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.

THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

If you have sold or transferred all your Destini Shares, you should at once hand this Abridged Prospectus together with the NPA and the RSF to the agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee. All enquiries concerning the Rights Issue should be addressed to our Share Registrar, Insurban Corporate Services Sdn Bhd (76260-W) at 149, Jalan Aminuddin Baki, Taman Tun Dr. Ismail, 60000 Kuala Lumpur.

A copy of this Abridged Prospectus has been registered with the SC. The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Abridged Prospectus. The SC has not, in any way, considered the merits of the securities being offered for investment. A copy of this Abridged Prospectus together with the NPA and the RSF have also been lodged with the Registrar of Companies who takes no responsibility for the contents of these documents. You are advised to note that recourse for false or misleading statements or acts made in connection with this Abridged Prospectus are directly available through Sections 248, 249 and 357 of the CMSA.

The approval from our shareholders for the Rights Issue was obtained at our EGM held on 24 May 2012. Approval from Bursa Securities has also been obtained vide its letter dated 22 September 2011 for, amongst others, the listing of and quotation for the Rights Shares on the Main Market of Bursa Securities. However, this is not an indication that Bursa Securities recommends the Rights Issue. The listing of and quotation for the Rights Shares on the Main Market of Bursa Securities are in no way reflective of the merits of the Rights Issue. The official listing of and quotation for the Rights Shares will commence after, amongst others, receipt of confirmation from Bursa Depository that all the CDS Accounts of the successful Entitled Shareholders and/ or their renouncee(s) (if applicable) have been duly credited and notices of allotment have been despatched to them.

Neither the SC nor Bursa Securities takes any responsibility for the correctness of statements made or opinions expressed in this Abridged Prospectus.

Our Directors have seen and approved all the documentation relating to this Rights Issue, including this Abridged Prospectus, together with the NPA and the RSF. They collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable inquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts which if omitted would make the statements in these documents false or misleading.

This Abridged Prospectus together with the NPA and the RSF are only despatched to our shareholders whose names appear on our Record of Depositors and have provided our Share Registrar with an address in Malaysia not later than 5.00 p.m. on 10 August 2012. This Abridged Prospectus together with the NPA and the RSF 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 complies with the laws of any countries or jurisdictions other than the laws of Malaysia. Entitled Shareholders and/ or their renouncee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal advisers and 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 would result in a contravention of any laws of such countries or jurisdictions. Neither we, OSK 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 made by the Entitled Shareholders and/ or their renouncee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in any such countries or jurisdictions.

OSK, being our Principal Adviser for this Rights Issue, 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.

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

destiniberhad

DESTINI BERHAD

(Formerly known as Satang Holdings Berhad)

(Company No. 633265-K)

(Incorporated in Malaysia under the Companies Act, 1965)

RENOUNCEABLE RIGHTS ISSUE OF 200,000,000 NEW ORDINARY SHARES OF RM0.10 EACH IN DESTINI BERHAD (FORMERLY KNOWN AS SATANG HOLDINGS BERHAD) ("DESTINI") ("DESTINI SHARE(S)") ("RIGHTS SHARE(S)") ON THE BASIS OF FIVE (5) RIGHTS SHARES FOR EVERY TWO (2) EXISTING DESTINI SHARES HELD AS AT 5.00 P.M. ON 10 AUGUST 2012 AT AN ISSUE PRICE OF RM0.10 PER RIGHTS SHARE

Principal Adviser

OSK

OSK Investment Bank Berhad (14152-V)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

IMPORTANT RELEVANT DATES AND TIME:-

Entitlement Date	:	Friday, 10 August 2012 at 5.00 p.m.
Last date and time for sale of provisional allotment of rights	:	Friday, 17 August 2012 at 5.00 p.m.
Last date and time for transfer of provisional allotment of rights	:	Friday, 24 August 2012 at 4.00 p.m.
Last date and time for acceptance and payment	:	Wednesday, 29 August 2012 at 5.00 p.m.*
Last date and time for excess application and payment	:	Wednesday, 29 August 2012 at 5.00 p.m.*

* or such later date and time as our Board may determine and announce not less than two (2) Market Days before the stipulated date and time.

This Abridged Prospectus is dated 10 August 2012

Company No. 633265-K

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.

THIS ABRIDGED PROSPECTUS HAS BEEN REGISTERED WITH THE SC. THE REGISTRATION OF THIS ABRIDGED PROSPECTUS SHOULD NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE RIGHTS ISSUE OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE OR OPINION OR REPORT EXPRESSED IN THIS ABRIDGED PROSPECTUS.

BURSA SECURITIES HAS APPROVED THE LISTING OF AND QUOTATION FOR THE RIGHTS SHARES ON THE MAIN MARKET OF BURSA SECURITIES. HOWEVER, THIS IS NOT AN INDICATION THAT BURSA SECURITIES RECOMMENDS THE RIGHTS ISSUE.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY 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.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT IN THE RIGHTS SHARES. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

YOU ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE OR MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS ABRIDGED PROSPECTUS ARE DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CMSA.

SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE RIGHTS ISSUE FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CMSA, E.G. DIRECTORS AND ADVISERS, ARE RESPONSIBLE.

DEFINITIONS

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

"Act"	:	The Companies Act, 1965
"Amendment"	:	Amendment to the Memorandum and Articles of Association of Destini resulting from the Capital Reduction
"AUD"	:	Australian Dollars
"Board"	:	The Board of Directors of Destini
"BPH Capital"	:	BPH Capital Sdn Bhd (919022-U)
"Bursa Depository"	:	Bursa Malaysia Depository Sdn Bhd (165570-W)
"Bursa Securities"	:	Bursa Malaysia Securities Berhad (635998-W)
"Capital Reduction"	:	Share capital reduction involving the reduction of the par value of every existing ordinary share of RM0.50 each in Destini to ordinary shares of RM0.10 each in Destini by the cancellation of RM0.40 of the par value
"Capitalisation"	:	Settlement of debts amounting to RM5.00 million owing to BPH Capital via the issuance of Settlement Shares
"CDS"	:	Central Depository System
"CDS Account"	:	A securities account established by Bursa Depository for a depositor pursuant to the Securities Industry (Central Depositories) Act, 1991 and the Rules of Bursa Depository for the recording of deposits of securities and for dealings in such securities by the depositor
"CMSA"	:	Capital Markets and Services Act 2007
"Corporate Exercises"	:	The Capital Reduction, the Rights Issue, the Capitalisation, the Exemption and the Amendment, collectively
"Destini" or the "Company"	:	Destini Berhad (formerly known as Satang Holdings Berhad) (633265-K)
"Destini Group" or the "Group"	:	Destini and its subsidiary companies, collectively
"Destini Share(s)" or "Share(s)"	:	Ordinary share(s) of RM0.10 each in Destini
"Director(s)"	:	The director(s) of Destini and shall have the meaning given in Section 4 of the Act
"DPSB"	:	Destini Prima Sdn Bhd (formerly known as Satang Jaya Sdn Bhd) (223732-V), a wholly-owned subsidiary of Destini
"EGM"	:	Extraordinary General Meeting
"Entitled Shareholder(s)"	:	Our shareholder(s) whose names appear in our Record of Depositors on the Entitlement Date

DEFINITIONS (CONT'D)

"Entitlement Date"	:	5.00 p.m. on 10 August 2012, being the date and time on which the names of our shareholders must appear in the Record of Depositors in order to participate in the Rights Issue
"EPS"	:	Earnings per Share
"ERM Report"	:	The enterprise risk management report dated 15 March 2011 prepared by Grant Thornton together with the review and follow up report dated December 2011
"Excess Rights Shares"	:	Rights Shares which are not taken up or not validly taken up by the Entitled Shareholders and/ or their renouncee(s) (if applicable) prior to excess application
"Exemption"	:	The exemption to Pascal and the persons acting in concert with it under Paragraph 16.1 of PN 9 of the Malaysian Code on Take-Overs and Mergers, 2010 from the obligation to undertake a mandatory general offer for all the remaining Destini Shares not already held by them which may arise pursuant to the Rights Issue
"FPE"	:	Financial period ended/ ending
"FYE"	:	Financial year ended/ ending
"Grant Thornton"	:	Grant Thornton Consulting Sdn Bhd (455582-W)
"Issue Price"	:	RM0.10 per Rights Share
"LAT"	:	Loss after taxation attributable to equity holders of Destini
"LBT"	:	Loss before taxation
"Listing Requirements"	:	Main Market Listing Requirements of Bursa Securities
"LPD"	:	25 July 2012, being the latest practicable date prior to the registration of this Abridged Prospectus
"Market Days"	:	Any day from Mondays to Fridays (inclusive of both days) which is not a public holiday and on which Bursa Securities is open for the trading of securities
"MINDEF"	:	Ministry of Defence, Government of Malaysia
"MRO"	:	Maintenance, repair and overhaul
"NA"	:	Net assets
"NPA"	:	Notice of Provisional Allotment
"OEM"	:	Original equipment manufacturer
"OSK" or the "Principal Adviser"	:	OSK Investment Bank Berhad (14152-V)
"Pascal"	:	Pascal Resources Sdn Bhd (710278-K)
"PAT"	:	Profit after taxation attributable to equity holders of Destini

DEFINITIONS (CONT'D)

"PBT"	:	Profit before taxation
"PN"	:	Practice Note
"PN17"	:	Amended PN17/ 2005 of the Main Board Listing Requirements of Bursa Securities, which came into effect on 5 May 2006
"Provisional Rights Shares"	:	Rights Shares provisionally allotted to the Entitled Shareholders
"Record of Depositors"	:	A record of depositors established by Bursa Depository under the Rules of Depository
"Rights Issue"	:	The renounceable rights issue of 200,000,000 new Destini Shares on the basis of five (5) Rights Shares for every two (2) Destini Shares held on the Entitlement Date
"Rights Share(s)"	:	200,000,000 new Destini Shares to be issued pursuant to the Rights Issue
"RM" and "sen"	:	Ringgit Malaysia and sen, respectively
"RSF"	:	Rights Subscription Form in relation to the Rights Issue
"SC"	:	Securities Commission Malaysia
"Settlement Share(s)"	:	50,000,000 new Destini Shares to be issued at an issue price of RM0.10 each pursuant to the Capitalisation
"USD"	:	United States Dollars

All references to "our Company" and "Destini" in this Abridged Prospectus are made to Destini Berhad and references to "our Group" are made to our Company and our subsidiaries. All references to "we", "us", "our" and "ourselves" are made to the Company, or where the context requires, our Group or our subsidiaries. All references to "you" in this Abridged Prospectus are made to our Entitled Shareholders.

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

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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CORPORATE DIRECTORY

BOARD OF DIRECTORS

Name	Address	Nationality	Occupation
Azhar bin Azizan @ Harun *(Chairman and Non-Independent Non-Executive Director)*	No. 23, Jalan Desa 10/4 Bandar Country Homes 48000 Rawang Selangor Darul Ehsan	Malaysian	Company Director
Dato' Rozabil @ Rozamujib bin Abdul Rahman *(Managing Director)*	11, Persiaran BLM 5 Bandar Laguna Merbok 08000 Sungai Petani Kedah Darul Aman	Malaysian	Company Director
Dr Mohamad Salmi bin Mohd Sohod *(Non-Independent Non-Executive Director)*	No. 15, Jalan 4/12G 43550 Bandar Baru Bangi Selangor Darul Ehsan	Malaysian	Company Director
Dato' Megat Fairouz Junaidi bin Tan Sri Megat Junid *(Independent Non-Executive Director)*	No. 2, SS7/3 Kelana Jaya 47300 Petaling Jaya Selangor Darul Ehsan	Malaysian	Company Director
Aznin Nur binti Ameran *(Independent Non-Executive Director)*	No. 43, Jalan Bukit Indah 3/21 Taman Bukit Indah 68000 Ampang Selangor Darul Ehsan	Malaysian	Company Director
Dato' Abdul Aziz bin Haji Sheikh Fadzir *(Independent Non-Executive Director)*	7303, Jalan Nilam 3 Taman Setia Gombak 53100 Kuala Lumpur	Malaysian	Company Director
Abdul Rahman bin Mohamed Rejab *(Independent Non-Executive Director)*	No. 19, Lorong Rupawan 7 Taman Rupawan 13200 Kepala Batas Pulau Pinang	Malaysian	Company Director

AUDIT COMMITTEE

Name	Designation	Directorship
Dato' Megat Fairouz Junaidi bin Tan Sri Megat Junid	Chairman	Independent Non-Executive Director
Aznin Nur binti Ameran	Member	Independent Non-Executive Director
Abdul Rahman bin Mohamed Rejab	Member	Independent Non-Executive Director

CORPORATE DIRECTORY (CONT'D)

COMPANY SECRETARIES	:	Tan Tong Lang (MAICSA 7045482) No. 9, Jalan Pahlawan 38/3, Section 3 Bandar Mahkota Cheras 43200 Selangor Darul Ehsan Chong Voon Wah (MAICSA 7055003) 15-8, Alam Puri 51 Jalan Kampung Batu Batu 5, Jalan Ipoh 51200 Kuala Lumpur
REGISTERED OFFICE	:	Suite 10.03, Level 10 The Gardens South Tower Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Tel: 03-2279 3080 Fax: 03-2279 3090
PRINCIPAL OFFICE	:	Lot 03, Ground Floor Bangunan Yin No. 7, Seksyen 16/11 46350 Petaling Jaya Selangor Darul Ehsan Tel: 03-7960 1928 Fax: 03-7960 1929 Email : info@destinigroup.com Website: www.destinigroup.com
SHARE REGISTRAR	:	Insurban Corporate Services Sdn Bhd (76260-W) 149, Jalan Aminuddin Baki Taman Tun Dr. Ismail 60000 Kuala Lumpur Tel: 03-7729 5529 Fax: 03-7728 5948
AUDITORS AND REPORTING ACCOUNTANTS	:	Messrs UHY (AF 1411) Suite 11.05, Level 11 The Gardens South Tower Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Tel: 03-2279 3088 Fax: 03-2279 3099
PRINCIPAL BANKER	:	Affin Bank Berhad (25046-T) Unit B-G-07 & 08, Block B No. 2, Jalan PJU1A/7A Ara Damansara 47301 Petaling Jaya Selangor Darul Ehsan Tel: 03-7847 3177 Fax: 03-7847 2677

CORPORATE DIRECTORY (CONT'D)

SOLICITORS	:	Salleh & Co Advocates and Solicitors B-4-3-1 to 5, Solaris Dutamas No. 1 Jalan Dutamas 1 50480 Kuala Lumpur Tel: 03-6205 5560 Fax: 03-6205 5561
PRINCIPAL ADVISER	:	OSK Investment Bank Berhad (14152-V) 20th Floor, Plaza OSK Jalan Ampang 50450 Kuala Lumpur Tel: 03-2333 8333 Fax: 03-2175 3217
STOCK EXCHANGE LISTED AND LISTING SOUGHT	:	Main Market of Bursa Securities

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destiniberhad

DESTINI BERHAD

(Formerly known as Satang Holdings Berhad)

(Company No. 633265-K)

(Incorporated in Malaysia under the Companies Act, 1965)

Registered Office

Suite 10.03, Level 10
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

10 August 2012

Board of Directors

Azhar bin Azizan @ Harun *(Chairman and Non-Independent Non-Executive Director)*
Dato' Rozabil @ Rozamujib bin Abdul Rahman *(Managing Director)*
Dr Mohamad Salmi bin Mohd Sohod *(Non-Independent Non-Executive Director)*
Dato' Megat Fairouz Junaidi bin Tan Sri Megat Junid *(Independent Non-Executive Director)*
Dato' Abdul Aziz bin Haji Sheikh Fadzir *(Independent Non-Executive Director)*
Aznin Nur binti Ameran *(Independent Non-Executive Director)*
Abdul Rahman bin Mohamed Rejab *(Independent Non-Executive Director)*

To: Our Entitled Shareholders

Dear Sir/ Madam,

RENOUNCEABLE RIGHTS ISSUE OF 200,000,000 RIGHTS SHARES ON THE BASIS OF FIVE (5) RIGHTS SHARES FOR EVERY TWO (2) EXISTING DESTINI SHARES HELD AS AT 5.00 P.M. ON 10 AUGUST 2012 AT AN ISSUE PRICE OF RM0.10 PER RIGHTS SHARE

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1. INTRODUCTION

On 7 May 2008, our Board had announced that our Company is an affected listed issuer pursuant to Paragraph 8.14C and PN17 of the Main Board Listing Requirements of Bursa Securities (which has been superseded by the Listing Requirements).

On 10 March 2011, OSK had, on behalf of our Board, announced that we revised our proposals announced on 30 October 2009 and 28 April 2010, and to propose to undertake the Corporate Exercises to regularise our financial condition pursuant to our PN17 classification.

On 26 September 2011, OSK had, on behalf of our Board, announced that Bursa Securities had, vide its letter dated 22 September 2011, resolved to approve the following:-

i. the Corporate Exercises;

ii. listing of and quotation for 200,000,000 new Destini Shares to be issued pursuant to the Rights Issue; and

iii. listing of and quotation for 50,000,000 new Destini Shares to be issued pursuant to the Capitalisation.

The approval of Bursa Securities for the Corporate Exercises is subject to the following conditions:-

	Conditions	Status of compliance
i.	With regards to the trade receivables of Destini Group, (a) Destini to make full provision for trade receivables that remained outstanding beyond the normal credit period granted, unless the Directors of Destini are of the opinion that the amounts are recoverable; and (b) Destini is to provide a written confirmation to Bursa Securities that Destini's trade receivables which have not been provided for as doubtful debts are recoverable;	Complied. The aforesaid confirmation letter has been submitted to Bursa Securities on 13 February 2012
ii.	Destini Group having successfully renewed its major contract with the MINDEF (KP/PERO/3/UDARA/C/12/1998/OE) for the provision of the services and/ or maintenance and supply of articles, components and spares, explosives, publications, special to type test equipment, related ground support and special tools of safety and survival equipment, and manufacture of aircrew of flying coverall for an agency related to MINDEF;	Complied. The aforesaid contract has been renewed on 27 October 2011 for a period of two (2) years up to 30 September 2013
iii.	Destini to fully disclose the findings on the key risks areas highlighted by Grant Thornton in the ERM Report, in particular those that relate to the internal control, governance and the issues highlighted in the audit investigative report dated 3 March 2011 prepared by PricewaterhouseCoopers Advisory Services Sdn Bhd ("Audit Investigative Report"), together with the steps taken/ to be taken by the Board to address these key risk areas in the circular to shareholders for the Corporate Exercises;	Complied. The findings of the key risk areas in the ERM Report together with the efforts undertaken/ to be undertaken by our Board are summarised in Section 4, Part A of the circular dated 26 April 2012 to our shareholders in relation to the Corporate Exercises
iv.	Grant Thornton to review and opine on the sufficiency of the steps taken/ to be taken to address the key risk areas highlighted in the ERM Report and Audit Investigative Report ("Key Risk Areas"). The opinion is to be provided to Bursa Securities prior to the implementation of the Corporate Exercises;	Complied. The review and follow up report dated December 2011 containing Grant Thornton's opinion on the sufficiency of the efforts undertaken/ to be undertaken had been submitted to Bursa Securities on 27 January 2012

	Conditions	Status of compliance
v.	The Board is to announce the status of the steps taken/ to be taken to address the Key Risk Areas together with the announcement of the Company's quarterly results, commencing the financial period after the completion of the Corporate Exercises, for a period of one (1) year via Bursa Link. In addition, the Company's audit committee is to provide its opinion on the sufficiency of the steps taken/ to be taken in addressing these Key Risk Areas in the same announcement;	To be complied. Further, our Company has appointed Grant Thornton for a period of one (1) year from the completion of the Corporate Exercises, to review the status of the efforts undertaken/ to be undertaken by our Board to address the Key Risk Areas for the purposes of the announcements on the quarterly results of our Company
vi.	Destini and OSK must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Corporate Exercises;	Noted
vii.	Destini and OSK to inform Bursa Securities upon completion of the Corporate Exercises; and	To be complied
viii.	Destini and OSK to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Corporate Exercises are completed.	To be complied

On 24 May 2012, our shareholders had approved the Corporate Exercises at our EGM. A certified true extract of the resolutions pertaining to the Corporate Exercises passed at the aforesaid EGM is set out in Appendix I of this Abridged Prospectus. The SC had subsequently, vide its letter dated 30 May 2012, approved the Exemption.

On 25 June 2012, OSK had, on behalf of our Board, announced that the High Court of Malaya in Kuala Lumpur had, on 5 June 2012, granted an order confirming the Capital Reduction pursuant to Section 64(1) of the Act. The advertisements as required under the aforementioned order was published in the daily newspapers distributed nationwide in both Bahasa Malaysia and English on 22 June 2012 and a copy of the sealed order has been duly lodged with the Registrar of Companies on 22 June 2012, thus being the effective date of the Capital Reduction and marking the completion of the Capital Reduction.

On 27 July 2012, OSK had, on behalf of our Board, announced, that the Entitlement Date has been fixed on 10 August 2012 at 5.00 p.m. and other relevant dates pertaining to the Rights Issue.

On 30 July 2012, OSK had, on behalf of our Board, submitted the application to Bursa Securities for the proposed upliftment of the suspension of the ordinary shares of Destini on Bursa Securities.

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 and if given or made, such information or representation must not be relied upon as having been authorised by us or OSK.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

2. DETAILS OF THE RIGHTS ISSUE

2.1 Details of the Rights Issue

In accordance with the terms of the Rights Issue as approved by the relevant authorities and our shareholders at the EGM held on 24 May 2012, and subject to the terms of this Abridged Prospectus and the accompanying documents, we shall provisionally allot 200,000,000 Rights Shares to the Entitled Shareholders on a renounceable basis of five (5) Rights Shares for every two (2) existing Destini Shares held on the Entitlement Date at the Issue Price.

In determining the entitlements of the Entitled Shareholders, any fractional entitlements of the Rights Shares will be disregarded and shall be dealt with by our Board in such manner at their absolute discretion as they may deem fit and expedient, to be in the best interest of our Company, and as such that the incidence of odd lots will be minimised.

The Rights Issue is renounceable. As such, you can subscribe for and/ or renounce your entitlements for the Rights Shares in full or in part. Any unsubscribed Rights Shares will be made available to the other Entitled Shareholders and/ or their renouncee(s) (if applicable) under the Excess Rights Shares application. It is the intention of our Board to allocate the Excess Rights Shares, if any, in a fair and equitable manner, and on a basis as set out in Section 10.8 of this Abridged Prospectus.

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

Any dealings in our securities will be subject to the provisions of the Securities Industry (Central Depositories) Act, 1991, the Rules of Bursa Depository and any other relevant legislation. Accordingly, the Rights Shares to be issued and allotted will be credited directly into the respective CDS Accounts of the successful applicants. No physical share certificates will be issued. The notices of allotment will be despatched to the successful applicants within eight (8) Market Days from the last date for acceptance of and payment for the Rights Shares.

The Rights Shares, together with the Settlement Shares pursuant to the Capitalisation will then be quoted on the Main Market of Bursa Securities two (2) Market Days after the application for quotation is made to Bursa Securities.

2.2 Basis and justification of determining the Issue Price

The Issue Price has been fixed by our Board at RM0.10 per Rights Share based on the par value of Destini Shares of RM0.10 each after the Capital Reduction.

The Issue Price represents a discount of approximately 28.57% to the theoretical ex-rights price of RM0.14 based on the five (5)-day weighted average market price of the ordinary shares of Destini up to 10 July 2009 of RM0.25, being the last trading date prior to the suspension of the ordinary shares of Destini on 13 July 2009.

2.3 Ranking of the Rights Shares

The Rights Shares to be issued shall, upon allotment and issuance, rank *pari passu* in all respects with the existing Destini Shares, save and except that the Right Shares will not be entitled to any dividends, rights, allotments and/ or any other distributions unless the allotment and issuance of the Rights Shares were made on or prior to the entitlement date of such dividends, rights, allotments and/ or any other distributions.

2.4 Details of other corporate exercises

Save as disclosed below and the Rights Issue, as at the LPD, we do not have any other corporate exercises which have been approved by the regulatory authorities but not yet completed:-

i. Capitalisation, which involves the settlement of debts amounting to RM5.00 million owing to BPH Capital via the issuance of Settlement Shares at RM0.10 per Settlement Share. The Capitalisation is being implemented concurrently with the Rights Issue. For the avoidance of doubt, the holder of the Settlement Shares is not entitled to the Rights Shares; and

ii. Disposal by DPSB of all that piece of property held under Lot No. 31487, Title No. PM 272, Mukim of Kapar, Tempat of Bukit Raja District of Klang, State of Selangor Darul Ehsan measuring approximately 223 square metres together with the two (2) storey terrace factory erected thereon bearing the postal address of No. 29, Jalan Tiara 5, Bandar Baru Klang, 41150 Klang, Selangor Darul Ehsan to Lim Cheng Ten, Ismail Bin Abdul Hassan, Ooi Say Hak and Teh Hock Hai for a total cash consideration of RM930,000.

3. RATIONALE AND JUSTIFICATIONS FOR THE RIGHTS ISSUE

After due consideration of the various funding options available to us, our Board is of the view that the Rights Issue is the most appropriate avenue of fund raising for our Group as the Rights Issue will:-

i. Enable us to raise funds without incurring additional interest cost as compared to bank borrowings. The funds raised will be utilised to part repay our trade creditors and to fund our Group's working capital requirements;

ii. Allow our Group to recapitalise its shareholders' equity base in view of its audited accumulated losses as at 31 December 2011, which amounted to RM27.60 million before the Capital Reduction and nil after the Capital Reduction. Further, the shareholders' equity of our Group shall be increased from RM15.65 million to RM34.40 million upon completion of the Rights Issue; and

iii. Provide our shareholders with an opportunity to further increase their equity participation in our Company via the issuance of new Destini Shares without diluting the existing shareholders' interest, assuming that all Entitled Shareholders subscribe fully for their respective entitlements.

In addition, the Rights Issue which forms part of our Corporate Exercises, is undertaken as part of our regularisation plan pursuant to the PN17 classification. The completion of the Corporate Exercises is expected to assist in our turnaround and enable our Group to be uplifted from the PN17 classification. For further information on the risk factors in relation to PN17 classification, please refer to Section 6.3 of this Abridged Prospectus.

4. UTILISATION OF PROCEEDS

Based on the Issue Price, the Rights Issue is expected to raise gross proceeds of RM20.00 million, which is earmarked to be utilised in the manner set out below:-

Details of utilisation	Estimated timeframe for utilisation of proceeds	RM'000
Repayment to trade creditors*1	Within 12 months	7,000
Working capital*2	Within 24 months	11,750
Estimated expenses in relation to the Corporate Exercises*3	Within 1 month	1,250
Total		20,000

Notes:-

*1 *As at the LPD, the amount outstanding to trade creditors is approximately RM9.56 million. The proceeds of RM7.00 million is earmarked to partially repay the trade creditors of our Group while the remaining outstanding amount owing to trade creditors will continually and progressively be repaid through our internally generated funds*

*2 *The working capital portion will be utilised to finance the day-to-day operations of our Group and is estimated to be utilised in the following manner:-*

	RM'000
Purchase of materials/ spare parts	*11,000*
Administration expenses (including, amongst others, rental, utilities and marketing expenses)	*750*
Total	***11,750***

Our Group requires additional working capital mainly to finance the purchase of materials/ spare parts in line with our projected growth in MRO services. Our Board is of the opinion that the proceeds from the Rights Issue which will be channelled towards the purchase of materials/ spare parts will enhance our ability and turnaround time to meet our clients' demands and orders and contribute positively to the future earnings of our Group

*3 *The breakdown of the estimated expenses in relation to the Corporate Exercises are set out below:-*

	RM'000
Professional fees (including fees for principal adviser, reporting accountants and solicitors)	*1,070*
Regulatory fees	*80*
Miscellaneous expenses (including printing and advertising costs)	*100*
Total	***1,250***

In the event of an excess/ deficit in the actual quantum of expenses in relation to the Corporate Exercises, such amount will be adjusted accordingly against the amount allocated for working capital purposes

The above breakdown is merely indicative at this juncture and may be subject to changes depending on the operating requirements of our Group at the time of utilisation of proceeds.

Pending the utilisation of proceeds from the Rights Issue for the above purposes, the proceeds will be deposited with financial institutions or short-term money market instruments. The interest derived from the deposits with financial institutions or any gains arising from the short-term money market instruments will be used as additional working capital of our Group.

5. SHAREHOLDER'S UNDERTAKING AND UNDERWRITING ARRANGEMENTS

The Rights Issue will be undertaken based on a maximum subscription level basis. Pascal, a major shareholder of our Company had, on 31 January 2012, provided its irrevocable undertaking to subscribe for its entitlement of the Rights Shares ("Pascal Undertaking") as well as an irrevocable undertaking to fully subscribe the renounced entitlements of the Rights Shares (if any) not subscribed by the other Entitled Shareholders and/ or their renouncee(s) ("Additional Undertaking"). As Pascal is providing the Pascal Undertaking and Additional Undertaking, an underwriting arrangement is not required for the Rights Issue.

The undertaking arrangements are set out below:-

Shareholder	No. of Destini Shares held as at LPD	%*1	<----------------No. of Rights Shares to be subscribed--------------> Pascal Undertaking	%*3	Additional Undertaking	%*3	Total	%*3
Pascal	21,481,300	26.85	53,703,250	26.85	146,296,750*2	73.15	200,000,000	100.00

Notes:-

*1 *Percentage calculated based on the issued and paid-up capital of Destini as at the LPD*

*2 *The Additional Undertaking will result in Pascal triggering the Malaysian Code on Take-Overs and Mergers, 2010 as its maximum commitment of up to 200,000,000 Rights Shares pursuant to the letter of undertaking will increase Pascal's stake in Destini to approximately 67.12% after the Corporate Exercises. In this respect, SC had vide its letter dated 30 May 2012 approved the exemption to Pascal and the persons acting in concert with it under Paragraph 16.1 of the Malaysian Code on Take-Overs and Mergers, 2010 from the obligation to undertake a mandatory general offer for all the remaining Destini Shares not already held by them pursuant to the Rights Issue*

*3 *The percentage is calculated based on the number of Rights Shares available for subscription totalling up to 200,000,000 Rights Shares*

Further, based on the enlarged issued and paid-up share capital of Destini after the Corporate Exercises totalling 330,000,000 Destini Shares, the maximum percentage of Rights Shares to be subscribed by Pascal pursuant to the undertakings is approximately 60.60%, resulting in Pascal's maximum shareholdings in Destini of approximately 67.12% upon completion of the Corporate Exercises

Pascal had, on 31 January 2012, provided its confirmation that it has sufficient financial resources to take up the entitlements based on the Pascal Undertaking and Additional Undertaking. The said confirmation has been verified by OSK, the Principal Adviser for the Rights Issue.

6. RISK FACTORS

You and/ or your renouncee(s) (if applicable) should consider carefully, in addition to other information contained elsewhere in this Abridged Prospectus, the following risk factors (which may not be exhaustive) which may have an impact on the future performance of our Group before subscribing for or investing in the Rights Issue.

6.1 Risks relating to our operations and the industry we operate in

6.1.1 Industry, business and operation risks

Our Group is principally involved in the provision of MRO services for safety, survival and rescue equipment for the defence, commercial aviation and marine industries as well as the trading of its related accessories, contract management and consultant to OEMs.

In addition, our Group's business is subject to certain risks inherent in the MRO industry which may include, amongst others, shortage in skilled workforce including engineers or technical personnel, increase in cost of labour and cost of operations, availability of supply of materials and increase in cost of materials, changes in customers' requirements affecting material, schedule or cost, changes in government policies affecting the industries and changes in general economic, business and credit conditions.

Our Group seeks to mitigate or limit these risks through our managements' continued efforts in employing skilled engineers or technical personnel, implementing prudent business strategies, carrying out continuous review of its operations and maintaining good relationships with our current suppliers and OEMs. Nevertheless, there can be no assurance that any changes to these risks would not have a material adverse impact on our Group's business.

6.1.2 Credit risks

Based on the latest audited financial statements for the 15-month FPE 31 December 2011, our Group had provided for doubtful debts for trade and other receivables amounting to RM1.96 million as compared to RM9.64 million provided for in the previous FYE 30 September 2010. For the 15-month FPE 31 December 2011, our Group had also written off bad debts amounting to RM8.95 million, which were previously provided for in the FYE 30 September 2010.

