by the Undertaking Shareholders pursuant to the Undertakings (under the Minimum Scenario) will not give rise to any MGO obligation in Destini pursuant to the Rules.

Further thereto, strictly assuming the full exercise of Warrants by the Undertaking Shareholders under the same scenario, the collective shareholdings of the Undertaking Shareholders in our Company may further increase from 30.31% to 37.98%. Such exercise of the Warrants may potentially result in the shareholdings of the Undertaking Shareholders to collectively exceed 33% controlling threshold in our Company and pursuant to the Rules, the Undertaking Shareholders would in such event be obliged to extend a MGO in our Company. As it is not their intention to undertake the MGO, the Undertaking Shareholders will monitor at all times when dealing in the exercise of their Warrants to ensure compliance with the provisions of the Rules. However, if the need arises, the Undertaking Shareholders may make an application to the SC to seek an exemption under paragraph 4.08 of the Rules from the obligation to extend the said MGO, the application of which may be made at a later date but prior to triggering the MGO obligation.

**Public shareholding spread**

The public shareholding spread of our Company is not expected to fall below the minimum public shareholding spread of 25% pursuant to Paragraph 8.02(1) of the Listing Requirements pursuant to the implementation of the Rights Issue with Warrants under the Minimum Scenario, as illustrated in the following table:-

	As at the LPD		I After the Rights Issue with Warrants		II After I and assuming full exercise of the Warrants	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Share capital	1,663,531,629	100.00	2,210,131,629	100.00	2,483,431,629	100.00
Less: Directors/ substantial shareholders'/ associates' shareholdings	479,638,200	28.83	1,026,238,200	46.63	1,299,538,200	52.33
<b>Public shareholdings</b>	<b>1,183,893,429</b>	<b>71.17</b>	<b>1,183,893,429</b>	<b>53.57</b>	<b>1,183,893,429</b>	<b>47.67</b>

For information, the effects under the Maximum Scenario are not illustrated hereinabove as the Rights Issue with Warrants under this scenario will not have any effect on the percentage of the shareholders' shareholdings pursuant to the Rights Issue with Warrants, as the Rights Shares are assumed to be fully subscribed by all the Entitled Shareholders on a pro-rata basis.

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#### 4. UTILISATION OF PROCEEDS

Based on the Issue Price, the gross proceeds to be raised from the Rights Issue with Warrants will be utilised in the following manner:-

Details of utilisation	Timeframe for utilisation from completion of the Rights Issue with Warrants	Amount of proceeds			
		Minimum Scenario RM'000	%	Maximum Scenario RM'000	%
Working capital <sup>*1</sup>	Within 24 months	18,675	85.41	129,478	97.29
Repayment of bank borrowings <sup>*2</sup>	Within 12 months	2,479	11.34	2,895	2.18
Estimated expenses <sup>*3</sup>	Upon completion	710	3.25	710	0.53
<b>Total</b>		<b>21,864</b>	<b>100.00</b>	<b>133,083</b>	<b>100.00</b>

#### Notes:-

\*1 The proceeds earmarked for working capital is intended to be utilised mainly for the Group's on-going projects and other operational expenditure. The details of the projects are as follows:-

Project	Descriptions
Train Projects	<p>On 23 May 2022, the Board announced that M Rail Technics Sdn Bhd ("<b>M Rail</b>"), a 70% owned subsidiary of Destini had on the same date, accepted a contract, worth RM531.39 million from Ministry of Transport Malaysia, for Level 4 MRO on 35 units of Six Car Set Class 92 operated by Keretapi Tanah Melayu Berhad ("<b>KTMB</b>"). The tenure of the contract is 54 months starting from 20 May 2022 to 19 November 2026. The first unit of Six Car Set Class 92 was received from KTMB on 11 December 2023. A joint meeting will be held between M Rail, KTMB and the Ministry of Transport on 22 May 2024 at M Rail Seremban Depot, in which the Ministry of Transport will determine the official commencement date for M Rail to commence its MRO service on the first unit of Six Car Set Class 92.</p> <p>On 9 September 2022, the Board announced that M Rail had on 8 September 2022, accepted another contract, worth RM163.61 million from Ministry of Transport Malaysia, for Level 4 MRO on 10 Electric Train Set Class 93 operated by KTMB. The tenure of the contract is 36 months starting from 2 September 2022 to 1 September 2025. The first unit of Electric Train Set Class 93 is expected to be received from KTMB in February 2024 and M Rail will then commence MRO service on it.</p> <p>The trainsets are required to undergo Level 4 MRO to ensure its safety and reliability during service. For information purpose, Level 4 MRO is a scheduled maintenance activity for railway vehicles once it has been in operation for a set amount of time or mileage. It involves a heavy overhaul activity that comprises complete disassembly of major components, detailed inspections and replacement of parts as required.</p> <p>For information purpose, Car Set Class 92 operates as the komuter service within Kuala Lumpur and the suburban areas within the Greater Klang Valley whereas Electric Train Set Class 93 are the ETS Service that operate within the electrified double track West Coast Line from Padang Besar to Gemas.</p> <p>M Rail is required to purchase initial spare parts (i.e. mechanical and electrical components for major subsystems of the train) and has subcontracted several of the major subsystems (e.g. bogie system, propulsion system, air supply &amp; brake system and other systems) to several service providers as well as enhancement of depot facilities.</p>
Rocket Project	<p>On 28 June 2023, Destini Prima Sdn Bhd ("<b>DPSB</b>"), a wholly-owned subsidiary of Destini had on 27 June 2023, accepted a contract, worth RM18.75 million from Ministry of Defence Malaysia for the procurement, supply and delivery of 70MM rockets (2.72 inch) to the Malaysian Army. The tenure of the contract is 2 years starting from 27 June 2023 to 26 June 2025. The first delivery of 70MM rockets is expected to be received from the supplier by June 2024 and is expected to be subsequently delivered to the Malaysian Army by July 2024.</p>

For information purpose, other than providing MRO services on trainsets, Destini Group also provides MRO services on safety and survival related equipment for the defence industry as well as marine assets such as lifeboats, davit systems, load testing equipment and fire safety.

In view of the projects secured and the day-to-day operational expenses, the indicative breakdown of the utilisation of proceeds for working capital requirements is as follows:-

Working capital requirements	Notes	Indicative percentage allocation %	Minimum Scenario RM'000	Maximum Scenario RM'000
Payment to trade creditors	(a)	70.00	13,073	90,635
Operating expenses in relation to the enhancement of depot facilities and purchase of equipment and machineries	(b)	10.00	1,867	12,948
Other operational expenditure	(c)	20.00	3,735	25,895
<b>Total</b>		<b>100.00</b>	<b>18,675</b>	<b>129,478</b>

- (a) The Group has earmarked 70.00% of the proceeds to be raised for working capital of the Group for the payment to existing trade creditors and payments to contractors and suppliers in relation to the Train Projects as well as the Rocket Project as mentioned above. The details of the projects and indicative breakdown of which is as follows:-

Details	Indicative percentage allocation %
Payment for contractors and suppliers for Train Projects <sup>(i)</sup>	65.00
Payment for contractors and suppliers for Rocket Project <sup>(ii)</sup>	15.00
Payment to existing trade creditors	20.00
<b>Total</b>	<b>100.00</b>

- (i) As at the LPD, 90% of the total letter of awards to be issued by M Rail to suppliers and vendors of Train Projects have been issued, which awards are primarily for the purchase of initial spare parts as well as to subcontract several major subsystems. The projects are currently on track. The first unit of Six Car Set Class 92 was received by KTMB on 11 December 2023. A joint meeting will be held between M Rail, KTMB and the Ministry of Transport on 22 May 2024 at M Rail Seremban Depot, in which the Ministry of Transport will determine the official commencement date for M Rail to commence its MRO service on the first unit of Six Car Set Class 92. The first unit of Electric Train Set Class 93 are expected to be received by KTMB in February 2024. Upon the receipt of the trainset, M Rail will then commence MRO service on it. Based on the tentative timeline and barring any unforeseen circumstances, 6 units of Six Car Set Class 92 are expected to be delivered back to KTMB by 2024, 14 units by 2025, and the remaining 15 units by 2026. Additionally, 5 units of Electric Train Set Class 93 are expected to be delivered back to KTMB by 2024, with the remaining 5 units expected by 2025.
- (ii) The letter of award from Ministry of Defence Malaysia was accepted by DPSB on 27 June 2023. An agreement for the procurement of 70MM rockets has been signed by DPSB and its supplier in July 2023. The first 70MM rockets is expected to be received by June 2024 from the supplier and is expected to be subsequently delivered to the Malaysian Army by July 2024.

The Group intends to fund the remaining shortfall in the abovementioned projects via internally generated funds and/ or bank borrowings. In the event of, amongst others, any termination or delays in the abovementioned projects, the surplus will be adjusted and re-allocated to the following existing projects, depending on their respective funding requirement:-

Project	Nature	Duration	Estimated Contract value
Royal Malaysian Air Force Project	DPSB had on 20 June 2023, secured a contract from Ministry of Defence for the procurement of scheduled and unscheduled maintenance, testing, technical services and supply of spare parts and related components for the non-airborne equipment to the Royal Malaysian Air Force	June 2023 to June 2026	RM25.40 million
IWK Projects	<p>Destini Energy Sdn Bhd ("<b>DESB</b>"), a wholly-owned subsidiary of Destini had on 17 December 2021, received and accepted a conditional letter of award from Indah Water Konsortium Sdn Bhd ("<b>IWKSB</b>"), for the engineering, procuring, construction and commissioning of solar photovoltaic systems at 1,177 sewerage treatment plants of IWKSB in Malaysia. IWK Projects were novated to Hijau Baiduri Sdn Bhd ("<b>HBSB</b>"), a wholly-owned subsidiary of DESB.</p> <p>Subsequently, IWKSB and HBSB have entered into 3 Renewable Energy Power Purchase Agreement for northern region, central region and southern &amp; eastern region respectively.</p>	August 2022 to May 2043	RM85.00 million
Petronas Carigali Project	Destini Oil Services Sdn Bhd (" <b>DOSB</b> "), a wholly-owned subsidiary of Destini had on 30 March 2022, received and accepted a letter of award from Petronas Carigali Sdn Bhd, for the provision of tubular handling, conductor installation and slot recovery equipment and services for Petronas Carigali Drilling Programs	March 2022 to March 2025	RM11.50 million
PTTEP Project	DOSB had on 15 May 2023, received and accepted a letter of award from PTTEP International Limited, for provision of tubular running services for Zawtika Development Drilling Campaign	May 2023 to March 2025	USD3.01 million

The Group shall make the requisite announcements and/ or shall seek shareholders' approval in accordance with the Listing Requirements for any variation in the utilisation of proceeds.

- (b) The Group has earmarked 10.00% of the proceeds to be raised for the operating expenses in relation to the enhancement of depot facilities located in Seremban to be utilised for the Train Projects as stated above, mainly for the performance of MRO of trains. The enhancement of depot facilities that will be carried out includes the installation of test benches to test the functionality for subsystems such as bogies and traction motor and purchase of equipment and machineries such as jigs, train fixtures and heavy lifting equipment that are essential for repair and testing of various rail components; and
- (c) The Group has earmarked 20.00% of the proceeds to be raised for working capital of the Group for other operational expenditure which includes administrative expenses, utilities, travel and other expenses relating to trainings to be attended by Destini's staffs.

Details	Minimum Scenario RM'000	Maximum Scenario RM'000
Administrative expenses	3,512	24,351
Utilities	197	1,366
Travel and other expenses relating to trainings to be attended by Destini's staffs	26	178
<b>Total</b>	<b>3,735</b>	<b>25,895</b>



The actual breakdown for the utilisation for working capital is subject to the Group's operational requirements at the time of utilisation and as such can only be determined at a later stage. Accordingly, the Board shall have the discretion to allocate funds for the Group's working capital, depending on the actual working capital requirements at the time of utilisation.

- \*2 As at the LPD, the total borrowings of Destini Group (comprising of term loans, bank overdrafts hire purchases and lease payables) was RM12.23 million. In an effort to reduce the gearing level and financing costs, the Group intends to repay its term loans and bank overdrafts. The Group had incurred such term loans and bank overdrafts, mainly to finance the corporate office building and working capital requirements. The potential interest savings from the repayment of borrowings are set out below:-

Type of facility	Maturity date	Amount outstanding as at the LPD RM'000	Interest rate %	Minimum Scenario		Maximum Scenario	
				Proposed repayment RM'000	Annual interest savings RM'000	Proposed repayment RM'000	Annual interest savings RM'000
Term loans	January 2027	10,116	6.70	2,479	166	2,483	166
Bank overdrafts	-	412	6.25	-	-	412	26
<b>Total</b>		<b>10,528</b>		<b>2,479</b>	<b>166</b>	<b>2,895</b>	<b>192</b>

- \*3 The proceeds earmarked for estimated expenses in relation to the Rights Issue with Warrants will be utilised as set out below:-

	RM'000
Professional fees*	582
Regulatory fees	110
Other incidental expenses in relation to the Rights Issue with Warrants	18
<b>Total</b>	<b>710</b>

**Note:-**

- \* These include advisory fees payable to the Principal Adviser and other professional fees payable to the company secretaries, Share Registrar and solicitors

Any variation in the actual amount of the expenses will be adjusted in the portion of the proceeds to be utilised for working capital of the Group.

Pending the utilisation of proceeds from the Rights Issue with Warrants for the above purposes, the proceeds would be placed as deposits with licensed financial institutions or short-term money market instruments. Any interest income earned from such deposits or instruments will be used as working capital of our Group.

The gross proceeds raised from the Rights Issue with Warrants will be allocated in the following order of priority:-

- (i) estimated expenses;
- (ii) working capital; and
- (iii) repayment of bank borrowings.

The gross proceeds to be raised from the exercise of the Warrants is dependent on the total number of Warrants issued and exercised during the tenure of the Warrants. As such, the exact amount to be raised and timeframe for utilisation of the proceeds from the exercise of the Warrants is not determinable at this juncture. For illustrative purposes only, the gross proceeds to be raised upon the full exercise of the Warrants based on the exercise price of RM0.054 per Warrant is set out below:-

	<b>Minimum Scenario</b>	<b>Maximum Scenario</b>
No. of Warrants	273,300,000	1,663,531,629
Total gross proceeds raised assuming the full exercise of Warrants (RM)	14,758,200	89,830,708

Such gross proceeds to be raised from the exercise of Warrants will be utilised as additional working capital to finance our Group's day to day operations. The proceeds may be utilised to finance, amongst others, employee salaries, payment to trade creditors as well as general expenses such as utilities and office expenses, the breakdown of which has not been determined at this juncture.

## 5. RATIONALE AND JUSTIFICATION FOR THE RIGHTS ISSUE WITH WARRANTS

Our Board is of the view that the Rights Issue with Warrants is the most appropriate avenue to raise the necessary funding for our Group as set out in **Section 4** of this Abridged Prospectus after taking into consideration the following:-

- (i) the Rights Issue with Warrants will strengthen the financial position and capital base of our Company, by reducing our gearing level and increasing our NA thereby providing greater financial flexibility, as illustrated in **Section 8.2** of this Abridged Prospectus;
- (ii) the Rights Issue with Warrants will enable the issuance of new Destini Shares without diluting shareholders' equity interest, based on the assumption that all Entitled Shareholders subscribe in full for their respective entitlements under the Rights Issue with Warrants;
- (iii) the Rights Issue with Warrants will provide all Entitled Shareholders with an opportunity to further participate in the prospects and future growth of our Group on a pro-rata basis; and
- (iv) the Rights Issue with Warrants will enable our Company to raise the requisite funds without incurring additional interest expense, as compared to bank borrowings, thereby minimising any potential cash outflow in respect of interest servicing.

The Warrants have been attached to the Rights Shares to provide the Entitled Shareholders with additional incentive to subscribe for the Rights Shares. The Warrants will potentially allow the Entitled Shareholders who subscribe for the Rights Shares to benefit from the possible capital appreciation of the Warrants and increase their equity participation in our Company at a predetermined price over the tenure of the Warrants. We would also be able to raise additional proceeds as and when the Warrants are exercised.

## 6. RISK FACTORS

In addition to other information contained elsewhere in this Abridged Prospectus, you should consider carefully the following risk factors which may have an impact on the future performance of our Group before subscribing for or investing in the Rights Issue with Warrants.

### 6.1 Risks relating to our operations and the industries we operate in

#### 6.1.1 Performance of independent contractors and delivery of products and services provided by them on a satisfactory and timely manner

Our Group may sub-contract part of the contracts awarded to us to independent contractors and our Group may not always be able to control the timing and quality of these deliverables. In the event the deliverables are not satisfactory either due to the inability of the contractors to perform the work or due to delivery of work that does not meet the contractual quality standards, our Group may face delays in the completion of the contract and may incur substantial additional costs in order to complete these contracts in time. This may lead to our costs exceeding estimates and we may not be able to pass on these increased costs to our customers.

Further, if our Group is unable to obtain materials, machineries and engage the requisite labour/ personnel in a timely manner, it could have an adverse impact on our Group's operating results. In the event of any interruption to the products and services provided, we may not be able to find adequate replacement on a timely basis, if at all, or on acceptable commercial terms.

This may result in our Group not being able to complete our contractual obligations in a timely manner or if we are not able to obtain adequate replacement on satisfactory terms, we may not be able to complete our contractual obligations within our cost constraints. Any of these occurring may also materially and adversely affect our business, operating results and financial condition.

#### 6.1.2 Credit risks

Our Group may experience delay in payment from our customers, or in more severe cases, we may not be able to collect the full amount as they become due. In the event of payment defaults, we would have to cater for provision of doubtful debts or to write off these bad debts, which may have an adverse impact on our profitability and/ or financial position due to the reduced cash flow. Additionally, any dispute resolution arising from debt recovery issues may be costly and time consuming. Due to the uncertainties of such proceedings, there can be no assurance that the outcome of these dispute resolutions will be in our favour.

Our Group has experienced delay in payments and has made the necessary provisions for impairment losses from trade and other receivables arising from delay in payment in our financial statements in accordance to international accounting standards. Based on the latest audited financial statements for FYE 2022, our Group had recognised impairment loss on trade and other receivables amounting to RM26.55 million (FYE 2021: RM2.14 million). For the FYE 2022, our Group had also written off bad debts amounting to RM0.43 million. As at the LPD, our Group has not experienced any delay of payment from customers which may have material impact on our Group's operations and financials.

### **6.1.3 Dependency on major licences and certifications**

Our Group's licences and certifications are fundamental to our business operations. The certifications secured from the relevant bodies, such as Malaysian State Technical Airworthiness Authority and Ministry of Investment, Trade and Industry, enabled our Group to offer a comprehensive range of MRO services for safety, survival and rescue equipment.

Several of these licences and certifications are subject to periodic inspection, changes and/ or fulfilment of conditions imposed by the relevant authorities. Non-compliance with these conditions could lead to the revocation or non-renewal of our Group's licences and certifications. This could significantly impact our operations, business continuity, and reputation, potentially resulting in the loss of major customers or contracts, leading to substantial financial implications.

