


SUMMARY OF KEY FINANCIAL INFORMATION
FOR THE PERIOD ENDED 30 JUN 2024

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
	3 MONTHS ENDED		18 MONTHS ENDED	
	30-Jun-24 RM ' 000	30-Jun-23 RM ' 000	30-Jun-24 RM ' 000	30-Jun-23 RM ' 000
1. Revenue	31,743	37,808	160,851	N/A
2. Profit/(Loss) before tax	(97,970)	3,231	(140,122)	N/A
3. Net Profit/(Loss) for the financial period	(97,183)	1,731	(140,122)	N/A
4. Profit/(Loss) after tax and non-controlling interest	(97,212)	1,733	(136,756)	N/A
5. Basic earnings per share (Sen)	(75.21)	0.10	(70.42)	N/A
6. Net dividend per share (Sen)	-	-	-	-

	AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
7. Net assets per share (RM)	0.6229	0.0804

DESTINI BERHAD ([Registration No. 200301030845 (633265-K)])



ADDITIONAL INFORMATION

FOR THE PERIOD ENDED 30 JUN 2024

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
	3 MONTHS ENDED		18 MONTHS ENDED	
	30-Jun-24 RM ' 000	30-Jun-23 RM ' 000	30-Jun-24 RM ' 000	30-Jun-23 RM ' 000
1. Profit/(Loss) from operations	(98,743)	3,531	(136,673)	N/A
2. Gross interest income	9	2	25	N/A
3. Gross interest expense	773	(300)	(3,449)	N/A



DESTINI BERHAD ([Registration No. 200301030845 (633265-K)])

QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE PERIOD ENDED 30 JUN 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME				
	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
	3 MONTHS ENDED		18 MONTHS ENDED	
	30-Jun-24	30-Jun-23	30-Jun-24	30-Jun-23
	RM'000	RM'000	RM'000	RM'000
Revenue	31,743	37,808	160,851	N/A
Cost of sale	(17,548)	(21,396)	(98,081)	N/A
Gross profit	14,195	16,412	62,770	N/A
Other income	23,093	455	26,375	N/A
Administrative expenses	(131,902)	(12,105)	(215,271)	N/A
Depreciation	(4,129)	(1,231)	(10,547)	N/A
Profit from operations	(98,743)	3,531	(136,673)	N/A
Finance cost	773	(300)	(3,449)	N/A
Profit/(Loss) before tax	(97,970)	3,231	(140,122)	N/A
Taxation	787	(1,500)	-	N/A
Net profit/(Loss) for the financial period	(97,183)	1,731	(140,122)	N/A
Other comprehensive income				
- Exchange Translation differences	(285)	19	(1,433)	N/A
Other comprehensive income for the financial period	(285)	19	(1,433)	N/A
Total comprehensive income for the financial period	(97,468)	1,750	(141,555)	N/A
Net Profit/(Loss) for the financial period attributable to:				
Owners of the parent	(97,212)	1,733	(136,756)	N/A
Non-controlling interests	29	(2)	(3,366)	N/A
	(97,183)	1,731	(140,122)	N/A
Total comprehensive income/(loss) for the financial period attributable to:				
Owners of the parent	(97,497)	1,793	(138,189)	N/A
Non-controlling interests	29	(43)	(3,366)	N/A
	(97,468)	1,750	(141,555)	-
Earnings per share attributable to owners of the parent:				
- basic (Sen)	(75.21)	0.10	(70.42)	N/A
Weighted average number of ordinary shares ('000 units)	129,259	1,663,531	194,205	N/A
Enlarged number of ordinary shares in issue ('000 units)	499,060	1,663,531	499,060	N/A



QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE PERIOD ENDED 30 JUN 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30-Jun-24 (Unaudited) RM'000	As at 31-Dec-22 (Audited) RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	38,135	37,167
Right of use assets	4,214	19,684
Intangible Assets	4,955	70,340
Investment in quoted share	-	130
Other Receivable	-	14,387
Other investments	320	320
	<u>47,624</u>	<u>142,028</u>
CURRENT ASSETS		
Inventories	49,697	13,310
Contract assets	12,597	2,451
Trade receivables	59,904	44,002
Other receivables and deposits	54,064	41,268
Amount due from associated company	-	6,255
Tax recoverable	3,973	3,671
Deposit with licensed bank	15,704	16,788
Cash and bank balances	13,426	10,788
	<u>209,365</u>	<u>138,533</u>
TOTAL ASSETS	<u>256,989</u>	<u>280,561</u>
EQUITY AND LIABILITIES		
SHARE CAPITAL		
	612,911	479,829
TRANSLATION RESERVE		
	(88)	1,345
RETAINED PROFITS		
	(491,851)	(355,095)
Shareholders' equity	<u>120,972</u>	<u>126,079</u>
NON-CONTROLLING INTEREST		
Total Equity	<u>114,207</u>	<u>122,680</u>
NON-CURRENT LIABILITIES		
Deferred tax liabilities	-	177
Other payables	-	926
Lease liabilities	773	1,093
Bank borrowings	9,137	10,303
Long term creditor	-	7,997
	<u>9,910</u>	<u>20,496</u>
CURRENT LIABILITIES		
Contract liabilities	7,810	1,764
Trade payables	41,317	53,302
Other payables and accruals	66,444	59,696
Lease liabilities	826	950
Bank borrowings	11,500	6,513
Redeemable preference shares	1,569	1,357
Tax Payable	3,406	13,803
	<u>132,872</u>	<u>137,385</u>
TOTAL EQUITY AND LIABILITIES	<u>256,989</u>	<u>280,561</u>
Net assets per share attributable to owners of the parent (RM)	0.6229	0.0804
Weighted average number of ordinary shares ('000 units)	194,205	1,568,576
Enlarged number of ordinary shares in issue ('000 units)	1,663,531	1,663,531

1) The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2022 and the accompanying explanatory notes to the quarterly report.



QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE PERIOD ENDED 30 JUN 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share Capital RM '000 (Restated)	Foreign Currency Translation Reserves RM '000	Accumulated Losses RM '000	Total RM '000	Non-controlling Interest RM '000	Total Equity RM '000
At 1 January 2023	479,829	1,345	(355,095)	126,079	(3,399)	122,680
Net profit for the financial year	-	-	(136,756)	(136,756)	(3,366)	(140,122)
Exchanges translation differences for foreign operations	-	(1,433)	-	(1,433)	-	(1,433)
Total comprehensive income for the financial year	-	(1,433)	(136,756)	(138,189)	(3,366)	(141,555)
Transactions with owner:						
Right Issue - Issuance of Ordinary Share	133,082	-	-	133,082	-	133,082
At 30 Jun 2024 (Unaudited)	<u>612,911</u>	<u>(88)</u>	<u>(491,851)</u>	<u>120,972</u>	<u>(6,765)</u>	<u>114,207</u>
	-	-	-	-	-	-

Notes:

As announced on 29 November 2024, the financial year end of the Group has been changed from 31 December 2023 to 30 June 2024. As such, there will be no comparative financial information available for the preceding year corresponding periods.

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2022 and the accompanying explanatory notes to the quarterly report.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE PERIOD ENDED 30 JUN 2024**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	AS AT END OF CURRENT PERIOD (Unaudited) 30-Jun-24 RM' 000	AS AT END OF PRECEDING PERIOD (Unaudited) 30-Jun-23 RM' 000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	(140,122)	N/A
Adjustments for:-		
Impairmt of Intangible asset	67,460	N/A
Depreciation of property,plant and equipment	10,547	N/A
Loss/(Gain) on impairment of investment in subsidiary and joint vanture	(22,054)	N/A
Impairment loss on trade receivable	61,625	N/A
Interest expense	3,449	N/A
Interest Income	(25)	N/A
Operating profit before working capital changes	(19,120)	N/A
Inventories	714	N/A
Receivables	(50,004)	N/A
Payable	(24,523)	N/A
Contract assets/liabilities	(41,201)	N/A
Cash used in operations	(134,134)	N/A
Tax paid	-	N/A
Tax refund	-	N/A
Net cash used in operating activities	(134,134)	N/A
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest recieved	25	N/A
Proceeds from disposal of investment in securities	130	N/A
Purchase of property,plant and equipment	3,955	N/A
Net change in deposit pledged to licensed banks	1,083	N/A
Net cash used in investing activities	5,193	N/A
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(3,449)	N/A
Repayment of term loan	4,354	N/A
Repayment of finance lease liabilities	(440)	N/A
Proceeds from Right Issue	133,082	N/A
Net cash generated from financing activities	133,547	N/A
NET INCREASE/(DECREASE) IN CASH AND CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD		
	4,606	N/A
EFFECT OF EXCHANGE RATE FLUCTUATIONS		
	(1,433)	N/A
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		
	10,122	N/A
CASH AND CASH EQUIVALENTS END OF PERIOD		
	13,295	N/A
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL QUARTER COMPRISE OF:		
Cash and bank balances	13,426	N/A
Fixed deposits with licensed bank	15,704	N/A
Bank overdraft	(131)	N/A
	<u>28,999</u>	<u>N/A</u>
Deposits with licensed bank (pledge)	(15,704)	N/A
Cash at bank pledged with license bank		N/A
	<u>13,295</u>	<u>N/A</u>

