



**SUMMARY OF KEY FINANCIAL INFORMATION**

FOR THE FIRST QUARTER ENDED 31 MAR 2023

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31-Mar-23 RM ' 000	31-Mar-22 RM ' 000	31-Mar-23 RM ' 000	31-Mar-22 RM ' 000
1. Revenue	19,375	26,072	19,375	26,072
2. Profit/(Loss) before tax	(7,331)	438	(7,331)	438
3. Net Profit/(Loss) for the financial period	(7,331)	438	(7,331)	438
4. Profit/(Loss) after tax and non-controlling interest	(7,193)	556	(7,193)	556
5. Basic earnings per share (Sen)	(0.43)	0.03	(0.43)	0.03
6. Net dividend per share ( Sen )	-	-	-	-

	AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
7. Net assets per share (RM)	0.0708	0.0804

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

**DESTINI**

**ADDITIONAL INFORMATION**

**FOR THE FIRST QUARTER ENDED 31 MAR 2023**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31-Mar-23 RM ' 000	31-Mar-22 RM ' 000	31-Mar-23 RM ' 000	31-Mar-22 RM ' 000
1. Profit/(Loss) from operations	(7,203)	818	(7,203)	818
2. Gross interest income	1	3	1	3
3. Gross interest expense	(128)	(380)	(128)	(380)



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FIRST QUARTER ENDED 31 MAR 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER CURRENT YEAR QUARTER 31-Mar-23 RM'000	INDIVIDUAL QUARTER PRECEDING YEAR CORRESPONDING QUARTER 31-Mar-22 RM'000	CUMULATIVE QUARTER CURRENT YEAR TO DATE 31-Mar-23 RM'000	CUMULATIVE QUARTER PRECEDING YEAR CORRESPONDING PERIOD 31-Mar-22 RM'000
Revenue	19,375	26,072	19,375	26,072
Cost of sale	(12,817)	(11,970)	(12,817)	(11,970)
<b>Gross profit</b>	<b>6,558</b>	<b>14,102</b>	<b>6,558</b>	<b>14,102</b>
Other income	137	631	137	631
Administrative expenses	(12,610)	(12,292)	(12,610)	(12,292)
Depreciation	(1,288)	(1,623)	(1,288)	(1,623)
Profit from operations	(7,203)	818	(7,203)	818
Finance cost	(128)	(380)	(128)	(380)
Profit/(Loss) before tax	<b>(7,331)</b>	<b>438</b>	<b>(7,331)</b>	<b>438</b>
Taxation	-	-	-	-
<b>Net profit/(Loss) for the financial period</b>	<b>(7,331)</b>	<b>438</b>	<b>(7,331)</b>	<b>438</b>
<b>Other comprehensive income</b>				
- Exchange Translation differences	(1,066)	93	(1,066)	93
<b>Other comprehensive income for the financial period</b>	<b>(1,066)</b>	<b>93</b>	<b>(1,066)</b>	<b>93</b>
<b>Total comprehensive income for the financial period</b>	<b>(8,397)</b>	<b>531</b>	<b>(8,397)</b>	<b>531</b>
<b>Net Profit/(Loss) for the financial period attributable to:</b>				
Owners of the parent	(7,193)	556	(7,193)	556
Non-controlling interests	(138)	(118)	(138)	(118)
	<b>(7,331)</b>	<b>438</b>	<b>(7,331)</b>	<b>438</b>
<b>Total comprehensive income/(loss) for the financial period attributable to:</b>				
Owners of the parent	(8,259)	649	(8,259)	649
Non-controlling interests	(138)	(118)	(138)	(118)
	<b>(8,397)</b>	<b>531</b>	<b>(8,397)</b>	<b>531</b>
<b>Earnings per share attributable to owners of the parent:</b>				
- basic (Sen)	(0.43)	0.03	(0.43)	0.03
Weighted average number of ordinary shares ('000 units)	1,663,531	1,663,531	1,663,531	1,663,531
Enlarged number of ordinary shares in issue ('000 units)	1,663,531	1,663,531	1,663,531	1,663,531

1) 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 31 December 2022 and the accompanying explanatory notes to the quarterly report.



QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FIRST QUARTER ENDED 31 MAR 2023

<b>UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION</b>		
	As at 31-Mar-23 (Unaudited) RM'000	As at 31-Dec-22 (Audited) RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant & equipment	36,674	37,167
Right of use assets	18,889	19,684
Investment in jointly control entity	-	-
Intangible Assets	71,672	70,340
Investment in quoted share	130	130
Investment in jointly control entity	-	-
Other Receivable	200	14,387
Other investments	320	320
Pre - Operating Expenditures	-	-
	<u>127,885</u>	<u>142,028</u>
<b>CURRENT ASSETS</b>		
Inventories	12,804	13,310
Contract assets	4,551	2,451
Trade receivables	38,625	44,002
Other receivables and deposits	55,347	41,268
Amount due from associated company	6,255	6,255
Amount due from joint venture	-	-
Tax recoverable	3,849	3,671
Deposit with licensed bank	14,097	16,788
Cash and bank balances	190	10,788
	<u>135,718</u>	<u>138,533</u>
<b>TOTAL ASSETS</b>	<u><b>263,603</b></u>	<u><b>280,561</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL</b>	479,829	479,829
<b>TRANSLATION RESERVE</b>	279	1,345
<b>RETAINED PROFITS</b>	<u>(362,288)</u>	<u>(355,095)</u>
<i>Shareholders' equity</i>	<u>117,820</u>	<u>126,079</u>
<b>NON-CONTROLLING INTEREST</b>	<u>(3,537)</u>	<u>(3,399)</u>
<i>Total Equity</i>	<u>114,283</u>	<u>122,680</u>
<b>NON-CURRENT LIABILITIES</b>		
Deferred tax liabilities	-	177
Other payables	-	926
Lease liabilities	1,068	1,093
Bank borrowings	8,665	10,303
Long term creditor	7,997	7,997
	<u>17,730</u>	<u>20,496</u>
<b>CURRENT LIABILITIES</b>		
Contract liabilities	-	1,764
Trade payables	54,596	53,302
Other payables and accruals	53,341	59,696
Lease liabilities	818	950
Bank borrowings	5,810	6,513
Redeemable preference shares	1,417	1,357
Tax Payable	15,608	13,803
	<u>131,590</u>	<u>137,385</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>263,603</b></u>	<u><b>280,561</b></u>
<b>Net assets per share attributable to owners of the parent ( RM )</b>	<b>0.0708</b>	<b>0.0804</b>
Weighted average number of ordinary shares ('000 units)	1,663,531	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 FIRST QUARTER ENDED 31 MAR 2023

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	Share Capital RM '000	Foreign Currency Translation Reserves RM '000	Accumulated Losses RM '000	Total RM '000	Non-controlling Interest RM '000	Total Equity RM '000
<b>At 1 January 2022</b>	479,829	4,990	(323,717)	161,102	(2,096)	159,006
Net profit for the financial year	-	-	(30,155)	(30,155)	(2,675)	(32,830)
Exchanges translation differences for foreign operations	-	(3,645)	-	(3,645)	149	(3,496)
Total comprehensive income for the financial year	-	(3,645)	(30,155)	(33,800)	(2,526)	(36,326)
<b>Transactions with owner:</b>						
Acquisition of non-controlling interest:			(1,223)	(1,223)	1,223	-
<b>At 31 December 2023 (Audited)</b>	<u>479,829</u>	<u>1,345</u>	<u>(355,095)</u>	<u>126,079</u>	<u>(3,399)</u>	<u>122,680</u>

	Share Capital RM '000	Foreign Currency Translation Reserves RM '000	Accumulated Losses RM '000	Total RM '000	Non-controlling Interest RM '000	Total Equity RM '000
<b>At 1 January 2023</b>	479,829	1,345	(355,095)	126,079	(3,399)	122,680
Net profit for the financial year	-	-	(7,193)	(7,193)	(138)	(7,331)
Exchanges translation differences for foreign operations	-	(1,066)	-	(1,066)	-	(1,066)
Total comprehensive income for the financial year	-	(1,066)	(7,193)	(8,259)	(138)	(8,397)
<b>Transactions with owner:</b>						
Acquisition of non-controlling interest:			-	-	-	-
<b>At 31 March 2023 (Unaudited)</b>	<u>479,829</u>	<u>279</u>	<u>(362,288)</u>	<u>117,820</u>	<u>(3,537)</u>	<u>114,283</u>



QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FIRST QUARTER ENDED 31 MAR 2023