There can also be no assurance that the above licences and certifications will be renewed or continuously be granted by the relevant authorities and bodies in the future. Nevertheless, as at the LPD, our Group has not experienced any non-renewal and/ or revocation of licences and certification.

### **6.1.4 Dependency on our key personnel**

The success of our Group will depend to a significant extent upon the abilities, skills, experience, competency, and continued efforts of key management personnel. The loss of the key management personnel without suitable and timely replacement, or the inability of our Group to attract and retain other qualified personnel, could adversely affect the acquisition and consequently, its revenue and profitability.

There may be a material adverse impact on Destini Group's business and financial performance in the event we are unable to successfully retain Destini Group's key management and qualified personnel and/ or recruit suitable candidates to replace any such key management or qualified personnel in the future.

Our Group is particularly led by our management team consisting of Ismail bin Mustafa, Kabil bin Surat, Aris Kefli bin Mohamad Yusof, Goh Yet Loong and Faizal Ahmad in determining the strategic direction and driving the operations, business development and growth of our Group.

Therefore, the loss of any of the aforesaid key management personnel simultaneously or within a short period of time will result in an unfavourable impact on our Group's operation and the future growth of our business.

### **6.1.5 Foreign exchange risks**

Our Group's business is exposed to foreign exchange risks as a substantial portion of our sales and purchases are denominated in foreign currencies other than RM. The said foreign currencies giving rise to foreign exchange risks include United States Dollar ("**USD**"), Euro ("**EUR**"), Singapore Dollar ("**SGD**"), Pound Sterling ("**GBP**"), Chinese Renminbi ("**RMB**"), United Arab Emirates Dirham ("**AED**"), Australian Dollar ("**AUD**"), Saudi Arabian Riyals ("**SAR**") and Japanese Yen ("**JPY**"). At present, our Group does not have any form of currency hedging arrangements in place with respect to our foreign currency denominated sales and purchases. Where possible, the Group will apply natural hedging by selling and purchasing in the same currency. However, the exposure to foreign currency risk is monitored from time to time by management.

Any adverse changes in the relevant exchange rates will negatively impact our Group's financial performance. There can be no assurance that there will not be any significant and/ or volatile fluctuation in USD, EUR, SGD, GBP, RMB, AED, AUD, SAR and/ or JPY, the occurrence of which may affect the financial performance and position of our Group.

A summary of our Group's sales in local and foreign currencies for the latest audited FYE 2022 and latest unaudited 9 month FPE 2023 are as follows:-

	Audited FYE 2022		Unaudited 9 month FPE 2023	
	RM'000	%	RM'000	%
RM	144,897	77.83	49,810	62.88
SGD	18,454	9.91	11,642	14.70
RMB	1,502	0.81	2,012	2.54
AED	13,164	7.07	12,518	15.80
AUD	4,264	2.29	3,223	4.07
GBP	3,889	2.09	9	0.01
<b>Total</b>	<b>186,170</b>	<b>100.00</b>	<b>79,214</b>	<b>100.00</b>

A summary of our Group's purchases in local and foreign currencies for the latest audited FYE 2022 and latest unaudited 9 month FPE 2023 are as follows:-

	Audited FYE 2022		Unaudited 9 month FPE 2023	
	RM'000	%	RM'000	%
RM	105,925	83.11	33,740	68.91
SGD	6,350	4.98	8,460	17.28
RMB	5,773	4.53	62	0.13
AED	6,405	5.02	5,909	12.07
AUD	1,295	1.02	773	1.58
GBP	1,707	1.34	15	0.03
<b>Total</b>	<b>127,455</b>	<b>100.00</b>	<b>48,959</b>	<b>100.00</b>

#### 6.1.6 Political, economic and regulatory risks

The nature of our business is subject to prevailing political, economic and regulatory circumstances in Malaysia and/ or other countries in which our Group has business dealings. Adverse shifts in these areas, whether directly or indirectly linked to Malaysia, hold the potential to significantly affect our operations.

These risks span economic downturns and unfavourable changes in governmental policies, such as alterations in taxation methods, currency exchange regulations, or the implementation of new regulatory frameworks. These factors, largely beyond the control of management, can impact all industry participants.

Accordingly, there is no assurance that any adverse developments in the political, economic and regulatory conditions in Malaysia and/ or other countries in which our Group has business dealings, will not impact our Group's business and financial performance.

## **6.2 Risks relating to the Rights Issue with Warrants**

### **6.2.1 Investment and market risks**

The market price of our Shares as traded on Bursa Securities is influenced by, amongst others, the prevailing market sentiments, volatility of the equity markets, the outlook of the industries which we operate in as well as our financial performance. In view of this, there can be no assurance that our Shares will trade at or above the issue price of the Rights Shares upon or subsequent to the listing and quotation of the Rights Shares on the Main Market of Bursa Securities.

The price of our Warrants as traded on Bursa Securities is influenced by, amongst others, the market price of our Shares, remaining tenure of the Warrants and the volatility of the price of our Shares. In view of this, there can be no assurance that our Shares will be traded at or above the exercise price of the Warrants subsequent to the listing of the Warrants on Bursa Securities.

Accordingly, there can be no assurance that the market price of the Rights Shares and the Warrants will be at a level that meets the specific investment objectives or targets of any holders of the Rights Shares and the Warrants.

### **6.2.2 Delay in or abortion of the Rights Issue with Warrants**

The Rights Issue with Warrants is exposed to the risk that it may be aborted or delayed on the occurrence of any material adverse change of events/ circumstances, unfavourable changes in the governments' policies as well as other force majeure events, which are beyond the control of our Company and UOBKH, arising prior to or during the implementation of the Rights Issue with Warrants.

Nevertheless, our Group will endeavour to ensure the successful listing of the Rights Shares and the Warrants. However, there can be no assurance that the above-mentioned events will not occur and cause a delay in or abortion of the Rights Issue with Warrants. In the event the Rights Issue with Warrants is aborted, our Group will repay without interest all monies received in respect of the accepted application for the subscription of the Rights Shares with Warrants pursuant to the Rights Issue with Warrants and if such monies are not repaid within 14 days after we become liable to repay, we will repay such monies with interest at the rate of 10% per annum or at such other rate as may be prescribed by the SC in accordance with Section 243(2) of the CMSA.

In the event that the Rights Issue with Warrants is aborted/ terminated, and the Rights Shares and the Warrants have been allotted to the shareholders, a return of monies to all holders of the Rights Shares with Warrants could only be achieved by way of cancellation of share capital as provided under the Act and its related rules. Such cancellation requires the sanction of our shareholders by special resolution in a general meeting, consent of our creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya. There can be no assurance that such monies can be returned within a short period of time or at all in such circumstances.

Acquiror of the provisional allotments of Rights Shares with Warrants would lose his investment in the event the Rights Issue with Warrants is terminated.

Where prior to the issuance and allotment of the Rights Shares to the successful Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable):-

- (a) the SC issues a stop order under Section 245(1) of the CMSA, all applications shall be deemed to be withdrawn and cancelled and we shall repay without interest all monies paid in respect of the applications for our Rights Shares within 14 days of the stop order, failing which we shall be liable to return such monies with interest at the rate of 10.0% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(a) of the CMSA; or
- (b) Rights Issue with Warrants is terminated other than pursuant to a stop order by the SC under Section 245(1) of the CMSA, investors will not receive any Rights Shares, and all monies paid in respect of all applications for our Rights Shares will be refunded free of interest.

In the event that the Rights Shares have been allocated to the successful Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) and:-

- (a) the SC issues a stop order under Section 245(1) of the CMSA, any issue of our Rights Shares shall be deemed to be void and all monies received from the applicants shall be forthwith repaid without interest and if any such money is not repaid within 14 days of the date of service of the stop order, we shall be liable to return such monies with interest at the rate of 10.0% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(b) of the CMSA; or
- (b) our Rights Issue with Warrants is aborted other than pursuant to a stop order by the SC, a return of monies to our shareholders may only be achieved by way of a cancellation of our share capital as provided under the Act and its related rules. Such cancellation can be implemented by the sanction of our shareholders by way of special resolution in a general meeting and supported by either:-
  - (aa) consent by our creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya, in which case there can be no assurance that such monies can be returned within a short period of time or at all under such circumstances, or
  - (bb) a solvency statement from our directors.

There can be no assurance that such monies can be returned within a short period of time or at all under such circumstances.

### **6.2.3 Potential dilution**

The Entitled Shareholders who do not or are not able to subscribe for their entitlement(s) under the Rights Issue with Warrants will have their proportionate ownership and voting interest in our Company reduced and the percentage of our enlarged issued share capital represented by their shareholding in our Company will also be reduced accordingly as a result of the issuance of the Rights Shares and the new Shares to be issued upon the exercise of the Warrants. Consequently, their proportionate entitlement to any dividends, rights, allotments and/ or other distributions that our Company may declare, make or pay after completion of the Rights Issue with Warrants will correspondingly be diluted.

### **6.3 Forward-looking statements**

Certain statements in this Abridged Prospectus are based on historical data, which may not be reflective of the future results and others are forward-looking in nature, which are subject to uncertainties and contingencies.

All forward-looking statements contained in this Abridged Prospectus are based on assumptions made by our Company, unless stated otherwise. Although our Board believes that these forward-looking statements are reasonable, the statements are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in such forward-looking statements.

Such factors include, inter-alia, the risk factors as set out in this section of the Abridged Prospectus. In view of these uncertainties, the inclusion of any forward-looking statements in this Abridged Prospectus should not be regarded as a representation or warranty by our Company that the plans and objectives of our Group will be achieved.

## **7. INDUSTRY OVERVIEW AND FUTURE PROSPECTS OF OUR GROUP**

### **7.1 Overview and outlook of the Malaysian economy**

Global growth is projected to moderate in 2023 and 2024 following slow growth in advanced economies; volatile financial market due to tightening monetary policy; prolonged geopolitical tensions; and increasing climatic changes. Nevertheless, inflation continues to soften as markets head towards supply chain stabilisation. In addition, world trade is projected to moderate in 2023 in line with weaker global demand. However, global trade is expected to increase in 2024 in tandem with improved trade activity in advanced economies, and emerging market and developing economies (EMDEs).

In the case of Malaysia, the economy continued to expand amid these persistent challenges in the external environment. During the first half of 2023, gross domestic product (GDP) posted a growth of 4.2% supported by resilient domestic demand, in particular private expenditure. The services sector, the largest contributor to the economy, continued to lead growth following higher tourist arrivals and improved consumer spending. The construction sector continued to expand in tandem with the acceleration of infrastructure projects and realisation of investment in non-residential and residential developments. These developments helped to cushion the negative impact from the external sector following slow external demand, particularly from Malaysia's major trading partners.

For 2024, the economy is projected to grow within the range of 4% to 5%. The growth is envisaged to be broad-based, led by the services sector as intermediate and final services groups are anticipated to rise further driven by sustained domestic consumption and improved export activities. The retail trade, accommodation and restaurants as well as communication segments are expected to increase in line with consumption trend, while the wholesale trade segment and transport and storage subsector will benefit from higher trade-related activities.

On the demand side, growth will be buoyed by strong private sector expenditure and improving global demand. The encouraging performance of private sector is partly due to the Government's deliberate efforts to accelerate a more vibrant and dynamic private sector by providing a conducive business and investment environment, underpinned by the implementation of comprehensive Ekonomi MADANI framework as well as policies and blueprints such as the National Energy Transition Roadmap (NETR) and New Industrial Master Plan 2030 (NIMP 2030). Meanwhile, consumer spending is envisaged to be robust supported by improved labour market conditions.

(Source: Economic Outlook 2024, Ministry of Finance Malaysia)



## 7.2 Overview and outlook of the Aviation & Defence, Energy, Mobility and Marine industry in Malaysia

The 12MP recognises the aerospace sub-sector as one of the new growth areas slated to accelerate Malaysia's transformation into a high-income nation by 2025. Despite the past two years' challenging economic landscape, the country's aerospace subsector remains competitive and resilient. Malaysian companies secured RM572.6 million worth of business deals at the Farnborough International Airshow 2022.

The Malaysian government will continue to facilitate the growth of the aerospace industry and compliance with environmental, social and governance (ESG). The National Investment Aspirations (NIA) encourages advanced technology and high-value investments that are ESG-compliant and are essential to revitalising Malaysia's investment climate.

As a result of the strong pent-up demand for travel across most major markets and regions, and robust global cargo traffic volumes, the aerospace subsector benefitted from the recovery of the global commercial aircraft market after the previous two years of unprecedented disruption across the aviation industry. This continuing recovery is expected to reach pre-pandemic levels by 2023, followed by full recovery in 2024, despite rising oil prices placing downward pressure on profitability.

Moving forward, according to the Airbus Global Market Forecast 2022, the next 20 years will see the need for 31,620 single-aisle and 7,870 widebody passenger and freighter aircraft. The demand for these new aircraft will progressively shift from fleet growth to accelerated replacement of older, less fuel-efficient aircraft, and by end-2040, the vast majority of commercial aircraft in operation will be newer aircraft. This bodes well for Malaysian aerospace players in the aerostructure, engine manufacturing, and MRO segments, as this is an opportunity for them to further increase their market penetration.

(Source: Malaysia Investment Performance Report 2022, Malaysian Investment Development Authority)

The MRO business grew significantly in tandem with the increase of the world's fleet, according to Frost & Sullivan. MROs are increasing capacity to keep up with the rising demand as the industry for aeroplane maintenance, worth USD75 billion, expands. They achieve this through adopting digital transformation, technology innovation, efficiency, mergers, consolidations, buy-outs, and partnerships.

Malaysia External Trade Development Corporation (MATRADE) and the National Aerospace Industry Coordination Office (NAICO), Ministry of International Trade and Industry (MITI), organised the participation of Malaysian MRO services players in the Aviation Week MRO Asia Pacific 2022 (MROAP2022), Singapore, held from September 20–23, 2022, at Singapore EXPO Exhibition and Convention Centre. The participation was MATRADE's continuous efforts in promoting Malaysia's capabilities and strengths in the MRO industry. Also, it served as a platform for the MRO companies to expand their brand's presence and to connect with industry experts and through leadership from all facets of the airplanes lifecycle including MRO, interiors and engine technology including networking opportunities that connect the participants with the full spectrum of the aviation industry globally.

(Source: Press release entitled "Malaysia's Participation in MRO Asia Pacific 2022" dated 28 September 2022, MATRADE)

The mining sector turned around to record 0.1% growth in the first half of 2023. This was supported by improved performance of crude oil and condensate as well as other mining & quarrying and supporting services subsectors. Meanwhile, natural gas subsector was subdued following interruption of operations in Peninsular Malaysia and plant shutdown in Sarawak. The mining sector's performance is anticipated to contract by 1.7% in the second half of the year, owing to lower production of crude oil and condensate as well as natural gas. The decline in production is due to plant maintenance shutdown at several oil and gas fields as well as lower external demand for liquefied natural gas (LNG) amid challenging global environment. Against this backdrop, growth in the mining sector is projected to contract by 0.8% in 2023.

The mining sector is forecast to rebound by 2.7% in 2024 driven by remarkable performance in natural gas as well as crude oil and condensate subsectors. Anticipation of first natural gas production from new gas field development projects such as Gansar, Jerun and Kasawari as well as higher production from the existing gas fields are estimated to boost the growth of the natural gas subsector. In addition, the mining sector is also expected to benefit from higher production of crude oil and condensate, especially in Peninsular Malaysia and Sarawak. In terms of prices, the Brent crude oil is projected to average at USD85 per barrel on anticipation of higher demand given the positive global outlook for the year. However, changes in world production and consumption could significantly alter the oil prices forecast.

(Source: Economic Outlook 2024, Ministry of Finance Malaysia)

Under the Renewable Energy Transition Plan 2021-2040, Malaysia aims to increase its share of renewable energy (RE) in its installed capacity to 31% in 2025 (from the initial 25% by 2025) and 40% in 2035. To achieve this, the focus is on Peninsular Malaysia because it accounts for 80% of the country's electricity demand. For the 31% RE target in 2025, 26% is to come from the peninsula in 2025. For the 40% target in 2035, the peninsula is to account for 32% of RE. These projections were shared by the Minister of Energy and Natural Resources at a virtual meeting with Association of Southeast Asian Nations (ASEAN) Ministers on Energy and the Minister of Economy, Trade and Industry of Japan held on 21 June 2021. He added that the country's installed RE capacity now stands at 7,995MW, and is projected to increase to 18,000 megawatts (MW) by 2035. Peninsular Malaysia's RE capacity, meanwhile, is projected to increase from the current 4,430MW to 10,944MW in the next 15 years.

Since solar has the highest RE potential, Malaysia plans to introduce battery energy storage systems, with a total capacity of 500MW from 2030 onwards. With these targets in place, the Minister said carbon emission intensity from the power sector is set to decline by 45% in 2030 and a further 60% in 2035, compared to the 2005 level, in line with Malaysia's Nationally Determined Contributions targets under the Paris Climate Agreement.

Solar power is recognised as the primary source of RE in the country, and several market mechanisms have been introduced to facilitate solar power generation. For example, the Large Scale Solar (LSS) programme has led to the establishment of large-scale solar farms. The Enhanced Net Energy Metering (NEM) scheme, in the meantime, has incentivised Small Medium Enterprises (SMEs) and prosumers to generate solar power for their own consumption and sale of excess energy to the grid.

(Source: Energy Malaysia Volume 22 2022, Energy Commission of Malaysia)

The transportation and storage subsector shot up by 30.8% in 2022, backed by the significant growth of all segments following a more vigorous highway, port and airport activities. The traffic volume of toll highways increased by 56% to 1.7 billion vehicles, mainly due to increasing travel activities especially during festive seasons, school holidays and general election. The increase in total cargo and container handled in ports was supported by strong external demand with total trade grew by 27.8% to RM2.8 trillion. The subsector's notable performance was also attributed to a substantial increase of 395.3% to 54.9 million air passenger traffic at airports during the year due to gradual resumption of international flights. Meanwhile, the performance of food & beverages and accomodation subsector turned around significantly by 33.2% following continous expansion in tourism-related activities in line with the substantial recovery in hotel occupancy rate and patronage at eateries.

The transportation and storage subsector is projected to expand with most segments benefitting from the expansion in rail, highway, port and airport activities. The land transport segment is expected to grow following the operation of the Mass Rapid Transit (MRT) Putrajaya Line, Damansara-Shah Alam Elevated Expressway and Sungai Besi-Ulu Kelang Elevated Expressway. In addition, the air transport segment is anticipated to increase in tandem with the higher passenger traffic and aircraft movement, following further improvement in toursim-related activities and more flight frequencies. Meanwhile, the water transport segment is projected to expand moderately following softer trade activities.

