

XOX BHD

(Company Registration No.: 900384-X)
(Incorporated in Malaysia under the Companies Act, 1965)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2011

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Unaudited Condensed Consolidated Statements Of Comprehensive Income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended	Preceding Year Corresponding Quarter	Year to Date Ended	Preceding Year Corresponding Period
	30 June 2011	30 June 2010	30 June 2011	30 June 2010
Note	RM'000	RM'000	RM'000	RM'000
Revenue	23,081	NA	35,767	NA
Cost of sales	(15,664)	NA	(24,184)	NA
Gross Profit	7,417	NA	11,583	NA
Other income	73	NA	115	NA
Selling and distribution expenses	(6,885)	NA	(11,090)	NA
Administrative expenses	(2,381)	NA	(3,620)	NA
Other expenses	(1,145)	NA	(1,264)	NA
Finance costs	-	NA	(312)	NA
Loss Before Tax	(2,921)	NA	(4,588)	NA
Income tax expense	B5	NA	-	NA
Loss After Taxation / Total comprehensive expenses	(2,921)	NA	(4,588)	NA
Attributable to:-				
- Equity holders of the Company	(2,921)	NA	(4,588)	NA
- Non-controlling interest	-	-	-	-
	(2,921)	NA	(4,588)	NA
Net Loss Per Share				
- Basic (sen)	B13	NA	(1.5)	NA
- Diluted (sen)	B13	NA	(1.5)	NA

Notes: -

NA – Not applicable

- (a) The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial year ended 31 December 2010 as disclosed in the prospectus dated 24 May 2011 ("Prospectus") and the accompanying explanatory notes attached to this interim financial statements.
- (b) No comparative figures for the preceding year's corresponding period are available as this is the second interim financial report being announced by the Company in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements").

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Unaudited Condensed Consolidated Statements Of Financial Position

	Unaudited As at 30 June 2011 RM'000	Audited As at 31 December 2010 RM'000
<u>ASSETS</u>		
<u>NON-CURRENT ASSETS</u>		
Equipment	21,757	NA
Goodwill	44	NA
<i>Total Non – Current Assets</i>	21,801	NA
<u>CURRENT ASSET</u>		
Inventories	355	NA
Trade receivables	17,008	NA
Other receivables, deposits and prepayments	2,561	NA
Short-term investment	25,901	NA
Cash and bank balances	2,908	NA
<i>Total Current Assets</i>	48,733	NA
TOTAL ASSETS	70,535	NA
<u>EQUITY AND LIABILITIES</u>		
Share capital	30,200	NA
Capital reserve	2,200	NA
Share premium	32,506	NA
Accumulated losses	(37,323)	NA
<i>Total Equity</i>	27,583	NA
<u>NON CURRENT LIABILITY</u>		
Hire Purchase Payables	838	NA
<u>CURRENT LIABILITIES</u>		
Trade payables	149	NA
Other payable and accruals	41,883	NA
Tax payable	-	NA
Hire Purchase Payables	82	NA
<i>Total Liabilities</i>	42,952	NA
TOTAL EQUITY AND LIABILITIES	70,535	NA
Net assets per share attributable to equity holders of the Company (sen) #	9.1	NA

Notes: -

NA – Not applicable

- # The net assets per share attributable to equity holders of the Company is computed based on the net assets as at 30 June 2011 divided by 302,000,000 ordinary shares of RM0.10 each of the Company.
- (a) The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial year ended 31 December 2010 as disclosed in the prospectus dated 24 May 2011 ("Prospectus") and the accompanying explanatory notes attached to this interim financial statements.
- (b) No comparative figures for the preceding year's corresponding period are available as this is the second interim financial report being announced by the Company in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements").

