



XOX BHD

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FORTH QUARTER ENDED 30 SEPTEMBER 2023

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.: 201001016682 (900384-X)
(Incorporated in Malaysia under the Companies Act, 1965)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FORTH QUARTER ENDED 30 SEPTEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Individual Quarter		Cumulative Quarter	
		Quarter Ended	Quarter Ended	Current Year Ended	Preceding Year Ended
		30-Sep-23 RM'000	30-Sep-22 RM'000	30-Sep-23 RM'000	30-Sep-22 RM'000
Revenue		66,445	68,633	273,666	294,286
Operating Expenses		(35,166)	(102,756)	(321,982)	(398,793)
Other Income		3,440	18,612	4,839	20,263
Finance Costs		(2,146)	(337)	(6,811)	(1,443)
Share of results of associates and joint venture, net of tax		(4,151)	(1,454)	(16,752)	(3,539)
Profit/(Loss) Before Tax	B6	28,422	(17,302)	(67,040)	(89,226)
Tax Expenses	B7	(1,737)	(2,486)	(1,803)	(2,853)
Profit/(Loss) for the period/year, net of tax		26,685	(19,788)	(68,843)	(92,079)
Other comprehensive income, net of tax Item that may be reclassified subsequently to profit or loss					
Foreign currency translation		(938)	(8,999)	(4,228)	(16,366)
Total comprehensive income for the financial period/year		25,747	(28,787)	(73,071)	(108,445)
Profit/(Loss) for the period/year, net of tax					
Attributable to:					
- Owners of the Company		26,942	(19,364)	(67,091)	(90,976)
- Non-controlling Interest		(257)	(424)	(1,752)	(1,103)
		26,685	(19,788)	(68,843)	(92,079)
Total comprehensive income					
Attributable to:					
- Owners of the Company		25,978	(28,339)	(71,321)	(107,309)
- Non-controlling Interest		(231)	(448)	(1,750)	(1,136)
		25,747	(28,787)	(73,071)	(108,445)
Basic earnings/(loss) per ordinary share attributable to Owners of the Company (sen):					
- Basic & Diluted	B13	0.53	(0.41)	(1.33)	(1.91)

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.



XOX BHD

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FORTH QUARTER ENDED 30 SEPTEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited as at 30-Sep-23 RM'000	Restated Audited as at 30-Sep-22 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	B14	48,439	37,286
Intangible assets	B14	75,973	73,544
Investment in associates		95,129	39,623
Investment in a joint venture		3,637	2,299
Other investments	A13	19,003	18,597
Goodwill on consolidation	B14	8,894	8,894
Trademark	B14	2,753	2,753
Finance lease receivable		-	55
Other receivables		202	207
Deferred tax assets		654	305
		<u>254,684</u>	<u>183,563</u>
Current assets			
Inventories		11,733	10,464
Trade receivables	B11	16,487	11,875
Finance lease receivable		55	176
Other receivables, deposits and prepayments	B14	52,101	54,615
Tax recoverables		1,574	1,533
Cash and short term deposits		33,849	83,301
		<u>115,799</u>	<u>161,964</u>
TOTAL ASSETS		<u>370,483</u>	<u>345,527</u>
EQUITY AND LIABILITIES			
Equity			
Ordinary shares		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		(22,257)	(18,027)
Accumulated losses		(288,422)	(221,331)
Total equity attributable to owners of the Company		<u>162,321</u>	<u>233,639</u>
Non-controlling interest		(4,662)	(2,912)
		<u>157,659</u>	<u>230,727</u>



XOX BHD

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FORTH QUARTER ENDED 30 SEPTEMBER 2023

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

	Note	Unaudited as at 30-Sep-23 RM'000	Restated Audited as at 30-Sep-22 RM'000
Non-current liability			
Lease liabilities	B10	8,539	7,265
Other payables		94,413	-
Deferred tax liabilities		4,112	2,053
		<u>107,064</u>	<u>9,318</u>
Current Liabilities			
Trade payables		16,988	22,764
Other payable and accruals		58,880	53,372
Contract liabilities		24,945	25,045
Tax payable		-	1
Lease liabilities	B10	4,947	4,300
		<u>105,760</u>	<u>105,482</u>
TOTAL LIABILITY		<u>212,824</u>	<u>114,800</u>
TOTAL EQUITY AND LIABILITIES		<u>370,483</u>	<u>345,527</u>
Net assets per share attributable to equity holders of the Company (sen) #		<u>3.21</u>	<u>4.63</u>

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.



