

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 2017

Contents

Unaudited Condensed Consolidated Statement of Comprehensive Income

Unaudited Condensed Consolidated Statement of Financial Position

Unaudited Condensed Consolidated Statement of Changes in Equity

Unaudited Condensed Consolidated Statement of Cash Flow

Notes to the Interim Financial Report

Additional information required by the Bursa Malaysia Securities Listing
Requirements (“Bursa Securities LR”)

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 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL PERIOD (2ND QUARTER)		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO-DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/12/2017 RM'000	31/12/2016 RM'000	31/12/2017 RM'000	31/12/2016 RM'000
Revenue	50,462	51,606	95,806	102,682
Operating Expenses	(48,645)	(50,585)	(93,798)	(104,418)
Other Income	64	87	706	1,091
Finance Costs	(30)	(38)	(61)	(54)
Profit/(Loss) Before Tax	1,850	1,070	2,653	(699)
Tax Expenses	(15)	(7)	(61)	(13)
Profit/(Loss) After Tax/Total Comprehensive Income	1,834	1,063	2,592	(712)
Profit/(Loss) After Tax/Total Comprehensive Income Attributable to:				
- Ordinary Equity Holders of the Parent	1,831	546	2,674	(773)
- Non-controlling Interest	4	517	(82)	61
	1,834	1,063	2,592	(712)
Earnings/(Loss) per Share Attributable To Equity Holders of the Parent				
- Basic (sen)	0.21	0.09	0.30	(0.13)
- Diluted (sen)	0.21	0.09	0.30	(0.13)

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 2017 and the accompanying explanatory notes attached to this interim financial statements.

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 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	UNAUDITED AS AT 31 DECEMBER 2017 RM'000	AUDITED AS AT 30 JUNE 2017 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	69,233	70,311
Other investment	4,327	5,735
<i>Total Non-Current Assets</i>	73,560	76,046
CURRENT ASSETS		
Inventories	8,856	7,586
Trade receivables	11,773	15,697
Other receivables, deposits and prepayments	42,506	32,325
Cash and short term deposits	9,813	16,593
<i>Total Current Assets</i>	72,948	72,201
TOTAL ASSETS	146,508	148,247
EQUITY AND LIABILITIES		
Share capital	116,011	107,637
Capital reserve	2,200	2,200
Warrant reserves	19,741	19,741
Other reserves	(19,741)	(19,741)
Share Issuance Scheme Options Reserve	5,871	5,931
Accumulated losses	(3,969)	(6,703)
<i>Total Equity</i>	120,112	109,065
Non-controlling interest	523	605
	120,635	109,670
NON CURRENT LIABILITY		
Finance lease payables	1,728	1,721
Deferred tax liabilities	18	18
	1,746	1,739
CURRENT LIABILITIES		
Trade payables	20,680	25,984
Other payable and accruals	2,860	10,327
Finance lease payables	587	527
	24,127	36,838
TOTAL LIABILITIES	25,873	38,577
TOTAL EQUITY AND LIABILITIES	146,50	148,247
Net assets per share attributable to equity holders of the Company (sen) #	12.82	12.80

Notes: -

The net assets per share attributable to equity holders of the Company is computed based on the net assets divided by 937,006,175 ordinary shares of the Company. 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 2017 and the accompanying explanatory notes attached to this interim financial statements.

