

Destini Reports Significant Turnaround for Q1 2025 and Launches Private Placement to Accelerate Expansion

Kuala Lumpur, 4 Nov 2024 – Destini Berhad (“**Destini**” or “**the Group**”) announced a significant turnaround in its financial performance for the first quarter ended September 30, 2024. The Group also outlined plans for a private placement exercise to support ongoing projects and expansion.

Financial and Operational Highlights

- **Revenue Surge:** Destini reported revenue of RM79 million for Q1 2025, marking a 260% year-on-year increase from RM22 million in the same quarter last year. This growth was primarily driven by the successful delivery of three trains by M Rail Technics Sdn Bhd and an increase in equipment supply by Destini Prima Sdn Bhd.
 - **Return to Profit:** The Group achieved a net profit of RM6.68 million, a notable improvement over a net loss of RM7.10 million in the same quarter last year. This reflects a 1.07 sen basic earnings per share.
 - **Cost Efficiency:** Administrative expenses decreased to RM11.35 million from RM13.94 million, showcasing improved operational efficiency and cost cutting measures undertaken during the year.
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Destini plans to support its growth through a private placement of up to 10% of its total issued shares. The funds will be used for key projects and acquiring new equipment to enhance its competitiveness. Part of the funds will go towards working capital for ongoing solar EPCC projects with Indah Water Konsortium Sdn Bhd at over 350 sites nationwide, including solar photovoltaic systems. Additional funds will be used for maintaining assets for the Royal Malaysian Air Force.

The Group will also invest in advanced tubular running service (TRS) equipment for Destini Oil Services Sdn Bhd to enhance its energy sector capabilities. This is expected to bolster operational resilience by upgrading critical equipment and improve financial flexibility.

“The strong Q1 2025 performance, coupled with this private placement initiative, underscores our commitment to growth and operational excellence,” said Ismail Mustaffa, Executive Director at Destini Berhad. “We are committed to building long-term value for our shareholders and positioning Destini as a leader in integrated engineering solutions across critical industries.”

“Destini's strong order book signals a return to profitability this year. Key contracts with Malaysia's Defence and Transport Ministries are expected to drive earnings from this year through 2026. The Aviation & Defence, Energy, and Marine sectors show promising growth from increased orders and activities, while the Mobility sector will begin contributing through scheduled train MRO activities for the Ministry of Transport. Cost optimization across other segments also aims to enhance the Group's profitability moving forward,” stated Ismail.

“Looking ahead to the next 12 months, our focus will be on monetizing our existing order book of approximately RM791 million, which will sustain us for the next three years. The Mobility sector will be our main revenue contributor moving forward, as about 80% of our order book consists of Rail MRO contracts. Our tender book currently stands at approximately RM688 million, split between Mobility (RM650 million) and other sectors (RM38 million),” he concluded.

About Destini Berhad (“DESTINI”)

DESTINI is a prominent Malaysian integrated engineering solutions provider specializing in aviation & defence, energy, mobility, and marine industries. Its core business areas encompass maintenance, repair, and overhaul (MRO) services for military aircraft, supply of equipment to armed forces, manufacturing and maintenance of lifeboats, provision of marine safety equipment, engineering, procurement, construction, and installation of renewable energy systems, and MRO services for the rail industry. It is also involved in the provision of tubular running services for the energy industry.

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