

PRESS RELEASE

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DESTINI BERHAD SEES PATNCI GROW 44% Q-O-Q FOR 3QFY2017

KUALA LUMPUR, 29 November 2017 – Integrated engineering solutions provider Destini Berhad saw its profit after tax and non-controlling interest (PATNCI) grow by 44% quarter-on-quarter (q-o-q) for its third quarter financial period ended September 30, 2017 (3QFY2017).

In 3QFY2017, the Group's PATNCI was recorded at RM8.85 million, a rise from RM4.95 million during the same quarter in the previous year. Revenue stood 17.14% higher q-o-q at RM190.90 million against RM162.97 million in last quarter.

For its nine months ended September 30, 2017 (9MFY2017) the Group saw a 19.07% jump in PATNCI of RM25.02 million from RM21.01 million in 9MFY2016. This was achieved on the back more than two folds in revenue of RM577.58 million for 9MFY2017 from RM238.98 million previously.

The Group's higher earnings were drawn from an increase in maintenance, repair and overhaul services in its aviation businesses as well as higher earnings recognition from its marine manufacturing division. Destini's land systems division had also contributed positively to the Group's bottomline.

Destini's Group Managing Director Dato' Rozabil Abdul Rahman explained that: "The Group's aviation division continues to recognize recurring income from its MRO services contracts from the Malaysian Government and its para-military shipbuilding activities from the Malaysian Maritime Enforcement Agency,"

"Our land systems division has now started contributing more earnings to the Group as it is on the path of completing the delivery of 35 units of motor trolleys to Keretapi Tanah Melayu. These three core businesses under the Group remain as key drivers in strengthening Destini's financial position and strength in the markets it is in."

Dato' Rozabil added that its oil and gas division on the other hand did not contribute positively to the Group during the quarter under review. This is due to the challenging environment the industry is facing in securing long term contracts.

“Albeit the challenges in the oil and gas industry, Destini via its subsidiary recently inked a partnership with Singapore-based Federal International (2000) Limited to leverage on each other’s capabilities and expertise to tender for oil and gas projects in South Asia and South-East Asia,” said Dato’ Rozabil adding that the strategic partnership will be able to the pave way for the Group to secure bigger projects in the region.

Earlier this month, Destini Oil Services Sdn Bhd, a wholly-owned subsidiary of Destini, entered into a joint venture agreement with Federal International’s wholly-owned subsidiary, Federal Hardware Engineering Co. Pte Ltd to incorporate a 50:50 joint venture company in Singapore to jointly bid for projects in floating production systems in greenfield development, transportation and installation services, well abandonment and field decommissioning services as well as downhole and well workover services.

“Barring unforeseen circumstances, the Group is optimistic in strengthening its position, in the industries and markets it is in, towards the end of the year,” said 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 transport 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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