



SUMMARY OF KEY FINANCIAL INFORMATION

FOR THE SECOND QUARTER ENDED 31 DEC 2024

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
	3 MONTHS ENDED		6 MONTHS ENDED	
	31-Dec-24 RM ' 000	31-Dec-23 RM ' 000	31-Dec-24 RM ' 000	31-Dec-23 RM ' 000
1. Revenue	83,561	28,215	162,546	N/A
2. Profit/(Loss) before tax	8,555	(4,061)	16,171	N/A
3. Net Profit/(Loss) for the financial period	8,085	(4,444)	14,765	N/A
4. Profit/(Loss) after tax and non-controlling interest	6,070	(3,932)	11,396	N/A
5. Basic earnings per share (Sen)	1.22	(0.24)	2.28	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)	0.2690	0.0556

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



ADDITIONAL INFORMATION

FOR THE SECOND QUARTER ENDED 31 DEC 2024

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
	3 MONTHS ENDED		6 MONTHS ENDED	
	31-Dec-24 RM ' 000	31-Dec-23 RM ' 000	31-Dec-24 RM ' 000	31-Dec-23 RM ' 000
1. Profit/(Loss) from operations	9,696	(3,515)	18,140	N/A
2. Gross interest income	29	5	31	N/A
3. Gross interest expense	(1,141)	(546)	(1,969)	N/A



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SECOND QUARTER ENDED 31 DEC 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
	3 MONTHS ENDED		6 MONTHS ENDED	
	31-Dec-24 RM'000	31-Dec-23 RM'000	31-Dec-24 RM'000	31-Dec-23 RM'000
Revenue	83,561	28,215	162,546	N/A
Cost of sale	(55,776)	(16,417)	(114,468)	N/A
Gross profit	27,785	11,798	48,078	N/A
Other income	263	133	764	N/A
Administrative expenses	(17,212)	(14,388)	(28,558)	N/A
Depreciation	(1,140)	(1,058)	(2,144)	N/A
Profit from operations	9,696	(3,515)	18,140	N/A
Finance cost	(1,141)	(546)	(1,969)	N/A
Profit/(Loss) before tax	8,555	(4,061)	16,171	N/A
Taxation	(470)	(383)	(1,406)	N/A
Net profit/(Loss) for the financial period	8,085	(4,444)	14,765	N/A
Other comprehensive income				
- Exchange Translation differences	841	(206)	1,272	N/A
Other comprehensive income for the financial period	841	(206)	1,272	N/A
Total comprehensive income for the financial period	8,926	(4,650)	16,037	N/A
Net Profit/(Loss) for the financial period attributable to:				
Owners of the parent	6,070	(3,932)	11,396	N/A
Non-controlling interests	2,015	(512)	3,369	N/A
	8,085	(4,444)	14,765	N/A
Total comprehensive income/(loss) for the financial period attributable to:				
Owners of the parent	6,911	(4,138)	12,668	N/A
Non-controlling interests	2,015	(512)	3,369	N/A
	8,926	(4,650)	16,037	-
Earnings per share attributable to owners of the parent:				
- basic (Sen)	1.22	(0.24)	2.28	N/A
Weighted average number of ordinary shares ('000 units)	499,060	1,663,531	499,060	N/A

Notes:

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 cumulative quarters.

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Company for the financial year ended 30 June 2024 and the accompanying explanatory notes to the quarterly report.



QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SECOND QUARTER ENDED 31 DEC 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31-Dec-24 (Unaudited) RM'000	As at 30-Jun-24 (Audited) RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	34,375	37,053
Right of use assets	6,302	6,303
Intangible Assets	1,513	1,175
Investment in quoted share	-	-
Other Receivable	-	-
Other investments	320	320
	<u>42,510</u>	<u>44,851</u>
CURRENT ASSETS		
Inventories	72,194	66,019
Contract assets	11,120	408
Trade receivables	54,502	50,174
Other receivables and deposits	59,317	49,091
Amount due from associated company	-	299
Tax recoverable	3,930	2,429
Deposit with licensed bank	16,272	18,044
Cash and bank balances	27,102	31,566
	<u>244,437</u>	<u>218,030</u>
TOTAL ASSETS	<u>286,947</u>	<u>262,881</u>
EQUITY AND LIABILITIES		
SHARE CAPITAL	574,046	574,046
WARRANT RESERVE	38,865	38,865
TRANSLATION RESERVE	(1,476)	(2,748)
RETAINED PROFITS	(477,172)	(488,568)
<i>Shareholders' equity</i>	<u>134,263</u>	<u>121,595</u>
NON-CONTROLLING INTEREST	(3,416)	(6,785)
<i>Total Equity</i>	<u>130,847</u>	<u>114,810</u>
NON-CURRENT LIABILITIES		
Other payables	-	245
Lease liabilities	729	1,150
Bank borrowings	8,663	8,018
Long term creditor	-	-
	<u>9,392</u>	<u>9,413</u>
CURRENT LIABILITIES		
Contract liabilities	11,862	8,206
Trade payables	44,062	26,031
Other payables and accruals	59,972	86,946
Lease liabilities	564	875
Bank borrowings	24,010	11,651
Redeemable preference shares	1,455	1,572
Tax Payable	4,783	3,377
	<u>146,708</u>	<u>138,658</u>
TOTAL EQUITY AND LIABILITIES	<u>286,947</u>	<u>262,881</u>
Net assets per share attributable to owners of the parent (RM)	0.2690	0.0556
Weighted average number of ordinary shares ('000 units)	499,060	2,185,746

Notes:

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 30 June 2024 and the accompanying explanatory notes to the quarterly report.

QUARTERLY REPORT ON CONSOLIDATED RESULTS
 FOR THE SECOND QUARTER ENDED 31 DEC 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share Capital RM '000	Warrant Reserves RM '000	Foreign Currency Translation Reserves RM '000	Accumulated Losses RM '000	Total RM '000	Non-controlling Interest RM '000	Total Equity RM '000
18 months ended 30 June 2024							
At 1 January 2023	479,829	-	1,345	(355,095)	126,079	(3,399)	122,680
Net profit for the financial year	-	-	-	(133,473)	(133,473)	(3,315)	(136,788)
Exchanges translation differences for foreign operations	-	-	(4,093)	-	(4,093)	(71)	(4,164)
Total comprehensive income for the financial year	-	-	(4,093)	(133,473)	(137,566)	(3,386)	(140,952)
Transactions with owner:							
Right Issue - Issuance of Ordinary Share	94,217	38,865	-	-	133,082	-	133,082
At 30 Jun 2024 (Audited)	<u>574,046</u>	<u>38,865</u>	<u>(2,748)</u>	<u>(488,568)</u>	<u>121,595</u>	<u>(6,785)</u>	<u>114,810</u>

	Share Capital RM '000	Warrant Reserve RM '000	Foreign Currency Translation Reserves RM '000	Accumulated Losses RM '000	Total RM '000	Non-controlling Interest RM '000	Total Equity RM '000
At 1 July 2024	574,046	38,865	(2,748)	(488,568)	121,595	(6,785)	114,810
Net profit for the financial year	-	-	-	11,396	11,396	3,369	14,765
Exchanges translation differences for foreign operations	-	-	1,272	-	1,272	-	1,272
Total comprehensive income for the financial year	-	-	1,272	11,396	12,668	3,369	16,037
Transactions with owner:							
Issue of ordinary shares:							
- Pursuant to warrant exercised	-	-	-	-	-	-	-
At 31 Dec 2024 (Unaudited)	<u>574,046</u>	<u>38,865</u>	<u>(1,476)</u>	<u>(477,172)</u>	<u>134,263</u>	<u>(3,416)</u>	<u>130,847</u>

Notes:

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 30 June 2024 and the accompanying explanatory notes to the quarterly report.

QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SECOND QUARTER ENDED 31 DEC 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	AS AT END OF CURRENT PERIOD (Unaudited) 31-Dec-24 RM' 000	AS AT END OF PRECEDING PERIOD (Audited) 30-Jun-24 RM' 000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	16,171	(132,740)
Adjustments for:-		
Amortization of intangible assets	-	1,562
Amortization of Right-of-use-assets	-	1,760
Bad debts written off	-	25,257
Intangible assets written off	-	1,316
Depreciation of property, plant and equipment	2,143	8,166
Effect of deconsolidation of a subsidiary	-	(118,793)
Loss/(Gain) on disposal of property, plant & Equipment	-	(137)
Loss/(Gain) on disposal of investment in securities	-	(60)
Loss/(Gain) on disposal of subsidiaries	-	(4,378)
Impairment loss on trade receivable	-	15,520
Impairment loss on other receivable	-	64,182
Impairment loss on intangible assets	-	67,159
Impairment loss on property, plant and equipment	-	139
Derecognition arising from termination of lease agreement	-	(1)
Interest expense	1,969	5,062
Interest Income	(31)	(348)
Inventories written down	-	2,991
Property, plant and equipment written off	-	2,912
Right of use assets written off	-	164
Trade receivables	-	(541)
Unrealised gain on foreign exchange	-	(269)
Operating profit before working capital changes	20,252	(61,067)
Inventories	(6,176)	(55,960)
Receivables	(16,093)	(97,820)
Payable	(9,394)	115,799
Contract assets/liabilities	(7,055)	8,485
Joint venture	-	(299)
Cash used in operations	(18,466)	(90,862)
Tax paid	-	(1,226)
Tax refund	-	208
Net cash used in operating activities	(18,466)	(91,880)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	31	348
Net cash outflow on disposal of subsidiaries	-	(14)
Net cash outflow on deconsolidation of a subsidiary	-	(1)
Proceeds from disposal of property, plants and equipment	-	137
Proceeds from disposal of investment in securities	-	180
Purchase of property, plant and equipment	535	(10,804)
Purchase of intangible assets	-	(771)
Net change in deposit pledged to licensed banks	1,772	(1,256)
Net cash used in investing activities	2,338	(12,181)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(1,969)	(5,062)
Repayment of term loan	13,092	2,923
Repayment of finance lease liabilities	(732)	(1,944)
Proceeds from Right Issue	-	133,083
Net cash generated from financing activities	10,391	129,000
NET INCREASE/(DECREASE) IN CASH AND		
CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD	(5,737)	24,939
EFFECT OF EXCHANGE RATE FLUCTUATIONS	1,273	(3,832)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	31,229	10,122
CASH AND CASH EQUIVALENTS END OF PERIOD	26,765	31,229
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL QUARTER COMPRISE OF:		
Cash and bank balances	27,102	31,566
Fixed deposits with licensed bank	16,272	18,043
Bank overdraft	-	(337)
	43,374	49,272
Deposits with licensed bank (pledge)	(16,272)	(18,043)
Cash at bank pledged with license bank	(337)	-
	26,765	31,229

Notes:

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 30 June 2024 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 30 June 2024, 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 30 June 2024.

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.

As announced on 24 November 2023, the Company has changed its financial year end from 31 December 2023 to 30 June 2024. There will be no comparison figures for the cumulative quarter and the current quarter results will be compare to the results of the preceding year corresponding quarter accordingly.

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 30 June 2024 except for the adoption of the following with effect from 1 January 2024:

Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements
Amendments to MFRS 101	Non-current Liabilities with Covenants
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 121	Lack of Exchangeability Classification of Liabilities as
Amendments to MFRS 10 and MFRS 128	Current or Non-current
	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture

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

A2. Audit Report

The annual financial statement of the Company for the year ended 30 June 2024 was reported on without qualification.

Quarterly Unaudited Results of The Group for the Financial Period Ended 31 Dec 2024

A3. Seasonal or cyclical factors

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

A4. 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.

