



**DAGANG NEXCHANGE BERHAD (REGISTRATION NO. 197001000738 (10039-P))  
QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE THIRD QUARTER ENDED 31 MARCH 2022**

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THE FIGURES HAVE NOT BEEN AUDITED

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

	INDIVIDUAL QUARTER Current year quarter 31/3/2022 RM'000	CUMULATIVE QUARTER Nine months to 31/3/2022 RM'000
Revenue	382,636	1,006,817
Cost of sales	(206,266)	(587,724)
Gross profit	176,370	419,093
Other income	3,788	9,980
Expenses	(58,192)	(184,009)
Finance cost	(12,104)	(37,403)
Effect from business combination (Note 12) (c)	-	264,508
<b>Profit before income tax</b>	<b>109,862</b>	<b>472,169</b>
Income tax expense (Note 15)	(32,023)	(27,939)
Profit for the period	77,839	444,230
Gain attributable to non-controlling interest	(26,240)	(55,233)
<b>Profit attributable to owners of the Company</b>	<b>51,599</b>	<b>388,997</b>
<b>Earnings per share</b>		
Basic	1.64 sen	12.59 sen
Diluted	1.63 sen	12.58 sen



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

	INDIVIDUAL QUARTER Current year quarter 31/3/2022 RM'000	CUMULATIVE QUARTER Nine months to 31/3/2022 RM'000
<b>Other comprehensive income for the period, net of tax Items that are or may be reclassified subsequently to profit or loss</b>		
Profit for the period	77,839	444,230
Foreign currency translation differences for foreign operations	<u>7,334</u>	<u>20,121</u>
Total comprehensive income	85,173	464,351
Total comprehensive gain attributable to non-controlling interest	<u>(26,240)</u>	<u>(55,233)</u>
<b>Total comprehensive income attributable to owners of the Company</b>	<b><u>58,933</u></b>	<b><u>409,118</u></b>

There is no comparative for the quarter ended 31 March 2022, due to the change in the financial year end from 31 December to 30 June. The condensed consolidated statement of Profit or Loss and Other Comprehensive Income for the current quarter ended 31 March 2022, being the third quarter of the financial year ending 30 June 2022 is not comparable with that of the third quarter of the previous financial year ended 30 June 2021.

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial period ended 30 June 2021.



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

	INDIVIDUAL QUARTER Current year quarter 31/3/2022 RM'000	CUMULATIVE QUARTER Nine months to 31/3/2022 RM'000
<b>Profit before income tax is arrived at after charging/(crediting):</b>		
Interest income	(1,467)	(4,384)
Net impairment loss on receivables	68	11,514
Interest expense	12,104	37,403
Depreciation and amortisation	29,490	109,519
Net realised and unrealised foreign exchange loss	15	8,391
Effect from business combination (Note 12) (c)	-	(264,508)

There is no comparative for the quarter ended 31 March 2022, due to the change in the financial year end from 31 December to 30 June. The condensed consolidated statement of Profit or Loss and Other Comprehensive Income for the current quarter ended 31 March 2022, being the third quarter of the financial year ending 30 June 2022 is not comparable with that of the third quarter of the previous financial year ended 30 June 2021.

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial period ended 30 June 2021.