Notes:

As announced on 29 November 2024, the financial year end of the Group has been changed from 31 December 2023 to 30 June 2024. As such, there will be no comparative financial information available for the preceding year corresponding periods.

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2022 and the accompanying explanatory notes to the quarterly report.

A1. Significant Accounting Policies

The interim financial report is unaudited and has been prepared in compliance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2021, which were prepared in compliance with Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”). These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2022.

The financial statements of the Group have been prepared on the historical cost convention except as disclosed in the notes to the financial statements and in compliance with MFRS, IFRS and the Companies Act, 2016 in Malaysia.

The significant accounting policies and methods of computation applied in the interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2022 except for the adoption of the following with effect from 1 January 2023:

Amendments to MFRS 101	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Non- current Liabilities with Covenants and Classification of Liabilities as Current or Non-current

Adoption of above amendments to MFRSs did not have any significant impacts on the financial statements of the Group and of the Company.

A2. Change of Financial Year End

On 24 November 2023, the Company announced that the Board of Directors of the Company has approved the change of financial year end from 31 December 2023 to 30 June 2024. Thus, the financial statements will be presented up from 1 January 2023 to 30 June 2024 covering a period of 18 months.

A3. Audit Report

The annual financial statement of the Company for the year ended 31 December 2022 was reported on without qualification.

Quarterly Unaudited Results Of The Group For The Financial Period Ended 31 Mar 2024**A4. Seasonal or cyclical factors**

The principal business operations of the Group are not materially affected by seasonal or cyclical factors during the financial quarter.

A5. Items of unusual nature and amount

The operations and performance of the Group during the current quarter under review have not been materially affected by any seasonal or cyclical factors.

A6. Material changes in estimates

There is no material change in estimates of amounts reported that will have a material effect in the financial quarter.

A7. Issuance or Repayment of Debt or Equity Securities

There is no issuance or repayment of debt or equity securities, share buybacks, share cancellations, shares held as treasury shares or resale of treasury shares in the financial quarter. The detail movement of the issued and paid up capital for the company are as follows:-

On 13 March 2024, the company completed the Rights Issue with Warrants following the listing and quotation of 3,327,063,258 Rights Shares and 1,663,531,629 Warrants on the Main Market of Bursa Malaysia Securities. Total cash proceeds of RM133.08 million was raised and utilization as per para B6. (2)

On 12 Jun2 2024, the company completed the Share Consolidation following the listing of and quotation for 499,059,412 Consolidated Shares and 166,353,160 Consolidated Warrants B on the Main Market of Bursa Malaysia Securities Berhad

	No. of shares Issued and fully paid ordinary shares with no par value (Restated)	Share Capital	Total
	'000	RM'000	RM'000
As at 1 Jan 2023	166,353	479,829	479,829
Issue of ordinary shares:			
- Right Issue	332,706	133,082	133,082
As at 30 Jun 2024	499,059	612,911	612,911

A8. Dividend Paid

No interim dividend has been paid or declared during the current quarter.

