

XOX BHD

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2016

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Unaudited Condensed Consolidated Statement of Comprehensive Income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31 March 2016	Preceding Year Corresponding Quarter 31 March 2015	Year to Date 31 March 2016	Preceding Year Corresponding Period 31 March 2015
Note	RM'000	RM'000	RM'000	RM'000
Revenue	37,514	26,219	110,291	63,037
Cost of sales	(18,709)	(14,108)	(58,689)	(34,994)
Gross Profit	18,805	12,111	51,602	28,043
Other income	42	62	87	807
Selling and distribution expenses	(10,216)	(5,009)	(27,397)	(11,963)
Administrative expenses	(5,957)	(4,718)	(17,417)	(12,173)
Other expenses	(1,424)	(1,242)	(4,091)	(3,596)
Finance costs	(7)	(29)	(23)	(59)
Profit Before Tax	1,243	1,175	2,761	1,059
Income tax expense	(244)	4	(525)	(10)
Profit After Taxation / Total Comprehensive Income	999	1,179	2,236	1,049
Profit After Taxation / Total Comprehensive Income Attributable to:-				
- Equity holders of the Company	1,016	429	1,876	149
- Non-controlling interest	(17)	750	360	900
	999	1,179	2,236	1,049
Net Profit Per Share attribute to equity holders of the Company				
- Basic (sen)	B12 0.28	0.13	0.51	0.04
- Diluted (sen)	B12 0.28	0.13	0.51	0.04

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 March 2016 RM'000	Audited As at 30 June 2015 RM'000
ASSETS		
NON-CURRENT ASSETS		
Equipment	45,466	32,773
Intangible assets	3	3
Total Non – Current Assets	45,469	32,776
CURRENT ASSETS		
Inventories	1,634	2,919
Trade receivables	18,750	24,294
Other receivables, deposits and prepayments	24,336	8,445
Short-term investment	20	20
Fixed Deposit	14,000	-
Cash and bank balances	7,578	9,286
Total Current Assets	66,318	44,964
TOTAL ASSETS	111,787	77,740
EQUITY AND LIABILITIES		
Share capital	55,641	33,200
Capital reserve	2,200	2,200
Share premium	20,241	32,730
Warrant Reserves	20,041	-
Other Reserves	(20,041)	-
Accumulated profit/(losses)	1,698	(49,308)
Total Equity	79,780	18,822
Non-controlling interest	819	148
	80,599	18,970
NON CURRENT LIABILITY		
Hire Purchase Payables	404	411
Deferred tax liabilities	5	5
	409	416
CURRENT LIABILITIES		
Trade payables	21,878	40,876
Other payable and accruals	8,721	17,276
Hire purchase payables	180	202
Total Liabilities	30,779	58,354
TOTAL EQUITY AND LIABILITIES	111,787	77,740
Net assets per share attributable to equity holders of the Company (sen) #	14.34	5.67

Notes: -

- # The net assets per share attributable to equity holders of the Company is computed based on the net assets divided by 556,410,000 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 →					
	Share capital RM'000	Capital Reserve RM'000	Share premium RM'000	Other Reserves RM'000	Warrant Reserve RM'000	Accumulated losses RM'000	Non- controlling interest RM'000	Total equity RM'000
At 1 July 2015	33,200	2,200	32,730	-	-	(49,308)	148	18,970
Total comprehensive income for the period	-	-	-	-	-	1,876	360	2,236
Capital reduction	(16,600)	-	(32,530)	-	-	49,130	-	-
Restricted issue	19,000	-	-	-	-	-	-	19,000
Right issue of shares with warrants	20,041	-	20,041	(20,041)	20,041	-	-	40,082
Disposal of subsidiary	-	-	-	-	-	-	311	311
At 31 March 2016	55,641	2,200	20,241	(20,041)	20,041	1,698	819	80,599
At 1 July 2014	33,200	2,200	32,730	-	-	(50,065)	(304)	17,761
Total comprehensive expenses for the period	-	-	-	-	-	149	900	1,049
Acquisition of non-controlling shareholder interest	-	-	-	-	-	-	40	40
At 31 March 2015	33,200	2,200	32,730	-	-	(49,916)	636	18,850

