

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 31 DECEMBER 2015

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 2015

Unaudited Condensed Consolidated Statement of Comprehensive Income

	← INDIVIDUAL QUARTER →		← CUMULATIVE QUARTER →	
	Current Quarter <u>31 December 2015</u>	Preceding Year Corresponding Quarter <u>31 December 2014</u>	Year to Date <u>31 December 2015</u>	Preceding Year Corresponding Period <u>31 December 2014</u>
Note	RM'000	RM'000	RM'000	RM'000
Revenue	36,818	19,566	72,777	36,818
Cost of sales	(19,706)	(9,980)	(39,980)	(20,885)
Gross Profit	<u>17,112</u>	<u>9,586</u>	<u>32,797</u>	<u>15,933</u>
Other income	339	155	355	745
Selling and distribution expenses	(9,257)	(4,147)	(17,181)	(6,953)
Administrative expenses	(5,773)	(4,213)	(11,771)	(7,456)
Other expenses	(1,374)	(1,138)	(2,666)	(2,353)
Finance costs	(8)	(17)	(16)	(30)
Profit/(Loss) Before Tax	1,039	226	1,518	(114)
Income tax expense	(229)	(4)	(281)	(15)
Profit/(Loss) After Taxation / Total comprehensive income	<u>810</u>	<u>222</u>	<u>1,237</u>	<u>(129)</u>
Profit / (Loss) After Taxation / Total comprehensive income				
Attributable to:-				
- Equity holders of the Company	227	55	860	(280)
- Non-controlling interest	583	167	377	151
	<u>810</u>	<u>222</u>	<u>1,237</u>	<u>(129)</u>
Net Profit/ (Loss) Per Share attribute to equity holders of the Company				
- Basic (sen)	0.07	0.02	0.26	(0.08)
- Diluted (sen)	0.07	0.02	0.26	(0.08)

The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying explanatory notes attached to this interim financial statements.

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Unaudited Condensed Consolidated Statement of Financial Position

	Unaudited As at 31 December 2015 RM'000	Audited As at 30 June 2015 RM'000
ASSETS		
NON-CURRENT ASSETS		
Equipment	32,175	32,773
Intangible assets	3	3
Total Non – Current Assets	32,178	32,776
CURRENT ASSETS		
Inventories	2,141	2,919
Trade receivables	20,892	24,294
Other receivables, deposits and prepayments	11,190	8,445
Short-term investment	20	20
Cash and bank balances	5,501	9,286
<i>Total Current Assets</i>	39,744	44,964
TOTAL ASSETS	71,922	77,740
EQUITY AND LIABILITIES		
Share capital	35,600	33,200
Capital reserve	2,200	2,200
Share premium	200	32,730
Accumulated profit/(losses)	682	(49,308)
<i>Total Equity</i>	38,682	18,822
Non-controlling interest	836	148
	39,518	18,970
NON CURRENT LIABILITY		
Hire Purchase Payables	520	411
Deferred tax liabilities	5	5
	525	416
CURRENT LIABILITIES		
Trade payables	20,550	40,876
Other payable and accruals	11,202	17,276
Hire purchase payables	127	202
<i>Total Liabilities</i>	31,879	58,354
TOTAL EQUITY AND LIABILITIES	71,922	77,740
Net assets per share attributable to equity holders of the Company (sen) #	10.87	5.67

Notes: -

- # The net assets per share attributable to equity holders of the Company is computed based on the net assets divided by 356,000,000 ordinary shares of RM0.10 each of the Company.
- (a) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying explanatory notes attached to this interim financial statements.

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Unaudited Condensed Consolidated Statement of Changes in Equity

	← Non-distributable →			← Distributable →		Total equity RM'000
	Share capital RM'000	Capital Reserve RM'000	Share premium RM'000	Accumulated losses RM'000	Non- controlling interest RM'000	
At 1 July 2015	33,200	2,200	32,730	(49,308)	148	18,970
Total comprehensive income for the period	-	-	-	860	377	1,237
Capital reduction	(16,600)	-	(32,530)	49,130	-	-
Restricted issue	19,000	-	-	-	-	19,000
Disposal of subsidiary	-	-	-	-	311	311
At 31 December 2015	35,600	2,200	200	682	836	39,518
At 1 July 2014	33,200	2,200	32,730	(50,065)	(304)	17,761
Total comprehensive expenses for the period	-	-	-	(280)	151	(129)
Acquisition of non-controlling shareholder interest	-	-	-	-	40	40
At 31 December 2014	33,200	2,200	32,730	(50,345)	(113)	17,672

Notes:-

The Unaudited Condensed Consolidated Statement of Changes to Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying explanatory notes attached to this interim financial statements.

