

DESTINI BERHAD ADOPTS DIVIDEND POLICY AFTER TURNOVER DOUBLES IN FY2017

KUALA LUMPUR, 27 FEBRUARY 2018 – Destini Berhad’s Board of Directors yesterday approved a resolution to adopt a dividend policy of between 30% to 40% of its net income of any financial year to reward its shareholders.

Previously, the Group issued 242 million warrants on the basis of two free warrants for every three existing ordinary Destini shares of 10 sen each in September 2013. After a new management takeover seven years ago, Destini has managed to remain profitable and has now decided on a fixed dividend policy to reward its shareholders in 2018.

This resolution comes after the Group saw its revenue jump 93.26% to RM685.60 million for its full financial year ended December 31, 2017 (FY2017) with profit after tax and non-controlling interest (PATNCI) of RM30.67 million which came from recognising contributions from an increase in aviation and marine activities during the period.

In FY2017, Destini saw commendable performance from its aviation business which took on as the highest contributor to the Group in terms of profit. This came from its maintenance, repair and overhaul services as well as the supply of six reconnaissance helicopters by the Ministry of Defence for the Malaysian Armed Forces.

To strengthen its aviation business, the Group is exploring new possibilities from the incorporation of a joint venture company with Sapura Aero Sdn Bhd. From this partnership, we intend to expand into the business of rotary wing and fixed aircraft sale; supply and provision of

PRESS RELEASE

FOR IMMEDIATE DISTRIBUTION



MRO for commercial aircraft and helicopters; and the provision aircraft wet leasing and dry leasing.

It's marine businesses, came in as the second largest contributor to the Group from previous contracts that it bagged during the period under review.

For its land systems business, the Group only started recognising profits from its rail business towards the fourth quarter of FY2017. Coming into 2018 and with the expansion of local rail lines, the Group has been actively participating in rail related tenders and is hopeful to secure a contract within the year.

Meanwhile, earnings from its oil and gas business did not meet the Group's target as it was impacted by a continuous lacklustre industry in FY2017. The Group is currently tendering for RM1.67 billion worth of jobs globally to increase its oil and gas orderbook and hopes its efforts bears fruit this year to return back to black.

With the Groups partnership with Singapore-based Federal International (2000) Ltd, it enables Destini to bid for oil and gas projects in various Asian regions. This also expands the Group's oil and gas capabilities with the diversification into supplying floating production systems in greenfield developments.

Destini's Group Managing Director, Dato' Rozabil Abdul Rahman said that although the Group is sitting on an orderbook of RM935 million, it will not be complacent and will continue to expand and strengthen its services within its four core business segments that has an abundance of opportunities.

“Moving forward, Destini targets to achieve a 20% to 30% growth in the financial year to come. By maintaining this growth pace, the Group will be able to reward its shareholders who have been instrumental in Destini’s growth,” 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 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.

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

For more information, please contact Destini Group’s Corporate Affairs team at +603 5567 0333
