



DAGANG NEXCHANGE BERHAD (REGISTRATION NO. 197001000738 (10039-P))
QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2020

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THE FIGURES HAVE NOT BEEN AUDITED

I CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31/3/2020 RM'000	Preceding year corresponding quarter 31/3/2019 RM'000	Three months to 31/3/2020 RM'000	Three months to 31/3/2019 RM'000
Revenue	63,650	68,949	63,650	68,949
Cost of sales	(37,014)	(39,426)	(37,014)	(39,426)
Gross profit	26,636	29,523	26,636	29,523
Other income	395	3,616	395	3,616
Expenses	(22,328)	(23,860)	(22,328)	(23,860)
Finance cost	(1,415)	(825)	(1,415)	(825)
Share of result of associates, net of tax	4,071	7,861	4,071	7,861
Profit before income tax	7,359	16,315	7,359	16,315
Income tax (Note 14)	(1,480)	(2,385)	(1,480)	(2,385)
Zakat	(2)	(1)	(2)	(1)
Profit for the period	5,877	13,929	5,877	13,929
Other comprehensive income for the period, net of tax				
Items that are or may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	(625)	(57)	(625)	(57)
Share of other comprehensive income of associate	11,182	(2,791)	11,182	(2,791)
Other comprehensive income for the period, net of tax	10,557	(2,848)	10,557	(2,848)
Total comprehensive income for the period	16,434	11,081	16,434	11,081



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I CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31/3/2020 RM'000	Preceding year corresponding quarter 31/3/2019 RM'000	Three months to 31/3/2020 RM'000	Three months to 31/3/2019 RM'000
Profit attributable to:				
- Owners of the Company	6,225	11,933	6,225	11,933
- Non-controlling Interests	(348)	1,996	(348)	1,996
Profit for the period	5,877	13,929	5,877	13,929
Total comprehensive income attributable to:				
- Owners of the Company	16,782	9,085	16,782	9,085
- Non-controlling Interests	(348)	1,996	(348)	1,996
Total comprehensive income for the period	16,434	11,081	16,434	11,081
Earnings per share				
- Basic	0.35 sen	0.68 sen	0.35 sen	0.68 sen
- Diluted	0.35 sen	0.67 sen	0.35 sen	0.67 sen

REMARKS TO CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31/3/2020 RM'000	Preceding year corresponding quarter 31/3/2019 RM'000	Three months to 31/3/2020 RM'000	Three months to 31/3/2019 RM'000
Profit before income tax is arrived at after charging/(crediting):				
Interest income	(95)	(47)	(95)	(47)
Loss/(Gain) on disposal of property, plant and equipment	1	(3)	1	(3)
Loss on disposal of investment in a subsidiary	833	-	833	-
Interest expense	1,415	825	1,415	825
Depreciation and amortization	5,467	4,243	5,467	4,243
Allowance for impairment loss	121	326	121	326
Foreign exchange gain	(176)	(135)	(176)	(135)

The condensed consolidated statement of profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2019.



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II CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 31/3/2020 RM'000	Audited As at 31/12/2019 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	109,222	68,299
Right-of-use assets	4,672	5,356
Investment in associates	231,368	216,112
Other investments	7,655	3,538
Goodwill	60,220	60,220
Intangible assets	36,990	41,921
Deferred tax assets	704	2,340
	<hr/> 450,831	<hr/> 397,786
Current assets		
Inventories	753	1,316
Contract assets	96,370	83,447
Trade and other receivables	84,678	91,003
Current tax assets	3,180	1,086
Cash and cash equivalents	36,904	54,399
	<hr/> 221,885	<hr/> 231,251
Total assets	<hr/> 672,716	<hr/> 629,037
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share capital	354,339	354,339
Warrant reserve	5,691	5,691
Share Option reserve	827	827
Translation reserve	5,861	(4,696)
Fair value reserve	(734)	(734)
Retained earnings	120,556	114,331
	<hr/> 486,540	<hr/> 469,758
Non-controlling Interests	(4,740)	(4,392)
Total equity	<hr/> 481,800	<hr/> 465,366
Non-current liabilities		
Deferred tax liabilities	5,506	7,706
Loan and borrowings (secured)	17,932	18,854
Lease liabilities	2,008	2,914
	<hr/> 25,446	<hr/> 29,474
Current liabilities		
Contract liabilities	2,278	5,317
Trade and other payables	76,841	76,265
Loan and borrowings (secured)	79,657	47,415
Lease liabilities	3,031	2,913
Current tax liabilities	3,663	2,287
	<hr/> 165,470	<hr/> 134,197
Total liabilities	<hr/> 190,916	<hr/> 163,671
Total equity and liabilities	<hr/> 672,716	<hr/> 629,037
Net assets per share attributable to Owners of the Company (RM)	<hr/> 0.28	<hr/> 0.27