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Unaudited Condensed Consolidated Statement of Cash Flow

	Cumulative Quarter Ended 31 December 2015	Preceding Year Corresponding 6 Months Ended 31 December 2014
NOTE	RM'000	RM'000
CASH FLOWS FOR OPERATING ACTIVITIES		
Profit /(Loss) before taxation	1,518	(114)
Adjustments for:		
Depreciation of equipment	2,566	2,229
Interest expense	16	5
Interest income	(9)	(2)
Impairment on trade receivable	639	1,203
Impairment on trade receivable recovered	-	(1,661)
Impairment of inventory recovered	-	(72)
Gain on disposal of subsidiary	(311)	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	4,419	1,588
(Increase) / Decrease in inventories	778	(40)
(Increase) / Decrease in trade and other receivables	18	(6,608)
Increase / (Decrease) in trade and other payables	(26,089)	9,192
Cash for operations	(20,874)	4,132
Interest paid	(16)	(5)
Tax paid	30	(15)
Net cash (used in) / generated from operating activities	(20,860)	4,112
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	9	2
Purchase of equipment	(1,968)	(1,209)
Investment from non-controlling interest	-	40
Net cash used in investing activities	(1,959)	(1,167)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase payables	(116)	(50)
Drawdown of hire purchase	150	76
Proceeds from restricted issue	19,000	-
Net cash from financing activities	19,034	26
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(3,785)	2,971
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	9,306	771
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	5,521	3,742

Notes: -

The Unaudited Condensed Consolidated Statements of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying explanatory notes attached to this interim financial statements.

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 2015

A. Explanatory Notes Pursuant To MFRS 134

1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 Interim Financial Reporting and Appendix 9B of the ACE Market Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”).

The interim financial report should be read in conjunction with the latest audited financial statements of XOX Bhd (“XOX” or the “Company”) and its subsidiaries (“Group”) for the financial year ended 30 June 2015.

The accounting policies adopted by the Group in this interim financial statements are consistent with those of the audited financial statements for the financial year ended 30 June 2015.

Standards issued but not yet effective

The Group have not applied the following new MFRSs and amendments to MFRSs that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the Group.

		Effective dates for financial periods <u>beginning on or after</u>
MFRS 14	Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141	Agriculture: Bearer Plants	1 January 2016
Amendments to MFRS 127	Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Invest or and its Associate or Joint Venture	1 January 2016
Annual Improvements to MFRSs 2012 – 2014 Cycle		1 January 2016
Amendments to MFRS 101	Disclosure Initiative	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities : Applying the Consolidation Exception	1 January 2016
MFRS 15	Revenue from Contracts with Customers	1 January 2017
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018

The Group intend to adopt the above MFRSs when they become effective.

The initial application of the abovementioned MFRSs is not expected to have any significant impacts on the financial statements of the Group except as mentioned below:

MFRS 9	Financial Instruments
MFRS15	Revenue from Contracts with Customers

The Group is currently examining the financial impact that may arise from the adoption of MFRS 9 and MFRS 15.

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- 2. Audit report of the Group's preceding annual financial statements**

There was no audit qualification reported in the audited financial statements of the Group for the financial year ended 30 June 2015.
- 3. 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.
- 4. Nature and amount of exceptional and extraordinary items**

There were no exceptional or extraordinary 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.
- 5. Changes in estimates**

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

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 quarter and financial year to date.
- 7. Dividends**

No dividends were declared or paid by the Group in the current quarter under review.
- 8. Segment information**

Segmental information are neither included in the internal management reports nor provided regularly to the Management as the Group operates principally in Malaysia and in one major business segment. Accordingly, there are no segmental information disclosures.
- 9. Material events subsequent to the end of the reporting period**

There were no material events subsequent to the end of this current quarter that have not been reflected in the financial statement for this current financial quarter under review other than as disclosed below: -

