

Company Name : Destini Berhad
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Destini to expand MRO and marine services

PETALING JAYA: Destini Bhd, which reported an RM7.16mil net profit in the first quarter ended March 31, is targeting to expand its aviation maintenance, repair and overhaul (MRO) services and marine services.

"Over the next few years, we aim to strengthen our position with a wider scope of services and expand our reach to be a leading MRO service provider for commercial airlines in the Asean region," managing director Datuk Rozabil Abdul Rahman said in a statement yesterday.

Meanwhile, *Bernama* reported that the company was eyeing to boost its order book from the current RM650mil to RM1bil by early next year.

"Looking at our commercial aviation expansion, I anticipate it will exceed RM1bil (worth of) contracts by early 2017," he was quoted as saying at a press conference after the company's AGM yesterday.

For the first quarter, group revenue more than doubled to RM81.8mil, as compared to RM38mil in the previous corresponding period.

The growth was largely driven by an increase in contribution from

the group's marine manufacturing services, which included an RM381.3mil contract to supply six patrol vessels for a Government agency which will last until 2018.

Rozabil said in the statement that the group would continue to actively grow its overseas businesses.

"As a follow-up to the agreement which was signed at the recent Defence Services Asia 2016 with Advanced Military Maintenance, Repair and Overhaul Center LLC (AMMROC), we are in the final stages of discussions to confirm the terms of the definitive agreement.

Its unit, Destini Prima Sdn Bhd, and AMMROC had signed a memorandum-of understanding (MoU) in April to provide aviation MRO services.

Destini had earlier said that the MoU would pave the way for both parties to expand their aviation MRO services to include services for escape systems provided from AMMROC's new regional state-of-the-art MRO facility in Al Ain, Abu Dhabi in the United Arab Emirates (UAE).

"Once completed, the 1.2 million-sq-ft facility will be one of the largest dedicated MRO military centres in the world," it had said in a statement.

"It opens up huge opportunities for us to tap a wider group of military and commercial aviation customers and we are optimistic about the outlook in the South Asian, Middle East and North African region, as there is plenty of room for development," Rozabil was quoted as saying in the statement.

Rozabil added that Destini was also looking at expanding its capabilities in marine manufacturing, which would enhance its ability to fabricate bigger and more complex vessels in terms of engineering and technology.

"Our aviation MRO activities are not the only businesses that will venture into the UAE region, the group will also be seeing its oil and gas business expand in the Middle East, as there are still ample opportunities there.

"On the marine side, we are actively looking for possibilities in marine manufacturing beyond our local shores," he said.

The group noted that its financial position continues to remain healthy, as its net gearing level as at March 31, 2016 stood at 7%. Basic earnings per share stood at 78 sen as compared to 11 sen in the previous year.



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