



DAGANG NEXCHANGE BERHAD (REGISTRATION NO. 197001000738 (10039-P))
QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2025

CONTENTS

Page

I	CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME.....	2
II	CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION.....	5
III	CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS.....	6
IV	CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY.....	7
V	NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS.....	8
1	Basis of preparation.....	8
2	Significant accounting policies.....	8
3	Audit report in respect of the 31 December 2024 financial statements.....	9
4	Seasonal or cyclical factors.....	9
5	Unusual items due to their nature, size or incidence.....	9
6	Material changes in estimates used.....	9
7	Debt and equity securities.....	9
8	Dividend.....	9
9	Segmental information for the current period.....	10
10	Changes in the composition of the Group.....	11
11	Contingent liabilities.....	11
12	Capital commitments.....	11
13	Income tax.....	11
14	Status of corporate proposals announced but not completed as at the date of this announcement.....	12
15	Derivatives.....	12
16	Classification of financial assets.....	12
17	Material litigation.....	13
18	Detailed analysis of the performance for the current quarter and year-to-date.....	21
19	Comparison between the current quarter and the immediate preceding quarter.....	23
20	Prospects for 2025.....	26
21	Variance for actual and forecast profit.....	27
22	Earnings per share.....	27
23	Authorisation for issue.....	27



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

THE FIGURES HAVE NOT BEEN AUDITED

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

	INDIVIDUAL QUARTER		YEAR-TO-DATE	
	Current year quarter 30/6/2025 RM'000	Preceding year corresponding quarter 30/6/2024 RM'000	Six months to 30/6/2025 RM'000	Six months to 30/6/2024 RM'000
Revenue	262,709	298,110	559,541	607,928
Cost of sales	(220,046)	(246,521)	(447,614)	(485,831)
Gross profit	42,663	51,589	111,927	122,097
Other income	2,051	4,717	8,523	10,213
Expenses	(40,868)	(54,692)	(90,025)	(112,174)
Foreign exchange gain/(loss)	13,943	(4,955)	16,717	(8,837)
Finance cost	(8,806)	(13,015)	(14,452)	(27,250)
Profit/(loss) before income tax	8,983	(16,356)	32,690	(15,951)
Income tax credit/(expense) and zakat (Note 13)	691	13,143	(114,958)	14,569
Profit/(Loss) for the period	9,674	(3,213)	(82,268)	(1,382)
Loss attributable to non-controlling interest	10,267	8,205	23,174	20,835
Profit/(Loss) attributable to owners of the Company	19,941	4,992	(59,094)	19,453
Earnings per share				
Basic	0.57 sen	0.15 sen	(1.70) sen	0.61 sen
Diluted	0.57 sen	0.15 sen	(1.70) sen	0.61 sen



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

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

	INDIVIDUAL QUARTER		YEAR-TO-DATE	
	Current year quarter 30/6/2025 RM'000	Preceding year corresponding quarter 30/6/2024 RM'000	Six months to 30/6/2025 RM'000	Six months to 30/6/2024 RM'000
Other comprehensive income for the period, net of tax				
Items that are or may be reclassified subsequently to profit or loss				
Profit/(Loss) for the period	9,674	(3,213)	(82,268)	(1,382)
Foreign currency translation differences for foreign operations	<u>(67,768)</u>	<u>(24,980)</u>	<u>(58,559)</u>	<u>35,961</u>
Total comprehensive (loss)/income	(58,094)	(28,193)	(140,827)	34,579
Total comprehensive loss attributable to non-controlling interest	<u>10,267</u>	<u>8,205</u>	<u>23,174</u>	<u>20,835</u>
Total comprehensive (loss)/income attributable to owners of the Company	<u>(47,827)</u>	<u>(19,988)</u>	<u>(117,653)</u>	<u>55,414</u>

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 year ended 31 December 2024.



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

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

	INDIVIDUAL QUARTER		YEAR-TO-DATE	
	Current year quarter 30/6/2025 RM'000	Preceding year corresponding quarter 30/6/2024 RM'000	Six months to 30/6/2025 RM'000	Six months to 30/6/2024 RM'000
Profit before income tax is arrived at after charging/(crediting):				
Interest income	(272)	(2,838)	(5,412)	(6,628)
Gain on disposal of property, plant and equipment	(1)	-	(17)	-
Net impairment (gain)/ loss on receivables	(1,244)	963	(2,175)	3,144
Reversal of impairment of property, plant & equipment	-	-	(370)	(893)
Interest expense	8,806	13,015	14,452	27,250
Depreciation and amortization	42,674	47,773	90,428	96,953
Net realised and unrealised foreign exchange (gain)/loss	(13,943)	4,955	(16,717)	8,837

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 year ended 31 December 2024.



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

II CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 30/6/2025 RM'000	Audited As at 31/12/2014 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,965,540	2,015,062
Right-of-use assets	54,679	55,031
Intangible assets	1,173,511	1,206,835
Deferred tax assets	16,383	15,168
Trade and other receivables	-	1,027
Cash and cash equivalents (restricted)	317,553	293,535
	<u>3,527,666</u>	<u>3,586,658</u>
Current assets		
Inventories	115,820	127,944
Contract assets	21,735	22,642
Trade and other receivables	172,911	162,442
Current tax assets	7,297	7,915
Cash and cash equivalents	215,588	231,974
	<u>533,351</u>	<u>552,917</u>
Asset Held for sale	-	74,728
Total assets	<u>4,061,017</u>	<u>4,214,303</u>
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share capital	1,130,449	1,130,449
Share Option reserve	18,656	18,575
Translation reserve	19,509	78,068
Retained earnings	503,426	562,520
	<u>1,672,040</u>	<u>1,789,612</u>
Non-controlling Interests	379,464	402,638
Total equity	<u>2,051,504</u>	<u>2,192,250</u>
Non-current liabilities		
Deferred tax liabilities	831,164	766,103
Contract Liabilities	306,812	270,964
Loan and borrowings (secured)	6,501	8,730
Long term obligations and provisions	6,787	6,553
Lease liabilities	1,360	713
Provision for decommissioning costs	449,043	425,383
	<u>1,601,667</u>	<u>1,478,446</u>
Current liabilities		
Contract liabilities	88,295	180,685
Trade and other payables	214,753	236,432
Loan and borrowings (secured)	99,866	124,586
Lease liabilities	905	844
Current tax liabilities	4,027	1,060
	<u>407,846</u>	<u>543,607</u>
Total liabilities	<u>2,009,513</u>	<u>2,022,053</u>
Total equity and liabilities	<u>4,061,017</u>	<u>4,214,303</u>
Net assets per share attributable to Owners of the Company (RM)	<u>0.48</u>	<u>0.52</u>

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 year ended 31 December 2024.