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 March 2016 RM'000	Preceding Year Corresponding 9 Months Ended 31 March 2015 RM'000
	NOTE	
CASH FLOWS FOR OPERATING ACTIVITIES		
Profit /(Loss) before taxation	2,761	1,059
Adjustments for:		
Depreciation of equipment	3,836	3,371
Interest expense	23	8
Interest income	(13)	(7)
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	6,935	4,045
(Increase) / Decrease in inventories	1,285	1
(Increase) / Decrease in trade and other receivables	(10,986)	(3,711)
Increase / (Decrease) in trade and other payables	(27,247)	10,541
Cash for operations	(30,013)	11,876
Interest paid	(23)	(8)
Tax paid	(209)	(10)
Net cash (used in) / generated from operating activities	(30,245)	10,858
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	13	7
Purchase of equipment	(16,529)	(2,996)
Investment from non-controlling interest	-	40
Net cash used in investing activities	(16,516)	(2,949)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase payables	(179)	(87)
Drawdown of hire purchase	150	549
Proceeds from Right Issues with Warrants	40,082	-
Proceeds from Restricted issue	19,000	-
Net cash from financing activities	59,053	462
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	12,292	(2,487)
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	21,598	9,142

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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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 except for the followings new MFRSs and amendments to MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") that came into effect for the financial periods beginning on or after 1 January 2016:

MFRS 14	Regulatory Deferral Accounts
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to MFRS 116 and MFRS 141	Agriculture: Bearer Plants
Amendments to MFRS 127	Equity Method in Separate Financial Statements
Amendments to MFRS 10, MFRS 12 and MFRS 128	Sale or Contribution of Assets between an Invest or and its Associate or Joint Venture
Annual Improvements to MFRSs 2012 – 2014 Cycle	
Amendments to MFRS 101	Disclosure Initiative
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception

The initial adoption of the above MFRSs did not have any significant impacts on the interim financial statements of the Group.

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 cyclical 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 other than as disclosed below: -

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Date of allotment / issuance / reduction	No. of shares allotted / issued / reduced	Par Value (RM)	Consideration	Cumulative issued and paid-up share capital (RM)	Cumulative No. of shares allotted / issued
1 July 2015	332,000,000	0.10	Ordinary Shares	33,200,000.00	-
2 November 2015	332,000,000	0.05	Capital Reduction	16,600,000.00	-
17 November 2015	166,000,000	0.10	Share Consolidation	16,600,000.00	166,000,000
19 November 2015	190,000,000	0.10	RM19,000,000 / Restricted Issued	35,600,000.00	356,000,000
11 February 2016	200,414,675	0.10	RM20,041,467.50 / Rights Issue of Shares with Warrants	55,641,467.50	556,414,675

Date of allotment / issuance	No. of Warrants allotted / issued	Fair Value (RM)	Consideration	Cumulative issued Warrants (RM)	Cumulative No. of Warrants
11 February 2016	200,414,675	0.10	Free Warrants pursuant to Right Issue of Shares with Warrants	20,041,467.50	200,414,675

Notes :

- (1) On 2 November 2015, the Company undertook a Capital Reduction involving the reduction of its issued and paid-up share capital of RM33,200,000 comprising 332,000,000 ordinary shares of RM0.10 each to RM16,600,000 comprising 332,000,000 ordinary shares of RM0.05 each by way of cancellation of RM0.05 of the par value of each ordinary shares of RM0.10 each.
- (2) On 2 November 2015, the Company undertook a Share Consolidation involving the consolidation of 2 ordinary share of RM0.05 each into 1 new ordinary share of RM0.10 each and the Consolidated Shares were granted listing and quotation with effect from 9.00 a.m., 18 November 2015.
- (3) Announcement had been made on 23 November 2015 that 190,000,000 Restricted Issue share issued and allotted on 19 November 2015 were granted listing and quotation with effect from 9.00 a.m., 23 November 2015.
- (4) Announcement had been made on 19 February 2016 that 200,414,675 Right Shares together with 200,414,675 Warrants issued and allotted on 11 February 2016 pursuant to Right Issue of Shares with Warrants were granted listing and quotation with effect from 9.00 a.m., 22 February 2016.