(Source: Economic & Fiscal Outlook and Federal Government Revenue Estimates 2023, Ministry of Finance Malaysia)

### 7.3 Future prospects of our Group

Destini Group is an integrated engineering solutions provider with a diverse interest in the aviation & defence, energy, mobility and marine industries. Our Group's business segments are as follows:-

- Aviation & defence** : Mainly involved in supplying safety and survival-related equipment, defence related aircrafts and components, providing MRO services for the Armed Forces, aircraft cylinder testing and calibration services as well as organising and conducting aircraft search, rescue and salvage missions with the Government
- Marine** : Mainly involved in manufacturing and supplying lifeboats, fast rescue boats, outboard and inboard diesel engines, davit systems and hooks for commercial shipping and oil and gas industry, manufacturing proprietary self-propelled hyperbaric lifeboats used in deap sea diving operations and providing MRO services relating to lifeboats, davit systems, load testing equipment, fire safety and other marine assets
- Mobility** : Mainly involved in manufacturing and supplying motor trolley, wagon and road rail vehicles for the rail sector and assembly, fabrication, refurbishment as well as MRO of train sets and rail systems
- Energy** : Mainly involved in engineering, procurement, construction, installation and commissioning of renewable energy systems, providing tubular running services for upstream onshore and offshore drilling programme, subsea well intervention, platform abandonment and field decommissioning services, subsea pipeline inspection, maintenance and repair services as well as supplying handling and drilling tools
- Others** : Mainly involved in providing telecommunication service

A summary of the segmental revenue of our Group for the past 3 financial years up to the FYE 2022 is as follows:-

	<-----Audited FYE----->			<Unaudited> 9-month FPE
	2020 RM'000	2021 RM'000	2022 RM'000	2023 RM'000
<b>Revenue</b>	<b>190,126</b>	<b>173,866</b>	<b>186,170</b>	<b>79,214</b>
Aviation & defence	85,379	81,336	83,521	31,240
Marine	86,846	61,560	63,603	31,324
Mobility	2,806	34	-	54
Energy	14,932	29,746	38,905	16,569
Others	163	1,190	141	27
<b>PAT/ (LAT) attributable to owners of the Company</b>	<b>(190,642)</b>	<b>3,009</b>	<b>(30,155)</b>	<b>(12,261)</b>

Based on the table above, the major segments that contribute to our Group's revenue are aviation & defence, marine and energy segments. Our Group recorded a higher revenue of RM186.17 million in FYE 2022 (FYE 2021: RM173.87 million), mainly attributable to the gradual growth in revenue of the energy segment, as a result of the recovery of the energy segment after the pandemic, driven by global demand and geopolitical developments. The growth in revenue was partially offset by the decrease in revenue from mobility segment as a result of the completion of supplying motor trolley to KTMB in October 2021. However, our Group has managed to secure Train Projects in FYE 2022. For information purpose, there were no new projects secured by our Group under the mobility segment in 2023. Besides, we have ceased to provide telecommunication service due to no new projects secured.

For the 9-month FPE 2023, our Group recorded a lower revenue of RM79.21 million (FPE 2022: RM87.72 million). The decrease in revenue was mainly due to lower revenue from the energy segment, mainly attributed by the reduction in rig activity. The decrease in revenue was partially offset by the increase from the aviation and defense segment, in which revenue contribute from the contract granted to DPSB by Ministry of Defence Malaysia for the provision of MRO services and the supply of safety and survival equipment to the Royal Malaysia Air Force has increased to RM31.24 million in FPE 2023 (FPE 2022: RM20.73 million).

Our Group has secured several contracts during 2022 and 2023, such as the Train Projects and Rocket Project as set out in **Section 4** of this Abridged Prospectus, which has increased our Group's earnings visibility. Overall, we have replenished our orderbook to RM947.00 million as at the LPD with the bulk of the sum attributed to our aviation and defence as well as mobility segments. Details of the order book are as set out below:

Segment	Orderbook Value RM'mil	Timeline for revenue recognition
Aviation & defence	85.40	Quarter 1, 2024 to Quarter 4, 2026
Marine	21.20	Quarter 1, 2024 to Quarter 1, 2026
Mobility	694.90	Quarter 2, 2024 to Quarter 4, 2027
Energy	145.50	Quarter 2, 2024 to Quarter 4, 2044

To support the development of our aviation & defence, energy, mobility and marine segments, our Group will from time to time require more funding for our operations. As such, our Board has undertaken the Rights Issue with Warrants with the main objective to raise the necessary funds to be channelled towards our working capital requirements. By having an adequate cash level, our Group will be accorded better flexibility in respect of its financial allocations to be managed in a more efficient and timely manner in its day to day operations.

Premised on the above and also taking into consideration the prospects of the aviation & defence, energy, mobility and marine industries in **Section 7.2** of this Abridged Prospectus, the Rights Issue with Warrants is expected to place our Group in a better financial footing moving forward and potentially augur positively for our Group's prospects moving forward.

## 8. FINANCIAL EFFECTS OF THE RIGHTS ISSUE WITH WARRANTS

### 8.1 Issued share capital

The pro forma effects of the Rights Issue with Warrants on our issued share capital are as follows:-

	Minimum Scenario		Maximum Scenario	
	No. of Shares	RM	No. of Shares	RM
Issued share capital as at the LPD	1,663,531,629	479,828,496	1,663,531,629	479,828,496
Rights Shares to be issued pursuant to the Rights Issue with Warrants	546,600,000	15,478,938 <sup>*1</sup>	3,327,063,258	94,217,721 <sup>*1</sup>
	<b>2,210,131,629</b>	<b>495,307,434</b>	<b>4,990,594,887</b>	<b>574,046,217</b>
Shares to be issued arising from the full exercise of Warrants	273,300,000	14,758,200 <sup>*2</sup>	1,663,531,629	89,830,708 <sup>*2</sup>
Reversal of warrants reserve	-	6,385,062 <sup>*3</sup>	-	38,864,809 <sup>*3</sup>
<b>Enlarged issued share capital</b>	<b>2,483,431,629</b>	<b>516,450,696</b>	<b>6,654,126,516</b>	<b>702,741,734</b>

#### Notes:-

\*1 Computed based on the Issue Price and after adjusting for the apportionment of its relative fair value between the share capital account and warrants reserve account

\*2 Computed based on the exercise price of RM0.054 per Warrant

\*3 Adjusted for the corresponding reversal of warrants reserve to the share capital account upon the full exercise of Warrants, and after adjusting for the apportionment of its relative fair value between the share capital account and warrants reserve account

### 8.2 NA and gearing level

For illustration purpose only, the pro forma effects of the Rights Issue with Warrants on the latest unaudited consolidated NA and gearing of our Group as at 30 September 2023 are as follows:-

#### Minimum Scenario

	Unaudited as at 30 September 2023 RM'000	I	II
		After the Rights Issue with Warrants <sup>*1</sup> RM'000	After I and assuming full exercise of Warrants <sup>*5</sup> RM'000
Share capital	479,829	495,307	516,451
Foreign currency translation reserve	1,376	1,376	1,376
Warrant reserve	-	6,385 <sup>*2</sup>	- <sup>*5</sup>
Retained earnings	(367,356)	(368,066) <sup>*3</sup>	(368,066)
<b>Shareholders' equity/ NA</b>	<b>113,849</b>	<b>135,002</b>	<b>149,761</b>

	I	II	
	Unaudited as at 30 September 2023 RM'000	After the Rights Issue with Warrants*1 RM'000	After I and assuming full exercise of Warrants*5 RM'000
No. of shares in issue ('000)	1,663,531	2,210,132	2,483,431
NA per share (RM)	0.07	0.06	0.06
Total borrowings	13,724	11,245*4	11,245
Gearing ratio (times)	0.12	0.08	0.08

**Notes:-**

- \*1 Computed based on the subscription of 546,600,000 Rights Shares at the Issue Price and after adjusting for the apportionment of its relative fair value between the share capital account and warrants reserve account
- \*2 Accounting for the recognition of 273,300,000 Warrants at the theoretical fair value of RM0.033 each based on the Bloomberg trinomial model, and after adjusting for the apportionment of its relative fair value between the share capital account and warrants reserve account
- \*3 After deducting the estimated expenses of approximately RM0.71 million in relation to the Rights Issue with Warrants
- \*4 After adjusting for the utilisation of proceeds from the Rights Issue with Warrants amounting to approximately RM2.48 million for the repayment of bank borrowings
- \*5 Assuming all the Warrants are exercised at the exercise price of RM0.054 per Warrant, and after adjusting for the corresponding reversal of warrants reserve to the share capital account upon the full exercise of Warrants

**Maximum Scenario**

	I	II	
	Unaudited as at 30 September 2023 RM'000	After the Rights Issue with Warrants*1 RM'000	After I and assuming full exercise of Warrants*5 RM'000
Share capital	479,829	574,046	702,741
Foreign currency translation reserve	1,376	1,376	1,376
Warrant reserve	-	38,865*2	-*5
Retained earnings	(367,356)	(368,066)*3	(368,066)
<b>Shareholders' equity/ NA</b>	<b>113,849</b>	<b>246,221</b>	<b>336,051</b>
No. of shares in issue ('000)	1,663,531	4,990,595	6,654,127
NA per share (RM)	0.07	0.05	0.05
Total borrowings	13,724	10,829*4	10,829
Gearing ratio (times)	0.12	0.04	0.03

**Notes:-**

- \*1 Computed based on the subscription of 3,327,063,258 Rights Shares at the Issue Price and after adjusting for the apportionment of its relative fair value between the share capital account and warrants reserve account
- \*2 Accounting for the recognition of 1,663,531,629 Warrants at the theoretical fair value of RM0.033 each based on the Bloomberg trinomial model, and after adjusting for the apportionment of its relative fair value between the share capital account and warrants reserve account
- \*3 After deducting the estimated expenses of approximately RM0.71 million in relation to the Rights Issue with Warrants

- \*4 After adjusting for the utilisation of proceeds from the Rights Issue with Warrants amounting to approximately RM2.90 million for the repayment of bank borrowings
- \*5 Assuming all the Warrants are exercised at the exercise price of RM0.054 per Warrant, and after adjusting for the corresponding reversal of warrants reserve to the share capital account upon the full exercise of Warrants

### 8.3 Earnings and EPS

The Rights Issue with Warrants is not expected to have any material effect on the earnings and EPS of our Group for the 18 months financial year ending 30 June 2024. However, there will be a dilution in the EPS of our Group for the 18 months financial year ending 30 June 2024 due to the increase in the number of Shares in issue arising from the Rights Issue with Warrants. Notwithstanding that, the Rights Issue with Warrants is expected to contribute positively to the future earnings of our Group in the ensuing financial year(s) via the utilisation of the proceeds as set out in **Section 4** of this Abridged Prospectus.

## 9. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES, MATERIAL COMMITMENTS AND MATERIAL TRANSACTIONS

### 9.1 Working capital

Our Group's working capital requirements is funded by a combination of internal and external sources of funds. Our internal sources of funds are generated from our operating activities as well as our cash and bank balances, whereas our external sources of funds are derived from credit extended by suppliers and credit facilities from licensed financial institutions.

As at the LPD, our Group has a total cash and bank balances of approximately RM4.37 million as well as fixed deposits with licensed banks of approximately RM15.14 million. Further, our Group's total credit facilities (i.e. bank overdrafts and term loans) as at the LPD stood at approximately RM10.53 million, which has been fully utilised.

Our Board is of the opinion that, after taking into consideration the funds generated from our operations, existing cash and bank balances and the banking facilities available to our Group as well as the proceeds to be raised from the Rights Issue with Warrants as set out in **Section 4** of this Abridged Prospectus, we will have sufficient working capital for a period of 12 months from the date of this Abridged Prospectus.

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## 9.2 Borrowings

As at the LPD, our Group has total outstanding borrowings of approximately RM12.23 million. All of our borrowings are interest-bearing and denominated in both RM and SGD, further details of which are set out as follows:-

	Purpose of facility	Interest rate (per annum) %	Outstanding as at the LPD RM'000
<b>Long term borrowings:-</b>			
<u>Denominated in RM</u>			
Hire purchase and lease payables	To finance the leases of leasehold properties, machinery and equipment, motor vehicles, land use right, warehouse, office and apartments	2.69	1,034
Term loan	To finance the acquisition of corporate office building	6.70	4,418
<u>Denominated in SGD</u>			
Hire purchase and lease payables	To finance the leases of leasehold properties, machinery and equipment, motor vehicles, land use right, warehouse, office and apartments	2.69	60
Term loan	To finance the working capital requirements of marine segment	6.70	4,444
			<b>9,956</b>
<b>Short term borrowings:-</b>			
<u>Denominated in RM</u>			
Hire purchase and lease payables	To finance the leases of leasehold properties, machinery and equipment, motor vehicles, land use right, warehouse, office and apartments	2.69	561
Term loan	To finance the acquisition of corporate office building	6.70	1,254
<u>Denominated in SGD</u>			
Hire purchase and lease payables	To finance the leases of leasehold properties, machinery and equipment, motor vehicles, land use right, warehouse, office and apartments	2.69	43
Bank overdraft	To finance the working capital requirements of marine segment	6.25	412
			<b>2,270</b>
<b>Total</b>			<b>12,226</b>

There have been no default on payments by our Group of either interest and/ or principal sums in respect of any borrowings during the FYE 31 December 2022 and the subsequent financial period up to the LPD.



### 9.3 Contingent liabilities

Save as disclosed below, as at the LPD, our Board confirms that there are no contingent liabilities incurred or known to be incurred by our Group which, upon becoming enforceable, may have a material impact on the financial results/ position of our Group:-

<b>Contingent liabilities of our Group as at the LPD</b>	<b>RM'000</b>
Corporate guarantee given to licensed banks for banking facilities granted to subsidiaries	148
<b>Total</b>	<b>148</b>

### 9.4 Material commitments

As at the LPD, our Board confirms that there are no material commitments for capital expenditure incurred or known to be incurred by our Group that have not been provided for which, upon becoming enforceable, may have a material impact on the financial results/ position of our Group.

### 9.5 Material transactions

Save for the Rights Issue with Warrants, there are no material transactions incurred or known to be incurred by Destini Group that has not been provided for which, upon becoming enforceable, may have a material effect on the operations, financial results/ position of Destini Group since our Group's most recent announced unaudited consolidated financial statements for 9-month FPE 2023.

## 10. INSTRUCTIONS FOR ACCEPTANCE, SALE OR TRANSFER, EXCESS APPLICATION AND PAYMENT

Full instructions for the acceptance of and payment for the Provisional Rights Shares with Warrants as well as the Excess Applications and the procedures to be followed should you and/or your renounce(s)/transferee(s) (if applicable) wish to sell/transfer all or any part of your/his entitlements under the Rights Issue with Warrants are set out in this Abridged Prospectus, the accompanying RSF and the notes and instructions printed therein. In accordance with subsection 232(2) of the CMSA, the RSF must not be circulated unless accompanied by this AP.

You and/or your renounce(s)/transferee(s) (if applicable) are advised to read this Abridged Prospectus, the accompanying RSF and the notes and instructions printed therein carefully. Acceptance of and/or payment for the Provisional Allotments which do not conform strictly to the terms of this Abridged Prospectus, the RSF or the notes and instructions printed therein or which are illegible may be rejected at the absolute discretion of our Board.

### 10.1 General

As you are an Entitled Shareholder, your CDS Account will be duly credited with the number of Provisional Rights Shares with Warrants which you are entitled to subscribe for in full or in part under the terms of the Rights Issue with Warrants. You will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such securities into your CDS Account and the RSF to enable you to subscribe for the Provisional Rights Shares with Warrants, as well as to apply for Excess Rights Shares with Warrants if you choose to do so.

This Abridged Prospectus and the RSF are also available from our registered office, our Share Registrar or from Bursa Securities' website at <https://www.bursamalaysia.com>.

## 10.2 NPA

The Provisional Rights Shares with Warrants are prescribed securities pursuant to Section 14(5) of the SICDA and therefore, all dealings in the Provisional Rights Shares with Warrants will be by book entries through the CDS Accounts and will be governed by the SICDA and the Rules of Bursa Depository. You and/ or your renounee(s) and/ or transferee(s) (if applicable) are required to have valid and subsisting CDS Accounts when making your applications.

## 10.3 Last date and time for acceptance and payment

The last date and time for acceptance and payment for the Provisional Rights Shares with Warrants and the Excess Application is on Wednesday, 28 February 2024 at 5.00 p.m., being the Closing Date.

We shall make an announcement on Bursa Securities in relation to the outcome of the Rights Issue with Warrants after the Closing Date.

## 10.4 Methods of acceptance and application

You may subscribe for the Provisional Rights Shares with Warrants as well as apply for Excess Rights Shares with Warrants, if you choose to do so, using either of the following methods:-

<u>Method</u>	<u>Category of Entitled Shareholders</u>
RSF	All Entitled Shareholders
Electronic Application* <sup>1</sup>	All Entitled Shareholders
NRS	Authorised Nominee who has subscribed for NRS
Bursa Anywhere* <sup>2</sup>	All Entitled Shareholders who have registered for Bursa Anywhere

### Notes:-

\*1 The following surcharge per Electronic Application via ATM will be charged by the Participating Financial Institutions:-

- Public Bank Berhad – RM4.00; and
- Affin Bank Berhad – RM4.00

The following processing fee per Electronic Application via internet financial services website will be charged by the respective Participating Financial Institutions:-

- Public Bank Berhad (<http://www.pbebank.com>) – RM4.00; and
- Affin Bank Berhad (<https://www.affinbank.com.my>) – RM4.00

\*2 A processing fee of RM2.00 per Electronic Application via Bursa Anywhere will be charged.

## 10.5 Procedure for full acceptance and payment

### 10.5.1 By way of RSF

Acceptance of and payment for the Provisional Rights Shares with Warrants must be made on the RSF enclosed with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained in the RSF. Acceptances and/ or payments which do not strictly conform to the terms of this Abridged Prospectus, the RSF or the notes and instructions contained therein or which are illegible may not be accepted at the absolute discretion of our Board. Our Share Registrar will not contact you, your renounee(s) and/ or transferee(s) (if applicable) for such acceptances.

Renouncee(s)/transferee(s) (if applicable) who wishes to accept the Provisional Rights Shares with Warrants must obtain a copy of the RSF from their stockbrokers or our Share Registrar or at our registered office or from Bursa Securities' website at <http://www.bursamalaysia.com> and complete the RSF and submit the same together with the remittance to our Share Registrar in accordance with the notes and instructions printed therein.

The procedures for acceptance and payment applicable to our Entitled Shareholders also apply to renouncee(s)/transferee(s) (if applicable) who wishes to accept the Provisional Allotments.

**FULL INSTRUCTIONS FOR THE ACCEPTANCE OF AND PAYMENT FOR THE PROVISIONAL RIGHTS SHARES WITH WARRANTS, EXCESS RIGHTS SHARES WITH WARRANTS AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU AND/ OR YOUR RENOUNCEE(S) AND/ OR TRANSFEREE(S) (IF APPLICABLE) WISH TO SELL/ TRANSFER ALL OR ANY PART OF YOUR PROVISIONAL RIGHTS SHARES WITH WARRANTS ARE SET OUT IN THIS ABRIDGED PROSPECTUS, THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN. IN ACCORDANCE WITH THE CMSA, THE RSF MUST NOT BE CIRCULATED UNLESS ACCOMPANIED BY THE ABRIDGED PROSPECTUS.**

**YOU AND/ OR YOUR RENOUNCEE(S) AND/ OR TRANSFEREE(S) (IF APPLICABLE) ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS, THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS THEREIN CAREFULLY.**

If you and/ or your renouncee(s) and/ or transferee(s) (if applicable) wish to accept either in full or in part of the Provisional Rights Shares with Warrants of your entitlement, please complete Parts I(A) and II of the RSF in accordance with the notes and instructions contained in the RSF. Each RSF that is completed, signed and affixed with revenue stamp together with the relevant payment must be sent to our Share Registrar using the reply envelope provided (at your own risk) by **ORDINARY POST, COURIER or DELIVERY BY HAND** to the address stated below:-

**Insurban Corporate Services Sdn Bhd (Registration No. 198101010136 (76260-W))**

149 Jalan Aminuddin Baki  
Taman Tun Dr Ismail  
60000 Kuala Lumpur

Tel. No.: +603 – 7729 5529

Fax. No.: +603 – 7728 5948

so as to arrive **not later than the Closing Date**, being the last date and time for acceptance and payment for the Provisional Rights Shares with Warrants.