Trade receivables not collected may result in shortage of working capital for our Group's operations while provisions for doubtful debts may affect our Group's financial performance. Our management generally grants our Group's customers credit terms between 30 days and 180 days while other extended credit terms are assessed and approved on a case-by-case basis based on the creditworthiness of the customer, subject to the approval of the internal credit committee. In order to assess the creditworthiness of our Group's existing, new and potential customers, our management undertakes regular credit analysis and evaluation assessments on the customers. For existing customers, our management continually maintains close contact with them, thereby allowing our management to be in a better position to notice any changes that may have an impact on their credit position and thus affect their ability to make payment for our services and products.

Our Group has an internal credit control department, which prepares the status of customers' receivables staggered on one (1) to 12 months ageing basis. Further, our Group's current policy for provision for doubtful debts is to make full provision for amounts with ageing periods exceeding 12 months for government related debtors and ageing periods exceeding the normal credit period granted of 180 days for debtors from the private sector.

The ERM Report had highlighted that there was an ineffective management of receivables in our Group. At present, our Board has appointed an independent external financial consultant to conduct verification of the debtors listing, recoverability of debts and to review the debtors' ageing, amongst others. Their services are required and performed on an as and when needed basis. In addition, our respective heads of Strategic Business Units had implemented the issuance of monthly reporting on their productivity and debt collection to the senior management to actively monitor these debts. Our Board had also introduced and enforced late charges by charging interest of 8% per annum for all outstanding amounts for all new contracts/ commercial transactions entered into.

With our new Directors and management in place, our management has increased its efforts in reducing credit risks such as active monitoring of these debts, in particular to remind the customers for payment immediately prior to the debts being due as well as overdue customer accounts, and to take reasonable efforts to ascertain that proper action had been taken in relation to the writing off of bad debts and adequate provision for doubtful debts.

Nevertheless, there is no assurance that all debts would be collected. Our Group's financial performance could be adversely affected in the event of write-offs and/ or provisions for doubtful debts. However, our Directors are confident that the outstanding debts which have not been provided for, are recoverable.

6.1.3 Dependency on major customer

Our Group has been appointed by MINDEF as one of the contractors in the "Contractorisation" programme since 1999, wherein our Group provides MRO services for safety, survival and rescue equipment and its related accessories for a Malaysian government related agency under MINDEF. Our Group is therefore reliant on the said agency under MINDEF. Due to the "Contractorisation" programme, our Group's major customer under the MINDEF had contributed 73.4% to our Group's total revenue for the 15-month FPE 31 December 2011. Further details on our involvement in the "Contractorisation" programme are elaborated in Section 1 of Appendix II of this Abridged Prospectus. Other customers of our Group include agencies related to MINDEF and various local organisations mainly in the private and commercial sector.

Notwithstanding the above, our Group has existing contracts with the said Malaysian government related agency under MINDEF which are normally for minimum periods of three (3) years with options of renewal. In this respect, on 27 October 2011, our Group's major contract for the MINDEF has also been extended for a further two (2) years up to 30 September 2013.

While our Group has maintained more than 14 years relationship with MINDEF, there can be no assurance that the dependency on our Group's major customer will not have any adverse impact on our business. Our Group mitigates this risk factor by continuously maintaining a close business relationship with the said agency related to MINDEF, as well as other current customers. Moving forward, our Group intends to be less dependent on MINDEF with plans for expansion of our customer base to include more organisations from the private and commercial sector. Further details on the expansion plan of our Group are elaborated in Section 7.3 of this Abridged Prospectus.

6.1.4 Rapid over-expansion/ rapid development of technological change

The markets for our Group's products and services are characterised by technological developments, evolving industry standards, changes in customer requirements, suppliers' and OEMs' standards and requirements and future enhancements in parts and products. Our Group's future depends substantially upon our ability to address the needs of our customers and by meeting the standards set by the authorities, customers, suppliers and OEMs.

If our Group is unable to continuously improve our services and expertise in safety, survival and rescue equipment for the defence, aerospace and maritime industries on a timely and cost effective basis, or if one (1) or more of our Group's competitors are able to provide better services that address customer needs or for any reason gain market share, our Group's business, operating results and financial condition would be adversely affected.

In order to mitigate such risk, our Group collaborates with some of our suppliers and OEMs to continuously improve our services and expertise in safety, survival and rescue equipment for the defence, aerospace and maritime industries.

6.1.5 Dependency on major licenses and certifications

Our Group's licenses and certifications are important to our business operations. The certifications obtained from the relevant bodies, such as Department of Civil Aviation Malaysia, Royal Malaysian Air Force and Ministry of Finance, and the OEMs enable our Group to provide the current range of MRO services for the safety, survival and rescue equipment. Some of these licenses and certifications are subject to periodic inspection, changes and/ or fulfillment of certain conditions imposed by the relevant authorities. Failure to comply with the conditions imposed by the relevant authorities may cause our Group's licenses and certifications to be revoked or not renewed. Revocation or non-renewal of the licenses and certifications may have an adverse effect on our Group's operations, business and reputation as our Group may lose certain customers and/ or contracts. This may result in substantial monetary losses, which would materially and adversely impact our Group's profitability.

There can also be no assurance that the above licenses 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 licenses and certifications. Further, in order to mitigate or limit such risks, our Group has recently appointed the Head of Legal and Corporate Affairs department of Destini, of which her role amongst others, are to ensure compliance with the relevant laws, as well as the rules and regulations of the relevant authorities. Our management will also monitor our Group's conduct in respect of the requirements of the licenses and certifications on a regular basis to ensure that the said requirements of the relevant authorities are complied with.

6.1.6 Dependency on key personnel

Our Group's success will depend to a certain extent, on the abilities, skills, experience, competency and continued efforts of our existing Directors and key management. The loss of any of these individuals may affect our business operations. Our key management, including our new Directors and new key management, has contributed positively in strategising the business, leading the daily operations and sales and marketing of our business. Our key management also has the relevant experience which has been instrumental in the growth of our business.

Recognising the importance of our personnel, we will continuously adopt appropriate approaches to retain our key personnel. To avoid over dependence on any key personnel, we strive to attract qualified and experienced personnel with the assistance of our Group's renewed image, as well as to address our succession planning programme by grooming the junior personnel to complement our management team. This will in turn help to ensure continuity and competency of our management team.

In addition, this risk in relation to our new Directors is further mitigated as our Managing Director, Dato' Rozabil @ Rozamujib bin Abdul Rahman and one of our Independent Non-Executive Director, Dato' Abdul Aziz bin Haji Sheikh will indirectly hold 15.15% of the enlarged issued and paid-up share capital of our Company, respectively, by virtue of their shareholdings in BPH Capital upon completion of the Capitalisation.

6.1.7 Foreign Exchange Risks

Our Group is exposed to foreign exchange risks on purchases that are denominated in foreign currencies, which represented approximately 36.18% of our total purchases for the 15-month FPE 31 December 2011. These business transactions include purchases of parts and equipments from overseas markets, which are transacted in Pound Sterling, USD, Swedish Krona and Singapore Dollar.

Based on our audited 15-month FPE 31 December 2011, we recorded a gain on foreign exchange amounting to RM0.25 million. Our exposure to foreign exchange fluctuations is mitigated as our imported purchases are mainly paid on cash terms. To further mitigate such exposure, we set the selling prices of our products after considering, amongst others, the foreign exchange rates used when purchasing the raw materials to meet our sale orders, and the prevailing exchange rates at the point of sale.

However, there can be no assurance that any future material fluctuations in exchange rates will not adversely impact our Group's financial performance.

6.1.8 Investment activities risks

Our Group may invest in new ventures or activities in order to increase our revenue base and ultimately to enhance our shareholders' value. As such, there is a potential risk that these new investments may have longer than expected gestation periods or may not be entirely successful. In this event, our Group may take time to recover or be unable to recover our initial investments. In addition, new ventures may cause our Group to seek additional capital, which may or may not be available on satisfactory terms. Funding requirements for new ventures, if any, shall be met by using our internally generated funds or external sources such as bank borrowings or raising equity capital, as our Board may deem suitable and depending on the scale of the funding required.

For future business ventures of which our Group does not have any existing market presence and expertise, our Group may also be subjected to competition from existing market players in those markets. In such an event, our Group will employ the necessary expertise and strive to provide reliable and quality services and products to ensure our competitiveness in capturing market share and garnering market acceptance. However, there can be no assurance that our Group would be able to create and sustain our competitiveness against the current and future competitors.

The ERM Report had highlighted that poor investment decisions were previously made by our Group. As such, our Board had established an Investment Committee comprising of our Group Managing Director, Non-Executive Director, Chief Financial Officer and Head of Legal and Corporate Affairs department, which is responsible to initiate and monitor all investment portfolios of our Group, and to prepare the financial forecast and business plan of our Group.

In order to mitigate the investment activities risk, our management will exercise due care in the evaluation of such ventures in the future. Nevertheless, there can be no assurance that such ventures will yield positive returns to our Group.

6.1.9 Economic, political and regulatory risks

Our financial and business prospects are subject to the economic, political and regulatory front in Malaysia and/ or other countries which we have business relationships with. Any adverse development in the conditions in these areas in and outside Malaysia which are beyond our control could materially and adversely affect our Group's financial performance and operations. Such economic, political and regulatory uncertainties include, but are not limited to, global economic slowdown, war, riots, and unfavourable changes in political leadership and government policies relating to interest rates, taxation, and currency exchange controls.

Whilst we are not aware of any non-compliance of the existing laws and regulations, there is no assurance that such laws and regulations will not be amended or new laws and regulations will not be introduced. In the event that our Group's business is unable to comply with these requirements, we may encounter difficulties and constraints in our business operations. Any changes in or introduction of new laws and regulations that require compliance by our Group's business may increase our cost of operations, all of which may affect the business and financial performance of our Group.

6.1.10 Cyclical risks

The defence, aerospace and maritime industries are dependent on the economic conditions of the country. Nevertheless, the requirement of a national defence policy is mainly to protect the sovereignty of the country, its exclusive economic zone and its strategic maritime and air space routes, which is not expected to be compromised.

The cyclical risk for our Group is mitigated as our Group provides servicing and maintenance of safety, survival and rescue equipment for the aerospace and maritime industry, which is pertinent to increase the survival rate of users during accidents/ mishaps. As such, our Group shall be able to maintain a sustainable stream of income and mitigate the cyclical risk with our contracts secured. As part of our business strategy, our Group continuously reviews our development strategies in response to the ever-changing economic conditions and market demands.

Nevertheless, there can be no assurance that any change to these factors would not have any material adverse impact on the Group's business.

6.2 Risks relating to the Rights Issue

6.2.1 Market price of the Rights Shares

The market price of our Shares is influenced by, amongst others, the prevailing equity market sentiments, the volatility of equity markets, the liquidity of our Shares, the outlook of the industry in which we operate in and future profitability of our Group. There is no assurance that the Rights Shares will trade at or above the issue price of the Rights Shares or the theoretical ex-rights price of our Shares upon or subsequent to the listing of and quotation for the Rights Shares on the Main Market of Bursa Securities. There is also no assurance that the market price of our Rights Shares will trade at a level that meets the investment objectives of any subscriber for the Rights Shares.

6.2.2 Delay in or abortion of the Rights Issue

The Rights Issue is exposed to the risk that it may be aborted or delayed on the occurrence of any one (1) or more of the following events:-

i. Material adverse change of events/ circumstances, which are beyond the control of our Company and OSK, arising prior to or during the implementation of the Rights Issue;

ii. Pascal, who has given its irrevocable undertakings to subscribe for its entitlement of the Rights Shares and to fully subscribe the renounced entitlements of the Rights Shares (if any) not subscribed by the other Entitled Shareholders, as set out in Section 5 of this Abridged Prospectus, may not fulfil or be able to fulfil its obligations; and

iii. We are unable to meet the public spread requirement of the Listing Requirements, i.e. at least 25% of our issued and paid-up capital must be held by public shareholders holding not less than 100 Shares each.

Nevertheless, our Group will endeavour to ensure the successful listing of the Rights Shares. However, there can be no assurance that the abovementioned events will not cause a delay in or the Rights Issue being aborted. In the event the Rights Issue is aborted, our Group will repay without interest all monies received in respect of the accepted application for the subscription of the Rights Shares pursuant to the Rights Issue.

6.3 Risks relating to the PN17 classification

Our regularisation plan, including the Corporate Exercises, were approved by Bursa Securities vide its letter dated 22 September 2011. However, Bursa Securities shall only consider to uplift our Company's PN17 classification after our Company has complied with the requirements under Paragraph 8.04 and PN17 of the Listing Requirements.

In accordance with Paragraph 8.04(8) of the Listing Requirements, in order for us to be removed from a PN17 classification, we must complete the implementation of our regularisation plan, and submit an application to Bursa Securities to demonstrate that our Company is no longer a PN17 company, together with all the necessary documentary evidence. In addition, pursuant to Paragraph 5.2 of PN17 of the Listing Requirements, as our Company is undertaking a regularisation plan which will not result in a significant change in the business direction or policy of our Company, we must, amongst others, record a net profit in two (2) consecutive quarterly results immediately after the completion of the implementation of the regularisation plan.

Our Company is expected to complete the implementation of the Corporate Exercises by the third (3rd) quarter of 2012. However, in the event that we are unable to record a net profit in two (2) consecutive quarterly results immediately after the completion of our regularisation plan, there is a risk that our Company will continue to be classified under PN17 and/ or Bursa Securities may suspend the trading of our Shares and de-list our Shares from the Official List (subject to our right to appeal against de-listing).

Further, in accordance with Paragraph 8.04(9) of the Listing Requirements, if our Company triggers any one (1) or more of the prescribed criteria in PN17 of the Listing Requirements within three (3) years after the upliftment of our PN17 classification (subject to Bursa Securities' decision), our Company must undertake a regularisation plan which will result in a significant change in our Group's business direction or policy and submit the plan to the SC for approval.

There is no assurance that our Company will not trigger any one (1) or more of the prescribed criteria in PN17 of the Listing Requirements within three (3) years after the upliftment of our PN17 classification. However, for the latest audited 15-month FPE 31 December 2011, our Group recorded a PAT of RM5.62 million (inclusive of a one-off gross gain amounting to RM3.00 million following the completion of disposal of land in May 2011) while we recorded a PAT of RM1.44 million for the latest unaudited three (3)-month FPE 31 March 2012. Our Board expects our business prospects and financial performance to improve further, with our new management's continuous efforts to diversify revenue sources, rationalise costs, and improve on our internal control system, amongst others.

6.4 Forward-looking statements

Certain statements in this Abridged Prospectus are based on historical information which may not be reflective of the future results, whilst 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 forecasts and 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. 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

For 2012, gross domestic product ("GDP") growth in Malaysia will be largely domestic driven, due to heightened uncertainties in the global economy. While the outlook for 2012 is affected by the increasingly adverse external environment, strong economic fundamentals coupled with pragmatic macroeconomic policies and implementation of the Economic Transformation Programme ("ETP") will enhance domestic sources of growth. Domestic demand, in particular private sector expenditure is expected to play a more significant role in driving economic expansion in 2012. The public sector will remain supportive of growth with higher capital spending by non-financial public enterprises ("NFPEs"). The government will continue to provide an enabling environment to facilitate private investment by implementing key initiatives under the National Key Result Areas and National Key Economic Areas ("NKEAs").

On the external front, increased domestic demand in the region and steady intra-regional trade will provide support for Malaysia's exports. Hence, Malaysia's real GDP growth is expected to be sustained at 5% to 6% in 2012. The projection takes into consideration a modest world economic growth with sustained strong expansion in intra-regional trade, improvement in the electrical and electronics ("E&E") exports and firm commodity prices.

On the supply side, growth is expected to be broad-based. A turnaround is projected for the mining sector with the anticipated normalisation of production in 2012. A strong performance is projected for the construction sector supported by the commencement of large infrastructure projects, particularly the Sungai Buloh-Kajang MY Rapid Transit line and River of Life projects. The manufacturing sector is expected to grow supported by strong domestic-oriented industries and improvement in the global personal computer market. The services sector is expected to sustain its growth momentum supported by strong domestic economic activities and steady regional trade. Growth in the agriculture sector will be supported by increased output of palm oil and rubber as well as high-growth segments such as ornamental fish, bird nests and herbal products.

On the demand side, growth in private consumption is expected to be broad-based with a strong expansion of 7.1% in 2012. Growth is premised on steady consumer confidence with stable employment outlook as well as higher household income. Firm prices of commodities will spur rural household spending. In addition, the civil service reform programme with improved remuneration scheme will lead to higher disposable income of civil servants and have a significant multiplier effect on the economy.

Given the encouraging economic prospect, nominal gross national income per capita is expected to rise 7.4% to RM30,856. In terms of purchasing power parity, per capita income is expected to increase 5.5% to reach USD17,445.

(Source: Ministry of Finance Malaysia (2011). Economic Report 2011/ 2012. Chapter 3: Economic Performance and Prospects)

Global economic growth expanded at a slower pace in the first quarter of 2012. While growth in the United States of America improved, several European economies slipped into recession. In Asia, economic activity continued to expand, albeit at a moderate pace due to the slower export growth during the quarter. Domestic demand continued to provide support to economic activity. Notwithstanding the challenging external environment, growth of the Malaysian economy was sustained at 4.7%. Domestic demand remained firm, supported by both private and public sector economic activity, while exports moderated amid weaker external demand. On the supply side, growth in most major economic sectors moderated in the first quarter, as the more modest growth in export-oriented activity more than offset the sustained growth in domestic-oriented activity.

Domestic demand remained resilient, increasing by 9.6%. Growth of private consumption remained strong at 7.4%, supported mainly by continued income expansion and stable labour market conditions and reinforced by high commodity prices, improved consumer sentiments, and the disbursement of the income support programmes. Public consumption grew by 5.9% amid continued expansion in spending on emoluments and supplies and services. Gross fixed capital formation increased at a faster pace of 16.1%, supported by capital spending by both the private and public sectors. Private investment expanded strongly, supported by the implementation of investment projects, particularly in the oil and gas sector. For public investment, the Federal Government's development expenditure was mainly channeled into the trade and industry, and public utilities sectors, while capital spending by the NFPEs was channeled mainly into the transportation and mining sectors.

On the supply side, both the services and manufacturing sectors moderated further in the first quarter, reflecting the more modest growth in trade-related activity and continued expansion in domestic-related activity. Growth in the construction sector strengthened further, supported by the implementation of civil engineering projects and development of residential projects. The agriculture sector moderated on account of slower production of crude palm oil and rubber, while the mining output turned around to record a marginal growth.

(Source: Central Bank of Malaysia (2012). Quarterly Economic Bulletin, First Quarter 2012)

7.2 Overview and outlook of the MRO services industry

According to the Malaysian Budget 2011, in line with the increasing demand for repair and maintenance of aircraft and helicopters, the government of Malaysia will promote the development of the business services industry. The Sultan Abdul Aziz Shah Airport, Subang will be developed as a centre for maintenance and overhaul of aircrafts as well as provide specific training to develop experts in this field. The government of Malaysia will allocate a sum of RM91 million for capacity building in the MRO services industry, aerospace and aeronautical engineering training programmes as well as promotion of business outsourcing services.

(Source: Budget 2011 Speech, by Dato' Sri Mohd Najib bin Tun Haji Abdul Razak, Prime Minister of Malaysia on 15 October 2010)

According to the ETP, the gross national income of the business services sector is aimed to grow from RM19.5 billion in 2009 to RM78.7 billion in 2020, a total which includes Entry Point Projects ("EPPs"), business opportunities and a sector multiplier effect.

The EPPs are categorised to accelerate the growth of differentiated sectors in which Malaysia has enjoyed a degree of success and in which we have the potential to be globally competitive. One of the EPPs is to grow aviation MRO services, led by Malaysian Airline System Berhad ("MAS") Aerospace Engineering ("MAE"). The aspiration is to establish MAE as the anchor MRO provider in Malaysia, and in doing so, develop Malaysia into a regional MRO hub. The global aviation MRO services industry is projected to grow at a compound annual growth rate of 4.4% from 2009 to 2019, and is forecast to be worth RM208 billion in 2019.

(Source: Performance Management and Delivery Unit (PEMANDU), Prime Minister's Department (2010). Economic Transformation Programme: A Roadmap for Malaysia. Chapter 12: Driving High-Income Growth Through Business Services)

7.3 Future prospects of our Group

Our Group is principally involved in the provision of MRO services for safety, survival and rescue equipment for the defence, commercial aviation and marine industries as well as the trading of its related accessories, contract management and consultant to OEMs.

Whilst government-related businesses will remain as our Group's main stream of income in the immediate future, we plan to leverage on our existing core expertise and capabilities to grow our revenue contributions from the commercial segment for both aviation and marine industries. To accelerate growth and diversify our Group's income base, our Group is looking to grow its commercial segment clientele both locally and abroad, by offering a wider range of solutions and strengthening ties with OEM principals. In addition, we are looking at exploring business opportunities with the larger commercial airlines and have started to provide MRO services to a commercial airline since 2011.

Our subsidiary, DPSB is in the midst of obtaining European Aviation Safety Agency and Federal Aviation Administration certificates in order to service international commercial airlines. These are the two (2) regulators that set the standard for the air-worthiness of all civilian aircrafts.

We hope to reinforce our position as the key provider for testing, maintenance and supply of parts for aircraft safety and emergency survival equipment to military/ state registered aviation sector for the Malaysian government related agencies and the commercial aviation sector in Malaysia. Our aim is to be a one-stop centre for the supply of defence and commercial aviation and marine equipment and accessories, contract management and consultant to OEMs. Our Group's future strategies are to build on our market niche as a specialist in services and maintenance solutions for all types of aircrafts (armed forces and commercial) particularly in safety, survival and rescue equipment.

Moreover, DPSB had vide a letter dated 27 October 2011, successfully renewed its major contract valued at RM562.50 million for the provision of the services and/ or maintenance, supply, storing and management of articles, components and spares, explosives, publications, special to type test equipment, related ground support and special tools of safety and survival equipment in respect of aircrew flying coverall for a Malaysian government related agency under MINDEF for a period of two (2) years up to 30 September 2013. The said contract was an improvement as DPSB obtained better man-hour rate for the servicing of ejection seats. DPSB had also, on 21 February 2011, accepted a letter of award for the provision of supply of spare parts and MRO of life raft and life jacket for another Malaysian government related agency under MINDEF for a contract sum of RM8.0 million for a period of three (3) years.

In terms of the financial position of our Group, we have managed to reduce our gearing level following the completion of the disposal of land in May 2011 as part of the proceeds arising therefrom was utilised to fully repay the bank borrowings (excluding hire purchase) of our Group. The financial condition of our Group is expected to further improve with the undertaking of the Corporate Exercises. In particular, with the proceeds to be derived from the Rights Issue, the cash flow of our Group is expected to improve. This in turn is expected to enable our Group to secure jobs which require upfront payments of performance bonds, as well as to reduce our reliance on bank financing facilities, amongst others.

8. FINANCIAL EFFECTS OF THE RIGHTS ISSUE

8.1 Issued and paid-up share capital

The proforma effects of the Rights Issue on our issued and paid-up share capital as at the LPD are set out below:-

	No. of Shares	Par value RM	RM
Existing issued and paid-up share capital	80,000,000	0.10	8,000,000
Shares to be issued pursuant to the Rights Issue	200,000,000	0.10	20,000,000
	280,000,000	0.10	28,000,000
Shares to be issued pursuant to the Capitalisation	50,000,000	0.10	5,000,000
Enlarged issued and paid-up share capital	**330,000,000**	**0.10**	**33,000,000**

8.2 NA and gearing

Based on the latest audited consolidated financial statements of our Group for the 15-month FPE 31 December 2011, the proforma effects of the Rights Issue on the consolidated NA per Share and gearing of our Group are set out below:-

	Audited as at 31 December 2011 RM'000	I After the Capital Reduction RM'000	II After I and the Rights Issue RM'000	III After II and the Capitalisation RM'000
Share capital	40,000	8,000	28,000	33,000
Share premium	3,076	3,076	1,826*1	1,826
Asset revaluation reserves	175	175	175	175
Capital reserve	-	4,398	4,398	4,398
Accumulated losses	(27,602)	-	-	-
Shareholders' equity/ NA	**15,649**	**15,649**	**34,399**	**39,399**
No. of shares in issue ('000)	80,000	80,000	280,000	330,000
Par value (RM)	0.50	0.10	0.10	0.10
NA per share (RM)	0.20	0.20	0.12	0.12
Borrowings (interest-bearing) (RM'000)	387	387	387	387
Gearing (times)	0.02	0.02	0.01	0.01

Note:-

*1 *After deducting estimated expenses of RM1.25 million for the Corporate Exercises*

Please refer to Appendix III of this Abridged Prospectus for further details on the Reporting Accountants' letter on the proforma consolidated statements of financial position of our Group as at 31 December 2011 together with the notes.

8.3 Earnings and EPS

The Rights Issue is not expected to have a material effect on the earnings of our Group for the FYE 31 December 2012.

However, the EPS of our Group for the FYE 31 December 2012 is expected to be diluted as a result of the increase in the number of Destini Shares in issue upon completion of the Rights Issue and Capitalisation.

Nevertheless, the Rights Issue is expected to contribute positively to the future earnings of our Group when the benefits of the utilisation of proceeds are realised. As our Group's operations are currently limited in terms of cashflow, the proceeds from the Rights Issue, which shall mainly be used to finance the working capital requirements of our Group, will enable our Group to further pursue orders and/ or contracts otherwise limited by our current cashflow, hence increasing our Group's future earnings potential.

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

9.1 Working capital

Our Board is of the opinion that, after taking into consideration our cash flow generated from our operations, current cash in hand and banking facilities available as well as proceeds from the Rights Issue, our Group will have sufficient working capital for the next 12 months from the date of this Abridged Prospectus.

9.2 Borrowings

As at the LPD, our Group has total outstanding borrowings of approximately RM0.58 million. All the borrowings are interest-bearing and comprise the following:-

	RM'000
Short term borrowings:-	
Hire purchase liabilities	80
Long term borrowings:-	
Hire purchase liabilities	500
Total	**580**

To the best knowledge and belief of our Board, there has been no default on payments of either interest and/ or principal sums in respect of any borrowings for the past 15-month FPE 31 December 2011, and the subsequent financial period up to the LPD.

9.3 Contingent liabilities

Save as disclosed below, as at the LPD, our Board is not aware of any 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:-

	RM'000
Corporate guarantees given to licensed banks for credit facilities granted to subsidiary companies [*1]	3,000
Secured banker's guarantees in favour of the local authorities for the purpose of development projects	3,949
Total	**6,949**

Note:-

[*1] *As at the LPD, the credit facilities have not been drawn down*

9.4 Material commitments

As at the LPD, our Board is not aware of any material commitments for capital expenditure incurred or known to be incurred by our Group that has not been provided for which, upon becoming enforceable, may have a material impact on the financial results/ position of our Group.

10. INSTRUCTIONS FOR ACCEPTANCE, EXCESS APPLICATION AND PAYMENT

10.1 General

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

10.2 NPA

The Provisional Rights Shares are prescribed securities pursuant to Section 14(5) of the Securities Industry (Central Depositories) Act, 1991 and therefore, all dealings in the Provisional Rights Shares will be by book entries through the CDS Accounts and will be governed by the Securities Industry (Central Depositories) Act, 1991 and the Rules of Bursa Depository. You and/ or your renouncee(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 is **5.00 p.m. on 29 August 2012**, or such later date and time as our Board may in their absolute discretion determine and announce not less than two (2) Market Days before the stipulated date and time.

10.4 Procedures for acceptance and payment

Acceptance of and payment for the Provisional Rights Shares must be made on the RSF enclosed with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained in these documents. Acceptances which do not strictly conform to the terms of this Abridged Prospectus or the RSF or the notes and instructions contained in these documents or which are illegible may not be accepted at the absolute discretion of our Board.

FULL INSTRUCTIONS FOR THE ACCEPTANCE OF AND PAYMENT FOR THE PROVISIONAL RIGHTS SHARES AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU WISH TO SELL OR TRANSFER ALL OR ANY PART OF YOUR ENTITLEMENT ARE SET OUT IN THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF.

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

If you wish to accept all or part of your entitlement, please complete Parts I and III of the RSF in accordance with the notes and instructions contained in the RSF. Each completed and signed RSF together with the relevant payment must be sent to our Share Registrar in the envelope provided (at your own risk), by **ORDINARY POST, COURIER** or **DELIVERED BY HAND** at the following address:-

Insurban Corporate Services Sdn Bhd
149, Jalan Aminuddin Baki
Taman Tun Dr. Ismail
60000 Kuala Lumpur
Tel: 03-7729 5529
Fax: 03-7728 5948

so as to arrive **not later than 5.00 p.m. on 29 August 2012**, being the last date and time for acceptance of and payment for the Provisional Rights Shares, or such later date and time as may be determined and announced by our Board not less than two (2) Market Days before the stipulated date and time.

If you lose, misplace or for any other reasons require another copy of the RSF, you may obtain additional copies from your stockbroker, our Share Registrar at the address stated above, our Registered Office or the website of Bursa Securities (http://www.bursamalaysia.com).

One (1) RSF can only be used for acceptance of Provisional Rights Shares standing to the credit of one (1) CDS Account. Separate RSF(s) must be used for the acceptance of Provisional Rights Shares standing to the credit of more than one (1) CDS Account(s). If successful, the Rights Shares subscribed for will be credited into your 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) one reply envelope for each completed RSF.

The minimum number of Rights Shares that can be subscribed for and accepted is one (1) Rights Share. However, you and/ or your renouncee(s) (if applicable) should take note that a trading board lot comprises of 100 Destini Shares. Fractions of a Rights Share will be disregarded and shall be dealt with in such manner as our Board shall in their absolute discretion deem fit and expedient, and to be in the best interests of our Company.

If acceptance of and payment for the Provisional Rights Shares allotted to you are not received by our Share Registrar by **5.00 p.m. on 29 August 2012**, being the last date and time for acceptance and payment for the Provisional Rights Shares, or such later date and time as may be determined and announced by our Board not less than two (2) Market Days before the stipulated date and time, you and your renouncee(s) (if applicable) will be deemed to have declined the provisional entitlement made to you or the remainder thereof (as the case may be) 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 Rights Shares are not fully taken up by such applicants, our Board will then have the right to allot such Rights Shares to the applicants who have applied for the Excess Rights Shares in the manner as set out in Section 10.8 of this Abridged Prospectus. Our Board reserves the right not to accept or to accept any application in part only without providing any reasons.

EACH COMPLETED RSF MUST BE ACCOMPANIED BY THE APPROPRIATE REMITTANCE MADE IN RM FOR THE FULL AMOUNT PAYABLE FOR THE RIGHTS SHARES 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 SHARES ACCOUNT" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME, ADDRESS AND CDS ACCOUNT NUMBER IN BLOCK LETTERS SO AS TO BE RECEIVED BY OUR SHARE REGISTRAR.

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.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES IN RESPECT OF THE RIGHTS ISSUE WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN ON OUR RECORD OF DEPOSITORS AND/ OR REGISTER OF MEMBERS AT YOUR OWN RISK WITHIN EIGHT (8) MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS SHARES OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.

APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT.

APPLICANTS 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 AND SHALL BE DESPATCHED TO THE APPLICANT BY ORDINARY POST TO THE ADDRESS SHOWN ON OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 15 MARKET DAYS FROM THE LAST DATE OF ACCEPTANCE AND PAYMENT FOR THE RIGHTS SHARES.

10.5 Procedures for part acceptance by Entitled Shareholders

You are entitled to accept part of your Provisional Rights Shares. The minimum number of Rights Shares that can be subscribed for or accepted is one (1) Rights Share.

You must complete both Part I of the RSF by specifying the number of the Rights Shares which you are accepting and Part III of the RSF and deliver the completed and signed RSF together with the relevant payment to our Share Registrar in the manner set out in Section 10.4 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 that have not been accepted shall be allotted to any other persons allowed under the law, regulations or rules to accept the transfer of the Provisional Rights Shares.

10.6 Procedures for sale or transfer of Provisional Rights Shares

As the Provisional Rights Shares are prescribed securities, you may sell or transfer all or part of your entitlement to the Provisional Rights Shares to one (1) or more person(s) through your stockbroker for the period up to the last date and time for sale or transfer of such Provisional Rights Shares, without first having to request for a split of the Provisional Rights Shares standing to the credit of your CDS Accounts. To sell or transfer all or part of your entitlement to the Provisional Rights Shares, you may sell such entitlement on the open market or transfer such entitlement to such persons as may be allowed under the Rules of Bursa Depository. If you have sold or transferred only part of the Provisional Rights Shares, you may still accept the balance of the Provisional Rights Shares by completing Parts I and III of the RSF. Please refer to Section 10.4 of this Abridged Prospectus for the procedures of acceptance and payment.