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

III CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited Six months to 30/6/2025 RM'000	Unaudited Six months to 30/6/2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	32,690	(15,951)
<i>Adjustments for:</i>		
Depreciation and amortisation	90,428	96,953
Interest expense	14,452	27,250
Share options expenses	85	1,896
Interest income	(5,412)	(6,628)
Reversal of impairment plant and equipment	(370)	(893)
Net impairment (gain)/ loss on receivables	(2,175)	3,144
Gain on disposal of property and equipment	(17)	-
Net unrealised forex (gain)/loss	(22,476)	8,587
 Operating profit before changes in working capital	 107,205	 114,358
 Change in inventories	12,124	16,495
Change in contract assets/liabilities	(55,635)	(72,899)
Change in trade and other receivables	(7,267)	96,642
Change in payables and provisions	5,919	(24,907)
 Cash generated from operations	 62,346	 129,689
 Income tax paid (net) and zakat	(8,747)	(23,898)
 Net cash generated from operating activities	 53,599	 105,791
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	(76,844)	(109,853)
Proceeds from disposal of property, plant and equipment	44,756	1
Interest received	3,709	1,526
 Net cash generated from / (used in) investing activities	 (28,379)	 (108,326)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceed from private placement	-	116,891
Bank borrowings (net)	(27,105)	(56,808)
Payment of finance cost	(3,301)	(17,095)
Payment of lease liabilities	(69)	(60)
Increase in pledged deposits and restricted cash	(23,145)	(28,202)
 Net cash generated from financing activities	 (53,620)	 14,726
 Net Change in Cash and Cash Equivalents	 (28,400)	 12,191
Cash and Cash Equivalents as at beginning of financial period	191,796	322,011
Effect of exchange rate fluctuations on cash held	13,888	26,704
 Cash and Cash Equivalents as at end of financial period	 (a) 177,284	 360,906

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

	As at 30/6/2025 RM'000	As at 30/6/2024 RM'000
Cash and deposits with licensed banks		
- Unrestricted	177,291	364,384
- Restricted and pledged	355,850	375,163
	533,141	739,547
Less : Cash and cash equivalents pledged as security	(355,850)	(375,163)
Less : Bank overdrafts	(7)	(3,478)
 Cash and Cash Equivalents as at end of financial period	 177,284	 360,906

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2024.



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

IV CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY

In RM'000	← Attributable to Owners of the Company →						Non-controlling interests	Total equity
	Share capital	Share Option reserve	Non-distributable		Total	Total		
	Translation reserve	Retained earnings						
Six months to 30 June 2025								
Balance as at 1 January 2025	1,130,449	18,575	78,068	562,520	1,789,612	402,638	2,192,250	
Loss for the period	-	-	-	(59,094)	(59,094)	(23,174)	(82,268)	
Foreign currency translation differences for foreign operations	-	-	(58,559)	-	(58,559)	-	(58,559)	
Total comprehensive loss for the period	-	-	(58,559)	(59,094)	(117,653)	(23,174)	(140,827)	
Contribution by and distribution to owners of the Company								
Share option expenses	-	81	-	-	81	-	81	
Total transaction with owners of the Company	-	81	-	-	81	-	81	
Balance as at 30 June 2025	1,130,449	18,656	19,509	503,426	1,672,040	379,464	2,051,504	
Six months to 30 June 2024								
Balance as at 1 January 2024	1,017,403	22,330	86,043	643,864	1,769,640	403,662	2,173,302	
Profit/(loss) for the period	-	-	-	19,453	19,453	(20,835)	(1,382)	
Foreign currency translation differences for foreign operations	-	-	35,961	-	35,961	-	35,961	
Total comprehensive loss for the period	-	-	35,961	19,453	55,414	(20,835)	34,579	
Contribution by and distribution to owners of the Company								
Effect issuance of private placement	116,891	-	-	-	116,891	-	116,891	
Share option expenses	-	1,896	-	-	1,896	-	1,896	
Total transaction with owners of the Company	116,891	1,896	-	-	118,787	-	118,787	
Balance as at 30 June 2024	1,134,294	24,226	122,004	663,317	1,943,841	382,827	2,326,668	

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 year 31 December 2024.



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

V NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1 Basis of preparation

These condensed consolidated interim financial statements are unaudited and 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 2024.

2 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 year ended 31 December 2024 except as described below:

2.1 Adoption of Amendments to Standards

The Group has applied the following amendments for the first time for the financial year beginning on 1 January 2025:

Amendments to MFRS 121: Lack of Exchangeability

The adoption of the above amendments did not have any material impact on the financial statements of the Group.

2.2 Standards issued but not yet effective

	Effective for financial periods beginning on or after
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19: Subsidiaries without Public Accountability: Disclosure	1 January 2027
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.



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

3 Auditor's Report on preceding annual financial statement

The auditor' report on the Group's audited financial statements for the financial year ended 31 December 2024 was not subject to any qualification.

4 Seasonal or cyclical factors

The Group's operations were not materially affected by any seasonal or cyclical factors during the current period.

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 30 June 2025

8 Dividend

The Board of Directors does not recommend the payment of any dividend for the financial period ended 30 June 2025 (2024: Nil).



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

9 Segmental information for the current period

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

Business segment	Semi-conductor RM'000	Energy RM'000	Information Technology RM'000	Corporate RM'000	Eliminations RM'000	Consolidated RM'000
30 June 2025						
Revenue from external customers	334,018	145,769	79,754	-	-	559,541
Inter-segment revenue	-	-	357	-	(357)	-
Total revenue	334,018	145,769	80,111	-	(357)	559,541
Segment result						
Profit/(Loss) from operations	5,571	96,470	33,452	(5,880)	-	129,613
Depreciation and amortisation	(48,317)	(38,790)	(3,081)	(240)	-	(90,428)
Net impairment (loss)/reversal on receivables	2,451	(252)	(24)	-	-	2,175
Reversal of impairment of property, plant & equipment	-	-	370	-	-	370
Finance costs	-	(10,513)	(890)	(3,049)	-	(14,452)
Finance income	1,271	3,369	569	203	-	5,412
(Loss)/profit before tax	(39,024)	50,284	30,396	(8,966)	-	32,690
Income tax expense						(114,958)
Net loss after tax						(82,268)
Net loss attributable to non-controlling interest						23,174
Net loss attributable to owners of the Company						(59,094)
Segment assets	1,146,358	2,431,775	371,864	1,068,576	(957,556)	4,061,017
Segment liabilities	813,277	1,667,326	367,090	165,050	(1,003,230)	2,009,513
30 June 2024						
Revenue from external customers	294,174	197,875	115,879	-	-	607,928
Inter-segment revenue	-	-	13,199	3,900	(17,099)	-
Total revenue	294,174	197,875	129,078	3,900	(17,099)	607,928
Segment result						
Profit/(loss) from operations	1,929	100,882	14,833	(9,869)	(3,900)	103,875
Depreciation and amortisation	(50,077)	(40,396)	(6,232)	(248)	-	(96,953)
Net Impairment (loss)/reversal on receivables	(4,111)	1,062	(95)	-	-	(3,144)
Reversal of impairment of property, plant & equipment	-	-	893	-	-	893
Finance costs	(122)	(24,981)	(563)	(1,584)	-	(27,250)
Finance income	861	3,816	1,029	922	-	6,628
(Loss)/profit before tax	(51,520)	40,383	9,865	(10,779)	(3,900)	(15,951)
Income tax credit						15,039
Zakat						(470)
Net loss after tax						(1,382)
Net loss attributable to non-controlling interest						20,835
Net profit attributable to owners of the Company						19,453
Segment assets	1,247,207	2,603,960	657,480	1,032,823	(841,432)	4,700,038
Segment liabilities	819,418	1,686,379	736,633	64,597	(933,657)	2,373,370