 - (i) On 26 November 2015, XOX Bhd ("XOX" or "the Company" or "the Group") announced that its indirect wholly owned subsidiary, XOX Mobile Sdn Bhd ("XOX Mobile") has entered into a Joint Venture Agreement with Mobligation Co. Ltd for the purpose to establish a new joint venture company to jointly promote and develop innovative mobile portal and browser particularly the Timber Browser, Kong Browser an Nepkin Micro Site in South East Asia;
 - (ii) On 26 November 2015, XOX announced that its indirect wholly owned subsidiary, XOX Mobile has entered into a Collaboration Agreement with Fotokem Sdn Bhd for the purpose to outlines the responsibilities, marketing initiative and commercial arrangement of both parties to promote the products offered by the Group.
 - (iii) On 29 January 2016, the Company announced that its wholly owned subsidiary, XOX Media Sdn Bhd ("XOX Media") has entered into a Memorandum of Understanding ("MOU") with Pantech Inc., a renowned mobile phone manufacturer in the Republic of Korea to explore a business collaboration between the parties particularly to embed Voopee as default application into Pantech mobile phones.
- 10. Changes in the composition of the Group**

There were no material changes in the composition of the Group during the quarter under review except for:

The disposed of the Company's entire fifty percent (50%) equity interest in XOX Retail Sdn Bhd ("XOX Retail") a subsidiary of the XOX, comprising 1 ordinary share of RM1.00 each for a cash consideration of RM1.00. Consequently, XOX Retail has ceased to be a subsidiary of XOX on 2 October 2015.
- 11. Contingent liabilities and assets**

There are no material contingent liabilities or assets which may have material effect on the financial position of the Group as the date of this announcement.
- 12. Equipment**

The Group acquired additional equipment amounting to approximately RM947,000.00 in the current quarter under review.

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13. Capital commitment

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

	RM'000
Approved and contracted for:	
- Equipment	18

14. 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 quarter:

	Current quarter 31 December 2015 RM'000	Preceding year corresponding quarter 31 December 2014 RM'000
(i) Key management personnel compensation: Short-term employee benefits	303	202

15. Cash and cash equivalents

	As At 31 December 2015 RM'000	As At 30 June 2015 RM'000
Short-term investment	20	20
Cash and bank balances	5,501	9,286
	<u>5,521</u>	<u>9,306</u>

16. Other investments

Save for the short-term investment placed with a bank disclosed in Section A.15, there were no other investments during the current quarter under review and financial year-to-date.

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

1. Performance of the current quarter and financial year-to-date against preceding year corresponding quarter and year-to-date

For the current quarter under review, XOX Group reported revenue of RM36.82 million and pre-tax profit of RM1.04 million as compared to RM19.57 million and RM0.23 million respectively reported in the previous year corresponding quarter.

The 88% increase in Group revenue was mainly due to the impressive subscriber growth which was attributed to positive effects from innovative growth strategies and improved operating models in place since 2015.

The Group recorded revenue of RM72.78 million and profit before tax of RM1.52 million for the year-to-date versus the corresponding year-to-date of the previous financial year of RM36.82 million in revenue and loss before tax of RM0.11 million.

The significant increase in revenue and profit before tax is in line with the Group's continuous efforts on product branding, consistent subscriber retention and quality subscriber acquisitions through various business strategies.

2. Performance of the current quarter against the preceding quarter

	Current Quarter 30 September 2015	Preceding Quarter 30 September 2015
	RM'000	RM'000
Revenue	36,818	35,959
Earnings Before Interest Taxes Depreciation and Amortisation	2,085	1,965
Profit after tax	810	427

For the current quarter under review, the Group managed to register a slight increase in sales revenue, earnings before interest taxes depreciation and amortisation (EBITDA) and profit after taxation compared with preceding quarter, despite the challenging persistent price competition in data pricing as mobile operators' data monetisation strategy to offset declines in voice and SMS.

3. Prospects and business outlook

Based on the performance of the Group to date, the Board of Directors of the Company is encouraged by the improvement in revenue and profit; however, we are cautious about the heightened price competition in the telecommunication industry.

Given the current economic and financial outlook, the Directors are of the view that the Group's operating environment will be challenging for the remaining quarters of the financial year ending 30 June 2016. However, we will focus on providing data and voice services that are of high quality, reliable and affordable in line with current subscriber trends, coupled with stringent cost controls in order to stay ahead of the competition.

Barring any unforeseen circumstances, competitive pressures and uncertain economic situation, the Board of Directors is of the view that the Group expects to remain profitable for the financial year ending 30 June 2016.

4. Profit forecast

The Board of Directors wishes to inform that the XOX Group did not issue any profit forecast.