In selling or transferring all or part of your Provisional Rights Shares, you need not deliver any document including the RSF, to your stockbroker. However, you must ensure that there is sufficient Provisional Rights Shares standing to the credit of your CDS Accounts that are available for settlement of the sale or transfer.

Purchaser(s) or transferee(s) of the Provisional Rights Shares may obtain a copy of this Abridged Prospectus and the RSF from his/ her/ their stockbrokers, our Share Registrar, our Registered Office or the website of Bursa Securities (http://www.bursamalaysia.com)

10.7 Procedures for acceptance by renouncees

Renouncees who wish to accept the Provisional Rights Shares must obtain a copy of the RSF from their stockbrokers, our Share Registrar, our Registered Office or the website of Bursa Securities (http://www.bursamalaysia.com), 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 procedure for acceptance and payment applicable to the Entitled Shareholders as set out in Section 10.4 of this Abridged Prospectus also applies to renouncees who wish to accept the Provisional Rights Shares.

RENOUNCEES 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.

10.8 Procedure for application of Excess Rights Shares

You and/ or your renouncee(s) (if applicable) may apply for additional Rights Shares in excess of your entitlement by completing Part II of the RSF (in addition to Parts I and III) and forwarding it with a **separate remittance made in RM** for the full amount payable for the Excess Rights Shares applied for, to our Share Registrar **not later than 5.00 p.m. on 29 August 2012**, being the last date and time for acceptance and payment for the Provisional Rights Shares, or such later date and date as may be determined and announced by our Board not less than two (2) Market Days before the stipulated date and time.

PAYMENT FOR THE EXCESS RIGHTS SHARES APPLIED FOR SHOULD BE MADE IN THE SAME MANNER AS DESCRIBED IN SECTION 10.4 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 SHARES ACCOUNT" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME, ADDRESS AND CDS ACCOUNT NUMBER IN BLOCK LETTERS TO BE RECEIVED BY OUR SHARE REGISTRAR.

Our Board reserves the right to allot any Excess Rights Shares applied for under Part II of the RSF, on a fair and equitable basis and in such manner as our Board shall in their absolute discretion deem fit and expedient, to be in the best interest of our Company, and as such that the incidence of odd lots will be minimised. It is the intention of our Board to allot the Excess Rights Shares in the following priority, and that the intention of our Board set out in Section 10.8. (i) to (iii) are achieved:-

i. firstly, to minimise the incidence of odd lots;

ii. secondly, for all allocation to Entitled Shareholders who have applied for Excess Rights Shares on a pro-rata basis and in board lots, calculated based on their respective shareholdings in the Company as at the Entitlement Date; and

iii. finally, for allocation to Entitled Shareholders and/ or their renouncee(s) (if applicable) who have applied for Excess Rights Shares on a pro-rata basis, calculated based on the quantum of Excess Rights Shares applied for.

Our Board also reserves the right not to accept or to accept any application for Excess Rights Shares in part only, without providing any reasons.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES IN RESPECT OF THE EXCESS RIGHTS SHARES WILL BE ISSUED BY OUR COMPANY OR OUR SHARE REGISTRAR. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN ON OUR RECORD OF DEPOSITORS AND/ OR REGISTER OF MEMBERS AT YOUR OWN RISK WITHIN EIGHT (8) MARKET DAYS FROM THE LAST DATE FOR APPLICATION OF AND PAYMENT FOR THE EXCESS RIGHTS SHARES OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.

WHERE AN APPLICATION FOR THE EXCESS RIGHTS SHARES 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 AND SHALL BE DESPATCHED TO THE APPLICANT BY ORDINARY POST TO THE ADDRESS SHOWN ON OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 15 MARKET DAYS FROM THE LAST DATE OF APPLICATION AND PAYMENT FOR THE EXCESS RIGHTS SHARES.

10.9 Form of issuance

Bursa Securities has prescribed our Shares listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the Rights Shares are prescribed securities and as such, all dealing in the Rights Shares will be subject to the Securities Industry (Central Depositories) Act, 1991 and the Rules of Bursa Depository.

Failure to comply with the specific instructions for applications or inaccuracy in the CDS Account number may result in the application being rejected. No physical share certificate will be issued to you under the Rights Issue. A notice of allotment will be despatched to you and/ or your renouncee(s) (if applicable) by ordinary post to the address shown on our Record of Depositors provided by Bursa Depository at your own risk within eight (8) Market Days from the last date for acceptance and payment of the Rights Shares.

Where the Rights Shares are provisionally allotted to you as an Entitled Shareholder in respect of your existing Destini Shares standing to the credit to your CDS Account on the Entitlement Date, the acceptance by you of the Provisional Rights Shares shall mean that you consent to receive such Provisional Rights Shares as prescribed or deposited securities which will be credited directly into your CDS Account.

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

The Excess Rights Shares, if allotted to the successful applicant who applies for the Excess Rights Shares, will be credited directly as prescribed securities into the CDS Account of the successful applicant. The allocation of the Excess Rights Shares will be made on a fair and equitable basis as disclosed in Section 10.8 of this Abridged Prospectus.

10.10 Laws of foreign country or jurisdiction

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

Accordingly, this Abridged Prospectus together with the NPA and the RSF will not be sent to the foreign Entitled Shareholders and/ or their renouncee(s) (if applicable) who do not have a registered address in Malaysia. However, the foreign Entitled Shareholders and/ or their renouncee(s) (if applicable) may collect this Abridged Prospectus together with the NPA and the 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.

The foreign Entitled Shareholders and/ or their renouncee(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 to the extent that it would be lawful to do so. OSK, our Company, our Directors and officers and other professional advisers would not, in connection with the Rights Issue, be in breach of the laws of any country or jurisdiction to which the foreign Entitled Shareholders and/ or their renouncee(s) (if applicable) are or may be subject to. The foreign Entitled Shareholders and/ or their renouncee(s) shall solely be responsible to seek advice from their legal advisers and other professional advisers as to the laws of the countries or jurisdictions to which they are or may be subject to. OSK, 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 their renouncee(s) (if applicable), is or shall become unlawful, unenforceable, voidable or void in any such country or jurisdiction.

The foreign Entitled Shareholders and/ or their renouncee(s) (if applicable) will be responsible for payment of any issue, transfer or any other taxes or other requisite payments due in such country or jurisdiction and we shall be entitled to be fully indemnified and held harmless by such foreign Entitled Shareholders and/ or their renouncee(s) (if applicable) for any issue, transfer or other taxes or other requisite payments that such person may be required to pay in any country or jurisdiction. They will have no claims whatsoever against us and/ or OSK in respect of their rights and entitlements under the Rights Issue. Such foreign Entitled Shareholders and/ or their renouncee(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.

By signing the RSF, the foreign Entitled Shareholders and/ or their renouncee(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) OSK, 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, be in breach of the laws of any jurisdiction to which the foreign Entitled Shareholders and/ or their renouncee(s) (if applicable) are or may be subject to;

ii. the foreign Entitled Shareholders and/ or their renouncee(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;

iii. the foreign Entitled Shareholders and/ or their renouncee(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, 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) (if applicable) are aware that the Rights Shares 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) (if applicable) have received a copy of this Abridged Prospectus, had 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; and

vi. the foreign Entitled Shareholders and/ or their renouncee(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, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the Rights Shares.

Persons receiving this Abridged Prospectus together with the NPA and the RSF (including without limitation 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 together with the NPA and the 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 together with the NPA and the 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 and we reserve the right to reject a purported acceptance of the Rights Shares from any such application by foreign Entitled Shareholders and/ or their renouncee(s) (if applicable) in any foreign country or jurisdiction.

We reserve the right, in our absolute discretion, to treat any acceptance of the Rights Shares as invalid if it believes that such acceptance may violate any applicable legal or regulatory requirements in Malaysia.

11. TERMS AND CONDITIONS

The issuance of the Rights Shares pursuant to the Rights Issue is governed by the terms and conditions set out in this Abridged Prospectus together with the NPA and the RSF enclosed herewith.

12. FURTHER INFORMATION

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

Yours faithfully,
For and on behalf of the Board of Directors of
DESTINI BERHAD
(FORMERLY KNOWN AS SATANG HOLDINGS BERHAD)

DATO' MEGAT FAIROUZ JUNAIDI BIN TAN SRI MEGAT JUNID
Independent Non-Executive Director

CERTIFIED TRUE EXTRACT OF THE RESOLUTIONS PERTAINING TO THE CAPITAL REDUCTION, RIGHTS ISSUE, CAPITALISATION, EXEMPTION AND AMENDMENT PASSED AT OUR EGM HELD ON 24 MAY 2012

DESTINI BERHAD
(Formerly known as Satang Holdings Berhad)
(Company No. 633265- K)
(Incorporated in Malaysia)

EXTRACT OF MINUTES OF THE EXTRAORDINARY GENERAL MEETING HELD ON 24 MAY 2012

SPECIAL RESOLUTION 1 – PROPOSED SHARE CAPITAL REDUCTION INVOLVING THE REDUCTION OF THE PAR VALUE OF EVERY EXISTING ORDINARY SHARES OF RM0.50 EACH IN DESTINI TO ORDINARY SHARES OF RM0.10 EACH ("DESTINI SHARES") BY THE CANCELLATION OF RM0.40 OF THE PAR VALUE ("PROPOSED CAPITAL REDUCTION")

After explanation from the Chairman to the shareholders' queries in relation to the Proposed Capital Reduction, on the proposal of Encik Ismail Bin Asha'ari and seconded by Major (R) Mohd Shah Harun, the resolution was put for voting.

It was unanimously RESOLVED: -

"THAT, subject to and conditional upon the passing of Special Resolution 2, Ordinary Resolution 1, Ordinary Resolution 2, Ordinary Resolution 3 and the approvals of all relevant regulatory authorities being obtained, where required, including but not limited to the confirmation by the High Court of Malaya pursuant to Section 64 of the Companies Act, 1965, approval be and is hereby given for Destini to effect the following:-

(a) the nominal value of the each of the issued and unissued ordinary shares in the capital of the Company be reduced from RM0.50 to RM0.10 each so that the issued capital is reduced from RM40,000,000 to RM8,000,000 by the cancellation of RM0.40 per ordinary share; and

(b) the credit of RM32,000,000 arising from the said capital reduction be ultilised to reduce the accumulated losses of the Company;

AND THAT the credit arising therefrom that may be in excess of what is required towards reducing the accumulated losses of the Company be and is hereby applied towards crediting a capital reserve which shall not be distributable without leave of the Court;

AND FURTHER THAT any Director of the Company be and is hereby authorised with full powers to take all such steps as they may deem necessary to:-

(a) assent to any conditions, modifications, variations as may be imposed or permitted by the relevant authorities and/ or the High Court of Malaya;

(b) lodge an office copy of the order of the High Court of Malaya referred to in this Special Resolution 1 with the Companies Commission of Malaysia on such date as the Directors may determine; and

(c) do all such acts, deeds and/ or things incidental and/ or as may be required or as they consider necessary and expedient in the best interest of the Company, to give full effect to and complete the matters described in this Special Resolution 1."

.../2

SPECIAL RESOLUTION 2 – PROPOSED AMENDMENT TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF DESTINI RESULTING FROM THE PROPOSED CAPITAL REDUCTION ("PROPOSED AMENDMENT")

On the proposal of Cik Maslina binti Shamsuddin and seconded by Encik Othman bin Ahmad, the resolution was put for voting.

It was unanimously RESOLVED: -

"THAT, subject to the passing of Special Resolution 1, Ordinary Resolution 1, Ordinary Resolution 2, Ordinary Resolution 3 and the approvals of all relevant regulatory authorities being obtained, where required, including but not limited to the confirmation by the High Court of Malaya for the Proposed Capital Reduction, approval be and is hereby given for the Memorandum and Articles of Association of Destini to be altered, modified, varied and deleted in the following manner AND THAT any Director be and is hereby authorised to give effect to the Proposed Amendment and to take all steps and do all acts and things in any manner as they deem necessary in order to complete, finalise, implement and give full effect to the Proposed Amendment:-

Memorandum of Association	Existing	Proposed Change
Clause 6	The capital of the Company is Ringgit Malaysia One Hundred Million (RM100,000,000/-) divided into 200,000,000 ordinary shares of RM0.50 each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise.	The capital of the Company is Ringgit Malaysia One Hundred Million (RM100,000,000/-) divided into 1,000,000,000 ordinary shares of RM0.10 each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise."

ORDINARY RESOLUTION 1 – PROPOSED RENOUNCEABLE RIGHTS ISSUE OF 200,000,000 NEW DESTINI SHARES ("RIGHTS SHARES") ON THE BASIS OF FIVE (5) RIGHTS SHARES FOR EVERY TWO (2) EXISTING DESTINI SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER AFTER THE PROPOSED CAPITAL REDUCTION ("PROPOSED RIGHTS ISSUE")

On the proposal of Encik Ismail bin Mustaffa and seconded by Cik Rohaini binti Ahmad, the resolution was put for voting.

It was unanimously RESOLVED: -

"THAT, subject to and conditional upon the passing of Special Resolution 1, Special Resolution 2, Ordinary Resolution 2, Ordinary Resolution 3 and the approvals of all relevant regulatory authorities being obtained, where required, including but not limited to the approval of Bursa Malaysia Securities Berhad ("Bursa Securities") for the listing of and quotation for all the Rights Shares on the Main Market of Bursa Securities, approval be and is hereby given to the Board to provisionally allot by way of a renounceable rights issue of 200,000,000 Rights Shares to the entitled shareholders of the Company whose names appear in the Record of Depositors at the close of business on a date to be determined by the Directors of the Company, on the basis of five (5) Rights Share for every two (2) existing Destini Shares;

.../3

AND THAT the Rights Shares shall upon issue and allotment thereof, rank *pari passu* in all respects with the then existing issued and fully paid-up Destini Shares except that the Rights Shares shall not be entitled to any dividend, right, allotment and/ or other distribution that may be declared, made or paid prior to the date of issue and allotment of the Rights Shares;

AND THAT the Directors be and are hereby entitled to deal with all or any of the fractional entitlements of the Rights Shares arising from the Proposed Rights Issue, which are not validly taken up or which are not allotted for any reason whatsoever, in such manner as the Directors may in their discretion deem fit and expedient;

AND THAT the Directors be and are hereby authorised to do all acts and things as they may consider necessary or expedient in the best interest of the Company with full powers to assent to any condition, modification, variation and/ or amendment as may be required, or imposed by the relevant authorities, and to take all steps and to enter into all such agreement, arrangement, undertaking, indemnities, transfer, assignment and guarantee with any party or persons and to carry out any other matters as may be required to implement, finalise and give full effect to the Proposed Rights Issue."

ORDINARY RESOLUTION 2 - PROPOSED SETTLEMENT OF THE DEBT OWING TO BPH CAPITAL SDN BHD VIA THE ISSUANCE OF 50,000,000 NEW DESTINI SHARES ("SETTLEMENT SHARES") AT THE ISSUE PRICE OF RM0.10 EACH ("PROPOSED CAPITALISATION")

On the proposal of Encik Amran Mohd Isa and seconded by Encik Mohd Najib bin Saad, the resolution was put for voting.

It was unanimously RESOLVED: -

"THAT, subject to and conditional upon the passing of Special Resolution 1, Special Resolution 2, Ordinary Resolution 1, Ordinary Resolution 3 and the approvals of all relevant regulatory authorities being obtained, where required, including but not limited to the approval of Bursa Securities for the listing of and quotation for all the Settlement Shares on the Main Market of Bursa Securities, approval be and is hereby given to the Board to provisionally allot and issue such Settlement Shares on a date to be determined by the Board as they may deem fit and expedient, after the completion of the Proposed Capital Reduction and concurrently with the Proposed Rights Issue, at an issue price of RM0.10 each;

AND THAT the Settlement Shares shall upon issue and allotment thereof, rank *pari passu* in all respects with the then existing issued and fully paid-up Destini Shares except that the Settlement Shares shall not be entitled to any dividend, right, allotment and/ or other distribution that may be declared, made or paid prior to the date of issue and allotment of the Settlement Shares. The holder of the Settlement Shares is not entitled to the Rights Shares;

AND THAT the Directors be and are hereby authorised to do all acts and things as they may consider necessary or expedient in the best interest of the Company with full powers to assent to any condition, modification, variation and/ or amendment as may be required, or imposed by the relevant authorities, and to take all steps and to enter into all such agreement, arrangement, undertaking, indemnities, transfer, assignment and guarantee with any party or persons and to carry out any other matters as may be required to implement, finalise and give full effect to the Proposed Capitalisation."

.../4

ORDINARY RESOLUTION 3 - PROPOSED EXEMPTION TO PASCAL RESOURCES SDN BHD ("PASCAL") AND THE PERSONS ACTING IN CONCERT WITH IT ("PACs") UNDER PARAGRAPH 16.1 OF PRACTICE NOTE 9 OF THE MALAYSIAN CODE ON TAKE-OVERS AND MERGERS, 2010 ("REVISED CODE") FROM THE OBLIGATION TO UNDERTAKE A MANDATORY GENERAL OFFER FOR ALL THE REMAINING DESTINI SHARES NOT ALREADY HELD BY THEM WHICH MAY ARISE PURSUANT TO THE PROPOSED RIGHTS ISSUE ("PROPOSED EXEMPTION")

Dato' Megat Fairouz Junaidi bin Tan Sri Megat Junid informed that pursuant to Paragraph 16.5 of the Practice Note 9 of the Malaysian Code on Take-Overs and Mergers, 2010, the voting of the resolution in relation to the proposed exemption to Pascal Resources Sdn Bhd and the persons acting in concert with it from the obligation to undertake a mandatory general offer for all the remaining Destini shares not already held by them which may arise pursuant to the proposed rights issue will be conducted by way of poll and Messrs. UHY has been appointed as scrutineers for the purpose of the polling.

The results of the polling are as follows:-

	No. of Share	%
Shareholders vote "FOR" the Proposed Exemption	12,865,300	89.43
Shareholders vote "AGAINST" the Proposed Exemption	-	-
Shareholders vote "SPOILT"	1,521,100	10.57
Total Shareholders Present & Voting	14,386,400	100.00

It was unanimously RESOLVED: -

"THAT subject to and conditional upon the passing of Special Resolution 1, Special Resolution 2, Ordinary Resolution 1, Ordinary Resolution 2 and the approvals of all relevant regulatory authorities being obtained, where required, including but not limited to such conditions as may be imposed by the Securities Commission Malaysia ("SC") and any other relevant authorities, approval be and is hereby given for exemptions to be granted to Pascal and the PACs by the SC under Paragraph 16.1 of Practice Note 9 of the Revised Code, from the obligation to undertake a mandatory general offer to acquire all the remaining Destini Shares not already held by them which may arise pursuant to the Proposed Rights Issue;

AND THAT the Directors be and hereby authorised with full power and in their sole discretion as they deem fit to assent to, reject and/ or appeal against any conditions, stipulations, modifications, variations or amendment imposed by the relevant regulatory authorities for the purposes of this resolution, and to do all such acts, deeds and/ or things incidental, and/ or as may be required, to give full effect to the Proposed Exemption."

Certified as a True Extract of the original

DATO' ROZABIL @ ROZAMUJIB BIN ABDUL RAHMAN COMPANY DIRECTOR	TAN TONG LANG (MAICSA 7045482) COMPANY SECRETARY
Dated : 24 MAY 2012	Dated : 24 MAY 2012

INFORMATION ON OUR COMPANY

1. HISTORY AND PRINCIPAL ACTIVITIES

Our Company was incorporated in Malaysia on 4 November 2003 under the Act as a public company under the name of Satang Jaya Holdings Berhad. On 16 March 2005, we were listed on the former Second Board (presently known as Main Market) of Bursa Securities. On 9 April 2007, we changed our name to Satang Holdings Berhad and subsequently to our present name on 12 September 2011.

Our Company's principal activity is investment holding while the principal activities of our subsidiary companies are the provision of the MRO services for safety, survival and rescue equipment for the defence, commercial aviation and marine industries as well as trading of its related accessories, contract management and consultant to OEMs.

Our Group was established in 1991 and started our business with supplying spare parts and acting as representatives of OEMs to supply parts for the aviation and aerospace industry. Later in 1999, our Group expanded our business to provide support services such as MRO of safety and survival equipment for defence and aerospace aviation industry. This is the result of the "Contractorisation" programme introduced by MINDEF, which was then expanded to include marine defence services. Through this programme, the government of Malaysia awarded our Group a long term contract for an initial period of 10 years.

Our Group has a network of workshops and branches in 10 states in Malaysia which is managed by our subsidiaries, DPSB and Destini Armada Sdn Bhd (formerly known as Satang Marine Services Sdn Bhd and Satang Mechatronic Sdn Bhd).

Further details on the principal activities of our subsidiary and associate companies are set out in Section 10 of this Appendix II.

2. SHARE CAPITAL

As at the LPD, our authorised and issued and paid-up share capital are set out below:-

	No. of Shares	Par value RM	Total RM
Authorised	1,000,000,000	0.10	100,000,000
Issued and paid-up	80,000,000	0.10	8,000,000

The change in our authorised share capital for the past three (3) years preceding the LPD is set out below:-

Date of change	No. of shares created	Par value RM	Description	Cumulative authorised share capital RM
22.06.2012	800,000,000	0.10	Share capital reduction via the cancellation of RM0.40 of the par value of every existing ordinary share of RM0.50 each	100,000,000

The change in our issued and paid-up share capital for the past three (3) years preceding the LPD is set out below:-

Date of change	No. of shares allotted	Par value RM	Consideration/ Type of issue	Cumulative issued and paid-up share capital RM
22.06.2012	-	0.10	Share capital reduction via the cancellation of RM0.40 of the par value of every existing ordinary share of RM0.50 each	8,000,000

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3. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

The shareholdings of our substantial shareholders of our Company as at the LPD and after the Rights Issue and Capitalisation are set out below:-

Scenario 1: Assuming all our Entitled Shareholders subscribe for their respective entitlements

	Shareholdings as at the LPD				Proforma I After the Rights Issue				Proforma II After I and the Capitalisation			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
Substantial shareholders	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Pascal	21,481,300	26.85	-	-	75,184,550	26.85	-	-	75,184,550	22.78	-	-
Gan Chin Sam	6,260,500	7.83	-	-	21,911,750	7.83	-	-	21,911,750	6.64	-	-
Mohd Aqliff Shane Abdullah	-	-	21,481,300[*1]	26.85	-	-	75,184,550[*1]	26.85	-	-	75,184,550[*1]	22.78
BPH Capital	-	-	-	-	-	-	-	-	50,000,000	15.15	-	-
Dato' Rozabil @ Rozamujib bin Abdul Rahman	-	-	-	-	-	-	-	-	-	-	50,000,000[*2]	15.15
Dato' Abdul Aziz bin Haji Sheikh Fadzir	-	-	-	-	-	-	-	-	-	-	50,000,000[*2]	15.15

Notes:-

*1 *Deemed interested under Section 6A of the Act by virtue of his shareholdings in Pascal*

*2 *Deemed interested under Section 6A of the Act by virtue of their shareholdings in BPH Capital*

Scenario 2: Assuming none of our Entitled Shareholders subscribe for their respective entitlements and Pascal subscribes in full pursuant to the Pascal Undertaking and Additional Undertaking

Substantial shareholders	Shareholdings as at the LPD				Proforma I After the Rights Issue				Proforma II After I and the Capitalisation			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Pascal	21,481,300	26.85	-	-	221,481,300*3	79.10	-	-	221,481,300*3	67.12	-	-
Gan Chin Sam	6,260,500	7.83	-	-	6,260,500	2.24	-	-	6,260,500	1.90	-	-
Mohd Aqliff Shane Abdullah	-	-	21,481,300*1	26.85	-	-	221,481,300*1*3	79.10	-	-	221,481,300*1*3	67.12
BPH Capital	-	-	-	-	-	-	-	-	50,000,000	15.15	-	-
Dato' Rozabil @ Rozamujib bin Abdul Rahman	-	-	-	-	-	-	-	-	-	-	50,000,000*2	15.15
Dato' Abdul Aziz bin Haji Sheikh Fadzir	-	-	-	-	-	-	-	-	-	-	50,000,000*2	15.15

Notes:-

*1 *Deemed interested under Section 6A of the Act by virtue of his shareholdings in Pascal*

*2 *Deemed interested under Section 6A of the Act by virtue of their shareholdings in BPH Capital*

*3 *The above assumes Pascal subscribes in full for all the Rights Shares pursuant to the Pascal Undertaking and Additional Undertaking and is for illustration purposes only. During the implementation of the Rights Issue, Pascal will observe and take into consideration the minimum public shareholding spread requirement of 25% pursuant to Paragraph 8.02(1) of the Listing Requirements. In the event that the minimum public shareholding spread requirement is not met upon implementation of the Rights Issue, Pascal undertakes to place out such number of Destini Shares, to independent third (3rd) parties to meet the minimum public shareholding spread requirement*

4. DIRECTORS

The particulars of our Directors as at the LPD are set out below:-

Name	Address	Age	Nationality	Profession	Designation
Azhar bin Azizan @ Harun	No. 23, Jalan Desa 10/4 Bandar Country Homes 48000 Rawang Selangor Darul Ehsan	50	Malaysian	Company Director	Chairman and Non-Independent Non-Executive Director
Dato' Rozabil @ Rozamujib bin Abdul Rahman	11, Persiaran BLM 5 Bandar Laguna Merbok 08000 Sungai Petani Kedah Darul Aman	40	Malaysian	Company Director	Managing Director
Dr Mohamad Salmi bin Mohd Sohod	No. 15, Jalan 4/12G 43550 Bandar Baru Bangi Selangor Darul Ehsan	50	Malaysian	Company Director	Non-Independent Non-Executive Director
Dato' Megat Fairouz Junaidi bin Tan Sri Megat Junid	No. 2, SS7/3 Kelana Jaya 47300 Petaling Jaya Selangor Darul Ehsan	47	Malaysian	Company Director	Independent Non-Executive Director
Aznin Nur binti Ameran	No. 43, Jalan Bukit Indah 3/21 Taman Bukit Indah 68000 Ampang Selangor Darul Ehsan	46	Malaysian	Company Director	Independent Non-Executive Director
Dato' Abdul Aziz bin Haji Sheikh Fadzir	7303, Jalan Nilam 3 Taman Setia Gombak 53100 Kuala Lumpur	49	Malaysian	Company Director	Independent Non-Executive Director
Abdul Rahman bin Mohamed Rejab	No. 19, Lorong Rupawan 7 Taman Rupawan 13200 Kepala Batas Pulau Pinang	46	Malaysian	Company Director	Independent Non-Executive Director

The shareholdings of our Directors as at the LPD and after the Rights Issue and Capitalisation are set out below:-

Scenario 1: Assuming all our Entitled Shareholders subscribe for their respective entitlements

	Shareholdings as at the LPD				Proforma I After the Rights Issue				Proforma II After I and the Capitalisation			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
Directors	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Azhar bin Azizan @ Harun	-	-	-	-	-	-	-	-	-	-	-	-
Dato' Rozabil @ Rozamujib bin Abdul Rahman	-	-	-	-	-	-	-	-	-	-	50,000,000[*1]	15.15
Dr Mohamad Salmi bin Mohd Sohod	-	-	-	-	-	-	-	-	-	-	-	-
Dato' Megat Fairouz Junaidi bin Tan Sri Megat Junid	-	-	-	-	-	-	-	-	-	-	-	-
Aznin Nur binti Ameran	-	-	-	-	-	-	-	-	-	-	-	-
Dato' Abdul Aziz bin Haji Sheikh Fadzir	-	-	-	-	-	-	-	-	-	-	50,000,000[*1]	15.15
Abdul Rahman bin Mohamed Rejab	-	-	-	-	-	-	-	-	-	-	-	-

Note:-

[*1] *Deemed interested under Section 6A of the Act by virtue of their shareholdings in BPH Capital*

Scenario 2: Assuming none of our Entitled Shareholders subscribe for their respective entitlements and Pascal subscribes in full pursuant to the Pascal Undertaking and Additional Undertaking

	Shareholdings as at the LPD				Proforma I After the Rights Issue				Proforma II After I and the Capitalisation			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
Directors	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Azhar bin Azizan @ Harun	-	-	-	-	-	-	-	-	-	-	-	-
Dato' Rozabil @ Rozamujib bin Abdul Rahman	-	-	-	-	-	-	-	-	-	-	50,000,000*1	15.15
Dr Mohamad Salmi bin Mohd Sohod	-	-	-	-	-	-	-	-	-	-	-	-
Dato' Megat Fairouz Junaidi bin Tan Sri Megat Junid	-	-	-	-	-	-	-	-	-	-	-	-
Aznin Nur binti Ameran	-	-	-	-	-	-	-	-	-	-	-	-
Dato' Abdul Aziz bin Haji Sheikh Fadzir	-	-	-	-	-	-	-	-	-	-	50,000,000*1	15.15
Abdul Rahman bin Mohamed Rejab	-	-	-	-	-	-	-	-	-	-	-	-

Note:-

*1 *Deemed interested under Section 6A of the Act by virtue of their shareholdings in BPH Capital*

5. SUBSIDIARY AND ASSOCIATED COMPANIES

As at the LPD, our subsidiary and associate companies are set out below:-

Subsidiary companies	Date and place of incorporation	Issued and paid-up share capital	Effective equity interest %	Principal activities
Destini Prima Sdn Bhd (formerly known as Satang Jaya Sdn Bhd)	27.08.1991 Malaysia	RM7,000,000	100	Investment holding and distribution and supply of defence and commercial aviation and marine equipment and accessories, contract management and consultant to OEMs
Destini Info Tech Sdn Bhd (formerly known as Satang Hi-Tech Solutions Sdn Bhd)	15.10.2001 Malaysia	RM300,000	100	Providing consultancy and solution services and implementing of high technology and surveillance security systems and its related services
Destini Fire Safety Sdn Bhd (formerly known as Satang GSE Services Sdn Bhd)	12.08.2000 Malaysia	RM250,000	100	MRO of aviation ground support safety equipment and related accessories
Destini Armada Sdn Bhd (formerly known as Satang Marine Services Sdn Bhd and Satang Mechatronic Sdn Bhd)	04.03.1996 Malaysia	RM500,000	100	MRO of aviation electronics and safety equipment and electromechanical related accessories
Destini Engineering Technologies Sdn Bhd (formerly known as Satang Engineering Services Sdn Bhd and Satang Cylinder Services Sdn Bhd)	12.01.2001 Malaysia	RM500,000	100	MRO of aviation related cylinders that include servicing, inspection, recycling and refilling of gas and other related services
Destini Aero Teknologi Sdn Bhd	10.11.2011 Malaysia	RM2	100	MRO of safety and survival equipment for commercial aviation industry
Destini HRTC Sdn Bhd	10.11.2011 Malaysia	RM100,000	100	Providing training and education consultancy services
Destini Australia Pty Ltd	27.04.2012 Australia	AUD2	100	Intended for investment and general trading
Subsidiary companies of Destini Prima Sdn Bhd				
Satang Dagangan Sdn Bhd[*1]	27.05.1991 Malaysia	RM500,000	100	Supplying of defence and aviation equipment, parts and accessories
Satang Aviation Sdn Bhd (formerly known as Satang SAR Services Sdn Bhd)	20.11.1995 Malaysia	RM250,000	100	MRO of aviation ground support safety and survival equipment

Subsidiary companies	Date and place of incorporation	Issued and paid-up share capital	Effective equity interest %	Principal activities
Satang Environmental Sdn Bhd[*1]	04.05.2001 Malaysia	RM1,000,000	100	Supplying and distribution of environment products, providing consultancy, training and seminar in respect of Environmental Management System and other related services
Satang-ICS Global Sdn Bhd[*1]	21.07.2006 Malaysia	RM100,000	51	Supplying and servicing of pipe cleaning products and equipment
Satang Construction Sdn Bhd[*1]	21.09.2007 Malaysia	RM1,000,002	99.99	Construction contracts
Associate companies				
Hasrat Mestika Sdn Bhd	13.03.2007 Malaysia	RM100,000	30	Marketing and distributing of a new and revolutionary technology in industrial pipe cleaning
System Enhancement Resources & Technologies Sdn Bhd[*2]	14.01.2009 Malaysia	RM3,500,000	50	Manufacture, fabrication of commercial and defence vehicle

Notes:-

*1 *In the strike-off process*

*2 *Pending for settlement of the purchase consideration for the acquisition by Destini of the said company*

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6. PROFIT AND DIVIDEND RECORDS

The following table sets out a summary of our audited consolidated financial statements for the past two (2) financial years FYE 30 September 2010 and the 15-month FPE 31 December 2011, and the latest unaudited consolidated financial statements for the three (3)-month FPE 31 March 2012:-

	<------Audited	------	------>	Unaudited
	FYE 30 September 2009 RM'000	FYE 30 September 2010 RM'000	15-month FPE 31 December 2011*1 RM'000	Three (3)-month FPE 31 March 2012 RM'000
Revenue	45,864	44,115	38,718	8,380
Less: Cost of sales	(28,712)	(28,097)	(23,085)	(5,028)
Gross profit	17,152	16,018	15,633	3,352
Other operating income	2,316	796	5,458	12
Administration expenses	(15,222)	(26,427)	(14,719)	(2,052)
Finance costs	(2,511)	(1,299)	(396)	*
Share of profit/ (loss) from associate companies	-	-	-	124
PBT/ LBT	1,735	(10,912)	5,976	1,436
Taxation	(261)	(623)	(360)	-
PAT/ LAT	1,474	(11,535)	5,616	1,436
PAT/ LAT attributable to:				
Equity holders of the Company	1,474	(11,535)	5,616	1,436
Non-controlling interests	-	-	-	-
	1,474	(11,535)	5,616	1,436
Earnings/ Losses before interests, taxes, depreciation and amortisation	4,961	(8,944)	7,136	1,473
Weighted average number of shares in issue ('000)	80,000	80,000	80,000	80,000
Gross profit margin (%)	37.40	36.31	40.38	40.00
PAT/ LAT margin (%)	3.21	(26.15)	14.50	17.14
Earnings/ (Losses) per share (sen)				
- Basic	1.84	(14.42)	7.02	1.80
- Diluted	-	-	-	-

Notes:-

* *Negligible*

*1 *Our financial year end was changed from 30 September to 31 December from 2011 onwards*

Commentary on past performance

FYE 30 September 2009

For the FYE 30 September 2009, our Group recorded revenue of RM45.86 million representing a decrease of RM10.17 million or approximately 18.15% as compared to the revenue for the previous financial year. Despite the scheduled maintenance work orders that our Group undertakes under our contracts, the decrease in revenue was mainly attributable to lesser unscheduled orders secured for the trading work, such as supply of aircraft ejection seat for the FYE 30 September 2009.