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2019.

Quarterly Report On Consolidated Results For The First Quarter Ended 31 March 2020

III CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited Three months to 31/3/2020 RM'000	Unaudited Three months to 31/3/2019 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	58,851	64,099
Cash payments to suppliers	(30,098)	(41,458)
Cash payments to employees and other expenses	(30,027)	(31,386)
	<hr/>	<hr/>
Cash generated from operations	(1,274)	(8,745)
Income tax paid (net)	(2,027)	(2,315)
Zakat	(2)	91
	<hr/>	<hr/>
Net cash used in operating activities	(3,303)	(10,969)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	(43,965)	(1,875)
Proceeds from disposal of property, plant and equipment	1	50
Interest received	95	42
Disposal of a subsidiary	(3)	(83)
	<hr/>	<hr/>
Net cash used in investing activities	(43,872)	(1,866)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown/(Repayment) of bank borrowings (net)	28,520	486
Payment of finance cost	(1,415)	(902)
Payment of lease liabilities	(924)	-
Increase in pledged deposits and restricted cash	(1,095)	268
	<hr/>	<hr/>
Net cash generated from/(used in) financing activities	25,086	(148)
Net Change in Cash and Cash Equivalents	(22,089)	(12,983)
Cash and Cash Equivalents as at beginning of financial period	27,392	19,670
	<hr/>	<hr/>
Cash and Cash Equivalents as at end of financial period	(a) 5,303	6,687
	=====	=====

(a) **Cash and Cash Equivalents comprise the following Statements of Financial Position amounts:**

	As at 31/3/2020 RM'000	As at 31/3/2019 RM'000
Cash and deposits with licensed banks		
- Unrestricted	19,529	22,727
- Restricted and pledged	17,375	12,022
	<hr/>	<hr/>
	36,904	34,749
Less : Cash and cash equivalents pledged as security	(17,375)	(12,022)
Less : Bank overdrafts	(14,226)	(16,040)
	<hr/>	<hr/>
Cash and Cash Equivalents as at end of financial period	5,303	6,687
	=====	=====

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2019.



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IV CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY

In RM'000	← Attributable to Owners of the Company →						Total	Non-controlling interests	Total equity
	Share capital	Warrant reserve	Non-distributable			Retained earnings			
	Share Option reserve	Translation reserve	Fair value reserve						
Three months to 31 March 2020									
Balance as at 1 January 2020	354,339	5,691	827	(4,696)	(734)	114,331	469,758	(4,392)	465,366
Profit for the period	-	-	-	-	-	6,225	6,225	(348)	5,877
Foreign currency translation differences for foreign operations	-	-	-	(625)	-	-	(625)	-	(625)
Share of other comprehensive income of associates	-	-	-	11,182	-	-	11,182	-	11,182
Total comprehensive income for the period	-	-	-	10,557	-	6,225	16,782	(348)	16,434
Balance as at 31 March 2020	354,339	5,691	827	5,861	(734)	120,556	486,540	(4,740)	481,800
Three months to 31 March 2019									
Balance as at 1 January 2019	354,322	5,691	831	(2,264)	(734)	96,750	454,596	(13,086)	441,510
Profit for the period	-	-	-	-	-	11,933	11,933	1,996	13,929
Foreign currency translation differences for foreign Operations	-	-	-	(57)	-	-	(57)	-	(57)
Share of other comprehensive income of associates	-	-	-	(2,791)	-	-	(2,791)	-	(2,791)
Total comprehensive income for the period	-	-	-	(2,848)	-	11,933	9,085	1,996	11,081
Balance as at 31 March 2019	354,322	5,691	831	(5,112)	(734)	108,683	463,681	(11,090)	452,591

The Condensed Consolidated Statement of Changes in Total Equity should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2019.