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Unaudited Condensed Consolidated Statements Of Changes In Equity

6 months ended 30 June 2011	← Non-distributable →		← Distributable →		Total equity RM'000
	Share capital RM'000	Capital Reserve RM'000	Share premium RM'000	Accumulated losses RM'000	
At 1 January 2011 #	15,940	-	4,140	(30,535)	(10,455)
Issuance of shares	940	-	4,060	-	5,000
Bonus issue	8,000	-	(8,000)	-	-
Acquisition of subsidiaries	140	-	-	-	140
Special Issue	500	2,200	1,300	(2,200)	1,800
Issuance of new shares pursuant to initial public offering	4,680	-	32,760	-	37,440
Total comprehensive expenses for the period	-	-	-	(4,588)	(4,588)
Listing expenses	-	-	(1,754)	-	(1,754)
At 30 June 2011	<u>30,200</u>	<u>2,200</u>	<u>32,506</u>	<u>(37,323)</u>	<u>27,583</u>

Notes:-

- # The Company was incorporated on 10 May 2010 and the acquisition of the subsidiaries was completed on 4 April 2011. As the financial statements of one of its subsidiary has been consolidated using the merger method of accounting, the balance brought forward as at 1 January 2011 represents the brought forward balances of the subsidiary.
- (a) The Unaudited Condensed Consolidated Statements Of Changes In Equity should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial year ended 31 December 2010 as disclosed in the prospectus dated 24 May 2011 ("Prospectus") and the accompanying explanatory notes attached to this interim financial statements.
- (b) No comparative figures for the preceding year's corresponding period are available as this is the second interim financial report being announced by the Company in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements").

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Unaudited Condensed Consolidated Statements Of Cash Flow

	Current year to date 30 June 2011	Preceding Year Corresponding Period 31 December 2010
NOTE	RM'000	RM'000
CASH FLOWS FOR OPERATING ACTIVITIES		
Loss before taxation	(4,588)	NA
Adjustments for:		
Depreciation of equipment	489	NA
Interest expense	312	NA
Interest income	(72)	NA
Sundry income	(7)	NA
OPERATING LOSS BEFORE WORKING CAPITAL CHANGES	(3,866)	NA
Increase in inventories	(137)	NA
Increase in trade and other receivables	(15,741)	NA
Increase in trade and other payables	14,210	NA
Cash for operations	(5,534)	NA
Interest paid	(312)	NA
Tax paid	(2)	NA
Net cash for operating activities	(5,848)	NA
CASH FLOWS FOR INVESTING ACTIVITIES		
Advances to a subsidiary	^	NA
Interest received	72	NA
Investment in subsidiaries	(37)	NA
Purchase of equipment	(8,375)	NA
Net cash for investing activities	(8,340)	NA
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of short-term bank borrowings	(2,779)	NA
Proceeds from issuance of shares	42,626	NA
Net cash from financing activities	39,847	NA
NET INCREASE IN CASH AND CASH EQUIVALENTS	25,659	NA
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD/YEAR	3,150	NA
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD/YEAR	28,809	NA

Notes: -

NA – Not applicable

^ – Amount less than RM1,000

- (a) The Unaudited Condensed Consolidated Statements Of Cash Flow should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial year ended 31 December 2010 as disclosed in the prospectus dated 24 May 2011 ("Prospectus") and the accompanying explanatory notes attached to this interim financial statements.
- (b) No comparative figures for the preceding year's corresponding period are available as this is the second interim financial report being announced by the Company in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements").

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2011

A. Explanatory Notes Pursuant To FRS 134

1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with Financial Reporting Standard (“FRS”) 134 Interim Financial Reporting and Appendix 9B of the ACE Market Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”). This is the second interim financial report on the consolidated results for the second quarter ended 30 June 2011 announced by XOX Bhd (the “Company”) in compliance with the Listing Requirements. As such, there are no comparative figures for the preceding year’ corresponding quarter and period.

The accounting policies and methods of computation adopted by the Company and its subsidiaries (the “Group”) for this interim financial report are in compliance with the new and revised FRSs issued by the Malaysian Accounting Standards Board (“MASB”)

The interim financial report should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants’ Report for the financial year ended 31 December 2010 as disclosed in the Prospectus of the Company dated 24 May 2011 and the explanatory notes attached to the interim financial report.