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	AS AT END OF CURRENT PERIOD (Unaudited) 31-Mar-23 RM' 000	AS AT END OF PRECEDING YEAR (Audited) 31-Dec-22 RM' 000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	(7,331)	(33,157)
Adjustments for:-		
Amortization of intangible	-	981
Bad debts written off	-	432
Intangible asset written off	-	100
Depreciation of property, plant and equipment	1,288	7,197
Amortization of right-of-use assets	-	1,913
Fair value adjustment on investment in securities	-	50
Derecognition arising from termination of lease agreement	-	(30)
Loss/(Gain) on disposal of property, plant & Equipment	-	(11)
Loss/(Gain) on disposal of investment in joint venture	-	(2,975)
Impairment loss on trade receivable	-	19,851
Impairment loss on other receivable	356	6,696
Impairment loss on property, plant and equipment	-	934
Interest expense	128	1,712
Interest Income	(1)	(167)
Property, plant and equipment written off	-	115
Reversal of impairment of Other receivable	-	(1,079)
Unrealised gain on foreign exchange	-	(175)
Operating profit before working capital changes	<b>(5,560)</b>	<b>2,387</b>
Inventories	506	(1,212)
Receivables	3,881	15,192
Payable	(7,019)	(19,084)
Contract assets/liabilities	(3,159)	76,351
Subsidiaries	-	-
Joint venture	-	500
Directors	-	(7)
Cash used in operations	<b>(11,351)</b>	<b>74,127</b>
Tax paid	-	(3,930)
Tax refund	-	261
Net cash used in operating activities	<b>(11,351)</b>	<b>70,458</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	1	167
Investment in securities	-	-
Decreased/(Increase) in deposits pledged to licensed banks	-	-
Proceeds from disposal of property, plants and equipment	-	24
Proceeds from disposal of joint venture	-	2,975
Proceeds from disposal of investment in securities	-	-
Purchase of property, plant and equipment	1,755	(2,327)
Purchase of right-of-use-assets	-	(8)
Net change in deposit pledged to licensed banks	4,691	1,790
Net cash used in investing activities	6,447	2,621
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(128)	(1,712)
Repayment of term loan	(2,311)	(86,303)
Repayment of finance lease liabilities	(158)	(1,572)
Proceeds from private placement	-	-
Net cash generated from financing activities	<b>(2,597)</b>	<b>(89,587)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND</b>		
<b>CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD</b>	<b>(7,501)</b>	<b>(16,508)</b>
<b>EFFECT OF EXCHANGE RATE FLUCTUATIONS</b>	<b>(1,066)</b>	<b>(3,733)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>10,122</b>	<b>30,363</b>
<b>CASH AND CASH EQUIVALENTS END OF PERIOD</b>	<b>1,555</b>	<b>10,122</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL QUARTER COMPRISE OF:</b>		
Cash and bank balances	190	10,788
Fixed deposits with licensed bank	14,097	16,787
Bank overdraft	(635)	(666)
	<b>13,652</b>	<b>26,909</b>
Deposits with licensed bank (pledge)	(12,097)	(16,787)
Cash at bank pledged with license bank	-	-
	<b>1,555</b>	<b>10,122</b>

1) 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 2021.

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 2021 except for the adoption of the following with effect from 1 January 2022:

Amendments to MFRS 3	Reference to the Conceptual Frameworks
Amendments to MFRS 7, MFRS 9 and MFRS 139 MFRS 4, and MFRS 16	Interest Rate, Benchmark Reform – Phase 2
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 10	Accounting Policies, Changes in Accounting Estimates and Errors

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 31 December 2022 was reported on without qualification.

## **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.

## Quarterly Unaudited Results Of The Group For The Financial Period Ended 31 Mar 2023

**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.

**A6. 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 and share premium reserved for the company are as follows:-

	No. of shares Issued and fully paid up ordinary shares of RM0.10 each	Share Capital	Total
	'000	RM'000	RM'000
As at 1 Jan 2023	1,663,531	479,829	479,829
Issue of ordinary shares:			
- Private placement	-	-	-
As at 31 Mar 2023	1,663,531	479,829	479,829

**A7. Dividend Paid**

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

**A8. Segmental Analysis**

a) Analysis of Segmental Revenue and Result

	Current Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	31 Mar 23	31 Mar 22	31 Mar 23	31 Mar 22
	RM'000	RM'000	RM'000	RM'000
Segment revenue				
- Services and trading	19,375	26,072	19,375	26,072
- Construction				
Elimination of inter-segment	-	-	-	-
Total	19,375	26,072	19,375	26,072
Segment result				
- Services and trading	(7,193)	556	(7,193)	556
- Construction	-	-	-	-
Profit/(loss) after tax and NCI	(7,193)	556	(7,193)	556

**Quarterly Unaudited Results Of The Group For The Financial Period Ended 31 Mar 2023**

## b) Analysis by Geographical Area

	Current Quarter			
	3 months ended 31 Mar 2023			
	Malaysia RM'000	Overseas RM'000	Eliminations RM'000	Consolidated RM'000
Revenue				
External sales	9,409	9,966	-	19,375
Inter segment	-	-	-	-
Total	9,409	9,966	-	19,375

