



## **XOX BHD**

(Company Registration No.: 201001016682 (900384-X))  
(Incorporated in Malaysia under the Companies Act, 1965)

### QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 MARCH 2023

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



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### QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 MARCH 2023

#### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Quarter Ended 31-Mar-23 RM'000	Quarter Ended 31-Mar-22 RM'000	Period Ended 31-Mar-23 RM'000	Period Ended 31-Mar-22 RM'000
Revenue	71,830	76,020	141,763	158,705
Operating Expenses	(66,697)	(70,960)	(142,066)	(231,944)
Other Income	591	321	1,010	1,064
Finance Costs	(417)	(367)	(822)	(753)
Share of results of associates and joint venture, net of tax	(4,637)	(1,833)	(2,572)	154
<b>Profit/(Loss) Before Tax</b>	<b>670</b>	<b>3,181</b>	<b>(2,687)</b>	<b>(72,774)</b>
Tax Expenses	33	(71)	(57)	(80)
<b>Profit/(Loss) for the period, net of tax</b>	<b>703</b>	<b>3,110</b>	<b>(2,744)</b>	<b>(72,854)</b>
<b>Other comprehensive income, net of tax Item that may be reclassified subsequently to profit or loss</b>				
Foreign currency translation	(170)	(914)	8,721	(273)
<b>Total comprehensive income for the financial period</b>	<b>533</b>	<b>2,196</b>	<b>5,977</b>	<b>(73,127)</b>
<b>Profit/(Loss) for the period, net of tax</b>				
<b>Attributable to:</b>				
- Owners of the Company	1,057	3,367	(1,788)	(72,384)
- Non-controlling Interest	(354)	(257)	(956)	(470)
	<b>703</b>	<b>3,110</b>	<b>(2,744)</b>	<b>(72,854)</b>
<b>Total comprehensive income</b>				
<b>Attributable to:</b>				
- Owners of the Company	928	2,455	6,907	(72,657)
- Non-controlling Interest	(395)	(259)	(930)	(470)
	<b>533</b>	<b>2,196</b>	<b>5,977</b>	<b>(73,127)</b>
<b>Basic earnings/(loss) per ordinary share attributable to Owners of the Company (sen):</b>				
- Basic	0.02	0.07	(0.04)	(1.61)
- Diluted	0.02	0.07	(0.04)	(1.61)

#### Notes:-

The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2022 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 MARCH 2023

#### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited as at 31-Mar-23 RM'000	Audited as at 30-Sep-22 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	78,506	76,634
Intangible assets	41,317	34,196
Investment in associates	44,632	39,623
Investment in a joint venture	4,043	2,299
Other investment	65,510	18,597
Goodwill	14,282	14,282
Finance lease receivable	-	55
Other receivables	205	207
Deferred tax assets	305	305
	<b>248,800</b>	<b>186,198</b>
<b>Current assets</b>		
Inventories	11,428	10,464
Trade receivables	12,384	11,875
Finance lease receivable	146	176
Other receivables, deposits and prepayments	51,075	51,980
Tax recoverables	2,198	1,533
Cash and short term deposits	51,994	83,301
	<b>129,225</b>	<b>159,329</b>
<b>TOTAL ASSETS</b>	<b>378,025</b>	<b>345,527</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	468,851	468,848
Irredeemable Convertible Preference Shares (ICPS)	1,949	1,949
Capital reserve	2,200	2,200
Warrants B reserve	-	2,527
Other reserve	-	(2,527)
Exchange reserve	(9,332)	(18,027)
Accumulated losses	(223,119)	(221,331)
<b>Total equity attributable to owners of the Company</b>	<b>240,549</b>	<b>233,639</b>
Non-controlling interest	(3,842)	(2,912)
	<b>236,707</b>	<b>230,727</b>



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### QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 MARCH 2023

#### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)

	Unaudited as at 31-Mar-23 RM'000	Audited as at 30-Sep-22 RM'000
<b>Non-current liability</b>		
Lease liabilities	8,109	7,265
Deferred tax liabilities	2,046	2,053
	<b>10,155</b>	<b>9,318</b>
<b>Current Liabilities</b>		
Trade payables	25,388	22,764
Other payable and accruals	74,341	53,372
Contract liability	26,135	25,045
Tax payable	-	1
Lease liabilities	5,299	4,300
	<b>131,163</b>	<b>105,482</b>
<b>TOTAL LIABILITY</b>	<b>141,318</b>	<b>114,800</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>378,025</b>	<b>345,527</b>
<b>Net assets per share attributable to equity holders of the Company (sen) #</b>	<b>4.76</b>	<b>4.63</b>