Quarterly Unaudited Results Of The Group For The Financial Period Ended 31 Mar 2024
A9. Segmental Analysis

a) Analysis of Segmental Revenue and Result

	Current Quarter		Cumulative Quarter	
	3 months ended		18 months ended	
	30 Jun 24	31 Jun 23	30 Jun 24	31 Mar 23
	RM'000	RM'000	RM'000	RM'000
Segment revenue				
- Aviation and Defence	7,071	20,351	60,714	n/a
- Marine	10,541	11,282	57,835	n/a
- Energy	12,722	6,175	40,642	n/a
- Mobility	-	-	-	n/a
- Other	1,409	20	1,659	n/a
Elimination of inter-segment	-	-	-	n/a
Total	31,743	37,808	160,851	n/a
Segment result				
- Aviation and Defence	(19,169)	1,143	(22,245)	n/a
- Marine	(17,479)	1,762	(32,552)	n/a
- Energy	(14,975)	1,740	(16,032)	n/a
- Mobility	(2,546)	(469)	(9,580)	n/a
- Other	(43,043)	(2,443)	(56,347)	n/a
Elimination of inter-segment				
Profit/(loss) after tax and NCI	(97,154)	1,733	(136,756)	n/a

b) Analysis by Geographical Area

	Current Quarter			
	3 months ended 30 Jun 2024			
	Malaysia RM'000	Overseas RM'000	Eliminations RM'000	Consolidated RM'000
Revenue				
External sales	21,866	9,877	-	31,743
Inter segment	-	-	-	-
Total	21,866	9,877	-	31,743

	Preceding Quarter			
	3 months ended 30 Jun 2023			
	Malaysia RM'000	Malaysia RM'000	Malaysia RM'000	Malaysia RM'000
Revenue				
External sales	27,339	10,409	-	37,808
Inter segment	-	-	-	-
Total	27,339	10,409	-	37,808

Quarterly Unaudited Results Of The Group For The Financial Period Ended 31 Mar 2024

	Cumulative Quarter			
	18 months ended 30 Jun 2024			
	Malaysia RM'000	Overseas RM'000	Eliminations RM'000	Consolidated RM'000
Revenue				
External sales	107,248	53,603	-	160,851
Inter segment	-	-	-	-
Total	107,248	53,603	-	160,851

Notes:

The financial year end of the Group has been changed from 31 Dec 2023 to 30 Jun 2024. As such, there are no comparative figures for the cumulative preceding year corresponding cumulative period.

	30 Jun 2024			
	Malaysia RM'000	Overseas RM'000	Eliminations RM'000	Consolidated RM'000
Segment Assets	171,777	85,212	-	256,989
Segment liabilities	111,708	31,074	-	142,782
Depreciation	6,672	3,875	-	10,547
	30 Jun 2023			
	Malaysia RM'000	Overseas RM'000	Eliminations RM'000	Consolidated RM'000
Segment Assets	177,733	95,718	-	273,451
Segment liabilities	131,039	25,623	-	156,662
Depreciation	1,573	946	-	2,519

A10. Valuation of property, plant and equipment

There was no valuation of property plant and equipment for the financial quarter.

A11. Significant Events during the Financial Quarter

During the financial period, the following significant events took place for the Company and its subsidiaries:

1. Destini Prima Sdn Bhd, a wholly-owned subsidiary of Destini had on 18 July 2023, accepted a contract from the Ministry of Defence Malaysia for supply of Non-proprietary aircraft spare parts for the Royal Malaysian Airforce. For the contract ceiling of RM403.8 million, to be shared with other 29 contractors. The Contract will expire on 30 June 2025.
2. Destini Prima Sdn Bhd, a wholly-owned subsidiary of Destini, had on 20 June 2023, accepted a letter of award from Ministry of Defence Malaysia for the procurement of scheduled and unscheduled maintenance, testing, technical services (modification, training, publication and consultation) and supply of spare parts and related components, for the non airborne equipment to the Royal Malaysian Air Force. The value of the Contract is approximately RM25.44 million.
3. Destini Prima Sdn Bhd, a wholly-owned subsidiary of Destini, had on 27 June 2023, accepted a letter of award from Ministry of Defence Malaysia for the procurement, supply

Quarterly Unaudited Results Of The Group For The Financial Period Ended 31 Mar 2024

and delivery of 70MM rockets (2.72 inch) to the Malaysian Army. The value of the Contract is approximately RM18.75 million.

