

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

The Board of Directors of XOX Technology Berhad is pleased to announce the following unaudited consolidated financial statements for the quarter ended 30 September 2024.

The Company changed its financial year end from 31 March to 30 June in the previous financial period. Consequently, the comparative figures stated in the Statement of Changes in Equity, Statement of Cash Flows, and the related notes are based on the audited financial statements for the 15-month period ended 30 June 2024 and are therefore not comparable. For the current financial year, the next audited financial statements of the Company will cover a period of 12 months ending 30 June 2025.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter Ended 30.09.2024 RM'000 (unaudited)	30.09.2023 RM'000 (unaudited)	Period Ended 30.09.2024 RM'000 (unaudited)	30.09.2023 RM'000 (unaudited)
<b><u>Continue operations</u></b>					
Revenue	A8	46,221	N/A	46,221	N/A
Cost of sales		(34,466)	N/A	(34,466)	N/A
<b>Gross profit</b>		<u>11,755</u>	<u>N/A</u>	<u>11,755</u>	<u>N/A</u>
Other income		1,149	N/A	1,149	N/A
Administrative and other expenses		(3,449)	N/A	(3,449)	N/A
Selling and distribution expenses		(96)	N/A	(96)	N/A
<b>Profit from operations</b>		<u>9,359</u>	<u>N/A</u>	<u>9,359</u>	<u>N/A</u>
Finance costs		(19)	N/A	(19)	N/A
<b>Profit before tax</b>	B14	<u>9,340</u>	<u>N/A</u>	<u>9,340</u>	<u>N/A</u>
Tax expenses	B7	(4,008)	N/A	(4,008)	N/A
<b>Profit from continuing operations</b>		<u>5,332</u>	<u>N/A</u>	<u>5,332</u>	<u>N/A</u>
<b><u>Discontinue operations</u></b>					
Loss from discontinued operations, net of tax		(22)	N/A	(22)	N/A
<b>Net profit for the financial period</b>		<u>5,310</u>	<u>N/A</u>	<u>5,310</u>	<u>N/A</u>
<b>Other comprehensive loss:-</b>					
<b>Item that will be subsequently to profit or loss</b>					
Foreign currency translation differences					
- from continuing operations		(7,098)	N/A	(7,098)	N/A
- from discontinued operations		189	N/A	189	N/A
		<u>(6,909)</u>	<u>N/A</u>	<u>(6,909)</u>	<u>N/A</u>
<b>Total comprehensive loss for the financial period</b>		<u>(1,599)</u>	<u>N/A</u>	<u>(1,599)</u>	<u>N/A</u>

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE  
INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2024 (CONT'D)**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter Ended		Period Ended	
		30.09.2024	30.09.2023	30.09.2024	30.09.2023
		RM'000	RM'000	RM'000	RM'000
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
<b>Net profit for the financial period attributable to:</b>					
Owners of the parent:					
- from continuing operations		2,920	N/A	2,920	N/A
- from discontinued operations		(22)	N/A	(22)	N/A
		<u>2,898</u>	<u>N/A</u>	<u>2,898</u>	<u>N/A</u>
Non-controlling interests					
- from continuing operations		2,412	N/A	2,412	N/A
- from discontinued operations		-	N/A	-	N/A
		<u>2,412</u>	<u>N/A</u>	<u>2,412</u>	<u>N/A</u>
<b>Net profit for the financial period</b>		<b><u>5,310</u></b>	<b><u>N/A</u></b>	<b><u>5,310</u></b>	<b><u>N/A</u></b>
<b>Total comprehensive loss attributable to:</b>					
Owners of the parent:					
- from continuing operations		(1,337)	N/A	(1,337)	N/A
- from discontinued operations		224	N/A	224	N/A
		<u>(1,113)</u>	<u>N/A</u>	<u>(1,113)</u>	<u>N/A</u>
Non-controlling interests					
- from continuing operations		(429)	N/A	(429)	N/A
- from discontinued operations		(57)	N/A	(57)	N/A
		<u>(486)</u>	<u>N/A</u>	<u>(486)</u>	<u>N/A</u>
<b>Total comprehensive loss for the financial period</b>		<b><u>(1,599)</u></b>	<b><u>N/A</u></b>	<b><u>(1,599)</u></b>	<b><u>N/A</u></b>
<b>Profit per share attributable to the owner of the company</b>					
Basic/Diluted (sen)	<b>B13</b>	<u>0.33</u>	<u>N/A</u>	<u>0.33</u>	<u>N/A</u>