Notes: -

The net assets per share attributable to equity holders of the Company is computed based on the net assets divided by 5,050,878,500 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 September 2022 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 MARCH 2023

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent							Total	Non-Controlling Interest	Total Equity	
	Non-distributable										
	Share Capital	ICPS	Other Reserve	Sub-total	Capital Reserve	Warrants Reserve	Exchange Reserves	Accumulated Losses			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 October 2022	468,848	1,949	(2,527)	468,270	2,200	2,527	(18,027)	(221,331)	233,639	(2,912)	230,727
Loss for the financial period	-	-	-	-	-	-	-	(1,788)	(1,788)	(956)	(2,744)
Other comprehensive income											
Foreign currency translations	-	-	-	-	-	-	8,695	-	8,695	26	8,721
Total comprehensive income for the financial period	-	-	-	-	-	-	8,695	(1,788)	6,907	(930)	5,977
Transactions with owners of the Company:											
Issuance of ordinary shares pursuant to:											
- Exercise of warrants B	3	-	1	4	-	(1)	-	-	3	-	3
Warrants B expired	-	-	2,526	-	-	(2,526)	-	-	-	-	-
Total transactions with owners of the company	3	-	2,527	4	-	(2,527)	-	-	3	-	3
At 31 March 2023	468,851	1,949	-	468,274	2,200	-	(9,332)	(223,119)	240,549	(3,842)	236,707



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### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D)

	Attributable to owners of the parent									Total	Non-Controlling Interest	Total Equity
	Non-distributable											
	Share Capital	ICPS	Other Reserve	Sub-total	Capital Reserve	Warrants Reserve	Exchange Reserves	Share Issuance Scheme Option Reserve	Accumulated Losses			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 October 2021</b>	432,150	1,949	(2,527)	431,572	2,200	2,527	(1,694)	3,036	(131,927)	305,714	(1,776)	303,938
<b>Loss for the financial period</b>	-	-	-	-	-	-	-	-	(72,384)	(72,384)	(470)	(72,854)
<b>Other comprehensive income</b>												
Foreign currency translations	-	-	-	-	-	-	(273)	-	-	(273)	-	(273)
<b>Total comprehensive income the financial period</b>	-	-	-	-	-	-	(273)	-	(72,384)	(72,657)	(470)	(73,127)
<b>Transactions with owners of the Company:</b>												
<b>Issuance of ordinary shares pursuant to:</b>												
- Share options exercised	33,214	-	-	33,214	-	-	-	(5,793)	-	27,421	-	27,421
Share options granted	-	-	-	-	-	-	-	5,206	-	5,206	-	5,206
Share options expired	-	-	-	-	-	-	-	(1,572)	1,572	-	-	-
<b>Total transactions with owners of the company</b>	33,214	-	-	33,214	-	-	-	(2,159)	1,572	32,627	-	32,627
<b>At 31 March 2022</b>	<b>465,364</b>	<b>1,949</b>	<b>(2,527)</b>	<b>464,786</b>	<b>2,200</b>	<b>2,527</b>	<b>(1,967)</b>	<b>877</b>	<b>(202,739)</b>	<b>265,684</b>	<b>(2,246)</b>	<b>263,438</b>

#### 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 September 2022 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 MARCH 2023

#### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Period Ended 31-Mar-23 RM'000	Period Ended 31-Mar-22 RM'000
<b>CASH FLOWS FOR OPERATING ACTIVITIES</b>		
Loss before taxation	(2,687)	(72,774)
Adjustments for:		
Depreciation of property, plant and equipment	7,556	6,400
Amortisation of intangible assets	1,672	1,740
Share-based payment expenses	-	5,207
Gain on modification of lease contract:		
- Modification of right-of-use assets	121	46
- Modification of Lease liability	(153)	(65)
Fair value adjustment on other investment	(7,296)	19,451
Impairment loss on:		
- trade receivables	848	1,854
- investment in associates	-	53,774
Reversal of Impairment loss on investment in associates	(9,324)	-
Interest expense	822	753
Interest income	(497)	(795)
Lease interest income	(12)	(23)
Share of joint venture's (profit)/loss	(1,744)	798
Share of associate's profit/(loss)	4,316	(952)
Written off:		
- property, plant and equipment	-	2
Covid-19 related rent concession	(17)	(103)
Unrealised loss on foreign exchange	11,268	1,381
<b>Operating profit before working capital changes</b>	<b>4,873</b>	<b>16,694</b>
<b>Changes in working capital:</b>		
Inventories	(965)	(1,194)
Trade and other receivables	(446)	(3,815)
Finance lease receivables	85	74
Trade and other payables	2,271	(2,257)
	<b>945</b>	<b>(7,192)</b>
<b>Cash generated from operations</b>	<b>5,818</b>	<b>9,502</b>