4. Destini Oil Services Sdn. Bhd., a wholly-owned subsidiary of Destini, had on 10 July 2023, accepted the Service Order from Northern Gulf Petroleum Pte Ltd for the Provision of Conductor Hammering and Tubular Running Services to support Rossukon Project, Gulf of Thailand located at Rossukan field, block G6/48, offshore Gulf of Thailand, Kingdom of Thailand. The value of the Contract is approximately USD 488,000.00.
5. Destini Prima Sdn. Bhd., a wholly-owned subsidiary of Destini, had on 6 September 2023, accepted a letter of award from Ministry of Defence Malaysia for the procurement, supply and delivery of FZ Rocket Motor to the Royal Malaysian Air Force. The value of the Contract is RM19.04 million.
6. Destini Energy Sdn. Bhd., a wholly-owned subsidiary of Destini had on 12 September 2023 entered into a non-binding Collaboration Agreement with Maxland Energy Sdn. Bhd., a wholly-owned subsidiary of Priceworth International Berhad. The parties shall collaborate with each other to develop and embark on renewable energy projects including installation of solar panels at Indah Water Konsortium's sewerage treatment plants, solar power projects in Sandakan, Malaysia and Victoria, Australia and any other renewable energy projects to be secured by the Parties.
7. Destini on 15 September 2023 entered into a Memorandum of Understanding (MOU) with National Defence University of Malaysia to collaborate in the areas of Research and Innovation, Training and Industrial Collaboration Program.

A12. Changes in Composition of the Group

There are no changes in composition of the Group for the quarter under review.

A13 Significant Events Subsequent To the Financial Quarter

Subsequent to the financial period, there is no subsequent events took place for the Company and its subsidiaries:

A14. Contingent Liabilities or Assets

Except as disclosed below, there were no material contingent liabilities or assets during the financial quarter.

	Year to Date 30-Jun -24 RM '000	Year to Date 31-Dec-22 RM '000
Performance guarantees in favour of the supplier and local authorities for the purpose of secured projects	15,704	16,788

A15. Capital Commitments

Approved and contracted for:

Year to Date 30-Jun-24 RM '000	Year to Date 31-Dec-22 RM '000
-	-

A16. Significant related party transactions

There were no significant related party transactions incurred during the financial quarter ended 30 Jun 2024.

Part B: Explanatory Notes Pursuant to Appendix 9B of The Listing Requirements of Bursa Malaysia Securities Berhad.

B1. Review of Performance

a) Current Quarter Compared to Corresponding Quarter

For current quarter Destini's Group revenue decreased by 16% to RM31.74 million from RM37.81 million compared to the corresponding period. Lower revenue due to decrease in revenue from aviation sectors. Loss after tax and non-controlling interest (LATNCI) for current quarter was RM97.15 million compared to Profit after tax and non-controlling interest (PATNCI) of RM1.73 million in corresponding quarter. Higher Loss in the current quarter is due to higher financing and impairment of investment in subsidiary, trade receivables and intangible asset amounting to RM107.03 million.

Destini's Aviation and Defence sector registered lower revenue in the current quarter due to increase in less Trading and MRO activities. Current quarter revenue decreased by 65% to RM7.07 million compared to corresponding quarter of RM20.35 million. The sector registered LATNCI of RM19.47 million compared to PATNCI of RM1.14 million loss in the corresponding quarter due to impairment of trade receivables amounting to RM22.76 million.

The marine sector registered 6% decreased in revenue from RM11.28 million in corresponding quarter to RM10.54 million in current quarter due to lower contribution from Group's manufacturing unit. Marine sector registered LATNCI of RM17.48 million compared to PATNCI of RM1.76 million in corresponding quarter. Loss due to less boat manufactured and impairment of the receivables and investment in associate companies of RM23.04 million.

Energy sector of Destini saw its revenue increased to RM12.72 million in current quarter as compare to corresponding quarter of RM6.17 million. The increased in revenue is attributed to the higher revenue from the rig activity. Energy sector of Destini recognised higher loss after tax and non-controlling interest (LATNCI) of RM14.98 million compared to Profit of RM1.74 million in the corresponding quarter. Loss due to impairment receivables and investment of RM15.83 million.

Destini's mobility sectors recorded LATNCI of RM2.55 million in the current quarter compare to LATNCI of RM0.47 million corresponding quarter, the loss due to higher administrative expenditures.