If you and/ or your renouncee(s) and/ or transferee(s) (if applicable) lose, misplace or for any other reasons require another copy of the RSF, you and/ or your renouncee(s) and/ or transferee(s) (if applicable) may obtain additional copies from your stockbroker, our Share Registrar at the address stated above, our registered office or the website of Bursa Securities (<https://www.bursamalaysia.com>).

1 RSF can only be used for acceptance of the Provisional Rights Shares with Warrants standing to the credit of 1 CDS Account. Separate RSF(s) must be used for the acceptance of Provisional Rights Shares with Warrants standing to the credit of more than 1 CDS Account. If successful, the Rights Shares with Warrants subscribed for will be credited into your respective CDS Account(s) as stated in the completed RSF(s).

A reply envelope is enclosed in this Abridged Prospectus. To facilitate the processing of the RSF(s) by our Share Registrar, you are advised to use 1 reply envelope for each completed RSF.

The minimum number of Rights Shares with Warrants that can be subscribed for or accepted is 1 Rights Share. However, you and/ or your renounee(s) and/ or transferee(s) (if applicable) should take note that a trading board lot for the Rights Shares and Warrants comprises of 100 Rights Shares and 100 Warrants, respectively. Fractions of Rights Shares with Warrants, if any, shall be disregarded, and dealt with in such manner as our Board shall in their absolute discretion deem fit and expedient, and to be in the best interest of our Company. Successful applicants of the Rights Shares with Warrants will be given free Warrants on the basis of 1 Warrant for every 2 Rights Shares successfully subscribed.

If acceptance of and payment for the Provisional Rights Shares with Warrants allotted to you and/ or your renounee(s) and/ or transferee(s) (if applicable) is not received by our Share Registrar by **the Closing Date**, being the last date and time for acceptance of and payment for the Provisional Rights Shares with Warrants, you and/ or your renounee(s) and/ or transferee(s) (if applicable) will be deemed to have declined the Provisional Rights Shares with Warrants and it will be cancelled. Proof of time of postage shall not constitute proof of time of receipt by our Share Registrar.

In the event that the Provisional Rights Shares with Warrants are not fully taken up by such applicants, our Board will then have the right to allot such Rights Shares with Warrants to the applicants who have applied for the Excess Rights Shares with Warrants in the manner as set out in **Section 10.9** of this Abridged Prospectus. Our Board reserves the right to accept any application in full or in part only without assigning any reasons.

You and/or your renounee(s)/transferee(s) (if applicable) who lose, misplace or for any other reasons require another copy of this Abridged Prospectus and/or the RSF may obtain additional copies from your stockbrokers, our Share Registrar at the address stated above, or at our registered office or on Bursa Securities' website at <http://www.bursamalaysia.com>.

**EACH COMPLETED RSF MUST BE ACCOMPANIED BY THE APPROPRIATE REMITTANCE MADE IN RM FOR THE FULL AMOUNT PAYABLE FOR THE RIGHTS SHARES WITH WARRANTS ACCEPTED IN THE FORM OF BANKER'S DRAFT(S), CASHIER'S ORDER(S), MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA CROSSED "A/C PAYEE ONLY", MADE PAYABLE TO "DESTINI RIGHTS ISSUE ACCOUNT" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME IN BLOCK LETTERS, CONTACT NUMBER AND CDS ACCOUNT NUMBER SO AS TO BE RECEIVED BY OUR SHARE REGISTRAR BY 5.00 P.M. ON WEDNESDAY, 28 FEBRUARY 2024 BEING THE LAST TIME, DAY AND DATE FOR RIGHTS SHARES WITH WARRANTS APPLICATIONS AND PAYMENT.**

**APPLICATIONS ACCOMPANIED BY PAYMENTS OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY OR MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF. CHEQUE OR OTHER MODE(S) OF PAYMENT NOT PRESCRIBED HEREIN ARE NOT ACCEPTABLE.**

**NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE ISSUED BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE RIGHTS ISSUE WITH WARRANTS. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, THE RIGHTS SHARES WITH WARRANTS WILL BE CREDITED INTO YOUR CDS ACCOUNT AND A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 8 MARKET DAYS FROM THE CLOSING DATE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED OR ALLOWED BY BURSA SECURITIES.**

**APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT. YOU SHOULD NOTE THAT THE RSF AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR SHALL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.**

**WHERE AN APPLICATION IS NOT ACCEPTED OR IS ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST. THE REFUND WILL BE CREDITED INTO YOUR BANK ACCOUNT REGISTERED WITH BURSA DEPOSITORY FOR THE PURPOSE OF CASH DIVIDEND/DISTRIBUTION OR BY ISSUANCE OF CHEQUE AND SHALL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 15 MARKET DAYS FROM THE CLOSING DATE.**

**APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT ANY APPLICATION OR TO ACCEPT ANY APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON.**

**ALL RIGHTS SHARES WITH WARRANTS TO BE ISSUED PURSUANT TO THE RIGHTS ISSUE WITH WARRANTS WILL BE ALLOTTED BY WAY OF CREDITING SUCH RIGHTS SHARES WITH WARRANTS INTO THE CDS ACCOUNTS OF THE ENTITLED SHAREHOLDERS AND/ OR THEIR RENOUNCEE(S) AND/ OR TRANSFEREE(S) (IF APPLICABLE). NO PHYSICAL SHARE OR WARRANT CERTIFICATES WILL BE ISSUED.**

#### **10.5.2 By way of Electronic Application**

Only Malaysian individuals who are Entitled Shareholders may apply for the Rights Issue with Warrants by way of Electronic Application.

Please read carefully and follow the terms of this Abridged Prospectus, the procedures, terms and conditions for Electronic Application and the procedures set out at the ATMs and internet financial services website of the Participating Financial Institutions before making an Electronic Application.

The procedures for Electronic Applications at the ATMs and internet financial services website of the Participating Financial Institutions are set out on the ATM screens and internet financial services website of the relevant Participating Financial Institutions ("**Steps**"). For illustration purposes, the procedures for Electronic Applications are set out below. Please read carefully the terms of this Abridged Prospectus, the Steps and the Terms and Conditions of Electronic Applications set out in **Section 10.5.2(ii)** of this Abridged Prospectus before making an Electronic Application:

You must have an account with a Participating Financial Institution and an ATM card issued by a Participating Financial Institution or with access to internet financial services with Public Bank Berhad at <http://www.pbebank.com> or Affin Bank Berhad at <https://www.affinbank.com.my>.

You are advised to read and understand this Abridged Prospectus BEFORE making the application.

You shall apply for the Rights Shares with Warrants via the ATM or internet financial services website of the Participating Financial Institutions by choosing the Electronic Application option. Mandatory statements required in the application are as set out in **Section 10.5.2(ii)** of this Abridged Prospectus.

Upon the completion of your Electronic Application transaction via ATM, you will receive a computer-generated transaction slip ("**Transaction Record**"), confirming the details of your Electronic Application. The Transaction Record is only a record of the completed transaction at the ATM and not a record of the receipt of the Electronic Application or any data relating to such an Electronic Application by our Company or our Share Registrar. The Transaction Record is for your record and is not required to be submitted with your application.

For application via internet financial services website, a message from the Participating Financial Institutions pertaining to the payment status will appear on the screen of the website through which the online payment for the Provisional Rights Shares with Warrants is being made. Subsequently, the Participating Financial Institutions shall confirm that the said application has been completed, via the confirmation screen in respect of your application ("**Confirmation Screen**") on their website. You are advised to print out the Confirmation Screen for your reference and record.

**YOU MUST ENSURE THAT YOU USE THE NUMBER OF THE CDS ACCOUNT HELD IN YOUR NAME WHEN MAKING AN ELECTRONIC APPLICATION. IF YOU OPERATE A JOINT BANK ACCOUNT WITH ANY OF THE PARTICIPATING FINANCIAL INSTITUTIONS, YOU MUST ENSURE THAT YOU ENTER THE NUMBER OF THE CDS ACCOUNT HELD IN YOUR NAME WHEN USING AN ATM CARD ISSUED TO YOU IN YOUR NAME. YOUR APPLICATION WILL BE REJECTED IF YOU FAIL TO COMPLY WITH THE FOREGOING.**

**(i) Participating Financial Institutions**

Electronic Applications may be made through an ATM or internet financial services websites of the following Participating Financial Institutions and their branches within Malaysia:-

- Public Bank Berhad; and
- Affin Bank Berhad

**(ii) Terms and Conditions of Electronic Applications**

The Electronic Application shall be made on, and subject to, the terms of this Abridged Prospectus, as well as the terms and conditions of the Participating Financial Institutions and those appearing therein:-

- (a) You are required to confirm the following statements and undertake that the following information given are true to contract:
  - (aa) You have attained 18 years of age as at the Closing Date;
  - (bb) You have read the Abridged Prospectus and understood and agreed with the terms and conditions of the application; and
  - (cc) You give consent to our Company, Bursa Depository, our Share Registrar, the relevant Participating Financial Institutions, their respective agents and any third party involved in facilitating the application/refunds, to disclose information pertaining to yourself and your account with the Participating Financial Institutions and Bursa Depository to the relevant authorities and any person as may be necessary or expedient to facilitate the making of the application/refund.

Your application will not be successfully completed and cannot be recorded as a completed transaction unless you complete all the steps required by the Participating Financial Institutions. By doing so, you shall have confirmed each of the above statements as well as giving consent in accordance with the relevant laws of Malaysia including Section 134(1)(a) of Financial Services Act, 2013 and Section 45(1)(a) of the SICDA, to the disclosures as described above.

- (b) You confirm that you are not applying for the Provisional Rights Shares with Warrants as a nominee of any other person and that any Electronic Application that you make is made by you as the beneficial owner.
- (c) You must have sufficient funds in your account with the relevant Participating Financial Institutions at the time you make your Electronic Application, failing which your Electronic Application will not be completed. Any Electronic Application, which does not strictly conform to the instructions set out on the ATM or screen of internet financial services websites of the Participating Financial Institutions through which the Electronic Application is being made, will be rejected.
- (d) You agree and undertake to subscribe for or purchase and to accept the number of Provisional Rights Shares with Warrants applied for as stated on the Transaction Record in respect of your Electronic Application. Your confirmation (by your action of pressing the predesignated keys (or buttons)) of the number of Provisional Rights Shares with Warrants applied for shall signify, and shall be treated as, your acceptance of the number of Provisional Rights Shares with Warrants that may be allotted to you.

Should you encounter any problems in your Electronic Application, please refer to the Participating Financial Institutions.

- (e) By making and completing your Electronic Application, you, if successful, request and authorise our Company to credit the Provisional Rights Shares with Warrants allotted to you into your CDS Account.
- (f) You acknowledge that your Electronic Application is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond the control of our Company, our Share Registrar, the Participating Financial Institutions or Bursa Depository and you irrevocably agree that if:
  - (aa) Our Company, our Share Registrar or Bursa Depository does not receive your Electronic Application; or
  - (bb) Data relating to your Electronic Application is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Company, our Share Registrar or Bursa Depository,

you shall be deemed not to have made an Electronic Application and you shall not make any claim whatsoever against our Company, our Share Registrar, the Participating Financial Institutions or Bursa Depository for the Provisional Rights Shares with Warrants applied for or for any compensation, loss or damage relating to the application for the Provisional Rights Shares with Warrants.

- (g) All of your particulars, including your nationality and place of residence, in the records of the relevant Participating Financial Institutions at the time you make your Electronic Application shall be true and correct, and our Company, our Share Registrar, the relevant Participating Financial Institutions and Bursa Depository shall be entitled to rely on the accuracy thereof.
- (h) You shall ensure that your personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institutions are correct and identical. Otherwise, your Electronic Application will be rejected. You must inform Bursa Depository promptly of any change in address failing which the notification letter of successful allocation will be sent to your correspondence address last maintained with Bursa Depository.
- (i) By making and completing an Electronic Application, you agree that:
  - (aa) In consideration of our Company agreeing to allow and accept your application for the Provisional Rights Shares with Warrants via the Electronic Application facility established by the Participating Financial Institutions at their perspective ATMs and internet financial services websites, your Electronic Application is irrevocable and cannot be subsequently withdrawn;



- (bb) Our Company, the Participating Financial Institutions, Bursa Depository and our Share Registrar shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your Electronic Application due to a breakdown or failure of transmission or communication facilities or any cause beyond our control;
- (cc) Notwithstanding the receipt of any payment by or on behalf of our Company, the notice of successful allocation for the Provisional Rights Shares with Warrants for which your Electronic Application has been successfully completed is the only confirmation for the acceptance of this offer to subscribe for and purchase the said Provisional Rights Shares with Warrants; and
- (dd) You agree that in relation to any legal action, proceedings or dispute arising out of or in relation to the Electronic Application and/or any terms herein, all rights, obligations and liabilities shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that you irrevocably submit to the jurisdiction of the Courts of Malaysia.
- (j) Our Share Registrar, on the authority of our Company, reserves the right to reject applications which do not conform to these terms/ instructions.
- (k) Notification on the outcome of your application for the Rights Shares with Warrants will be despatched to you by ordinary post to the correspondence address as show on Bursa Depository's record at your own risk within the timelines as follows:
  - (aa) Successful application – a notice of allotment will be despatched within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities; or
  - (bb) Unsuccessful/ partial successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within 15 Market Days from the Closing Date.

The refund will be credited directly into your bank account from which your Electronic Application was made. Kindly take note of the terms and conditions as stated in **Section 10.5.2(ii)** of this Abridged Prospectus and the required consent in making your Electronic Application.

If the crediting of the refund into your bank account from which your Electronic Application was made is unsuccessful, the refund will then be made via cheque which will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk.

### 10.5.3 By way of Bursa Anywhere

Only Entitled Individual Holders in Malaysia who had registered for Bursa Anywhere and subscribed for e-Dividend service could apply for the Rights Issue with Warrants by way of Bursa Anywhere mobile application.

Please read carefully and follow the terms of this Abridged Prospectus, the procedures, notices, terms and conditions for Bursa Anywhere before making an application.

The procedures for submitting an application at Bursa Anywhere are set out on the Bursa Anywhere mobile application screens. Please read carefully the terms of this Abridged Prospectus, the Steps and the Terms and Conditions as set out in **Section 10.5.3(ii)** of this Abridged Prospectus before making an application.

You are advised to read and understand this Abridged Prospectus BEFORE making the application.

Upon completion of your application transaction via Bursa Anywhere, you will receive a push notification from Bursa Anywhere and a message in your Bursa Anywhere account inbox on the request of your Rights Shares with Warrants subscription. The notification message is only a record of the completed transaction at Bursa Anywhere.

**(i) Procedures for submitting an application through Bursa Anywhere:-**

- (a) Launch the Bursa Anywhere application on your handphone and login using your username and password.
- (b) Upon successful login, choose the "My Services" at the bottom of the screen and then select "eRights".
- (c) Next, select "Submit Application", and you will see a screen that informs you to agree with the Terms & Conditions and Notices that governs your Rights Shares with Warrants application via Bursa Anywhere.
- (d) Click on the hyperlink of Terms & Conditions and Notices. You must read and understand the Terms & Conditions and Notices before you click "Agree" to proceed to the next page.
- (e) Click "Agree" to proceed to a landing page for you to select the Rights Shares with Warrants that you would like to subscribe to.
- (f) Select the Rights Issue with Warrants that you want to apply
- (g) You may click on the hyperlink of the "Prospectus" to view the content of the related Abridged Prospectus.
- (h) You are also required to click on the hyperlink to the "Declaration". Read and understand the clauses of the "Declarations".
- (i) Upon the completion of the above, at the bottom of the Rights Issue with Warrants detail page you are required to swipe the toggle to the right to indicate that you have read and understood the Abridged Prospectus as well as accepted and made the declarations stated in the "Declaration".

- (j) Next, select the CDS account for your Rights Shares with Warrants subscription and click "NEXT".
- (k) You will come to a page for you to fill up for entitled and excess Rights Shares with Warrants subscription. You have the options to select either "Entitle only", "Excess only" and "Entitled & Excess" for your Right Shares with Warrants subscription.
- (l) Select the subscription type, enter the number of units that you would like to subscribe. Click "NEXT" once you complete the required information.
- (m) You will come to a "Preview" page, where it displays the following information of your subscription.
  - units and Ringgit amount of your Rights Shares with Warrants subscriptions
  - Subscription Fee (charged by Bursa Malaysia)
  - Tax, if applicable
  - Stamp duty, if applicable
- (n) Check the summary information on the "Preview" page. Click "CONFIRM" at the bottom of the same page, if the information is correct.
- (o) Next, you will receive a six-digit SMS TAC verification code via your mobile phone (the mobile number that you registered with Bursa Anywhere).
- (p) You are required to key-in and submit the verification code.
- (q) Upon successful validation of the verification code, you will be led to the Payment Gateway for payment.
- (r) You are required to select the bank for your Rights Shares with Warrants subscription payment. (IMPORTANT NOTE: You are required to use the bank account that you have registered for Bursa Depository's e-Dividend service. Your subscription will be rejected if another bank account is used for payment. You will be notified if your subscription is rejected. Your subscription monies will be refunded within 3 working days, to your subscription bank account that you have just subscribed.)
- (s) You will be brought to your selected bank login page for payment.
- (t) Once payment is made successfully via your selected bank, you will be brought to the "Thank You" page, which displays your bank transaction details.
- (u) Click "DONE" at the bottom, you will be led back to the My Service landing page.
- (v) You will receive a push notification message in your Bursa Anywhere account inbox.
- (w) You can make multiple applications during the subscription period subject to the maximum quantity you are entitled.