A5. 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:-

	No. of shares Issued and fully paid ordinary shares with no par value	Share Capital	Warrants Reserves	Total
	'000	RM'000	RM'000	RM'000
As at 1 Jul 2024	499,060	574,046	38,865	612,911
Issue of ordinary shares:				
- Pursuant to warrant exercised	-	-	-	-
As at 31 Dec 2024	499,060	574,046	38,865	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 Dec 2024

A9. Segmental Analysis

a) Analysis of Segmental Revenue and Result

	Current Quarter		Cumulative Quarter	
	3 months ended		6 months ended	
	31 Dec 24	31 Dec 23	31 Dec 24	31 Dec 23
	RM'000	RM'000	RM'000	RM'000
Segment revenue				
- Aviation and Defence	21,597	11,315	42,344	n/a
- Marine	15,312	7,466	26,165	n/a
- Energy	4,318	9,327	10,015	n/a
- Mobility	42,335	36	84,021	n/a
- Others	-	71	1	n/a
Elimination of inter-segment	-	-	-	n/a
Total	83,562	28,215	162,546	n/a
Segment result				
- Aviation and Defence	1,635	802	4,596	n/a
- Marine	1,289	(2,491)	2,370	n/a
- Energy	485	(547)	(5)	n/a
- Mobility	4,696	(1,105)	7,851	n/a
- Others	(2,035)	(591)	(3,416)	n/a
Elimination of inter-segment				
Profit/(loss) after tax and NCI	6,070	(3,932)	11,396	n/a

b) Analysis by Geographical Area

	Current Quarter			
	3 months ended 31 Dec 2024			
	Malaysia RM'000	Overseas RM'000	Eliminations RM'000	Consolidated RM'000
Revenue				
External sales	68,250	15,312	-	83,562
Inter segment	-	-	-	-
Total	68,250	15,312	-	83,562

	Preceding Quarter			
	3 months ended 31 Dec 2023			
	Malaysia RM'000	Overseas RM'000	Eliminations RM'000	Consolidated RM'000
Revenue				
External sales	20,752	7,466	-	28,218
Inter segment	-	-	-	-
Total	20,752	7,466	-	28,218

Quarterly Unaudited Results of The Group for the Financial Period Ended 31 Dec 2024

	Cumulative Quarter			
	6 months ended 31 Dec 2024			
	Malaysia RM'000	Overseas RM'000	Eliminations RM'000	Consolidated RM'000
Revenue				
External sales	136,381	26,165	-	162,546
Inter segment	-	-	-	-
Total	136,381	26,165	-	162,546

Note:

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.

	31 Dec 2024			
	Malaysia RM'000	Overseas RM'000	Eliminations RM'000	Consolidated RM'000
Segment Assets	201,777	85,770	-	286,947
Segment liabilities	127,874	28,226	-	156,100
Depreciation	1,548	595	-	2,143
	31 Dec 2023			
	Malaysia RM'000	Overseas RM'000	Eliminations RM'000	Consolidated RM'000
Segment Assets	171,877	97,835	-	269,713
Segment liabilities	134,543	29,871	-	164,414
Depreciation	3,030	1,583	-	4,613

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 11 November 2024, accepted a letter of award from Ministry of Defence Malaysia for the Maintenance Services for Safety and Survival Equipment for Airborne Equipment. The value of the Contract is approximately RM33.05 million.
2. TF Corp, a wholly-owned subsidiary of the Company incorporated in Singapore, and the Company has on 5th December 2024, entered into a conditional share sale deed with Alceon Group Pty Ltd as trustee for the Trovon Investor Trust, Alceon Group Pty Ltd as trustee for the Trovon Convertible Note Trust, PhiQ Group Pty Ltd, Foinika Pty Ltd as trustee for the Marinos Trust and Hantech Victoria Pty Ltd as trustee for the Hanegraaf Family Trust (collectively referred to as the "Sellers") as well as Alceon Group Pty Ltd as trustee for the Trovon Investor Trust, Incentive Entertainment Partners Pty Ltd and TFLB Pty. Ltd (collectively referred to as the "Lenders") for the proposed acquisition of 290,012 ordinary

Quarterly Unaudited Results of The Group for the Financial Period Ended 31 Dec 2024

shares in TGPL, representing 100% equity interest in TGPL for a purchase consideration of AUD100 to be satisfied entirely via cash

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 were no significant events that 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 31-Dec -24 RM '000	Year to Date 31-Dec -23 RM '000
Performance guarantees in favour of the supplier and local authorities for the purpose of secured projects	16,272	15,137

A15. Capital Commitments

Approved and contracted for:

Year to Date 31-Dec-24 RM '000	Year to Date 31-Dec -23 RM '000
-	-

A16. Significant related party transactions

There were no significant related party transactions incurred during the financial quarter ended 31 Dec 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 the current quarter, the Group's revenue increased by 196% to RM83.56 million from RM28.22 million compared to the corresponding period. Higher revenue is mainly due to the delivery of trains and equipment by Mobility and Aviation sectors. Profit after tax and non-controlling interest (PATNCI) for the current quarter was RM6.07 million compared to loss after tax and non-controlling interest (LATNCI) of RM3.93 million in corresponding quarter. Profit in the current quarter is due to higher revenue and cost cutting measures undertaken by the Group.

Destini's Aviation and Defence sector registered higher revenue in the current quarter due to increase in Trading and MRO activities. Current quarter revenue increased by 91% to RM21.60 million compared to corresponding quarter of RM11.32 million. The sector registered PATNCI of RM1.63 million compared to PATNCI of RM0.80 million. Profit in the current quarter was mainly due to delivery of equipment for trading activity.

The Marine sector registered a 105% increase in revenue from RM7.47 million in corresponding quarter to RM15.31 million in the current quarter due to higher contribution from Group's servicing unit. Marine sector registered PATNCI of RM1.29 million compared to LATNCI of RM2.49 million in corresponding quarter. Profit in the current quarter was a result of more MRO activities by the Group's servicing unit.

Revenue from the Group's Energy sector decreased to RM4.32 million in the current quarter as compared to the corresponding quarter of RM9.33 million. The decrease in revenue is attributed to lower rig activity. However, the Energy sector recognised a profit after tax and non-controlling interest (PATNCI) of RM0.48 million compared to a loss of RM0.55 million in the corresponding quarter due to cost cutting measures undertaken by the company.

Destini's Mobility sector which commenced its MRO activities in Dec 23, successfully delivered 3 units of trains to the MOT in the current quarter, which recorded revenue of RM42.33 million. As a result, the sector registered PATNCI of RM4.70 million in the current quarter compared to LATNCI of RM1.10 million in corresponding quarter.

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 RM0.59 million in the corresponding quarter to RM2.04 million in the current quarter. Higher loss was due to higher administrative expenses incurred and less other income.

b) Cumulative quarter

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 available for the preceding year corresponding cumulative quarter.

For the cumulative quarter ended 31 Dec 2024, the Group recorded revenue of RM162.55 million and profit after tax and non-controlling interest of RM11.40 million in the current cumulative quarter.

Destini's Aviation and Defence sector revenue contributed RM42.35 million in the current cumulative quarter and this sector also posted profit after tax and non-controlling interest of RM2.96 million in the current cumulative quarter.

The Marine sector revenue contributed RM10.85 million in the current cumulative quarter and this sector registered profit after tax and non-controlling interest of RM4.60 million in the current cumulative quarter.

The Energy sector revenue registered RM10.02 million in the current cumulative quarter and loss after tax and non-controlling interest of RM0.05 million in the current cumulative quarter.

Destini's Mobility sector registered profit after tax and non-controlling interest of RM7.85 million at the back of RM84.02 million revenue in the current cumulative quarter.

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 RM3.42 million in the current cumulative quarter

B2. Review of Current Quarter against Preceding Quarter

Destini saw higher revenue of RM83.56 million for its current quarter ended 31 Dec 2024 from a revenue of RM78.98 million in the preceding quarter ended 30 Sep 2024. PATNCI in the current quarter was RM6.07 million as compared to PATNCI of RM5.33 million in the preceding quarter, higher profit in the current quarter was mainly due to higher revenue registered.

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 this financial year. In Destini's Aviation sector, the contracts secured from Ministry of Defence Malaysia are expected to contribute positively 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 the Group's earnings starting this financial year.

Destini's Aviation and Defence sector is poised to perform even better in the next quarters. This is backed with their strong orderbook from the Ministry of Defence, Malaysia. The Energy sector has seen an increase in rig activities and is expected to perform satisfactorily in the next quarter of the financial year. As indicated earlier, earnings contribution from the Mobility sector will begin in this quarter as per the scheduled delivery and handover of trains to MOT. The Marine sector is expected to improve its performance for the remainder of the financial 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 the Group's bottom line.