2. Adoption of New and Revised Accounting Policies

(a) During the current financial period, the Group has adopted the following new accounting standards and interpretation (including the consequential amendments):

FRSs and IC Interpretations (including the Consequential Amendments)

FRS 1 (Revised) First-time Adoption of Financial Reporting Standards

FRS 3 (Revised) Business Combinations

FRS 127 (Revised) Consolidated and Separate Financial Statements

Amendment to FRS 1: Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters

Amendments to FRS 2: Scope of FRS 2 and FRS 3 (Revised)

Amendment to FRS 2: Group Cash-settled Share-based Payment Transactions

Amendments to FRS 5: Plan to Sell the Controlling Interest in a Subsidiary

Amendments to FRS 7: Improving Disclosures about Financial Instruments

IC Interpretation 4 Determining Whether AnArrangement Contains a Lease

IC Interpretation 12 Service Concession Arrangements

IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation

IC Interpretation 17 Distributions of Non-cash Assets to Owners

IC Interpretation 18 Transfers of Assets from Customers

IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments

Annual Improvements to FRSs (2010)

The adoption of the above accounting standards and interpretations (including consequential amendments) did not have any material impact on the Group’s financial report.

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2. Adoption of New and Revised Accounting Policies (cont'd)

- (b) The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the MASB but are not yet effective for the current financial period:

	Effective Date
FRS 124 (Revised) Related Party Disclosures	1 January 2012
Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement	1 July 2011
IC Interpretation 15 Agreements for the Construction of Real Estate	1 January 2012
IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments	1 July 2011

The above accounting standards and interpretations (including the consequential amendments) are not relevant to the Group's operations except FRS 124 (Revised).

3. Audit report of the Group's preceding annual financial statements

The Company was incorporated on 10 May 2010. Hence, there were no audited financial statements for the preceding financial year.

The auditors' report for the subsidiaries of the Company's preceding annual audited financial statements for the financial year ended 31 December 2010 was not subject to any qualification.

4. Seasonality or cyclicity factors

The business of the Group was not affected by any significant seasonal and cyclical factors for the current quarter under review and financial year-to-date.

5. Unusual items

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

6. Changes in estimates

There were no material changes in estimates for the current quarter under review and financial year-to-date.

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7. Changes in share capital and debts

Save as disclosed below, there were no issuance, cancellations, repurchase, resale and repayment of debt and equity securities, share buy backs, share cancellation, shares held as treasury shares and resale of treasury shares for the current financial year to date.

Details of the movements in the Company's shares since incorporation up to the date of this report are as follows:

Date of Allotment / Subdivision	No. of Shares Allotted	Par Value (RM)	Consideration	Cumulative Issued and Paid-Up Share Capital (RM)
10.05.2010	2	1.00	Cash ⁽¹⁾	2
04.04.2011	25,019,998	1.00	Acquisition of subsidiaries	25,020,000
04.04.2011	-	0.10	Subdivision of every 1 Share into 10 Shares	25,020,000
04.04.2011	5,000,000	0.10	Special issue	25,520,000
07.06.2011	46,800,000	0.10	Pursuant to Public Issue	30,200,000

Note:-

(1) There were no discounts, special terms or instalment payment terms provided in relation to this transaction.

8. Dividends

No dividends were declared or paid by the Group in the current quarter under review.

9. Segment information

No segmental information has been provided as the Company operates principally in Malaysia and in one major business segment.

10. Subsequent events

There were no other material event subsequent to the end of the financial period ended 30 June 2011 as at the date of this announcement that have not been reflected in the current quarter under review and financial year-to-date except as disclosed below:

On 4 August 2011, the Company acquired the entire issued and paid up share capital of XOX Wallet Sdn Bhd, which is incorporated in Malaysia under the Companies Act, 1965 with an authorized share capital of RM100,000 each comprising 100,000 ordinary shares of RM1.00 each and a paid up capital of RM2.00 comprising 2 ordinary shares of RM1.00 each fully paid up for a total consideration of RM2.00. On 5 August 2011, the Company subscribed another 99,998 ordinary shares of RM1.00 each in XOX Wallet Sdn Bhd for a cash consideration of RM99,998. XOX Wallet Sdn Bhd became a wholly owned subsidiary of the Company after the above subscription.