**(ii) Terms and Conditions of Applications via Bursa Anywhere**

- (a) The electronic copy of the Abridged Prospectus is available at the "Prospectus" landing page of "Corporate Announcement" at Bursa Securities' website and can be accessed via the hyperlink in Bursa Anywhere. You have read the Abridged Prospectus prior to making an investment decision and should make the investment decision based on the Abridged Prospectus rather than on advertising or promotional materials. The securities offered are offered by our Company solely on the basis of the information contained in the Abridged Prospectus.
- (b) Our Company has appointed Bursa Depository to provide eRights Services via Bursa Anywhere. Bursa Depository is not responsible for, has not authorised and shall not be deemed to have authorised is not responsible for, has not authorised and shall not be deemed to have authorised the contents of the electronic copy of Abridged Prospectus and therefore, shall not have any liability in respect of the electronic copy of Abridged Prospectus or the application submitted by way of Bursa Anywhere.
- (c) The physical printed copy of the Abridged Prospectus is available upon request from our Company at the location specified in the Abridged Prospectus during the offer period.
- (d) Payment for the application of the Rights Issue with Warrants via Bursa Anywhere is required to be made from your e-Dividend bank account. Failing which, the request of the eRights application will be rejected.
- (e) By submitting an eRights application from Bursa Anywhere, then you confirm that:
- You have read and understood the contents of the Abridged Prospectus;
  - You have read and agreed to be bound by these terms and conditions and notices for application of Rights Issue with Warrants and the terms and conditions of Bursa Anywhere;
  - You are eligible to apply for the Rights Shares with Warrants in Malaysia or in jurisdictions where the securities offering is intended to be available;
  - You irrevocably consent to the receipt of any cash payment or refund in relation to the eRights application to be made via direct credit into the eDividend bank account; and
  - You agree to give irrevocable consent to Bursa Depository to disclose your information, including bank account information, which are necessary or expedient to the relevant entities involved in facilitating the payment of any cash payments or refunds via direct credit into eDividend bank account in relation to the application.

- (f) Applications shall close at the Closing Date or such later date and time as our Board may decide and announce.
- (g) An application is deemed to be received by Bursa Anywhere only upon its completion, that is, when you have:
  - Successfully made full subscription payment via the payment gateway; and
  - Received an email indicating that the application has been submitted to our Company and/or our Share Registrar.
- (h) You are advised to print out and retain a copy of the Transaction Records for record purposes. The Transaction Records are only a record of the completed transactions received at Bursa Anywhere and not a record of the receipt of the application or any data relating to such as application by our Company or our Share Registrar. No application or monies can be accepted electronically in respect of the securities offered once the offer closes on the Closing Date.
- (i) Upon your receipt of the Transaction Record, cancellation of the application will not be allowed.
- (j) Bursa Depository shall not be liable for any applications made through any alternative methods of application.
- (k) If Bursa Depository has any reason to believe that the electronic copy of the Abridged Prospectus or processes for collection and handling of applications via Bursa Anywhere have been tampered with, Bursa Depository may reject the application and Bursa Depository shall not be liable for such rejection.
- (l) No securities will be allotted or issued on the basis of the Abridged Prospectus after the Closing Date. Bursa Depository, Bursa Securities and Bursa Malaysia Berhad do not guarantee any allotment of securities as a result of the application via Bursa Anywhere and are not responsible for any non-allotment of Rights Shares with Warrants or part thereof by our Company pursuant to the application via Bursa Anywhere.
- (m) Any request for any refunds related to the allotment of Rights Shares with Warrants must be referred to our Company.
- (n) No refund for any subscription fee charged by Bursa Depository and applicable tax (if any), will be made to you if your subscription is rejected by our Share Registrar.
- (o) The electronic copy of Abridged Prospectus made available on the Bursa Securities' website after the Closing Date as described in the terms and conditions is made available solely for informational and archiving purposes.

- (p) Risk of submitting the application from Bursa Anywhere:
- (aa) By submitting an application from Bursa Anywhere, you agree to assume the risks associated with conducting transactions online, including risks of electrical, electronic, technical and mobile-related faults and breakdowns, faults with mobile applications, problems occurring during data transmission, mobile security threats such as viruses, hackers and crackers, fires, acts of God and other events beyond the control of Bursa Depository, and/ or our Company. You acknowledge that the aforementioned events may result in (i) interruption, transmission blackout or delayed transmission; and/ or (ii) incorrect data transmission due to the public nature of the Internet and agrees to bear such risks.
- You agree that neither Bursa Depository, Bursa Securities, Bursa Malaysia Berhad, our Company nor our Share Registrar shall be liable for any delay, failure or inaccuracy in the recording, storage or transmission or delivery of data, breakdown or failure in communication facilities or due to any cause beyond their control.
- (bb) If, Bursa Depository, our Company and/ or our Share Registrar does not receive your application and/ or the relevant payment, or in the event that any data relating to the application is lost, corrupted, destroyed or otherwise not accessible, whether wholly or partially and for any reason whatsoever, you shall be deemed not to have made an application. In such an event, you shall have no claim whatsoever against Bursa Depository and/ or Bursa Securities and/ or our Company and/ or our Share Registrar, in relation to the purported application.
- (q) Instead of submitting an application via Bursa Anywhere, you may alternatively submit applications through the existing manual paper-based application method as well as other means of application specified in the Abridged Prospectus, such as via ATM or internet facilities of financial institutions offering such services within Malaysia and such other methods as may from time to time be permitted by the SC.
- (r) In the event a supplementary Abridged Prospectus is issued, you are entitled to revise or withdraw your application by contacting our Share Registrar directly. Bursa Depository or Bursa Anywhere will not be able to facilitate any revision or withdrawal of the application in such circumstances.
- (s) Bursa Depository is committed to protecting the security of your personal information. It uses a variety of security technologies and procedures, to help protect the confidentiality and security of your personal information provided through Bursa Anywhere, from unauthorised access, use, or disclosure. In addition, Bursa Depository has put in place appropriate measures to minimise the risks of unauthorised access and to maintain the security of the information it collects through Bursa Anywhere.

#### 10.5.4 By way of NRS

Our Company has appointed Bursa Depository to provide NRS to our shareholders who are Authorised Nominees. Only the Entitled Shareholders who are Authorised Nominees and who have subscribed for NRS with Bursa Depository may apply via NRS.

Please read carefully and follow the terms of this Abridged Prospectus, the procedures, terms and conditions for application via NRS and Bursa Depository's terms and conditions for NRS and user guide for NRS (which are made available to all Authorised Nominees who have subscribed for NRS with Bursa Depository) before making the application

##### (i) Steps for application via NRS

- (a) If you are an Entitled Shareholder, and who is an Authorised Nominee who has subscribed for NRS with Bursa Depository, you will not be receiving this Abridged Prospectus, the RSF nor the NPA by post.
- (b) Instead, this Abridged Prospectus and the Rights Shares with Warrants Entitlement File will be transmitted electronically to you by Bursa Depository through Bursa Depository's existing network facility with the Authorised Nominees in the manner as set out in Bursa Depository's user guide for NRS, on the next business day after the Entitlement Date.
- (c) A notification of the delivery of the Abridged Prospectus and the Rights Shares with Warrants Entitlement File will also be sent to you via email using the details you have provided to Bursa Depository when you subscribed for NRS with Bursa Depository.
- (d) You are advised to read carefully, understand and follow the terms of this Abridged Prospectus, BEFORE making the application.
- (e) You may accept, on behalf of your client, partially or fully, their respective allocation under the Rights Issue with Warrants.
- (f) To apply for the Provisional Rights Shares with Warrants, you will be required to submit your subscription information via Rights Shares with Warrants Subscription File which is to be prepared based on the format as set out in Bursa Depository's user guide for NRS.
- (g) Once completed, you will need to submit the Rights Shares with Warrants Subscription File to Bursa Depository at any time daily before 5:00 p.m., but in any event no later than the Closing Date.
- (h) Together with the Rights Shares with Warrants Subscription File, you will also need to submit a confirmation to Bursa Depository of the following information:
  - (aa) Confirmation that you have, prior to making the application via NRS, received and/or had access to the electronic copy of this Abridged Prospectus, the contents of which you have read, understood and agreed;
  - (bb) Consent to the disclosure of your information to facilitate electronic refunds where applicable.

- (i) With regards to payment for the Provisional Rights Shares with Warrants which you have applied for, you must transfer the amount payable directly to our bank account, the details of which are as follows:

Bank : Hong Leong Bank Berhad  
Account Name : Destini Rights Issue Account  
Bank Account No. : 00400183912

- (j) Upon completion of the transfer/ payment, you may receive a transaction slip from the transacting financial institution confirming the details of your transfer/payment ("**Transaction Slip**"). The Transaction Slip is only a record of the completed transaction and not a record of the receipt of the application via NRS or any data relating to such an application by our Company or Bursa Depository. The transaction slip is for your record and is not required to be submitted with your application via NRS.

- (k) You will be notified on the outcome of your application for the Rights Shares with Warrants electronically within the timelines as stated below. No physical notice of allotment will be mailed to you.

(aa) Successful application – an electronic notification will be sent to you within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities; or

(bb) Unsuccessful/ partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within 15 Market Days from the Closing Date.

The refund will be credited directly into your bank account(s) from which payment of your subscription monies were made. Kindly take note of the terms and conditions as stated in this Abridged Prospectus and the required consent in making the application via NRS.

If the crediting of the refund into your bank account(s) (as provided by you in the Rights Shares with Warrants Subscription File) from which payment of your subscription monies were made is unsuccessful, the refund will then be made via cheque(s) which will be despatched to you by ordinary post to the correspondence address as shown in Bursa Depository's record at your own risk.

- (l) Upon crediting of the Rights Shares with Warrants allotted to you into your CDS account(s), you will also receive an electronic confirmation of the crediting from Bursa Depository.

- (m) You should note that all applications made for the Rights Shares with Warrants submitted under NRS will be irrevocable upon submission of the Rights Shares with Warrants Subscription File to Bursa Depository and cannot be subsequently withdrawn.



**(ii) Terms and Conditions for application via NRS**

The application via NRS shall be made on, and subject to, the terms of this Abridged Prospectus, Bursa Depository's terms and conditions for NRS and Bursa Depository's user guide for NRS as well as the terms and conditions appearing herein:

- (a) For purposes of making the electronic refund, you hereby give consent in accordance with the relevant laws of Malaysia, including Section 134(1)(a) of Financial Services Act, 2013 and Section 45(1)(a) of the SICDA, to the disclosure by our Company, Bursa Depository, our Share Registrar, the relevant financial institution, their respective agents and any third party involved in facilitating the payment of refunds to you as the case may be, of information pertaining to yourself and your account with the relevant financial institution and Bursa Depository, to the relevant authorities and any person as may be necessary or expedient to facilitate the making of refunds or for any other purpose in connection with such payments. You will be required to provide confirmation of your consent in the manner prescribed in Bursa Depository's terms and conditions for NRS.
- (b) You agree and undertake to subscribe for or purchase and to accept the number of Rights Shares with Warrants applied for as stated on your Rights Shares with Warrants Subscription File in respect of your application via NRS. Your application shall signify, and shall be treated as, your acceptance of the number of Rights Shares with Warrants that may be allotted to you.
- (c) You acknowledge that by completing and submitting the Rights Shares with Warrants Subscription File to Bursa Depository, you, if successful, requests and authorises our Company to credit the Rights Shares with Warrants allotted to you into the respective CDS Account(s) as indicated in the Rights Shares with Warrants Subscription File.
- (d) You acknowledge that your application via NRS is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond the control of our Company, our Share Registrar, the relevant financial institution or Bursa Depository, and irrevocably agree that if:
  - (aa) our Company, our Share Registrar or Bursa Depository does not receive your application via NRS; or
  - (bb) the data relating to your application via NRS is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Company, our Share Registrar or Bursa Depository, you shall be deemed not to have made your application and you shall not make any claim whatsoever against our Company, Bursa Depository, our Share Registrar or the relevant financial institution for the Rights Shares with Warrants applied for or for any compensation, loss or damage relating to the application for the Rights Shares with Warrants.

- (e) By completing and submitting the Rights Shares with Warrants Subscription File to Bursa Depository, you agree that:
- (aa) In consideration of our Company agreeing to allow and accept your application for the Rights Shares with Warrants via the NRS facility established by Bursa Depository, your application via NRS is irrevocable and cannot be subsequently withdrawn;
  - (bb) Our Company, the relevant financial institutions, Bursa Depository and our Share Registrar shall not be liable for delays, failures or inaccuracies in the processing of data relating to your application via NRS due to a breakdown or failure of transmission or communication facilities or to any cause beyond our control;
  - (cc) Notwithstanding the receipt of any payment by or on behalf of our Company, the electronic notification of allotment in respect of the Rights Shares with Warrants issued is the only confirmation for the acceptance of this offer to subscribe for and purchase the said Rights Shares with Warrants; and
  - (dd) You agree that in relation to any legal action, proceedings or dispute arising out of or in relation to with the contract between the parties and/ or the application via NRS and/ or any terms herein, all rights, obligations and liabilities shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that you irrevocably submit to the jurisdiction of the Courts of Malaysia.

Our Share Registrar and Bursa Depository, on the authority of our Company, reserves the right to reject applications which do not conform to these instructions.

#### **10.6 Procedure for part acceptance by Entitled Shareholders**

If you do not wish to accept the Provisional Rights Shares with Warrants, you are entitled to accept part of your Provisional Rights Shares with Warrants provided always that the minimum number of Rights Shares with Warrants that can be subscribed for or accepted is 1 Rights Share. Fractions of a Rights Share with Warrant, if any, shall be disregarded and the aggregate of such fractions shall be dealt with in a fair and equitable manner as our Board may, at its absolute discretion, deems fit and expedient and in the best interests of our Company. You should take note that a trading board lot for the Rights Shares and Warrants comprises 100 Rights Shares and 100 Warrants, accordingly.

You must complete both Parts I(A) and II of the RSF by specifying the number of Rights Shares with Warrants which you are accepting and deliver the completed and signed RSF together with the relevant payment to our Share Registrar in the manner set out in **Section 10.5** of this Abridged Prospectus.

**YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN.**

The portion of the Provisional Rights Shares with Warrants that have not been accepted will be made available to the applicants of the Excess Application.

### 10.7 Procedure for sale or transfer of the Provisional Rights Shares with Warrants

As the Provisional Rights Shares with Warrants are prescribed securities, you may dispose or transfer all or part of your entitlement to the Provisional Rights Shares with Warrants to 1 or more person(s) through your stockbrokers for the period up to the last date and time for sale or transfer of the Provisional Rights Shares with Warrants (in accordance with the Rules of Bursa Depository), without first having to request for a split of the Provisional Rights Shares with Warrants standing to the credit of your CDS Account. To sell or transfer all or part of your entitlement to the Provisional Rights Shares with Warrants, you may sell such entitlement on the open market of Bursa Securities during the period up to the last day, date and time for sale or transfer of the Provisional Rights Shares with Warrants (in accordance with the Rules of Bursa Depository) or transfer such entitlements to such person(s) as may be allowed pursuant to the Rules of Bursa Depository during the period up to the last day. If you have disposed or transferred only part of the Provisional Rights Shares with Warrants, you may still accept the balance of the Provisional Rights Shares with Warrants by completing Parts I(A) and II of the RSF. Please refer to **Sections 10.5 and 10.6** of this Abridged Prospectus for the procedure for acceptance and payment.

You are advised to read and adhere to the RSF and the notes and the instructions contained herein. In selling or transferring all or part of your Provisional Rights Shares with Warrants, you need not deliver any document including the RSF, to any stockbroker. However, you must ensure that there is sufficient Provisional Rights Shares with Warrants standing to the credit of your CDS Account that are available for settlement of the sale or transfer.

Purchasers or transferees of the Provisional Rights Shares with Warrants may obtain a copy of this Abridged Prospectus and the RSF from their stockbrokers or from our Share Registrar, or at our Registered Office. This Abridged Prospectus and RSF are also available on the website of Bursa Securities <https://www.bursamalaysia.com>.

If you have sold or transferred only part of your entitlements to the Provisional Rights Issue with Warrants, you may still accept the balance of the Provisional Rights Issue with Warrants by completing Part I(A) and Part II of the RSF and deliver the RSF together with the full amount payable on the balance of the Rights Shares with Warrants applied for to our Share Registrar. Please refer to **Section 10.5 and 10.6** of this Abridged Prospectus for the procedures for acceptance and payment.

**YOU SHOULD NOTE THAT ANY RSF AND REMITTANCE LODGED WITH OUR SHARE REGISTRAR WILL BE IRREVOCABLE AND CANNOT SUBSEQUENTLY BE WITHDRAWN.**

### 10.8 Procedure for acceptance by renouncee(s)/ transferee(s)

Renouncee(s) and/ or transferee(s) (if applicable) who wish to accept the Provisional Rights Shares with Warrants must obtain a copy of the RSF from their stockbrokers or our Share Registrar, or at our Registered Office or from Bursa Securities' website at <https://www.bursamalaysia.com>, and complete the RSF and submit the same together with the remittance to our Share Registrar at the above-stated address in accordance with the notes and instructions printed therein.

The procedure for acceptance and payment applicable to the Entitled Shareholders as set out in **Sections 10.5 and 10.6** of this Abridged Prospectus also applies to renouncee(s) and/ or transferee(s) (if applicable) who wish to accept the Provisional Rights Shares with Warrants.

**RENOUNCEE(S) AND/ OR TRANSFEREE(S) ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS ABRIDGED PROSPECTUS AND ADHERE TO THE NOTES AND INSTRUCTIONS CONTAINED IN THIS ABRIDGED PROSPECTUS AND THE RSF.**

## 10.9 Procedure for application of Excess Rights Shares with Warrants

### 10.9.1 By way of RSF

If you wish to apply for additional Rights Shares with Warrants in excess of your entitlement, you may do so by completing Part I(B) of the RSF (in addition to Parts I(A) and II) and forwarding it with **a separate remittance made in RM** for the full amount payable for the excess Rights Shares with Warrants applied. The completed RSF together with the payment must be received by our Share Registrar no later than **5.00 p.m. Wednesday, 28 February 2024**, being the last time and date for Excess Rights Shares with Warrants applications and payment.

The payment must be made for the exact amount payable for the Excess Rights Shares with Warrants applications. Any excess or insufficient payment may be rejected at the absolute discretion of our Board. Cheques or other mode(s) of payment not prescribed herein are not acceptable.

**PAYMENT FOR THE EXCESS RIGHTS SHARES WITH WARRANTS APPLIED FOR SHOULD BE MADE IN THE SAME MANNER AS DESCRIBED IN SECTION 10.5 OF THIS ABRIDGED PROSPECTUS, AND IN THE FORM OF BANKER'S DRAFT(S), CASHIER'S ORDER(S), MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA CROSSED "A/C PAYEE ONLY", MADE PAYABLE TO "DESTINI EXCESS RIGHTS ACCOUNT" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME IN BLOCK LETTERS, CONTACT NUMBER AND CDS ACCOUNT NUMBER TO BE RECEIVED BY OUR SHARE REGISTRAR. THE COMPLETED RSF TOGETHER WITH THE PAYMENT MUST BE RECEIVED BY OUR SHARE REGISTRAR NO LATER THAN AT 5.00 P.M. ON WEDNESDAY, 28 FEBRUARY 2024, BEING THE LAST TIME, DAY AND DATE FOR EXCESS RIGHTS SHARES WITH WARRANTS APPLICATIONS AND PAYMENT.**

**THE PAYMENT MUST BE MADE FOR THE FULL AND EXACT AMOUNT PAYABLE FOR THE EXCESS RIGHTS SHARES WITH WARRANTS APPLIED FOR. ANY EXCESS OR INSUFFICIENT PAYMENT MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD.**

It is the intention of our Board to allot the Excess Rights Shares with Warrants, if any, on a fair and equitable manner and in the following priority:-

- (i) Firstly, to minimise the incidence of odd lots;
- (ii) Secondly, for allocation to Entitled Shareholders who have applied for the Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on their respective shareholdings in our Company as per their CDS accounts as at the Entitlement Date;
- (iii) Thirdly, for allocation to Entitled Shareholders who have applied for the Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares with Warrants applied for; and
- (iv) Finally, for allocation to their renounee(s) and/ or transferee(s) (if applicable) who has/ have applied for the Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares with Warrants applied for.