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

10 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.

11 Contingent liabilities

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

12 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 RM1.3 million as at 30 June 2025.

13 Income tax

	INDIVIDUAL QUARTER		YEAR-TO-DATE	
	Current quarter 30/6/2025 RM'000	Preceding year corresponding quarter 30/6/2024 RM'000	Six months to 30/6/2025 RM'000	Six months to 30/6/2024 RM'000
Malaysian and foreign income tax:				
Current taxation	(6,171)	12,849	(15,106)	(14,698)
Deferred tax expenses				
-Current period	6,862	764	(100,696)	29,737
-Under provision in prior year	-	-	844	-
	6,862	764	(99,852)	29,737
Total tax credit/(expense)	691	13,613	(114,958)	15,039
Zakat	-	(470)	-	(470)
Total income tax credit/(expense) and zakat	691	13,143	(114,958)	14,569

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

In the current quarter, the Group recognised a RM7.1 million reversal of deferred tax liabilities relating to temporary differences from the re-measurement of UK Energy Profits Levy Scheme (EPL). The reversal reflects the ongoing depreciation and amortisation of the assets, in line with the production profile.

The EPL was initially introduced on 14 July 2022 as a temporary measure by the UK Government, with a 25% levy on profits from upstream oil and gas activities for the period from 26 May 2022 to 31 December 2022. The rate was subsequently increased to 35% effective from 1 January 2023 to 31 March 2028. Subsequently, on 29 July 2024, the UK Government announced a further revision, increasing the EPL rate from 35% to 38%, effective 1 November 2024.

On 3 March 2025, UK Finance Bill 2024/25 in relation to the EPL extension from 31 March 2028 to 31 March 2030 was substantively enacted. Therefore, in the six-months period ending 30 June 2025, the Group recognised a cumulative deferred tax liabilities amounting to RM100.7 million. In contrast, in the preceding year corresponding period, the Group recognised a reversal of deferred tax liabilities amounting to RM29.7 million primarily attributable to the re-measurement of EPL related temporary differences.

The deferred tax liabilities are non-cash accounting adjustments and will reverse in line with the depreciation and amortisation of the assets. The subsequent reversal of the deferred tax liabilities will result in tax credits being recorded in the statement of profit or loss.



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

14 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) On 9 May 2025, the Company announced the Proposed bonus issue of up to 1,214,838,309 free warrants in DNeX ("Warrant(s)") on the basis of 1 Warrant for every 3 ordinary shares in DNeX ("DNeX Share(s)" or "Share(s)") on an entitlement date to be determined and announced later ("Entitlement Date") ("Proposed Bonus Issue of Warrants"); and

On 28 July 2025, the Company announced that the 1,157,306,043 Warrants were listed and quoted on the Main Market of Bursa Securities on 28 July 2025, marking the completion of the Proposed Bonus Issue of Warrants.

- (b) Proposed variation of the Company's existing employee share option scheme ("Existing ESOS") of up to 5% of the issued share capital of the Company (excluding treasury shares of DNeX, if any) at any point in time during the duration of the Existing ESOS, into a long-term incentive plan ("Proposed LTIP"), which comprises a proposed employee share option scheme ("Proposed ESOS") and a proposed share grant plan ("Proposed SGP"), of up to 5% of the issued share capital of the Company (excluding treasury shares of DNeX, if any) at any point in time during the duration of the Proposed LTIP, for eligible employees and directors (executive and non-executive) ("Eligible Person(s)") of DNeX and its subsidiary companies ("DNeX Group" or the "Group"), which are not dormant, who fulfil the eligibility criteria as set out in the bylaws of the Proposed LTIP ("LTIP Bylaws") ("Proposed Variation").

On 26 June 2025, the Company announced that the Proposed Variation was approved by the shareholders of the Company at an extraordinary general meeting held on 26 June 2025

15 Derivatives

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

16 Classification of financial assets

For the period ended 30 June 2025, there was no change in the classification of financial assets as a result of a change in the purpose or use of those assets.



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

17 Material litigation

Significant events during the financial year are as follows:

- (a) Dagang NeXchange Berhad (“the Company”), Dagang Net Technologies Sdn. Bhd. (“Dagang Net”), DNeX Telco Services Sdn. Bhd. (“DTS”), PT Dagang Samudera Utama (“PT DSH”) and PT DNeX Telco Indonesia (“PT DTI”) (the Company, Dagang Net, DTS, PT DSH and PT DTI shall collectively be referred to as “the Group” or “the Plaintiffs”) vs Mohd Ismail Khan bin Wazir Khan, the former Chief Executive Officer of DTS (“the Defendant”):

The Group had on 11 November 2022 filed a legal action against the Defendant in the Kuala Lumpur High Court.

The Group is seeking for the following reliefs against the Defendant:

1. A declaration that the Defendant had breached his fiduciary duty, trust, duty of care, skill and diligence, duty of fidelity and duty of trust and confidence towards the Plaintiffs, in regards to the acquisition of a remotely operated vehicle (“ROV”);
2. A declaration that USD1,335,000 and/or all secret profits and/or other benefits obtained by the Defendant through the ROV acquisition are held on constructive trust for the Plaintiffs;
3. An account of profits obtained by the Defendant for the sum of USD1,335,000 and/or all secret profits and/or other benefits procured through the ROV acquisition;
4. Special damages in the sum of USD1,250,000 and IDR23,764,196,250 to be paid by the Defendant to the Plaintiffs;
5. Aggravated damages against the Defendant to be assessed by the Court;
6. Exemplary damages against the Defendant to be assessed by the Court;
7. Pre-judgement interest on the sums adjudged by the Court at the rate of 5% per annum from the date of the statement of claim until the date of the judgement;
8. Post-judgement interest on the sums adjudged by the Court at the rate of 5% per annum from the date of the judgement until its full realisation;
9. Costs on an indemnity basis; and
10. Any further and/or other relief than the Court deems fit and proper.