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V NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1 Basis of preparation

These condensed consolidated interim financial statements, for the period ended 31 March 2020, have been prepared in accordance with MFRS 134 *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**"). These condensed consolidated interim financial statements also comply with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board. These quarterly financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2019.

2 Significant accounting policies

The Group has adopted the following new accounting standards and interpretations (including the consequential amendments, if any) of the MFRS framework that have been issued by the Malaysian Accounting Standards Board ("MASB") for the financial period on or after from 1 January 2020:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 3: Definition of a Business

Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform

Amendments to MFRS 101 and MFRS 108: Definition of Material

Amendments to References to the Conceptual Framework in MFRS Standards

The adoption of the above accounting standards and interpretations (including the consequential amendments) is expected to have no material impact on the Group's financial statements.

3 Audit report in respect of the 2019 financial statements

The audit report on the Group's financial statements for the financial year ended 31 December 2019 was not qualified.

4 Seasonal or cyclical factors

The Group's operations are not subject to any seasonal or cyclical factors.

5 Unusual items due to their nature, size or incidence

There were no items affecting assets, liabilities, equity, net income, or cash flows that were unusual because of their nature, size or incidence in the current period.

6 Material changes in estimates used

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current period.

7 Debt and equity securities

The Group did not undertake any issuance and/or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the period ended 31 March 2020.



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8 Dividend

The Directors do not recommend the payment of any dividend for the period ended 31 March 2020 (2019: Nil).

9 Segmental information for the current period

The Group's current activity is mainly from the Information Technology and Energy industries.

Business segment	Information Technology RM'000	Energy RM'000	Corporate RM'000	Eliminations RM'000	Consolidated RM'000
2020					
Business segments					
Revenue from external Customers	49,368	14,282	-	-	63,650
Inter-segment revenue	390	-	-	(390)	-
Total revenue	49,758	14,282	-	(390)	63,650
Segment result					
Profit from operations	8,199	1,238	1,471	-	10,908
Depreciation & amortization	(2,293)	(3,163)	(11)	-	(5,467)
Loss of disposal of a subsidiary	(833)	-	-	-	(833)
Finance costs	(1,006)	(17)	(392)	-	(1,415)
Finance income	95	-	-	-	95
Share of results in associates, net of tax	-	4,071	-	-	4,071
Profit before tax	4,162	2,129	1,068	-	7,359
Tax expense					(1,480)
Zakat					(2)
Net profit after tax					5,877
Attributable to:					
Owners of the Company					6,225
Non-controlling interests					(348)
Profit for the period					5,877
Segment assets	383,556	393,454	351,198	(455,492)	672,716
Segment liabilities	268,413	33,017	36,212	(146,726)	190,916

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10 Material events subsequent to the current period

In the opinion of the Directors, there are no items, transactions or events of material and unusual nature which have arisen since 31 March 2020 to the date of this announcement which would substantially affect the financial results of the Group for the period ended 31 March 2020.

11 Changes in the composition of the Group

There are no significant changes in the composition of the Group for the current period including business combinations, acquisitions or disposals of subsidiaries and long term investments, restructuring or discontinued operations, other than disclosed below:

- a) The Company had on 23 December 2019 entered into a share swap agreement with EC-Council Global Services Sdn. Bhd. (“ECCGS”), DNE X Technology Sdn. Bhd. (“DTSB”) and EC-Council International Limited (“the Agreement”).

Pursuant to the Agreement, the Company shall transfer its total interests in all the issued shares in the capital of DTSB to ECCGS against the issue of new shares in the capital of ECCGS such that the Company shall hold 15% of all the issued shares in the capital of ECCGS upon the completion of the transactions contemplated under the terms of the Agreement.