In the event there is any remaining balance of the Excess Rights Shares with Warrants applied for by the Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) who have applied for the Excess Rights Shares with Warrants after carrying out steps (i) to (iv) as set out above, steps (ii) to (iv) will be repeated again in the same sequence to allocate the remaining balance of the Excess Rights Shares with Warrants to the Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) who have applied for the Excess Rights Shares with Warrants until such balance is fully allocated.

Nevertheless, our Board reserves the right to allot any Excess Rights Shares with Warrants applied for in such manner as our Board deems fit, expedient and in the best interest of our Company, subject always to such allocation being made on a fair and equitable manner, and that the intention of our Board as set out in steps (i)-(iv) above are achieved. Our Board also reserves the rights at its absolute discretion to accept in full or in part any application for the Excess Rights Shares with Warrants without assigning any reason thereof.

The final basis of allocation of the excess Rights Shares with Warrants will be announced on Bursa Securities together with the result of the total valid acceptances and Excess Applications after the Closing Date of the Rights Issue with Warrants.

**THE PAYMENT MUST BE MADE FOR THE EXACT AMOUNT PAYABLE FOR THE EXCESS RIGHTS SHARES WITH WARRANTS APPLIED FOR. ANY EXCESS OR INSUFFICIENT PAYMENT MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF THE BOARD. NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR EXCESS APPLICATION MONIES WILL BE ISSUED BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE EXCESS RIGHTS SHARES WITH WARRANTS APPLICATION. HOWEVER, IF YOUR EXCESS APPLICATION IS SUCCESSFUL, THE RIGHTS SHARES WITH WARRANTS WILL BE CREDITED INTO YOUR CDS ACCOUNT AND A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 8 MARKET DAYS FROM THE CLOSING DATE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED OR ALLOWED BY BURSA SECURITIES.**

**APPLICATIONS FOR THE EXCESS RIGHTS SHARES WITH WARRANTS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT ANY SUCH APPLICATION OR TO ACCEPT ANY SUCH APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON THEREOF.**

**WHERE AN APPLICATION FOR THE EXCESS RIGHTS SHARES WITH WARRANTS IS NOT ACCEPTED OR IS ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST. THE REFUND WILL BE CREDITED INTO YOUR BANK ACCOUNT REGISTERED WITH BURSA DEPOSITORY FOR THE PURPOSE OF CASH DIVIDEND/ DISTRIBUTION OR BY ISSUANCE OF CHEQUE WHICH SHALL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 15 MARKET DAYS FROM THE CLOSING DATE.**

**YOU ARE NOT ALLOWED TO WITHDRAW THE RSF AND PAYMENT ONCE THEY HAVE BEEN LODGED WITH OUR SHARE REGISTRAR.**

### **10.9.2 By way of Electronic Application**

You and/ or your renouncee(s) and/ or transferee(s) (if applicable) may apply for the excess Rights Shares with Warrants in excess of your entitlement via Electronic Application in addition to your provisional allotments of Rights Shares with Warrants. If you wish to do so, you may apply for the excess Rights Shares with Warrants by following the same steps as set out in **Section 10.5.2** of this Abridged Prospectus.

The Electronic Application for excess Rights Shares with Warrants will be made on, subject to, the same terms and conditions appearing in **Section 10.5.2** of this Abridged Prospectus.

Any Rights Shares with Warrants which are not taken up or not validly taken up by you and/ or your renouncee(s) and/ or transferee(s) (if applicable) shall be made available for excess applications. It is the intention of our Board to allot the excess Rights Shares with Warrants, if any, on a fair and equitable manner and in the priority and basis as detailed in **Section 10.9.1** above.

**WHERE AN APPLICATION FOR THE EXCESS RIGHTS SHARES WITH WARRANTS IS NOT ACCEPTED OR IS ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST. THE REFUND WILL BE CREDITED INTO YOUR BANK ACCOUNT IF YOU HAVE PROVIDED SUCH BANK ACCOUNT INFORMATION TO BURSA DEPOSITORY FOR THE PURPOSE OF CASH DIVIDEND/DISTRIBUTION. IF YOU HAVE NOT PROVIDED SUCH BANK ACCOUNT INFORMATION TO BURSA DEPOSITORY THE REFUND WILL BE BY ISSUANCE OF CHEQUE AND SHALL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS AT YOUR OWN RISK WITHIN 15 MARKET DAYS FROM THE LAST DATE FOR APPLICATION OF AND PAYMENT FOR THE EXCESS RIGHTS SHARES WITH WARRANTS.**

### **10.9.3 By way of Bursa Anywhere mobile application**

You and/ or your renouncee(s) and/ or transferee(s) (if applicable) may apply for the excess Rights Shares with Warrants in excess of your entitlement via Bursa Anywhere Mobile Application in addition to your Provisional Rights Shares with Warrants. If you wish to do so, you may apply for the Excess Rights Shares with Warrants by following the same steps as set out in **Section 10.5.3** of this Abridged Prospectus.

The application for excess Rights Shares with Warrants will be made on, subject to, the same terms and conditions as set out in **Section 10.5.3** of this Abridged Prospectus.

Any Rights Shares with Warrants which are not taken up or not validly taken up by you and/ or your renouncee(s) and/ or transferee(s) (if applicable) shall be made available for excess applications. It is the intention of the Board to allot the excess Rights Shares with Warrants, if any, on a fair and equitable manner and in the priority and basis as detailed in **Section 10.9.1** above.

#### 10.9.4 By way of NRS

You and/ or your renounee(s) and/ or transferee(s) (if applicable) may apply for the excess Rights Shares with Warrants in excess of your entitlement via NRS in addition to your provisional allotments of Rights Shares with Warrants. If you wish to do so, you may apply for the excess Rights Shares with Warrants by following the same steps as set out in **Section 10.5.4** of this Abridged Prospectus save and except for the amount payable to be directed to "DESTINI EXCESS RIGHTS ACCOUNT" (**BANK ACCOUNT NO. 00400183929 WITH HONG LEONG BANK BERHAD**) for the excess Rights Shares with Warrants applied and also that you should complete the details for excess Rights Shares with Warrants application at the designated fields for excess applications in the Rights Shares with Warrants Subscription File.

The NRS for excess Rights Shares with Warrants will be made on, subject to, the same terms and conditions appearing in **Section 10.5.4** of this Abridged Prospectus.

Any provisional allotments of Rights Shares with Warrants which are not taken up or not validly taken up by you and/ or your renounee(s) and/ or transferee(s) (if applicable) shall be made available for excess Rights Shares with Warrants. It is the intention of our Board to allot the excess Rights Shares with Warrants, if any, on a fair and equitable manner and in the priority and basis as detailed in **Section 10.9.1** above.

#### 10.10 Notice of Allotment

Within 5 market days after the Closing Date, our Company will make the relevant announcements in relation to the subscription rate of the Rights Issue with Warrants.

Upon allotment of the Rights Shares with Warrants in respect of your acceptance and/or your renounee(s) and/or transferee(s)' acceptance (if applicable) and application for excess Rights Shares with Warrants shall be credited directly into the respective CDS accounts where the Provisional Allotments were credited. No physical share certificate and warrant certificate will be issued in respect of the Rights Issue with Warrants. However, a notice of allotment will be issued and despatch to you and/or your renounee(s) and/or transferee(s) (if applicable) by ordinary post to the address shown in the Record of Depositors of our Company as provided by Bursa Depository at your own risk within 8 market days from the Closing Date or such other period as may be prescribed by Bursa Securities.

Where any application for the Rights Shares with Warrants is not accepted due to non-compliance with the terms of the Rights Issue with Warrants or accepted in part only, the full amount or the balance of the application monies, as the case may be, will be refunded without interest to you. The refund will be credited into your bank account registered with Bursa Depository for the purpose of cash dividend/ distribution or by issuance of cheque which will be despatched to you within 15 market days from the Closing Date by ordinary post to the address shown on the Record of Depositors of our Company as provided by Bursa Depository at your own risk.

#### 10.11 Form of issuance

Bursa Securities has prescribed our Destini Shares and Warrants to be listed on the Main Market of Bursa Securities and to be deposited with Bursa Depository. Accordingly, the Rights Shares and Warrants and the new Shares to be issued arising from the exercise of the Warrants are prescribed securities and as such, the SICDA and the Rules of Bursa Depository shall apply to all dealings in these securities.

Failure to comply with the specific instructions for applications or inaccuracy in the CDS Account number may result in the application being rejected.

Your subscription for the Rights Shares with Warrants shall signify your consent to receive such Rights Shares and Warrants as deposited securities that will be credited directly into your CDS Account. No physical share or warrant certificates shall be issued to you under the Rights Issue with Warrants. Instead, the Rights Shares and Warrants will be credited directly into your CDS Account.

Where the Rights Shares with Warrants are provisionally allotted to the Entitled Shareholders in respect of their existing Destini Shares standing to the credit in their CDS Account as at the Entitlement Date, the acceptance by the Entitled Shareholders of the Provisional Rights Shares with Warrants shall mean that they consent to receive such Rights Shares and Warrants as prescribed or deposited securities which will be credited directly into their CDS Account.

Any person who has purchased the Provisional Rights Shares with Warrants or to whom the Provisional Rights Shares with Warrants has been transferred and intends to subscribe for the Rights Shares with Warrants must state his or her CDS Account number in the space provided in the RSF. The Rights Shares and Warrants will be credited directly as prescribed or deposited securities into his or her CDS Account upon allotment and issuance.

All excess Rights Shares with Warrants shall be credited directly into the CDS accounts of successful applicants. If you have multiple CDS Accounts into which the Provisional Rights Share with Warrants have been credited, you cannot use a single RSF to accept all these Provisional Rights Share with Warrants. Separate RSFs must be used for acceptance of Provisional Rights Share with Warrants credited into separate CDS accounts. If successful, the Rights Shares and Warrants that you subscribed for will be credited into the CDS Accounts where the Provisional Rights Share with Warrants are standing to the credit.

The Excess Rights Shares with Warrants, if allotted to the successful applicant who applies for Excess Rights Shares with Warrants, will be credited directly as prescribed securities into his or her CDS Account. The allocation will be made on a fair and equitable basis in such manner as our Board in its absolute discretion deems fit and expedient and in the best interest of our Company, as disclosed in **Section 10.9** of this Abridged Prospectus.

#### **10.12 Laws of foreign jurisdiction**

This Abridged Prospectus, and the accompanying NPA and RSF have not been (and will not be) made to comply with the laws of any foreign country or jurisdiction other than Malaysia, and have not been (and will not be) lodged, registered or approved pursuant to or under any legislation (or with or by any regulatory authorities or other relevant bodies) for subscription of any foreign country or jurisdiction. The Rights Issue with Warrants will not be made or offered for subscription in any foreign country or jurisdiction other than Malaysia.

Accordingly, this Abridged Prospectus, and the accompanying NPA and RSF will not be sent to the Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) who do not have a registered address in Malaysia. However, such Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) may collect this Abridged Prospectus, and the accompanying NPA and RSF from our Share Registrar, in which event our Share Registrar shall be entitled to request for such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting these documents relating to the Rights Issue with Warrants.



Our Company will not make or be bound to make any enquiry as to whether you have a registered address in Malaysia other than as stated in our Record of Depositors as at the Entitlement Date and will not accept or be deemed to accept any liability whether or not any enquiry or investigation is made in connection therewith. Our Company will assume that the Rights Issue and Warrants and the acceptance thereof by you would be in compliance with the terms and conditions of the Rights Issue with Warrants and would not be in breach of the laws of any jurisdiction. Our Company will further assume that you have accepted the Rights Issue with Warrants in Malaysia and will at all applicable times be subject to the laws of Malaysia.

The Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) may accept or renounce (as the case may be) all or any part of their entitlements and exercise any other rights in respect of the Rights Issue with Warrants only to the extent that it would be lawful to do so. UOBKH, our Share Registrar, our Company, our Directors and officers and other professional advisers would not, in connection with the Rights Issue with Warrants, be in breach of the laws of any jurisdiction to which the Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) are or may be subject. Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) shall solely be responsible to seek advice as to the laws of the jurisdictions to which they are or may be subject to. UOBKH, our Share Registrar, our Company, our Directors and officers and other professional advisers shall not accept any responsibility or liability in the event that any acceptance or renunciation made by any Foreign Entitled Shareholders and/ or renounee(s) and/ or transferee(s) (if applicable), is or shall become unlawful, unenforceable, voidable or void in any such jurisdiction.

The Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) will be responsible for payment of any issue, transfer or other taxes or other requisite payments due in such jurisdiction and we shall be entitled to be fully indemnified and held harmless by such Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) for any such issue, transfer or other taxes or other requisite payments. They will have no claims whatsoever against us and/ or UOBKH in respect of their rights and entitlements under the Rights Issue with Warrants. Such Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) should consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to accept the Rights Issue with Warrants.

By signing the RSF, the Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) are deemed to have represented, acknowledged and declared in favour of (and which representations, acknowledgements and declarations will be relied upon by) UOBKH, our Share Registrar, our Company, our Directors and officers and other professional advisers that:-

- (i) we would not, by acting on the acceptance or renunciation in connection with the Rights Issue with Warrants, be in breach of the laws of any jurisdiction to which the Foreign Entitled Shareholders and/ or renounee(s) and/ or transferee(s) (if applicable) are or may be subject to;
- (ii) the Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) have complied with the laws to which they are or may be subject to in connection with the acceptance or renunciation of the Provisional Rights Shares with Warrants;
- (iii) the Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) are not nominees or agents of a person in respect of whom we would, by acting on the acceptance or renunciation of the Provisional Rights Shares with Warrants, be in breach of the laws of any jurisdiction to which that person is or may be subject to;

- (iv) the Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) are aware that the Rights Shares with Warrants can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;
- (v) the Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) have received a copy of this Abridged Prospectus, have access to such financial and other information and have been provided the opportunity to ask such questions to our representatives and receive answers thereto as they deem necessary in connection with their decision to subscribe for or purchase the Rights Shares with Warrants; and
- (vi) the Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the Rights Shares with Warrants, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the Rights Shares and the Warrants.

Persons receiving this Abridged Prospectus, and the accompanying NPA and RSF (including without limitation to custodians, nominees and trustees) must not, in connection with the offer, distribute or send it into any country or jurisdiction, where to do so would or might contravene local securities, exchange control or relevant laws or regulations. If this Abridged Prospectus, and the accompanying NPA and RSF are received by any persons in such country or jurisdiction, or by the agent or nominee of such a person, he must not seek to accept the offer unless he has complied with and observed the laws of the relevant country or jurisdiction in connection herewith.

Any person who does forward this Abridged Prospectus and the accompanying NPA and RSF to any foreign country or jurisdiction, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this section of the Abridged Prospectus and we reserve the right to reject a purported acceptance of the Provisional Rights Shares with Warrants from any such application by Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) in any jurisdiction other than Malaysia.

We reserve the right, in our absolute discretion, to treat any acceptance of the Provisional Rights Shares with Warrants as invalid if it believes that such acceptance may violate any applicable legal or regulatory requirements in Malaysia. The provisional allotment of Rights Shares with Warrants relating to any acceptance which is treated invalid will be included in the pool of Rights Shares available for Excess Application by other Entitled Shareholders and/ or their and/ renouncee(s) or their transferee(s).

**NOTWITHSTANDING ANYTHING HEREIN, THE FOREIGN ENTITLED SHAREHOLDERS AND/ OR THEIR RENOUNCEE(S) AND/ OR TRANSFEREE(S) (IF APPLICABLE) AND ANY OTHER PERSON HAVING POSSESSION OF THIS ABRIDGED PROSPECTUS AND/OR ITS ACCOMPANYING DOCUMENTS ARE ADVISED TO INFORM THEMSELVES OF AND TO OBSERVE ANY LEGAL REQUIREMENTS APPLICABLE TO THEM, NO PERSON IN ANY COUNTRY OR JURISDICTION OUTSIDE OF MALAYSIA RECEIVING THIS ABRIDGED PROSPECTUS AND/OR ITS ACCOMPANYING DOCUMENTS MAY TREAT THE SAME AS AN OFFER, INVITATION OR SOLICITATION TO SUBSCRIBE FOR OR ACQUIRE ANY RIGHTS SHARES WITH WARRANTS UNLESS SUCH OFFER, INVITATION OR SOLICITATION COULD LAWFULLY BE MADE WITHOUT COMPLIANCE WITH ANY REGISTRATION OR OTHER REGULATORY OR LEGAL REQUIREMENTS IN SUCH COUNTRY OR JURISDICTION.**


**11. TERMS AND CONDITIONS**

The issuance of the Rights Shares pursuant to the Rights Issue with Warrants is governed by the terms and conditions set out in the Documents enclosed herewith.

**12. FURTHER INFORMATION**

You are advised to refer to the attached appendices for further information.

Yours faithfully,  
For and on behalf of our Board  
**DESTINI BERHAD**



**TAN SRI DATUK AZHAR BIN AZIZAN @ HARUN**  
Independent Non-Executive Chairman

## APPENDIX I - INFORMATION ON OUR COMPANY

### 1. SHARE CAPITAL

As at the LPD, our issued share capital is RM479,828,496 comprising 1,663,531,629 Destini Shares.

### 2. BOARD OF DIRECTORS

The details of our Board as at the LPD are set out as follows:-

Name	Age	Address	Nationality
Tan Sri Datuk Azhar bin Azizan @ Harun (Independent and Non-Executive Chairman)	62	No. 23, Jalan Desa 10/4 Bandar Country Homes 48000 Rawang, Selangor	Malaysian
Dato' Ahmad Suhaimi bin Endut (Non-Independent and Non-Executive Director)	56	No. 12 Jalan P14F Presint 14 62050 Putrajaya, W.P. Putrajaya	Malaysian
Dato' Aziz (Non-Independent and Non-Executive Director)	61	7303, Jalan Nilam 3 Taman Setia Gombak 53100 Kuala Lumpur W.P. Kuala Lumpur	Malaysian
Dato' Bahudin bin Mansor (Independent and Non-Executive Director)	64	55, Jalan USJ 17/4 47630 Subang Jaya, Selangor	Malaysian
Datuk Kabol Bin Surat (Executive Director)	63	No. 5, Jalan 10/146 Bandar Tasik Selatan 57000 Kuala Lumpur W.P. Kuala Lumpur	Malaysian
Syed Jabel Islam (Independent and Non-Executive Director)	59	No. 2609, Jalan Permata 15 Taman Permata, Ulu Kelang 53300 Kuala Lumpur W.P. Kuala Lumpur	Malaysian
Ismail Bin Mustafa (Executive Director)	61	No. 55, Jalan Putra Murni 3/2C Seksyen 3 Putra Heights 47650 Subang Jaya, Selangor	Singaporean
Farah Nadia Binti Fazaruddin (Independent and Non-Executive Director)	47	C-12-01 Pavilion Hilltop Mont Kiara, Changkat Duta Kiara 50480 Kuala Lumpur W.P. Kuala Lumpur	Malaysian

### 3. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of Destini Shares for the past 12 months preceding the date of this Abridged Prospectus are as follows:-

	High RM	Low RM
<b>2023</b>		
January	0.085	0.075
February	0.085	0.065
March	0.090	0.070
April	0.085	0.070
May	0.085	0.070
June	0.130	0.075
July	0.105	0.075
August	0.095	0.075
September	0.105	0.090
October	0.105	0.090
November	0.120	0.095
December	0.125	0.090

**APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)**

	High RM	Low RM
Last transacted market price of Destini Shares as at 25 August 2023 (being the latest trading day prior to the announcement on the Rights Issue with Warrants)		0.085
Last transacted market price on the LPD		0.110
Last transacted market price of Destini Shares on 8 February 2024 (being the last Market Day immediately preceding the ex-date for the Rights Issue with Warrants)		0.100

(Source: Bloomberg)

**4. OPTION TO SUBSCRIBE FOR DESTINI SHARES**

As at the LPD, save for the Provisional Rights Shares with Warrants and Excess Rights Shares with Warrants, no option to subscribe for our Destini Shares has been granted or is entitled to be granted to anyone.