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 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent							Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
	Non-distributable			Share Issuance Scheme Option						
	Share Capital RM'000	Share Premium RM'000	Capital Reserve RM'000	Warrant Reserve RM'000	Other Reserve RM'000	Reserve RM'000	Accumulated Losses RM'000			
At 1 July 2017	107,637	-	2,200	19,741	(19,741)	5,931	(6,703)	109,065	605	109,670
Net profit/Total comprehensive income for the period	-	-	-	-	-	-	2,674	2,674	(82)	2,592
Transactions with owners:										
Issue of ordinary shares										
- pursuant to private placement	8,374	-	-	-	-	-	-	8,374	-	8,374
Realization of share options	-	-	-	-	-	(60)	60	-	-	-
At 31 December 2017	116,011	-	2,200	19,741	(19,741)	5,871	(3,969)	120,112	523	120,635
At 1 July 2016	55,641	19,340	2,200	19,741	(19,741)	10,601	(9,754)	78,028	643	78,671
Net loss/Total comprehensive loss for the period	-	-	-	-	-	-	(773)	(773)	61	(712)
Transactions with owners:										
Issue of ordinary shares										
- pursuant to share options exercised	4,541	1,362	-	-	-	-	-	5,904	-	5,904
- pursuant to share issuance	40	-	-	-	-	-	-	40	-	40
Realization of share options	-	3,647	-	-	-	(4,467)	821	-	-	-
At 31 December 2016	60,222	24,349	2,200	19,741	(19,741)	6,134	(9,706)	83,199	705	83,904

* Pursuant to the Companies Act 2016 ("CA2016") which came into effect on 31 January 2017, the credit amounts in the share premium account has been transferred to the share capital account. The Group may exercise its right to use the credit amounts transferred from the share premium account within 24 months after the commencement of the CA2016. There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

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 2017 and the accompanying explanatory notes attached to this interim financial statements.

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 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Cumulative Quarter Ended 31 December 2017	Preceding Year Corresponding 6 Months Ended 31 December 2016
NOTE	RM'000	RM'000
CASH FLOWS FOR OPERATING ACTIVITIES		
Profit/(Loss) before taxation	2,653	(699)
Adjustments for:		
Depreciation of property, plant and equipment	4,005	2,955
Impairment (gain)/loss on other investment	(1,282)	3,885
Gain on disposal of other investment	(606)	(852)
Interest expense	61	54
Interest income	(17)	(8)
OPERATING CASH FLOW BEFORE WORKING CAPITAL CHANGES	4,814	5,335
Changes in working capital:		
Inventories	(1,270)	(3,642)
Trade and other receivables	(6,257)	(12,410)
Trade and other payables	(12,593)	6,141
	(20,120)	(9,911)
Cash used in operations	(15,306)	(4,576)
Interest received	17	8
Interest paid	(61)	(54)
Tax paid	(180)	(13)
Tax refund	19	-
	(205)	(59)
Net cash used in operating activities	(15,511)	(4,635)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(2,927)	(5,220)
Acquisition of other investments	-	(6,000)
Proceeds from disposal of other investments	3,548	852
Net cash generated from/(used in) investing activities	621	(10,368)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase payables	(264)	(190)
Proceeds from issuance of share capital	8,374	5,944
Net cash from financing activities	8,110	5,754
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(6,780)	(9,249)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	16,593	20,494
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	9,813	11,245

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 2017 and the accompanying explanatory notes attached to this interim financial statements.

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 2017

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 Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”).

The unaudited 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 2017.

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 2017 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 2017:

Amendments to MFRS 107	Disclosure Initiative
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses
Annual Improvements to MFRS 2014 – 2016 Cycle:	
• Amendments to MFRS 12	

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

2. 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.

3. 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.

4. Changes in estimates

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

5. Debt and equity securities

There were no other 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; except for the Company increased its issued and paid up ordinary share capital by issuance of 85,182,000 new ordinary shares of RM0.10 each pursuant to the Private Placement on 20 October 2017.

6. Dividends Paid

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

7. Segment information

Segmental information is 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.

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 2017

8. 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 9 January 2018, the Company has offered and grant of options to eligible employee to subscribe for 161,830,452 number of new ordinary share of RM0.10 each in the Company under the Share Issuance Scheme of the Company at exercise price of RM0.10 per share.
- (ii) On 25, 26 January 2018 & 5 February 2018, the Company increased its issued and paid up ordinary share capital by issuance of 7,000,000, 8,000,000 and 41,088,000 ordinary shares of RM0.10 each respectively through the exercise of the share options that was granted under Share Issuance Scheme at an issue price of RM0.10 each for consideration.