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11. Changes in the composition of the Group

In conjunction with and as an integral part of the listing of and quotation for the entire issued and paid-up share capital of our Group on the ACE Market of Bursa Securities, the Company implemented the following:-

Acquisition of Subsidiaries

- (a) Acquisition of the entire issued and paid-up share capital of XOX Com amounting to RM24,879,998 comprising 24,879,998 ordinary shares of RM1.00 each in XOX Com for a purchase consideration of RM24,879,998 wholly satisfied by the issuance of 24,879,998 new ordinary shares of RM1.00 each in XOX at an issue price of RM1.00 per ordinary share;
- (b) Acquisition of the entire issued and paid-up share capital of XOX Media amounting to RM100,000 comprising 100,000 ordinary shares of RM1.00 each in XOX Media for a purchase consideration of RM100,000 wholly satisfied by the issuance of 100,000 new ordinary shares of RM1.00 each in XOX at an issue price of RM1.00 per ordinary share; and
- (c) Acquisition of the entire issued and paid-up share capital of XOX Management Services amounting to RM40,000 comprising 40,000 ordinary shares of RM1.00 each in XOX Management Services for a purchase consideration of RM40,000 wholly satisfied by the issuance of 40,000 new ordinary shares of RM1.00 each in XOX at an issue price of RM1.00 per ordinary share.

The results of XOX Com were consolidated using the merger method. Under the merger method, the difference between the acquisition cost and the nominal value of the share capital of the subsidiary is accounted for as merger reserve or deficit. There was no merger reserve or merger deficit arising from the acquisition of XOX Com.

The results of XOX Media and XOX Management Services were consolidated using the purchase method. Under the purchase method, the results of XOX Media and XOX Management Services are included from the date of acquisition. At the date of acquisition, the fair values of XOX Media and XOX Management Services's net assets are determined and these values are reflected in the consolidated financial statements. The cost of acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by XOX in exchange for control of XOX Media and XOX Management Services, plus any costs directly attributable to the business combination.

12. Contingent liability or assets

There is approximately RM27.9 million charged by one of the main suppliers which the management of the Company is currently reconciling and negotiating with its management and the Company is confident that this amount will be resolved amicably before the end of the financial year ended 31 December 2011. Out of the RM27.9 million, RM17.4 million is in relation to the minimum commitment level for the 6 months period under review. There is also an amount of approximately RM10.5 million due to billing reconciliations.

Save as disclosed above, there are no other material contingent liabilities or assets which may have material effect on the financial position of the Group as at 15 August 2011.

13. Equipment

The Group acquired an additional equipment amounting to approximately RM8.4 million and RM9.3 million in the current quarter under review and financial year-to-date respectively.

14. Capital commitment

Authorised capital expenditure not provided for in the interim financial report at the end of the current quarter under review are as follows:-

	RM'000
Approved and contracted for:	
- Equipment	<u>5,298</u>

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15. Significant related party transactions

(a) Identities of related parties

- (i) the Company has a controlling related party relationship with its subsidiaries;
- (ii) the directors who are the key management personnel; and
- (iii) entities controlled by certain key management personnel, directors and/or substantial shareholders.

(b) In addition to the information detailed elsewhere in the financial statements, the Group carried out the following significant transactions with the related parties during the financial year:-

(i) Key management personnel

	The Group	
	2011 RM	2010 RM
Short-term employee benefits	<u>531,792</u>	<u>NA</u>

16. Cash and cash equivalents

	Current year To-date 30 June 2011 RM'000
Short-term investment	25,901
Cash and bank balances	<u>2,908</u>
	<u>28,809</u>

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B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities

1. Review of the performance of the Group

During the period under review, XOX Group (“XOX”) had managed to record a total revenue of RM35.8 million. For the current quarter under review, XOX has increased its revenue by approximately RM10.4 million from RM12.7 million in the first quarter of 2011 (“Q1 2011”). In addition, XOX has also managed to successfully acquire approximately 510,000 subscribers in the second quarter of 2011, which represents an increase of approximately 120,000 subscribers from approximately 390,000 subscribers in Q1 2011.

