

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 JUNE 2023**

The Board of Directors of XOX Technology Berhad is pleased to announce the following unaudited consolidated financial statements for the quarter ended 30 June 2023 which should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 March 2023 (“**FYE 2023**”) and the accompanying explanatory notes attached to the unaudited consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter Ended		Year Ended	
		30.06.2023	30.06.2022	30.06.2023	30.06.2022
		RM'000	RM'000	RM'000	RM'000
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
Revenue	A8	33,262	16,380	33,262	16,380
Cost of sales		(25,040)	(11,808)	(25,040)	(11,808)
Gross profit		8,222	4,572	8,222	4,572
Other income		158	421	158	421
Administrative and other expenses		(1,822)	(3,031)	(1,822)	(3,031)
Selling and distribution expenses		(11)	(3)	(11)	(3)
Profit from operations		6,547	1,959	6,547	1,959
Finance costs		(14)	(29)	(14)	(29)
Profit before tax	B14	6,533	1,930	6,533	1,930
Tax expenses	B7	(3,099)	(507)	(3,099)	(507)
Profit for the financial year		3,434	1,423	3,434	1,423
Other comprehensive loss:-					
Item that will be subsequently to profit or loss					
Foreign currency translation differences		(1,926)	(1,826)	(1,926)	(1,826)
Other comprehensive loss for the financial year		(1,926)	(1,826)	(1,926)	(1,826)
Total comprehensive profit/(loss) for the financial year		1,508	(403)	1,508	(403)
Profit/(Loss) for the financial year attributable to:					
- Owners of the Company		1,986	288	1,986	288
- Non-controlling interests		1,448	1,135	1,448	1,135
		3,434	1,423	3,434	1,423
Total comprehensive profit/(loss) attributable to:					
- Owners of the Company		(376)	(1,350)	(376)	(1,350)
- Non-controlling interests		1,884	947	1,884	947
		1,508	(403)	1,508	(403)
Profit per share attributable to the owner of the company					
Basic/Diluted (sen)	B13	0.22	0.03	0.22	0.03

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As At 30.06.2023 RM'000 (unaudited)	As At 31.03.2023 RM'000 (audited)
ASSETS			
Non-current assets			
Property, plant & equipment		2,265	2,156
Intangible assets		144	156
Right-of-use assets		493	398
Trade and other receivables		11	-
Deferred tax assets		252	241
		<u>3,165</u>	<u>2,951</u>
Current assets			
Trade and other receivables		50,666	35,122
Tax recoverable		6,833	6,403
Deposit with licensed bank, cash and bank balance		6,722	7,013
		<u>64,221</u>	<u>48,538</u>
TOTAL ASSETS		<u>67,386</u>	<u>51,489</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital		17,054	17,054
Treasury shares		(566)	(566)
Other reserves		(17,598)	(15,235)
Accumulated profits/(losses)		16,201	13,877
		<u>15,091</u>	<u>15,130</u>
Non-controlling interest		9,891	8,345
Total equity		<u>24,982</u>	<u>23,475</u>
LIABILITIES			
Non-current liabilities			
Lease liabilities		170	197
Provision for retirement benefit obligation		15	14
		<u>185</u>	<u>211</u>
Current liabilities			
Trade and other payables		42,067	27,676
Amount owing to Director		*	*
Lease liabilities		152	128
		<u>42,219</u>	<u>27,804</u>
Total liabilities		<u>42,404</u>	<u>28,015</u>
TOTAL EQUITY AND LIABILITIES		<u>67,386</u>	<u>51,490</u>
Net asset per share attributable to ordinary equity holders of the parent (sen)		<u>2.80</u>	<u>2.63</u>