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 that is in the provision of mobile communication services and its related products.

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 14 & 19 April 2016, 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 Cooperation Agreement with Cheetah Technology Corporation Limited for the purpose to outlines the obligations of both parties whereby XOX Media shall promote Cheetah's application to its distribution network digitally via promoting the installation of Cheetah's applications into the specified mobile devices;

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- (ii) On 14 April 2016, XOX announced that its indirect wholly owned subsidiary, XOX Mobile has entered into a Memorandum of Understanding with Leopard Mobile to explore a business collaboration between two parties in cross marketing and cross bundling programs where Leopard will promote and market Voopee through its various channels and its users and XOX Mobile will market the range of Leopard's products through its channels and subscribers;
- (iii) Subsequent to the announcement made on 14 March 2016 with regard to the effective date for the implementation of the Share Issuance Scheme by XOX; the Company has further announced on 21 April 2016 that the Company has offered and grant of options to eligible employee to subscribe for 138,473,900 number of new ordinary shares of RM0.10 each in the Company under the Share Issuance Scheme of the Company at exercise price of RM0.13 per share.
- (iv) On 13 May 2016, the Company has announced that the Company has from the period commencing from 6 May 2016 to 12 May 2016, the Company has acquired from the open market an aggregate of 11,690,000 ordinary shares of RM0.10 in M3 Technologies (Asia) Berhad ("M3 Technologies"), representing 5.92% of the total issued and paid up capital of M3 Technologies for a total purchase consideration of approximately RM2,400,554.

10. Changes in the composition of the Group

There were no material changes in the composition of the Group during the quarter under review.

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 RM14,561,000.00 in the current quarter under review.

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.

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- (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 March 2016 RM'000	Preceding year corresponding quarter 31 March 2015 RM'000
(i) Key management personnel compensation: Short-term employee benefits	696	303

15. Cash and cash equivalents

	As At 31 March 2016 RM'000	As At 30 June 2015 RM'000
Short-term investment	20	20
Cash and bank balances	7,578	9,122
Fixed Deposits	14,000	-
	21,598	9,142

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 RM37.51 million and pre-tax profit of RM1.24 million as compared to RM26.22 million and RM1.18 million respectively reported in the previous year corresponding quarter.

The 43% increase in Group revenue were mainly due to the impressive subscribers' growth driven by the various strategies in place since 2015 & promotional products offerings. However, the increase in pre-tax profit was not in tandem with the increased in revenue due to intense competition in the market, especially on data pricing.

The Group recorded revenue of RM110.29 million and profit before tax of RM2.76 million for the year-to-date versus the corresponding year-to-date of the previous financial year of RM63.04 million in revenue and profit before tax of RM1.06 million.

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

2. Performance of the current quarter against the preceding quarter

	Current Quarter 31 March 2016	Preceding Quarter 31 December 2015
	RM'000	RM'000
Revenue	37,514	36,818
Earnings Before Interest Taxes Depreciation and Amortisation	2,516	2,085
Profit after tax	999	810

For the current quarter under review, in spite of the aggressive price-focused competitive market condition, the Group managed to register a marginal increase in sales revenue, earnings before interest taxes depreciation and amortisation (EBITDA) and profit after taxation compared with preceding quarter.

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 as mobile operators are offering attractive packages from time to time in a bid to gain market share amid the weak consumer environment and the continued fall in data pricing as part of the data monetisation strategy to offset declines in voice and SMS.