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#### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (CONT'D)

	Period Ended 31-Mar-23 RM'000	Period Ended 31-Mar-22 RM'000
Interest received	493	791
Lease interest income	12	23
Interest paid	(822)	(753)
Tax paid	(729)	(340)
	<u>(1,046)</u>	<u>(279)</u>
<b>Net cash generated from operating activities</b>	<u><b>4,772</b></u>	<u><b>9,223</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(4,808)	(15,390)
Acquisition of intangible assets	(8,793)	(2,957)
Acquisition of other investments	-	(5,067)
Investments in associate	-	(56,385)
Acquisition of subsidiary, net of cash and cash equivalent acquired	(18,775)	-
<b>Net cash used in investing activities</b>	<u><b>(32,376)</b></u>	<u><b>(79,799)</b></u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of lease liability	(2,727)	(2,319)
Proceeds from issuance of shares	3	27,419
<b>Net cash (used in)/generated from financing activities</b>	<u><b>(2,724)</b></u>	<u><b>25,100</b></u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(30,328)</b>	<b>(45,476)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	<b>83,301</b>	<b>163,767</b>
<b>EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS HELD</b>	<u><b>(979)</b></u>	<u><b>17</b></u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	<u><b>51,994</b></u>	<u><b>118,308</b></u>

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 September 2022 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 MARCH 2023

#### 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 September 2022.

The accounting policies adopted by the Group in this interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 September 2022 except for the adoption of the following standard, interpretation and amendments to Malaysian Financial Reporting Standards ("MFRS"):

##### ***MFRS, Interpretation and Amendments to MFRSs effective for financial periods beginning on or after 1 January 2022***

Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts - Cost of Fulfilling a contract
Annual Improvements to MFRSs 2018 - 2020	

The adoption of the above did not have any significant effects on the interim financial report upon their initial application.

##### 2. 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.

##### 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 under review and financial year to date except for the following:-

- (a) 47,925 of Warrant B were exercised at an exercise price of RM0.06 per Warrant B; and
- (b) 231,832,876 Warrant B remain unexercised and lapsed on 3 March 2023.



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### QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 MARCH 2023

#### A. Explanatory Notes Pursuant to MFRS 134 (Cont'd)

##### 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.

##### 8. Material events subsequent to the end of the reporting quarter

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 except for the following:

- (a) On 12 April 2023, XOX Pro Sport Sdn. Bhd a wholly-owned subsidiary of XOX Bhd had entered into a Memorandum of Understanding with Kelantan United FC Sdn. Bhd. for the purpose to explore a business collaboration between the parties particularly in the scope of commercial activities, including sports marketing and management.
- (b) On 19 May 2023, XOX Com Sdn. Bhd a wholly-owned subsidiary of XOX Bhd had entered into a Memorandum of Understanding with Alliance Bank Malaysia Berhad for the purpose to explore a business collaboration between the parties particularly in the scope including but not limited to credit card, prepaid card, loans, balance transfers, via readily available technologies, sales and marketing, advertisement and promotion and exchanging business and technical ideas, co-operation in operations and technical services.

##### 9. Changes in the composition of the Group

There were no material changes in the composition of the Group during the financial year to date under review except for the followings:-

- (a) Acquisition of 100% shares in Theron Holdings Sdn Bhd was completed on 13 December 2022.