*\*There are no comparative figures disclosed for the preceding cumulative period-to-date results following the change in the financial year end from 31 March to 30 June.*

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024**

	Note	As At 30.09.2024 RM'000 (unaudited)	As At 30.06.2024 RM'000 (audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant & equipment		2,718	3,143
Intangible assets		102	125
Right-of-use assets		883	1,020
Deferred tax assets		701	801
		<u>4,404</u>	<u>5,089</u>
<b>Current assets</b>			
Inventories		-	12
Other investment		1,717	1,895
Trade and other receivables		49,613	67,227
Tax recoverable		19,664	16,659
Deposit with licensed bank, cash and bank balance		22,150	19,927
Asset classified as held for sales		8	9
		<u>93,152</u>	<u>105,729</u>
<b>TOTAL ASSETS</b>		<u><b>97,556</b></u>	<u><b>110,818</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital		17,054	17,054
Treasury shares		(566)	(566)
Other reserves		(18,159)	(14,049)
Accumulated profits		25,303	22,406
		<u>23,632</u>	<u>24,845</u>
Non-controlling interest		20,899	21,286
<b>TOTAL EQUITY</b>		<u>44,531</u>	<u>46,131</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities	<b>B9</b>	448	570
Provision for retirement benefit obligation		4	4
		<u>452</u>	<u>574</u>
<b>Current liabilities</b>			
Trade and other payables		51,734	62,942
Amount owing to Director		227	257
Lease liabilities	<b>B9</b>	232	303
Liabilities classified as held for sales		380	611
		<u>52,573</u>	<u>64,113</u>
<b>TOTAL LIABILITIES</b>		<u><b>53,025</b></u>	<u><b>64,687</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>97,556</b></u>	<u><b>110,818</b></u>
<b>Net asset per share attributable to ordinary equity holders of the parent (sen)</b>		<u>4.97</u>	<u>5.15</u>

\*Less than RM1,000

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

	←——— Attributable to owners of the Company ———→						
	←——— Non-distributable ———→		Distributable				
	Share capital RM'000	Treasury shares RM'000	Other reserves RM'000	Accumulated profits RM'000	Total RM'000	Non-controlling interest RM'000	Total RM'000
<b><u>3 months ended 30 September 2024 (unaudited)</u></b>							
As at 1 July 2024	17,054	(566)	(14,048)	22,406	24,846	21,286	46,132
Net profit for the financial period	-	-	-	2,920	2,920	-	2,920
Other comprehensive loss for the financial period	-	-	(4,111)	(23)	(4,134)	(387)	(4,521)
Total comprehensive (loss)/profit for the financial period	-	-	(4,111)	2,897	(1,214)	(387)	(1,601)
<b>As at 30 September 2024</b>	<b>17,054</b>	<b>(566)</b>	<b>(18,159)</b>	<b>25,303</b>	<b>23,632</b>	<b>20,899</b>	<b>44,531</b>
<b><u>15 months ended 30 June 2024 (Audited)</u></b>							
As at 1 April 2023	17,054	(566)	(15,235)	13,877	15,130	8,345	23,475
Net profit for the financial period	-	-	-	8,529	8,529	11,839	20,368
Other comprehensive loss for the financial period	-	-	1,187	-	1,187	1,102	2,289
Total comprehensive profit for the financial period	-	-	1,187	8,529	9,716	12,941	22,657
<b>As at 30 June 2024</b>	<b>17,054</b>	<b>(566)</b>	<b>(14,048)</b>	<b>22,406</b>	<b>24,846</b>	<b>21,286</b>	<b>46,132</b>

\* There are no comparative figures disclosed for the preceding cumulative period-to-date results following the change in the financial year end from 31 March to 30 June.