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

17 Material events subsequent to the current period (continued)

Significant events during the financial year are as follows: (continued)

- (a) Dagang NeXchange Berhad (“the Company”), Dagang Net Technologies Sdn. Bhd. (“Dagang Net”), DNeX Telco Services Sdn. Bhd. (“DTS”), PT Dagang Samudera Utama (“PT DSH”) and PT DNeX Telco Indonesia (“PT DTI”) (the Company, Dagang Net, DTS, PT DSH and PT DTI shall collectively be referred to as “the Group” or “the Plaintiffs”) vs Mohd Ismail Khan bin Wazir Khan, the former Chief Executive Officer of DTS (“the Defendant”): (continued)

The Judge on 19 July 2024 has decided as follows:

During the decision on 19 July 2024, the High Court has allowed the Plaintiffs’ claim and had granted the following reliefs:

1. A declaration that the Defendant had breached his fiduciary duty, trust, duty of care, skill and diligence, duty of fidelity and duty of trust and confidence towards the Plaintiffs, in regards to the ROV Acquisition;
2. A declaration that USD1,335,000 and/or all secret profits and/or other benefits obtained by the Defendant through the ROV Acquisition are held on constructive trust for the Plaintiffs;
3. An account of profits obtained by the Defendant for the sum of USD1,335,000 and/or all secret profits and/or other benefits procured through the ROV Acquisition;
4. Special damages in the sum of USD 1,250,000 and IDR23,764,196,250 to be paid by the Defendant to the Plaintiffs;
5. Pre-judgement interest on the sums adjudged by this Honourable Court at the rate of 5% per annum calculated from 15 November 2022 until the date of this judgment;
6. Post-judgement interest on the sums adjudged by this Honourable Court at the rate of 5% per annum calculated from the date of this judgement until its full realisation; and
7. Costs of RM150,000 to be paid by the Defendant to the Plaintiffs.

A Notice of Appeal has been filed by the Defendant on 22 July 2024 at the Court of Appeal.

The Court of Appeal has fixed a further Case Management on 2 July 2025 to update the Court on the status of the High Court’s grounds of judgement.

The Court has fixed another Case Management on 1 October 2025 to update the Court on the status of the Grounds of Judgment. The Defendant’s Solicitors also has informed that they are currently in the process of changing solicitors and obtaining fresh sanction from the Director General of Insolvency (DGI).



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

17 Material events subsequent to the current period (continued)

Significant events during the financial year are as follows: (continued)

- (a) Material litigation between Dagang NeXchange Berhad, DNeX Semiconductor Sdn. Bhd., Mimastronics Technologies Company Limited and Tethystronics Technologies Company Limited:

- i. Arbitration proceeding against Mimastronics Technologies Company Limited (“MIMAS”)

DNeX Semiconductor Sdn. Bhd. (“DNeX Semi”), a wholly-owned subsidiary of the Company, had on 17 November 2022 issued and served a Notice of Arbitration to commence arbitration proceedings against MIMAS under rules 5.3 and 22.4 of the Asian International Arbitration Centre Arbitration Rules, 2021. MIMAS is wholly owned by Tethystronics Technologies Company Limited (“TTCL”), a special purpose vehicle ultimately owned by Beijing Integrated Circuit Advanced Manufacturing and High-End Equipment Equity Investment Fund Center (Limited Partnership) (“CGP”), which also held 40% equity interest in Silterra Malaysia Sdn. Bhd. (“Silterra”). Silterra is a 60% owned subsidiary of DNeX Semi which in turn is a subsidiary of the Company.

DNeX and CGP had respectively acquired, through DNeX Semi and TTCL, 60% and 40% of the shareholding of Silterra from Khazanah Nasional Berhad (“Khazanah”) pursuant to a Share Sale and Purchase Agreement dated 31 March 2021 between DNeX, CGP and Khazanah (“SilTerra SSPA”).

DNeX Semi and TTCL aimed to continue with the operations of Silterra. This necessitated compliance with the conditions imposed on the manufacturing licence (“the Licence”) issued to Silterra pursuant to the Industrial Co-ordination Act 1975. Amongst other things, it was a condition that at least 55% of the shareholding of Silterra was to be owned by a Malaysian entity. A breach of this condition would trigger a possible revocation of the Licence.

In order to fulfil commitments made by DNeX Semi and TTCL under the SilTerra SSPA, it was necessary for DNeX Semi to raise a sum of RM120 million in Silterra for the purposes specified in Schedule 4(I) of the SilTerra SSPA.

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

17 Material events subsequent to the current period (continued)

Significant events during the financial year are as follows: (continued)

(b) Material litigation between Dagang NeXchange Berhad, DNeX Semiconductor Sdn. Bhd., Mimastronics Technologies Company Limited and Tethystronics Technologies Company Limited: (continued)

i. Arbitration proceeding against Mimastronics Technologies Company Limited ("MIMAS") (continued)

Various discussions were held between the parties to deliberate on the option of financial instruments to be used for purpose of raising the aforementioned funds. Of the options discussed, the parties had sought to opt for the possible issuance of Irredeemable Convertible Preference Shares ("ICPS") in DNeX Semi amounting to RM100 million to be issued to and subscribed by MIMAS ("Proposed Investment"). The Proposed Investment forms the subscription exercise that was the subject of the Subscription Agreement dated 21 January 2022 entered between DNeX Semi, MIMAS and DNeX ("SSA") by which MIMAS would become a 33.33% shareholder of DNeX Semi in return for a payment of RM100 million. The rights of the DNeX Semi and MIMAS as shareholders was to be regulated by the Shareholders Agreement dated 21 January 2022 entered between DNeX Semi, MIMAS and DNeX ("SHA").

The execution of the SSA and SHA was done in accordance with a protocol which stipulates that wet-ink versions of the signing pages were only required for the purposes of stamping. Nonetheless upon executing the two agreements, DNeX reached out to MIMAS to delay the stamping as DNeX will need to seek greater clarity on the matter from the relevant authorities in fear that it might potentially breach any regulatory conditions duly imposed by the Government of Malaysia.

Accordingly, DNeX and CGP had sought clarification with the Ministry of Investment, Trade and Industry ("MITI") in relation to the possible breach of any regulatory conditions pursuant to the Proposed Investment.

Vide MITI's letter dated 28 February 2022, DNeX and CGP learned that the prior approval of MITI was required in relation to the Proposed Investment. Despite the clarification letter from MITI, MIMAS purported to stamp the SSA and SHA, utilising scanned copies of the signing pages of the said agreements on which DNeX and DNeX Semi signed. This was despite the understanding of the parties that only wet ink copies would be stamped. At all material times, the original wet ink copies of the SSA and SHA are kept in trust by DNeX's solicitors and have not been released to CGP, MIMAS or its solicitors.