##### 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:-

Approved and contracted for:  
- Capital Expenditure

RM'000

7,918



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### QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 MARCH 2023

#### A. Explanatory Notes Pursuant to MFRS 134 (Cont'd)

##### 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:

	Quarter Ended 31 March 2023 RM'000	Quarter Ended 31 March 2022 RM'000
(i) Services to a related party:		
- Web blasting	41	50
- Mobile services	1	1
- E-commerce and other services	1,839	41
- Rental income	49	48
(ii) Services from related parties:		
- Rental charged/handling fee	138	29
- Marketing and consultancy related expenses	1,190	2,802
- Printing & packaging	387	181
- Healthcare product	142	130
- Vending machine	-	1,850
- Apparels	1,237	-
- Purchase of software/hardware & equipment	644	-

##### 13. Other Investments

Save for the funds of RM11.495 million placed with a licensed bank, invested in money market investments and short to medium-term fixed income instruments as at 31 March 2023, details of other investments are as follows:-

Company	Nos of Share Held	Market Value RM
XOX Networks Berhad	171,000,000	5,130,000
Nexion Technologies Limited	117,848,500	8,952,302
DGB Asia Berhad	256,000,000	2,560,000
BioAlpha Holdings Berhad	68,000,000	8,160,000
Symphony Life Berhad	98,090,536	40,707,572
<b>Total</b>		<b>65,509,874</b>



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### QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 MARCH 2023

#### 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")

	Individual Quarter				Cumulative Quarter			
	Quarter	Quarter	Changes		Period	Period	Changes	
	Ended	Ended	RM'000	%	Ended	Ended	RM'000	%
	31-Mar-23	31-Mar-22			31-Mar-23	31-Mar-22		
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	<b>71,830</b>	76,020	(4,190)	-6%	<b>141,763</b>	158,705	(16,942)	-11%
Earnings/(Losses) Before Interest Tax Depreciation & Amortisation ("EBITDA/LBITDA")	<b>5,521</b>	7,389	(1,868)	-25%	<b>6,853</b>	(64,699)	71,552	-111%
Profit/(Loss) Before Tax ("PBT/LBT")	<b>670</b>	3,181	(2,511)	-79%	<b>(2,687)</b>	(72,774)	70,087	-96%
Profit/(Loss) After Tax ("PAT/LAT")	<b>703</b>	3,110	(2,407)	-77%	<b>(2,744)</b>	(72,854)	70,110	-96%
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	<b>1,057</b>	3,367	(2,310)	-69%	<b>(1,788)</b>	(72,384)	70,596	-98%

Group revenue for the reporting quarter was RM71.83 million, 6% lower than the previous corresponding quarter, reflecting declines in postpaid revenue due to competitive product differentiation. The declined in postpaid segment revenue had resulted in a drop of 11% year-on-year in revenue.

Despite recording a stable operating profit, reported PBT and EBITDA for the reporting quarter and year to date were impacted by the fair value changes on the investments. For the reporting quarter, the quarter-on-quarter PBT & EBITDA declined by 79% & 25% respectively to RM0.67 million and RM5.52 million; but cast an improved year-on-year YTD LBT & EBITDA stood at RM2.69 million and RM6.85 million respectively.



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#### B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities (Cont'd)

##### 2. Performance of the current quarter against the preceding quarter

	Current Quarter 31-Mar-23	Immediate Preceding Quarter 31-Dec-22	Changes	
	RM'000	RM'000	RM'000	%
Revenue	71,830	69,933	1,897	3%
Earnings Before Interest Tax Depreciation & Amortisation ("EBITDA")	5,521	1,332	4,189	314%
Profit/(Loss) Before Tax ("PBT/LBT")	670	(3,357)	4,027	-120%
Profit/(Loss) After Tax ("PAT/LAT")	703	(3,447)	4,150	-120%
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	1,057	(2,845)	3,902	-137%

We have seen growth this quarter with quarter-on-quarter performance increasing 3% in revenue and 120% in PBT.

The revenue improved on the back of better performance in prepaid segment and event-based marketing in tandem with football matches.

On a quarterly basis, in tandem with better reported PBT due to revenue growth and marginal impact of fair value changes on other investments, EBITDA stood at RM5.52 million, up by RM4.19 million.

##### 3. Prospects and business outlook

The telecommunications and technology industries have so far been resilient to the effects of the pandemic. However, the cost of digital transformation and the macro headwinds from weaker economic growth and higher inflation will have an impact in the ensuing period.

Premised on the challenges and outlook of the telecommunications and technology industry with the accelerating macroeconomic trends such as technology proliferation and digitalisation, uncertainty associated with lower economic growth and higher inflation; the Board is optimistic, albeit cautiously about the future prospects of the Group.