Barring any unforeseen circumstances, the Management expects satisfactory financial performance for the financial year due to continuous execution of contracts secured and higher anticipated activities moving forward.

Quarterly Unaudited Results of The Group for the Financial Period Ended 31 Dec 2024

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 31-Dec-24 RM '000	Corresponding Quarter 3 months ended 31-Dec-23 RM '000	Current Year To Date 6 months ended 31-Dec-24 RM '000	Corresponding Period 6 months ended 31-Dec-23 RM '000

Current taxation	(470)	(382)	(1,406)	n/a
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B6. Corporate Proposals

Save as disclosed below, there were no other corporate proposals announced but not yet completed as at the date of this quarterly report:

On 29 Oct 2024, the Company proposes to undertake a private placement of up to 10% of the total number of issued shares of Destini to third party investor(s) to be identified later at an issue price to be determined later in accordance with the general mandate pursuant to Sections 75 and 76 of the Companies Act 2016. Bursa Malaysia Securities Berhad had, vide its letter dated 28 November 2024, approved the listing and quotation of up to 66,541,257 new ordinary shares to be issued pursuant to the Private Placement.

B7. Group Borrowings and Debt Securities

Group borrowings are as follows:-

B7.1 Short Term Borrowings

<u>Secured</u>	31-Dec-24 RM '000	31-Dec-23 RM '000
<i>Denominated in Ringgit Malaysia:</i>		
Hire Purchase and Lease Payables	564	557
Bank Borrowing	23,376	1,175
<i>Denominated in Singapore Dollar (SGD):</i>		
Hire Purchase and Lease Payables	-	43
Overdraft	-	409
Bank Borrowing	634	-
TOTAL	24,574	2,184

B7.2 Long Term Borrowings

<u>Secured</u>	31-Dec-24 RM '000	31-Dec-23 RM '000
<i>Denominated in Ringgit Malaysia</i>		
Hire Purchase and Lease Payables	728	1,023
Term Loan	4,633	3,524
<i>Denominated in Singapore Dollar (SGD)</i>		
Hire Purchase and Lease Payables	-	60
Bank Borrowing	4,031	4,428
Total	9,392	9,035

B8. Material Litigation

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

- 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: -
 - Material Packages Contract dated 21 June 2017 entered into and made between the Claimant and DSBE; and
 - Corporate Guarantee dated 23 November 2017 given by Destini.

Claim sum of €3,032,905.50 as at 12 February 2024. Destini is required to respond with the Statement of Defense by 15 January 2025.

- 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 claim will be fully settled by end of January 2025. Lembaga Hasil Dalam Negeri, Government of Malaysia has withdrawn the winding up petition on 11 November 2024.

B9. Dividends

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

B10. Notes to the Statement of Comprehensive Income

	Year to date 31-Dec-24 RM '000	Year to date 31-Dec-23 RM '000
Profit for the period is arrived at after charging/(crediting):-		
Depreciation of property, plant and equipment	2,143	n/a
Interest expense	1,969	n/a
Fair value adjustment on investment in securities	-	-

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 31-Dec-24	Corresponding Quarter 3 months ended 31-Dec-23	Current Year To Date 6 months ended 31-Dec-24	Corresponding Quarter 6 months ended 30-Dec-23
Attributable to owners of parent (RM'000)	6,070	(3,932)	11,396	n/a
Weighted average number of ordinary shares ('000) in issue	499,059	1,663,531	499,059	n/a
Basic earnings per share (Sen)	1.22	(0.24)	2.28	n/a

B12. Disclosure of realised and unrealised profit

	Year to Date 31-Dec-24 RM'000	Year to Date 31-Dec -23 RM'000
Total accumulated losses of the Company and its subsidiaries		
Realised	(543,583)	(599,075)
less: consolidation adjustments	66,411	227,789
Total retained profits	<u>(477,172)</u>	<u>(371,290)</u>

BY ORDER OF THE BOARD**DESTINI BERHAD**