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5. Profit/(Loss) before tax

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	<u>31 December 2015</u>	<u>31 December 2014</u>	<u>31 December 2015</u>	<u>31 December 2014</u>
	RM'000	RM'000	RM'000	RM'000
Interest income	(7)	(1)	(9)	(2)
Interest expense	8	2	16	5
Provision for and write off of doubtful debts	639	-	639	1,203
Reversal of Provision for doubtful debts	-	-	-	(1,661)
Depreciation on plant and equipment	1,274	1,117	2,566	2,229

6. Income Tax Expense

The reconciliation of income tax expenses applicable to the loss before taxation at the statutory tax rate to income tax expenses at the effective tax rate are as follows:

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	<u>31 December 2015</u>	<u>31 December 2014</u>	<u>31 December 2015</u>	<u>31 December 2014</u>
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before tax	1,039	226	1,518	(114)
Tax at statutory rate of 25%	260	57	380	(29)
Expenses not deductible for tax purposes	111	205	630	314
Income not subject to tax	(8)	(1)	(10)	(1,205)
Deferred tax not recognised	(134)	(257)	(719)	935
Income tax expenses	229	4	281	15

7. Gain or loss on disposal of quoted and/or unquoted investments and/or properties

There were no other material disposal of quoted, unquoted and/or properties for the current quarter and financial year to date except the disposal of the 50% owned subsidiary – XOX Retails Sdn Bhd, the disposal has resulted a gain of RM311k to the Group.

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8. Corporate proposals and utilisation of proceeds

Save as disclosed below, there were no other corporate proposals which had been announced by the Company and are pending for completion as of today.

On 9 October 2014 and 8 December 2014, the Company announced a proposal to implement a Corporate Exercise. Details of the corporate exercise are as follows:

- (i) PROPOSED REDUCTION OF UP TO RM32,730,251 FROM THE SHARE PREMIUM ACCOUNT OF XOX PURSUANT TO SECTIONS 60(2) AND 64(1) OF THE COMPANIES ACT, 1965 (“ACT”) (“PROPOSED SHARE PREMIUM REDUCTION”);
- (ii) PROPOSED REDUCTION OF THE PAR VALUE OF EACH EXISTING ORDINARY SHARE OF XOX FROM RM0.10 EACH (“XOX SHARE”) TO RM0.05 EACH BY WAY OF CANCELLATION OF RM0.05 OF THE PAR VALUE OF EACH XOX SHARE PURSUANT TO SECTION 64(1) OF THE ACT (“PROPOSED PAR VALUE REDUCTION”);
- (iii) PROPOSED CONSOLIDATION OF EVERY TWO (2) ORDINARY SHARES OF RM0.05 EACH IN XOX AFTER THE PROPOSED PAR VALUE REDUCTION INTO ONE (1) NEW SHARE IN XOX OF RM0.10 PAR VALUE EACH (“CONSOLIDATED SHARE”) (“PROPOSED SHARE CONSOLIDATION”);

(THE PROPOSED SHARE PREMIUM REDUCTION, PROPOSED PAR VALUE REDUCTION AND PROPOSED SHARE CONSOLIDATION ARE COLLECTIVELY REFERRED TO AS “PROPOSED CAPITAL REDUCTION”)

- (iv) PROPOSED RESTRICTED ISSUE OF 190,000,000 NEW XOX SHARES AT AN ISSUE PRICE OF RM0.10 EACH PER RESTRICTED ISSUE SHARE TO PARTIES TO BE IDENTIFIED LATER (“PROPOSED RESTRICTED ISSUE”);
- (v) PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 356,000,000 NEW XOX SHARES (“RIGHTS SHARES”) ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY ONE (1) EXISTING XOX SHARE HELD (AFTER THE COMPLETION OF THE PROPOSED CAPITAL REDUCTION) ON AN ENTITLEMENT DATE TO BE DETERMINED LATER (“RIGHTS ENTITLEMENT DATE”), TOGETHER WITH UP TO 356,000,000 FREE DETACHABLE NEW WARRANTS (“WARRANTS”) ON THE BASIS OF ONE (1) WARRANT FOR EVERY ONE (1) RIGHTS SHARE SUBSCRIBED BY THE ENTITLED SHAREHOLDERS (“PROPOSED RIGHTS ISSUE OF SHARES WITH WARRANTS”);
- (vi) PROPOSED ESTABLISHMENT OF A SHARE ISSUANCE SCHEME (“SIS”) OF UP TO THIRTY PERCENT (30%) OF THE ISSUED AND PAID-UP SHARE CAPITAL OF XOX (EXCLUDING TREASURY SHARES, IF ANY) AT ANY ONE TIME DURING THE DURATION OF THE SCHEME FOR THE ELIGIBLE DIRECTORS AND EMPLOYEES OF XOX AND ITS SUBSIDIARIES (“XOX GROUP” OR “GROUP”) (EXCLUDING DORMANT SUBSIDIARIES) (“PROPOSED SIS”);
- (vii) PROPOSED INCREASE IN THE AUTHORISED SHARE CAPITAL OF XOX FROM RM100,000,000 COMPRISING 1,000,000,000 XOX SHARES TO RM300,000,000 COMPRISING 3,000,000,000 XOX SHARES (“PROPOSED IASC”); AND
- (viii) PROPOSED AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF XOX TO FACILITATE THE IMPLEMENTATION OF THE PROPOSED CAPITAL REDUCTION AND PROPOSED IASC (“PROPOSED AMENDMENT”)