The Group will continue to invest in new technology, hire the best talent, develop strategic partnerships, deliver innovative products and services to serve our customers, and focus on curating an engaging and seamless digital journey to increase customer acquisition and retention rates.

##### 4. Profit forecast or profit guarantee

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



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### QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 MARCH 2023

#### B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities (Cont'd)

##### 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 September 2022.

##### 6. Loss before tax

	Individual Quarter		Cumulative Quarter	
	Quarter Ended 31-Mar-23 RM'000	Quarter Ended 31-Mar-22 RM'000	Period Ended 31-Mar-23 RM'000	Period Ended 31-Mar-22 RM'000
Amortisation of Intangible assets	836	870	1,672	1,740
Depreciation of property, plant and equipment	3,853	3,196	7,556	6,400
Fair value adjustment on other investment	(7,866)	987	(7,296)	19,451
Interest expense	417	367	822	753
Interest income	(250)	(214)	(497)	(795)
Lease Interest Income	(6)	(11)	(12)	(23)
Impairment loss:				
- Trade receivables	109	964	848	1,854
- Investment in Associates	-	-	-	53,774
Reversal of Impairment loss on investment in associates	(2,538)	(2,484)	(9,324)	-
Share options granted under ESOS/SIS	-	686	-	5,207
Written off:				
- Property, plant and equipment	-	2	-	2

##### 7. Income Tax Expense

	Individual Quarter		Cumulative Quarter	
	Quarter Ended 31-Mar-23 RM'000	Quarter Ended 31-Mar-22 RM'000	Period Ended 31-Mar-23 RM'000	Period Ended 31-Mar-22 RM'000
Income Tax:				
- Current	48	28	64	28
Deferred Tax				
- Relating to origination & reversal of temporary differences	(81)	44	(7)	52
Income tax expenses	(33)	71	57	80

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



## XOX BHD

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### QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 MARCH 2023

#### B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities (Cont'd)

##### 8. 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.

##### 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 except:-

- (a) On 24 May 2022, XOX Bhd has entered into a MOU with Majlis Bandaraya Ipoh ("MBI") for the purpose to solidify the parameters and lay the foundation for formalisation of the strategic technology partnership to collectively enhance the current infrastructure and services provided by MBI to the residents of Ipoh, by virtue of digitalisation, augmented reality application, cashless applications and automation. To date, both parties had agreed to extend the MOU for another 12 months to finalise the strategic technology partnership arrangement.
- (b) On 12 October 2022, Perak FC Sdn Bhd, an indirect wholly-owned subsidiary of XOX Bhd had entered into a MOU with VfL Wolfsburg-Fußball GmbH ("Wolfsburg") to setup a working executive committee to build a commercial and professional sporting partnership framework between both football clubs, focusing on 3 key areas, youth development, technology transfer and merchandising opportunities. To date, both parties are still in the midst of discussion.
- (c) On 10 February 2023, XOX Pro Sport Sdn. Bhd a wholly-owned subsidiary of XOX Bhd had entered into a Memorandum of Understanding ("MOU") with Kuala Lumpur City FC Sdn. Bhd. ("KLCFC") for the purpose to explore a business collaboration between the parties particularly in the scope of commercial activities, including sports marketing and management. To date, KLCFC had signed up as XOX's dealer and both parties are still in the midst of finalising the collaboration.
- (d) On 17 February 2023, XOX Pro Sport Sdn. Bhd a wholly-owned subsidiary of XOX Bhd had entered into a MOU with Negeri Sembilan Football Club Sdn. Bhd. ("NSFCSB") for the purpose to explore a business collaboration between the parties particularly in the scope of commercial activities, including sports marketing and management. To date, NSFCSB had signed up as XOX's dealer and both parties are still in the midst of finalising the collaboration.
- (e) On 18 February 2023, XOX Pro Sport Sdn. Bhd a wholly-owned subsidiary of XOX Bhd had entered into a MOU with Darulaman Football Club Sdn. Bhd. ("DAFCSB") for the purpose to explore a business collaboration between the parties particularly in the scope of commercial activities, including sports marketing and management. To date, DAFCSB had signed up as XOX's dealer and both parties are still in the midst of finalising the collaboration.
- (f) On 20 February 2023, XOX Pro Sport Sdn. Bhd a wholly-owned subsidiary of XOX Bhd had entered into a MOU with Sri Pahang Football Club Sdn. Bhd. ("SPFC") for the purpose to explore a business collaboration between the parties particularly in the scope of commercial activities, including sports marketing and management. To date, SPFC had signed up as XOX's dealer and both parties are still in the midst of finalising the collaboration.
- (g) On 25 February 2023, Perak FC Sdn. Bhd ("Perak FC") an indirect wholly-owned subsidiary of XOX Bhd had entered into a MOU with Tourism Perak Management Berhad ("TPMB") for the purpose to explore a collaboration in assisting Perak Tourism particularly in the scope of tourism and promotional activities in the state of Perak.