The Company has stopped consolidating the results of DTSB effective from 1 March 2020, in accordance with MFRS 10- Consolidated Financial Statements, by virtue of the Company no longer have control over DTSB.

- b) The Company had on 29 May 2020 announced that Dagang Net Technologies Sdn. Bhd. (“Dagang Net”), a wholly-owned subsidiary of the Company, had on the same day entered into an investment agreement (“Agreement”) with PT Dagang Samudera Utama (“PT DSH”), Mrs. Margareta Novi Ursula (“MNU”) and Mr. Bambang Sugiarto (“BS”) to facilitate Dagang Net’s equity participation in PT DSH.

PT DSH is considered as a subsidiary in accordance with MFRS 10 - Consolidated Financial Statements as Dagang Net has power over the voting rights, title and interest over PT DSH to direct the activities that significantly affects PT DSH’s returns and rights to receive variable returns from results of PT DSH’s performance paid out by way of dividends with respect to the shares with effect from January 2020.

12 Contingent liabilities

There are no material contingent liabilities as at the date of this announcement, other than disclosed below:

On 10 July 2018, Dagang Net Technologies Sdn. Bhd. (“Dagang Net”), a wholly-owned subsidiary of the Company received a notice of proposed decision (“Proposed Decision”) from the Malaysia Competition Commission (“MyCC”) pursuant to Section 36 of the Competition Act 2010 [Act 712] (the “Act”). The Proposed Decision by MyCC is pursuant to the investigation on alleged infringement by Dagang Net of one of the prohibitions under Part 1 of the Act. MyCC issued the Proposed Decision under Section 36 of the Act against Dagang Net for engaging in conduct which amounts to an abuse of its dominant position in breach of Section 10(1) read with Section 10(2)(c) and Section 10(3) of the Act. In its Proposed Decision, MyCC proposed to impose a financial penalty of RM17,397,695.30 and remedial action by Dagang Net.

The oral representations were heard before a panel appointed by MyCC on 16 January 2019, 25 April 2019, and 29 July 2019.

13 Capital commitments

There are no material capital commitments as at the date of this announcement other than capital commitments on Property, Plant and Equipment, authorised and contracted for within the year of RM25.5 million.



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14 Income tax

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31/3/2020 RM'000	Preceding year corresponding quarter 31/3/2019 RM'000	Three months to 31/3/2020 RM'000	Three months to 31/3/2019 RM'000
Malaysian income tax				
- Current taxation	(2,027)	(2,868)	(2,027)	(2,868)
Total current tax expense	(2,027)	(2,868)	(2,027)	(2,868)
Deferred tax expenses				
- Current period	509	483	509	483
- Over provision in prior year	38	-	38	-
Total deferred tax expenses	547	483	547	483
	(1,480)	(2,385)	(1,480)	(2,385)

The effective tax rate of the Group for current period taxation (exclude the share of result of associate) was higher than the statutory tax rate (24%). The provision for tax payable was made by profitable subsidiary companies and certain expenses of the Group were disallowed for tax purpose.

15 Status of corporate proposals announced but not completed as at the date of this announcement

There are no announced corporate proposals that are not completed as at the date of this report, other than disclosed below:

- (a) The Company had on 23 December 2019 entered into the Agreement with ECCGS, DTSB and EC-Council International Limited.

Pursuant to the Agreement, the Company shall transfer its total interests in all the issued shares in the capital of DTSB to ECCGS against the issue of new shares in the capital of ECCGS such that the Company shall hold 15% of all the issued shares in the capital of ECCGS upon the completion of the transactions contemplated under the terms of the Agreement.

- (b) The Company had on 29 May 2020 announced that Dagang Net, a wholly owned subsidiary of the Company, had on the same day entered into an investment agreement with PT Dagang Samudera Hutama ("PT DSH"), Mrs. Margareta Novi Ursula and Mr. Bambang Sugiarto to facilitate Dagang Net's equity participation in PT DSH.

16 Derivatives

There are no derivatives as at the date of this announcement.