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**II CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>Unaudited As at 31/3/2022 RM'000</b>	<b>Audited As at 30/6/2021 RM'000</b>
<b>ASSETS</b>		
Non-current assets		
Property, plant and equipment	1,642,091	655,303
Right-of-use assets	57,315	545
Investment in associates and joint operations	96	96
Intangible assets	993,592	978,988
Deferred tax assets	964	1,293
Cash and cash equivalents (restricted)	294,493	125,465
	<u>2,988,551</u>	<u>1,761,690</u>
Current assets		
Inventories	138,265	15,370
Contract assets	25,925	40,537
Trade and other receivables	287,590	88,900
Current tax assets	4,460	5,571
Cash and cash equivalents	753,025	267,680
	<u>1,209,265</u>	<u>418,058</u>
<b>Total assets</b>	<b><u>4,197,816</u></b>	<b><u>2,179,748</u></b>
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to Owners of the Company		
Share capital	1,016,742	785,437
Warrant reserve	-	3,001
Share option reserve	9,586	2,143
Translation reserve	19,810	(311)
Fair value reserve	(734)	(734)
Retained earnings	603,577	233,400
	<u>1,648,981</u>	<u>1,022,936</u>
Non-controlling Interests	371,322	30,551
<b>Total equity</b>	<b><u>2,020,303</u></b>	<b><u>1,053,487</u></b>
Non-current liabilities		
Trade and other payables	324,577	-
Deferred tax liabilities	600,274	422,900
Loan and borrowings (secured)	227,055	16,007
Long term obligations and provision	18,326	18,115
Lease liabilities	12,721	174
Provision for decommissioning costs	432,037	438,813
	<u>1,614,990</u>	<u>896,009</u>
Current liabilities		
Contract liabilities	5,452	1,816
Trade and other payables	426,727	128,519
Loan and borrowings (secured)	78,161	70,373
Lease liabilities	646	557
Current tax liabilities	51,537	28,987
	<u>562,523</u>	<u>230,252</u>
Total liabilities	<u>2,177,513</u>	<u>1,126,261</u>
<b>Total equity and liabilities</b>	<b><u>4,197,816</u></b>	<b><u>2,179,748</u></b>
<b>Net assets per share attributable to Owners of the Company (RM)</b>	<b><u>0.52</u></b>	<b><u>0.38</u></b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial period ended 30 June 2021.



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#### III CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	<b>Unaudited Nine months to 31/3/2022 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash receipts from customers	1,276,040
Cash payments to suppliers	(478,388)
Cash payments to employees and other expenses	(237,088)
	<hr/>
Cash generated from operations	560,564
Income tax paid (net)	(9,388)
Zakat	(86)
	<hr/>
<b>Net cash generated from operating activities</b>	<b>551,090</b>
	<hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchase of property, plant and equipment and intangible assets	(142,230)
Proceeds from disposal of plant and equipment	5
Interest received	3,648
Acquisition of a subsidiary (Note 12) (b)	(77,285)
	<hr/>
<b>Net cash used in investing activities</b>	<b>(215,862)</b>
	<hr/>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Proceeds from warrant conversion	183,320
Proceeds from issuance of shares	44,868
Proceeds from share options exercised	31
Bank borrowings (net)	86,865
Payment of finance cost	(19,631)
Payment of lease liabilities	(72)
Increase in pledged deposits and restricted cash	(168,410)
	<hr/>
<b>Net cash generated from financing activities</b>	<b>126,971</b>
	<hr/>
<b>Net Change in Cash and Cash Equivalents</b>	<b>462,199</b>
Cash and Cash Equivalents as at beginning of financial period	252,448
Effect of exchange rate fluctuations on cash held	24,664
	<hr/>
<b>Cash and Cash Equivalents as at end of financial period (a)</b>	<b>739,311</b>
	<hr/> <b>=====</b>

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

	<b>As at 31/3/2022 RM'000</b>
Cash and deposits with licensed banks	
- Unrestricted	741,349
- Restricted and pledged	306,169
	<hr/>
	1,047,518
Less : Cash and cash equivalents pledged as security	(306,169)
Less : Bank overdrafts	(2,038)
	<hr/>
Cash and Cash Equivalents as at end of financial period	739,311
	<hr/> <b>=====</b>

There is no comparative for the quarter ended 31 March 2022, due to the change in the financial year end from 31 December to 30 June. The Condensed Consolidated Statement of Cash Flows for the current quarter ended 31 March 2022, being the third quarter of the financial period ended 30 June 2022 is not comparable with that of the third quarter of the previous financial year ended 30 June 2021.