Destini Berhad and other minor subsidiaries are classified under the 'Others' sector. This sector did not register material revenue in all quarters. The LATNCI for 'Others' sector increased from RM2.44 million in corresponding quarter to RM43.04 million in current quarter. Higher loss as a result of higher financing cost, business development expenses, and impairment of intangible asset and investment in subsidiaries amounting to RM45.40 million.

b) Cumulative quarter 18 months

As announced on 24 November 2023, the financial year end of the Group has been changed from 31 December 2023 to 30 June 2024. As such there is no comparative financial information is available for the preceding year corresponding cumulative quarter.

Quarterly Unaudited Results Of The Group For The Financial Period Ended 31 Mar 2024

For the cumulative quarter ended 30 June 2023, the Group recorded revenue of RM160.85 million and loss before tax and non-controlling interest of RM136.76 million in current cumulative quarter.

Destini's Aviation and Defence sector revenue contributed RM60.71 million in the current cumulative quarter and this sector posted loss after tax and non-controlling interest of RM22.25 million in current cumulative quarter.

The Marine sector revenue contributed RM57.84 million in the current cumulative quarter and this sector registered loss after tax and non-controlling interest of RM32.55million in current cumulative quarter.

The Energy sector revenue registered RM40.64 million in the current cumulative quarter and loss after tax and non-controlling interest of RM16.03million in current cumulative quarter.

Destini's Mobility registered loss after tax and non-controlling interest of RM9.58million in current cumulative quarter. This is because the MRO activities commence from December 2023.

Destini Berhad and other minor subsidiaries revenue are classified under the 'Others' sector. This sector did not register material revenue and posted loss after tax and non-controlling interest of RM56.35million in current cumulative quarter

B2. Review of Current Quarter against Preceding Quarter

Destini saw Higher revenue of RM31.74 million for its current quarter ended 30 Jun 2024 from a revenue of RM21.68 million in the preceding quarter ended 31 Mar 2024. LATNCI in current quarter increased to RM90.15 million from LATNCI of RM23.41 million in the preceding quarter, higher by RM66.74 million due to impairment of investment in subsidiary, trade receivables and intangible asset amounting to RM107.03 million..

B3. Commentary on Prospects for the remaining period and next Financial Year

Destini's strong order book presents positive prospects for the company to return to profits in the next financial year. In Destini's Aviation sector, the contracts secured from Ministry of Defence Malaysia are expected to contribute more towards the earnings of Destini in FY2025. Similarly, Destini's ongoing contracts with Ministry of Transport, Malaysia with a total contract value of RM694 million are expected to contribute towards group earning starting next financial.

Destini's Aviation and Defence sector is poised to perform even better in the next quarters. This is backed with their strong orderbook from Ministry Defence, Malaysia. The energy sector has seen an increased in rig activities starting 2Q2024 and is expected to perform satisfactory in the next quarter of the financial year. As indicated earlier, earnings contribution from Mobility sector will begin in 3Q2024 as per the scheduled delivery and handover of trains to KTM. The Marine sector is expected to improve its performance for the remainder of the year owing to the increased orderbook from the group's marine manufacturing unit in China. In addition, the group has also embarked on a cost optimization exercise across the 'Others' segment that will contribute towards decrease in losses arising from this segment.

Quarterly Unaudited Results Of The Group For The Financial Period Ended 31 Mar 2024

Destini has completed a rights issue exercise in at raising capital of RM133.08 million. The amount raised has been utilized mainly to the execution of contracts from Ministry of Transport and Ministry of Defence, Malaysia.

The Management expects performance in the next financial quarters to remain sluggish in view of the weaker demand and challenging economic environment caused by rising raw material prices, higher oil prices and the stronger US dollar.

B4. Profit Forecast and Profit Guarantee

The Group did not announce any profit forecast nor profit guarantee for the current financial period.

B5. Taxation

Individual Quarter		Cumulative Quarter	
Current Quarter 3 months ended 30-Jun-24 RM '000	Corresponding Quarter 3 months ended 30-Jun-23 RM '000	Current Year To Date 18 months ended 30-Jun-24 RM '000	Corresponding Period 18 months ended 30-Jun-23 RM '000
Current taxation	787	(1,500)	-
			n/a

B6. Corporate Proposals

1. Status of utilisation of proceeds raised from corporate proposals

The Company has used the proceeds from the Rights Issue with Warrants in the following manner:-

Detail of utilisation	Timeframe for utilisation from 13 Mar 2024	Actual proceeds raised (RM'000)	Actual utilisation up to 31 Mar 2024 (RM'000)	Balance available for utilisation (RM'000)
Working Capital	Within 24 months	129,478	129,478	-
Repayment of bank borrowing	Within 12 months	2,895	2,895	-
Estimate expenses	Upon completion	710	710	-
Total		133,083	133,083	-

There was no deviation between the approved utilization amount and actual utilized amount.