MIMAS took, and still takes, the position that such approval was not required and maintains that the SSA and the SHA are valid and enforceable. It is, further, MIMAS's position that these agreements should not be understood as being conditional upon such approval.

DNeX and DNeX Semi, however, consider such approval as necessary, more so in light of the terms and conditions of the SSA and the SHA which provide for MIMAS becoming a shareholder upon the issuance of the ICPS and not their conversion. If so, this puts the Licence, and thus the operations of Silterra, at risk. This is also after taking into account the MITI's letter dated 28 February 2022 which stipulates that the prior approval of MITI was required in relation to the Proposed Investment.

It is the position of DNeX and DNeX Semi that the SSA and the SHA are void by reason of Section 21, Contracts Act 1950 as the parties were under a mistake as to a matter of fact essential to the said agreements.

In view of the foregoing, DNeX and DNeX Semi demand that the dispute be referred to arbitration pursuant to the Arbitration Agreements in accordance with the Asian International Arbitration Centre Arbitration Rules, 2021.

DNeX and DNeX Semi will seek the necessary relief to have the SSA and SHA declared null and void.

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

17 Material events subsequent to the current period (continued)

Significant events during the financial year are as follows: (continued)

- (b) Material litigation between Dagang NeXchange Berhad, DNeX Semiconductor Sdn. Bhd., Mimastronics Technologies Company Limited and Tethystronics Technologies Company Limited: (continued)
- ii. Commencement of Originating Summons by TTCL against DNeX Semi and Silterra in relation to a shareholders' agreement dated 8 July 2021 entered between TTCL and DNeX Semi

The Company's subsidiaries namely, DNeX Semi and Silterra (collectively referred to as "the Group" or "the Defendants") were on 15 December 2022 served with an Originating Summons together with notice of Application (ex-parte) for injunctive relief against the Defendants. The cause papers were served at the registered office of the Defendants on 12 December 2022. As a result of inadvertent clerical error, the cause papers were not brought to the attention of the management of the Defendants. The notice of application sought among others, injunctive relief and remedies against the Defendants.

Commencement of Originating Summons by TTCL against DNeX Semi and Silterra in relation to a shareholders' agreement dated 8 July 2021 entered between TTCL and DNeX Semi (continued)

The notice of application was heard before the High Court on 14 December 2022. As a result of explanation given by the Defendants' counsel, the court granted an interim injunction pending hearing of the Plaintiff and Defendants on 22 February 2023.

A Consent Order ("Consent Order") was recorded on 9 January 2023 in the High Court of Kuala Lumpur in relation to the Originating Summons No. WA-24NCC(ARB)-55-12/2022 ("OS") on mutual agreement between TTCL, DNeX Semi and Silterra. Among others, the Consent Order provides that:

- 1) The Ad Interim Order dated 14 December 2022 ("Interim Injunction") was discharged;
- 2) The Board of Silterra shall not deliberate on matters in respect of the proceeding of the OS and impending arbitrations;
- 3) The Board of Silterra is entitled to convene subsequent meetings in respect of other matters related to Silterra, and that Silterra shall remain a nominal party in the OS proceedings;
- 4) TTCL and DNeX Semi shall ensure that their respective nominee directors of Silterra abide by the terms of the Consent Order and that such directors shall continue to act in the best interest of Silterra;
- 5) The composition of the Board of Silterra shall remain as at the composition prior to 21 November 2022; and
- 6) The Consent Order shall be effective and enforceable until the disposal of the OS. The Consent Order shall be discharged upon the disposal of the OS.

The Consent Order will not have any material financial impact other than legal cost to be incurred and no material operational impact is expected arising from the Consent Order. In contrary, the Consent Order will allow the Board of Silterra to operate their business as usual with a functional Board.



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

17 Material events subsequent to the current period (continued)

Significant events during the financial year are as follows: (continued)

(b) Material litigation between Dagang NeXchange Berhad, DNeX Semiconductor Sdn. Bhd., Mimastronics Technologies Company Limited and Tethystronics Technologies Company Limited (continued)

iii. Commencement of Arbitration by TTCL against DNeX Semi and Silterra

The Company had on 14 December 2022 received a Notice of Arbitration from TTCL (“the Claimant”) to commence arbitration proceedings against the Company’s subsidiaries namely, DNeX Semi (“1st Respondent”) and Silterra (“2nd Respondent”) (collectively referred to as “the Group” or “the Respondents”) under the Asian International Arbitration Centre Arbitration Rules, 2021 (“AIAC Rules”).

(a) Background

TTCL had entered into the Shareholders’ Agreement dated 8 July 2021 (“SHA”) with DNeX Semi. Silterra become party to the SHA pursuant to the Joinder Agreement TTCL (“JA”), the Company and Silterra dated 18 February 2022.

Disputes and differences have raised between TTCL, DNeX Semi and Silterra (collectively, “the Parties”) in relation to or arising out of the SHA (“the Disputes”). Disputes between TTCL, DNeX Semi and Silterra arise from the SHA, read with the JA and a further agreement as contained in a letter dated 8 July 2021 between DNeX Semi and the Company on the one part and TTCL, Beijing Integrated Circuit Advanced Manufacturing and High-End Equipment Equity Investment Fund Center (Limited Partnership) and Mimastronics Technologies Company Limited, on the other part (“Collateral Agreement”). The Collateral Agreement was entered into in connection with the SHA. In connection with the SHA, the Collateral Agreement was entered into for the purposes of, amongst other things, regulating the composition of Silterra’s Board.

In respect of the appointment of Directors of Silterra, it was agreed under Clause 4 of the SHA, read with the JA and the Collateral Agreement, that:

1. Unless otherwise unanimously agreed upon by TTCL, and DNeX Semi in writing, Silterra’s Board shall consist of not more than 5 Directors.
2. The composition of Silterra’s Board shall be mutually agreed upon TTCL and DNeX Semi in writing.
3. Silterra’s Board shall at all times comprise of 2 persons appointed by DNeX Semi and 3 persons appointed by TTCL, DNeX Semi and TTCL have the right to remove from Silterra’s Board the person that they have respectively appointed as Director.

However, the Company have been advised that the SHA is not binding in the Respondents for legal reasons that shall be made clear in the formal reply to be filled under the AIAC Rules.

Further, the Respondents have been advised that they have legal authority and basis to appoint additional directors. The 1st Respondent has passed the necessary Members’ Written Resolutions to appoint additional directors in accordance with the prevailing terms of the Constitution (“Appointment MWR”).