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial period ended 30 June 2021.



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**IV CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY**

In RM'000	Note	Attributable to Owners of the Company						Total	Non-controlling interests	Total equity
		Share capital	Warrant reserve	Share option reserve	Translation reserve	Fair value reserve	Retained earnings			
<b>Nine months to 31 March 2022</b>										
		785,437	3,001	2,143	(311)	(734)	233,400	1,022,936	30,551	1,053,487
		-	-	-	-	-	388,997	388,997	55,233	444,230
		-	-	-	20,121	-	-	20,121	-	20,121
		-	-	-	20,121	-	388,997	409,118	55,233	464,351
		Contribution by and distribution to owners of the Company								
	12	-	-	-	-	-	-	-	285,538	285,538
		185,938	(2,928)	-	-	-	-	183,010	-	183,010
		44,868	-	-	-	-	-	44,868	-	44,868
		499	-	(158)	-	-	-	341	-	341
		-	(73)	-	-	-	73	-	-	-
	9	-	-	-	-	-	(18,934)	(18,934)	-	(18,934)
		231,305	(3,001)	(158)	-	-	(18,861)	209,285	285,538	494,823
		-	-	7,601	-	-	41	7,642	-	7,642
		231,305	(3,001)	7,443	-	-	(18,820)	216,927	285,538	502,465
		1,016,742	-	9,586	19,810	(734)	603,577	1,648,981	371,322	2,020,303

There is no comparative for the quarter ended 31 March 2022, due to the change in the financial year end from 31 December to 30 June. The Condensed Consolidated Statement of Cash Flows for the current quarter ended 31 March 2022, being the third quarter of the financial period ended 30 June 2022 is not comparable with that of the third quarter of the previous financial year ended 30 June 2021.

The Condensed Consolidated Statement of Changes in Total Equity should be read in conjunction with with the accompanying explanatory notes and the audited financial statements for the financial period ended 30 June 2021.



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## Quarterly Report On Consolidated Results For The Third Quarter Ended 31 March 2022

### 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 2022, 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 30 June 2021.

#### 2 Change of financial year end

As announced on 15 February 2021, the Group changed its financial year end from 31 December to 30 June. Due to the change, the Condensed Consolidated Statement Comprehensive Income, Condensed Consolidated Statement of Changes in Equity and Condensed Consolidated Statement of Cash Flow for the current quarter ended 31 March 2022, being the third quarter of the current financial year ending 30 June 2022, is not comparable with that of the third quarter of the previous financial period ended 30 June 2021. As such, no comparative figures are presented.

#### 3 Significant accounting policies

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those adopted for the audited financial statements for the financial period ended 30 June 2021 except as described below:

##### 3.1 Adoption of Amendments to Standards

The Group has applied the following amendments for the first time for the financial year beginning on 1 July 2021:

Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform – Phase 2

Amendments to MFRS 16 Covid-19 – Related Rent Concessions beyond 30 June 2021

The adoption of the above amendments did not have any material impact on the current financial quarter or any prior financial period and is not likely to affect future financial periods.





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### 3 Significant accounting policies (continued)

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those adopted for the audited financial statements for the financial period ended 30 June 2021 except as described below: (continued)

#### 3.2 Standards issued but not yet effective

	<b>Effective for financial periods beginning on or after</b>
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts - Costs of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018-2020	1 January 2022
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-Current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an investor and its Associate or Joint Venture	Deferred

The group will adopt the above standards and amendments when they become effective in the respective financial periods.

### 4 Audit report in respect of the 2021 financial statements

The audit report on the Group's financial statements for the financial year ended 30 June 2021 was not qualified.