On 18 February 2015, the Company obtained approval from Bursa Malaysia Securities Berhad on the proposal. The circular was sent to Shareholders on 6 March 2015 and approval from Shareholders on the proposals was obtained on 30 March 2015 through the Extraordinary General Meeting.

On 19 June 2015, the Company announced that the High Court of Malaya had on 5 June 2015 granted an order confirming the Proposed Par Value Reduction and Proposed Share Premium Reduction, whereby the draft Court Order was duly approved on 19 June 2015. The sealed order will be extracted and an office copy of the order will be lodged with the Companies Commission of Malaysia for the Proposed Par Value Reduction and Proposed Share Premium Reduction to take effect.

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On 2 November 2015, on behalf of the Board, TA Securities has announced that an office copy of the sealed order of the High Court of Malaya confirming the Par Value Reduction and Share Premium Reduction has been lodged with the Companies Commission of Malaysia on 2 November 2015, upon which the Par Value Reduction and Share Premium Reduction shall take effect and hence deemed completed.

And the Par Value Reduction does not affect the number of and the rights attached to the existing Shares held by the Shareholders. All Shares held in the securities account of the shareholders of the Company shall be unaffected, except for the reduction in their par value from RM0.10 to RM0.05 per Share.

On 17 & 18 November 2015, on behalf of the Board, TA Securities has further announced that as a result of the Share Consolidation, which is after the Par Value Reduction is effective, 332,000,000 ordinary shares in XOX of RM0.05 each will be consolidated into 166,000,000 new ordinary shares in XOX of RM0.10 each ("Consolidated Shares").

The Proposed Capital Reduction has completed on 18 November 2015; and the Consolidated Shares has listed and quoted on the ACE Market of Bursa Malaysia Securities Berhad.

On 23 November 2015, on behalf of the Board, TA has announced that the listing and quotation of the Restricted Issue Shares of 190,000,000 new XOX shares on the ACE Market of Bursa Securities Berhad, and the Proposed Restricted Issue of 190,000,000 new XOX shares has completed.

On 4, 6, 15 & 18 January 2016, the announcements were made with regard to the issue price of Rights Shares, exercise price of Warrants, lodgement of the abridged prospectus. And on 10 February 2016, there was further announcement made on the total valid acceptances and total valid excess applications received for the Rights Issue of Shares with Warrants was 200,414,675 Rights Shares with Warrants, representing approximately 56.29% of the Rights Shares with Warrants available for acceptances under the Rights Issues of Shares with Warrants.

The Rights Shares with Warrants are expected to be listed and quoted on the ACE Market of Bursa Securities on 22 February 2016.

9. Group Borrowings

There were no other borrowings during the current quarter under review and the additional Hire Purchase borrowing for the financial year-to-date amounting to RM150k.

	As at 31 December 2015	As at 30 June 2015
	RM'000	RM'000
Hire purchase		
Short-term	127	202
Long-term	520	410

The hire purchase payables are pertaining to the acquisition of motor vehicles.

The Group does not have any foreign currency denominated borrowings.

10. Material litigation

There were no litigation or arbitration, which has a material effect on the financial position of the Group and the Board is not aware of any other 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.

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11. Realised and Unrealised Profit /(Losses) Disclosure

	As at 31 December 2015	As at 30 June 2015
	RM'000	RM'000
Total accumulated losses:		
- Realised	494	(49,496)
- Unrealised	188	188
	682	(49,308)

12. Net Profit/(Loss) per share

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	<u>31 December 2015</u>	<u>31 December 2014</u>	<u>31 December 2015</u>	<u>31 December 2014</u>
	RM'000	RM'000	RM'000	RM'000
Net Profit /(Loss) attributable to equity holders of the company	227	55	860	(280)
Weighted average number of ordinary shares in issue ('000)	330,641	332,000	330,641	332,000
Net Profit /(Loss) Per Share - Basic (sen)	0.07	0.02	0.26	(0.8)

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