Given the current economic and financial outlook, the Directors are of the view that the Group's operating environment will be challenging for the coming quarter of the financial year ending 30 June 2016. However, we will keep our focus on providing data and voice services that are 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 March 2016</u>	<u>31 March 2015</u>	<u>31 March 2016</u>	<u>31 March 2015</u>
	RM'000	RM'000	RM'000	RM'000
Interest income	(4)	(5)	(13)	(7)
Interest expense	7	3	23	8
Provision for and write off of doubtful debts	-	-	639	1,203
Reversal of Provision for doubtful debts	-	-	-	(1,661)
Depreciation on plant and equipment	1,270	1,142	3,836	3,371
Impairment, provision for and write off of inventories	-	72	-	72

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 March 2016</u>	<u>31 March 2015</u>	<u>31 March 2016</u>	<u>31 March 2015</u>
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before tax	1,243	1,175	2,761	1,059
Tax at statutory rate of 25%	311	294	690	265
Expenses not deductible for tax purposes	372	197	1,002	510
Income not subject to tax	(4)	(5)	(13)	(1,210)
Deferred tax not recognised	(435)	(490)	(1,154)	445
Income tax expenses	244	(4)	525	10

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 under review.

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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.

A. 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”)

The Proposed Capital Reduction has completed on 2 November 2015; and the Consolidated Shares has completed on 18 November 2015 upon the listed and quoted of the Consolidated Shares on the ACE Market of Bursa Malaysia Securities Berhad on 18 November 2015.

The Proposed Restricted Issue of 190,000,000 new XOX shares has completed, listed and quoted on the ACE Market of Bursa Securities Berhad on 23 November 2015.

The Rights Shares with Warrants of 200,414,675 new XOX shares and 200,414,675 warrants were listed and quoted on the ACE Market of Bursa Securities on 22 February 2016.

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The utilisation of the proceeds as at 31 March 2016 are as follows: -

(1) Restricted Issue (Completed on 19 November 2016)

Details	Proposed Utilisation RM	Actual Utilisation RM	Balance available for utilisation RM
(a) Settlement of amount owing to Celcom	19,000,000	19,000,000	-
Total	19,000,000	19,000,000	-

(2) Rights Issue of Shares with Warrants (Completed on 22 February 2016)

Details	Proposed Utilisation (based on acceptance of applications for Rights Shares) RM	Actual Utilisation RM	Balance available for utilisation RM
(a) Phone bundling expenses	13,792,748	9,600,000	4,192,748
(b) Working capital	19,317,353	5,091,905	14,225,448
(c) Capital expenditure	6,172,834	6,172,834	-
(d) Defray estimated expenses in relation to the Corporate Exercise	800,000	735,000	65,000
Total	40,082,935	21,599,739	18,483,196

- B. 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 Mobiligation 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 and Nepkin Micro Site in South East Asia; to date we are still working on the Joint Venture arrangement before formation of the joint venture company.

9. Group Borrowings

There were no other borrowings during the current quarter under review .

	As at 31 March 2016	As at 30 June 2015
	RM'000	RM'000
Hire purchase		
Short-term	180	202
Long-term	404	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.

XOX BHD

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2016

11. Realised and Unrealised Profit /(Losses) Disclosure

	As at 31 March 2016	As at 30 June 2015
	RM'000	RM'000
Total accumulated losses:		
- Realised	1,510	(49,496)
- Unrealised	188	188
	1,698	(49,308)

12. Net Profit/(Loss) per share

	Individual Quarter		Cumulative Quarter	
	Current year quarter <u>31 March 2016</u>	Preceding year corresponding quarter <u>31 March 2015</u>	Current year to date <u>31 March 2016</u>	Preceding year corresponding period <u>31 March 2015</u>
	RM'000	RM'000	RM'000	RM'000
Net Profit /(Loss) attributable to equity holders of the company	1,016	429	1,876	149
Weighted average number of ordinary shares in issue ('000)	368,749	332,000	368,749	332,000
Net Profit /(Loss) Per Share - Basic (sen)	0.28	0.13	0.51	0.04

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.