

Company Name : Destini Berhad
Date : 04 November 2015
Source : The Edge Financial Daily

DESTINI BHD (-ve)

SHARES of Destini (Fundamental: 1.4/3, Valuation: 1.1/3) rose as much as 3.3% to an intraday high of 63.5 sen yesterday, before closing 1.6% lower at 60.5 sen. This came after it released its 3Q2015 earnings results on Monday.

For 3Q2015, revenue surged 130.5% y-o-y to RM90.3 million while net profit jumped 66.1% to RM7.1 million, mainly due to higher demand for the maintenance, repair and overhaul (MRO) services as well as marine manufacturing services.

Its newly acquired unit, Destini Shipbuilding

and Engineering Sdn Bhd, has clinched contracts worth some RM400 million from the Malaysian Maritime Enforcement Agency and Bangladesh's Dockyard and Engineering Works Ltd.

Destini provides MRO services specialising in the safety, survival and rescue equipment for the aviation, marine, and oil and gas industries. On August 28, Aroma Teraju Sdn Bhd, a unit of the Ministry of Finance, emerged as a substantial shareholder of Destini after it acquired 200 million shares or a 24.75% stake.



| | |
|--------------------------------------|-----------|
| Valuation score* | 1.10 |
| Fundamental score** | 1.40 |
| TTM P/E (x) | 25.45 |
| TTM PEG (x) | 0.45 |
| P/NAV (x) | 1.85 |
| TTM Dividend yield (%) | - |
| Market capitalisation (mil) | 496.98 |
| Shares outstanding (ex-treasury) mil | 808.10 |
| Beta | 1.01 |
| 12-month price range | 0.50-0.68 |

*Valuation score - Composite measure of historical return & valuation

**Fundamental score - Composite measure of balance sheet strength & profitability

Note: A score of 3.0 is the best to have and 0.0 is the worst to have

| DESTINI BHD (ALL FIGURES IN MYR MIL) | FY12 31/12/2012 | FY13 31/12/2013 | FY14 31/12/2014 | FY2015Q3 30/9/2015 |
|---|--------------------|--------------------|--------------------|-----------------------|
| Financials | | | | |
| Turnover | 56.8 | 93.3 | 167.3 | 90.3 |
| EBITDA | 8.4 | 17.8 | 29.5 | 8.0 |
| Interest expense | 0.0 | 0.7 | 1.7 | 0.6 |
| Pre-tax profit | 8.1 | 14.0 | 21.2 | 6.5 |
| Net profit - owners of company | 7.1 | 8.2 | 16.3 | 7.1 |
| Fixed assets - PPE | 8.0 | 29.7 | 70.7 | 77.2 |
| Total assets | 52.7 | 123.6 | 281.8 | 304.7 |
| Shareholders' fund | 46.7 | 103.9 | 248.1 | 268.7 |
| Gross borrowings | 2.4 | 14.3 | 37.6 | 34.1 |
| Net debt/(cash) | (15.3) | (0.8) | (0.9) | 16.6 |

| DESTINI BHD RATIOS | FY12 31/12/2012 | FY13 31/12/2013 | FY14 31/12/2014 | ROLLING 12-MTH |
|--------------------------|--------------------|--------------------|--------------------|----------------|
| DPS (\$) | - | - | - | - |
| Net asset per share (\$) | 0.14 | 0.21 | 0.31 | 0.33 |
| ROE (%) | 22.62 | 10.91 | 9.29 | 9.11 |
| Turnover growth (%) | 46.80 | 64.18 | 79.24 | 71.24 |
| Net profit growth (%) | 25.53 | 16.52 | 98.97 | 56.82 |
| Net margin (%) | 12.40 | 8.80 | 9.77 | 8.10 |
| ROA (%) | 20.54 | 9.32 | 8.07 | 8.02 |
| Current ratio (x) | 2.69 | 2.13 | 2.52 | 1.96 |
| Gearing (%) | - | - | - | 6.19 |
| Interest cover (x) | 341.20 | 25.25 | 16.85 | 11.77 |