### 5 Seasonal or cyclical factors

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

### 6 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.

### 7 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.



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### 8 Debt and equity securities

During the current period, Group has mandated Pareto Securities as Sole Manager to arrange a series of fixed income investor calls commencing on 23<sup>rd</sup> June 2021. A senior secured bond issue of up to USD 50 million with a 3-year may follow, subject to, inter-alia, market conditions. Net proceeds from the bond issue will be used to finance project expenditures related to the Group's core Anasuria Cluster assets and for general corporate purposes.

Save as disclosed above, there were no 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 2022.

### 9 Dividend

The Company paid an interim dividend of 0.6 sen net per ordinary share amounting to RM18.934 million in respect of the financial year ended 30 June 2022 on 20 April 2022.

### 10 Segmental information for the current period

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

Business segment	Information Technology	Energy	Technology	Corporate	Eliminations	Consolidated
2021/2022	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	139,079	264,164	603,574	-	-	1,006,817
Inter-segment revenue	20,846	-	-	19,050	(39,896)	-
<b>Total revenue</b>	<b>159,925</b>	<b>264,164</b>	<b>603,574</b>	<b>19,050</b>	<b>(39,896)</b>	<b>1,006,817</b>
<b>Segment result</b>						
Profit/(Loss) from operations	26,788	152,627	196,775	4,573	(19,050)	361,713
Depreciation and amortisation	(7,187)	(46,142)	(56,120)	(70)	-	(109,519)
Net impairment (loss)/reversal on receivables	(12,754)	107	946	187	-	(11,514)
Effect on business combination (Note 12)	-	-	264,508	-	-	264,508
Finance costs	(1,497)	(32,707)	(2,379)	(820)	-	(37,403)
Finance income	192	271	1,467	2,454	-	4,384
Profit/(Loss) before tax	5,542	74,156	405,197	6,324	(19,050)	472,169
Income tax expense						(27,939)
Net income after tax						444,230
Net gain attributable to non-controlling interest						(55,233)
Net profit attributable to owners of the Company						388,997
<b>Segment assets</b>	<b>451,086</b>	<b>2,461,316</b>	<b>1,813,936</b>	<b>888,033</b>	<b>(1,416,555)</b>	<b>4,197,816</b>
<b>Segment liabilities</b>	<b>502,623</b>	<b>1,696,393</b>	<b>774,123</b>	<b>47,375</b>	<b>(843,001)</b>	<b>2,177,513</b>



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### 11 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 2022 to the date of this announcement which would substantially affect the financial results of the Group for the period ended 31 March 2022.

### 12 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:

The Company had on 8 February 2021 announced that Khazanah Nasional Berhad (“Khazanah”), informed the Company and its strategic partner (“Consortium”) that it has accepted the bid by the Consortium led by DNeX for the proposed sale of the entire issued share capital of SilTerra Malaysia Sdn Bhd (“SilTerra”) by Khazanah, subject to the signing of a definitive agreement.

On 31 March 2021, the Company and Beijing Integrated Circuit Advances Manufacturing and High-End Equipment Equity Investment Fund Center (Limited Partnership) (“CGP Fund”) had together entered into a conditional share sale and purchase agreement (“SSPA”) with Khazanah for the acquisition by the Company and CGP Fund (as purchasers) of the entire issued share capital of SilTerra as at the completion date of the SSPA, representing the entire equity interest in SilTerra for a purchase consideration of RM273,000,000 to be satisfied entirely via cash (“Purchase Consideration”).

On 26 July 2021, the Company announced that all conditions precedent pursuant to the SSPA have been fulfilled, and that the payment for the Purchase Consideration have been settled in full. Pursuant thereto, the Proposed Acquisition is deemed completed.

The fair value of the net identifiable assets and negative goodwill as disclosed below are based on provisional figures which will be finalised within twelve months after the acquisition date.