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

	<b>Cummulative Period 3-month 30.09.2024 RM'000 (unaudited)</b>	<b>Cummulative Period 15-month 30.06.2024 RM'000 (audited)</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax		
- Continuing operations	9,339	39,816
- Discontinuing operations	(22)	(2,363)
Adjustment for:-		
Amortisation of intangible assets	8	63
Amortisation of right-of-use asset	73	351
Depreciation of property, plant and equipment		
- Continuing operations	181	853
- Discontinuing operations	-	3
Dividend income	-	(193)
Gain on disposal of property, plant and equipment		
- Continuing operations	-	(9)
- Discontinuing operations	-	(27)
Termination of leases	-	(85)
Loss/(Gain) on disposal of:		
- right-of-use assets	2	-
- subsidiary companies	(232)	-
Interest expense	19	71
Interest income	(917)	(2,858)
Impairment losses on trade receivables		
- Continuing operations	3	1,784
- Discontinuing operations	-	260
Impairment losses on other receivables		
- Discontinuing operations	-	23
Bad debts written off on trade receivables		
- Discontinuing operations	-	2
Bad debts written off on other receivables	-	48
Reversal of impairment losses on:		
- Trade receivables	-	(369)
Provision for retirement benefit obligation	-	1
Operating profit before working capital changes	<b>8,454</b>	<b>37,371</b>

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 30 SEPTEMBER 2024 (CONT'D)**

	<b>Cummulative Period 3-month 30.09.2024 RM'000 (unaudited)</b>	<b>Cummulative Period 15-month 30.06.2024 RM'000 (audited)</b>
Changes in working capital:-		
Contract assets/(liabilities)	(110)	763
Inventories	-	(12)
Trade receivables	16,084	(33,652)
Other receivables	1,146	(1,210)
Provision for retirement benefit obligation	-	(11)
Trade payables	(12,204)	35,592
Other payables	1,293	530
Amount owing to director	-	257
Cash generated from operations	<u>14,663</u>	<u>39,628</u>
Tax paid	<u>(7,013)</u>	<u>(27,866)</u>
<b>Net cash generated from operating activities</b>	<u>7,650</u>	<u>11,762</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest received	917	2,858
Dividend received	-	193
Acquisition of:		
- Intangible assets	-	(19)
- Property, plant and equipment	(30)	(1,877)
- Right of use assets	(100)	(146)
Acquisition of investment in:		
- Other investment		(1,895)
Proceed on disposal of property, plant and equipment	-	
- Continuing operations	-	134
- Discontinuing operations	-	27
Proceed on disposal of right-of-use assets	-	102
Net cash inflows from disposal of subsidiary companies	<u>181</u>	<u>-</u>
<b>Net cash generated from/(used in) investing activities</b>	<u>968</u>	<u>(623)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest paid	(19)	(71)
Proceed of lease liabilities	<u>158</u>	<u>(304)</u>
<b>Net cash generated from/(used in) financing activities</b>	<u>139</u>	<u>(375)</u>

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTERS ENDED 30 SEPTEMBER 2024 (CONT'D)**

	<b>Cummulative Period 3-month 30.09.2024 RM'000 (unaudited)</b>	<b>Cummulative Period 15-month 30.06.2024 RM'000 (audited)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	8,757	10,764
Effects of changes in foreign exchange rate	(6,535)	2,159
Cash and cash equivalents at the beginning of the period	19,936	7,013
<b>Cash and cash equivalents at the end of the period</b>	<u>22,158</u>	<u>19,936</u>

Cash and cash equivalents at the end of the financial period comprise the following:

Deposit with licensed bank, cash and bank balance

- Continuing operations	22,150	19,927
- Discontinuing operations	<u>8</u>	<u>9</u>

*\* There are no comparative figures disclosed for the preceding cumulative period-to-date results following the change in the financial year end from 31 March to 30 June.*

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**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

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**A. NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**A1. Basis of preparation**

The interim financial report has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”), International Accounting Standard (“IAS”) 34: Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”) and paragraph 9.22 and Appendix 9B of the 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 FPE 2024 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 FPE 2024.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the latest Audited Financial Statements as disclosed below:

**A1.1 New MFRS and amendments to MFRSs adopted**

For the preparation of the Condensed Report, the following new MFRS and amendments to MFRSs issued by the Malaysian Accounting Standards Board (“MASB”) are mandatory for the current financial period:

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 – Comparative Information
Amendments to MFRS 101	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRS 112	International Tax Reform – Pillar Two Model Rules

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



**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

**A1. Basis of preparation (cont'd)**

**A1.2 Standards issued but not yet effective**

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.

		<u>Effective dates for financial periods beginning on or after</u>
Amendments to MFRS 16	Leases – Lease Liability in a sale and leaseback	1 January 2024
Amendments to MFRS 101	Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 7 and MFRS 9	Amendments to the Classification and Measurement	1 January 2026
Amendments to MFRSs	Annual Improvements to MFRS Standards–Volume 11	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	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 until further notice

**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 FPE 2024.

**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 period-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 period-to-date.