9. Changes in the composition of the Group

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

10. 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.

11. 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	2,045

12. 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 2017 RM'000	Preceding year corresponding quarter 31 December 2016 RM'000
(i) Key management personnel compensation: Short-term employee benefits	431	394
(ii) Sales of web blasting services to a related party	7	-
(iii) Rental of equipment from a related party	10	-

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 2017

13. Cash and cash equivalents

	As At 31 December 2017 RM'000	As At 31 December 2016 RM'000
Cash and bank balances	6,812	11,160
Fixed Deposits	<u>3,000</u>	<u>85</u>
	<u>9,812</u>	<u>11,245</u>

14. Other investments

Save for the short-term investment placed with a bank disclosed in Section A.15; the Company is holding 32,049,200 ordinary shares of M3 Technologies (Asia) Berhad ("M3 Technologies") at total market value of RM4,326,642 as at 31 December 2017.

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 2017

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 (“YTD”)

Description	Individual Period (2 nd Quarter)				Cumulative Period			
	Current Year Quarter 31 December 2017	Preceding Year Corresponding Quarter 31 December 2016	Changes		Current Year To-date 31 December 2017	Preceding Year Corresponding Period 31 December 2016	Changes	
	RM'000	RM'000	RM'000/%		RM'000	RM'000	RM'000/%	
Revenue	50,462	51,606	(1,145)	-2%	95,806	102,682	(6,876)	-7%
Earnings Before Interest Tax Depreciation & Amortisation (“EBITDA”)	3,883	2,610	1,273	+49%	6,702	2,303	4,399	+191%
Profit/(Loss) Before Tax (“PBT/LBT”)	1,850	1,070	780	+73%	2,653	(699)	3,352	+480%
Profit/(Loss) After Tax (“PAT/LAT”)	1,834	1,063	771	+73%	2,592	(712)	3,303	+464%
Profit Attributable to Ordinary Equity Holders of the Parent	1,831	546	1,285	+235%	2,674	(773)	3,447	+446%

For the current quarter under review, XOX’s Group reported a 2% decrease in revenue from RM51.61 million to RM50.46 million compared to previous year’s corresponding quarter. And the Group’s year-to-date revenue decreased by 7% from 102.68 million to RM95.81 million. The decrease was due to the continued effect from a lower price point set especially for Data products being offered at 40% lower to enable the Company to compete under an intense price competitive market from January 2017 onwards.

The Group recorded a profit before tax of RM1.85 million for the current quarter as compared with a profit before tax of RM1.07 million in the previous year’s corresponding quarter. Current year’s result included unrealised gain on other investment of RM1.60 million, while the previous year’s corresponding quarter results included a impairment loss on other investment of RM1.08 million. The lower profit recorded was due to reduction in revenue and higher depreciation charged. As a results of the gain on the disposal of other investment and the unrealised gain on other investment of total RM1.89 million, the Group’s year-to-date PBT was recorded at RM2.65 million compared to the LBT of RM0.70 million for the corresponding period of the previous financial year.

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 2017

2. Performance of the current quarter against the preceding quarter

Description	Current Quarter 31 December 2017	Immediate Preceding Quarter 30 September 2017	Changes	
	RM'000	RM'000	RM'000	%
Revenue	50,462	45,344	5,118	+11%
Earnings Before Interest Tax Depreciation & Amortisation ("EBITDA")	3,883	2,819	1,064	+38%
Profit Before Tax ("PBT")	1,850	803	1,047	+130%
Profit After Tax ("PAT")	1,834	757	1,077	+142%
Profit Attributable to Ordinary Equity Holders of the Parent	1,831	843	988	+117%

For the current quarter under review, the Group's revenue grew 11% boosted by the subscriber growth coupled with growth in data usage which resulted from various DATA plans offering and consumer campaigns.