*Less than RM1,000

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Non-distributable →			Distributable		Non-controlling interest RM'000	Total RM'000
	Share capital RM'000	Treasury shares RM'000	Other reserves RM'000	Accumulated profits/(losses) RM'000	Total RM'000		
As at 1 April 2023	17,054	(566)	(15,235)	13,877	15,130	8,344	23,474
Net profit for the financial year	-	-	-	1,986	1,986	1,448	3,434
Other comprehensive (loss)/profit for the financial year	-	-	(2,363)	338	(2,025)	99	(1,926)
Total comprehensive (loss)/profit for the financial year	-	-	(2,363)	2,324	(39)	1,547	1,508
As at 30 June 2023	17,054	(566)	(17,598)	16,201	15,091	9,891	24,982
As at 1 April 2022	82,054	(566)	(9,127)	(51,036)	21,325	9,584	30,909
Net (loss)/profit for the financial year	-	-	-	(87)	(87)	2,704	2,617
Other comprehensive loss for the financial year	-	-	(6,108)	-	(6,108)	(3,152)	(9,260)
Total comprehensive loss for the financial year	-	-	(6,108)	(87)	(6,195)	(448)	(6,643)
Transaction with owners:							
- Share capital reduction	(65,000)	-	-	65,000	-	-	-
Dividend on non-controlling interests	-	-	-	-	-	(792)	(792)
Total transactions with owners	(65,000)	-	-	65,000	-	(792)	(792)
As at 31 March 2023	17,054	(566)	(15,235)	13,877	15,130	8,344	23,474

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Year Ended	
	30.06.2022 RM'000 (unaudited)	31.03.2023 RM'000 (audited)
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	6,533	6,420
Adjustment for:-		
Amortisation of intangible assets	19	190
Amortisation of right-of-use asset	60	397
Depreciation of property, plant and equipment	94	1,159
Gain on disposal of property, plant and equipment	-	(62)
Gain on disposal of right-of-use assets	-	(7)
Gain on disposal of subsidiary companies	-	(629)
Interest expense	14	76
Interest income	(105)	(7)
Inventories written off	-	542
Impairment losses on property, plant and equipment	-	2,280
Impairment losses on intangible assets	-	234
Impairment losses on trade receivables	-	3,519
Impairment losses on other receivables	-	236
Provision for retirement benefit obligation	-	3
Property, plant and equipment written off	-	25
Operating profit before working capital changes	<u>6,615</u>	<u>14,376</u>
Changes in working capital:-		
Inventories	-	55
Receivables	(15,555)	(12,022)
Payables	14,393	1,982
Amount owing to director	3	-
Cash generated from operations	<u>5,456</u>	<u>4,391</u>
Tax paid	<u>(3,529)</u>	<u>(6,093)</u>
Net cash generated from/(used in) operating activities	<u>1,927</u>	<u>(1,702)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	105	7
Acquisition of:		
- Property, plant and equipment	(148)	(1,663)
- Right of use assets	(140)	-
Net cash outflows from disposal of subsidiary companies	-	(54)
Proceed on disposal of property, plant and equipment	-	87
Proceed on disposal of right-of-use assets	-	240
Net cash used in investing activities	<u>(183)</u>	<u>(1,383)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(14)	(76)
Dividend paid by subsidiaries to non-controlling interests	-	(792)
Repayment of bank borrowing	-	(71)
Repayment of lease liabilities	(3)	(525)
Net cash used in financing activities	<u>(17)</u>	<u>(1,464)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,727	(4,549)
Effects of changes in foreign exchange rate	(2,018)	(8,804)
Cash and cash equivalents at the beginning of the year	<u>7,013</u>	<u>20,366</u>
Cash and cash equivalents at the end of the year	<u>6,722</u>	<u>7,013</u>
Cash and cash equivalents at the end of the financial year comprise the following:		
Deposit with licensed bank, cash and bank balance	<u>6,722</u>	<u>7,013</u>

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The condensed consolidated financial statements have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 – Interim Financial Reporting, the International Accounting Standard (“IAS”) 34 - Interim Financial Reporting and rule 9.22 and Appendix 9B of the ACE Market Listing Requirements (“AMLR”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

The Condensed Report should be read in conjunction with the audited financial statements for the FYE 2023 and the accompanying explanatory notes attached to this Condensed Report.

These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since FYE 2023.

