

Destini Posts 2nd Consecutive Profitable Quarter with 21% Q-o-Q PAT Growth in 2QFY2025, Driven by Strong Mobility Sector Performance

Kuala Lumpur, 23 Jan 2025 – Destini Berhad ("Destini" or "the Group"), a leading engineering solutions provider, today announced its financial results for the second quarter ended 31 December 2024. For the current quarter, the Group's revenue grew 196% year-on-year from RM28.22 million to RM83.56 million driven by the full rollout of its Mobility sector operations in December 2023. As a result, the Group transitioned from a loss after tax of RM4.44 million to a profit after tax (PAT) of RM8.09 million. On a quarter-to-quarter basis, the Group recorded 5.79% revenue growth, reaching RM83.56 million, up from RM78.98 million in the previous quarter. Profit after tax (PAT) rose by 21.03% Q-o-Q to RM8.09 million, compared to RM6.68 million in the prior quarter. The significant PAT growth was driven by improved operational efficiencies, with PAT margins also expanding from 8.46% to 10.24%.

Financial and Operational Highlights

- **Mobility Sector:** Achieved RM42.33 million in revenue and PATNCI of RM4.70 million, supported by the successful delivery of three train units to the Ministry of Transport, Malaysia. PATNCI margins grew 48.84% Q-o-Q, increasing from 7.57% in the preceding quarter to 11.09%, reflecting enhanced operational efficiencies.
- Successful handback of the second Electric Train Set (ETS) Class 93 witnessed by Transport Minister YB Anthony Loke on 20 January 2025, which marks the 6th train handed back to the Ministry of Transport, Malaysia
- Other Sectors remained profitable, driven by increased MRO activities and the implementation of cost optimisation measures during the quarter

Destini continues to build momentum with a robust orderbook of RM755 million, anchored by key contracts with the Malaysian Ministry of Defence and Ministry of Transport. These contracts are set to contribute to the Group's earnings for the next 3 years up to FY2027. Scheduled deliveries in the Mobility sector, increasing MRO activities in the Aviation and Defence sector, and demand for the Marine sector's products and services bolster the Group's confidence in sustaining growth. To enhance profitability across all sectors, the Group has implemented cost optimization initiatives and introduced performance-based incentive schemes to drive employee productivity and improve organisational performance.

Building on this strong foundation, Destini Berhad has recently achieved notable milestones in its business operations. Destini Prima Sdn. Bhd., a wholly owned subsidiary of the Group, secured a RM33.05 million contract from the Ministry of Defence Malaysia to provide maintenance services for airborne safety equipment, further strengthening its foothold in the defence sector. Additionally, TF Corp, a wholly owned subsidiary, acquired 100% equity interest in Trovon Group Pty Ltd (“**TGPL**”). This strategic acquisition marks a significant expansion, aimed at bolstering the Group's rail business as it enters the global rail MRO industry. With the recent acquisition of TGPL, the Group plans to capture more MRO opportunities in the growing rail industry in Malaysia as the Government plans to increase utilisation of railway tracks in Peninsular Malaysia from the current 30% to 80% by 2030.

Executive Director Ismail Mustaffa commented, “We are proud to report yet another profitable quarter, reflecting the effectiveness of our turnaround efforts in FY2024 and the resilience of our business model. This achievement was driven by our team's strong execution of contracts, disciplined cost management, and steady growth across key business sectors. Building on the profitability established last quarter, we are optimistic about sustaining this positive momentum as we enter a critical phase of our growth journey. With a tender book of approximately RM678 million consisting mainly of rail contracts and the newly acquired component MRO capabilities from TGPL, we are well-positioned to capitalize on emerging opportunities in the Malaysian rail industry and deliver consistent results for our stakeholders. As the only Level 4 rail MRO provider in Malaysia, we are uniquely equipped to address complex maintenance demands, setting us apart as a leader in the sector.”

He further added, “Our resolute focus on operational excellence and increasing shareholder value remains central to our strategy. As we advance, we are committed to refining our processes, enhancing efficiencies, and exploring new avenues for growth. FY2025 is shaping up to be a transformative year, and we are dedicated to maintaining the progress achieved while unlocking new potential for sustained success.”

About Destini Berhad (“**DESTINI**”)

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

Issued by: Turing Alpha on behalf of **Destini Berhad**

Date: 23 January 2025

DESTINI

10, Jalan Jurunilai, U1/20, Hicom-
glenmarie Industrial Park, 40150,
Shah Alam, Selangor
T: +603-5567 0333
E: info@destinigroup.com
W: www.destinigroup.com



TURING
ALPHA

Investor Relations Adviser
Allen Yeong
T: +6017-655 2869
E: allen@turingalpha.com
W: www.turingalpha.com