The Group reported a higher EBITDA and profit after taxation compared with the preceding quarter's performance due to the unrealised gain on other investment.

3. Prospects and business outlook

The global telecommunications industry continues its transformation into digital in a connected world, driven by the ongoing innovations and technological developments that are taking place.

The constantly growing competition from Over-the-top (OTT) players who offer apps that allow voice call, instant messaging, and file transfer simultaneously all in one application via the internet have been able to embed many of the traditional telecommunication services into their products offerings, that is causing disruption and is putting enormous pressure on the traditional business model of telecommunications services provider. As a result, telecommunication industry continues to be a critical force for growth & innovation; it can prove to be a challenge as well as opportunity for telecommunication companies and mobile operators

In view of these challenges facing the telecommunication industry, we are optimistic the prospects are bright for the Group with our resilient strategies in place, and aims to change the traditional business model by transforming into a multi-platform media company where sales of content such as music, concerts, live event feeds to replace sales of SIM cards and airtime as the Company's core business.

Barring any unforeseen circumstances, which include competitive pressures and uncertain economic environment, the Board of Directors is of the view that the Group expects to post positive results for the quarters ahead.

4. Profit forecast or profit guarantee

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

5. Qualification of preceding audited financial statements

There was no audit qualification reported in the audited financial statements of the Group for the financial year ended 30 June 2017.

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 2017

6. Profit/(Loss) before tax

Descriptions	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	31 December 2017 RM'000	31 December 2016 RM'000	31 December 2017 RM'000	31 December 2016 RM'000
Interest income	(9)	(6)	(17)	(8)
Interest expense	30	38	61	54
Depreciation on plant and equipment	2,012	1,508	4,005	2,955
Gain on disposal of other investment	(606)	-	(606)	-
(Unrealised gain)/Impairment loss on investment	(1,602)	1,075	(1,282)	3,884

7. Income Tax Expense

Descriptions	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	31 December 2017 RM'000	31 December 2016 RM'000	31 December 2017 RM'000	31 December 2016 RM'000
Income Tax: - Current	55	268	200	591
Deferred Tax - Net originating and reversal of timing differences	(40)	(261)	(139)	(578)
Income tax expenses	15	7	61	13

The effective tax rate of the Group for the current quarter and financial period to-date is slightly lower than the statutory income tax rate due to utilisation of tax losses and unabsorbed capital allowances.

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

During the periods under review, the Company had disposed of 39,640,800 ordinary shares of M3 Technologies (Asia) Berhad ("M3 Technologies") for a total cash proceeds of RM4,372,271.74, resulted a disposal gain on other investment of RM606,395.74.

Save as disclosed above, there were no other material disposal of quoted, unquoted and/or properties for the current quarter and financial year to date under review.

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 2017

9. 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 at end of the reporting quarter.

- A. On 26 November 2015, XOX announced that its indirect wholly owned subsidiary, XOX Mobile Sdn Bhd (“XOX Mobile”) has entered into a Joint Venture Agreement with Moblignation 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.
- B. On 14 April 2016, XOX announced that its indirect wholly owned subsidiary, XOX Media Sdn Bhd (“XOX Media”) has entered into a Memorandum of Understanding (“MOU”) with Leopard Mobile (“Leopard”) to explore 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 Media will market the range of Leopard’s products through its channels and subscribers. To date, both teams are working on the collaboration arrangement.
- C. On 27 July 2017, XOX Media Sdn Bhd (“XOX Media”), a wholly-owned subsidiary of the Company has entered into a Memorandum of Understanding (“MOU”) with PT. Inovasi Telematika Nusantara (“PT. Inovasi”) and Pengurus Besar Nahdlatul Ulama (“PBNU”) for the purposed of conducting a study and the planning for the development and deployment of the Voopee solution under the Nahdlatul Ulama branding with all other accompanying solutions targeting to be adopted by PBNU members.