Effects of the above transaction are as below:

#### (a) Identified assets acquired and liabilities assumed

	<b>RM'000</b>
Non-current assets	998,669
Inventories	121,890
Trade and other receivables	78,981
Cash and cash equivalents	70,135
Non-current liabilities	(145,346)
Lease liabilities	(592)
Trade and other payables	(228,672)
Deferred tax liabilities	(181,219)
<b>Net identifiable assets</b>	<b><u>713,846</u></b>

#### (b) Net cash outflow arising from acquisition of SilTerra

	<b>RM'000</b>
Purchase consideration	163,800
Less: Deposit paid in 2020/2021	(16,380)
Less: Cash and cash equivalent acquired	(70,135)
	<b><u>77,285</u></b>



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### 12 Changes in the composition of the Group (continued)

(c) Bargain purchase from business combination

	RM'000
Fair value of consideration transferred	163,800
Fair value of identifiable net assets acquired	(713,846)
Non-controlling interests, based on their proportionate interests	285,538
<b>Effect from business combination</b>	<b>(264,508)</b>

### 13 Contingent liabilities

There are no material contingent liabilities as at the date of this announcement.

### 14 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 of RM13.45 million as at 31 March 2022.

### 15 Income tax

	INDIVIDUAL QUARTER	CUMULATIVE QUARTER
	Current year quarter 31/3/2022 RM'000	Nine months to 31/3/2022 RM'000
Malaysian and foreign income tax:		
Current taxation	(26,820)	(33,359)
Under provision in prior year	(1,657)	(1,657)
Current deferred tax (expense) / assets	(3,546)	7,077
	(32,023)	(27,939)

The Group's effective tax rates are reflective of the various tax legislations within which the Group operates.

### 16 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) In conjunction with the Proposed SilTerra Acquisition, the Company had on 31 March 2021 announced that the Company proposes to undertake a private placement of up to 30% of the total number of issued shares of the Company to third party investor(s) to be identified later at an issue price to be determined later ("Proposed Private Placement").

On 9 April 2021, the Company announced that the listing application in relation to the Proposed Private Placement has been submitted to Bursa Securities, the listing application was subsequently approved by Bursa Securities and shareholders on 27 April 2021 and 20 May 2021 respectively.



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### 17 The status of utilisation of proceeds raised from the Private Placement

Details of utilisation	Proposed Utilisation RM '000	Actual Utilisation RM '000	Balanced Unutilised RM '000	Intended Timeframe For Utilisation From The Receipt Of Placement Funds
Future viable investment	93,637	93,637	-	Within 24 months
Partial repayment of bank borrowings	20,000	20,000	-	Within 6 months
Working capital	49,868	5,000	44,868	Within 12 months
Estimated expenses	100	100	-	Upon completion
	<u>163,605</u>	<u>118,737</u>	<u>44,868</u>	

### 18 Derivatives

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

### 19 Classification of financial assets

For period ended 31 March 2022, there was no change in the classification of financial assets as a result of a change in the purpose or use of those assets.

### 20 Material litigation

The Company and its subsidiaries have no material litigation as at the date of this announcement other than disclosed below:

- a) Nuraslina binti Zainal Abidin vs Dagang Net Technologies Sdn. Bhd. ("Dagang Net"), Dagang NeXchange Berhad ("The Company") and Genaxis Group Sdn. Bhd. (Genaxis)

The Company had on 11 October 2021 announced that the Company and its wholly-owned subsidiary Dagang Net were informed by their solicitors, Messrs Azmi & Associates, that the solicitors had received a sealed copy of the Originating Summons dated 6 October 2021 ("Legal Suit") from Messrs. Bahari & Bahari, the solicitors who act on behalf of Puan Nuraslina binti Zainal Abidin ("Plaintiff") and an affidavit in support of the Plaintiff dated 27 September 2021.

In the Legal Suit, the Plaintiff is seeking amongst others, the following reliefs:

1. A declaration that Dagang Net and DNeX have conducted the affairs of Genaxis in a manner oppressive, prejudicial and in complete disregard to the interest of the Plaintiff as member of Genaxis;
2. A declaration that the Plaintiff is relieved of and is not liable to any profit guarantee given by the Plaintiff in the Shareholders Agreement in Genaxis;
3. An Order that Dagang Net purchase all the Plaintiff's shares in Genaxis at a fair value to be determined by the Court or an independent valuer appointed by the Court.