Despite the lower turnover, our Group achieved a PAT of RM1.47 million as compared to a LAT of RM16.70 million for the previous financial year. The improvement in the operating performance was mainly due to our Group's efforts in cost cutting since early of FYE 30 September 2009, which included a significant reduction in the number of employees of our Group, streamlining of our Group's business activities to focus on our core business by reducing our business units from ten (10) units to four (4) units, the disposal of company cars as well as consolidating our office premises to maximise space usage. Subsequently, our Group's administration expenses were reduced from RM32.49 million for the FYE 30 September 2008 to RM15.22 million for the FYE 30 September 2009.

FYE 30 September 2010

For the FYE 30 September 2010, our Group recorded revenue of RM44.11 million representing a marginal decrease of RM1.75 million or approximately 3.81% as compared to the revenue for the previous financial year.

Despite the cost cutting measures undertaken in 2009, our Group incurred a LAT of RM11.54 million as a result of the higher provision of doubtful debts for trade and other receivables of RM9.64 million and allowance for slow-moving inventories of RM1.15 million, which was the main reason for the increase in our administrative expenses. The said provisions were as a result of our Group's initiative and strategic move towards a more realistic and prudent accounting practice.

15-month FPE 31 December 2011

For the 15-month FPE 31 December 2011, our Group recorded revenue of RM38.72 million representing a decrease of RM5.40 million or approximately 12.23% as compared to the revenue for the previous FYE 30 September 2010. The decrease in revenue was mainly due to lower orders secured for the one-off barrier project and trading work.

Despite the lower turnover, our Group managed to return to profitability with a PAT of RM5.62 million. The improvement in operating performances was mainly attributable to the increase in our gross profit margin, significant decrease in the finance cost and our continuous cost rationalisation exercise.

We recorded a gross gain from the disposal of land amounting to RM3.00 million following the completion of the said disposal in May 2011. Approximately RM13.28 million from the proceeds arising from the said disposal of land had been utilised to repay our trade creditors and other creditors, while approximately RM3.46 million was utilised to repay the bank borrowings. Consequently, our Group's finance cost was significantly reduced from RM1.30 million for the FYE 30 September 2010 to approximately RM0.40 million for the 15-month FPE 31 December 2011, mainly due to the repayment of bank borrowings. It should also be noted that our Group had managed to return to a net current asset position of RM12.87 million for the financial period under review following the completion of said disposal of land.

With our continuous efforts in our cost rationalisation exercise, the administration expenses of our Group had been on a decreasing trend from RM26.43 million for the FYE 30 September 2010 to RM14.71 million for the 15-month FPE 31 December 2011.

Unaudited three (3)-month FPE 31 March 2012

For the three (3)-month FPE 31 March 2012, our Group recorded revenue of RM8.38 million representing a decrease of RM1.10 million or 11.61% as compared to the revenue for the corresponding three (3)-month FPE 31 March 2011.

Our Group managed to maintain the profitability since the last financial period and recorded a PAT of RM1.44 million with an increase in PAT margin as compared to the 15-month FPE 31 December 2011. The improvement in our financial performance was due to a lower provision of doubtful debt of approximately RM0.12 million for the financial quarter under review as a result of our efforts in the collection of debts.

7. HISTORICAL SHARE PRICES

The monthly high and low market prices of the ordinary shares of Destini for the past 12 months from August 2008 to July 2009 are as follows:-

	High RM	Low RM
2008	0.35	0.20
August	0.31	0.19
September	0.28	0.14
October	0.27	0.15
November	0.17	0.14
December		
2009		
January	0.16	0.13
February	0.13	0.11
March	0.19	0.12
April	0.18	0.14
May	0.18	0.11
June	0.55	0.14
July	0.49	0.16

Last transacted market price on 10 July 2009 (being the date prior to the suspension of the ordinary shares of Destini)	RM0.26
Last transacted market price on 7 August 2012 (being the date prior to the ex-date for the Rights Issue and latest practicable date prior to the issuance of this Abridged Prospectus)	n.a.[*1]

(Source: Bloomberg)

Note:-

*1 *The trading of the ordinary shares of Destini has remained suspended since 13 July 2009*

Company No. 633265-K

REPORTING ACCOUNTANTS' LETTER ON THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2011 TOGETHER WITH THE NOTES

UHY

UHY (AF1411)
Chartered Accountants
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The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

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Web www.uhy.com.my

01 AUG 2012

The Board of Directors
Destini Berhad
(formerly known as Satang Holdings Berhad)
Lot 03, Ground Floor
Bangunan Yin
No. 7, Seksyen 16/11
46350 Petaling Jaya
Selangor Darul Ehsan

Dear Sirs,

DESTINI BERHAD (FORMERLY KNOWN AS SATANG HOLDINGS BERHAD) ("DESTINI")
PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2011

We have reviewed the Proforma Consolidated Statement of Financial Position of Destini and its subsidiary companies (collectively referred to as "Destini Group") based on the latest audited financial statements as at 31 December 2011, together with the notes thereon, for which the Directors of Destini are collectively and individually responsible. The Proforma Consolidated Statement of Financial Position have been prepared for the purpose of inclusion in the Abridged Prospectus to the shareholders of Destini in connection with the Corporate Exercises (as defined below), which we have stamped for the purpose of identification. The Proforma Consolidated Statements of Financial Position should not be relied on for any other purposes.

The details of the proposals are as follows:

(a) Share capital reduction involving the reduction of the par value of each existing ordinary share of RM0.50 each in Destini to ordinary shares of RM0.10 each ("Destini Shares") by the cancellation of RM0.40 of the par value ("Capital Reduction");

(b) Renounceable rights issue of 200,000,000 new Destini Shares ("Rights Shares") on the basis of five (5) Rights Shares for every two (2) existing Destini Shares held on an entitlement date to be determined later after the Capital Reduction ("Rights Issue");

(c) Settlement of the debt owing to BPH Capital Sdn Bhd via the issuance of 50,000,000 new Destini Shares at the issue price of RM0.10 each ("Capitalisation");

(d) Exemption to Pascal Resources Sdn Bhd ("Pascal") and the persons acting in concert with it under Paragraph 16.1 of Practice Note 9 of the Malaysian Code on Take-Overs and Mergers, 2010 from the obligation to undertake a mandatory offer for all the remaining Destini Shares not already held by them which may arise pursuant to the Rights Issue ("Exemption"); and

.../2

(e) Amendments to the Memorandum and Articles of Association of Destini resulting from the Capital Reduction ("Amendment").

(collectively referred to as the "Corporate Exercises")

This report is required by and is given for the purpose of complying with Appendix IV of the Prospectus Guidelines – Abridged Prospectus issued by Securities Commission Malaysia (hereinafter referred to as the "Prospectus Guidelines") and for no other purpose.

It is the sole responsibility of the Directors of Destini to prepare the proforma consolidated financial information in accordance with the requirements of the Prospectus Guidelines.

It is our responsibility to form an opinion, as required by the Prospectus Guidelines, as to the proper compilation of the Proforma Consolidated Statements of Financial Position and to report our opinion to you.

In providing this opinion we are not responsible in updating or refreshing any report or opinion previously made by us on any financial information used in the compilation of the Proforma Consolidated Statements of Financial Position, nor do we accept responsibility for such report or opinion beyond that owed to those to whom the report or opinion were addressed by us at the date of issue.

Our work consisted primarily of comparing the Proforma Consolidated Statements of Financial Position with the audited financial statements of Destini Group for the 15 months financial period ended 31 December 2011, considering the evidence supporting the adjustments and discussing the Proforma Consolidated Statements of Financial Position with the Directors/Officers of Destini. Our work involved no independent examination of any of the underlying financial information.

In our opinion:

(a) The Proforma Consolidated Statements of Financial Position have been properly compiled on the bases set out in the notes thereon using financial statements prepared in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia, which include International Accounting Standards, and in a manner consistent with both the format of the financial statements and the accounting policies of the Company; and

(b) The adjustments made to the information used in the preparation of the Proforma Consolidated Statements of Financial Position are appropriate for the purposes of preparing the Proforma Consolidated Statements of Financial Position.

.../3

UHY

The accompanying proforma consolidated statements of financial position and this letter have been prepared for purposes of inclusion in the Abridged Prospectus in connection with the Corporate Exercises. This letter should not be reproduced, referred to in any other document, or used for any other purpose without prior written consent.

Yours faithfully,

UHY
Firm Number: AF 1411
Chartered Accountants

TEE GUAN PIAN
Approved Number: 1886/05/14 (J/PH)
Chartered Accountant

Company No. 633265-K

Destini Berhad (formerly known as Satang Holdings Berhad) ("Destini") and its subsidiary companies ("Destini Group")

Proforma Consolidated Statements of Financial Position as at 31 December 2011

The Proforma Consolidated Statements of Financial Position as set out below have been prepared for illustrative purposes only to show the effect on the Consolidated Statement of Financial Position of the Destini Group as at 31 December 2011 and also based on the assumption that the following events had been effected on that date.

	Note	Audited as at 31 December 2011 RM'000	Proforma I After the Capital Reduction RM'000	Proforma II After Proforma I and Rights Issue RM'000	Proforma III After Proforma II and Capitalisation RM'000
NON CURRENT ASSETS					
Property, plant and equipment		2,991	2,991	2,991	2,991
Other investment		85	85	85	85
		3,076	3,076	3,076	3,076
CURRENT ASSETS					
Inventories		174	174	174	174
Trade receivables		10,725	10,725	10,725	10,725
Other receivables		5,632	5,632	5,632	5,632
Tax recoverable		1,447	1,447	1,447	1,447
Fixed deposit with licensed banks		3,992	3,992	3,992	3,992
Cash and bank balances	1	5,360	5,360	18,154	18,154
		27,330	27,330	40,124	40,124
TOTAL ASSETS		30,406	30,406	43,200	43,200
EQUITY					
Share capital	2	40,000	8,000	28,000	33,000
Share premium	2	3,076	3,076	1,826	1,826
Revaluation reserves	2	175	175	175	175
Capital reserve	2	-	4,398	4,398	4,398
Accumulated losses	2	(27,602)	-	-	-
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		15,649	15,649	34,399	39,399
NON-CURRENT LIABILITY					
Hire purchase payables		292	292	292	292
CURRENT LIABILITIES					
Trade payables	3	5,956	5,956	-	-
Other payables	4	8,026	8,026	8,026	3,026
Hire purchase payables		95	95	95	95
Tax payable		388	388	388	388
		14,465	14,465	8,509	3,509
TOTAL LIABILITIES		14,757	14,757	8,801	3,801
TOTAL EQUITY AND LIABILITIES		30,406	30,406	43,200	43,200

Net Assets ("NA") Computation

	Audited as at 31 December 2011	Proforma I	Proforma II	Proforma III
No. of shares in issue ('000)	80,000	80,000	280,000	330,000
Par value (RM)	0.50	0.10	0.10	0.10
Net assets ("NA") (RM'000)	15,649	15,649	34,399	39,399
NA per share (RM)	0.20	0.20	0.12	0.12

STAMPED FOR IDENTIFICATION PURPOSES ONLY UHY CHARTERED ACCOUNTANTS (AF1411)

DESTINI BERHAD
(Formerly known as Satang Holdings Berhad)
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2011

NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Basis of Preparation and Consolidation

The Proforma Consolidated Statements of Financial Position are prepared for illustrative purposes only and based on the Consolidated Statements of Financial Position of the Destini Group as at 31 December 2011 and on the assumption that the Corporate Exercises had taken place on 31 December 2011.

The Proforma Consolidated Statements of Financial Position have been prepared on bases and accounting policies consistent with those previously adopted by Destini Group in the preparation of audited financial statements.

Proforma I

Proforma I incorporates the effects of the Capital Reduction.

Proforma II

Proforma II incorporates the effects of Proforma I and Rights Issue. The estimated expenses of the Rights Issue amounted to approximately RM1,250,000.

Proforma III

Proforma III incorporates the effects of Proforma II and the Capitalisation.

STAMPED FOR IDENTIFICATION PURPOSES ONLY
UHY
CHARTERED ACCOUNTANTS
(AF1411)

DESTINI BERHAD
(Formerly known as Satang Holdings Berhad)
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2011

NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

1. **Cash and Bank Balances**

The movements of the cash and bank balances of the Destini Group are as follows:

	RM'000
As at 31 December 2011	5,360
Rights Issue	20,000
Less: Estimated Expenses	(1,250)
Less: Settlement of trade payables *1	(5,956)
Proforma II/III	18,154

Note:-

*1 The amount of the repayment to trade payables is assumed at RM5.96 million based on the proforma consolidated financial information as at 31 December 2011 herein. However, the proceeds from the Rights Issue earmarked for the repayment to trade payables is RM7.00 million after taking into consideration the amount outstanding to trade payables of RM9.56 million as at 25 July 2012.

DESTINI BERHAD
(Formerly known as Satang Holdings Berhad)
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2011

NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

2. Share Capital and Reserves

The movements of the issued and paid-up share capital and reserves of the Destini Group are as follows:

	No. of ordinary shares '000	Par value	Ordinary share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Capital reserve RM'000	Accumulated losses RM'000
As at 31 December 2011	80,000	0.50	40,000	3,076	175	-	(27,602)
Capital Reduction	-	0.10	(32,000)	-	-	4,398	27,602
Proforma I	80,000	0.10	8,000	3,076	175	4,398	-
Rights Issue	200,000	0.10	20,000	(1,250)*	-	-	-
Proforma II	280,000	0.10	28,000	1,826	175	4,398	-
Capitalisation	50,000	0.10	5,000	-	-	-	-
Proforma III	330,000	0.10	33,000	1,826	175	4,398	-

* *After deducting estimated expenses of RM1,250,000 for the Corporate Exercises.*

DESTINI BERHAD
(Formerly known as Satang Holdings Berhad)
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2011

NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

3. **Trade Payables**

The movements of the trade payables of the Destini Group are as follows:

	RM'000
As at 31 December 2011 / Proforma I	5,956
Rights Issue	(5,956)
Proforma II/III	-

4. **Other Payables**

The movements of the other payables of the Destini Group are as follows:

	RM'000
As at 31 December 2011 / Proforma I/II	8,026
Capitalisation	(5,000)
Proforma III	3,026

STAMPED FOR IDENTIFICATION PURPOSES ONLY
UHY CHARTERED ACCOUNTANTS (AF1411)

DESTINI BERHAD
(Formerly known as Satang Holdings Berhad)
(Incorporated in Malaysia)

DIRECTORS' REPORT

The Directors hereby present their report together with the audited financial statements of the Group and of the Company for the financial period ended 31 December 2011.

Principal Activities

The principal activity of the Company is that of investment holding.

The principal activities of the subsidiary companies and associated companies are disclosed in Note 4 and Note 5 to the financial statements respectively.

There have been no significant changes in the nature of these activities during the financial year.

Financial Results

	Group RM	Company RM
Net profit for the financial period - attributable to owners of the parent	5,616,063	803,399

In the opinion of the Directors, the results of the operations of the Group and of the Company for the financial period have not been substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the current financial period.

Dividend

No dividend has been paid or declared by the Company since the end of the previous financial year. The Board of Directors does not recommend any dividend in respect of the financial period under review.

Reserves and Provisions

There were no material transfers to or from reserves or provisions during the financial period under review other than those disclosed in the financial statements.

Issue of Shares and Debentures

There were no issues of shares or debentures during the financial period under review.

Options Granted Over Unissued Shares

No options were granted to any person to take up unissued shares of the Company during the financial period under review.

Directors

The Directors who served since the date of the last report are as follows:

Dato' Megat Fairouz Junaidi Bin Tan Sri Megat Junid
Azhar Bin Azizan @ Harun
Dr Mohamad Salmi Bin Mohd Sohod
Dato' Abdul Aziz Bin Haji Sheikh Fadzir
Dato' Rozabil @ Rozamujib Bin Abdul Rahman
Aznin Nur Binti Ameran
Abdul Rahman Bin Mohamed Rejab
Lotfi Bin Miskam (Resigned on 03.08.2011)

Directors' Interests

None of the other Directors holding office at the end of the financial period had any interest in the ordinary shares of the Company or its related corporations during the financial period under review.

Directors' Benefits

Since the end of the previous financial year, no Director of the Group and of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Neither during nor at the end of the financial period, was the Company or its subsidiary companies a party to any arrangement the object of which is to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Group and of the Company or any other body corporate.

Other Statutory Information

(a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:

(i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the Directors are not aware of any circumstances which would render:

(i) the amount written off for bad debts or the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent;

(ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading;

(iii) any amount stated in the financial statements of the Group and of the Company misleading; and

(iv) adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

Other Statutory Information (Cont'd)

(c) No contingent or other liabilities of the Group and of the Company have become enforceable, or are likely to become enforceable within the period of twelve months after the end of the financial period which, in the opinion of the Directors, will or may affect the ability of the Company or its subsidiary companies to meet their obligations as and when they fall due, other than those disclosed in Note 23 to the financial statements.

(d) At the date of this report, there does not exist:

    (i) any charge on the assets of the Company or its subsidiary companies which has arisen since the end of the financial period which secures the liabilities of any other person; and

    (ii) any contingent liability in respect of the Company or its subsidiary companies which has arisen since the end of the financial period.

Change of Company Name

During the financial period, the Company changed its name from Satang Holdings Berhad to Destini Berhad.

Change of Financial Year End

During the financial period, the Company has changed its financial year end from 30 September to 31 December.

Significant Events

The significant events are disclosed in Note 33 to the financial statements.

Subsequent Events

The subsequent events are disclosed in Note 34 to the financial statements.

Auditors

The auditors, UHY, have expressed their willingness to accept re-appointment.

Signed in accordance with a resolution of the Directors.

DATO' ROZABIL @ ROZAMUJIB BIN ABDUL RAHMAN

AZHAR BIN AZIZAN @ HARUN

KUALA LUMPUR
27 APR 2012

Company No. 633265-K

DESTINI BERHAD
(Formerly known as Satang Holdings Berhad)
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS
Pursuant to Section 169(15) of the Companies Act, 1965

We, DATO' ROZABIL @ ROZAMUJIB BIN ABDUL RAHMAN and AZHAR BIN AZIZAN @ HARUN, being two of the Directors of DESTINI BERHAD (formerly known as Satang Holdings Berhad), do hereby state that, in the opinion of the Directors, the financial statements set out on pages 12 to 90 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2011 and of their financial performance and cash flows for the financial period then ended.

The supplementary information set out in Note 16 to the financial statements have been compiled in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

Signed in accordance with a resolution of the Directors.

DATO' ROZABIL @ ROZAMUJIB BIN ABDUL RAHMAN

AZHAR BIN AZIZAN @ HARUN

KUALA LUMPUR

27 APR 2012

DESTINI BERHAD
(Formerly known as Satang Holdings Berhad)
(Incorporated in Malaysia)

STATUTORY DECLARATION
Pursuant to Section 169(16) of the Companies Act, 1965

I, ISMAIL BIN MUSTAFFA, being the Chief Financial Officer primarily responsible for the financial management of DESTINI BERHAD (formerly known as Satang Holdings Berhad), do solemnly and sincerely declare that the financial statements set out on pages 12 to 90 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the)
abovenamed ISMAIL BIN MUSTAFFA)
at KUALA LUMPUR in the Federal)
Territory this 27 APR 2012)

ISMAIL BIN MUSTAFFA

Before me,

COMMISSIONER FOR OATHS

UHY

UHY (AF1411)
Chartered Accountants
Suite 11.05, Level 11
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DESTINI BERHAD
(Formerly known as Satang Holdings Berhad)
(Company No: 633265-K)
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of Destini Berhad (formerly known as Satang Holdings Berhad), which comprise the statements of financial position as at 31 December 2011 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 12 to 90.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia, and for such internal control as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence that we obtained is sufficient and appropriate to provide the basis of our audit opinion.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DESTINI BERHAD (CONT'D)
(Formerly known as Satang Holdings Berhad)
(Company No: 633265-K)
(Incorporated in Malaysia)

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2011 and of its financial performance and cash flows for the financial period then ended.

Emphasis of Matters

Without qualifying our opinion, we draw attention to Note 2(a) to the financial statements. The Company has been an Affected Listed Issuer pursuant to the Amended Practice Note No. 17/2005 ("Amended PN17") and Paragraph 8.14C of the Listing Requirements of Bursa Malaysia Securities Berhad. The Company has submitted its initial proposed regularisation plan on 16 November 2009 to Bursa Malaysia Securities Berhad ("Bursa Securities") and the revised regularisation plan was submitted on 22 March 2011.

Subsequently, the proposed restructuring scheme was approved by Bursa Securities vide its letter dated 22 September 2011. And, on 26 April 2012, the Company has issued a Circular to Shareholders to seek shareholders' approval of the proposed restructuring scheme in the Extraordinary General Meeting to be held on 24 May 2012.

The appropriateness of preparing the financial statements of the Group and of the Company on a going concern basis is dependent on the successful implementation of the Company's proposed restructuring scheme.

The Directors are of the opinion that the proposed restructuring scheme will be successfully implemented to regularies the financial condition and business operations of the Group and the Company. As such the financial statement of the Group and of the Company do not include any adjustments and classification relating to the recorded assets and liabilities that maybe necessary should the Group and the Company be unable to continue as going concerns.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DESTINI BERHAD (CONT'D)
(Formerly known as Satang Holdings Berhad)
(Company No: 633265-K)
(Incorporated in Malaysia)

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the followings:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

(c) The audit reports on the financial statements of the subsidiary companies did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Reporting Responsibilities

The supplementary information set out in Note 16 is solely disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysia Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DESTINI BERHAD (CONT'D)
(Formerly known as Satang Holdings Berhad)
(Company No: 633265-K)
(Incorporated in Malaysia)

Other Matters

The financial statements of the Group and of the Company for the financial year ended 30 September 2010 which are presented for comparative purposes were examined and have rendered a disclaimer of opinion in our report dated 31 January 2011.

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

UHY
Firm Number: AF 1411
Chartered Accountants

TEE GUAN PIAN
Approved Number: 1886/05/12 (J/PH)
Chartered Accountant

KUALA LUMPUR
27 APR 2012

DESTINI BERHAD
(Formerly known as Satang Holdings Berhad)
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2011

		Group		Company	
		31.12.2011	30.09.2010	31.12.2011	30.09.2010
	Note	RM	RM	RM	RM
Non-Current Assets					
Property, plant and equipment	3	2,990,670	19,316,767	185,885	16,138,076
Investment in subsidiary companies	4	-	-	575,000	575,000
Investment in associated company	5	1	1	1	1
Other investment	6	85,000	60,000	-	-
Amount owing by subsidiary companies	7	-	-	5,645,863	-
Amount owing by associated company	8	-	1,446	-	-
		3,075,671	19,378,214	6,406,749	16,713,077
Current Assets					
Inventories	9	173,866	-	-	-
Trade receivables	10	10,725,280	9,616,970	-	-
Other receivables	11	5,631,666	1,790,535	1,568,164	47,318
Tax recoverable		1,446,960	1,446,960	-	-
Marketable securities	12	-	1,921	-	-
Fixed deposits with licensed banks	13	3,991,567	2,599,409	-	-
Cash and bank balances		5,360,292	1,259,946	1,975,817	135,174
		27,329,631	16,715,741	3,543,981	182,492
Total Assets		30,405,302	36,093,955	9,950,730	16,895,569

DESTINI BERHAD
(Formerly known as Satang Holdings Berhad)
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2011 (CONT'D)

		Group		Company	
		31.12.2011	30.09.2010	31.12.2011	30.09.2010
	Note	RM	RM	RM	RM
Equity					
Share capital	14	40,000,000	40,000,000	40,000,000	40,000,000
Share premium		3,076,196	3,076,196	3,076,196	3,076,196
Asset revaluation reserves	15	175,033	2,537,800	-	2,362,767
Accumulated losses	16	(27,602,320)	(35,581,150)	(34,552,125)	(37,718,291)
Total Equity		15,648,909	10,032,846	8,524,071	7,720,672
Non-Current Liabilities					
Hire purchase payables	17	292,091	262,206	-	-
Bank borrowings	18	-	2,770,695	-	2,770,695
		292,091	3,032,901	-	2,770,695
Current Liabilities					
Trade payables	19	5,955,698	8,013,098	-	-
Other payables	20	8,026,052	10,684,365	681,312	944,982
Amount owing to subsidiary companies	7	-	-	545,347	4,803,470
Hire purchase payables	17	94,778	262,928	-	-
Bank borrowings	18	-	3,680,043	-	455,750
Tax payable		387,774	387,774	200,000	200,000
		14,464,302	23,028,208	1,426,659	6,404,202
Total Liabilities		14,756,393	26,061,109	1,426,659	9,174,897
Total Equity and Liabilities		30,405,302	36,093,955	9,950,730	16,895,569

The accompanying notes form an integral part of the financial statements.

DESTINI BERHAD
(Formerly known as Satang Holdings Berhad)
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STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2010 TO 31 DECEMBER 2011

	Note	Group 01.10.2010 to 31.12.2011 RM	Group 01.10.2009 to 30.09.2010 RM	Company 01.10.2010 to 31.12.2011 RM	Company 01.10.2009 to 30.09.2010 RM
Revenue	21	38,717,814	44,114,671	-	-
Cost of sales		(23,085,052)	(28,097,043)	-	-
Gross profit		15,632,762	16,017,628	-	-
Other operating income		5,458,336	795,809	7,902,542	1,196,414
Administration expenses		(14,719,407)	(26,427,107)	(6,386,692)	(21,511,868)
Finance costs	22	(395,628)	(1,298,463)	(352,451)	(209,178)
Profit/(Loss) before taxation	23	5,976,063	(10,912,133)	1,163,399	(20,524,632)
Taxation	24	(360,000)	(622,569)	(360,000)	-
Net profit/(loss) for the financial period/year, representing total comprehensive income for the financial period/year		5,616,063	(11,534,702)	803,399	(20,524,632)
Net profit/(loss) for the financial period/year attributable to owners of the parent		5,616,063	(11,534,702)		
Earnings/(Loss) per share attributable to owner of the parent (sen): Basic	25	2.81	(14.42)		

The accompanying notes form an integral part of the financial statements.

DESTINI BERHAD
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STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2010 TO 31 DECEMBER 2011

	Attributable to Owners of the Parent				
		Non-Distributable			
Group	**Share Capital** RM	**Share Premium** RM	**Asset Revaluation Reserves** RM	**Accumulated Losses** RM	**Total Equity** RM
At 1 October 2009					
- As previously stated	40,000,000	3,076,196	3,676,600	(25,185,248)	21,567,548
- Prior year adjustments	-	-	(1,138,800)	1,138,800	-
- As restated	40,000,000	3,076,196	2,537,800	(24,046,448)	21,567,548
Net loss for the financial year, representing total comprehensive income for the financial year	-	-	-	(11,534,702)	(11,534,702)
At 30 September 2010	40,000,000	3,076,196	2,537,800	(35,581,150)	10,032,846
At 1 October 2010	40,000,000	3,076,196	2,537,800	(35,581,150)	10,032,846
Net profit for the financial period, representing total comprehensive income for the financial period	-	-	-	5,616,063	5,616,063
Realisation of revaluation reserves due to disposal of the freehold industrial land	-	-	(2,362,767)	2,362,767	-
At 31 December 2011	40,000,000	3,076,196	175,033	(27,602,320)	15,648,909

The accompanying notes form an integral part of the financial statements.

DESTINI BERHAD
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STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2010 TO 31 DECEMBER 2011 (CONT'D)

		Non-Distributable			
	Share Capital RM	**Share Premium** RM	**Asset Revaluation Reserves** RM	**Accumulated Losses** RM	**Total** RM
Company					
At 1 October 2009					
- As previously stated	40,000,000	3,076,196	3,501,567	(18,332,459)	28,245,304
- Prior year adjustments	-	-	(1,138,800)	1,138,800	-
- As restated	40,000,000	3,076,196	2,362,767	(17,193,659)	28,245,304
Net loss for the financial year, representing total comprehensive income for the financial year	-	-	-	(20,524,632)	(20,524,632)
At 30 September 2010	40,000,000	3,076,196	2,362,767	(37,718,291)	7,720,672
At 1 October 2010	40,000,000	3,076,196	2,362,767	(37,718,291)	7,720,672
Net profit for the financial period, representing total comprehensive income for the financial period	-	-	-	803,399	803,399
Realisation of revaluation reserves due to disposal of the freehold industrial land	-	-	(2,362,767)	2,362,767	-
At 31 December 2011	40,000,000	3,076,196	-	(34,552,125)	8,524,071

The accompanying notes form an integral part of the financial statements.