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

17 Material events subsequent to the current period (continued)

Significant events during the financial year are as follows: (continued)

(b) Material litigation between Dagang NeXchange Berhad, DNeX Semiconductor Sdn. Bhd., Mimastronics Technologies Company Limited and Tethystronics Technologies Company Limited (continued)

iii. Commencement of Arbitration by TTCL against DNeX Semi and Silterra (continued)

(b) Relief and Remedy sought by TTCL

Thus, TTCL demands that the Disputes be referred to arbitration pursuant to the AIAC Rules.

1. An order that DNeX Semi and Silterra (or any of them) take the necessary steps to comply with their obligations under the SHA.
2. A declaration that Appointment MWR is illegal, invalid, null, void and/or unenforceable ("Disputed Appointments").
3. A declaration that the Disputed Appointments are illegal, invalid, null, void and/or unenforceable.
4. An order that DNeX Semi and Silterra (or any of them) restore the composition of the board of directors of Silterra to the composition prior to the Appointment MWR, and that Silterra take steps to remove the Impugned Directors from Silterra's register of its directors, managers and secretaries.
5. A declaration that the Directors' Written Resolution ("DWR") on 21 November 2022 to rescind an earlier validly passed resolution of Silterra's Board dated 17 November 2022 and any DWR passed with the votes of Impugned Directors are illegal, invalid, null, void and/or unenforceable.
6. An order that DNeX Semi and Silterra (or any of them) take steps to rescind the Rescission DWR and any other DWR passed with the votes of the Impugned Directors.
7. An injunction against DNeX Semi and Silterra (or any of them), their servants and/or agents restraining them from acting upon or giving effect to Appointment MWR or any resolution for the appointment of Impugned Directors.
8. An injunction against DNeX Semi and Silterra (or any of them), their servants and/or agents restraining them from acting upon or giving effect to the Rescission DWR.
9. An injunction against DNeX Semi and Silterra (or any of them), their servants and/or agents restraining them from acting upon or giving effect to any DWR passed with the votes of the Impugned Directors or to take steps to propose or pass any DWR that is dependent on the votes of the Impugned Directors.
10. An injunction against DNeX Semi and Silterra (or any of them), their servants and/or agents restraining them from representing to anyone or holding out the Impugned Directors as the Directors of Silterra, or permitting the Impugned Directors as the Directors of Silterra, or permitting the Impugned Directors or any of them to hold themselves out as the Directors of Silterra.
11. An order for DNeX Semi to indemnify TTCL for all loss and damage suffered, the amount of which is to be assessed.
12. Damages to be assessed.
13. Interest.
14. Costs.
15. Such further orders deemed appropriate by the Tribunal.

The Company does not expect any material financial impact by reason of the relief and remedy sought by TTCL arising from the arbitration other than legal cost to be incurred. No material operational impact is expected arising from the arbitration.

None of the Directors and/or major shareholders of the Company and/or persons connected with them have any interests, direct or indirect, in the aforesaid arbitration proceedings.

AIAC had issued the final award on 24 January 2025 and the arbitrator awarded that TTCL, the minority shareholder of Silterra is entitled to appoint 3 members of the board of Directors of Silterra and that the Constitution of Silterra shall be amended accordingly.



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

17 Material events subsequent to the current period (continued)

Significant events during the financial year are as follows: (continued)

- (b) Material litigation between Dagang NeXchange Berhad, DNeX Semiconductor Sdn. Bhd., Mimastronics Technologies Company Limited and Tethystronics Technologies Company Limited (continued)
- iii. Commencement of Arbitration by TTCL against DNeX Semi and Silterra (continued)

Arbitration Costs as per Addendum to the Final Award dated 12 March 2025

The 1st Respondent (DNeX Semi) is ordered to bear the:

- (i) AIAC's Administrative Fees of USD88,865.60 (inclusive of Malaysian SST) and bank charges of USD150.00;
- (ii) Sole Arbitrator's fees and expenses which are fixed by the Director of AIAC as USD411,600 and USD3,617.88 respectively; and
- (iii) Reimburse the Claimant and the 2nd Respondent, no later than 7 calendar days from the date this Final Award is served on the 1st Respondent, such amounts as the Claimant and the 2nd Respondent have respectively paid in respect of the AIAC's Administrative Fees and bank charges and the Sole Arbitrator's fees and expenses, less any amount that they may receive by way of refund from the AIAC.

The 1st Respondent is ordered to pay no later than 7 calendar days from the date this Final Award is served on it:

- (i) Claimant's costs of legal representation of RM794,551.42 and expenses RM13,449.96;
- (ii) Cost of hearing room and transcription services of RM4,465.80 and SGD3,733.32 respectively;
- (iii) Claimant's witness expenses of HKD18,050.66; and
- (iv) the AIAC Registration Fee of USD795 paid by the Claimant to the AIAC.

Interest at 5% per annum will accrue on the above sums and shall run from the date they fall due (i.e. 7 calendar days from the date of the Final Award) to the date of full payment.

On 27 March 2025, the Company has filed for a set-aside and stay of the Award by way of an Originating Summons ("Set Aside OS") filed to the High Court of Malaya in Kuala Lumpur.

Subsequent to the Set Aside OS, TTCL has filed a separate Originating Summons seeking recognition and registration of the same Award at the High Court of Malaya in Kuala Lumpur.

The Hearing for both OS is scheduled for 23 September 2025.

The Group and the Company do not expect any material financial impact by reason of the commencement of the said arbitration proceedings other than legal cost to be incurred. Silterra remains a 60% owned subsidiary of DNeX Semi which in turn is a subsidiary of the Company. No material operational impact is expected arising from the arbitration other than disclosed above.



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

18 Detailed analysis of the performance for the current quarter and period-to-date

(a) Quarter ended 30 June 2025 compared with quarter ended 30 June 2024

	Current quarter 30/6/2025 RM'000	Preceding year corresponding quarter 30/6/2024 RM'000	Variance %
Revenue	262,709	298,110	-12%
- Semiconductor	155,306	156,218	-1%
- Energy	66,957	91,945	-27%
- Information Technology ("IT")	40,446	49,947	-19%

The Group reported 12% lower revenue of RM262.7 million for the current quarter ended 30 June 2025 against the corresponding quarter last year.

Semiconductor Segment

The Semiconductor segment recorded revenue of RM155.3 million in Q2 FY2025, a slight 1% decline from RM156.2 million in Q2 FY2024. The softer topline was mainly due to lower shipments of 46k units (Q2 FY2024: 60k units). However, this was largely offset by a sharp increase in average selling price to USD732 per wafer, up from USD494 per wafer a year earlier.

Emerging technologies also gained strong momentum, contributing 45% of the product mix in Q2 FY2025 compared to 20% in the prior year.