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

**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 period-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 period-to-date.

**A7. Dividends Paid**

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

<b>Individual Quarter</b>	<b>Continuing operation</b>			<b>Discontinuing operation</b>		<b>Group</b>
	<b>Malaysia</b>	<b>Pakistan</b>	<b>Dubai</b>	<b>Other Countries</b>	<b>Eliminations/ Adjustments</b>	
<b>3 months ended</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>30 September 2024</b>						
<b>Revenue</b>						
External revenue	1,425	44,686	110	-	-	46,221
Internal revenue	-	33	-	-	(33)	-
	<u>1,425</u>	<u>44,719</u>	<u>110</u>	<u>-</u>	<u>(33)</u>	<u>46,221</u>
<b>Results</b>						
Segment (loss)/profit	(886)	10,063	(6)	(19)	184	9,336
Finance costs	-	(17)	(2)	-	-	(19)
Segment (loss)/profit before taxation	<u>(886)</u>	<u>10,046</u>	<u>(8)</u>	<u>(19)</u>	<u>184</u>	<u>9,317</u>
Segment assets	4,239	91,638	4,502	1,320	(4,146)	97,553
Segment liabilities	10,279	42,176	1,684	752	(1,866)	53,025
<b>Cumulative Quarter</b>	<b>Continuing operation</b>			<b>Discontinuing operation</b>		<b>Group</b>
<b>3 months ended</b>	<b>Malaysia</b>	<b>Pakistan</b>	<b>Dubai</b>	<b>Other Countries</b>	<b>Eliminations/ Adjustments</b>	
<b>30 September 2024</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>						
External revenue	1,425	44,686	110	-	-	46,221
Internal revenue	-	33	-	-	(33)	-
	<u>1,425</u>	<u>44,719</u>	<u>110</u>	<u>-</u>	<u>(33)</u>	<u>46,221</u>
<b>Results</b>						
Segment (loss)/profit	(886)	10,063	(6)	(19)	184	9,336
Finance costs	-	(17)	(2)	-	-	(19)
Segment (loss)/profit before taxation	<u>-</u>	<u>(17)</u>	<u>(2)</u>	<u>-</u>	<u>-</u>	<u>(19)</u>
Segments assets	4,239	91,638	4,502	1,320	(4,145)	97,554
Segment liabilities	10,279	42,176	1,684	752	(1,866)	53,025

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

**A8. Segmental Information (cont'd)**

**Geographical segments (cont'd)**

<b>Individual Quarter</b> <b>3 months ended</b> <b>30 September 2023</b>	<b>Continuing operation</b>			<b>Discontinuing operation</b>	<b>Eliminations/ Adjustments</b>	<b>Group</b>
	<b>Malaysia</b>	<b>Pakistan</b>	<b>Dubai</b>	<b>Other Countries</b>		
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>						
External revenue	4,636	39,453	212	-	-	44,301
Internal revenue	-	136	-	-	(136)	-
	4,636	39,589	212	-	(136)	44,301
<b>Results</b>						
Segment (loss)/profit	(314)	6,317	19	873	(517)	6,378
Finance costs	(1)	(7)	(6)	-	-	(14)
Segment (loss)/profit before taxation	(315)	6,310	13	873	(517)	6,364
Segment assets	976	21,306	(891)	(2,213)	1,821	20,999
Segment liabilities	1,290	15,006	(915)	(962)	1,088	15,507

<b>Cumulative Quarter</b> <b>3 months ended</b> <b>30 September 2023</b>	<b>Continuing operation</b>			<b>Discontinuing operation</b>	<b>Eliminations/ Adjustments</b>	<b>Group</b>
	<b>Malaysia</b>	<b>Pakistan</b>	<b>Dubai</b>	<b>Other Countries</b>		
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>						
External revenue	20,013	61,973	3,458	2,163	-	87,607
Internal revenue	-	1,342	-	-	(1,342)	-
	20,013	63,315	3,458	2,163	(1,342)	87,607
<b>Results</b>						
Segment (loss)/profit	12,536	10,041	219	(10,084)	(6,216)	6,496
Finance costs	(25)	(46)	(5)	-	-	(76)
Segment (loss)/profit before taxation	12,511	9,995	214	(10,084)	(6,216)	6,420
Segments assets	9,342	39,527	5,969	3,356	(6,704)	51,490
Segment liabilities	8,952	18,983	3,094	51,107	(54,121)	28,015