**5. MATERIAL CONTRACTS**

Save for the following, our Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within the 2 years preceding the date of this Abridged Prospectus:-

1. Deed Poll; and
2. Joint Venture Agreement dated 14 February 2023 ("**JVA**") between Destini Shipbuilding and Engineering Sdn Bhd ("**DSBE**") and Rimbun Greene Sdn Bhd ("**Rimbun**") to develop all that piece of land held under PN14528, Lot 63378, Mukim and District of Klang, State of Selangor measuring approximately 2,316 hectares. As at the LPD, both parties have agreed not to proceed with the joint venture and a Deed of Rescission and Revocation dated 15 February 2023 has been executed between DSBE and Rimbun to revoke and rescind the JVA.

**6. MATERIAL LITIGATION, CLAIMS OR ARBITRATION**

Save as disclosed, as at the LPD, our Group is not engaged in any material litigation, claims and/ or arbitration, either as plaintiff or defendant, and our Board confirms that there are no other proceedings pending or threatened against our Group, or of any facts likely to give rise to any proceedings, which might materially or adversely affect the financial position or business of our Group:-

**Lembaga Hasil Dalam Negeri Malaysia ("**LHDN**") v DSBE**

The Government of Malaysia LHDN had obtained a judgment dated 15 June 2021 against DSBE at Shah Alam High Court under Suit No. BA-21-NCvC-65-09/2020 for the amount of RM6,035,736.74 for unpaid income tax for assessment year 2016 of RM5,375,053.68 and the additional tax imposed for non-payment together with interest of 5% from the judgment date until realisation date with costs of RM4,000.00 ("**Judgment 1**") and a second judgment dated 30 July 2021 was obtained by the Government of Malaysia against DSBE at Shah Alam High Court under Suit No. BA-21-NCvC-64-09/2020 for the amount of RM14,141,278.00 for unpaid income tax for assessment year 2017 of RM7,335,132.72 and assessment year 2018 of RM4,578,815.71 and the additional tax imposed for non-payment together with interest of 5% from the judgment date until realisation date with costs of RM5,000.00 ("**Judgment 2**").

Pursuant to the above and DSBE's letter to LHDN dated 30 September 2022 to LHDN requesting for instalment payments, LHDN through their letter dated 2 November 2022 to DSBE ("**Letter**") agreed to a payment schedule for DSBE to pay the outstanding sum for Judgment 1 and Judgment 2 of RM19,198,225.65 in 24 instalments. As at the LPD, payment of RM1,624,434.00 has been made by DSBE to LHDN.

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**APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)**

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As the instalment plan stated in the Letter was not complied with, LHDN had on 12 September 2023 sent to DSBE a notice under Section 466(1)(a) of the Act ("**1<sup>st</sup> Notice**") to claim for the sum of RM18,573,139.28 arising from the above two judgments, together with interest and cost.

DSBE had on 25 September 2023 submitted to LHDN a settlement plan which has been rejected by LHDN.

As the settlement plan has been rejected, LHDN had on 29 November 2023 sent to DSBE a notice under Section 466(1)(a) of the Act ("**2<sup>nd</sup> Notice**") to claim for the sum of RM18,549,587.82 arising from the above two judgments, together with interest and cost. DSBE had on 14 December 2023 submitted a new settlement plan via letter to LHDN and LHDN had on 2 January 2024 declined the new settlement plan. In view of the LHDN's decision, DSBE intends to settle the amounts through internally generated funds including from the proceeds from the disposal of its shipyard in Port Klang.

DSBE had on 4 December 2023 advertised tender for the disposal of its shipyard in Port Klang valued at RM30.0 million. On 13 December 2023, DSBE received tender submission for the purchase of the said shipyard for the total price of RM20 million and DSBE had acknowledged receipt of the said tender. DSBE had communicated to LHDN of its' intention to utilise the sale proceed to satisfy the amount due to LHDN as part of DSBE settlement proposal. As at the LPD, DSBE and the proposed purchaser are negotiating the terms of the disposal.

The Board is of the opinion that the successful sale proceed of the shipyard will be able to cover the amount due to LHDN and as such, the Notice will not have any additional financial and operational impact on the Group and DSBE is not a major subsidiary of the Company.

**Kerajaan Malaysia ("Plaintiff") v DSBE ("Defendant")**

On 3 May 2023, DSBE received a Writ of Summons and Statement of Claim dated 10 April 2023 (the "**Summons**") in which the Government of Malaysia (on behalf of Inland Revenue Board of Malaysia ("**IRBM**")) was named as the Plaintiff and DSBE (formerly known as Everyday Success Sdn Bhd) as the Defendant. The claim stemmed from the Years of Assessment for 2017 (Additional Assessment) and 2018 (Additional Assessment) wherein the Defendant was assessed with additional assessment of RM34,800.00 and RM1,105,770.00 through Notices dated 29 November 2021.

Since there was no payment for both Notices after 30 days of service, a 10% increment was charged on the additional assessment amounting to RM3,480.00 and RM110,577.00, respectively, making the total outstanding additional assessment to RM1,254,627.00. In the Summons, the IRBM claimed the said amount together with the interest of 5% from the date of Judgment until the realization date. DSBE appointed solicitors and appearance was entered on 10 May 2023.

On 14 June 2023, the Plaintiff filed a Notice of Application under Order 14 for Summary Judgment and the matter was fixed for decision on 24 October 2023. Destini has approached IRBM for settlement negotiation and the court has postponed the decision for the Summary Judgment application to 23 November 2023 pending settlement between the parties. However, IRBM rejected Destini's proposal and on the decision date, the Court granted the Summary Judgment in favour of IRBM. As at the LPD, no further legal action has been taken by IRBM against DSBE.

On 8 December 2023, the representatives of Destini held a meeting with IRBM to re-negotiate the terms of settlement and had followed up with a letter dated 14 December 2023. LHDN had on 2 January 2024 declined the new settlement plan. In view of the LHDN's decision, DSBE intends to settle the amounts through internally generated funds including from the proceeds from the disposal of its shipyard in Port Klang.

DSBE had on 4 December 2023 advertised tender for the disposal of its shipyard in Port Klang valued at RM30.00 million. On 13 December 2023, DSBE received tender submission for the purchase of the said shipyard for the total price of RM20 million and DSBE had acknowledged receipt of the said tender on 29 December 2023. DSBE had communicated to LHDN of its' intention to utilise the sale proceed to satisfy the amount due to LHDN as part of DSBE settlement proposal. As at the LPD, DSBE and the proposed purchaser are negotiating the terms of the disposal.

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**APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)**


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The Board is of the opinion that the successful sale proceed of the shipyard will be able to cover the amount due to LHDN and as such, the Notice will not have any additional financial and operational impact on the Group and DSBE is not a major subsidiary of the Company.

**Pembinaan Ismail Sdn Bhd ("Plaintiff" or "PISB") v DSBE ("Defendant")**

On 2 June 2022, PISB filed a writ of summons against DSBE ("**Summons**") which has been received by DSBE on 8 June 2022. The claim stemmed from works done by the Plaintiff where Plaintiff submitted a claims demanding RM14,808,221.06 to the Defendant. The Defendant had made a payment of RM11,707,270.79, leaving a balance of RM3,100,950.27 unpaid by the Defendant to the Plaintiff. Pursuant to Summons, Pembinaan Ismail claimed the unpaid amount of RM3,100,950.27 together with interest of 5% from the date of writ of summons to the date of full settlement.

On 14 September 2022, PISB through its solicitors filed a notice of application to the Shah Alam High Court ("**Court**") to allow the PISB to enter a summary judgment against the DSBE pursuant to Rule 14 of the Court Rules 2012. On 21 June 2023, the Court allowed the PISB's summary application against DSBE for the sum of RM1,975,617.67 ("**Judgment Sum**"), and interest of 5% on the Judgment Sum and costs of RM5,000.00 together with allocator fee of RM200.00 (hereinafter collectively referred to as the "**Total Outstanding Sum**") ("**Judgement**"). In consequence, PISB's through its solicitors had on 3 July 2023 issued a letter to demand the Total Outstanding Sum addressed to DSBE's solicitors.

On the other hand, DSBE filed a Notice of Appeal dated 17 July 2023 to appeal against the Judgment made by the learned judge and a Notice of Application dated 20 July 2023 to stay the execution of the Judgment.

Meanwhile while exchange of cause papers was being carried out for the appeal and stay of execution purposes, both PISB and DSBE have agreed for the Total Outstanding Sum to be paid in 5 equal monthly instalments of RM30,000.00 from 31 August 2023 until 31 December 2023 and the balance sum shall be discussed further on 24 January 2024.

Based on instructions from Destini, DSBE's solicitors have withdrawn the appeal and the application for stay of execution and PISB in turn, have also given their undertaking not to proceed with any execution proceedings until 24 January 2024, pending the mode of payment for the balance sum to be agreed. A total of 5 instalments amounting to RM150,000 have been paid by DSBE. As at the LPD, no discussion has taken place between the parties regarding the balance sum.

The Board is of the opinion that the Summons will not have any additional financial and operational impact on the Group and DSBE is not a major subsidiary of the Company.

**Valiant First Sdn Bhd ("Plaintiff" or "VFSB") v Destini ("Defendant")**

On 9 October 2023, VFSB filed the Writ of Summons and Statement of Claim at the Shah Alam High Court ("**Court**") which were served to Destini on 11 October 2023. The claim stemmed from 2 offers from VFSB to purchase the following 2 lands:

- a. HSD 283193, Lot No. PT 35449, Mukim Damansara, Daerah Petaling, Negeri Selangor with an industrial property erected thereon with postal address of No. 4, Jalan Kerawang U8/108, Kawasan Perindustrian Tekno Bukit Jelutong, Seksyen U8, 40150 Shah Alam, Selangor Darul Ehsan ("hereinafter referred to as "**Bukit Jelutong Property**"); and
- b. Geran 215613, Lot No. 61768, Bandar Glenmarie, Daerah Petaling, Negeri Selangor Darul Ehsan with an industrial property erected thereon with postal address of No. 10, Jalan Jurunilai U1/20, Hicom Glenmarie Industries Park, 40150 Shah Alam, Selangor Darul Ehsan (hereinafter referred to as "**Glenmarie Property**").

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## APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

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The Plaintiff offered to buy the Bukit Jelutong Property for RM5,000,000.00 and the Glenmarie Property for RM19,500,000.00 (hereinafter referred to as "**Transaction**"). The Defendant's management accepted the offers and received earnest deposits of RM147,000.00 and RM390,000.00 for the Bukit Jelutong Property and Glenmarie Property respectively.

During the negotiation of the sale and purchase agreements for the Transaction, both parties agreed that the Defendant would need to fulfil 2 conditions precedent at its own cost and expenses before proceeding with the Transaction, which are as follows:

- a. remove the registrar's caveats lodged by Lembaga Hasil Dalam Negeri ("**LHDN**") on both properties; and
- b. obtain approval from its board of directors and shareholders for the Transaction.

Both parties further agreed that if Defendant failed to meet either of these conditions precedent, the sale and purchase agreements could be terminated by either party. The Defendant was unable to secure its board of directors' approval for the Transaction. Proceeding with the Transaction would put the Defendant in breach of, among others, Section 233 of the Act. The Plaintiff was informed of this by the Defendant's solicitors.

Despite this, Plaintiff proceeded to initiate legal action against Defendant, seeking among others, an order for specific performance to compel Defendant to complete the sale.

Destini has filed its Memorandum of Appearance on 12 October 2023. During the case management on 23 January 2024, the Court was informed by the parties that the parties are in the midst of settlement negotiations. Destini's solicitors also informed the Court that Destini reserves the right to file an application for disposal of the case on a point of law, should the settlement negotiations do not reach a successful conclusion. The Court directed the parties to file the pre-trial case management documents and the next case management is fixed on 12 March 2024.

The Board and the Defendant's solicitors, are of the view that the Defendant has a fair chance of successfully defending against the suit by the Plaintiff.

### **Outstanding goods and services tax owed by DSBE**

On 1 February 2023, DSBE received a letter from Jabatan Kastam DiRaja Malaysia ("Kastam") requesting for DSBE to make payments in instalment to Kastam ("**Letter**"). The total amount owing to Kastam as stated in the Letter is RM29,371,208.12. Kastam had requested DSBE to pay an advance payment of RM2,937,120.81, which is 10% of the total amount, and the remaining to be paid in 22 instalments.

DSBE has submitted a settlement proposal plan to Kastam (Cawangan Selangor) on 8 November 2023 to fully settle the outstanding sum. As at the LPD, DSBE has not receive any reply or feedback from Kastam and there are no further actions initiated by Kastam against DSBE on this matter.

Premised on the above, the Board is optimistic on an amicable settlement with Kastam.



**APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)****7. KEY FINANCIAL INFORMATION**

Our audited consolidated financial information for the past 3 financial years up to the FYE 2022 and our most recent announced unaudited interim consolidated financial information for the 9-month FPE 2023 together with the relevant notes are disclosed in the following documents which have been published on the website of Bursa Securities at <https://www.bursamalaysia.com>:-

	<b>Pages</b>
<b>Our annual report for the FYE 2020</b>	
Statements of financial position	90-91
Statements of comprehensive income	92
Statements of changes in equity	93-95
Statements of cash flows	96-98
Notes to the financial statements	99-196
<b>Our annual report for the FYE 2021</b>	
Statements of financial position	94-95
Statements of comprehensive income	96-97
Statements of changes in equity	98-100
Statements of cash flows	101-103
Notes to the financial statements	104-225
<b>Our annual report for the FYE 2022</b>	
Statements of financial position	95-96
Statements of comprehensive income	97-98
Statements of changes in equity	99-101
Statements of cash flows	102-104
Notes to the financial statements	105-226
<b>Our quarterly report for the 9-month FPE 2023</b>	
Statements of financial position	4
Statements of comprehensive income	3
Statements of changes in equity	5
Statements of cash flows	6
Notes to the financial statements	7-11

The following table sets out a summary of our Group's key financial information based on past 3 financial years up to the FYE 2022 and our most recent announced unaudited interim 9-month FPE 2023 of comprehensive income, statements of financial position and statement of cash flows for the financial years and periods under review:-

**7.1 Historical financial performance**

	<-----Audited----->			<Unaudited> 9-month FPE
	FYE 2020 RM'000	FYE 2021 RM'000	FYE 2022 RM'000	2023 RM'000
Revenue	190,126	173,866	186,170	79,214
PBT/ (LBT)	(192,961)	5,265	(33,157)	(11,682)
PAT/ (LAT) attributable to owners of the Company	(190,642)	3,009	(30,155)	(12,261)
EPS/ (LPS) (sen)	(14.62)	0.19	(1.81)	(0.74)
Total interest-bearing borrowings	113,532	104,156	16,816	11,995
Total fixed deposits, cash and bank balances	37,695	48,942	26,910	25,518
Net cash generated from/ (used in) operating activities	(14,629)	(10,934)	70,458	3,940
Shareholders' funds/ NA	132,449	161,102	126,078	113,849

**APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)**

	<-----Audited----->			<Unaudited>
	FYE 2020 RM'000	FYE 2021 RM'000	FYE 2022 RM'000	9-month FPE 2023 RM'000
Weighted average no. of Shares outstanding ('000)	1,525,276	1,663,531	1,663,531	1,663,531
NA per Share (RM)	0.09	0.10	0.08	0.07
Gearing ratio (times)	0.95	0.66	0.15	0.11

**FYE 2020**

For the FYE 2020, our Group's revenue decreased by RM107.61 million or 36.14% to RM190.13 million (FYE 2019: RM297.74 million). The decrease in revenue was mainly due to lower revenue from the marine segment, in which the fabrication of three Offshore Patrol Vessels ("OPV") for the Malaysian Maritime Enforcement Agency ("MMEA") ("OPV Project") saw a delay from not being able to receive construction materials on time as most of the ship's construction materials are shipped from China which went through a total lockdown in early FYE 2020. The inability to secure construction materials due to the lockdown disrupted the timing of the project delivery. In addition, revenue contribution from the New Generation Patrol Craft ("NGPC") project for the MMEA has reduced as the project is approaching completion. Furthermore, the decrease in revenue of energy segment was mainly attributed to project deferments from major oil companies due to budget constraints and uncertainties in the oil and gas business environment whereby most projects that were slated for execution on FYE 2020 were delayed to FYE 2021 instead.

Our Group's LBT decreased by RM58.28 million or 23.20% to RM192.96 million in FYE 2020 (FYE 2019: RM251.24 million). The lower LBT for the FYE 2020 was mainly due to absence of write-off of receivables from the marine segment in FYE 2020.

**FYE 2021**

For the FYE 2021, our Group's revenue decreased by RM16.26 million or 8.55% to RM173.87 million (FYE 2020: RM190.13 million). The decrease in revenue was mainly attributed to lower revenue from the marine segment due to the disposal of our stake in THHE Destini Sdn Bhd which took on the fabrication of three OPV for MMEA, in which no revenue was recognised in FYE 2021 (FYE 2020: RM41.25 million). The decrease in revenue was partially offset by the increase in revenue from the energy segment mainly due to the revival of projects awarded by major oil companies that were deferred earlier as mentioned above.

Our Group recorded PBT of RM5.27 million in FYE 2021 (FYE 2020: LBT of RM192.96 million). The PBT derived in FYE 2021 was mainly due to the following:-

- (i) gross profit of our Group increased to RM61.02 million in FYE 2021 (FYE 2020: RM4.08 million) mainly due to higher cost were incurred for the energy segment in FYE 2020 as project costs were incurred as a preparation for contract mobilization, while decision on deferment by customers were post contract acceptance. Besides, higher costs were incurred in order to comply with COVID-19 SOP requirements. Consequently, our Group embarked on a cost reduction exercise that included staff downsizing within the energy segment;
- (ii) administrative expenses decreased to RM69.30 million in FYE 2021 (FYE 2020: RM110.30 million) mainly due to the cost saving measures implemented by our Group pursuant to COVID-19 and the exit from the ship building business by our Group as part of our Group's rationalization exercise that includes divesting non-performing assets; and
- (iii) absence of impairment loss on intangible assets in FYE 2021 as compared to RM38.26 million incurred for the impairment loss on goodwill allocated to subsidiary namely Destini Shipbuilding And Engineering Sdn Bhd during FYE 2020 as a result of persistent losses incurred by the cash generating unit.

**APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)****FYE 2022**

For the FYE 2022, our Group's revenue increased by RM12.30 million or 7.07% to RM186.17 million (FYE 2021: RM173.87 million). The increase in revenue was mainly attributed to the higher revenue from energy segment mainly due to the recovery of the energy sector after the pandemic, driven by global demand and geopolitical developments and capital spending by major oil companies increased.

For the FYE 2022, our Group recorded LBT of RM33.16 million (FYE 2021: PBT of RM5.27 million). The LBT incurred for FYE 2022 was mainly due to write-off of receivables from the marine segment as a result of debtors facing significant financial difficulties and have defaulted on payments. Furthermore, our Group's other income reduced to RM8.58 million in FYE 2022 (FYE 2021: RM20.51) mainly due to a gain of RM15.32 million was recognised in FYE 2021 as a result of the disposal of Safeair Technical Sdn Bhd and AMS Marine Pte Ltd.

**9-month FPE 2023**

For the 9-month FPE 2023, our Group's revenue decreased by RM8.51 million or 9.70% to RM79.21 million (FPE 2022: RM87.72 million). The decrease in revenue was mainly due to lower revenue from the energy segment, mainly attributed by the reduction in rig activity. The decrease in revenue was partially offset by the increase from the aviation and defense segment, in which revenue contribute from the contract granted to DPSB by Ministry of Defence Malaysia for the provision of MRO services and the supply of safety and survival equipment to the Royal Malaysia Air Force has increased to RM31.24 million in FPE 2023 (FPE 2022: RM20.73 million).

For the 9-month FPE 2023, our Group's LBT increased by RM9.29 million or 388.70% to RM11.68 million (FPE 2022: RM2.39 million). The higher LBT incurred was mainly due to energy segment, in which lower revenue was generated as mentioned above.

**7.2 Historical financial position**

	<-----Audited----->			<Unaudited>
	FYE 2020	FYE 2021	FYE 2022	9-month FPE 2023
	RM'000	RM'000	RM'000	RM'000
Non-current assets	156,918	147,735	142,028	125,919
Current assets	368,588	298,691	138,533	143,424
<b>Total assets</b>	<b>525,506</b>	<b>446,426</b>	<b>280,561</b>	<b>269,343</b>
Share capital	453,975	479,829	479,828	479,828
Foreign currency translation reserve	5,200	4,990	1,345	1,376
Accumulated losses	(326,726)	(323,717)	(355,095)	(367,356)
<b>Total equity attributable to owners of our Company</b>	<b>132,449</b>	<b>161,102</b>	<b>126,078</b>	<b>113,849</b>
Non-current liabilities	38,083	15,553	20,496	20,264
Current liabilities	356,725	271,867	137,385	139,067
<b>Total liabilities</b>	<b>394,808</b>	<b>287,420</b>	<b>157,881</b>	<b>159,331</b>
<b>Total liabilities and equity</b>	<b>525,506</b>	<b>446,426</b>	<b>280,561</b>	<b>269,343</b>
Shareholders' funds/ NA	132,449	161,102	126,078	113,849
NA per Share (RM)	0.09	0.10	0.08	0.07

**APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)****7.3 Historical cash flows**

	<-----Audited----->			<Unaudited>
	FYE 2020	FYE 2021	FYE 2022	9-month FPE 2023
	RM'000	RM'000	RM'000	RM'000
<b>Net cash generated from/ (used in)</b>				
Operating activities	(14,629)	(10,934)	70,458	3,940
Investing activities	(12,788)	3,476	2,621	1,554
Financing activities	37,252	14,619	(89,587)	(6,299)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>9,834</b>	<b>7,161</b>	<b>(16,508)</b>	<b>(805)</b>
Effects of foreign exchange rate changes	2,143	2,446	(3,733)	31
Cash and cash equivalents at beginning of the financial year/ period	8,780	20,757	30,364	10,122
<b>Cash and cash equivalents at end of the financial year/ period</b>	<b>20,757</b>	<b>30,364</b>	<b>10,123</b>	<b>9,348</b>

**FYE 2020**

The cash and cash equivalents increased by RM11.98 million from RM8.78 million as at FYE 2019 to RM20.76 million as at FYE 2020. The changes were due to:-

- (i) net cash outflow from operating activities of RM14.63 million after taking into consideration the operating loss of our Group amounting to RM74.44 million mainly attributed to lower revenue recorded from marine and energy segments as well as net tax paid of RM1.32 million. The cash outflow from operating activities was partially offset by changes in working capital of RM61.14 million;
- (ii) net cash outflow of RM12.79 million from its investing activities, mainly due to purchase of property, plant and equipment amounting to RM10.21 million for the upgrade of shipyard as well as acquisition of investment in securities of RM2.45 million;
- (iii) net cash inflow of RM37.25 million from its financing activities, mainly due to proceeds from private placement amounting to RM65.74 million. The cash inflow from financing activities was partially offset by the repayment of bank loan amounting to RM9.39 million, repayment of lease liabilities of RM7.35 million and interest paid of RM11.75 million; and
- (iv) increase of RM2.14 million due to the effects of foreign exchange rate changes.

**FYE 2021**

The cash and cash equivalents increased by RM9.61 million from RM20.76 million as at FYE 2020 to RM30.36 million as at FYE 2021. The changes were due to:-

- (i) net cash outflow from operating activities of RM10.93 million after taking into consideration changes in working capital of RM18.61 million and tax paid of RM2.68 million. The cash outflow from operating activities was partially offset by operating gain of the Group amounting to RM10.35 million mainly due to higher gross profit from energy segment and cost saving measure undertaken by our Group;
- (ii) net cash inflow of RM3.48 million from its investing activities, mainly due to net sale of investment in securities of RM2.65 million and disposal of subsidiaries, namely THHE Destini Sdn Bhd, AMS Marine Pte Ltd and Safair Technical Sdn Bhd, amounting to a total of RM4.25 million. The cash inflow from investing activities was partially offset by the purchase of property, plant and equipment amounting to RM2.17 million, mainly for heat exchange services as well as increase in deposits pledged to licensed banks by RM1.64 million;

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**APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)**

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- (iii) net cash inflow of RM14.62 million from its financing activities, mainly due to proceeds from private placement amounting to RM25.85 million. The cash inflow from financing activities was partially offset by the repayment of bank loan amounting to RM1.41 million, repayment of lease liabilities of RM4.55 million and interest paid of RM5.27 million; and
- (iv) increase of RM2.45 million due to the effects of foreign exchange rate changes.

**FYE 2022**

The cash and cash equivalents decreased by RM20.24 million from RM30.36 million as at FYE 2021 to RM10.12 million as at FYE 2022. The changes were due to:-

- (i) net cash inflow from operating activities of RM70.46 million after taking into consideration changes in working capital of RM71.74 million and operating gain of our Group of RM2.39 million mainly due to higher revenue from energy segment. The cash inflow from operating activities was partially off-set by net tax paid of RM3.67 million;
- (ii) net cash inflow of RM2.62 million from its investing activities, mainly due to the disposal of Destini Avia Technique Sdn Bhd amounting to RM2.98 million and net decrease in deposits pledged to licensed banks of RM1.79 million. The cash inflow from investing activities was partially offset by the purchase of property, plant and equipment amounting to RM2.33 million, mainly for manufacturing of life boats;
- (iii) net cash outflow of RM89.59 million from its financing activities, mainly due to repayment of bank loan amounting to RM86.30 million, repayment of lease liabilities of RM1.57 million and interest paid of RM1.71 million; and
- (iv) decrease of RM3.73 million due to the effects of foreign exchange rate changes.

**9-month FPE 2023**

The cash and cash equivalents decreased by RM0.77 million from RM10.12 million as at FYE 2022 to RM9.35 million as at 9-month FPE 2023. The changes were due to:-

- (i) net cash outflow from operating activities of RM3.94 million after taking into consideration the operating loss of our Group of RM7.38 million mainly due to lower revenue from the energy segment. The cash outflow from operating activities was partially offset by the changes in working capital of RM11.32 million;
- (ii) net cash inflow of RM1.55 million from its investing activities mainly due to net decrease in deposit pledged to licensed banks;
- (iii) net cash outflow of RM6.30 million from its financing activities, mainly due to repayment of bank loan amounting to RM5.23 million, repayment of lease liabilities of RM0.31 million and interest paid of RM0.75 million; and
- (iv) increase of RM0.03 million due to the effects of foreign exchange rate changes.

**APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)**

**8. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS**

The pro forma effects of the Rights Issue with Warrants on the substantial shareholders' shareholdings of our Company as at the LPD are set out below:-

**Minimum Scenario**

Substantial shareholders	Shareholdings as at the LPD				I After the Rights Issue with Warrants				II After I and assuming full exercise of Warrants			
	<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
	No. of Shares	%*1	No. of Shares	%*1	No. of Shares	%*2	No. of Shares	%*2	No. of Shares	%*3	No. of Shares	%*3
Aroma Teraju Sdn Bhd	200,000,000	12.02	-	-	200,000,000	9.05	-	-	200,000,000	8.05	-	-
Pitahaya (M) Sdn Bhd	110,000,000	6.61	-	-	110,000,000	4.98	-	-	110,000,000	4.43	-	-
Lim Beng Guan	-	-	110,000,000 <sup>*4</sup>	6.61	-	-	110,000,000 <sup>*4</sup>	4.98	-	-	110,000,000 <sup>*4</sup>	4.43
Ciruela Sdn Bhd	-	-	110,000,000 <sup>*4</sup>	6.61	-	-	110,000,000 <sup>*4</sup>	4.98	-	-	110,000,000 <sup>*4</sup>	4.43
Dato' Aziz	19,500,000	1.17	103,800,000 <sup>*5</sup>	6.24	58,500,000	2.65	611,400,000 <sup>*5</sup>	27.66	78,000,000	3.14	865,200,000 <sup>*5</sup>	34.84
Kenanga Investors Berhad for Dayanine	94,000,000	5.65	-	-	582,000,000	26.33	-	-	826,000,000	33.26	-	-
Dayatahan <sup>*6</sup>	9,800,000	0.59	-	-	29,400,000	1.33	-	-	39,200,000	1.58	-	-

**Notes:-**

- \*1 Based on the total issued shares of 1,663,531,629 of the Company as at the LPD
- \*2 Based on the enlarged issued shares of 2,210,131,629 of the Company after the Rights Issue with Warrants
- \*3 Based on the enlarged issued shares of 2,483,431,629 of the Company after assuming full exercise of Warrants
- \*4 Deemed interested under Section 8 of the Act by virtue of their shareholdings in Pitahaya (M) Sdn Bhd
- \*5 Deemed interested under Section 8 of the Act by virtue of his shareholdings in Kenanga Investors Berhad for Dayanine and Dayatahan
- \*6 Not deemed a substantial shareholder, but is nevertheless included hereinabove for illustration purpose

**APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)**

**Maximum Scenario**

Substantial shareholders	Shareholdings as at the LPD				I After the Rights Issue with Warrants				II After I and assuming full exercise of Warrants			
	<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
	No. of Shares	%*1	No. of Shares	%*1	No. of Shares	%*2	No. of Shares	%*2	No. of Shares	%*3	No. of Shares	%*3
Aroma Teraju Sdn Bhd	200,000,000	12.02	-	-	600,000,000	12.02	-	-	800,000,000	12.02	-	-
Pitahaya (M) Sdn Bhd	110,000,000	6.61	-	-	330,000,000	6.61	-	-	440,000,000	6.61	-	-
Lim Beng Guan	-	-	110,000,000*4	6.61	-	-	330,000,000*4	6.61	-	-	440,000,000*4	6.61
Ciruela Sdn Bhd	-	-	110,000,000*4	6.61	-	-	330,000,000*4	6.61	-	-	440,000,000*4	6.61
Dato' Aziz	19,500,000	1.17	103,800,000*5	6.24	58,500,000	1.17	311,400,000*5	6.24	78,000,000	1.17	415,200,000*5	6.24
Kenanga Investors Berhad for Dayanine	94,000,000	5.65	-	-	282,000,000	5.65	-	-	376,000,000	5.65	-	-
Dayatahan*6	9,800,000	0.59	-	-	29,400,000	0.59	-	-	39,200,000	0.59	-	-

**Notes:-**

- \*1 Based on the total issued shares of 1,663,531,629 of the Company as at the LPD
- \*2 Based on the enlarged issued shares of 4,990,594,887 of the Company after the Rights Issue with Warrants
- \*3 Based on the enlarged issued shares of 6,654,126,516 of the Company after assuming full exercise of Warrants
- \*4 Deemed interested under Section 8 of the Act by virtue of their shareholdings in Pitahaya (M) Sdn Bhd
- \*5 Deemed interested under Section 8 of the Act by virtue of his shareholdings in Kenanga Investors Berhad for Dayanine and Dayatahan
- \*6 Not deemed a substantial shareholder, but is nevertheless included hereinabove for illustration purpose

**APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)**

**9. DIRECTORS' SHAREHOLDINGS**

The pro forma effects of the Rights Issue with Warrants on our Directors' shareholdings of our Company as at the LPD are set out below:-

**Minimum Scenario**

Directors	Shareholdings as at the LPD				I After the Rights Issue with Warrants				II After I and assuming full exercise of Warrants			
	<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
	No. of Shares	%*1	No. of Shares	%*1	No. of Shares	%*2	No. of Shares	%*2	No. of Shares	%*3	No. of Shares	%*3
Tan Sri Datuk Azhar bin Azizan @ Harun	-	-	-	-	-	-	-	-	-	-	-	-
Dato' Ahmad Suhaimi bin Endut	-	-	-	-	-	-	-	-	-	-	-	-
Dato' Aziz	19,500,000	1.17	103,800,000 <sup>*5</sup>	6.24	58,500,000	2.65	611,400,000 <sup>*5</sup>	27.66	78,000,000	3.14	865,200,000 <sup>*5</sup>	34.84
Dato' Bahudin bin Mansor	-	-	-	-	-	-	-	-	-	-	-	-
Datuk Kabol Bin Surat	17,600	- <sup>*4</sup>	-	-	17,600	- <sup>*4</sup>	-	-	17,600	- <sup>*4</sup>	-	-
Syed Javed Islam	-	-	500,000 <sup>*6</sup>	0.03	-	-	500,000 <sup>*6</sup>	0.02	-	-	500,000 <sup>*6</sup>	0.02
Ismail Bin Mustaffa	2,000,000	0.12	-	-	2,000,000	0.09	-	-	2,000,000	0.08	-	-
Farah Nadia Binti Fazaruddin	-	-	-	-	-	-	-	-	-	-	-	-

**Notes:-**

\*1 Based on the total issued shares of 1,663,531,629 of the Company as at the LPD

\*2 Based on the enlarged issued shares of 2,210,131,629 of the Company after the Rights Issue with Warrants



**APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)**

- \*3 Based on the enlarged issued shares of 2,483,431,629 of the Company after assuming full exercise of Warrants
- \*4 Negligible
- \*5 Deemed interested under Section 8 of the Act by virtue of his shareholdings in Kenanga Investors Berhad for Dayanine and Dayatahan
- \*6 Deemed interested under Section 8 of the Act by virtue of shares held through his spouse

**Maximum Scenario**

	Shareholdings as at the LPD				I After the Rights Issue with Warrants				II After I and assuming full exercise of Warrants			
	<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
	No. of Shares	%*1	No. of Shares	%*1	No. of Shares	%*2	No. of Shares	%*2	No. of Shares	%*3	No. of Shares	%*3
Directors												
Tan Sri Datuk Azhar bin Azizan @ Harun	-	-	-	-	-	-	-	-	-	-	-	-
Dato' Ahmad Suhaimi bin Endut	-	-	-	-	-	-	-	-	-	-	-	-
Dato' Aziz	19,500,000	1.17	103,800,000 <sup>*5</sup>	6.24	58,500,000	1.17	311,400,000 <sup>*5</sup>	6.24	78,000,000	1.17	415,200,000 <sup>*5</sup>	6.24
Dato' Bahudin bin Mansor	-	-	-	-	-	-	-	-	-	-	-	-
Datuk Kabol Bin Surat	17,600	- <sup>*4</sup>	-	-	52,800	- <sup>*4</sup>	-	-	70,400	- <sup>*4</sup>	-	-
Syed Javed Islam	-	-	500,000 <sup>*6</sup>	0.03	-	-	1,500,000 <sup>*6</sup>	0.03	-	-	2,000,000 <sup>*6</sup>	0.03
Ismail Bin Mustaffa	2,000,000	0.12	-	-	6,000,000	0.12	-	-	8,000,000	0.12	-	-
Farah Nadia Binti Fazaruddin	-	-	-	-	-	-	-	-	-	-	-	-

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**APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)**

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**Notes:-**

- \*1 Based on the total issued shares of 1,663,531,629 of the Company as at the LPD
- \*2 Based on the enlarged issued shares of 4,990,594,887 of the Company after the Rights Issue with Warrants
- \*3 Based on the enlarged issued shares of 6,654,126,516 of the Company after assuming full exercise of Warrants
- \*4 Negligible
- \*5 Deemed interested under Section 8 of the Act by virtue of his shareholdings in Kenanga Investors Berhad for Dayanine and Dayatahan
- \*6 Deemed interested under Section 8 of the Act by virtue of shares held through his spouse

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## APPENDIX II - ADDITIONAL INFORMATION

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### 1. CONSENTS

Our Principal Adviser, company secretaries, the due diligence solicitors and our Share Registrar, and Bloomberg have given and have not subsequently withdrawn their written consents for the inclusion in this Abridged Prospectus of their name and all reference thereto in the form and context in which they appear in this Abridged Prospectus.

### 2. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at our registered office at No. 10 Jalan Jurunilai U1/20, Hicom Glenmarie Industrial Park, 40150 Shah Alam, Selangor Darul Ehsan during normal business hours from Mondays to Fridays (except public holidays) for a period of 6 months from the date of this Abridged Prospectus:-

- i. the Constitution of Destini;
- ii. the irrevocable and unconditional undertaking letters dated 28 August 2023 as referred to in **Section 3** of this Abridged Prospectus;
- iii. letters of consent as referred to in **Section 1** of Appendix II of this Abridged Prospectus;
- iv. the material contracts as referred to in **Section 5** of Appendix I of this Abridged Prospectus; and
- v. the relevant cause papers referred to in **Section 6** of Appendix I of this Abridged Prospectus.

### 3. RESPONSIBILITY STATEMENT

Our Board has seen and approved this Abridged Prospectus together with the accompanying NPA and RSF. They collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, they confirmed that there is no false or misleading statement or other facts which if omitted, would make any statement in the Documents false or misleading.

UOBKH, being the Principal Adviser for the Rights Issue with Warrants, acknowledges that, based on all available information and to the best of their knowledge and belief, this Abridged Prospectus constitutes a full and true disclosure of all material facts concerning the Rights Issue with Warrants.