DNeX denies the allegations made by the Plaintiff and will be vigorously defending the claim.

During the case management on 24 March 2022 the Learned Judicial Commissioner recused from hearing this matter. In light of the recusal, the hearing of scheduled on 28 March 2022 before the Learned Judicial Commissioner was therefore vacated. On 13 April 2022, the Plaintiff has filed its affidavit. In that regard, DNeX have replied and filed the affidavit in respect on 27 April 2022.

During the Case Management on 28 April 2022, the Court had given the following direction:

- (a) Parties are to file further submissions on or before 20 May 2022; and
- (b) Hearing of the originating summons and the Plaintiff's application for cross examination of DNeX deponents had been scheduled on 15 June 2022.



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**(c) Comparison between the current quarter and the immediate preceding quarter**

	<b>Current quarter 31/3/2022 RM'000</b>	<b>Immediate preceding quarter 31/12/2021 RM'000</b>	<b>Variance %</b>
Revenue	382,636	353,314	8.3
- Information Technology ("IT")	47,691	47,306	0.8
- Energy	102,870	83,283	23.5
- Technology	232,075	222,725	4.2
Profit/(Loss) before tax	109,862	63,364	73.4
- IT	9,770	(6,857)	>100.0
- Energy	45,539	12,291	>100.0
- Technology	62,909	53,714	17.1
- Corporate	(8,356)	4,216	>-100.0

**Revenue**

The Group revenue increased by RM29.3 million in current quarter as compared to immediate preceding quarter which collectively contributed by each segments in the Group.

**Information Technology Segment**

Group Information Technology segment reported a marginal increase in revenue by RM0.38 million in (Q3, 2022: RM47.69 million; Q2, 2022: RM47.31 million) in current quarter.

The Group's Trade Facilitation & eServices business revenue lower by RM3.29 million (12.5%) due to lower trade traffic volume by 9% was recorded in current quarter. Current quarter revenue stood at RM23.13 million while RM26.42 million in immediate preceding quarter.

**Energy Segment**

Revenue in Group Energy increased by RM19.59 million as compared to immediate preceding quarter (Q3, 2022: RM102.87 million; Q2, 2022: RM83.28 million), mainly due to higher average selling prices due to significant rise in Brent crude oil prices which has surpassed USD100 per barrel.

**Technology Segment**

Technology business segment contributed a significantly higher revenue of RM9.36 million (Q3, 2022: RM232.08 million; Q2, 2022: RM222.72 million) from sale of semiconductor wafers.

**Profit/(Loss) Before Tax**

	<b>Current quarter 31/3/2022 Operating Profit RM'000</b>	<b>Net Impairment (Loss)/ Reversal RM'000</b>	<b>Current quarter 31/3/2022 Profit/(Loss) Before Tax RM'000</b>
Profit/(Loss) before tax	109,930	(68)	109,862
- IT	9,671	99	9,770
- Energy	45,509	30	45,539
- Technology	63,106	(197)	62,909
- Corporate	(8,356)	-	(8,356)



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### 21 Comparison between the current quarter and the immediate preceding quarter (continued)

	Immediate preceding quarter 31/12/2021 Operating Profit/(Loss) RM'000	Net One-off Impairment Loss RM'000	Immediate preceding quarter 31/12/2021 Profit/(Loss) Before Tax RM'000
Profit/(Loss) before tax	75,939	(12,575)	63,364
- IT	6,997	(13,854)	(6,857)
- Energy	12,341	(50)	12,291
- Technology	52,572	1,142	53,714
- Corporate	4,029	187	4,216

Group reported an operating profit of RM109.93 million with an increase of RM33.99 million as compared to the immediate preceding quarter of RM75.94 million. The contribution for the current quarter mainly derived from Energy segment that directly benefits significant rise in crude oil prices. Technology segment remain contribute to the group operating profit in-line with its revenue for the quarter. The IT segments contribute operating profits in line with revenue for the current quarter.

