

# Daya Materials to expand into technical services, says PublicInvest Research

- **ANALYST REPORTS**
- Monday, 18 Sep 2017
- 8:35 AM MYT
- 
- 

image: <http://www.thestar.com.my/~media/online/2017/06/23/00/03/analyst-report.ashx/?w=620&h=413&crop=1&hash=635C6063BF239EDFC4B46A20FEA1971403404E21>



KUALA LUMPUR: PublicInvestment Bank Research expects [Daya Materials](#)

image: <https://cdn.thestar.com.my/Themes/img/chart.png>

 which is involved in the upstream and downstream of the oil and gas (O&G) industry, to shift its focus to expand its technical services segment.

The research house said on Monday the group's current orderbook stands at RM590.6mil with 70% of its contracts from the technical services segment.

“With over RM2bil in the group's tenderbook and the outcome to translate into its orderbook expected 3QFY17 onwards, we are cautiously optimistic over Daya's future prospects, underpinned by plans to turn around the group,” it said.

Last Friday, Daya Materials announced that its subsidiary Daya OCI Sdn Bhd (DOCI)

plans to team up with Mimos Semiconductor Sdn Bhd (MSSB) work together in areas of technology.

MSSB is a unit of MIMOS Bhd, a government funded research and development organisation that has developed certain technologies for commercialisation. The set-up is a commercial arm to manage, develop and commercialise MIMOS' technologies.

Under the MoU, both parties will work on information technology data transfer, security information capabilities, monitoring, management and recording of mass people and materials movements and other potential similar crowd management systems to be applied in rail or non-rail systems such as port entry and stadiums.

This MoU heralds the start of the group's strategy in re-focusing its plans away from the oil and gas sector.

"We understand that this MOU serves as an enhancement service to its construction contracts in the infrastructure space.

"We continue to maintain our Neutral view however while we wait on the finalisation of the disposal of its vessel and further confirmed prospects which we believe will boost the potential of the group going forward. Our TP of seven sen is premised on an eight times multiple to its FY18F EPS of nine sen.

Read more at <http://www.thestar.com.my/business/business-news/2017/09/18/daya-materials-to-expand-into-technical-services-says-publicinvest-research/#I8zTCZOYr61FCJAs.99>