Energy Segment

The Energy segment posted revenue of RM66.9 million in Q2 FY2025, down 27% from RM91.9 million in Q2 FY2024. The decline was mainly due to lower crude oil prices and reduced lifting volumes. Average realised crude oil price fell 17% to USD69.7 per barrel (Q2 FY2024: USD84.3 per barrel), while lifting volumes dropped 28% to 136k barrels from 189k barrels, as early lifting was carried out ahead of planned maintenance. In contrast, production volume rose 14% to 180k barrels (Q2 FY2024: 158k barrels), with the excess production to be lifted in the following quarter.

Information Technology Segment

The Information Technology segment recorded revenue of RM40.4 million in Q2 FY2025, a 19% decline from RM49.9 million in Q2 FY2024, largely due to the completion of the Group's divestment of its Subsea Telco business in February 2025 (Q2 FY2024: RM6.2 million).

Excluding this contribution, IT revenue registered a marginal 8% decrease to RM40.4 million from RM43.8 million in the prior year, mainly impacted by the deferment of project milestones, which delayed revenue recognition during the quarter.



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

18 Detailed analysis of the performance for the current quarter and period-to-date (continued)

(a) Quarter ended 30 June 2025 compared with quarter ended 30 June 2024 (continued)

	Current quarter 30/6/2025 RM'000	Preceding year corresponding quarter 30/6/2024 RM'000	Variance %
Profit/(loss) before tax ("PBT/(L)")	8,983	(16,356)	>100%
- Semiconductor	(28,871)	(18,639)	-55%
- Energy	24,883	11,993	>100%
- IT	15,499	179	>100%
- Corporate	(2,528)	(9,889)	74%

The Group posted a PBT of RM9.0 million in Q2 FY2025, representing an improvement of RM25.4 million compared to a loss before tax (LBT) of RM16.4 million in the corresponding quarter last year.

The Information Technology segment delivered a strong rebound, recording PBT of RM15.5 million (Q2 FY2024: RM0.2 million). The improvement was mainly driven by unrealised foreign exchange gains and lower operating expenses arising from cost management initiatives.

The Energy segment contributed PBT of RM24.9 million, more than double the RM12.0 million reported in Q2 FY2024. This was supported by unrealised foreign exchange gains as well as lower finance costs, following the full settlement of secured bonds.

The Semiconductor segment, however, reported a wider LBT of RM28.9 million compared to RM18.7 million in Q2 FY2024. The weaker performance was primarily due to an unexpected power outage in Kulim Hi Tech Park on 27 May 2025, which disrupted operations. Normal operations have since resumed.



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

18 Detailed analysis of the performance for the current quarter and period-to-date (continued)

(b) Year-to-date ended 30 June 2025 compared with year-to-date ended 30 June 2024

	Year-To-Date Ended 30/6/2025 RM'000	Year-To-Date Ended 30/6/2024 RM'000	Variance %
Revenue	559,541	607,928	-8%
- Semiconductor	334,018	294,174	14%
- Energy	145,769	197,875	-26%
- Information Technology ("IT")	79,754	115,879	-31%

The Group reported 8% lower revenue of RM559.5 million for the period ended 30 June 2025 against the same period last year.

Semiconductor segment

The segment delivered 14% year-on-year revenue growth, driven by a 35% increase in blended ASP to USD649/wafer (FY2024: USD481/wafer). This reflects a higher Emerging Technology contribution, rising to 41% of product mix in FY2025 (FY2024: 20%). Topline growth was achieved despite a 6% decline in wafer shipments.

Energy segment

Revenue declined 26% year-on-year, mainly from lower lifting volumes and softer crude oil prices. Lifting volumes dropped 17% to 312k barrels (FY2024: 377k barrels), while average realised crude oil price fell 16% to USD72.3/barrel (FY2024: USD86.0/barrel), further weighing on topline performance.

Information Technology

The Information Technology segment posted revenue of RM79.8 million in FY2025, a 31% decline from RM115.9 million in FY2024. The lower revenue was largely attributable to the completion of the Group's divestment of its Subsea Telco business in February 2025, which had contributed RM33.7 million in the prior year.

Excluding the Subsea Telco contribution, core revenue registered a marginal 3% decrease to RM79.8 million from RM82.2 million in FY2024. The softer performance was mainly due to the deferment of key project milestones, which resulted in delayed revenue recognition.

	Year-To-Date Ended 30/6/2025 RM'000	Year-To-Date Ended 30/6/2024 RM'000	Variance %
Profit/(loss) before tax ("PBT/(L)")	32,690	(15,951)	>100%
- Semiconductor	(39,024)	(51,520)	24%
- Energy	50,284	40,383	25%
- IT	30,396	9,865	>100%
- Corporate	(8,966)	(14,679)	39%

The Group posted a PBT of RM32.7 million in the current quarter, representing a strong turnaround from a loss of RM15.9 million in the corresponding quarter of FY2024.

The Information Technology segment led the recovery with a PBT of RM30.4 million, significantly higher than RM9.9 million in the prior year. The improvement was underpinned by stronger project margins and enhanced operational efficiency.

The Energy segment delivered a solid PBT of RM50.3 million, up from RM40.4 million in FY2024. Performance was supported by unrealised foreign exchange gain, alongside a reduction in finance costs following the full settlement of secured bonds.

Meanwhile, the Semiconductor segment narrowed its LBT to RM39.0 million from RM51.5 million a year earlier, supported by stronger demand for emerging technology products.



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

19 Comparison between the current quarter and the immediate preceding quarter

Quarter ended 30 June 2025 compared with quarter ended 31 March 2025

	Current quarter 30/6/2025 RM'000	Immediate preceding quarter 31/3/2025 RM'000	Variance %
Revenue	262,709	296,832	-11%
- Semiconductor	155,306	178,712	-13%
- Energy	66,957	78,812	-15%
- Information Technology ("IT")	40,446	39,308	3%

The Group's revenue decreased by 11% to RM262.7 million in the quarter ending 30 June 2025 against immediate preceding quarter.

Semiconductor Segment

The Semiconductor segment recorded revenue of RM155.3 million in Q2 FY2025, down RM23.4 million from RM178.7 million in Q1 FY2025. The decline was mainly attributable to a 27% reduction in wafer shipment volumes to 46k units (Q1 FY2025: 63k units).

This impact was partially mitigated by a 24% increase in average selling price to USD732 per wafer, supported by sustained demand for higher-value products. Emerging technologies continued to make up a significant portion of the portfolio, contributing 45% of the overall product mix, consistent with the trend seen in the previous quarters.

Energy Segment

The Energy Division posted revenue of RM66.9 million in Q2 FY2025, down 15% from RM78.8 million in Q1 FY2025. The decline was primarily due to lower lifting volumes and softer crude oil prices.

Lifting volumes declined 22% to 136k barrels (Q1 FY2025: 175k barrels), representing 76% of net production, mainly due to early lifting for planned maintenance activities. In addition, the average realised crude oil price softened by 6% to USD69.7 per barrel (Q1 FY2025: USD74.3 per barrel). The weaker topline reflected the combined impact of lower lifting and moderating crude prices; however, the excess production is expected to be lifted in the following quarter.