The accounting policies and methods of computation used in the interim financial statements are consistent with those adopted in the audited financial statements of the Group for the FYE 2023 except for the adoption of the following new MFRSs and amendments to MFRSs and new IC Interpretation (“IC Int”) which are effective for the financial year beginning 1 January 2023:

MFRS 17	<i>Insurance Contracts</i>
Amendments to MFRS 17	<i>Insurance Contracts</i>
Amendments to MFRS 17, Initial Application of MFRS 17 and MFRS 9	<i>Comparative Information (Amendment to MFRS 17)</i>
Amendment to MFRS 101	<i>Presentation of Financial Statements - Classification of liabilities as current or non-current</i>
Amendment to MFRS 108	<i>Definition of Accounting Estimates</i>
Amendment to MFRS 112	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>

The adoption of the above MFRS, amendments/improvements to MFRSs and IC Int did not have any material financial impact to the Group.

The standards and interpretations that are issued but not yet effective up to the date of issuance of these condensed consolidated interim financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2024

Amendments to MFRS 16	<i>Leases – Lease Liability in a sale and leaseback</i>
Amendments to MFRS 101	<i>Non-Current Liabilities with Covenants</i>

MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

Amendments to MFRS 10 and MFRS 128	<i>Consolidated Financial Statements and Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>
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**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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A2. Auditors' Report on the Preceding Annual Financial Statements

There were no audit qualifications in relation to the audited consolidated financial statements of the Group for the FYE 2023.

A3. Seasonal or Cyclical Factors of Interim Operations

The results of the Group were not materially affected by any significant seasonal or cyclical factors during the current financial quarter under review and the financial year-to-date.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flow of the Group during the current financial quarter under review and the financial year-to-date.

A5. Material Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial period, which may have a material effect in the current financial quarter under review and the financial year-to-date.

A6. Issues, Repurchases, and Repayments of Debt and Equity Securities

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities, share buy backs, share cancellation, shares held as treasury share and resale of treasury shares for the current financial quarter under review and the financial year-to-date.

A7. Dividends Paid

There were no dividends declared and paid for the current financial quarter under review and the financial year-to-date.

A8. Segmental Information

Segmental information is presented in respect of the Group's geographical segments.

Geographical segments

The business segment is managed in few principal locations namely Malaysia, Pakistan, Dubai and other countries. In presenting information on the basis of geographical segments. Segmental revenue is presented based on the geographical location of customers.

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A8. Segmental Information (Cont'd)

Geographical segments (Cont'd)

The geographical segmental information on the Group is as follows:-

3 months ended	Malaysia	Pakistan	Dubai	Other	Eliminations/	Group
30 June 2023	RM'000	RM'000	RM'000	Countries	Adjustments	RM'000
				RM'000	RM'000	RM'000
External revenue	3,818	29,281	285	37	-	33,421
Segment results	(784)	6,712	37	(165)	747	6,547
Interest income/(expense)	-	(8)	(6)	-	-	(14)
(Loss)/profit before taxation	(784)	6,704	31	(165)	747	6,533
Segment assets	8,097	51,834	5,467	8,419	(6,432)	67,385
Segment liabilities	8,490	33,456	2,438	51,373	(53,353)	42,404

3 months ended	Malaysia	Pakistan	Dubai	Other	Eliminations/	Group
30 June 2022	RM'000	RM'000	RM'000	Countries	Adjustments	RM'000
				RM'000	RM'000	RM'000
External revenue	3,266	12,295	1,102	1,408	(1,270)	16,801
Segment results	17	1,706	4	155	33	1,915
Interest income/(expenses)	(13)	(12)	(4)	-	-	(29)
Profit before taxation	4	1,694	-	155	33	1,886
Segments assets	13,203	37,173	6,216	19,539	(19,493)	56,638
Segment liabilities	33,146	16,300	3,491	51,812	(79,616)	25,133

A9. Valuation of Property, Plant and Equipment

The Group did not revalue any of its property, plant and equipment during the current financial quarter under review and the financial year-to-date.

A10. Events after the End of the Quarter

There were no material events took place between the current quarter to the seventh day before the date of issuing this report except for:

- i. On 21st August 2023, SMS Messaging Sdn. Bhd., a wholly-owned subsidiary of XOX Technology Berhad was incorporated with an initial issued and paid-up share capital of RM1,000.00 comprising 1,000 ordinary shares of RM1.00 each.

A11. Changes in Composition of the Group

There were no changes in the composition of the Group during the current financial quarter under review and the financial year-to-date, other than as disclosed in Note A10.

A12. Contingent Assets or Changes on Contingent Liabilities

There were no contingent assets or contingent liabilities as at 30 June 2023.