On 17 March 2023, Perak FC had entered into a Collaboration Agreement with TPMB to outline the obligations and responsibilities of each party in the promotion and the provision of resources in the management and improvement of tourism for the state of Perak. In connection therewith, the Collaboration Agreement will supersede and replace the MOU, and the said MOU shall be deemed completed and terminated.



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### QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 MARCH 2023

#### B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities (Cont'd)

(h) On 24 March 2023, XOX Pro Sport Sdn. Bhd a wholly-owned subsidiary of XOX Bhd had entered into a Kuching City FC Sdn. Bhd. ("KCFCSB") for the purpose to explore a business collaboration between the parties particularly in the scope of commercial activities, including sports marketing and management. To date, KCFCSB had signed up as XOX's dealer and both parties are still in the midst of finalising the collaboration.

(i) Utilisation of proceeds from various corporate exercises as at 31 March 2023:-

#### Private Placement (Completed on 23 July 2020)

Details	Proposed Utilisation (based on acceptance applications for Private Placement) RM	Actual Utilisation RM	Balance Available for Utilisation RM
(i) Investment in the business of smart vending machine	19,063,140	10,010,000	9,053,140
(ii) Expenses incurred for the Private Placement	600,000	600,000	-
<b>Total</b>	<b>19,663,140</b>	<b>10,610,000</b>	<b>9,053,140</b>

#### Private Placement (Completed on 15 December 2020)

Details	Proposed Utilisation (based on acceptance applications for Private Placement) RM	Actual Utilisation RM	Balance Available for Utilisation RM
(i) Fintech Business Expansion	48,000,000	37,988,532	10,011,468
(ii) Rebranding exercise to reposition the XOX brand into a Fintech solution and telecommunication provider	5,000,000	2,332,967	2,667,033
(iii) Marketing and promotional expenses for the Fintech Business Expansion	7,060,845	6,589,481	471,364
(iv) Expenses for the Private Placement	570,000	570,000	-
	<b>60,630,845</b>	<b>47,480,980</b>	<b>13,149,865</b>

#### 10. Group Borrowings

There were no other borrowings during the current quarter under review and financial year-to-date.

	Unaudited As at 31-Mar-23 RM'000	Audited As at 30-Sep-22 RM'000
<b>Lease Liabilities</b>		
Short-term	5,299	4,300
Long-term	8,109	7,265

The lease liabilities are pertaining to the acquisition of motor vehicles, telecommunication network and right-of-use-assets. And the Group does not have any foreign currency denominated borrowings.





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### QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 MARCH 2023

#### B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities (Cont'd)

##### 11. Trade Receivables

Descriptions	Unaudited	Audited
	As at 31-Mar-23 RM'000	As at 30-Sep-22 RM'000
Trade Receivables	19,671	18,321
Less: Allowance for impairment losses	(7,287)	(6,446)
	<u>12,384</u>	<u>11,875</u>

Trade receivables are non-interest bearing and are generally within the stipulated current credit 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. Earnings per share

	Individual Quarter		Cumulative Quarter	
	Quarter Ended 31-Mar-23	Quarter Ended 31-Mar-22	Period Ended 31-Mar-23	Period Ended 31-Mar-22
<b>Basic profit/(loss) per share:</b>				
Profit/(Loss) after tax attributable to the Owners of the Company (RM,000)	<u>1,057</u>	<u>3,367</u>	<u>(1,788)</u>	<u>(72,384)</u>
<b>Weighted average number of ordinary shares ('000)</b>	<b>4,357,044</b>	4,493,386	<b>4,357,044</b>	4,493,386
<b>Basic earnings/(loss) per share (sen)</b>	<u>0.02</u>	<u>0.07</u>	<u>(0.04)</u>	<u>(1.61)</u>

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.