Information Technology Segment

The Information Technology Division recorded revenue of RM40.4 million in Q2 FY2025, a 3% increase from RM39.3 million in the preceding quarter. The growth was supported by the recognition of key project milestone billings, with the National Single Window (NSW) remaining a major revenue contributor, accounting for about 74% of the trade facilitation business.



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

Quarterly Report On Consolidated Results For The Second Quarter Ended 30 June 2025

19 Comparison between the current quarter and the immediate preceding quarter (continued)

Quarter ended 30 June 2025 compared with quarter ended 31 March 2025 (continued)

	Current quarter 30/6/2025 RM'000	Immediate preceding quarter 31/3/2025 RM'000	Variance %
Profit/(Loss) before tax	8,983	23,707	-62%
- Semiconductor	(28,871)	(10,153)	->100%
- Energy	24,883	25,401	-2%
- IT	15,499	14,897	4%
- Corporate	(2,528)	(6,438)	61%

The Group reported a lower profit before tax of RM9.0 million in Q2 FY2025, a decline of RM14.7 million from Q1 FY2025. The weaker performance was mainly attributed to the Semiconductor segment, which was adversely affected by operational disruptions following power outage in Kulim Hi-Tech Park during the quarter; normal operations have since resumed.

The Energy segment, however, benefited from foreign exchange gains arising from the depreciation of the USD against GBP, along with prudent cost management that helped cushion the impact of a softer topline. The Information Technology segment also remained resilient, with results broadly in line with revenue trends and supported by continued cost discipline.



DAGANG NEXCHANGE BERHAD
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20 **Prospects for 2025**

Semiconductor

In April 2025, the International Monetary Fund projected global GDP growth to moderate to 2.8% in 2025 and 3.0% in 2026. This slowdown is largely attributed to persistent trade tensions, which continue to dampen investor sentiment and international trade flows.

Against this complex macroeconomic backdrop, the semiconductor industry is experiencing selective growth, fuelled by the rapid adoption of generative AI across multiple sectors. Demand for our Emerging Technologies is reflected in higher wafer average selling prices, supported by continued demand and momentum in AI, cloud computing, smart devices, biomedical instrumentation, electric vehicles, and renewable energy systems.

Ongoing U.S. tariff negotiations are reshaping global supply chains and may affect cost structures and margins across the semiconductor sector. In this environment of heightened uncertainty, our Group remains cautiously optimistic for the remainder of FY2025 and into FY2026, underpinned by expectations that tariff pressures will gradually ease.

Looking ahead, our strategic priorities are focused on enhancing production capacity, sustaining high utilisation rates, and driving operational efficiency to support long-term profitability. At the same time, the Group is actively pursuing strategic partnerships to capture opportunities arising from supply chain realignments and to navigate the evolving trade and geopolitical landscape.

Energy

Crude oil prices are expected to remain subdued in the near to medium term, shaped by global economic conditions, geopolitical developments and supply-demand dynamics. Against this backdrop, the Group remains confident in our energy business prospects, balancing growth opportunities with prudent risk management.

In the United Kingdom, Ping Petroleum's strategy remains focused on maximising value from its producing North Sea asset, the Anasuria Cluster, through disciplined asset management, while assessing development options for its secured greenfield assets.

In Malaysia, Ping Petroleum is progressing towards first oil through the reactivation of the brownfield Abu Cluster, while continuing the evaluation of field development opportunities at the Beta and Meranti Clusters.

Our downstream subsidiary, OGPC, continues to play a vital role in supporting Malaysia's energy value chain by delivering integrated solutions to clients across the oil and gas, petrochemical and retail downstream segments.

Looking ahead, our strategic priorities remain focused on operational efficiency, cost discipline, and portfolio optimisation to ensure resilience amid oil price fluctuations. By leveraging synergies between our upstream and downstream businesses, we are building a more integrated and agile energy platform, positioning the Group to capture opportunities and drive sustainable value creation across the full energy value chain.

Information Technology

DNeX IT's goal is to play a pivotal role in Malaysia's digital transformation by delivering high-impact solutions across key sectors of the economy. The recent five-year extension of our iGFMAS contract underscores the Government's continued confidence in our technical expertise, proven track record, and strategic role in advancing national digital initiatives.

While government-led projects remain a cornerstone of our business, we are actively expanding into the private sector to accelerate broader digital transformation. Through strategic partnerships, most notably with Google Cloud – we are positioning DNeX IT as a leading provider of AI-enabled, sovereign cloud infrastructure.

This enhances our ability to serve high-value clients in highly regulated sectors such as government, financial services, and national security. Collectively, these developments mark a significant evolution of our digital business segment into a comprehensive, cloud-enabled, AI-driven solutions provider, with a focused strategy aimed at capturing opportunities in high-growth, high-trust industries.



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21 Variance for actual and forecast profit

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

22 Earnings per share

Basic earnings per share	INDIVIDUAL QUARTER		YEAR-TO-DATE	
	Current year quarter 30/6/2025 '000	Preceding year corresponding quarter 30/6/2024 '000	Six months to 30/6/2025 '000	Six months to 30/6/2024 '000
Profit/(Loss) attributable to the Owners of the Company (RM)	19,941	4,992	(59,094)	19,453
Number of ordinary shares at beginning of the period	3,471,964	3,156,331	3,471,964	3,156,331
Effect of new ordinary shares issued	-	115,946	-	57,972
Weighted average number of ordinary shares	3,471,964	3,272,277	3,471,964	3,214,303
Basic earnings per share (sen)	0.57	0.15	(1.70)	0.61

Diluted earnings per share

Diluted earnings per share	INDIVIDUAL QUARTER		YEAR-TO-DATE	
	Current year quarter 30/6/2025 '000	Preceding year corresponding quarter 30/6/2024 '000	Six months to 30/6/2025 '000	Six months to 30/6/2024 '000
Profit/(Loss) attributable to the Owners of the Company	19,941	4,992	(59,094)	19,453
Weighted average number of ordinary shares as per basic earnings per share	3,471,964	3,272,277	3,471,964	3,214,303
Effect of potential exercise of ESOS*	-	-	-	-
Weighted average number of ordinary shares	3,471,964	3,272,277	3,471,964	3,214,303
Diluted earnings per share (sen)	0.57	0.15	(1.70)	0.61

* The potential conversion of ESOS are anti-dilutive as their exercise prices are higher than the average market price of the Company's ordinary shares during the current financial year. Accordingly, the exercise of ESOS has been ignored in the calculation of diluted loss per ordinary share.

23 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
28 August 2025

By Order of the Board
CHIN WAI YI (MAICSA 7069783)
Company Secretary