The above was successfully achieved without utilising its IPO proceeds as XOX Group was only listed on 10 June 2011.

The loss after taxation was mainly due to the selling and distribution expenses incurred which was necessary in creating brand awareness for XOX service and also the listing expenses charged out to Income Statements for the listing exercise.

2. Variation of results against immediate preceding quarter

	Current Quarter 30 June 2011	Preceding Quarter 31 March 2011
	RM'000	RM'000
Revenue	23,081	12,686
Loss Before Tax	(2,921)	(1,667)
Loss After Tax	(2,921)	(1,667)

Revenue for the current quarter under review has increased by approximately RM10.4 million or 81.9% as compared to the preceding quarter mainly due to the wider acceptance of XOX’s products and the increase in the number of subscribers from approximately 390,000 subscribers in Q1 2011 to approximately 510,000 subscribers. The loss in the current quarter under review is higher than the preceding quarter by approximately RM1.3 million or 75.2% due to higher selling and distribution expenses incurred during the quarter under review which was necessary in creating brand awareness for XOX services. The loss before tax for the current quarter under review was also contributed by the charging out of XOX Group’s listing expenses to the Income Statements for its listing exercise.

3. Prospects and profit forecast for FYE 2011

Our Group has also identified certain future plans to realize its forecasted results, such as the implementation of our Group’s Mobile Wallet and Social Network Portal as well as the utilisation of the IPO proceeds to execute its future plans.

The Group’s financial performance is dependent on the growth of its subscriber base on average monthly revenue from the sales of recharge voucher per subscriber which is expected to be supported by the following factors:-

- Expected wider acceptance and availability of the Group’s products and services amongst its target market via increased distribution channels which allow our Group’s subscribers wider access to recharge vouchers, as well as increase in traditional trade channels;
- Higher forecasted rate of subscriber retention through the increased distribution channel which allows its subscribers to purchase their recharge vouchers conveniently; and
- Introduction of new products and services such as additional convergence subscription plans and convergence value added services.

The Board of Directors of XOX Group is of the opinion that the financial performance of XOX Group for the second quarter of 2011 is within the expectation of the management and this performance has already been taken into account during the

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preparation of its profit forecast. In the opinion of the Board of Directors, the revenue or profit forecast in the remaining period to the end of the financial year is likely to be achieved.

4. Profit forecast

The Board of Directors of XOX Group is of the opinion that the financial performance of XOX Group for the second quarter of 2011 is within the expectation of the management and this performance has already been taken into account during the preparation of its profit forecast

5. Income tax expense

	Current Quarter	Cumulative Quarter
	RM'000	RM'000
Income tax expense	-	-

No provision for income tax expense made as the Group has no assessable profits subject to Malaysia tax for current quarter under review and financial year-to-date.

6. Sales of unquoted investment / properties

There were no sales of unquoted investments / properties in the current financial quarter and financial year-to-date.

7. Purchase or disposal of quoted securities

There were no purchase or disposal of quoted securities for the current financial quarter and financial year-to-date.

8. Status of corporate proposals and utilisation of proceeds

In conjunction with and as an integral part of the listing of and quotation for the entire issued and paid-up share capital of our Group on the ACE Market of Bursa Securities, the Company implemented the following:-

(i) Bonus Issue by XOX Com

Bonus Issue of 7,999,998 new ordinary shares of RM1.00 each in XOX Com to all existing shareholders of XOX Com on the basis of approximately one (1) new ordinary share of RM1.00 each for every two (2) existing ordinary shares of RM1.00 each in XOX Com. The Bonus Issue by XOX Com was completed prior to the Acquisition of Subsidiaries by our Group.

