

DESTINI BERHAD PARTNERS WITH FEDERAL INTERNATIONAL (2000) LTD TO EXPLORE OIL & GAS OPPORTUNITIES IN THE REGION

KUALA LUMPUR, 10 November 2017 – Destini Berhad has entered into a joint venture and shareholders agreement (JVA) with Federal International (2000) Ltd, a company listed on the Mainboard of the Singapore Exchange, to collectively bid for oil & gas projects in the South Asia and South-East Asia Region.

Upon the completion of the JVA, Destini's wholly-owned subsidiary, Destini Oil Services Sdn Bhd (DOS) and Federal International's wholly-owned subsidiary, Federal Hardware Engineering Co. Ltd., will incorporate a 50:50 joint venture company (JVCo) in Singapore.

Through the JVCo, DOS and Federal Hardware intend to leverage on each other's capabilities and expertise in tendering for projects in the South Asia and South-East Asia region. Projects that the JVCo intend to bid for are:

- floating production systems in greenfield development;
- transportation and installation services;
- well abandonment and field decommissioning services; and
- downhole and well workover services,

Destini's Group Managing Director, Dato' Rozabil Abdul Rahman said: "This marks as a milestone for DOS, as it has secured a financially sound and experienced joint venture partner. This comes as part of our continuous effort to enhance our upstream and midstream oil and gas capabilities,"

"This new joint venture will pave way to new business opportunities for our oil and gas division with the expansion of our scope of service."

With DOS' track record being mainly in Malaysia for tubular handling services and field decommissioning, DOS will be able to leverage on Federal International's overseas network to expand its services beyond Malaysia. In addition, the Group will also be able to leverage on Federal International's existing presence in Indonesia to expand its marine related businesses.

Federal International not only has presence in Singapore, Indonesia and Malaysia but also Brunei, Thailand, Indonesia, India, Japan, China, United Kingdom and the United States of America. Its main business is in hardware trading, design, manufacture, assembly, distribution and provision of flowline control products and services for oil and gas petrochemical and refinery industries as well as fire protection and detection systems and chartering of vessels.

Federal Hardware on the other hand is also in the same business of Federal International, but has an added scope of expertise in procurement and project management, and mini liquefied natural gas and liquefied natural gas terminal projects.

"This synergistic joint venture that is expected to complete by the first quarter of 2018 will augur well for the Group's oil and gas business moving forward as the oil and gas industry seems to be stabilising, and Destini will be ready to jump on any opportunity that arises with its wider scope of services in the years to come." added Dato Rozabil.

ABOUT DESTINI BERHAD

DESTINI BERHAD ("Destini" or the "Group") is an integrated engineering solutions provider with diverse interests in the aviation, marine, land systems 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.

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