### 22 Prospects for 2021/2022

The Group continues to strengthen its position as a global technology player. Financial contribution from the semiconductor wafer foundry, SilTerra Malaysia Sdn Bhd ("SilTerra") is expected to continually increase due to higher average selling prices ("ASPs") as the Group expands into new emerging technologies such as microelectromechanical systems ("MEMS") and Silicon Photonics devices. Furthermore, the planned expansion to increase SilTerra's annual production capacity by 10% by early 2023 will translate to better economies of scale, with further improvement in manufacturing cost.

As part of the Group's long-term plans to enhance business sustainability, the Group is exploring new opportunities to expand its semiconductor fabrication capabilities and address the strong global demand for semiconductors. The Group's memorandum of understanding ("MoU") with Big Innovation Holdings Limited ("BIH"), a wholly-owned subsidiary of Hon Hai Precision Industry Co Ltd ("Foxconn") to build and operate a new 12-inch wafer fabrication plant operating to produce 40,000 wafers per month, encompassing the manufacturing of 28-nanometer and 40-nanometer technologies will also complement the Group's existing investment in SilTerra, in areas such as best practices and technology excellence.

Meanwhile, Brent crude oil prices trading at the USD100 per barrel price range augurs well for oil and gas ("O&G") upstream producer Ping Petroleum Limited ("Ping") which has an average cost of production of below USD30 per barrel. To benefit from the current strong oil prices, capacity enhancement work programmes are underway to unlock remaining economic reserves at Anasuria cluster through improve operation and infill drilling. Production from Ping's second oilfield asset, Avalon Oil Development, which has total estimated recovery of 23 million barrels of oil is scheduled to begin between mid 2024 and mid 2025.

According to Bank Negara, the Malaysian economy is forecasted to grow at a rate of 5.3% to 6.3% in 2022 as the country benefits from the easing of restrictions, reopening of international borders and implementation of investment projects. This is an improvement from the 3.1% increase recorded in 2021. Many countries globally are transitioning into the endemic phase of COVID-19 with further easing of movement in doing business, and this augurs well for the Group's business in Trade Facilitation as well as Technology Consulting and Systems Integration as DNeX continues to broaden its offerings in both Business-to-Government and Business-to-Business segments to fulfil the growing needs for digitalisation solutions that also include expanding beyond Malaysian shores.



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### 23 Variance for actual and forecast profit

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

### 24 Earnings per share

Basic earnings per share	INDIVIDUAL QUARTER	CUMULATIVE QUARTER
	Current year quarter 31/3/2022 '000	Nine months to 31/3/2022 '000
Profit attributable to the Owners of the Company (RM)	51,599	388,997
Number of ordinary shares at beginning of the period	3,155,325	2,724,686
Effect of new ordinary shares issued	82	365,847
Weighted average number of ordinary shares	3,155,407	3,090,533
Basic earnings per share (sen)	1.64	12.59
Diluted earnings per share	INDIVIDUAL QUARTER	CUMULATIVE QUARTER
	Current year quarter 31/3/2022 '000	Nine months to 31/3/2022 '000
Profit attributable to the Owners of the Company (RM)	51,599	388,997
Weighted average number of ordinary shares as per basic earnings per share	3,155,407	3,090,533
Effect of potential exercise of ESOS	275	1,563
Weighted average number of ordinary shares	3,155,682	3,092,096
Diluted earnings per share (sen)	1.63	12.58

### 25 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  
27 May 2022

By Order of the Board  
CHIN WAI YI (MAICSA 7069783)  
KEH CHING TYNG (MAICSA 7050134)  
Company Secretaries