

## PRESS RELEASE

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### **TH HEAVY ENGINEERING BERHAD AND DESTINI BERHAD SECURES CONTRACT WORTH RM738 MILLION TO BUILD LARGE OFFSHORE PATROL VESSELS**

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KUALA LUMPUR, 19 January 2017 – TH Heavy Engineering Berhad (THHE) and Destini Berhad (Destini) announced today that they have secured a contract worth RM738.9 million (inclusive of 6% GST) for the supply, delivery, testing and commissioning of three units of Offshore Patrol Vessels (OPV) for the Malaysia Maritime Enforcement Agency (MMEA).

The Letter of Award for the OPV project was issued on 18 January 2017 by the Government of Malaysia.

The contract was secured by THHE Destini Sdn Bhd (TDSB) (formerly known as Gigih Integrasi Sdn Bhd), a joint venture company established between THHE's wholly owned subsidiary THHE Fabricators Sdn Bhd and Destini Shipbuilding and Engineering Sdn Bhd (DSE) to jointly undertake the OPV project. TDSB is 51% and 49% owned by DSE and THHE respectively.

The 83-metre vessels will be the largest vessels to date in the MMEA fleet. The OPVs are capable in patrolling Malaysia's coasts in all weather conditions. The all-weather vessels are also capable of conducting maritime surveillance and interception, search and rescue, environment and pollution control as well as humanitarian assistance and disaster relief.

The vessels will be delivered in stages, with all three units expected to be completed within three and a half years.

**Chief Executive Officer of THHE, Encik Suhaimi Badrul Jamil** said, "This OPV contract award marks the beginning of THHE's diversification strategy which we have put in place to take

the company forward. We see the shipbuilding and repair industry as providing a stable future for THHE while balancing the volatility of its fabrication business in the oil and gas environment. We look forward to be working with Destini to undertake this significant project, which has demonstrated its strong shipbuilding capabilities on the 44-metres New Generation Patrol Craft Vessels project for MMEA.”

**Managing Director of Destini Berhad, Dato’ Rozabil Abdul Rahman** said, “These vessels would be the largest ever built by THHE and Destini, which will strengthen our overall shipbuilding capabilities. With this contract win, our profile is elevated as a competent and capable builder of large vessels. Inclusive of this contract, Destini has secured shipbuilding contracts from the MMEA worth more than RM1.1 billion so far. We are grateful to MMEA for their continued trust and support in our capabilities. With the continuous replenishment of our shipbuilding orderbook, we are confident to maintain our growth momentum in the coming years.”

THHE and Destini had earlier announced that both companies were entering into a joint venture to combine Destini’s shipbuilding expertise and THHE’s capabilities and facilities in handling large scale offshore structures to bid for the OPV contract.

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## **ABOUT TH HEAVY ENGINEERING BERHAD**

TH Heavy Engineering Berhad (THHE) was listed on the Main Market of Bursa Malaysia in January 2005 after having placed itself in the oil and gas industry since 2002. The main activities of TH Heavy Group are centralised around the heavy engineering industry principally in the fabrication of offshore steel structures and the provision of other related offshore oil and gas engineering services in Malaysia. Through its wholly owned subsidiary, THHE Fabricators Sdn. Bhd. (THF), TH Heavy is one of the few PETRONAS licensed major fabricators in Malaysia.

In short, TH Heavy provides a comprehensive list of services based on these principal activities:

- Fabrication, construction and maintenance of offshore structures
- Construction and maintenance of onshore plants
- Offshore and onshore crane manufacturing and servicing
- Marine operations and support services
- Hook-up & commissioning (HUC)
- Engineered packages

To learn more, please visit <http://www.thhe.com.my>

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## **ABOUT DESTINI BERHAD**

**DESTINI BERHAD (“Destini” or the “Group”)** is an integrated engineering solutions provider with diverse interests in the aviation, marine, automotive as well as oil and gas industries. With a core business in ensuring safety and survival equipment efficiency in these industries, the Group excels in being one of the leading maintenance, repair and overhaul (MRO) service provider in the regions it has exposure in.

The Group started off as an aviation tool and spare parts trading company supplying for the defence industry. Two decades later, Destini has evolved to provide a diversified range of products and services for the aviation, marine and automotive industries for both defence and commercial sectors. With a wider portfolio and coupled with Destini’s foray into oil and gas, the Group has expanded its geographical footprint over the Asian, Australian, Middle East and European regions.

The Group’s core values of perseverance, foresight, rational thinking and determination to succeed have helped nurture a strong working relationship with global customers from both the public and private sectors.

For more information, please log on to <http://www.destinigroup.com>

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