	Preceding Quarter			
	3 months ended 31 Mar 2022			
	Malaysia RM'000	Overseas RM'000	Eliminations RM'000	Consolidated RM'000
Revenue				
External sales	15,250	10,822	-	26,072
Inter segment	-	-	-	-
Total	15,250	10,822	-	26,072

	Cumulative Quarter			
	3 months ended 31 Mar 2023			
	Malaysia RM'000	Overseas RM'000	Eliminations RM'000	Consolidated RM'000
Revenue				
External sales	9,409	9,966	-	19,375
Inter segment	-	-	-	-
Total	9,409	9,966	-	19,375

	Preceding Cumulative Quarter			
	3 months ended 31 Mar 2022			
	Malaysia RM'000	Overseas RM'000	Eliminations RM'000	Consolidated RM'000
Revenue				
External sales	15,250	10,822	-	26,072
Inter segment	-	-	-	-
Total	15,250	10,822	-	26,072

	31 Mar 2023			
	Malaysia RM'000	Overseas RM'000	Eliminations RM'000	Consolidated RM'000
Segment Assets	152,078	111,525	-	263,603
Segment liabilities	125,230	24,090	-	149,320
Depreciation	815	473	-	1,288
	31 Mar 2022			
	Malaysia RM'000	Overseas RM'000	Eliminations RM'000	Consolidated RM'000
Segment Assets	340,594	104,838	-	445,432
Segment liabilities	155,634	130,262	-	285,895
Depreciation	1,208	415	-	1,623

**A9. Valuation of property, plant and equipment**

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

**A10. Significant Events during the Financial Quarter**

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

1. DPSB had on 12 January 2023, accepted a supplementary contract from Ministry of Defence Malaysia for the increase in the Contract ceiling from RM121 million to RM181.5 million. The expiry of the Contract shall remain the same.

**A11. Changes in Composition of the Group**

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

**A12. 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:

**A13. Contingent Liabilities or Assets**

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

Performance guarantees in favour of the supplier and local authorities for the purpose of secured projects

<b>Year to Date 31-Mar -23 RM '000</b>	<b>Year to Date 31-Mar-22 RM '000</b>
14,097	14,354

**A14. Capital Commitments**

Approved and contracted for:

<b>Year to Date 31-Mar-23 RM '000</b>	<b>Year to Date 31-Mar-22 RM '000</b>
-	-

**A15. Significant related party transactions**

There were no significant related party transactions incurred during the financial quarter ended 31 Dec 2023



**B7. Group Borrowings and Debt Securities**

Group borrowings are as follows:-

**B7.1 Short Term Borrowings**

<u>Secured</u>	<b>31-Mar-23</b> <b>RM '000</b>	<b>31-Dec-22</b> <b>RM '000</b>
<i>Denominated in Ringgit Malaysia:</i>		
Hire Purchase and Lease Payables	744	803
Bank Borrowing	4,542	5,331
<i>Denominated in Singapore Dollar (SGD):</i>		
Hire Purchase and Lease Payables	73	233
Overdraft	308	430
Bank Borrowing	635	666
<i>Denominated in Chinese Renminbi (CNY):</i>		
Term Loans	326	-
<b>TOTAL</b>	<b>6,628</b>	<b>7,463</b>

**B7.2 Long Term Borrowings**

<u>Secured</u>	<b>31-Mar-23</b> <b>RM '000</b>	<b>31-Dec-22</b> <b>RM '000</b>
<i>Denominated in Ringgit Malaysia</i>		
Hire Purchase and Lease Payables	1,000	1,011
Term Loan	3,942	5,822
<i>Denominated in Singapore Dollar (SGD)</i>		
Hire Purchase and Lease Payables	57	264
Bank Borrowing	4,723	4,262
<b>Total</b>	<b>9,733</b>	<b>11,359</b>

## **B8. Material Litigation**

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

1. Destini Shipbuilding and Engineering Sdn Bhd (“DSBE”) had been served with a Winding-up Petition and Affidavit Verifying Petition as a result of a Summary Judgment that was granted in favor of LHDN, details of which are as follows:

- i) **Date of service of the Winding-up Petition and Affidavit Verifying Petition**

LHDN filed the Winding-up Petition on 15<sup>th</sup> August 2022 in Shah Alam High Court and served the same on DSBE on 29<sup>th</sup> August 2022 together with the Affidavit Verifying Petition (Suit No. BA-28-NCC-454-08/2022).