17 Classification of financial assets

For the period ended 31 March 2020, there was no change in the classification of financial assets as a result of a change in the purpose or use of those assets.

18 Material litigation

The Company and its subsidiaries have no material litigation as at the date of this announcement.



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19 Comparison between the current quarter and the immediate preceding quarter

	Current year quarter 31/3/2020 RM'000	Immediate preceding quarter 31/12/2019 RM'000	Variance %
Revenue	63,650	87,340	-27.1
- Information Technology ("IT")	49,368	68,868	-28.3
- Energy	14,282	18,472	-22.7
Profit before tax ("PBT")	7,359	7,058	+4.3
- Information Technology ("IT")	4,162	9,071	-54.1
- Energy	2,129	(3,746)	>+100.0
- Corporate, net of elimination	1,068	1,733	-38.4

Revenue

The Group reported lower revenue of RM63.6 million in current quarter as compared to immediate preceding quarter.

The performance of Group's trade facilitation & e-Commerce recorded a lower revenue of RM22.1 million in current quarter (Q4, 2019: RM24.7 million), a 10.5% reduction resulted from lesser trade transactions, the effect from the Covid-19 Pandemic; and imposition of Movement Control Order ("MCO") by the Malaysian Government.

The Group's system Integration & Consultancy business reported RM27.3 million in current reporting period (Q4, 2019: RM44.2 million). The 38.2% decreased in revenue was mainly contributed by:

- Lower progress billing for work done in Integrated Government Finance & Management System ("IGFMAS"); and related maintenance work (Q1,2020:RM16.8 million; Q4, 2019: RM26.4 million);
- Slowdown in project implementation in current reporting period for the following contracts (Q1,2020: RM3.8 million; Q4, 2019: RM7.2 million).
 - Statistics Data Warehouse Project for Jabatan Perangkaan Malaysia; and
 - big data analytics project for Kementerian Air Tanah dan Sumber Air.
- Completion of one-off submarine cable installation and repair project in Indonesia with a final billing of RM2.6 million in the immediate preceding quarter.

The Group's Energy also affected with delays in projects arising from MCO as well as significant competitive pressure in oil & gas activities.

Profit Before Tax ("PBT")

Despite of reduction in revenue, the Group reported a PBT of RM7.4 million in current reporting period, 4.3% higher as compared to the immediate preceding quarter. The higher PBT in current quarter was mainly contributed by the share of results in associates of RM4.1 million (Q4, 2019: Loss of RM2.6 million).

Included in current PBT was a one-off loss on disposal of investment in a subsidiary of RM833,000.



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20 Detailed analysis of the performance for the current quarter

(a) Quarter ended 31 March 2020 compared with quarter ended 31 March 2019

	Current year quarter 31/3/2020 RM'000	Preceding year corresponding quarter 31/3/2019 RM'000	Variance %
Revenue	63,650	68,949	-7.7
- Information Technology ("IT")	49,368	57,324	-13.9
- Energy	14,282	11,625	+22.8

The Group recorded lower quarter-to-quarter revenue of 13.9% or RM8.0 million in IT segment, mainly due to completion of one-off submarine cable installation and repair contract in Indonesia (Q1,2020: RM Nil; Q1, 2019: RM7.7 million). Currently, the Group is actively exploring opportunities to secure long-term contract opportunities in Indonesia.

The Group's Energy division shows 22.8% or RM2.7 million increase in its revenue, mainly contributed by Trading & Services due to the improved orderbook. DNeX's major energy related contracts fall under downstream segment and could therefore able to generate a steady revenue stream.

However, the hit to the oil price, and the potential cut in capital expenditure spending by the oil majors are having a negative impact on the Oil & Gas industry.