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A13. Related Party Transaction

The related party transactions between the Group and the related party were as follows:

	Current Quarter Ended 30.06.2023 RM'000	Cumulative Year Ended 30.06.2023 RM'000
Sales to related parties	96	96
Purchase from a related party	54	54

A14. Cash and cash equivalents

Total cash and cash equivalents were as follows:

	As at 30.06.2023 RM'000 (unaudited)	As at 31.03.2023 RM'000 (audited)
	6,722	7,013

A15. Fair Value Measurement

The financial assets maturing within the next 12 months reasonably approximate their fair values due to the relatively short-term maturity of the financial instruments.

Fair value hierarchy

The table below analyses financial instrument carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

	As at 30.06.2023 RM'000 (unaudited)	As at 31.03.2023 RM'000 (audited)
Group		
<u>Level 2</u>		
Lease liabilities	322	325
	322	325

The Group does not have any financial liabilities carried at fair value nor any financial instruments classified as Level 1 and Level 3 as at 30 June 2023.

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**EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA
SECURITIES FOR THE ACE MARKET**

B1. Review of Performance

Statement of Profit & Loss and Other Comprehensive Income

	Quarter Ended			Cumulative Quarter Ended		
	30.06.2023 RM'000 (unaudited)	30.06.2022 RM'000 (unaudited)	Changes (%)	30.06.2023 RM'000 (unaudited)	30.06.2022 RM'000 (unaudited)	Changes (%)
Group Result						
Mobile Solutions Services						
Revenue	33,053	16,213	>100%	33,053	16,213	>100%
Profit before tax	8,267	2,792	>100%	8,267	2,792	>100%
Cloud Service Solutions						
Revenue	209	169	24%	209	169	24%
Loss before tax	(45)	(894)	(95%)	(45)	(894)	(95%)
Adjustment/Elimination						
Revenue	-	(2)	(100%)	-	(2)	(100%)
Profit before tax	747	33	>100%	747	33	>100%
Total						
Revenue	33,262	16,380	>100%	33,262	16,380	>100%
Gross profit	8,222	4,573	80%	8,222	4,573	80%
Profit before tax	6,533	1,930	>100%	6,533	1,930	>100%
Profit after tax	3,434	1,423	>100%	3,434	1,423	>100%

The Group registered revenue of RM33.3 million in this quarter ended 30 June 2023 mainly contributed by mobile solution services segment amounted to RM33.3 million. The revenue was mainly contributed from Pakistan's operation which were total RM29.2 million or approximately 87.5% of total revenue. The Cloud Service Solutions segment contributed RM0.2 million of revenue in this quarter.

The Group recorded profit before tax of RM6.5 million for this quarter ended 30 June 2023. The profit was mainly generated by Pakistan and Dubai.

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B2. Material Changes in Financial Performance for the Quarter Compared with Immediate Preceding Quarter

Group Result	Quarter Ended		Changes	
	30.06.2023 RM'000 (unaudited)	31.03.2023 RM'000 (unaudited)	RM'000	(%)
Mobile Solutions and Trading				
Revenue	33,053	21,447	11,606	(54%)
Profit/(Loss) before tax	8,267	(12,059)	20,326	>100%
Cloud Service Solutions				
Revenue	209	3,166	(2,957)	93%
(Loss)/Profit before tax	(45)	(1,265)	1,220	96%
Elimination				
Revenue	-	(1,196)	1,196	(100%)
Profit/(Loss) before tax	747	38,149	(37,402)	(98%)
Total				
Revenue	33,262	23,418	9,844	(42%)
Gross profit	8,222	7,140	1,082	(15%)
Profit/(Loss) before tax	6,533	(824)	7,357	>100%
Profit/(Loss) after tax	3,434	(2,751)	6,185	>100%

The Group recorded an increase in revenue by RM9.8 million to RM33.3 million in current financial quarter compared to preceding quarter of RM23.4 million.

The Group recorded a profit before tax of RM6.5 million in current financial quarter compared to preceding quarter at loss of RM0.8 million and profit after tax of RM3.4 million in current financial quarter compared to preceding quarter at loss of RM2.8 million.