DESTINI BERHAD
(Formerly known as Satang Holdings Berhad)
(Incorporated In Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2010 TO 31 DECEMBER 2011

	Group		Company	
	01.10.2010 to 31.12.2011 RM	01.10.2009 to 30.09.2010 RM	01.10.2010 to 31.12.2011 RM	01.10.2009 to 30.09.2010 RM
Cash Flows From Operating Activities				
Profit/(Loss) before taxation	5,976,063	(10,912,133)	1,163,399	(20,524,632)
Adjustments for:				
Amount due to customer on contract written off	-	(89,116)	-	-
Bad debts written off	8,945,092	-	-	-
Depreciation of property, plant and equipment	766,138	1,009,669	53,196	19,752
Deposit written off	2,163	65,405	-	-
Gain on disposal of property, plant and equipment	(3,138,746)	(41,199)	(3,000,000)	-
Impairment on trade and other receivables	1,953,915	9,637,196	-	300,098
Impairment on amount owing by subsidiary companies	-	-	-	12,428,230
Impairment loss on investment in a subsidiary company	-	-	-	3,000,000
Interest expense	395,628	1,298,463	352,451	209,178
Interest income	(1,855)	(339,944)	-	-
Inventories written off	-	1,150,087	-	-
Prepayment written off	-	236,840	-	57,950
Property, plant and equipment written off	1,480,781	11,274	1,069,853	-
Reversal of amount owing to a former Director	(1,751,081)	-	-	-
Reversal of impairment on trade and other receivables	(10,973,124)	-	-	-
Operating profit/(loss) before working capital changes	3,654,974	2,026,542	(361,101)	(4,509,424)

DESTINI BERHAD
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STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2010 TO 31 DECEMBER 2011 (CONT'D)

		Group		Company	
		01.10.2010 to 31.12.2011	01.10.2009 to 30.09.2010	01.10.2010 to 31.12.2011	01.10.2009 to 30.09.2010
	Note	RM	RM	RM	RM
Decrease/(Increase) in working capital					
Inventories		(173,866)	(7,728)	-	-
Trade and other receivables		(3,124,406)	3,068,886	(1,520,846)	(260,104)
Trade and other payables		(4,715,713)	933,482	(263,670)	(121,672)
Amount owing by/to subsidiary companies		-	-	(9,903,986)	5,744,459
Amount owing by/to associated company		1,446	-	-	-
		(8,014,539)	3,994,640	(11,688,502)	5,362,683
Cash (used in)/generated from operations		(4,359,565)	6,021,182	(12,049,603)	853,259
Interest received		1,855	339,944	-	-
Interest paid		(395,628)	(1,298,463)	(352,451)	(209,178)
Tax paid		(360,000)	(10,600)	(360,000)	-
Tax refund		-	2,970,330	-	-
		(753,773)	2,001,211	(712,451)	(209,178)
Net cash (used in)/from operating activities		(5,133,338)	8,022,393	(12,762,054)	644,081
Cash Flows From Investing Activities					
Purchase of property, plant and equipment	3(e)	(774,237)	(197,490)	(170,858)	(87,275)
Proceeds from disposal of property, plant and equipment		18,242,161	110,000	18,000,000	-
Proceeds from disposal of associated company		-	159,600	-	-
Addition of other investments		(25,000)	(10,000)	-	-
Decreased/(Increased) in marketable securities		1,921	(26)	-	-
Net cash from/(used in) investing activities		17,444,845	62,084	17,829,142	(87,275)

DESTINI BERHAD
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(Incorporated In Malaysia)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2010 TO 31 DECEMBER 2011 (CONT'D)

	Group		Company	
	01.10.2010 to 31.12.2011 RM	01.10.2009 to 30.09.2010 RM	01.10.2010 to 31.12.2011 RM	01.10.2009 to 30.09.2010 RM
Cash Flows From Financing Activities				
Repayment of term loan	(3,382,701)	(1,605,528)	(3,226,445)	(504,832)
Decreased of bill payables	(3,068,037)	(3,069,902)	-	-
Repayment of hire purchase payables	(388,265)	(407,009)	-	-
Increased in fixed deposits pledged to licensed banks	(1,392,158)	(725,085)	-	-
Net cash used in financing activities	(8,231,161)	(5,807,524)	(3,226,445)	(504,832)
Net increase in cash and cash equivalents	4,100,346	2,276,953	1,840,643	51,974
Cash and cash equivalents at beginning of the financial period/year	1,259,946	(1,017,007)	135,174	83,200
Cash and cash equivalents at end of the financial period/year	5,360,292	1,259,946	1,975,817	135,174
Cash and cash equivalents at end of the financial period/year comprises:				
Fixed deposits with licensed banks	3,991,567	2,599,409	-	-
Cash and bank balances	5,360,292	1,259,946	1,975,817	135,174
	9,351,859	3,859,355	1,975,817	135,174
Less: Fixed deposits pledged with licensed banks	(3,991,567)	(2,599,409)	-	-
	5,360,292	1,259,946	1,975,817	135,174

The accompanying notes form an integral part of the financial statements.

DESTINI BERHAD
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NOTES TO THE FINANCIAL STATEMENTS

1. Corporate Information

The principal activity of the Company is that of investment holding. The principal activities of the subsidiary companies and associated companies are disclosed in Note 4 and Note 5 to the financial statements.

The Company is a public limited liability company, incorporated under the Companies Act, 1965 and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at Suite 10.03, Level 10, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.

The principal place of business of the Company is located at Lot 03, Ground Floor, Bangunan Yin, No. 7, Seksyen 16/11, Pusat Dagangan Phileo Damansara 1, 46350 Petaling Jaya.

2. Basis of Preparation and Significant Accounting Policies

(a) Basis of preparation

The financial statements of the Group and of the Company have been prepared on the historical cost convention except as disclosed in the notes to the financial statements and in compliance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia.

The Group and the Company have changed its financial year end from 30 September to 31 December. Consequently, the comparatives for the statements of comprehensive income, statements of changes in equity, statements of cash flows as well as certain comparatives in the notes to the financial statements of the Group and the Company are for a period of 15 months from 1 October 2010 to 31 December 2011, and are not comparable to the previous 12 months ended 30 September 2010. The next financial statements will be for a period of 12 months commencing from 1 January 2012.

Pursuant to the Amended Practice Note No. 17/2005 ("PN17") and Paragraph 8.14C of the Listing Requirements of Bursa Malaysia Securities Berhad, the Group has triggered the PN17 criteria's and is therefore classified under PN17. The Company has submitted a regularisation plan on 16 November 2009 to Bursa Malaysia Securities Berhad ("Bursa Securities") and the revised regularisation plan was submitted on 22 March 2011.

On 26 September 2011, the Company announced that the Bursa Securities had approved the proposed restructuring scheme vide its letter dated 22 September 2011. And, the Company has issued a Circular to Shareholders on 26 April 2012 to seek shareholders' approval of the proposed restructuring scheme in the Extraordinary General Meeting to be held on 24 May 2012.

The appropriateness of preparing the financial statements of the Group and of the Company on a going concern basis is dependent on the successfully implementation of the Group's proposed restructuring scheme.

The Directors are of the opinion that the proposed restructuring scheme will be successfully implemented to regularies the financial condition and business operation of the Group and the Company. As such the financial statement of the Group and of the Company do not include any adjustments and classification relating to the recorded assets and liabilities that maybe necessary should the Group and the Company be unable to continue as going concerns.

During the financial period, the Company has adopted the following applicable new Financial Reporting Standards ("FRSs"), revised FRSs, Issues Committee ("IC") Interpretations and amendments to FRSs, issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial year:

FRS 1	First-time adoption of Financial Reporting Standards
FRS 3	Business Combinations
FRS 127	Consolidated and Separate Financial Statements
IC Interpretation 4	Determining Whether an Arrangement Contains a Lease
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investments in a Foreign Operations
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfers of Assets from Customers
Amendments to FRS 1	Limited exemption from Comparative FRS 7 Disclosures for First-time Adopters and Additional Exemptions for First-time Adopters
Amendments to FRS 2	Group cash-settled Share-based Payment Transactions
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 132	Financial Instruments: Presentation – Classification of Rights Issues
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives

Amendments to FRSs contained in the document entitled "Improvements to FRSs (2010)"

Adoption of the above FRSs, IC Interpretations, Amendments to FRSs and IC Interpretations, and "Improvements to FRSs (2010)" did not have any significant effect on the financial statements of the Group and Company, other than for the following:

(i) FRS 3 Business Combinations and FRS 127 Consolidated and Separate Financial Statements (Amendments)

The adoption of the two revised standards affects the way in which the Group accounts for business combinations and the preparation of its consolidated financial statements.

The revised FRS 127 replaces the current term "minority interest" with a new term "non-controlling interest" which is defined as the equity in a subsidiary that is not attributable, directly or indirectly, to a parent. Accordingly, total comprehensive income shall be attributed to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. It also requires that changes in ownership interest which do not result in a loss of control be accounted for as equity transactions. If the changes in ownership interest results in loss of control, any remaining interest in the entity is remeasured at fair value and any resulting gains or losses is recognised in profit or loss.

Under the revised FRS 3, all acquisition-related costs are recognised as an expense in the profit or loss in the period in which they are incurred. All considerations transferred, including contingent considerations, are measured at fair value as at the acquisition date. Any equity interests held prior to the date control is obtained is remeasured at fair value, with the resulting gains or losses recognised in the profit or loss. There is now an option on a case to case basis to measure non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the net identifiable assets of the assets acquired. Goodwill arising from the business combination is measured as the difference between the aggregate fair value of consideration transferred, any non-controlling interests in the acquiree and the fair value at acquisition date of any previously held equity interest in the acquiree, and the fair value of identifiable assets acquired and liabilities assumed (including contingent liabilities) at acquisition date.

The revised FRS 3 and FRS 127 were applied prospectively to acquisitions and/ or changes in ownership interest in subsidiary companies occurred during the financial year.

(ii) Amendments to FRS 7 Improving Disclosures about Financial Instruments

Amendments to FRS 7 require enhanced disclosures about fair value measurements in which a three-level fair value hierarchy was introduced. Each class of financial instrument is to be classified in accordance to this hierarchy which reflects the inputs used in making the fair value measurement. It also reinforces the existing principles for disclosures on liquidity and credit risks. The adoption of this amendment resulted in additional disclosures in the financial statements but did not have any financial impact on the Group and the Company.

(iii) Amendments to FRSs contained in the document entitled "Improvements to FRSs (2010)"

The amendments mainly provide guidance, clarify wordings and remove inconsistencies in existing FRSs. These amendments have extended some of the disclosure requirements under FRS 7, such as the quantification of the extent to which collateral and other credit enhancements mitigate credit risk; and remove certain disclosure requirements such as the carrying amount of renegotiated assets. These changes are only presentational in nature and did not have any financial impact on the Group and the Company.

The above new FRSs, revised FRS, IC interpretations and amendments to FRSs are either not applicable to the Company or the adoptions did not result in significant changes in accounting policies of the Company and did not have significant impact on the Company.

On 19 November 2011, the MASB issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework"). The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venture (herein called "Transitioning Entities").

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2013.

Financial statements that are drawn up in accordance with the new MFRS framework will be equivalent to financial statements prepared by other jurisdictions which adopt IFRSs ("International Financial Reporting Standards").

The Group and the Company will prepare its financial statements in accordance with the MFRS Framework in its first MFRS financial statements for the financial year ending 31 December 2012. In presenting its first MFRS financial statements, the Company will be required to apply MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards ("MFRS 1") in order to assert full compliance with MFRSs and IFRSs. MFRS 1 requires restatement of the financial position as at 1 January 2011 (the date of transition to MFRS) to amounts reflecting the application of MFRS Framework. As at 31 December 2011, the existing FRS Framework is already largely aligned with the MFRS Framework except for MFRS 1 which provides first-time adopter certain exemptions and policy choice. .

The Group and the Company have started assessment of the impact arising from the adoption of MFRS 1 and are in the process of assessing the financial effects of differences between the existing FRSs and the MFRSs. Accordingly, the financial performance and financial position as disclosed in these financial statements for the financial year ended 31 December 2011 could be different if prepared under the MFRS Framework.

The Group and the Company expect to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2012.

The Group and the Company has not early adopted the following MFRSs which have been issued as at the date of authorisation of this financial statements and will be effective for the financial periods as stated below:

		Effective date for financial periods beginning on or after
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Amendments to IC Interpretation 14	Prepayment of a Minimum Funding Requirement	1 July 2011
MFRS 124	Related Party Disclosures (revised)	1 January 2012
Amendments to MFRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1 January 2012
Amendments to MFRS 7	Disclosures – Transfers of Financial Assets	1 January 2012
Amendments to MFRS 112	Deferred Tax: Recovery of Underlying Assets	1 January 2012

		Effective date for financial periods beginning on or after
Amendments to FRS 9 (IFRS 9 as issued by IASB in November 2009), MFRS 9 (IFRS 9 as issued by IASB in October 2010) and MFRS 7	Mandatory Effective Date of FRS 9 and Transition Disclosures	1 March 2012
Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income	1 July 2012
MFRS 10	Consolidated Financial Statements	1 January 2013
MFRS 11	Joint Arrangements	1 January 2013
MFRS 12	Disclosure of Interests in Other Entities	1 January 2013
MFRS 13	Fair Value Measurement	1 January 2013
MFRS 119	Employee Benefits (revised)	1 January 2013
MFRS 127	Separate Financial Statements	1 January 2013
MFRS 128	Investments in Associates and Joint Ventures	1 January 2013
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to MFRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
MFRS 9 (IFRS 9 as issued by IASB in November 2009)	Financial Instruments	1 January 2015*
MFRS 9 (IFRS 9 as issued by IASB in October 2010)	Financial Instruments	1 January 2015*

* Original effective date of 1 January 2013 deferred to 1 January 2015 via amendments issued by MASB on 1 March 2012.

The above new MFRSs, revised MFRSs, IC Interpretations and amendments to MFRSs will be adopted in the annual financial statements of the Group and of the Company when they become effective and that the initial applications of these Standards and IC Interpretations will have no significant impact on the financial statements of the Company, except as discussed below:

(i) MFRS 124 Related Party Disclosures

The revised MFRS 124 simplify the definition of a related party, clarifies its intended meaning and eliminates inconsistencies from the definition and gives partial exemption from disclosure for government-related entities. These changes affect disclosures in the financial statements and did not have any impact on the financial results of the Group and the Company.

(ii) Amendments to MFRS 112 Deferred Tax: Recovery of Underlying Assets

This amendment supersedes and introduces an exception to the existing principle for the measurement of deferred tax assets or liabilities arising on investment property measured at fair value. MFRS 112 currently requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. It can be difficult and subjective to assess whether recovery will be through use or through sale when the asset is measured using the fair value model in FRS 140 Investment Property. As a result of the amendments, IC Interpretation 121 Income Taxes – Recovery of Revalued Non-Depreciable Assets will be superseded and its guidance will be incorporated into MFRS 112.

(iii) Amendment to MFRS 1 First-time Adoption on Fixed Dates and Hyperinflation

This amendment includes two changes to MFRS 1. The first replaces references to a fixed date of '1 January 2006' with 'the date of transition to MFRSs', thus eliminating the need for entities adopting MFRSs for the first time to restate de-recognition transactions that occurred before the date of transition to MFRSs. The second amendment provides guidance on how an entity should resume presenting financial statements in accordance with MFRSs after a period when the entity was unable to comply with MFRSs because its functional currency was subject to severe hyperinflation.

(iv) Amendments to MFRS 7 Disclosures – Transfers of Financial Assets

The amendment enhances the transparency in the reporting of transfer transactions and improves users' understanding of the risk exposures relating to transfers of financial assets and the effect of those risks on an entity's financial position, particularly those involving securitisation of financial assets.

(v) Amendments to MFRS 7 Disclosures - Offsetting Financial Assets and Financial Liabilities and Amendments to MFRS 132 Offsetting Financial Assets and Financial Liabilities

The amendment requires financial assets and financial liabilities to be offset and present the net amount in the statement of financial position, only if the entity has an unconditional and legally enforceable right to set off the financial asset and financial liability, and it intends either to settle the financial asset and financial liability net or to realise the financial asset and settle the financial liability simultaneously.

(vi) MFRS 9 Financial Instruments (IFRS 9 issued by IASB in November 2009) and MFRS 9 Financial Instruments (IFRS 9 issued by IASB in October 2010)

MFRS 9 (IFRS 9 issued by IASB in November 2009) specifies how an entity should classify and measure financial assets. This standard replaces the multiple classification and measurement models in MFRS 139 with a single model that has only two classification categories: amortised cost and fair value. The basis of classification depends on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

MFRS 9 (IFRS 9 issued by IASB in October 2010) specifies the requirements for the classification and measurement of financial liabilities, which are generally similar to the requirements of the existing MFRS 139. However, this standard requires that for financial liabilities designated as at fair value through profit or loss, changes in fair value attributable to the credit risk of that liability are to be presented in OCI. There is no subsequent recycling of the amounts in OCI to profit or loss, but accumulated gains or losses may be transferred within equity.

The guidance in MFRS 139 on impairment of financial assets and hedge accounting continues to apply.

(vii) MFRS 10 Consolidated Financial Statements

MFRS 10 will replace all the guidance on control and consolidation in MFRS 127 Consolidated and Separate Financial Statements and IC Interpretation 112 Consolidation – Special Purpose Entities.

MFRS 10 changes the definition of control. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. It establishes control as the basis for determining which entities are consolidated in the consolidated financial statements and sets out the accounting requirements for the preparation of consolidated financial statements.

(viii) MFRS 11 Joint Arrangements

MFRS 11 will supersede the existing MFRS 131 Interests in Joint Ventures when effective. Under MFRS 11, an entity accounts for its interest in a jointly controlled entity based on the type of joint arrangement, as determined based on an assessment of its rights and obligations arising from the arrangement.

(ix) MFRS 12 Disclosure of Interests in Other Entities

This is a combined disclosure standard for interests in subsidiary companies, joint ventures, associated companies and unconsolidated structured entities. The disclosure requirements in this FRS are aimed at providing standardised and comparable information that enable users of financial statements to evaluate the nature of, and risks associated with, the entity's interests in other entities, and the effects of those interests on its financial position, financial performance and cash flows.

(x) MFRS 13 Fair Value Measurement

This standard defines fair value and sets out a framework for measuring fair value, and the disclosure requirements about fair value. This standard is intended to address the inconsistencies in the requirements for measuring fair value across different accounting standards. The definition of fair value under this standard emphasises the principle that fair value is a market-based measurement, not an entity specific measurement.

(xi) MFRS 119 Employee Benefits (as amended in November 2011)

This revised MFRS 119 will supersede the existing MFRS 119 when effective. This new standard makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits, and to the disclosures for all employee benefits. Actuarial gains and losses will no longer be deferred using the corridor approach. Past service costs, whether unvested or already vested, are recognised immediately in the profit or loss as incurred and the annual defined benefit costs in the profit or loss will include net interest expense/ income on the defined benefit asset/liability.

(xii) MFRS 127 Separate Financial Statements (as amended in November 2011)

Upon the adoption of MFRS 10, the accounting requirements relating to the preparation of consolidated financial statements are no longer covered under MFRS 127. This revised MFRS 127 only cover the requirements relating to the accounting for investments in subsidiary companies, associated companies and joint ventures in the separate financial statements of the entity. In such cases, the entity should account for such investments either at cost, or in accordance with MFRS 9.

(b) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia (RM), which is the Company's functional currency.

(c) Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on historical experience and other relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key assumptions concerning the future and other key sources of estimation or uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below:

(i) Depreciation of property, plant and equipment

The costs of property, plant and equipment of the Group and of the Company are depreciated on a straight-line basis over the useful lives of the assets. Management estimates the useful lives of the property, plant and equipment as disclosed in Note 2(i)(iii). These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could have impact on the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amounts of the Group's and of the Company's property, plant and equipment at 31 December 2011 are disclosed in Note 3 to the financial statements.

(ii) Estimation of fair value of properties

In the absence of current prices in an active market for similar properties, the Group considers information from a variety of sources, including:

(a) current prices in an active market for properties of a different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences; or

(b) recent prices of similar properties based on less active market, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices.

(iii) Impairment of investment in subsidiary companies

The carrying values of investment in subsidiary companies and the related goodwill are reviewed for impairment. In the determination of the value in use of the investment, the Company is required to estimate the expected cash flows to be generated by the subsidiary companies and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of the Company's investment in subsidiary companies as at 31 December 2011 is disclosed in Note 4 to the financial statements.

(iv) Impairment of investment in associated companies

The carrying values of investment in associated companies and the related goodwill are reviewed for impairment in accordance with FRS 128, Investments in Associates.

In the determination of the value in use of the investment, the Group is required to estimate the expected cash flows to be generated by the associated company and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of the Group's investment in associated companies as at 31 December 2011 is disclosed in Note 5 to the financial statements.

(v) Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial assets is impaired. To determine whether there is objective evidence of impairment, the Group and the Company considers factors such as the probability of significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group and the Company's loans and receivables as at 31 December 2011 is disclosed in Notes 7, 10 and 11 to the financial statements.

(vi) Income taxes

There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. Significant judgement is involved especially in determining tax base allowances and deductibility of certain expenses in determining the Group-wide provision for income taxes. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will have impact on the income tax and deferred tax provisions in the period in which such determination is made.

(d) Financial assets

Financial assets are recognised on the statements of financial position when, and only when the Group and the Company becomes a party to the contractual provisions of the financial instrument.

(i) Classification

The Group and the Company classifies its financial assets in the following categories: at fair value through profit or loss (FVTPL), loans and receivables, available-for-sale (AFS) and held-to-maturity (HTM). The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

Financial assets at FVTPL

Financial assets at FVTPL are financial assets held for trading. A financial asset is classified in this category if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term. Derivatives are also categorised as held for trading unless they are designated as hedges.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the statements of financial position date which are presented as non-current assets.

AFS Financial Assets

AFS financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless management intends to dispose of the assets within 12 months after the statements of financial position date.

HTM investments

HTM investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Group and the Company have the positive intention and ability to hold to maturity. If the Group and the Company were to sell other than an insignificant amount of HTM financial assets, the whole category would be tainted and reclassified as AFS.

HTM investment are classified as non-current assets, except for those having maturity date within 12 months after the end of the reporting period which are classified as current.

(ii) Recognition and initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at FVTPL, which are recognised at fair value. Transaction costs for financial assets at FVTPL are recognised immediately in the profit and loss.

Regular way purchases and sales of financial assets are recognised on a trade-date basis - the date on which the Group and the Company commits to purchase or sell the asset.

(iii) Subsequent measurement

Financial assets, both AFS and at FVTPL are subsequently carried at fair value. The fair value measurement considerations of the Group and of the Company are as disclosed in Note 2(e).

Equity instrument which are classified as AFS that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, are measured at cost.

Changes in the fair values of financial assets at FVTPL including the effects of currency translation, interest and dividends, are recognised in the profit and loss when the changes arise.

Interest and dividend income on AFS financial assets are recognised separately in the statements of comprehensive income. Changes in fair values of AFS equity securities (i.e. non-monetary items) are recognised in the statement of comprehensive income, except for impairment losses and foreign exchange gains and losses, which are recognised in the profit or loss.

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

(iv) Impairment

The Group and the Company assesses at each statements of financial position date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default or significant delay in payments are objective evidence that these financial assets are impaired. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The asset's carrying amount is reduced and the amount of the loss is recognised in profit or loss.

If in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, it is written off against the related accumulated impairment losses account. Subsequent recoveries of amounts previously written off are recognised against the same line item in the profit and loss.

AFS Financial Assets

Significant or prolonged declines in the fair value of the security below its cost and the disappearance of an active trading market for the security are objective evidence that the security is impaired.

The cumulative loss that was recognised in the other comprehensive income shall be reclassified to the profit or loss. The amount of cumulative loss that is reclassified to profit or loss is the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss. Impairment losses recognised in the profit or loss on equity securities are not reversed through the profit or loss.

HTM investments

Impairment in respect of HTM investment carried at amortised cost are measured as the difference between the asset's carrying amount and the present values of their estimated future cash flows discounted at the HTM investments' original effective interest rate.

The asset's carrying amount is reduced and the amount of the loss is recognised in profit or loss. If in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

(v) Reclassification of financial assets

The Group and the Company may choose to reclassify non-derivative assets out from the held-for-trading category, in rare circumstances, where the financial assets are no longer held for the purpose of selling or repurchasing in the short term. In addition, the Group and the Company may also choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or AFS categories if the Group and the Company have the intention and ability to hold the financial asset for the foreseeable future or until maturity.

If the Group or the Company were to sell or reclassify more than an insignificant amount of HTM investments before maturity, the entire category would be tainted and be reclassified to available-for-sale.

Reclassifications are made at fair value as at the reclassification date, whereby the fair value becomes the new cost or amortised cost, as applicable. Any fair value gains or losses previously recognised in the profit or loss is not reversed.

As at reporting date, the Group and the Company have not made any such reclassifications of financial assets.

(vi) Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group and the Company has transferred substantially all risks and rewards of ownership. On derecognition of a financial asset, the difference between the carrying amount and the sum of consideration received and any cumulative gains or loss that had been recognised in equity is recognised in the profit or loss.

(e) Determination of fair value

All financial instruments are recognised initially at fair value. At initial recognition, the fair value of a financial instrument is the transaction price, i.e. the fair value of the consideration given or received. Subsequent to initial recognition, the fair value of financial instruments measured at fair value is measured in accordance with the valuation methodologies as set out in Note 31(f).

Investments in unquoted equity instruments whose fair value cannot be reliably measured are measured at cost, and assessed for impairment at each reporting date.

(f) Derivatives

Derivatives relate to fair value hedges on financial assets held through profit or loss. Derivatives are initially recognised at fair values on the date the contract is entered into and is subsequently carried at fair value.

The fair value hedges are not designated as effective hedging investments therefore changes in fair value are recognised immediately in the profit and loss.

(g) Financial liabilities

Financial liabilities are recognised on the statements of financial position when, and only when the Group and the Company becomes a party to the contractual provisions of the financial instrument.

The Group and the Company classifies its financial liabilities in the following categories: at FVTPL or other financial liabilities. Management determines the classification of its financial liabilities at initial recognition.

All financial liabilities are initial recognised at fair value plus transaction cost and subsequently carried at amortised cost using the effective interest method, other than those categorised as FVTPL. Changes in the carrying value of these liabilities are recognised in the profit or loss.

Financial liabilities at FVTPL include financial liabilities held for trading, derivative (except for financial guarantee contracts or a designated and effective hedging instrument) and financial liabilities designated into this category upon initial recognition.

Other financial liabilities are non-derivatives financial liabilities. The Group's and the Company's other financial liabilities comprise trade and other payables and borrowings. Financial liabilities are classified as current liabilities; except for maturities more than 12 months after the reporting date, in which case they are classified as non-current liabilities.

(h) Basis of consolidation

The consolidated financial statements include the financial statements of the Company, its subsidiary companies and its associated companies from the date that control effectively commences until the date that control ceases through equity accounting, which are made up to the end of the financial year.

In the Company's separate financial statements, investments in subsidiary companies and investment in associated companies are stated at cost less impairment losses in accordance with Note 2(j). On disposal of these investments, the difference between the net disposal proceeds and the carrying amount is recognised in the profit and loss.

(i) Subsidiary companies

Subsidiary companies are those companies in which the Group has long term equity interest and has the power, directly or indirectly, to govern the financial and operating policies so as to obtain benefits from its activities, generally accompanying a shareholding of more than one half of the voting rights.

The acquisition method of accounting is used to account for the purchase of subsidiary companies. The consideration transferred for acquisition of a subsidiary is measured as the fair value of the assets given, equity instruments issued and or liabilities incurred or assumed at the date of exchange, as well as any contingent consideration given. Acquisition related costs are expensed off in the profit or loss as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values on the date of acquisition.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired (ie. a bargain purchase), the gain is recognised in profit or loss. The accounting policy on goodwill on acquisition of subsidiary companies is set out in Note 2(j).

In a business combination achieved in stages, the previously held equity interest in the acquiree is re-measured at its acquisition date fair value and the resulting gain or loss is recognised in profit or loss.

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

If the Group loses control of a subsidiary company, the assets and liabilities of the subsidiary company, including any goodwill, and non-controlling interests are derecognised at their carrying value on the date that control is lost. Any remaining investment in the entity is recognised at fair value. The difference between the fair value of consideration received and the amounts derecognised and the remaining fair value of the investment is recognised as a gain or loss on disposal in the consolidated statements of comprehensive income.

Non-controlling interest is the equity in a subsidiary not attributable, directly or indirectly, to the Group. On an acquisition-by-acquisition basis, the Group measures any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. At the end of reporting period, non-controlling interest consists of amount calculated on the date of combinations and its share of changes in the subsidiary's equity since the date of combination.

All earnings and losses of the subsidiary are attributed to the parent and the non-controlling interest, even if the attribution of losses to the non-controlling interest results in a debit balance in the shareholders' equity. Profit or loss attribution to non-controlling interests for prior years is not restated.

(ii) Associated companies

Associate companies are entities over which the Group has significant influence, but not control, generally accompanying a shareholding of between and including 20% and 50% of the voting rights. Investments in associate companies are accounted for using the equity method of accounting. Investments in associate companies include goodwill identified on acquisition, net of any accumulated impairment loss in accordance with Note 2(j).

Equity accounting involves recording investments in associate companies initially at cost, and recognising the Group's share of its associate companies' post-acquisition results and its share of post-acquisition net results and other changes to comprehensive income against the carrying amount of the investments. When the Group's share of losses in an associate company equals or exceeds its interest in the associate company, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate company.

(i) Property, plant and equipment

Property, plant and equipment are stated at cost or valuation less accumulated depreciation and accumulated impairment losses. The policy of recognition and measurement of impairment losses is in accordance with Note 2(j).

(i) Recognition and measurement

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices for similar items.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Leasehold factory and freehold industrial land are measured at fair value less accumulated depreciation and impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from fair value of the leasehold land and buildings at the reporting date.

Any revaluation surplus is recognised in other comprehensive income and accumulated in equity under the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset carried in the asset revaluation reserve.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The revaluation surplus included in the asset revaluation reserve in respect of an asset is transferred directly to retained earnings on retirement or disposal of the asset.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

(iii) Depreciation

Depreciation is recognised in the profit and loss on a straight-line basis over the estimated useful lives of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Leasehold factory is depreciated over the remaining lease period. Freehold industrial land is not depreciated. Building under construction is not depreciated until the asset is ready for its intended use.

The estimated useful lives for the current and comparative periods are as follows:

Furniture and fittings	5 - 10 years
Office equipment	5 - 10 years
Tools and equipment	5 - 10 years
Motor vehicles	5 years
Renovation	5 years
Computers	3 - 5 years

The depreciable amount is determined after deducting the residual value.

Depreciation methods, useful lives and residual values are reassessed at each financial year end.

Upon disposal of an asset, the difference between the net disposal proceeds and the carrying amount of the assets is charged or credited to the profit or loss. On disposal of a revalued asset, the attributable revaluation surplus remaining in the revaluation reserve is transferred to retained earnings.

(j) Impairment of non-financial assets

The carrying amounts of assets are reviewed at each reporting date to determine whether there is any indication of impairment.

If any such indication exists then the asset's recoverable amount is estimated. For goodwill that has indefinite useful lives, recoverable amount is estimated at each reporting date or more frequently when indications of impairment are identified.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount unless the asset is carried at a revalued amount, in which case the impairment loss is recognised directly against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

Impairment losses are recognised in the profit and loss in the period in which it arises. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units (groups of units) and then to reduce the carrying amount of the other assets in the unit (groups of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss on goodwill is not reversed in a subsequent period. An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit and loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase.

(k) Other investments

Other investments are long term investments stated at cost and allowance is made where, in the opinion of the Directors, there is a permanent diminution in value. Permanent diminution in the value of investment is recognised as an expense in the financial year in which the diminution is identified.

On disposal of an investment, the difference between the net disposal proceeds and its carrying amount is charged or credited to the profit or loss.

(l) Goodwill on consolidation

For acquisitions prior to 1 January 2006, goodwill acquired in a business combination represents the excess of the cost of the acquisition of subsidiary companies over the Group's interest in the fair values of the net identifiable assets (including intangible assets) at the date of acquisition. With the adoption of FRS 3 Business Combinations beginning 1 January 2006, goodwill arising on consolidation represents the excess of the costs of the acquisition over the fair value of the identifiable assets, liabilities and contingent liabilities of subsidiary companies acquired at the date of acquisition. If the cost of acquisition is less than the fair value of the net assets of the subsidiary company acquired, the difference is recognised directly in the statements of comprehensive income.

Upon adoption of the revised FRS 3 Business Combinations on 1 January 2011, goodwill is measured as the excess of consideration transferred, any non-controlling interest and the acquisition-date fair value of any previously-held equity interest in the subsidiary company over the fair value of the Group's share of the identifiable net assets acquired.

Following the initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment annually or more frequent when there is objective evidence that the carrying value may be impaired, in accordance with Note 2(j).

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. Gains or losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(m) Inventories

Inventories are valued at the lower of cost and net realisable value after adequate allowance has been made for all deteriorated, damaged, obsolete or slow-moving inventories.

Cost is determined using the first in, first out method. The cost of raw materials comprises the original cost of purchase plus the cost of bringing the stocks to its present location and condition.

Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

(n) Marketable securities

Marketable securities comprise quoted unit trusts in Malaysia. Marketable securities are carried at the lower of cost and market value, determined on an aggregate portfolio basis by category of investment. Cost is derived using the weighted average basis. Market value is calculated by reference to stock exchange quoted selling prices at the close of business on the end of the reporting period. Increases or decreases in the carrying amount of marketable securities are credited or charged to the profit or loss. On disposal of marketable securities, the difference between net disposal proceeds and the carrying amount is recognised in the profit or loss.

(o) Share capital

Ordinary shares are recorded at the nominal value and proceeds in excess of the nominal value of shares issued, if any, are accounted for as share premium. Both ordinary shares and share premium are classified as equity. Cost directly attributable to the issuance of the shares is accounted for as a deduction from share premium, otherwise, it is charged to the profit and loss.

When shares are repurchased, the amount of consideration paid, including directly attributable costs, is measured at cost and set off against equity. Shares repurchased and not cancelled are classified as treasury shares. Where treasury shares are reissued by re-sale in the open market, the difference between the sale consideration and the carrying amount is recognised in equity.

Dividends on ordinary shares, when declared or proposed by the Directors of the Company are disclosed in the notes to the financial statements. Upon approval and when paid, such dividends will be accounted for in the shareholders' equity as an appropriation of unappropriated profit in the financial year in which the dividends are paid.

(p) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, bank balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents are presented net of bank overdrafts and pledged deposits, if any.

(q) Construction contracts

Construction contracts are stated at cost plus attributable profits less applicable progress billings and allowances for foreseeable losses, if any.

When the outcome of a construction contract can be estimated reliably, contract revenue and contract cost are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activities at the end of the reporting period. The stage of completion is determined by the surveys of work performed and completion of a physical proportion of the contract work.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable and contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

The aggregate of the costs incurred and the profit/loss recognised on each contract is compared against the progress billings up to the period end. Where costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is shown as amount owing by customers on contracts. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as amount owing to customers on contracts.

(r) Provisions for liabilities

Provisions for liabilities are recognised when the Group and the Company have a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each end of the reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

(s) Lease and hire purchase

A lease is recognised as a finance lease if it transfers substantially to the Group and the Company all the risks and rewards incident to ownership. All other leases are treated as operating leases.

Assets acquired by way of hire purchase are stated at an amount equal to the lower of their fair values and the present value of the minimum hire purchase payments at the inception of the hire purchase, less accumulated depreciation and impairment losses. The corresponding liability is included in the balance sheet as liabilities. In calculating the present value of the minimum hire purchase payments, the discount factor used is the interest rate implicit in the hire purchase, when it is practical to determine; otherwise, the Company's incremental borrowing rate is used.

Hire purchase payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total hire purchase commitments and the fair value of the assets acquired, are recognised as an expense in the profit or loss over the term of the relevant hire purchase so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

The depreciation policy for hire purchase assets is consistent with that for depreciable property, plant and equipment which are owned.

Lease rental under operating lease is charged to the profit and loss on a straight line basis over the term of the relevant lease.

(t) Borrowings

Interest bearing bank borrowings are recorded at the amount of proceeds received, net of transaction costs incurred.

(u) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

When the borrowings are made specifically for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of funds drawdown from that borrowings

When the borrowings are made generally, and used for the purpose of obtaining a qualifying asset, the borrowing costs eligible for capitalisation are determined by applying a capitalisation rate which is the weighted average of the borrowing costs applicable to the borrowings that are outstanding during the financial year.

All other borrowing costs are recognised as an expense in the statement of comprehensive income in the period in which they are incurred.

(v) Foreign currencies

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing on the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in the profit or loss for the period except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation.

These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation are recognised in profit or loss in the Company's separate financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(w) Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and the Company and when the revenue can be measured reliably, on the following bases:

(i) Goods sold and services rendered

Revenue from sales of goods and services is recognised when significant risk and rewards have been transferred to the buyer or performance of services, net of discounts.

(ii) Construction contracts

Revenue from work done on construction contracts is recognised based on the percentage of completion method. The stage of completion is determined by the surveys of work performed and completion of a physical proportion of the contract work. Allowance for foreseeable losses is made in the financial statements when such losses can be determined.

(iii) Rental income

Rental income is recognised on a straight line basis over the lease term unless ability to collect is in doubt.

(iv) Interest income

Interest income is recognised on a time proportion basis that takes into account the effective yield on the asset.

(v) Dividend income

Dividend income is recognised when the shareholder's right to receive payment is established.

(x) Income taxes

Income tax on the profit or loss for the financial year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the financial year and is measured using the tax rates that have been enacted at the end of the reporting period.

Deferred tax is recognised on the liability method for all temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base at the end of the reporting period. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax asset and liability is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of a deferred tax asset is reviewed at each end of the reporting period and is reduced to the extent that it becomes probable that sufficient future taxable profit will be available.

Deferred tax is recognised in the profit or loss, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or negative goodwill.

(y) Employee benefits

(i) Short term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensation absences. Short term non-accumulating compensated absences such as sick and medical leave are recognised when the absences occur.

The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period.

(ii) Defined contribution plans

As required by law, companies in Malaysia make contributions to the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in the profit or loss as incurred.

(z) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(aa) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker, which in this case is the Group's Executive Board, to make decisions about resources to be allocated to the segment and to assess its performance and for which discrete financial information is available.

3. Property, Plant and Equipment

	At valuation		At cost							
Group	Leasehold factory RM	Freehold industrial land RM	Building under construction RM	Furniture and fittings RM	Office equipment RM	Tools and equipment RM	Motor vehicles RM	Renovation RM	Computers RM	Total RM
2011										
At cost/valuation										
At 1 October 2010	750,000	15,000,000	1,069,853	540,111	858,914	1,177,355	2,909,509	2,174,107	2,032,676	26,512,525
Additions	-	-	-	-	3,850	18,046	314,741	659,419	28,181	1,024,237
Disposals	-	(15,000,000)	-	-	-	-	(852,023)	-	(395,817)	(16,247,840)
Written off	-	-	(1,069,853)	(72,366)	(544,448)	-	-	(982,401)	(6,950)	(2,676,018)
At 31 December 2011	750,000	-	-	467,745	318,316	1,195,401	2,372,227	1,851,125	1,658,090	8,612,904
Accumulated depreciation										
At 1 October 2010	26,471	-	-	413,907	650,873	623,880	2,554,924	1,064,123	1,861,580	7,195,758
Charge for the financial period	11,029	-	-	36,141	61,727	88,402	209,699	239,157	119,983	766,138
Disposals	-	-	-	-	-	-	(748,723)	-	(395,702)	(1,144,425)
Written off	-	-	-	(72,086)	(464,363)	-	-	(651,838)	(6,950)	(1,195,237)
At 30 September 2010	37,500	-	-	377,962	248,237	712,282	2,015,900	651,442	1,578,911	5,622,234
Carrying amount										
At 31 December 2011	712,500	-	-	89,783	70,079	483,119	356,327	1,199,683	79,179	2,990,670

3. Property, Plant and Equipment (Cont'd)

Group	At valuation		At cost							
	Leasehold factory RM	Freehold industrial land RM	Building under construction RM	Furniture and fittings RM	Office equipment RM	Tools and equipment RM	Motor vehicles RM	Renovation RM	Computers RM	Total RM
2010										
At cost/valuation										
At 1 October 2009	750,000	15,000,000	1,049,010	530,434	843,183	1,130,561	2,993,642	2,195,630	1,964,795	26,457,255
Additions	-	-	20,843	9,677	15,731	46,794	80,990	28,374	67,881	270,290
Disposals	-	-	-	-	-	-	(165,123)	-	-	(165,123)
Written off	-	-	-	-	-	-	-	(49,897)	-	(49,897)
At 30 September 2010	750,000	15,000,000	1,069,853	540,111	858,914	1,177,355	2,909,509	2,174,107	2,032,676	26,512,525
Accumulated depreciation										
At 1 October 2009	17,647	-	-	384,676	602,674	559,392	2,169,522	906,133	1,680,990	6,321,034
Charge for the financial year	8,824	-	-	29,231	48,199	64,488	481,724	196,613	180,590	1,009,669
Disposals	-	-	-	-	-	-	(96,322)	-	-	(96,322)
Written off	-	-	-	-	-	-	-	(38,623)	-	(38,623)
At 30 September 2010	26,471	-	-	413,907	650,873	623,880	2,554,924	1,064,123	1,861,580	7,195,758
Carrying amount										
At 30 September 2010	723,529	15,000,000	1,069,853	126,204	208,041	553,475	354,585	1,109,984	171,096	19,316,767

3. Property, Plant and Equipment (Cont'd)

Company	At valuation	At cost					
	Freehold industrial land RM	Building under construction RM	Renovation RM	Computers RM	Office Equipments RM	Software and Licenses RM	Total RM
2011							
At cost/valuation							
At 1 October 2010	15,000,000	1,069,853	12,500	60,086	3,900	22,000	16,168,339
Additions	-	-	153,561	17,297	-	-	170,858
Disposal	(15,000,000)	-	-	-	-	-	(15,000,000)
Written off	-	(1,069,853)	-	-	-	-	(1,069,853)
At 31 December 2011	-	-	166,061	77,383	3,900	22,000	269,344
Accumulated depreciation							
At 1 October 2010	-	-	6,667	19,738	228	3,630	30,263
Charge for the financial period	-	-	19,051	24,583	487	9,075	53,196
At 31 December 2011	-	-	25,718	44,321	715	12,705	83,459
Carrying amount							
At 31 December 2011	-	-	140,343	33,062	3,185	9,295	185,885

3. Property, Plant and Equipment (Cont'd)

	At valuation	At cost					
Company	**Freehold industrial land** RM	**Building under construction** RM	**Renovation** RM	**Computers** RM	**Office Equipments** RM	**Software and Licenses** RM	**Total** RM
2010							
At cost/valuation							
At 1 October 2009	15,000,000	1,049,010	12,500	19,554	-	-	16,081,064
Additions	-	20,843	-	40,532	3,900	22,000	87,275
At 30 September 2010	15,000,000	1,069,853	12,500	60,086	3,900	22,000	16,168,339
Accumulated depreciation							
At 1 October 2009	-	-	4,167	6,344	-	-	10,511
Charge for the financial year	-	-	2,500	13,394	228	3,630	19,752
At 30 September 2010	-	-	6,667	19,738	228	3,630	30,263
Carrying amount							
At 30 September 2010	15,000,000	1,069,853	5,833	40,348	3,672	18,370	16,138,076

3. **Property, Plant and Equipment (Cont'd)**

(a) The carrying amounts of property, plant and equipment of the Group and of the Company which have been pledged to licensed banks as security for credit facilities granted to the Company and a subsidiary company as disclosed in Note 18 to the financial statements are as follows:

	Group		Company	
	31.12.2011	30.09.2010	31.12.2011	30.09.2010
	RM	RM	RM	RM
Leasehold factory	712,500	723,529	-	-
Freehold industrial land	-	15,000,000	-	15,000,000
	712,500	15,723,529	-	15,000,000

(b) Included in the property, plant and equipment of the Group are motor vehicles acquired under hire purchase with carrying amount of RM356,325 (2010: RM270,703).

(c) The leasehold factory and freehold industrial land were valued by a firm of professional valuers based on the open market value basis.

Had the revalued property, plant and equipment been included in the financial statements at cost less accumulated depreciation and accumulated impairment loss, the carrying amount of the revalued property, plant and equipment would have been as follows:

	Group		Company	
	31.12.2011	30.09.2010	31.12.2011	30.09.2010
	RM	RM	RM	RM
Leasehold factory	545,077	554,670	-	-
Freehold industrial land	-	15,000,000	-	15,000,000
	545,077	15,554,670	-	15,000,000

(d) The remaining period of the leasehold factory is 82 (2010: 83) years, which expires on 8 May 2093.

3. **Property, Plant and Equipment (Cont'd)**

(e) The aggregate additional cost for the property, plant and equipment of the Group and of the Company during the financial year under hire purchase financing and cash payment are as follows:

	Group		Company	
	31.12.2011	30.09.2010	31.12.2011	30.09.2010
	RM	RM	RM	RM
Aggregate costs	1,024,237	270,290	170,858	87,275
Less: Hire purchase financing	(250,000)	(72,800)	-	-
Cash payment	774,237	197,490	170,858	87,275

(f) Included in property, plant and equipment of the Group are the costs of the following fully depreciated assets which are still in use:

	Group	
	31.12.2011	30.09.2010
	RM	RM
Furniture and fittings	6,944	251,562
Office equipment	32,589	374,889
Tools and equipment	112,359	103,616
Motor vehicles	1,783,908	1,393,856
Renovation	309,926	248,558
Computers	1,757,000	1,504,437
	4,002,726	3,876,918

4. **Investment in Subsidiary Companies**

(a) Investment in subsidiary companies

	Company	
	31.12.2011	30.09.2010
	RM	RM
Unquoted shares, at cost		
In Malaysia	20,575,000	20,575,000
Less: Accumulated impairment losses	(20,000,000)	(20,000,000)
	575,000	575,000

4. **Investment in Subsidiary Companies (Cont'd)**

(b) The subsidiary companies and shareholdings therein are as follows:

Name of company	Country of incorporation	Effective interest 2011 %	Effective interest 2010 %	Principal activities
Direct holding:				
Destini Prima Sdn. Bhd. (formerly known as Satang Jaya Sdn. Bhd.)	Malaysia	100	100	Investment holding and distribution and supply of defence and commercial aviation and marine and Consultant to Original Equipment Manufacturers (OEMs)
Indirect holding:				
Subsidiary companies of Destini Prima Sdn. Bhd. (formerly known as Satang Jaya Sdn. Bhd.)				
Satang Dagangan Sdn. Bhd.	Malaysia	100	100	Supplying of defence and aviation equipment and accessories
Destini Armada Sdn. Bhd. (formerly known as Satang Marine Services Sdn. Bhd. and Satang Mechatronic Sdn. Bhd.)	Malaysia	100	100	Maintenance, repairs and overhaul of aviation electronics and safety equipment and electro-mechanical related accessories
Satang Aviation Sdn. Bhd. (formerly known as Satang Sar Services Sdn. Bhd.)	Malaysia	100	100	Maintenance, repairs and overhaul of safety and survival equipment
Destini Fire Safety Sdn. Bhd. (formerly known as Satang GSE Services Sdn. Bhd.	Malaysia	100	100	Maintenance, repairs and overhaul ground support safety equipment and related accessories

4. **Investment in Subsidiary Companies (Cont'd)**

(b) The subsidiary companies and shareholdings therein are as follows (Cont'd):

Name of company	Country of incorporation	Effective interest 2011 %	Effective interest 2010 %	Principal activities
Indirect holding: Subsidiary companies of Destini Prima Sdn. Bhd. (formerly known as Satang Jaya Sdn. Bhd.)				
Satang Environmental Sdn. Bhd.	Malaysia	100	100	Supplying and distribution of environment products, providing training and seminar in respect of Environmental Management System and other related services
Satang Engineering Sdn. Bhd. (formerly known as Satang Cylinder Services Sdn. Bhd.)	Malaysia	100	100	Maintenance, repairs and overhaul of aviation related cylinders that include servicing, inspection, recycling and refilling of gas and other related services
Destini Infotech Sdn. Bhd. (formerly known as Satang Hi-Tech Solutions Sdn. Bhd.)	Malaysia	99.99	99.99	Providing consultancy and solution services and implementing of high technology and surveillance security systems and its related services
Satang-ICS Global Sdn. Bhd.	Malaysia	51	51	Supplying and servicing of pipe cleaning products and equipments
Satang Construction Sdn. Bhd.	Malaysia	99.99	99.99	Construction contracts

5. Investment in Associated Company

	Group		Company	
	31.12.2011	30.09.2010	31.12.2011	30.09.2010
	RM	RM	RM	RM
At cost:				
Unquoted shares in Malaysia	30,000	30,000	30,000	30,000
Less: Accumulated impairment loss	(29,999)	(29,999)	(29,999)	(29,999)
	1	1	1	1

The associated company and shareholdings therein are as follows:

Name of company	Country of incorporation	Effective interest 2011 %	Effective interest 2010 %	Principal activities
Direct interest:				
* Hasrat Mestika Sdn. Bhd.	Malaysia	30	30	Marketing and distributing of a new and revolutionary technology in industrial pipe cleaning

* Associated company not audited by UHY

The summarised financial information of the associated company is as follows:

	Group	
	31.12.2011	30.09.2010
	RM	RM
Assets and liabilities		
Non-current assets	-	-
Current assets	1,027	1,037
Total assets	1,027	1,037
Non-current liabilities		-
Current liabilities	10,298	7,802
Total liabilities	10,298	7,802
	(9,271)	(6,765)

5. **Investment in Associated Company (Cont'd)**

	Group	
	01.10.2010 to 31.12.2011 RM	01.10.2009 to 30.09.2010 RM
Results		
Revenue	-	-
Net loss for the financial period/year	(933)	(3,482)

The unrecognised share of losses of the associated company is as follows:

	Group	
	31.12.2011 RM	30.09.2010 RM
At beginning of the financial period/year	32,030	30,985
Addition during the financial period/year	280	1,045
At end of the financial period/year	32,310	32,030

6. **Other Investment**

This represents investment stated at cost in a local golf club and resort, which entitles the Company's management and staff to utilise the facilities.

7. **Amount Owing by/(to) Subsidiary Companies**

	Company	
	31.12.2011 RM	30.09.2010 RM
Amount owing by subsidiary companies	18,074,093	12,428,230
Less: Accumulated impairment	(12,428,230)	(12,428,230)
	5,645,863	-
Amount owing to subsidiary companies	545,347	4,803,470

Amount owing to subsidiary companies represent unsecured, interest free and repayable on demand.

8. **Amount Owing by Associated Company**

This represents unsecured, interest free advances and repayable on demand.

9. **Inventories**

	Group	
	31.12.2011	30.09.2010
	RM	RM
At cost:		
Spare parts, consumables and trading	173,866	-

10. **Trade Receivables**

	Group	
	31.12.2011	30.09.2010
	RM	RM
Trade receivables	17,175,402	20,023,800
Less: Accumulated impairment	(6,450,122)	(10,406,830)
	10,725,280	9,616,970

The Group's normal trade credit terms range from 180 to 360 days (2010: 30 to 180 days). Other credit terms are assessed and approved on a case by case basis.

Movements in impairment during the financial period/year are as follows:

	Group	
	31.12.2011	30.09.2010
	RM	RM
At beginning of the financial period/year	10,406,830	1,972,834
Impairment during the financial period/year	1,638,292	8,433,996
Reversal of impairment	(5,595,000)	-
At end of the financial period/year	6,450,122	10,406,830

10. Trade Receivables (Cont'd)

Analysis of the trade receivables ageing is as follows:

	Group	
	2011	2010
	RM	RM
Neither past due nor impair	7,965,841	8,114,148
Past due less than 30 days not impaired	1,504,151	336,200
Past due for more than 30 days not impaired	1,255,288	1,166,622
	10,725,280	9,616,970
Impaired	6,450,122	10,406,830
	17,145,402	20,023,800

The Group has not recognised any impairment loss on certain receivables that are past due at the end of financial period/year, as there has not been significant change in credit quality and these amounts are still considered receivable.

11. Other Receivables

	Group		Company	
	31.12.2011	30.09.2010	31.12.2011	30.09.2010
	RM	RM	RM	RM
Other receivables	3,136,336	2,964,402	1,759,397	303,569
Deposits	661,455	666,062	15,500	22,573
Prepayments	3,642,984	5,031,681	93,365	21,274
	7,440,775	8,662,145	1,868,262	347,416
Less:				
Accumulated impairment	(1,809,109)	(6,871,610)	(300,098)	(300,098)
	5,631,666	1,790,535	1,568,164	47,318

Included in the prepayment for the financial year ended 30.09.2010 was a credit balance represent amount owing to former Director of the Group which amounting to RM1,751,081. The Directors of the Company has sanctioned an investigation into the transactions carried out by the former Director and based on the investigation report, the Directors of the opinion that the amount is not claimable. Consequently, this amount recognised as other operating income in the current financial period.

11. **Other Receivables (Cont'd)**

Movements in impairment during the financial period/year are as follows:

	Group		Company	
	31.12.2011	30.09.2010	31.12.2011	30.09.2010
	RM	RM	RM	RM
At beginning of the financial period/year	6,871,610	5,668,410	300,098	-
Impairment during the financial period/year	315,623	1,203,200	-	300,098
Reversal of impairment	(5,378,124)	-	-	-
At end of the financial period/year	1,809,109	6,871,610	300,098	300,098

12. **Marketable Securities**

	Group	
	31.12.2011	30.09.2010
	RM	RM
At cost:		
Quoted unit trust in Malaysia	-	1,921
At market value:		
Quoted unit trust in Malaysia	-	1,921

The recoverable amount of the marketable securities is based on its fair value less cost to sell by reference to its market price at end of the reporting period.

13. **Fixed Deposits with Licensed Banks**

The fixed deposits of the Group have been pledged to licensed banks as securities for banking facilities granted to subsidiary company as disclosed in Note 18 to the financial statements.

The interest rates of deposits during the financial period/year range from 3.0% to 3.2% (2010: 3.0% to 3.2%) per annum and the maturities of deposits are 30 to 365 days (2010: 30 to 365 days) respectively.

14. Share Capital

	Group/Company	
	31.12.2011	30.09.2010
	RM	RM
Ordinary shares of RM0.50 each:		
Authorised	100,000,000	100,000,000
Issued and fully paid	40,000,000	40,000,000

15. Asset Revaluation Reserves

	Group		Company	
	31.12.2011	30.09.2010	31.12.2011	30.09.2010
	RM	RM	RM	RM
At beginning of the financial period/year	2,537,800	3,676,600	2,362,767	2,362,767
Prior year adjustments	-	(1,138,800)	-	-
Realisation of revaluation of property, plant and equipment	(2,362,767)	-	(2,362,767)	-
At end of the financial period/year	175,033	2,537,800	-	2,362,767

Asset revaluation reserves represent surplus arising from the revaluation of the Group's and of the Company's leasehold land and leasehold factory and it is not distributable by way of dividend.

16. Accumulated Losses

	Group		Company	
	31.12.2011	30.09.2010	31.12.2011	30.09.2010
	RM	RM	RM	RM
Accumulated Losses				
- Realised	27,602,320	35,581,150	34,552,125	37,718,291

The disclosure of realised and unrealised profits or losses is solely compiled in accordance to the Malaysian Institute of Accountants Guidance of Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements issued on 20 December 2010.

17. Hire Purchase Payables

	Group 31.12.2011 RM	Group 30.09.2010 RM
(a) Minimum hire purchase payments		
Payable within one year	114,359	279,003
Payable between one and five years	211,612	283,280
Payable more than five years	135,879	-
	461,850	562,283
Less : Future finance charges	(74,981)	(37,149)
Present value of hire purchase liabilities	386,869	525,134
(b) Present value of hire purchase liabilities		
Repayable within one year	94,778	262,928
Repayable between one and five years	174,327	262,206
Repayable more than five years	117,764	-
	386,869	525,134
Analysed as:		
Repayable within twelve months	94,778	262,928
Repayable after twelve months	292,091	262,206
	386,869	525,134

The hire purchase liabilities interest is charged at rates ranging from 2.38% to 3.90% (2010: 2.38% to 5.46%) per annum.

18. Bank Borrowings

	Group 31.12.2011 RM	Group 30.09.2010 RM	Company 31.12.2011 RM	Company 30.09.2010 RM
Secured				
Bill payables	-	3,068,037	-	-
Term loan	-	3,382,701	-	3,226,445
Total bank borrowings	-	6,450,738	-	3,226,445

18. **Bank Borrowings (Cont'd)**

	Group		Company	
	31.12.2011	30.09.2010	31.12.2011	30.09.2010
	RM	RM	RM	RM
Analysed as:				
Repayable within twelve months				
Secured				
Bill payables	-	3,068,037	-	-
Term loan	-	612,006	-	455,750
	-	3,680,043	-	455,750
Repayable after twelve months				
Secured				
Term loan	-	2,770,695	-	2,770,695
	-	6,450,738	-	3,226,445

The above credit facilities obtained from licensed banks are secured by the following:

(a) charge over the freehold industrial land of the Company as disclosed in Note 3 to the financial statements;

(b) first debenture covering fixed and floating charges over all present and future assets of a subsidiary company;

(c) pledge of fixed deposits of a subsidiary company as disclosed in Note 13 to the financial statements;

(d) joint and several guarantees by the Company's Directors; and

(e) corporate guarantee by the Company and a subsidiary company.

The secured term loan is repayable by 120 monthly installments and it has been fully settled during the financial period.

Maturity of borrowings is as follows:

	Group		Company	
	31.12.2011	30.09.2010	31.12.2011	30.09.2010
	RM	RM	RM	RM
Within one year	-	3,680,043	-	455,750
Between one and two years	-	2,770,695	-	2,770,695
	-	6,450,738	-	3,226,445

18. **Bank Borrowings (Cont'd)**

Range of interest rates during the financial year is as follows:

	Group		Company	
	31.12.2011	30.09.2010	31.12.2011	30.09.2010
	%	%	%	%
Bill payables	-	2.68 - 6.80	-	-
Term loan	-	7.55 - 8.30	-	8.30

19. **Trade Payables**

The normal trade credit terms granted to the Group range from 30 to 90 days (2010: 30 to 90 days).

The currency exposure profile is as follows:

	Group	
	31.12.2011	30.09.2010
	RM	RM
Ringgit Malaysia	5,922,896	5,920,456
United States Dollar	32,802	712,123
Sterling Pound	-	1,157,927
Swedish Krona	-	176,602
Singapore Dollar	-	45,990
	5,955,698	8,013,098

20. **Other Payables**

	Group		Company	
	31.12.2011	30.09.2010	31.12.2011	30.09.2010
	RM	RM	RM	RM
Other payables	1,112,068	1,855,015	657,712	924,482
Accruals	1,513,984	2,029,350	23,600	20,500
Advances from shareholder	5,400,000	6,800,000	-	-
	8,026,052	10,684,365	681,312	944,982

21. Revenue

	Group	
	01.10.2010 to 31.12.2011 RM	01.10.2009 to 30.09.2010 RM
Sales of goods and performance services	38,717,814	44,114,671

22. Finance Costs

	Group		Company	
	01.10.2010 to 31.12.2011 RM	01.10.2009 to 30.09.2010 RM	01.10.2010 to 31.12.2011 RM	01.10.2009 to 30.09.2010 RM
Interest expense on:				
Bill payables	896	492,122	-	-
Bank overdrafts	-	366,943	-	-
Hire purchase	22,570	35,533	-	-
Term loan	371,573	403,736	352,451	209,178
Others	589	129	-	-
	395,628	1,298,463	352,451	209,178

23. Profit/(Loss) before Taxation

Profit/(Loss) before taxation is derived after charging/(crediting):

	Group		Company	
	01.10.2010 to 31.12.2011 RM	01.10.2009 to 30.09.2010 RM	01.10.2010 to 31.12.2011 RM	01.10.2009 to 30.09.2010 RM
Auditors' remuneration	89,000	83,000	20,000	20,000
Amount due to customer on contract written off	-	(89,116)	-	-
Bad debts written off	8,945,092	-	-	-
Depreciation of property, plant and equipment	766,138	1,009,669	53,196	19,752
Deposits written off	2,163	65,405	-	-
Directors' remuneration				
- salaries and other emoluments	857,068	1,690,604	375,984	889,333
- EPF contribution	102,648	191,440	45,048	102,040
Gain on disposal of property, plant and equipment	(3,138,746)	(41,199)	(3,000,000)	-
Gain on foreign exchange - realised	(245,062)	(338,240)	-	-
Impairment on trade and other receivables	1,953,915	9,637,196	-	300,098
Impairment on amount owing by subsidiary companies	-	-	-	12,428,230
Impairment loss on investment in a subsidiary company	-	-	-	3,000,000
Inventories written off	-	1,150,087	-	-
Interest received	(1,855)	(339,944)	-	-
Management fee received	-	-	(4,737,021)	(1,197,401)
Prepayment written off	-	236,840	-	57,950
Property, plant and equipment written off	1,480,781	11,274	1,069,853	-
Reversal of amount owing to a former Director	(1,751,081)	-	-	-
Rental of equipment	58,098	66,091	34,985	28,645
Rental of motor vehicles	16,380	11,550	-	12,000
Rental of premises	263,136	396,061	206,161	295,886
Rental of workshop	321,750	316,400	-	-
Rental of house	-	7,050	-	7,050
Reversal of impairment on trade and other receivables	(10,973,124)	-	-	-

24. Taxation

	Group		Company	
	01.10.2010 to 31.12.2011 RM	01.10.2009 to 30.09.2010 RM	01.10.2010 to 31.12.2011 RM	01.10.2009 to 30.09.2010 RM
Current income tax				
Under provision in prior years	-	622,569	-	-
Real property gain tax	360,000	-	360,000	-
Tax expense for the financial period/year	360,000	622,569	360,000	-

Income tax is calculated at the Malaysian statutory tax rate of 25% (2010: 25%) of the estimated assessable profit for the financial period/year.

A reconciliation of income tax expense applicable to profit/(loss) before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	01.10.2010 to 31.12.2011 RM	01.10.2009 to 30.09.2010 RM	01.10.2010 to 31.12.2011 RM	01.10.2009 to 30.09.2010 RM
Profit/(Loss) before taxation	5,976,063	(10,912,133)	1,163,399	(20,524,632)
Taxation at statutory tax rate of 25% (2010: 25%)	1,494,016	(2,728,033)	290,850	(5,131,158)
Expenses not deductible for tax purposes	4,134,087	112,767	562,451	328,752
Income not subject to tax	(5,152,925)	-	(750,000)	-
Real property gain tax	360,000	-	360,000	-
Deferred tax assets not recognised	162,958	2,826,180	-	4,802,406
Reversal of deferred tax assets not recognised	(638,136)	(214,572)	(103,301)	-
Under provision of current taxation in prior years	-	622,569	-	-
Permanent loss not recognised	-	3,658	-	-
Tax expense for the financial period/year	360,000	622,569	360,000	-

25. **Earnings/(Loss) Per Share**

The earnings/(loss) per share has been calculated based on the consolidated earnings/(loss) for the financial period/year attributable to owners of the parent of RM5,616,063 (2010: net loss for the financial year is RM11,534,702) for the Group and the weighted average number of ordinary shares in issue during the financial period/year of 80,000,000 (2010: 80,000,000).

26. **Deferred Tax Assets**

Deferred tax assets/(liability) have not been recognised in respect of the following temporary differences:

	Group		Company	
	31.12.2011 RM	30.09.2010 RM	31.12.2011 RM	30.09.2010 RM
Unused tax losses	13,870,870	25,673,304	5,561,612	6,782,236
Unutilised capital allowances	439,080	2,765,995	-	9,307
Accelerated capital allowances	(818,436)	(227,381)	(35,500)	(10,237)
	13,491,514	28,211,918	5,526,112	6,781,306

The unused tax losses and unutilised capital allowance are available indefinitely for offset against future taxable profits of the companies in which those items arose.

27. **Staff Costs**

	Group		Company	
	01.10.2010 to 31.12.2011 RM	01.10.2009 to 30.09.2010 RM	01.10.2010 to 31.12.2011 RM	01.10.2009 to 30.09.2010 RM
Staff costs (excluding Directors)	8,308,036	8,355,199	1,192,929	2,427,447

Included in the total staff costs above are contributions made to the Employees Provident Fund under a defined contribution plan for the Group and the Company amounting to RM830,632 and RM200,187 (year ended 2010: RM772,792 and RM208,694) respectively.

28. **Related Party Disclosures**

(a) In addition to the transactions detailed elsewhere in the financial statements, the Company had the following transactions with related parties during the financial period/year.

	Company	
	01.10.2010 to 31.12.2011 RM	01.10.2009 to 30.09.2010 RM
Subsidiary companies		
Management fee received/receivable	4,737,021	1,197,400
Car rental paid/payable	-	12,000

(b) Information regarding outstanding balances arising from related party transactions as at 31 December 2011 is disclosed in Notes 7 and 8 to the financial statements.

(c) Information regarding compensation of key management personnel is as follows:

	Group		Company	
	01.10.2010 to 31.12.2011 RM	01.10.2009 to 30.09.2010 RM	01.10.2010 to 31.12.2011 RM	01.10.2009 to 30.09.2010 RM
Short-term employee benefits				
- Salaries and other emoluments	857,068	1,690,604	375,984	889,333
- EPF	102,648	191,440	45,048	102,400
	959,716	1,882,044	421,032	991,733

Key management personnel include personnel having authority and responsibility for planning, directing and controlling the activities of the entity, including any Director of the Company.