Save for the Collaboration Agreement entered on 10 November 2017 between XOX Media with PT. Inovasi and PBNU to cooperate and collaboration on the development the NU Mobile Application (an application which offers various services electronically including the sim-less mobile services and a platform to engage various services like government, banking, education and most importantly, e-wallet functions for its users) using Voopee solution, which to be promoted into Indonesia’s market and to be served as the platform to provide information, e-services and e-commerce platform, there is no further development pertaining to the MOU signed.

- D. On 18 August 2017, XOX Media has entered into a MOU with Multimedia Research Lab Sdn Bhd (“MRL”) to cooperate and collaborate with the aim of enhancing the functions of Voopee mobile application by sharing and incorporating MRL range of video conferencing and server technology to exploit market that arises from XOX Media collaboration with PT. Inovasi and PBNU. To date, there is no material development pertaining to the MOU signed.
- E. Utilisation of Proceeds

Utilisation of proceeds from various corporate exercises as at 31 December 2017:-

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

Details	Proposed	Actual	Balance
	Utilisation (based on acceptance of applications for Rights Shares)		
	RM	RM	RM
(a) Phone bundling expense	13,792,748	10,586,090	3,206,658
(b) Working capital	19,317,353	19,317,353	-
(c) Capital expenditure	6,172,834	6,172,834	-
(d) Defray estimated expenses in relation To the Corporate Exercise	800,000	800,000	-
Total	40,082,935	36,876,277	3,206,658

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 2017

(2) Share Issuance (Completed on 12 April 2017)

Details	Proposed Utilisation (based on actual proceeds received) RM	Actual Utilisation RM	Balance Available for Utilisation RM
(a) Voopee expansion plan:			
(i) Expansion of Voopee to Indonesia, the Phillipines, Thailand and/or any other countries to be identified	12,293,900	7,905,300	4,388,600
(ii) Enhancement of features and software maintenance of Voopee	5,000,000	4,269,860	730,140
(iii) Expansion of network capacity for Voopee	5,000,000	4,564,840	435,160
(b) Estimated expenses related to the Proposed Share Issuance	812,000	812,000	-
Total	23,105,900	17,552,000	5,553,900

(3) Private Placement (Completed on 20 October 2017)

Details	Proposed Utilisation (based on actual proceeds received) RM	Actual Utilisation RM	Balance Available for Utilisation RM
(a) Branding and marketing expenses	8,258,391	6,195,321	2,063,070
(b) Estimated expenses for the Private Placement	115,000	115,000	-
Total	8,373,391	6,310,321	2,063,070

10. Group Borrowings

Except for additional Hire Purchase borrowing of RM330,000 there were no other borrowings during the current quarter under review and financial year-to-date.

Description	As at 31 December 2017 RM'000	As at 31 December 2016 RM'000
Hire purchase		
Short-term	587	510
Long-term	1,728	1,990

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

The Group does not have any foreign currency denominated borrowings.

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 2017

11. Trade Receivables

Description	As at 31 December 2017	As at 30 June 2017
	RM'000	RM'000
Trade Receivables	16,065	19,989
Less: Accumulated impairment losses	(4,292)	(4,292)
	11,773	15,697

Trade receivables are non-interest bearing and are generally on 7 to 210 days term. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

12. 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.

13. Realised and Unrealised Profit /(Losses) Disclosure

Description	As at 31 December 2017	As at 30 June 2017
	RM'000	RM'000
Total accumulated losses:		
- Realised	(59,518)	(62,004)
- Unrealised	(24)	(190)
	(59,542)	(62,194)
Less: Consolidation adjustments	55,573	55,491
	(3,969)	(6,703)

14. Earnings per share

Descriptions	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	RM'000	RM'000	RM'000	RM'000
Net Profit attributable to equity holders of the company	1,831	546	2,674	(773)
Weighted average number of ordinary shares in issue ('000)	885,619	585,481	885,619	585,481
Net Profit Per Share - Basic (sen)	0.21	0.09	0.30	(0.13)

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.