B3. Commentary on Prospects

The Group's key financial driver remains to be the mobile solutions and trading segment for the foreseeable future. However, the demand for SMS services for marketing and notification is expected to decrease in the banking industries as banking and financial institutions are slowly shifting to e-notifications. Other businesses such as retail stores, travel, transportation and hotel etc. are still using SMS services to update their customers or users on the order status and updates.

Besides, the Group has seen an increase in enquiries for its i3Display, a high-definition touch screen terminal that operates on a customised application and functions as a highly versatile interactive marketing tool. The Group continuous innovation on the i3Display to transform the system with add-on features to cater customers or users' needs.

Further, the Group also received enquiries on software developing or customising from related parties as well as third parties, which help to expand the Group's revenue segment and diversify the business risks by reducing dependence on existing business segment in the Group.

B4. Variation on Revenue or Profit Estimate, Forecast, Projection or Internal Targets

Not applicable.

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B5. Variance of Actual Profit After Tax and Minority Interest and the Forecast Profit after Tax and Minority Interest

Not applicable.

B6. Shortfall in the Profit Guarantee

Not applicable.

B7. Taxation

	Current Quarter Ended 30.06.2023 RM'000	Cumulative Period Ended 30.06.2023 RM'000
-Malaysia tax	-	-
-Foreign tax	3,099	3,099
Tax expense	<u>3,099</u>	<u>3,099</u>

Foreign income tax is calculated at the statutory tax rate of 29% of the estimated assessable profit and additional 10% of Super Tax for the current and the statutory tax rate of 29% of the actual profit for previous corresponding periods for subsidiary company in Pakistan and in previous financial year, the authority also enhanced the tax of "Super Tax on High Earning Persons U/S 4C of Income Tax Ordinance, 2001 and accordingly the tax rate for persons having taxable income of more than Rupees 500 million is revised to 10% from 4% retrospectively for the tax year 2023 and onwards.

B8. Status of Corporate Proposals

There was no corporate proposal announced as at the date of this report.

B9. Borrowings and Debts Securities

The Group did not issue any debt securities or long term borrowings during the current financial quarter. The Group's borrowings which are denominated in Ringgit Malaysia as at 30 June 2023 are as follows:

	As at 30.06.2023 RM'000 (unaudited)	As at 31.03.2023 RM'000 (audited)
Secured Current		
Lease liabilities	152	127
	<u>152</u>	<u>127</u>
Secured Non-current		
Lease liabilities	170	197
	<u>170</u>	<u>197</u>

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B10. Material Litigation

There were no pending litigation as at the date of this report except for:

(a) In previous years, a subsidiary, M3 Tech Pakistan has purchased copyrights of songs albums from Mr. Asif Heera (“the Defendant”), the owner of Heera Studio. In prior years, M/S S.M Sadiq (“the Plaintiff”) has filed a suit against the Defendant for permanent injunction against the infringement of copyrights and passing off the goods/services by the Defendants as for the goods of the Plaintiff and accordingly has made M3 Tech Pakistan as pro-forma defendant. The honourable court of presiding officer, Intellectual Property Tribunal, Lahore, Pakistan has granted stay to the Plaintiff. However, the Defendant has represented to M3 Tech Pakistan that it has all the legal documents regarding purchase of content from the Plaintiff and are of the view that the suit will be decided in the favour of the Defendant.

(b) On 4 September 2019, the Company filed a civil claim in the Shah Alam Sessions Court against a former employee of the Group to recover a sum of RM705,568.69 pertaining to suspected fraud payments made to certain suppliers of the Company in the previous years. On 21 December 2022, the Sessions Court had dismissed the Company’s claim against the Defendant with costs of RM35,000.00.

On 3 January 2023, the Company filed an appeal against the Shah Alam Sessions Court’s decision in the Shah Alam High Court. On 28 July 2023, the appeal is fixed dismissed with costs of RM10,000.00.

(c) On 18 May 2021, Lim Seng Boon and Voon Sze Lin (“Plaintiffs”) filed an originating summons (“OS”) in the Kuala Lumpur High Court against the Company to restrain the Company from undertaking an Employee Share Option Scheme and other corporate exercises which have the effect of diluting the shareholdings that the Plaintiffs allegedly had. On 12 April 2023, the appeal was dismissed with costs of RM 15,000.00. On 2 June 2022, the Plaintiffs filed an appeal to the Court of Appeal after the High Court dismissed their OS on 6 May 2022. A case management is fixed on 26.9.2023 by way of e-Review and hearing on 11.10.2023 by way of Zoom.