29. Segmental Information

The Group has two reportable segments, as described below, which are the Group's strategic business units. For each of the strategic business units, the Group's Chief Executive Officer reviews internal management reports on at least a quarterly basis.

The following summary describes the main business segments and respective business activity of each segment of the Group's reportable segments:

Maintenance, repair and overhaul	Maintenance, repair and overhaul of aviation and safety equipment.
Construction	Construction works.

Performance is measured based on segment profit before tax, interest, depreciation and amortisation, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer, who is the Group's chief operating decision maker. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment assets

The total of segment asset is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer.

Segment total asset is used to measure the return of assets of each segment.

Segment liabilities

Segment liabilities information is neither included in the internal management reports nor provided regularly to the Chief Executive Officer. Hence no disclosure is made on segment liability.

30. **Segmental Information (Cont'd)**

(a) Business segment (Cont'd)

2011	**Maintenance, repair and overhaul RM**	**Construction RM**	**Adjustment and elimination RM**	**Total RM**
Revenue				
Sales	38,717,814	-	-	38,717,814
Less : Inter-segment sales	11,993,164	-	(11,993,164)	-
Total revenue	50,710,978	-	(11,993,164)	38,717,814
Results				
Segment results	11,108,961	819,463	(5,558,588)	6,369,836
Interest income	1,855	-	-	1,855
Interest expense	(395,628)	-	-	(395,628)
Profit before taxation	10,715,188	819,463	(5,558,588)	5,976,063
Taxation	(360,000)	-	-	(360,000)
Net profit/(loss) for the financial period	10,355,188	819,463	(5,558,588)	5,616,063
Additions to non-current assets	1,049,237	-	-	1,049,237
Segment assets	38,299,217	30	(7,893,945)	30,405,302

30. **Segmental Information (Cont'd)**

(a) Business segment (Cont'd)

2011	**Maintenance, repair and overhaul RM**	**Construction RM**	**Adjustment and elimination RM**	**Total RM**
Non-Cash Expenses/(Income)				
Bad debts written off	9,004,258	-	(59,166)	8,945,092
Deposit written off	2,163	-	-	2,163
Depreciation of property, plant and equipment	763,543	2,595	-	766,138
Gain on disposal of property, plant and equipment	(3,138,746)	-	-	(3,138,746)
Impairment on receivables	1,943,310	10,605	-	1,953,915
Reversal of amount owing to a former Director	(1,751,081)	-	-	(1,751,081)
Property, plant and equipment written off	1,480,781	-	-	1,480,781
Reversal of impairment on receivables	11,836,298	-	863,174	(10,973,124)

30. **Segmental Information (Cont'd)**

(a) Business segment (Cont'd)

2010	**Maintenance, repair and overhaul RM**	**Construction RM**	**Adjustment and elimination RM**	**Total RM**
Revenue				
Sales	44,114,671	-	-	44,114,671
Less : Inter-segment sales	13,663,350	-	(13,663,350)	-
Total revenue	57,778,021	-	(13,663,350)	44,114,671
Results				
Segment results	(49,724,864)	(645,325)	40,416,575	(9,953,614)
Interest income	339,944	-	-	339,944
Interest expense	(1,298,463)	-	-	(1,298,463)
Profit before taxation	(50,683,383)	(645,325)	40,416,575	(10,912,133)
Taxation	(622,569)	-	-	(622,569)
Net loss for the financial year	(51,305,952)	(645,325)	40,416,575	(11,534,702)
Additions to non-current assets	372,355	-	(92,065)	280,290
Segment assets	37,860,860	25,601	(1,792,506)	36,093,955

30. **Segmental Information (Cont'd)**

(a) Business segment (Cont'd)

2010	**Maintenance, repair and overhaul RM**	**Construction RM**	**Adjustment and elimination RM**	**Total RM**
Non-Cash Expenses/(Income)				
Amount due to customer on contract written off	-	(89,116)	-	(89,116)
Depreciation of property, plant and equipment	1,005,777	3,892	-	1,009,669
Deposit written off	65,405	-	-	65,405
Gain on disposal of property, plant and equipment	(41,199)	-	-	(41,199)
Impairment on receivables	9,162,765	474,431	-	9,637,196
Impairment on amount owing by subsidiary companies	37,116,576	-	(37,116,576)	-
Impairment loss on investment in a subsidiary company	3,299,999	-	(3,299,999)	-
Inventories written off	1,020,502	129,585	-	1,150,087
Prepayment written off	236,840	-	-	236,840
Property, plant and equipment written off	11,274	-	-	11,274

All the inter-segment transactions were carried out on normal commercial basis and in the ordinary course of business.

(b) Geographical segments

No geographical segments information such as segment revenue, segment assets and segment capital expenditure is presented as the Group business is entirely carried out in Malaysia.

30. Contingent Liabilities

	Group		Company	
	31.12.2011 RM	30.09.2010 RM	31.12.2011 RM	30.09.2010 RM
Corporate guarantees given to licensed banks for credit facilities granted to subsidiary companies				
- Limit of guarantees	-	-	-	8,400,243
- Amount utilised	-	-	-	8,263,816
Banker's guarantees in favour of the local authorities for the purpose of development projects				
- Secured	3,949,641	708,110	-	-
- Unsecured	-	4,712,583	-	-

31. **Financial Instruments**

(a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 2 describe how the classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	Available-for sales RM	Loans and receivables RM	Financial liabilities at amortised cost RM	Total RM
Group				
31.12.2011				
Financial Assets				
Other investment	85,000	-	-	85,000
Trade receivables	-	10,725,280	-	10,725,280
Other receivables	-	5,631,666	-	5,631,666
Fixed deposits with licensed banks	-	3,991,567	-	3,991,567
Cash and bank balances	-	5,360,292	-	5,360,292
Total financial assets	85,000	25,708,805	-	25,793,805
Financial Liabilities				
Trade payables	-	-	5,955,698	5,955,698
Other payables	-	-	8,026,052	8,026,052
Hire purchase payables	-	-	386,869	386,869
Total financial liabilities	-	-	14,368,619	14,368,619

31. Financial Instruments (Cont'd)

(a) Classification of financial instruments (Cont'd)

	Available-for sales RM	Loans and receivables RM	Financial liabilities at amortised cost RM	Total RM
Group				
30.09.2010				
Financial Assets				
Amount owing by associated company	-	1,446	-	1,446
Other investment	60,000	-	-	60,000
Trade receivables	-	9,616,970	-	9,616,970
Other receivables	-	1,790,535	-	1,790,535
Marketable securities	-	1,921	-	1,921
Fixed deposits with licensed banks	-	2,599,409	-	2,599,409
Cash and bank balances	-	1,259,946	-	1,259,946
Total financial assets	60,000	15,270,227	-	15,330,227
Financial Liabilities				
Trade payables	-	-	8,013,098	8,013,098
Other payables	-	-	10,684,365	10,684,365
Hire purchase payables	-	-	525,134	525,134
Bank borrowings	-	-	6,450,738	6,450,738
Total financial liabilities	-	-	25,673,335	25,673,335
Company				
31.12.2011				
Financial Assets				
Amount owing by subsidiary companies	-	5,645,863	-	5,645,863
Other receivables	-	1,568,164	-	1,568,164
Cash and bank balances	-	1,975,817	-	1,975,817
Total financial assets	-	9,189,844	-	9,189,844

31. **Financial Instruments (Cont'd)**

(a) Classification of financial instruments (Cont'd)

	Available-for sales RM	Loans and receivables RM	Financial liabilities at amortised cost RM	Total RM
Company				
31.12.2011				
Financial Liabilities				
Other payables	-	-	681,312	681,312
Amount owing to subsidiary compnaies	-	-	545,347	545,347
Total financial liabilities	-	-	1,226,659	1,226,659
30.09.2010				
Financial Assets				
Other receivables	-	47,318	-	47,318
Cash and bank balances	-	135,174	-	135,174
Total financial assets	-	182,492		182,492
Financial Liabilities				
Other payables	-	-	944,982	944,982
Amount owing to subsidiary companies			4,803,470	4,803,470
Bank borrowings	-	-	455,750	455,750
Total financial liabilities	-	-	6,204,202	6,204,202

31. **Financial Instruments (Cont'd)**

(b) Capital risk management objectives and policies

The Group and the Company's management manages its capital to ensure that the Company is able to continue as a going concern and maintains an optimal capital structure so as to maximise shareholder value. The management reviews the capital structure by considering the cost of capital and the risks associated with the capital.

The capital of the Group and the Company consists of issued capital, cash and cash equivalents and bank borrowing.

(c) Financial risk management objectives and policies

The Group's and the Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's and the Company's operations whilst managing its financial risks, including foreign currency exchange risk, interest rate risk, credit risk, liquidity risk and market risk. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's and the Company's policy is not to engage in speculative transactions.

(d) Credit risk

Fixed deposits with licensed banks, cash and bank balances are placed with a credit worthy financial institution.

Credit risk arises mainly from the inability of its customers to make payments when due. The Group and the Company has adopted a policy of only dealing with creditworthy counterparties. Receivables are monitored on an ongoing basis via Company's management reporting procedures and action will be taken for long outstanding debts.

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the reporting represents the Group's and the Company's maximum exposure to credit risk in relation to financial assets. No financial assets carry a significant exposure to credit risk.

(e) Liquidity risk

The Group's and the Company's funding requirements and liquidity risks are managed with the objective of meeting business obligations on a timely basis. The Group and the Company monitors its cash flows and ensures that sufficient funding is in place to meet the obligations as and when they fall due.

The following table analyses the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

31. **Financial Instruments (Cont'd)**

(e) Liquidity risk (Cont'd)

	On demand or within 1 year RM	1 - 2 years RM	2 - 5 years RM	> 5 years RM	Total RM
Group					
31.12.2011					
Trade payables	5,955,698	-	-	-	5,955,698
Other payables	8,026,052	-	-	-	8,026,052
Hire purchase payables	94,778	46,406	127,921	117,764	386,869
Total financial liabilities	14,076,528	46,406	127,921	117,764	14,368,619
30.09.2010					
Trade payables	8,013,098	-	-	-	8,013,098
Other payables	10,684,365	-	-	-	10,684,365
Hire purchase payables	262,928	262,206	-	-	525,134
Bank borrowings	3,680,043	2,770,695	-	-	6,450,738
Total financial liabilities	22,640,434	3,032,901	-	-	25,673,335

31. **Financial Instruments (Cont'd)**

(e) Liquidity risk (Cont'd)

	On demand or within 1 year RM	1 - 2 years RM	Total RM
Company			
31.12.2011			
Other payables	681,312	-	681,312
Amount owing to subsidiary companies	545,347	-	545,347
Total financial liabilities	1,226,659	-	1,226,659
30.09.2010			
Other payables	944,982	-	944,982
Amount owing to subsidiary companies	4,803,470	-	4,803,470
Bank borrowings	455,750	2,770,695	3,226,445
Total financial liabilities	6,204,202	2,770,695	8,974,897

31. **Financial Instruments (Cont'd)**

(f) Fair values of financial assets and financial liabilities

(i) The fair values of financial instruments refer to the amounts at which the instruments could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction. Fair values have been arrived at based on prices quoted in an active, liquid market or estimated using certain valuation techniques such as discounted future cash flows based upon certain assumptions. Amount derived from such methods and valuation technique are inherently subjective and therefore do not necessarily reflect the amounts that would be received or paid in the event of immediate settlement of the instruments concerned.

On the basis of amount estimated from the methods and techniques as mentioned in the preceding paragraph, the carrying amount of the various financial assets and financial liabilities reflected on the statements of financial position approximate their fair values.

The methodologies used in arriving at the fair values of the principal financial assets and financial liabilities of the Group are as follows:

- Cash and cash equivalents, trade and other receivables, intercompany balances, trade and other payables and short-term borrowings

  The carrying amounts are considered to approximate the fair values as they are within the normal credit terms or they have short-term maturity period.

- Long-term borrowings

  Fair value which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

31. **Financial Instruments (Cont'd)**

(f) Fair values of financial assets and financial liabilities (Cont'd)

(ii) Fair value of financial instruments by categories that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value:

	Carrying amount RM	Fair value RM
Group		
31.12.2011		
Financial assets		
Unquoted investment in associated companies	1	*
Other investment	85,000	*
Financial liabilities		
Hire purchase payables	292,091	258,191
30.09.2010		
Financial assets		
Unquoted investment in associated companies	1	*
Other investment	60,000	*
Amount owing by associated companies	1,446	#
Financial liabilities		
Hire purchase payables	262,206	256,071
Bank borrowings	2,770,695	2,692,966
Company		
31.12.2011		
Financial assets		
Unquoted investment in subsidiary companies	575,000	*
Unquoted investment in associated companies	1	*
Amount owing by subsidiary companies	5,645,863	#
30.09.2010		
Financial assets		
Unquoted investment in subsidiary companies	575,000	*
Unquoted investment in associated companies	1	*

31. **Financial Instruments (Cont'd)**

(g) Fair values of financial assets and financial liabilities (Cont'd)

	Carrying amount RM	Fair value RM
Company		
30.09.2010		
Financial liability		
Bank borrowings	2,770,695	2,692,966

* It is not practicable to estimate the fair value of the unquoted investment due to lack of quoted market prices and without incurring excessive costs.

It is not practicable to estimate the fair values of amount owing by subsidiary companies and amount owing by associated companies due to lack of fixed repayment terms entered into by the parties involved and without incurring excessive costs.

The fair value of long term borrowings is estimated based on the quoted market prices for the same or similar issues or on the current rates available for borrowings with the same maturity profile.

The aggregate fair values of the other financial assets and liabilities carried on the balance sheet approximates their carrying value and the Company does not anticipate the carrying amounts recorded at the end of the reporting period to be significantly different from the values that would eventually be settled.

32. **Change of the Company's Name**

During the financial period, the Company had changed its name from Satang Holdings Berhad to Destini Berhad.

33. **Significant Events**

During the financial period, the following significant events took place for the Company and its subsidiary companies:

(i) The Proposed Regularisation Plan :

(1) Proposed Rights Issue with Warrants will entail an issuance of up to 40,000,000 Rights Shares together with up to 60,000,000 free Warrants on a renounceable basis of one (1) Rights Share for every two (2) existing Company's Shares held together with three (3) Warrants for every two (2) Rights Shares subscribed for by the entitled shareholders of the Company whose names appear on the Record of Depositors of the Company at the close of business on an entitlement date to be determined and announced later by the Board. A total of 60,000,000 new Company's Shares will be issued upon full exercise of the Warrants; and

(2) Proposed exemption to Pascal Resources Sdn Bhd and the persons acting in concert with under practice Note 2.9.1 of the Malaysian Code on Take-Overs and Mergers, 1998 from the obligation to undertake a mandatory offer for all the remaining Company's shares not already held by them which may arise pursuant to the proposed rights issue with warrants.

(3) The Company has received additional RM3.912 million in October, November and December 2009 which give a total amount received of RM6.8 million being the cash advances from Pascal Resources Sdn Bhd for working capital of the Company.

(4) The Company has submitted the Regularisation Plan to Bursa Malaysia Securities Berhad ("Bursa Securities") on 16 November 2009 through the principal adviser namely, OSK Investment Bank Berhad and is currently pending for Bursa Securities' approval.

(5) On 10 March 2011, the Company announced Following the above, on behalf of the Board, OSK wishes to announce that Satang had further revised the details on the Proposed Capital Reduction I, Proposed Rights Issue with Warrants II, Proposed Exemption II and Proposed Amendments I as follows:

- Proposed share capital reduction involving the reduction of the par value of each existing ordinary shares of RM0.50 each in Satang to ordinary shares of RM0.10 each ("Satang Shares") by the cancellation of RM0.40 of the par value ("Proposed Capital Reduction");

- Proposed renounceable rights issue of 200,000,000 new Satang Shares ("Rights Shares") on the basis of five (5) Rights Shares for every two (2) existing Satang Shares held on an entitlement date to be determined later after the Proposed Capital Reduction ("Proposed Rights Issue");

33. **Significant Events (Cont'd)**

- Proposed exemption to Pascal Resources Sdn Bhd ("Pascal") and the PAC under Paragraph 16.1 of PN 9 of the Malaysian Code on Take-Overs and Mergers, 2010 ("Revised Code") from the obligation to undertake a mandatory offer for all the remaining Satang Shares not already held by them which may arise pursuant to the Proposed Rights Issue ("Proposed Exemption"); and

- Proposed amendments to the Memorandum and Articles of Association of Satang resulting from the Proposed Capital Reduction ("Proposed Amendments").

(6) On 26 September 2011, the Company announced that the Bursa Securities had approved the proposed restructuring scheme and the Company has issued the circular to shareholder on 26 April 2012. Subject to shareholder approval in the Extraordinary General Meeting to be held on 24 May 2012.

(ii) The Company had disposed off its freehold industrial land for a total consideration of RM18 million;

34. **Subsequent Events**

During the financial year, the following significant events took place for the Company and its subsidiary companies:

(i) On 3 January 2012, the Company acquired 2 ordinary shares of RM1.00 each fully paid-up in capital of both Destini Aero Teknologi Sdn. Bhd. and Destini HRTC Sdn. Bhd. ("Destini HRTC") for a total cash consideration of RM2.00 for each company and became a wholly owned subsidiary of the Company. Both companies have not commenced business since its incorporation.

(ii) On 3 January 2012, the Company has undergone an internal reorganisation exercise which involved three (3) subsidiaries Satang Engineering Services Sdn. Bhd. (formerly known as Satang Cylinder Services Sdn. Bhd.), Destini Fire Safety Sdn. Bhd. (formerly known as Satang GSE Services Sdn. Bhd.) and Destini Armada Sdn Bhd (formerly known as Satang Marine Services Sdn. Bhd.) which the Directors believes to be the best interest of the Group.

(iii) On 24 February 2012, the Company has made payment of RM100,000 to Pascal Resources Sdn. Bhd. As part of settlement of the cash advancement provided by Pascal Resources to the Company previously. The outstanding balance as at 29 February 2012 is RM5.30 mil.

(iv) On 27 February 2012, the Company entered into a Sale and Purchase Agreement to acquire 1,750,000 ordinary shares of RM1.00 each in System Enhancement Resources & Technologies Sdn. Bhd. representing 50% of the total issued and paid up share capital for a total cash consideration of RM1,000,000.

34. **Subsequent Events (Cont'd)**

(v) On 7 March 2012, the Company has subscribed additional 99,998 new ordinary shares of RM 1.00 each in Destini HRTC, a wholly-owned subsidiary of the Company, at par for a total cash consideration of RM 99,998. The Company was funded via internally generated fund. Pursuant to the Subscription, the total issued and paid up capital of Destini Info Tech Solutions Sdn. Bhd. increased from 2 ordinary shares to 100,000 ordinary shares of RM 1.00 each.

(vi) On 7 March 2012, the Company has subscribed additional 50,000 new ordinary shares of RM 1.00 each in Destini Info Tech Solutions Sdn. Bhd. (formerly known as Satang High Tech Solutions Sdn. Bhd.), a wholly-owned subsidiary of the Company, at par for a total cash consideration of RM250,000. The Company was funded via internally generated fund. Pursuant to the Subscription, the total issued and paid up capital of Destini Info Tech Solutions Sdn. Bhd. increased from 250,000 ordinary shares to 300,000 ordinary shares of RM 1.00 each.

(vii) On 18 April 2012, Destini Prima Sdn. Bhd. (formerly known as Satang Jaya Sdn. Bhd.) has entered into a Contract with Ministry of Defence Malaysia for the supply and delivery of Anti-Tank Ammunition 40mm Rocket Propelled Grenade (RPG) for the army at a total an contract sum of RM 7,902,298 for the period of two years commencing from 30 April 2012 to 31 March 2013.

(viii) On 16 April 2012, Destini Prima Sdn. Bhd. (formerly known as Satang Jaya Sdn. Bhd.) has subscribed additional 250,000 new ordinary shares of RM1.00 each in Destini Armada Sdn. Bhd.(formerly known as Satang Marine Services Sdn. Bhd.), a wholly-owned subsidiary of Destini Berhad, at par for a total cash consideration of RM250,000. The Company was funded via internally generated fund.

(ix) On 27 April 2012, the Company had incorporated a new wholly-owned subsidiary company in Adelaide, South Australia with the name "DESTINI AUSTRALIA PTY LTD" (Company Registration No.158 026 049) ("Destini Australia") with the total issued and paid up capital of AUD 2.00 or approximately RM6.30. The intended principal activities of Destini Australia are investment and general trading.

35. Prior Year Adjustments

This represents reversal of impairment loss of RM1,138,800 for the freehold industrial land which are not adjusted.

The fundamental errors have been adjusted retrospectively and the corresponding comparative figures have been restated. The effects of the adjustment on the fundamental errors are as follows:

	31.12.2011 RM	30.09.2010 RM
Group		
Effects on surplus arising from revaluation of freehold industrial land:		
At 1 October, as previously stated	-	3,676,600
Effects of the correction of fundamental errors	-	(1,138,800)
At 1 October, as restated	-	2,537,800
Effects on accumulated losses:		
At 1 October, as previously stated	-	(25,185,248)
Effects of the correction of fundamental errors	-	1,138,800
At 1 October, as restated	-	(24,046,448)
Effects on net profit for the financial year:		
Net (loss)/profit for the financial year, as previously stated	-	(11,534,702)
Effects of the correction of fundamental errors	-	-
Net (loss)/profit for the financial year, as restated	-	(11,534,702)
Company		
Effects on surplus arising from revaluation of freehold industrial land:		
At 1 October, as previously stated	-	3,501,567
Effects of the correction of fundamental errors	-	(1,138,800)
At 1 October, as restated	-	2,362,767
Effects on accumulated losses:		
At 1 October, as previously stated	-	(18,332,459)
Effects of the correction of fundamental errors	-	1,138,800
At 1 October, as restated	-	(17,193,659)
Effects on net loss for the financial year:		
Net loss for the financial year, as previously stated	-	(20,524,632)
Effects of the correction of fundamental errors	-	-
Net loss for the financial year, as restated	-	(20,524,632)

36. **Comparative Figure**

The figures for the financial statements of current period are for the financial period from 1 October 2010 to 31 December 2011. As they reflect the results for more than 12 months, these are not comparable to the comparative financial year's results from 1 October 2009 to 30 September 2010.

37. **Date of Authorisation for Issue**

The financial statements of the Group and of the Company for the financial period ended 31 December 2011 were authorised for issue in accordance with a resolution of the Board of Directors on 27 April 2012.

Company No. 633265-K

destiniberhad

29 June 2012

To Shareholders of Destini Berhad (formerly known as Satang Holdings Berhad)

Dear Sirs/Madam,

ERRATA TO AUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2011

With reference to the Audited Financial Statements of Destini Berhad (formerly known as Satang Holdings Berhad) for the period ended 31 December 2011 which was submitted to Bursa Malaysia Securities Berhad on 30 April 2012, please be advised on the following amendment highlighted in Bold are required to be made on Page 14 of the Company's Audited Financial Statements :-

Page 14 – Statements of Comprehensive Income for the Financial Period from 1 October 2010 to 31 December 2011

	Note	Group 01.10.2010 to 31.12.2011 RM	Group 01.10.2009 to 30.09.2010 RM	Company 01.10.2010 to 31.12.2011 RM	Company 01.10.2009 to 30.09.2010 RM
Revenue	21	38,717,814	44,114,671	-	-
Cost of sales		(23,085,052)	(28,097,043)	-	-
Gross profit		15,632,762	16,017,628	-	-
Other operating income		5,458,336	795,809	7,902,542	1,196,414
Administration expenses		(14,719,407)	(26,427,107)	(6,386,692)	(21,511,868)
Finance costs	22	(395,628)	(1,298,463)	(352,451)	(209,178)
Profit/(Loss) before taxation	23	5,976,063	(10,912,133)	1,163,399	(20,524,632)
Taxation	24	(360,000)	(622,569)	(360,000)	-
Net profit/(loss) for the financial period/year, representing total comprehensive income for the financial period/year		5,616,063	(11,534,702)	803,399	(20,524,632)
Net profit/(loss) for the financial period/year attributable to owners of the parent		5,616,063	(11,534,702)		
Earnings/(Loss) per share attributable to owner of the parent (sen): Basic	25	7.02	(14.42)		

DESTINI BERHAD (633265 K)
Formerly known as Satang Holdings Berhad

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Selangor Darul Ehsan, Malaysia.

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Company No. 633265-K

A copy each of the amended Page 14 of the said Audited Financial Statements are attached herewith for information and reference.

All other information remains unchanged.

The inadvertent amendment is much regretted.

Yours faithfully,
For **DESTINI BERHAD**
(Formerly known as Satang Holdings Berhad)

Dato' Rozabil @ Rozamujib
Bin Abdul Rahman
Managing Director

DESTINI BERHAD
(Formerly known as Satang Holdings Berhad)
(Incorporated in Malaysia)

STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2010 TO 31 DECEMBER 2011

		Group		Company	
		01.10.2010 to 31.12.2011	01.10.2009 to 30.09.2010	01.10.2010 to 31.12.2011	01.10.2009 to 30.09.2010
	Note	RM	RM	RM	RM
Revenue	21	38,717,814	44,114,671	-	-
Cost of sales		(23,085,052)	(28,097,043)	-	-
Gross profit		15,632,762	16,017,628	-	-
Other operating income		5,458,336	795,809	7,902,542	1,196,414
Administration expenses		(14,719,407)	(26,427,107)	(6,386,692)	(21,511,868)
Finance costs	22	(395,628)	(1,298,463)	(352,451)	(209,178)
Profit/(Loss) before taxation	23	5,976,063	(10,912,133)	1,163,399	(20,524,632)
Taxation	24	(360,000)	(622,569)	(360,000)	-
Net profit/(loss) for the financial period/year, representing total comprehensive income for the financial period/year		5,616,063	(11,534,702)	803,399	(20,524,632)
Net profit/(loss) for the financial period/year attributable to owners of the parent		5,616,063	(11,534,702)		
Earnings/(Loss) per share attributable to owner of the parent (sen):					
Basic	25	7.02	(14.42)		

The accompanying notes form an integral part of the financial statements.

UNAUDITED CONSOLIDATED QUARTERLY RESULTS OF OUR GROUP FOR THE THREE (3)-MONTH FPE 31 MARCH 2012

destiniberhad

DESTINI BERHAD (Company No : 633265 K)
Formerly known as Satang Holdings Berhad

SUMMARY OF KEY FINANCIAL INFORMATION

FOR THE FIRST QUARTER ENDED 31ST MARCH 2012

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31-Mar-12 RM ' 000	31-Mar-11 RM ' 000	31-Mar-12 RM ' 000	31-Mar-11 RM ' 000
1. Revenue	8,380	9,481	8,380	9,481
2. Profit/(loss) before taxation	1,436	1,941	1,436	1,941
3. Profit/(loss) after taxation and minority interests	1,436	1,941	1,436	1,941
4. Net Profit/(loss) for the financial period	1,436	1,941	1,436	1,941
5. Basic earnings/(loss) per share (sen)	1.80	2.43	1.80	2.43
6. Net dividend per share (sen)	-	-	-	-

	AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
7. Net assets per share (sen)	21.36	19.56

Remark :

1) The Condensed Consolidated Balance Sheets should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2011 and the accompanying explanatory notes to the quarterly report.

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DESTINI BERHAD *(Company No : 633265 K)*
Formerly known as Satang Holdings Berhad

ADDITIONAL INFORMATION

FOR THE FIRST QUARTER ENDED 31ST MARCH 2012

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31-Mar-12 RM ' 000	31-Mar-11 RM ' 000	31-Mar-12 RM ' 000	31-Mar-11 RM ' 000
1. Profit/(Loss) from operations	1,436	1,977	1,436	1,977
2. Gross interest income	-	-	-	-
3. Gross interest expense	-	36	-	36

1) The Condensed Consolidated Balance Sheets should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2011 and the accompanying explanatory notes to the quarterly report.

Company No. 633265-K

DESTINI BERHAD *(Company No : 633265 K)*
Formerly known as Satang Holdings Berhad

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QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 31ST MARCH 2012

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31-Mar-12 RM'000	As at 31-Dec-11 (Audited) RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	3,244	2,991
Investment in associated company	1,124	-
Other Investments	85	85
	4,453	3,076
CURRENT ASSETS		
Inventories	174	174
Trade receivables	16,512	10,725
Other receivables and deposits	7,567	5,632
Tax recoverable	531	1,447
Deposit with licensed bank	3,991	3,991
Cash and bank balances	2,417	5,360
	31,192	27,329
TOTAL ASSETS	35,645	30,405
EQUITY AND LIABILITIES		
SHARE CAPITAL	40,000	40,000
SHARE PREMIUM	3,076	3,076
ASSET REVENUE RESERVE	175	175
ACCUMULATED LOSSES	(26,166)	(27,602)
Equity attributable to equity holder of the parent	17,085	15,649
MINORITY INTEREST	-	-
Total Equity	17,085	15,649
LONG TERM LIABILITIES		
Long term borrowings	290	292
	290	292
CURRENT LIABILITIES		
Trade payables	8,957	5,955
Other payables and accruals	8,840	8,026
Short term borrowings	85	95
Taxation	388	388
	18,270	14,464
TOTAL LIABILITIES	35,645	30,405
Net Assets per share attributable to ordinary equity holders of the parent (sen)	21.36	19.56

1) The Condensed Consolidated Satement of Financial Position should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2011 and the accompanying explanatory notes to the quarterly report.

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DESTINI BERHAD (Company No : 633265 K)
Formerly known as Satang Holdings Berhad

QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 31ST MARCH 2012

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER CURRENT YEAR QUARTER 31-Mar-12 RM'000	INDIVIDUAL QUARTER PRECEDING YEAR CORRESPONDING QUARTER 31-Mar-11 RM'000	CUMULATIVE QUARTER CURRENT YEAR TO DATE 31-Mar-12 RM'000	CUMULATIVE QUARTER PRECEDING YEAR CORRESPONDING PERIOD 31-Mar-11 RM'000
Revenue	**8,380**	**9,481**	**8,380**	**9,481**
Profit/(loss) from operations	1,436	1,977	1,436	1,977
Finance cost	-	(36)	-	(36)
Profit/(loss) before taxation	**1,436**	**1,941**	**1,436**	**1,941**
Taxation	-	-	-	-
Net profit/(loss) for the financial period	**1,436**	**1,941**	**1,436**	**1,941**
Profit/(loss) for the financial year attributable to:				
Equity holders of the parent	1,436	1,941	1,436	1,941
	1,436	**1,941**	**1,436**	**1,941**
Earnings per share attributable to equity holders of the parent:				
- basic (sen)	1.80	2.43	1.80	2.43
- diluted (sen)	N/A	N/A	N/A	N/A
Weighted average number of ordinary shares ('000 units)	80,000	80,000	80,000	80,000
Enlarged number of ordinary shares in issue ('000 units)	80,000	80,000	80,000	80,000

1) The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2011 and the accompanying explanatory notes to the quarterly report.

Company No. 633265-K

DESTINI BERHAD (Company No : 633265 K)
Formerly known as Satang Holdings Berhad

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31ST MARCH 2012

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	AS AT END OF CURRENT PERIOD 31-Mar-12 RM' 000	AS AT END OF PRECEDING YEAR (Audited) 31-Dec-11 RM' 000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	**1,436**	**5,976**
Adjustment for:-		
Add adjustments	76	(2,321)
Operating profit before working capital changes	**1,512**	**3,655**
Decrease / (Increase) in working capital	(3,652)	(8,015)
Cash generated from/(used in) operations	**(2,140)**	**(4,360)**
Interest received	-	2
Interest paid	-	(396)
Tax refund/paid	-	(360)
Net cash generated from/(used in) operating activities	**(2,140)**	**(5,114)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash generated from investing activities	(791)	17,445
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash generated from financing activities	**(12)**	**(8,231)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD	(2,943)	4,100
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR/PERIOD	5,360	1,260
CASH AND CASH EQUIVALENTS END OF YEAR/PERIOD	**2,417**	**5,360**
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL QUARTER COMPRISE OF:		
Cash and bank balances	2,417	5,360
Bank overdrafts	-	-
	2,417	**5,360**

1) The Condensed Consolidated Cashflow Statement should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2011 and the accompanying explanatory notes to the quarterly report.