	Current year quarter 31/3/2020 RM'000	Preceding year corresponding quarter 31/3/2019 RM'000	Variance %
Profit before tax ("PBT")	7,359	16,315	-54.9
- Information Technology ("IT")	4,162	10,535	-60.5
- Energy	2,129	7,221	-70.5
- Corporate, net of elimination	1,068	(1,441)	>+100

The Group reported a PBT of RM7.4 million in current quarter, a reduction of RM9.0 million (or 54.9%) as compared to the Q1, 2019 was mainly attributable to:

- Lower share of the results of an associate (RM3.7 million);
- Lower recognition of other income (RM3.2 million); and
- Completion of submarine cable installation and repair contract in Indonesia in 2019 (RM0.6 million).

The above-mentioned PBT reduction was partly mitigated by the cost savings of RM1.5 million in current reporting quarter. The Management will continue to pursue cost optimisation activities within the Group to drive operational efficiency and ensure earnings sustainability.

Quarterly Report On Consolidated Results For The First Quarter Ended 31 March 2020

The Energy segment PBT breakdown by business segment is detailed as follows:

	Current year quarter 31/3/2020 RM'mil	Preceding year corresponding quarter 31/3/2019 RM'mil
Trading & Services	0.7	1.5
Drilling Technology & Oilfield Services	(0.5)	0.1
Upstream Exploration & Production	4.1	7.8
Sub Total	<u>4.3</u>	<u>9.4</u>
Amortization of Intangible assets arising from consolidation	(2.2)	(2.2)
Profit before tax ("PBT")	<u>2.1</u>	<u>7.2</u>

21 Prospects for 2020

Global economies are faced with an unprecedented situation with headwinds from multiple fronts and businesses in Malaysia are not spared. Countries all around the world are working relentlessly and have taken various measures to combat the Covid-19 pandemic such as implementing MCO and closing their borders. Such developments have limited physical movement and impacted a lot of business and trade activities globally. Governments and corporate leaders are changing how they work amid such unprecedented situation.

The Covid-19 pandemic will undeniably has an adverse impact to businesses in the country and globally including us. But the Management believes the impact by the pandemic to the Group is manageable as most of our projects are ongoing especially the Government projects and these expected to carry us through 2020. Selected Government projects continue to operate as usual during the MCO as part of essential services albeit with extra precautions for workers and travel. The Energy business continues to face challenges in an environment of declining oil price amidst lower energy demand and crude supply glut.

Barring any unforeseen circumstances, the Group expects to deliver positive results for the year 2020.

22 Variance for actual and forecast profit

The Company did not issue any profit forecast or profit guarantee during the financial period reported.

23 Earnings per share

Basic earnings per share	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31/3/2020 '000	Preceding year corresponding quarter 31/3/2019 '000	Three months to 31/3/2020 '000	Three months to 31/3/2019 '000
Profit attributable to the Owners of the Company (RM)	6,225	11,933	6,225	11,933
Number of ordinary shares at beginning of the period	1,758,090	1,758,036	1,758,090	1,758,036
- Effect of shares issue pursuant to exercise of ESOS	-	-	-	-
Weighted average number of ordinary shares	<u>1,758,090</u>	<u>1,758,036</u>	<u>1,758,090</u>	<u>1,758,036</u>
Basic earnings per share (sen)	0.35	0.68	0.35	0.68



DAGANG NEXCHANGE BERHAD
(Registration No. 197001000738 (10039-P))
Incorporated in Malaysia

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Diluted earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31/3/2020 '000	Preceding year corresponding quarter 31/3/2019 '000	Three months to 31/3/2020 '000	Three months to 31/3/2019 '000
Profit attributable to the Owners of the Company (RM)	6,225	11,933	6,225	11,933
Weighted average number of ordinary shares as per basic earnings per share	1,758,090	1,758,036	1,758,090	1,758,036
Effect of potential exercise of ESOS	-	11,483	-	11,483
Weighted average number of ordinary shares	1,758,090	1,769,519	1,758,090	1,769,519
Diluted earnings per share (sen)	0.35	0.67	0.35	0.67

The exercise of Warrants has been ignored in the calculation of dilutive earnings per ordinary share, as the exercise price is higher than the average market price of the Company's ordinary shares during the current financial period.

24 Authorisation for issue

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors.

Kuala Lumpur
2 June 2020

By Order of the Board
KEH CHING TYNG (MAICSA 7050134)
Company Secretary