**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 period-to-date.

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

**A10. Events after the End of the Quarter**

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

(i) Disposal of Wholly-Owned Subsidiary

The Company has on 1 July 2024 entered into Share Sale Agreement with Gen M Prominent Sdn. Bhd. for the disposal of the entire shares in Aquatic Harvest Sdn. Bhd. (“**AH**”), the wholly-owned subsidiary of the Company, for a cash consideration of RM200,000 (“**Disposal**”). The issued and paid-up capital of AH is RM1,000. The disposal and shares transferred was completed on the same day.

In view of this, the Company as a parent has lost its control (control as defined by MFRS 10 Consolidated Financial Statements paragraph 6) over AH as a subsidiary on the date of disposal to Gen M Prominent Sdn. Bhd. on 1 July 2024. Consequently all the assets and liabilities of AH have been derecognised on the date as prescribed by Paragraph 25 of the MFRS 10 resulted in an effect of deconsolidation of RM 31,503. Summary of the effects of deconsolidation of AH is as follows:

	RM
Total assets of AH derecognised	323,017
Total liabilities of AH derecognised	<u>(354,519)</u>
Net liabilities as at 1 July 2024	<u>(31,503)</u>

(ii) Proposed Private Placement

On 10 July 2024, TA Securities Holdings Berhad (“**TA Securities**”), on behalf of the Board of Directors of the Company, announced that the Company proposed to undertake a private placement of up to 10% of the total number of issued ordinary shares of XOX Tech to independent third-party investors to be identified later at an issue price to be determined later (“**Proposed Private Placement**”).

The Proposal is subject to the following approvals being obtained from:

- (a) the approval of Bursa Securities for the listing and quotation of the Placement Shares on the ACE Market of Bursa Securities; and
- (b) the approvals/consents of any other relevant authorities / parties, if required.

The Proposed Private Placement is not conditional upon any other proposals undertaken or to be undertaken by the Company.

Please refer to the announcement dated 10 July 2024 for further details.

On 20 November 2024, TA Securities, on behalf of the Board of Directors of the Company, announced that the Board has resolved to abort the Proposed Private Placement and withdraw its application in relation thereto. The Board may consider alternative methods of fundraising to meet its funding requirements.

Please refer to the announcement dated 20 November 2024 for further details.

**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 period-to-date, other than as disclosed in Noted A10.

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**A12. Contingent Assets or Changes on Contingent Liabilities**

There were no contingent assets or contingent liabilities as at 30 September 2024, other than as disclosed in Note B12.

**A13. Related party transactions**

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

	<b>Current Quarter Ended 30.09.2024 RM'000</b>	<b>Cumulative Period Ended 30.09.2024 RM'000</b>
Sale to related parties	217	217
Purchase from related parties	9	9
	<u>          </u>	<u>          </u>

**A14. Cash and cash equivalents**

Total cash and cash equivalents were as follows:

	<b>Period Ended</b>	
	<b>30.09.2024 RM'000 (unaudited)</b>	<b>30.06.2024 RM'000 (audited)</b>
Deposit with licensed bank, cash and bank balance		
- Continuing operations	22,150	19,927
- Discontinuing operations	8	9
	<u>          </u>	<u>          </u>

**A15. Fair value measurements**

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques 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 the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	<b>As at 30.09.2024 RM'000 (unaudited)</b>	<b>As at 30.06.2024 RM'000 (audited)</b>
<b>Group</b>		
<b>Level 1</b>		
<b>Financial asset</b>		
Other investments	1,717	1,895
	<u>1,717</u>	<u>1,895</u>
<b>Level 2</b>		
<b>Financial liability</b>		
Lease liabilities	680	873
	<u>680</u>	<u>873</u>

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 September 2024.

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

**B1. Review of Performance**

In the current quarter ended 30 September 2024, the Group registered a revenue of RM46.2 million. Profit before tax during the current quarter was RM9.3 million in the current quarter ended 30 September 2024.

Mobile solution segments contributed 99% of the Group's revenue. Mobile solution services reported operating profit before tax and interest amounting RM9.9 million but cloud solution services reported operating loss before tax and interest amounting RM0.6 million for the current quarter.