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DESTINI BERHAD (Company No : 633265 K)
Formerly known as Satang Holdings Berhad

QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 31ST MARCH 2012

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share Capital RM '000	Share Premium RM '000	Revaluation Reserve RM '000	Accumulated Profit/(Loss) RM '000	Total Before MI RM '000	Total After MI RM '000
As at 1st October 2010 (Audited)	40,000	3,076	2,538	(35,581)	10,033	10,033
Net profit/(loss) for the period	-	-	-	5,616	5,616	5,616
Asset Revenue Reserve	-	-	(2,363)	2,363	-	-
As at 31 st December 2011 (Audited)	40,000	3,076	175	(27,602)	15,649	15,649

	Share Capital RM '000	Share Premium RM '000	Revaluation Reserve RM '000	Accumulated Profit/(Loss) RM '000	Total Before MI RM '000	Total After MI RM '000
As at 31 st December 2011 (Audited)	40,000	3,076	175	(27,602)	15,649	15,649
Net Profit/(loss) for the period	-	-	-	1,436	1,436	1,436
Asset Revenue Reserve	-	-	-	-	-	-
As at 31st March 2012	40,000	3,076	175	(26,166)	17,085	17,085

1) The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2011 and the accompanying explanatory notes to the quarterly report.

A1. Significant Accounting Policies

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard ("FRS") 134 Interim Financial Reporting and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2011

The following notes explain the events and transactions that are significant to an understanding of the changes in the financial position and performance of Destini Berhad ("DB") and its subsidiary companies (hereinafter referred to as the "Group") during the financial quarter under review.

The significant accounting policies adopted in the interim financial report are consistent with those adopted by the Group in the audited financial statements for the financial year ended 31 December 2011

During the financial period, the Company has adopted the following applicable new Financial Reporting Standards ("FRSs"), revised FRSs, Issues Committee ("IC") Interpretations and amendments to FRSs, issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial year:

FRS 1	First-time adoption of Financial Reporting Standards
FRS 3	Business Combinations
FRS 127	Consolidated and Separate Financial Statements
IC Interpretation 4	Determining Whether an Arrangement Contains a Lease
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investments in a Foreign Operations
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfers of Assets from Customers
Amendments to FRS 1	Limited exemption from Comparative FRS 7 Disclosures for First-time Adopters and Additional Exemptions for First-time Adopters
Amendments to FRS 2	Group cash-settled Share-based Payment Transactions
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 132	Financial Instruments: Presentation – Classification of Rights Issues
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives

Amendments to FRSs contained in the document entitled "Improvements to FRSs (2010)"

Adoption of the above FRSs, IC Interpretations, Amendments to FRSs and IC Interpretations, and "Improvements to FRSs (2010)" did not have any significant effect on the financial statements of the Group and Company, other than for the following:

(i) FRS 3 Business Combinations and FRS 127 Consolidated and Separate Financial Statements (Amendments)

The adoption of the two revised standards affects the way in which the Group accounts for business combinations and the preparation of its consolidated financial statements.

The revised FRS 127 replaces the current term "minority interest" with a new term "non-controlling interest" which is defined as the equity in a subsidiary that is not attributable, directly or indirectly, to a parent. Accordingly, total comprehensive income shall be attributed to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. It also requires that changes in ownership interest which do not result in a loss of control be accounted for as equity transactions. If the changes in ownership interest results in loss of control, any remaining interest in the entity is remeasured at fair value and any resulting gains or losses is recognised in profit or loss.

Under the revised FRS 3, all acquisition-related costs are recognised as an expense in the profit or loss in the period in which they are incurred. All considerations transferred, including contingent considerations, are measured at fair value as at the acquisition date. Any equity interests held prior to the date control is obtained is remeasured at fair value, with the resulting gains or losses recognised in the profit or loss. There is now an option on a case to case basis to measure non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the net identifiable assets of the assets acquired. Goodwill arising from the business combination is measured as the difference between the aggregate fair value of consideration transferred, any non-controlling interests in the acquiree and the fair value at acquisition date of any previously held equity interest in the acquiree, and the fair value of identifiable assets acquired and liabilities assumed (including contingent liabilities) at acquisition date.

The revised FRS 3 and FRS 127 were applied prospectively to acquisitions and/ or changes in ownership interest in subsidiary companies occurred during the financial year.

(ii) Amendments to FRS 7 Improving Disclosures about Financial Instruments

Amendments to FRS 7 require enhanced disclosures about fair value measurements in which a three-level fair value hierarchy was introduced. Each class of financial instrument is to be classified in accordance to this hierarchy which reflects the inputs used in making the fair value measurement. It also reinforces the existing principles for disclosures on liquidity and credit risks. The adoption of this amendment resulted in additional disclosures in the financial statements but did not have any financial impact on the Group and the Company.

(iii) Amendments to FRSs contained in the document entitled "Improvements to FRSs (2010)"

The amendments mainly provide guidance, clarify wordings and remove inconsistencies in existing FRSs. These amendments have extended some of the disclosure requirements under FRS 7, such as the quantification of the extent to which collateral and other credit enhancements mitigate credit risk; and remove certain disclosure requirements such as the carrying amount of renegotiated assets. These changes are only presentational in nature and did not have any financial impact on the Group and the Company.

The above new FRSs, revised FRS, IC interpretations and amendments to FRSs are either not applicable to the Company or the adoptions did not result in significant changes in accounting policies of the Company and did not have significant impact on the Company.

On 19 November 2011, the MASB issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework"). The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venture (herein called "Transitioning Entities").

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2013.

Financial statements that are drawn up in accordance with the new MFRS framework will be equivalent to financial statements prepared by other jurisdictions which adopt IFRSs ("International Financial Reporting Standards").

The Group and the Company will prepare its financial statements in accordance with the MFRS Framework in its first MFRS financial statements for the financial year ending 31 December 2012. In presenting its first MFRS financial statements, the Company will be required to apply MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards ("MFRS 1") in order to assert full compliance with MFRSs and IFRSs. MFRS 1 requires restatement of the financial position as at 1 January 2011 (the date of transition to MFRS) to amounts reflecting the application of MFRS Framework. As at 31 December 2011, the existing FRS Framework is already largely aligned with the MFRS Framework except for MFRS 1 which provides first-time adopter certain exemptions and policy choice.

The Group and the Company have started assessment of the impact arising from the adoption of MFRS 1 and are in the process of assessing the financial effects of differences between the existing FRSs and the MFRSs. Accordingly, the financial performance and financial position as disclosed in these financial statements for the financial year ended 31 December 2011 could be different if prepared under the MFRS Framework.

The Group and the Company expect to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2012.

The Group and the Company has not early adopted the following MFRSs which have been issued as at the date of authorisation of this financial statements and will be effective for the financial periods as stated below:

		Effective date for financial periods beginning on or after
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Amendments to IC Interpretation 14	Prepayment of a Minimum Funding Requirement	1 July 2011
MFRS 124	Related Party Disclosures (revised)	1 January 2012
Amendments to MFRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1 January 2012
Amendments to MFRS 7	Disclosures – Transfers of Financial Assets	1 January 2012
Amendments to MFRS 112	Deferred Tax: Recovery of Underlying Assets	1 January 2012
Amendments to FRS 9 (IFRS 9 as issued by IASB in November 2009), MFRS 9 (IFRS 9 as issued by IASB in October 2010) and MFRS 7	Mandatory Effective Date of FRS 9 and Transition Disclosures	1 March 2012
Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income	1 July 2012
MFRS 10	Consolidated Financial Statements	1 January 2013
MFRS 11	Joint Arrangements	1 January 2013
MFRS 12	Disclosure of Interests in Other Entities	1 January 2013
MFRS 13	Fair Value Measurement	1 January 2013
MFRS 119	Employee Benefits (revised)	1 January 2013
MFRS 127	Separate Financial Statements	1 January 2013
MFRS 128	Investments in Associates and Joint Ventures	1 January 2013
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to MFRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013

Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
MFRS 9 (IFRS 9 as issued by IASB in November 2009)	Financial Instruments	1 January 2015*
MFRS 9 (IFRS 9 as issued by IASB in October 2010)	Financial Instruments	1 January 2015*

* Original effective date of 1 January 2013 deferred to 1 January 2015 via amendments issued by MASB on 1 March 2012.

The above new MFRSs, revised MFRSs, IC Interpretations and amendments to MFRSs will be adopted in the annual financial statements of the Group and of the Company when they become effective and that the initial applications of these Standards and IC Interpretations will have no significant impact on the financial statements of the Company.

A2. Audit Report

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2011 and of its financial performance and cash flows for the financial period then ended.

Emphasis of Matters

Without qualifying our opinion, we draw attention to Note 2(a) to the financial statements. The Company has been an Affected Listed Issuer pursuant to the Amended Practice Note No. 17/2005 ("Amended PN17") and Paragraph 8.14C of the Listing Requirements of Bursa Malaysia Securities Berhad. The Company has submitted its initial proposed regularisation plan on 16 November 2009 to Bursa Malaysia Securities Berhad ("Bursa Securities") and the revised regularisation plan was submitted on 22 March 2011.

Subsequently, the proposed restructuring scheme was approved by Bursa Securities vide its letter dated 22 September 2011. And, on 26 April 2012, the Company has issued a Circular to Shareholders to seek shareholders' approval of the proposed restructuring scheme in the Extraordinary General Meeting to be held on 24 May 2012.

The appropriateness of preparing the financial statements of the Group and of the Company on a going concern basis is dependent on the successful implementation of the Company's proposed restructuring scheme.

The Directors are of the opinion that the proposed restructuring scheme will be successfully implemented to regularies the financial condition and business operations of the Group and the Company. As such the financial statement of the Group and of the Company do not include any adjustments and classification relating to the recorded assets and liabilities that maybe necessary should the Group and the Company be unable to continue as going concerns.

A3. Seasonal or cyclical factors

The principal business operations of the Group are not materially affected by seasonal or cyclical factors during the financial quarter under review.

A4. Items of unusual nature and amount

There is no item affecting the assets, liabilities, equity, net income or cash flows of the Group that is unusual because of its nature, size or incidence.

A5. Material changes in estimates

There is no material change in estimates of amounts reported that will have a material effect in the financial quarter under review.

A6. Issuance or Repayment of Debt or Equity Securities

There is no issuance or repayment of debt or equity securities, share buybacks, share cancellations, shares held as treasury shares or resale of treasury shares in the financial quarter under review.

A7. Dividend Paid

No interim dividend has been paid or declared during the current quarter and the financial period under review.

A8. Segmental Analysis

No segmental analysis is presented as the Group is primarily engaged in a single segment relating to the maintenance, repair and overhaul services carried out in Malaysia and no geographical analysis has been prepared as the Group Operates wholly in Malaysia

A9. Valuation of property, plant and equipment

There was no valuation of property and equipment for the financial quarter under review.

A10. Significant Events During The Financial Quarter

During the financial period, the following significant events took place for the Company and its subsidiary companies:

(i) The Proposed Regularisation Plan :

(1) Proposed Rights Issue with Warrants will entail an issuance of up to 40,000,000 Rights Shares together with up to 60,000,000 free Warrants on a renounceable basis of one (1) Rights Share for every two (2) existing Company's Shares held together with three (3) Warrants for every two (2) Rights Shares subscribed for by the entitled shareholders of the Company whose names appear on the Record of Depositors of the Company at the close of business on an entitlement date to be determined and announced later by the Board. A total of 60,000,000 new Company's Shares will be issued upon full exercise of the Warrants; and

(2) Proposed exemption to Pascal Resources Sdn Bhd and the persons acting in concert with under practice Note 2.9.1 of the Malaysian Code on Take-Overs and Mergers, 1998 from the obligation to undertake a mandatory offer for all the remaining Company's shares not already held by them which may arise pursuant to the proposed rights issue with warrants.

(3) The Company has received additional RM3.912 million in October, November and December 2009 which give a total amount received of RM6.8 million being the cash advances from Pascal Resources Sdn Bhd for working capital of the Company.

(4) The Company has submitted the Regularisation Plan to Bursa Malaysia Securities Berhad ("Bursa Securities") on 16 November 2009 through the principal adviser namely, OSK Investment Bank Berhad and is currently pending for Bursa Securities' approval.

(5) On 10 March 2011, the Company announced following the above, on behalf of the Board, OSK wishes to announce that Satang had further revised the details on the Proposed Capital Reduction I, Proposed Rights Issue with Warrants II, Proposed Exemption II and Proposed Amendments I as follows:

- Proposed share capital reduction involving the reduction of the par value of each existing ordinary shares of RM0.50 each in Satang to ordinary shares of RM0.10 each ("Satang Shares") by the cancellation of RM0.40 of the par value ("Proposed Capital Reduction");

- Proposed renounceable rights issue of 200,000,000 new Satang Shares ("Rights Shares") on the basis of five (5) Rights Shares for every two (2) existing Satang Shares held on an entitlement date to be determined later after the Proposed Capital Reduction ("Proposed Rights Issue");

- Proposed exemption to Pascal Resources Sdn Bhd ("Pascal") and the PAC under Paragraph 16.1 of PN 9 of the Malaysian Code on Take-Overs and Mergers, 2010 ("Revised Code") from the obligation to undertake a mandatory offer for all the remaining Satang Shares not already held by them which may arise pursuant to the Proposed Rights Issue ("Proposed Exemption"); and

- Proposed amendments to the Memorandum and Articles of Association of Satang resulting from the Proposed Capital Reduction ("Proposed Amendments").

(6) On 26 September 2011, the Company announced that the Bursa Securities had approved the proposed restructuring scheme and the Company has issued the circular to shareholder on 26 April 2012. Subject to shareholder approval in the Extraordinary General Meeting to be held on 24 May 2012.

(ii) On 3 January 2012, the Company acquired 2 ordinary shares of RM1.00 each fully paid-up in capital of both Destini Aero Teknologi Sdn. Bhd. and Destini HRTC Sdn. Bhd. ("Destini HRTC") for a total cash consideration of RM2.00 for each company and became a wholly owned subsidiary of the Company. Both companies have not commenced business since its incorporation.

(iii) On 3 January 2012, the Company has undergone an internal reorganisation exercise which involved three (3) subsidiaries Satang Engineering Services Sdn. Bhd. (formerly known as Satang Cylinder Services Sdn. Bhd.), Destini Fire Safety Sdn. Bhd. (formerly known as Satang GSE Services Sdn. Bhd.) and Destini Armada Sdn Bhd (formerly known as Satang Marine Services Sdn. Bhd.) which the Directors believes to be the best interest of the Group.

(iv) On 24 February 2012, the Company paid RM100,000 to Pascal Resources Sdn. Bhd in addition to the previous payments of RM1.4; mil as part of settlement of the cash advancement provided by Pascal Resources to the Company. The outstanding balance as at 29 February 2012 was RM5.30 mil.

(v) On 27 February 2012, the Company entered into a Sale and Purchase Agreement to acquire 1,750,000 ordinary shares of RM1.00 each in System Enhancement Resources & Technologies Sdn. Bhd. representing 50% of the total issued and paid up share capital for a total cash consideration of RM1,000,000.

(vi) On 7 March 2012, the Company has subscribed additional 99,998 new ordinary shares of RM 1.00 each in Destini HRTC, a wholly-owned subsidiary of the Company, at par for a total cash consideration of RM 99,998. The Company was funded via internally generated fund. Pursuant to the Subscription, the total issued and paid up capital of Destini HRTC. increased from 2 ordinary shares to 100,000 ordinary shares of RM 1.00 each.

(vii) On 7 March 2012, the Company has subscribed additional 50,000 new ordinary shares of RM 1.00 each in Destini Info Tech Solutions Sdn. Bhd. (formerly known as Satang High Tech Solutions Sdn. Bhd.), a wholly-owned subsidiary of the Company, at par for a total cash consideration of RM250,000. The Company was funded via internally generated fund. Pursuant to the Subscription, the total issued and paid up capital of Destini Info Tech Solutions Sdn. Bhd. increased from 250,000 ordinary shares to 300,000 ordinary shares of RM 1.00 each.

A11. Significant Events Subsequent To the Financial Quarter

Except disclose below, there were no significant events during the financial quarter under review:

(i) On 18 April 2012, Destini Prima Sdn. Bhd. (formerly known as Satang Jaya Sdn. Bhd.) has entered into a Contract with Ministry of Defence Malaysia for the supply and delivery of Anti-Tank Ammunition 40mm Rocket Propelled Grenade (RPG) for the army at a total an contract sum of RM 7,902,298 for the period of two years commencing from 30 April 2012 to 31 March 2013.

(ii) On 16 April 2012, Destini Prima Sdn. Bhd. (formerly known as Satang Jaya Sdn. Bhd.) has subscribed additional 250,000 new ordinary shares of RM1.00 each in Destini Armada Sdn. Bhd.(formerly known as Satang Marine Services Sdn. Bhd.), a wholly-owned subsidiary of Destini Berhad, at par for a total cash consideration of RM250,000. The Company was funded via internally generated fund.

(iii) On 27 April 2012, the Company had incorporated a new wholly-owned subsidiary company in Adelaide, South Australia with the name "DESTINI AUSTRALIA PTY LTD" (Company Registration No.158 026 049) ("Destini Australia") with the total issued and paid up capital of AUD 2.00 or approximately RM6.30. The intended principal activities of Destini Australia are investment and general trading.

(iv) On 30 April 2012, Destini Prima Sdn Bhd (formerly known as Satang Jaya Sdn Bhd), a wholly-owned subsidiary of Destini Bhd, had entered into a Sale and Purchase Agreement ("SPA") with Lim Cheng Ten (NRIC No. 610424-10-5833), Ismail Bin Abdul Hassan (NRIC No. 621206-01-6043), Ooi Say Hak (NRIC No. 650426-08-5967) and Teh Hock Hai (NRIC No. 520524-01-5203) (collectively as "Purchaser") to dispose of the two (2) storey terrace factory at No. 29, Jalan Tiara 5, Bandar Baru Klang, 41150 Klang, Selangor Darul Ehsan ("Property") for a total consideration of RM930,000.00 (Ringgit Malaysia : Nine Hundred And Thirty Thousand) only

A13. Contingent Liabilities or Assets

Except as disclosed below, there were no material contingent liabilities or assets during the financial quarter under review.

	Year to Date 31-Mar-12 RM '000	Year to Date 31-Mar-11 RM '000
Banker's guarantees in favour of the local authorities for the purpose of development projects		
- Secured	3,949	708
- Unsecured	-	4,712

A14. Capital Commitments

There were no material commitments during the financial quarter under review.

A15. Significant related party transactions

There were no significant related party transactions occurred during the financial quarter and financial period ended 31 March 2012.

Part B: Explanatory Notes Pursuant to Appendix 9B Of The Listing Requirements Of The Bursa Malaysia Securities Berhad.

B1. Review of Performance

The Group has recorded a profit after tax of RM1.43 million on a turnover of RM8.37 million for the financial period ended 31 March 2012.

B2. Review of Current Quarter Profitability against Preceding Quarter

The Group achieved revenue of RM8.37 million for the current quarter under review as compared to RM9.48 million in the preceding quarter, registered a decrease of approximately 12%.

Profit after taxation of the Group for the current quarter under review decrease from RM1.94million in the preceding quarter to RM1.43million for the current quarter.

B3. Commentary on Prospects for the Next Financial Quarter

On 26 September 2011, the Company announced that Bursa Securities had approved the proposed restructuring scheme. The Company issued the circular to shareholders on 26 April 2012 and held the Extraordinary General Meeting on 24 May 2012. With the approved scheme, this will improve the company's financial position and business activities.

B4. Profit Forecast and Profit Guarantee

The Group did not announce any profit forecast nor profit guarantee for the current financial period.

B5. Taxation

	Individual Quarter		Cumulative Quarter	
	Current Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31-Mar-12	31-Mar-11	31-Mar-12	31-Mar-11
	RM '000	RM '000	RM '000	RM '000
Current taxation	-	-	-	-

B6. Corporate Proposals

On 22 September 2011, Bursa Malaysia Securities Berhad has resolved to approve the Company proposed restructuring scheme which consists of the following:-

i. Proposed share capital reduction involving the reduction of the par value of each existing ordinary shares of RM0.50 each in Destini to ordinary shares of RM0.10 each ("Destini Shares") by the cancellation of RM0.40 of the par value ("Proposed Capital Reduction");

ii. Proposed renounceable rights issue of 200,000,000 new Destini Shares ("Rights Shares") on the basis of five (5) Rights Shares for every two (2) existing Destini Shares held on an entitlement date to be determined later after the Proposed Capital Reduction ("Proposed Rights Issue");

iii. Proposed settlement of the debt owing to BPH Capital Sdn Bhd via the issuance of 50,000,000 new Destini Shares at the issue price of RM0.10 each ("Settlement Shares") ("Proposed Capitalisation");

iv. Proposed exemption to Pascal Resources Sdn Bhd ("Pascal") and the persons acting in concert with it under Paragraph 16.1 of Practice Note 9 of the Malaysian Code on Take-Overs and Mergers, 2010 from the obligation to undertake a mandatory general offer for all the remaining Destini Shares not already held by them which may arise pursuant to the Proposed Rights Issue ("Proposed Exemption"); and

v. Proposed amendment to the Memorandum and Articles of Association of Destini resulting from the Proposed Capital Reduction ("Proposed Amendment").

(collectively referred to as the "Proposed Restructuring Scheme" or "Proposals")

Bursa Securities has also resolved to approve the following:-

i. the listing of 200,000,000 Rights Shares to be issued pursuant to the Proposed Rights Issue; and

ii. the listing of 50,000,000 Settlement Shares to be issued pursuant to the Proposed Capitalisation.

B7. Group Borrowings and Debt Securities

Group borrowings, all of which are Ringgit Malaysia (RM) denominated were as follows:

B7.1 Short Term Borrowings

Secured		31-Mar-12 RM '000	30-Mar-11 RM '000
Hire Purchase Payables		85	277
Term loan		-	456
	Total	**85**	**733**

B7.2 Long Term Borrowings

Secured	31-Mar-12 RM '000	30-Mar-11 RM '000
Hire Purchase Payables	290	181
Term Loan	-	2,540
Total	**290**	**2,721**

B8. Material Litigation

As at the date of this announcement, the Group is not engaged in any outstanding material litigation, which has a material effect on the financial position or the business of the Group and the Board.

B9. Dividends

The Board has not recommended any dividend for the financial quarter under review.

B10. Notes to the Statement of Comprehensive Income

	Individual quarter 31-03-12 RM '000	Year to date 31-03-12 RM '000
Profit for the period is arrived at after charging/(crediting):-		
Depreciation of property, plant and equipment	37	37
Provision for doubtful debts/(recoverable)	162	162
Share of profit in associate company	(124)	(124)

B12. Earnings / (loss) Per Share

The basic earnings / (loss) per share for the quarter and year to date are computed as follows:

	Individual Quarter		**Cumulative Quarter**	
	Current Quarter **31-Mar-12** **RM'000**	**Preceding Year Corresponding Quarter** **31-Mar-11** **RM'000**	**Current Year To Date** **31-Mar-12** **RM'000**	**Preceding Year Corresponding Period** **31-Mar-11** **RM'000**
Net profit for the quarter (RM'000)	**1,436**	**1,941**	**1,436**	**1,941**
Weighted average number of ordinary shares ('000) in issue	**80,000**	**80,000**	**80,000**	**80,000**
Basic earnings per share (sen)	**1.80**	**2.43**	**1.80**	**2.43**

**The Group has no potential ordinary shares in issue, therefore diluted earnings per share has not been presented.*

BY ORDER OF THE BOARD

DATO' ROZABIL ABDUL RAHMAN
Managing Director

Date:

Company No. 633265-K

DIRECTORS' REPORT

destiniberhad

Registered Office:

Suite 10.03, Level 10
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

Date: 01 AUG 2012

To: The Shareholders of Destini Berhad (Formerly known as Satang Holdings Berhad) ("Destini" or the "Company")

On behalf of the Board of Directors of Destini ("Board"), I wish to report that after making due enquiries in relation to Destini and its subsidiaries ("Group") during the period between 31 December 2011, being the date to which the latest audited consolidated financial statements have been made up, and the date of this letter, being a date not earlier than 14 days before the date of this Abridged Prospectus:-

(a) In the opinion of the Board, the business of our Group has been satisfactorily maintained;

(b) In the opinion of the Board, no circumstances have arisen since the latest audited consolidated financial statements of our Group which have adversely affected the trading or the value of the assets of our Group;

(c) The current assets of our Group appear in the books at values which are believed to be realisable in the ordinary course of business;

(d) Save as disclosed in this Abridged Prospectus, there are no contingent liabilities which have arisen by reason of any guarantees or indemnities given by our Group;

(e) There has been no default or any known event that could give rise to a default situation, in respect of payment of either interest and/ or principal sums in relation to any borrowings in our Group since the latest audited consolidated financial statements of our Group; and

(f) Save as disclosed in this Abridged Prospectus, there have been no material changes in the published reserves or any unusual factors affecting the profits of our Group since the latest audited consolidated financial statements.

Yours faithfully
For and on behalf of the Board of
DESTINI BERHAD (FORMERLY KNOWN AS SATANG HOLDINGS BERHAD)

DATO' ROZABIL @ ROZAMUJIB BIN ABDUL RAHMAN
Managing Director

DESTINI BERHAD (633265-K)
(Formerly known as Satang Holdings Berhad)

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No.7, Seksyen 16/11
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ADDITIONAL INFORMATION

1. SHARE CAPITAL

i. Save for the Rights Shares, no securities will be allotted or issued on the basis of this Abridged Prospectus later than 12 months after the date of this Abridged Prospectus.

ii. As at the date of this Abridged Prospectus, there is no founder, management, deferred shares or preference shares in the share capital of our Company. There is only one (1) class of shares in our Company, namely the ordinary shares of RM0.10 each, all of which rank *pari passu* with one another.

iii. All the Rights Shares shall, upon allotment and issuance, rank *pari passu* in all respects with the existing Destini Shares, save and except that the Rights Shares will not be entitled to any dividends, rights, allotments and/ or any other distributions unless the allotment and issuance of the Rights Shares were made on or prior to the entitlement date of such dividends, rights, allotments and/ or any other distributions.

iv. As at the LPD, no person has been or is entitled to be granted an option to subscribe for any of our securities.

v. Save as disclosed below, as at the LPD, no securities of Destini have been issued or are proposed or intended to be issued either as fully or partly paid-up in cash or otherwise than in cash within the two (2) years immediately preceding the date of this Abridged Prospectus:-

(a) the Rights Shares pursuant to the Rights Issue; and

(b) the Settlement Shares pursuant to the Capitalisation.

2. DIRECTORS' REMUNERATION

The provisions in our Articles of Association in relation to the remuneration of our Directors are set out below:-

Article 95

The Directors shall be paid by way of remuneration for their services, such fixed sum (if any) as shall from time to time be determined by the Company in general meeting and such remuneration shall be divided among the Directors in such proportions and manner as the Directors may determine PROVIDED ALWAYS THAT:-

(a) Fees payable to Directors who hold non executive office in the Company shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover;

(b) Salaries and other emoluments payable to Directors who hold an executive office in the Company may not include a commission on or percentage of turnover;

(c) Fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting where notice of the proposed increase has been given in the notice convening the meeting; any Director holding office for a part of a year shall be entitled to a proportionate part of such fee;

(d) Any fee paid to an alternate Director shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

3. MATERIAL CONTRACTS

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

i. On 30 November 2010, Destini had entered into a conditional sale and purchase agreement with Mega Regal Development Sdn Bhd for the proposed disposal by Destini of a piece of freehold land measuring 20,234 square metres (approximately 217,798.77 square feet) held under Lot No. 64216, Title No. Geran 58802 in the Mukim of Damansara, District of Petaling, State of Selangor Darul Ehsan for a total cash consideration of RM18.00 million. The transaction was completed on 5 May 2011;

ii. On 27 February 2012, Destini had entered into a sale and purchase agreement with Wan Mazlan Bin Wan Salim for the proposed acquisition by Destini of 1,750,000 ordinary shares of RM1.00 each in System Enhancement Resources & Technologies Sdn Bhd, representing 50% of the total issued and paid up capital of System Enhancement Resources & Technologies Sdn Bhd for a total purchase consideration of RM1.00 million to be satisfied entirely by way of cash. The transaction is currently pending completion; and

iii. On 30 April 2012, DPSB had entered into a conditional sale and purchase agreement with Lim Cheng Ten, Ismail Bin Abdul Hassan, Ooi Say Hak and Teh Hock Hai for the proposed disposal by DPSB of all that piece of property held under Lot No. 31487, Title No. PM 272, Mukim of Kapar, Tempat of Bukit Raja District of Klang, State of Selangor Darul Ehsan measuring approximately 223 square metres together with the two (2) storey terrace factory erected thereon bearing the postal address of No. 29, Jalan Tiara 5, Bandar Baru Klang, 41150 Klang, Selangor Darul Ehsan for a total cash consideration of RM930,000. The transaction is currently pending completion.

4. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, our Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and our Board is not aware and does not have any knowledge of any 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.

5. GENERAL

i. There is no existing or proposed service contract entered into or to be entered into by our Group with any Director or proposed Director, other than those which are expiring or determinable by the employing company without payment of compensation (other than statutory compensation) within one (1) year from the date of this Abridged Prospectus.

ii. Save as disclosed in Sections 6, 7, 9 of this Abridged Prospectus and Section 6 of Appendix II of this Abridged Prospectus, and to the best knowledge of our Board, the financial conditions and operations of our Group are not affected by any of the following:-

(a) known trends, demands, commitments, events or uncertainties that will or are likely to materially increase or decrease the liquidity of our Group;

(b) material commitments for capital expenditure of our Group, the purpose of such commitments and the source of fundings;

(c) unusual, infrequent events or transactions or significant economic changes which materially affected the amount of reported income from operations and the extent to which income was so affected;

(d) known trends or uncertainties which have had, or will have, a material favourable or unfavourable impact on our Group's revenue or operating income;

(e) details on fluctuation in revenues; and

(f) material information, including special trade factors or risks, which are unlikely to be known or anticipated by the general public and which could materially affect our profits.

6. CONSENTS

Our Principal Adviser, Company Secretaries, Share Registrar, Principal Banker, Solicitors for the Rights Issue, Grant Thornton and Bloomberg LP have given and have not subsequently withdrawn their written consents to the inclusion in this Abridged Prospectus of their names and all references thereto in the form and context in which they appear in this Abridged Prospectus.

Our Auditors and Reporting Accountants has given and has not subsequently withdrawn its written consent to the inclusion in this Abridged Prospectus of its name, the letter on the proforma consolidated statements of financial position of our Group as at 31 December 2011, the audited consolidated financial statements of our Company for the 15-month FPE 31 December 2011, and all references thereto in the form and context in which they appear in this Abridged Prospectus.

7. DECLARATIONS OF CONFLICT OF INTEREST

OSK confirms that as at the date of this Abridged Prospectus, there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Principal Adviser to our Company for the Rights Issue.

Messrs Salleh & Co. confirms that as at the date of this Abridged Prospectus, there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Solicitors to our Company for the Rights Issue.

Messrs UHY confirms that as at the date of this Abridged Prospectus, there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Reporting Accountants to our Company on the Capital Reduction, Rights Issue and Capitalisation.

8. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at our Registered Office at Suite 10.03, Level 10, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, during normal business hours (except public holidays) for a period of 12 months from the date of this Abridged Prospectus:-

i. Our Memorandum and Articles of Association;

ii. The Reporting Accountants' letter on the proforma consolidated statements of financial position of our Group as at 31 December 2011 together with notes prepared by Messrs UHY, as set out in Appendix III of this Abridged Prospectus;

iii. Our audited consolidated financial statements for the FYE 30 September 2010 and the 15-month FPE 31 December 2011;

iv. Our latest unaudited consolidated quarterly results for the three (3)-month FPE 31 March 2012, as set out in Appendix V of this Abridged Prospectus;

v. The Directors' Report, as set out in Appendix VI of this Abridged Prospectus;

vi. The material contracts referred to in Section 3 of this Appendix VII;

vii. The letters of consent referred to in Section 6 of this Appendix VII;

viii. The irrevocable undertaking letter from Pascal referred to in Section 5 of this Abridged Prospectus; and

ix. The ERM Report.

9. RESPONSIBILITY STATEMENT

This Abridged Prospectus together with the NPA and the RSF have been seen and approved by our Board. 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, there are no false or misleading statements or other facts which if omitted would make any statement herein false or misleading.

OSK, being the Principal Adviser for the Rights Issue, 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 this Rights Issue.

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