(ii) Acquisition of Subsidiaries

(a) Acquisition of the entire issued and paid-up share capital of XOX Com amounting to RM24,879,998 comprising 24,879,998 ordinary shares of RM1.00 each in XOX Com for a purchase consideration of RM24,879,998 wholly satisfied by the issuance of 24,879,998 new ordinary shares of RM1.00 each in XOX at an issue price of RM1.00 per ordinary share;

(b) Acquisition of the entire issued and paid-up share capital of XOX Media amounting to RM100,000 comprising 100,000 ordinary shares of RM1.00 each in XOX Media for a purchase consideration of RM100,000 wholly satisfied by the issuance of 100,000 new ordinary shares of RM1.00 each in XOX at an issue price of RM1.00 per ordinary share; and

(c) Acquisition of the entire issued and paid-up share capital of XOX Management Services amounting to RM40,000 comprising 40,000 ordinary shares of RM1.00 each in XOX Management Services for a purchase consideration of RM40,000 wholly satisfied by the issuance of 40,000 new ordinary shares of RM1.00 each in XOX at an issue price of RM1.00 per ordinary share.

(iii) Share Split

The Share Split involving the sub-division of every one (1) existing ordinary share of RM1.00 each in our Group into ten (10) ordinary shares of RM0.10 each.

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8. Status of corporate proposals and utilisation of proceeds (cont'd)

(iv) *Special Issue*

The Special Issue of 5,000,000 new ordinary shares of RM0.10 each to the selected pioneer management team of our Group at an issue price of RM0.36 per Share.

(v) *Public Issue*

The Public Issue of 46,800,000 new XOX Shares ("Public Issue Shares") at Issue price of RM0.80 per Share.

(vi) *Listing*

Upon listing on 10 June 2011, the entire enlarged issued and paid-up share capital of the Company comprised 302,000,000 Shares on the ACE Market of Bursa Securities.

(vii) *Utilisation of IPO proceeds*

The status of the gross proceeds of RM37.4 million from the Public Issue is as follows:-

Purpose	Total Proceeds Raised	Actual Utilisation Amount		Deviation Amount	Intended Timeframe for utilisation
	RM'000	RM'000	%	RM'000	
(i) Payment to creditor	5,000	3,050	61	1,950	Within 3 months after listing
(ii) Capital expenditure	6,200	3,000	48	3,200	Within 12 months after listing
(iii) Working capital	23,200	6,032	26	17,168	Within 12 months after listing
(iv) Estimated listing expenses	3,000	2,817	94	183	Immediate
Total	37,400	14,899			

Note: IPO proceeds will be utilised within the estimated timeframe. The Group does not expect any material deviation as at the date of this report.

9. Group's borrowings and debt securities

Save for the following secured borrowings, there were no borrowings and debts securities during the current quarter under review and financial year-to-date.

	Year to Date Ended 30 June 2011
	RM'000
Hire purchase	
Short-term	82
Long-term	838

The hire purchase payables are pertaining to the acquisition of motor vehicles.
As at 30 June 2011, the Group does not have any foreign currency denominated borrowings.

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10. Off-balance sheet financial instruments

There are no off-balance sheet financial instruments as at the date of this report.

11. Changes in material litigation

As at the date of this report, there is no litigation or arbitration, which has a material effect on the financial position of the Group and the Board is not aware of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which has a material effect on the financial position of the Group.

12. Realised and Unrealised Profit/Losses Disclosure

The accumulated losses as at 30 June 2011 and 31 December 2010 are analysed as below:

	Current Financial Year	Preceding Financial Year
	RM'000	RM'000
Total Accumulated Losses :		
- Realised	(37,323)	NA
- Unrealised	-	NA
Total Group Accumulated Losses	(37,323)	NA

Note: -
NA – Not applicable

13. Net loss per share

	Quarter Ended	Preceding Year Corresponding Quarter	Year to Date Ended	Year to Date Ended
	30 June 2011	30 June 2010	30 June 2011	30 June 2010
	RM'000	RM'000	RM'000	RM'000
Net Loss attributable to equity holders of the company	(2,921)	NA	(4,588)	NA
Weighted average number of ordinary share in issue ('000)	257,587	NA	129,505	NA
Net Loss Per Share - Basic (sen)	(1.1)	NA	(3.5)	NA

Note: -
NA – Not applicable

The fully diluted loss per share is not presented as there were no dilutive potential ordinary shares outstanding at the end of the reporting period.

14. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 25 August 2011.