There is no preceding year corresponding period comparison due to the change in the financial year end from 30 June to 30 September.

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

<b>Group Result</b>	<b>Quarter Ended</b>	<b>Immediate Preceding Quarter</b>	<b>Changes</b>	
	<b>30.09.2024</b>	<b>30.6.2024</b>	<b>RM'000</b>	<b>(%)</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
	<b>(unaudited)</b>	<b>(unaudited)</b>		
<b>Mobile Solutions and Trading</b>				
Revenue	45,066	45,650	(584)	(1%)
Profit before tax	9,913	8,846	1,067	12%
<b>Cloud Service Solutions</b>				
Revenue	1,188	4,674	(3,486)	(75%)
Loss before tax	(596)	(327)	(269)	82%
<b>Other Segments</b>				
Revenue	-	1,095	(1,095)	(100%)
Loss before tax	-	(19)	19	(100%)
<b>Elimination</b>				
Revenue	(33)	(250)	217	(87%)
Loss before tax	(33)	(1,216)	1,183	(97%)
<b>Total</b>				
Revenue	46,221	51,169	(4,948)	(10%)
Gross profit	11,755	12,247	(492)	(4%)
Profit before tax	9,317	7,284	2,033	28%
Profit after tax	5,309	3,777	1,532	0

For Quarter Ended 30 September 2024 ("Q1 2025") and Quarter Ended 30 June 2024 ("Q5 2024")

The Group's revenue reduced from RM51.2 million to RM46.2 million, which is 10% lower, but the profit before tax amounting RM9.3 million which is 28% higher. The decrease in revenue mainly resulted by reduction on IT enabled services from Pakistan. Higher profits before tax were mainly due to the higher interest income received from the investment.

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**B2. Material Changes in Financial Performance for the Quarter Compared with Immediate Preceding Quarter (Cont'd)**

Mobile Solution Services

The revenue of mobile solutions services segment slightly decreased from RM45.7 million to RM45.1 million or decreased by 1%. The PBT increased by 12% from RM8.8 million to RM9.9 million. This is mainly due to Pakistan increased the selling price charged to the customers and the bank interest income received increased.

Cloud Solution Services

The revenue of cloud solution services decreased from RM4.7 million to RM1.2 million. The loss before tax (“LBT”) increased by 80% from RM0.3 million to RM0.6 million due to slower market.

Other Segments

There was no revenue generated from other segments due to the disposal of subsidiary.

**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. Therefore, the Group also shifted the focus from banking and financial institutions to other businesses available in the markets such as retail stores, transportation and hotel etc. which update their customers or users via SMS Services.

Besides, even though the display panel business continues to grow and received an increase in enquiries on rental of the panels which highly being used during the events. However, the Group has encountered difficulties with increased competition from cheaper vendors. Our group received positive feedback from customers on the panels purchased or rented with the Group were value for money.

Further, the Group managed to complete a few software development projects requested by the customers, which helped to expand the Group’s revenue segment and diversify the business risks by reducing dependence on existing business segment in the Group.

Besides, Pakistan also developed a new software application for the intermediation business (“E-Hailing”) which is a service provided to book public transport services through electronic applications such as E-hailing vehicles and taxis. This is expected to further improve the financial performance of the Pakistan business operations.

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

Not applicable.

**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.

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**B7. Taxation**

	<b>Current Quarter Ended 30.09.2024 RM'000</b>	<b>Cumulative Period Ended 30.09.2024 RM'000</b>
- Malaysia tax	-	-
- Foreign tax	4,008	4,008
Tax expense	<u>4,008</u>	<u>4,008</u>

Taxation from other jurisdiction is calculated at the prevailing tax rates.

**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 September 2024 are as follows:

	<b>As at 30.09.2024 RM'000 (unaudited)</b>	<b>As at 30.06.2024 RM'000 (audited)</b>
<b>Secured Current</b>		
Lease liabilities	<u>232</u>	<u>303</u>
	<u>232</u>	<u>303</u>
<b>Secured Non-Current</b>		
Lease liabilities	<u>448</u>	<u>570</u>
	<u>448</u>	<u>570</u>

**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.



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**B10. Material Litigation (Cont'd)**

- (b) M3 Tech Pakistan has obtained legal advice and based on that advice, M3 Tech Pakistan has stopped accounting for further provision in respect of the Sindh Workers' Welfare Fund. The management and the legal advisor believe that M3 Tech Pakistan does not fall within the ambit of 'Industrial Establishment' as defined in Section 2(g) of the Sindh Workers' Welfare Fund Act, 2014 as such, M3 Tech Pakistan uses the telecommunication services to render its services but it itself is not a 'concern engaged in telecommunication' which actually falls within the ambit of 'Industrial Establishment'.