(d) On 16 July 2021, the Company and its wholly owned subsidiary, M3 Online Sdn. Bhd. (collectively referred to as “Plaintiffs”) filed a civil suit in the Kuala Lumpur High Court against certain former directors and former employees, certain current employees and a private limited liability company (collectively referred to as “Defendants”) for, inter alia, misuse of the Plaintiffs’ software products, copyright infringement, breach of confidence, breach of fiduciary duties, conspiracy and unlawful interference with trade.

On 19 August 2021, the Plaintiffs obtained an Anton Piller Injunction against certain Defendants in Enclosure 4 (“APO”) for, inter alia, Plaintiffs’ solicitors, supervising solicitors and forensic representative to enter the premises of certain Defendants to search, receive, analyse, copy, image and/or take into custody items as listed in Schedule 2 of the APO.

On 20 January 2022, the Defendants had filed applications to set aside the APO but was subsequently dismissed by the High Court. APO (inter-parties) was sustained on the same day. The Defendants appealed against both decisions.

On 4 April 2022, the Plaintiffs’ application for further direction/consequential order on protocol to deal with seized evidence from the APO was allowed by the High Court. The Defendants appealed against the High Court’s decision.

On 10.7.2023, the High Court had granted a stay of proceedings in the main suit and counterclaim pending the disposal of leave application under Federal Court Civil Application No. 08(f)-165-05/2023 (paragraph b above) (“FC Leave Application”), vacated the trial dates pending the FC Leave Application and fixed a case management on 30.10.2023 to update the court on the status of the FC Leave Application.

On 14.7.2023, the Court of Appeal gave the following orders:

- (i) allowed Appeal 296, Appeal 297, Appeal 346 and Appeal 347 to the extent damages to be assessed by the High Court, and costs of RM20,000.00 to be paid to each Appellant; and

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B11. Material Litigation (Cont'd)

(ii) Appeal 664 and Appeal 836 have been rendered academic and hence struck out by the Court of Appeal.

B12. Dividends

No dividend was declared and paid during the current financial quarter.

B13. Profits per share

(a) The basic earnings per share is computed by dividing the Group's net loss attributable to members of the Group with the weighted average number of ordinary shares in issue as follows:

	Current Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Profits attributable to ordinary shareholders of the Company (RM'000)	1,986	252	1,986	252
Weighted average number of ordinary shares in issue	893,626	893,626	893,626	893,626
Basic & diluted profits per share (sen)	0.22	0.03	0.22	0.03

(b) Diluted

The Group has no dilution in its loss per ordinary shares as the exercise price of the outstanding warrants has exceeded the average market price of ordinary shares during the period, the warrants do not have any dilutive effect on the weighted average number of ordinary shares.

B14. Note to the Statements of Profit or Loss and Other Comprehensive Income

Profit/(Loss) before tax has been determined after (crediting)/charging, amongst others, the followings items:-

	Current quarter 3 months ended		Cumulative quarter 3 months ended	
	30.06.2023 Unaudited RM'000	30.06.2022 Unaudited RM'000	30.06.2023 Unaudited RM'000	30.06.2022 Unaudited RM'000
Loss before taxation				
Included in the Profit before tax are the following items:				
Amortisation of intangible assets	19	228	19	228
Depreciation of right-of-use assets	60	115	60	115
Depreciation of plant and equipment	102	361	102	361
<u>(Gain)/loss on foreign exchange translation</u>				
- Realised	(15)	(5)	(15)	(5)
- Unrealised	(779)	(1,215)	(779)	(1,215)
<u>Interest expense/(income)</u>				
- Interest expense	14	31	14	31
- Interest income	(105)	(1)	(105)	(1)

Save for the above, the other items as required under Chapter 9 Appendix 9B (16) of the AMLR of Bursa Securities are not applicable.

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 JUNE 2023**

B15. Authorisation for Issue

The interim financial statements are authorised for issue by the Board of Directors in accordance with a resolution of the directors.