B7. Group Borrowings and Debt Securities

Group borrowings are as follows:-

B7.1 Short Term Borrowings

<u>Secured</u>	30-Jun-24 RM '000	31-Dec-22 RM '000
<i>Denominated in Ringgit Malaysia:</i>		
Hire Purchase and Lease Payables	739	803
Bank Borrowing	10,478	5,331
<i>Denominated in Singapore Dollar (SGD):</i>		
Hire Purchase and Lease Payables	87	233
Overdraft	131	430
Bank Borrowing	909	666
TOTAL	12,326	7,463

B7.2 Long Term Borrowings

<u>Secured</u>	30-Jun-24 RM '000	31-Dec-22 RM '000
<i>Denominated in Ringgit Malaysia</i>		
Hire Purchase and Lease Payables	726	1,011
Term Loan	4,720	5,822
<i>Denominated in Singapore Dollar (SGD)</i>		
Hire Purchase and Lease Payables	47	264
Bank Borrowing	4,417	4,262
Total	9,910	11,359

B8. Material Litigation

As at the date of this announcement, the following litigation took place for the Company and its subsidiaries:

1. On 16 May 2024, Destini and its indirect subsidiary, Destini Shipbuilding and Engineering Sdn. Bhd were both served by Damen Shipyards Gorinchem B.V. (previously known as B.V. Scheepswerf Damen Gorinchem) with a Notice of Arbitration dated 8 May 2024 for disputes arising out or from the following agreements: -

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(a) Material Packages Contract dated 21 June 2017 entered into and made between the Claimant and DSBE; and

(b) Corporate Guarantee dated 23 November 2017 given by Destini.

Claim sum of €3,032,905.50 as at 12 February 2024,

2. Destini Armada Sdn Bhd a subsidiary of Destini Berhad, was served with a winding up petition by the Lembaga Hasil Dalam Negeri, Government of Malaysia on 5 August 2024. The petition is scheduled to be heard before the Court in Kuala Lumpur at 9:00 a.m. on Monday, 11 November 2024. This petition, presented to the High Court of Malaya at Kuala Lumpur (BA-28NCC-459-08/2024), The amount claim is RM2,934,963.75.

B9. Dividends

The Board has not recommended any dividend for the financial quarter.

B10. Notes to the Statement of Comprehensive Income

	Year to date 30-Jun-24 RM '000	Year to date 31-Dec-22 RM '000
Profit for the period is arrived at after charging/(crediting):-		
Depreciation of property, plant and equipment	10,547	7,197
Interest expense	3,449	1,712
Fair value adjustment on investment in securities	-	50
Loss/(Gain) on impairment of subsidiary or JV	(22,054)	-
Impairment of intangible asset	67,460	-
Impairment loss on trade receivables	61,625	-

B11. Earnings Per Share

The basic earnings per share for the quarter and year to date are computed as follows:

	Individual Quarter		Cumulative Quarter	
	Current Quarter 3 months ended 30-Jun-24	Corresponding Quarter 3 months ended 30-Jun-23	Current Year To Date 18 months ended 30-Jun-24	Corresponding Quarter 18 months ended 30-Jun-23
Attributable to owners of parent (RM'000)	(97,212)	1,733	(136,756)	n/a

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Weighted average number of ordinary shares ('000) in issue	129,259	1,663,531	194,205	n/a
Basic earnings per share (Sen)	(75.21)	0.10	(70.42)	n/a

B12. Disclosure of realised and unrealised profit

	Year to Date 30-Jun -24 RM'000	Year to Date 31-Dec -22 RM'000
Total accumulated losses of the Company and its subsidiaries		
- Realised	(690,867)	(494,582)
less: consolidation adjustments	199,016	139,119
Total retained profits	<u>(491,851)</u>	<u>(355,463)</u>

BY ORDER OF THE BOARD**DESTINI BERHAD**