Assistant Commission, Sindh Revenue Board (SRB) has passed an order dated 11 January 2019 to M3 Tech Pakistan under Section 2(g) of the Sindh Workers Welfare Fund Act, 2014 (the Act) for the submission of Sindh Workers welfare Fund (SWWF) amounts to Government of Sindh. M3 Tech Pakistan's tax advisor has submitted his response on 31 January 2019 to the Assistant Commissioner that M3 Tech Pakistan believes that it does not fall under Section 2(g) of the Act. Accordingly, M3 Tech Pakistan has not recorded any expense in this regard as M3 Tech Pakistan and its tax advisor are confident that all outstanding matter will be decided in M3 Tech Pakistan's favour.

- (c) On 16 July 2021, the Company and 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 ("Main Suit").

Besides that, the Company filed an application for Anton Piller Order on 11 August 2021, where the High Court granted the same, however, it was set aside by the Court of Appeal on 14 July 2023. Subsequently, the Company filed Leave Application to appeal to the Federal Court, however, it was not allowed ("APO").

Following the setting aside of APO by the Court of Appeal, the Court of Appeal has directed the assessment of damages by the High Court. The Hearing for assessment of damages was originally fixed on 16 August 2024, however, it was rescheduled to 13 September 2024.

On 4 October 2024, the Court of Appeal has allowed a total sum of RM186,400 in damages with costs of RM20,000 to be paid by the Plaintiffs to Lim Seng Boon ("Second Defendant"). Following that, the Company filed a Notice of Appeal on said Decision on 17 October 2024.

With regard to the Counterclaim by Lim Seng Boon and Voon Sze Lin (Plaintiffs in the Counterclaim) against the Company, the Company filed striking out applications against the same on 27 October 2023. Following thereto, Plaintiffs in the Counterclaim filed amendment applications to amend their Counterclaim on 17 January 2024. On 16 August 2024, the Court allowed the Company's striking out applications and dismissed the amendment applications filed by Plaintiffs in the Counterclaim.

To date, the Main Suit is still ongoing. The trial dates have been fixed on 27 November 2024 to 6 December 2024.

**B11. Contingencies**

- (a) In the previous financial year, three former employees commenced legal actions against the Company claiming for reinstatement or backdated wages and other monetary awards. The claims are estimated to be RM787,250 should the action be successful.

**B12. Dividends**

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

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**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:

	Individual Quarter Quarter Ended		Cumulative Quarter Period Ended	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
Profits attributable to ordinary shareholders of the Company (RM'000)	(1,599)	N/A	(1,599)	N/A
Weighted average number of ordinary shares in issue	896,184	N/A	896,184	N/A
Basic & diluted profits per share (sen)	(0.18)	N/A	(0.18)	N/A

- (b) Diluted  
The Group has no dilution in its profits 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 before tax has been determined after (crediting)/charging, amongst others, the followings items:-

	Current quarter 3 months ended		Cumulative quarter 3 months ended	
	30.09.2024 Unaudited RM'000	30.09.2023 Unaudited RM'000	30.09.2024 Unaudited RM'000	30.09.2023 Unaudited RM'000
Allowance for impairment of trade receivables	-	N/A	-	N/A
Expected Credit Losses	-	N/A	-	N/A
Amortisation of intangible assets	(8)	N/A	(8)	N/A
Depreciation of right-of-use assets	73	N/A	73	N/A
Depreciation of plant and equipment	181	N/A	181	N/A
Gain on disposal of subsidiary	(44)	N/A	(44)	N/A
<u>(Gain)/loss on foreign exchange translation</u>				
- Realised	(5)	N/A	(5)	N/A
- Unrealised				
- Continuing operations	4	N/A	4	N/A
- Discontinuing operations	(2)	N/A	(2)	N/A
<u>Interest expense/(income)</u>				
- Interest expense	19	N/A	19	N/A
- Interest income	(917)	N/A	(917)	N/A

Save for the above, the other items as required under Chapter 9 Appendix 9B (16) of the Ace Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

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**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.