- ii) **Details of the default or circumstances leading to the filing of the Winding-up Petition and the particulars under the Winding-up Petition, including the amount claimed for and the interest rate**

The Shah Alam High Court had granted a Summary Judgment Application in favour of LHDN on 15<sup>th</sup> June 2021. The Summary Judgment was allegedly for outstanding tax assessment for year of assessment 2016 and the judgment sum awarded by the Shah Alam High Court is RM6,035,736.74 with interest of 5% per annum and cost of RM4,000.00.

On 8<sup>th</sup> March 2022, DSBE was served with the Notice under Section 466 of the Companies Act 2016, for payment to be made on the outstanding judgment sum of RM6,241,959.61.

DSBE filed a Fortuna Injunction application to stop LHDN from filing a Winding-up Petition against DSBE. On 15<sup>th</sup> June 2022, the Court dismissed the Fortuna Injunction application with costs of RM2,000.00. Following the dismissal, LHDN instituted the Winding-up proceedings.

- iii) **Confirmation as whether DSBE is a major subsidiary**

DSBE is not major subsidiary of the Company.

- iv) **Cost of Investment in DSBE**

The Company do not have direct investment in DSBE. The Company’s investment in shipbuilding activities is made through its wholly owned subsidiary, Destini Armada Sdn Bhd. (“DASB”). The Company has made full provisions on its total investment cost in DASB totaling RM77,799,998.00 as at 31 December 2020.

- v) **The financial and operational impact of the Winding-up Petition on the Group**

There is no impact on the operation of Destini Group. This is in view that the judgement sum of RM6,035,736.74 has been incorporated in the financial statements, and the financial impact from the Winding-up Petition is the loss of investment in DSBE.

- vi) **The expected loss, if any, arising from the Winding-up Petition**

The Company is not expected to incur any further loss arising from the Winding-up Petition.

**vii) Steps taken in respect of the Winding-up Petition**

DSBE had issued a letter dated 30<sup>th</sup> September 2022 to LHDN to request for a settlement proposal. LHDN through their letter dated 2<sup>nd</sup> November 2022 has agreed for a payment schedule and DSBE is in strict compliance in making payments according to the said schedule. As a result, on 4<sup>th</sup> January 2023, the Winding-up Petition against DSBE was withdrawn.

**2) Date of presentation of the Writ of Summons and Statement of Claim**

Destini Shipbuilding and Engineering Sdn Bhd (“DSBE”) had on 3 May 2023 received a Writ of Summon and Statement of Claim dated 10 April 2023 (“the Summons”) by Lembaga Hasil Dalam Negeri Malaysia (“LHDN”) for and on behalf of Government of Malaysia issued by the High Court of Malaya at Shah Alam demanding for the settlement of the additional tax payable by DSBE amounting to RM1,254,627.00 including interest and penalty for the years of assessment of 2017 and 2018.

Pursuant to the Summons, DSBE has fourteen (14) days from the date of receipt of the Writ of Summon to enter appearance which DSBE had done so on 10 May 2023. The matter is now fixed for case management on 15 June 2023.

**(i) The financial and operational impact of the Summons on the Group**

The Summons will not have any additional financial and operational impact on the Group.

**(ii) The expected losses, if any, arising from the Summons**

The Company is not expected to incur any further loss arising from the Summons.

**(iii) Confirmation as whether DSBE is a major subsidiary**

DSBE is not a major subsidiary of the Company.

**(iv) Steps taken and proposed to be taken in respect of the Summons**

DSBE is in the process to resolve the matter amicably upon further discussion with LHDN.

**B9. Dividends**

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

**B10. Notes to the Statement of Comprehensive Income**

	<b>Year to date 31-Mar-23 RM '000</b>	<b>Year to date 31-Dec-22 RM '000</b>
<b>Profit for the period is arrived at after charging/(crediting):-</b>		
Depreciation of property, plant and equipment	1,288	7,197
Interest expense	128	1,712
Fair value adjustment on investment in securities	-	50

## Quarterly Unaudited Results Of The Group For The Financial Period Ended 31 Mar 2023

**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	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Quarter
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Attributable to owners of parent ( RM'000 )	(7,193)	556	(7,193)	556
Weighted average number of ordinary shares ('000) in issue	1,663,531	1,663,531	1,663,531	1,663,531
Basic earnings per share (Sen)	(0.43)	0.03	(0.43)	0.03

**B12. Disclosure of realised and unrealised profit**

	Year to Date 31-Mar -23 RM'000	Year to Date 31-Dec -22 RM'000
Total accumulated losses of the Company and its subsidiaries		
- Realised	(588,940)	(494,582)
<u>ess: consolidation adjustments</u>	226,652	139,119
Total retained profits	<u>(362,288)</u>	<u>(355,463)</u>

**BY ORDER OF THE BOARD**

**DESTINI BERHAD**