XOX BHD

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FORTH QUARTER ENDED 30 SEPTEMBER 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 year	-	-	-	-	-	-	-	(67,091)	(67,091)	(1,752)	(68,843)
Other comprehensive income											
Foreign currency translations	-	-	-	-	-	-	(4,230)	-	(4,230)	2	(4,228)
Total comprehensive income for the financial year	-	-	-	-	-	-	(4,230)	(67,091)	(71,321)	(1,750)	(73,071)
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 30 Sept 2023	468,851	1,949	-	468,274	2,200	-	(22,257)	(288,422)	162,321	(4,662)	157,659



XOX BHD

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FORTH QUARTER ENDED 30 SEPTEMBER 2023

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	RM'000
At 1 October 2021	432,150	1,949	(2,527)	431,572	2,200	2,527	(1,694)	3,036	(131,927)	305,714	(1,776)	303,938
Loss for the financial year	-	-	-	-	-	-	-	-	(90,976)	(90,976)	(1,103)	(92,079)
Other comprehensive income												
Foreign currency translations	-	-	-	-	-	-	(16,333)	-	-	(16,333)	(33)	(16,366)
Total comprehensive income the financial year	-	-	-	-	-	-	(16,333)	-	(90,976)	(107,309)	(1,136)	(108,445)
Transactions with owners of the Company:												
Issuance of ordinary shares pursuant to:												
- Share options exercised	36,698	-	-	36,698	-	-	-	(6,490)	-	30,208	-	30,208
Share options granted	-	-	-	-	-	-	-	5,026	-	5,026	-	5,026
Share options expired	-	-	-	-	-	-	-	(1,572)	1,572	-	-	-
Total transactions with owners of the company	36,698	-	-	36,698	-	-	-	(3,036)	1,572	35,234	-	35,234
At 30 Sept 2022	468,848	1,949	(2,527)	468,270	2,200	2,527	(18,027)	-	(221,331)	233,639	(2,912)	230,727

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.



XOX BHD

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FORTH QUARTER ENDED 30 SEPTEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Current Year Ended 30-Sep-23 RM'000	Preceding Year Ended 30-Sep-22 RM'000
CASH FLOWS FOR OPERATING ACTIVITIES		
Loss before taxation	(67,040)	(89,226)
Adjustments for:		
Depreciation of property, plant and equipment	8,691	13,592
Amortisation of intangible assets	10,206	3,452
Share-based payment expenses	-	5,027
Gain on modification of lease contract:		
- Modification of right-of-use assets	491	795
- Modification of Lease liability	(628)	(986)
Loss/(Gain) on disposal of:		
- other investment	700	-
- property, plant and equipment	(20)	(200)
Fair value adjustment on other investment	(431)	36,982
Impairment loss on:		
- trade receivables	2,567	4,536
- intangible assets	-	616
- inventory	2	-
- investment in associates	33,746	67,126
Trade receivable written back	(6)	(184)
Interest expense	6,811	1,443
Interest income	(888)	(1,344)
Lease interest income	(19)	(41)
Accretion of interest income on other receivables	-	-
Share of joint venture's (profit)/loss	(1,338)	1,727
Share of associate's loss	18,090	1,812
Written off:		
- property, plant and equipment	189	8
- intangible assets	295	106
- inventory	358	-
- other receivables	-	62
Covid-19 related rent concession	(18)	(149)
Waiver of debts	(679)	-
Unrealised loss/(gain) on foreign exchange	1,685	(15,329)
Operating profit before working capital changes	12,764	29,825



XOX BHD

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2023

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

	Current Year Ended 30-Sep-23 RM'000	Preceding Year Ended 30-Sep-22 RM'000
Changes in working capital:		
Inventories	(1,629)	(1,629)
Trade and other receivables	(8,766)	(9,364)
Finance lease receivables	176	155
Trade and other payables	(10,814)	(9,716)
	<u>(21,033)</u>	<u>(20,554)</u>
Cash generated from operations	(8,269)	9,271
Interest received	880	1,335
Lease interest income	19	41
Interest paid	-	-
Tax paid	(1,240)	(945)
Tax refund	1,103	154
	<u>762</u>	<u>585</u>
Net cash (used in)/generated from operating activities	(7,507)	9,856
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(7,532)	(26,497)
Acquisition of intangible assets	(8,605)	(5,021)
Acquisition of other investments	(1,450)	(19,009)
Investments in associate	-	(56,650)
Acquisition of subsidiary, net of cash and cash equivalent acquired	(18,775)	(8,794)
Proceeds from disposal of other investments	720	-
Proceeds from disposal of plant and equipment	20	200
Net cash used in investing activities	(35,622)	(115,771)



XOX BHD

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2023

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

	Current Year Ended 30-Sep-23 RM'000	Preceding Year Ended 30-Sep-22 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liability	(5,687)	(4,938)
Drawdown of facility	1,309	-
Proceeds from issuance of shares	3	30,207
Interest paid	(2,245)	(1,443)
Net cash (used in)/generated from financing activities	(6,620)	23,826
NET DECREASE IN CASH AND CASH EQUIVALENTS	(49,749)	(82,089)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	83,301	163,767
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS HELD	297	1,623
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	33,849	83,301

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.



XOX BHD

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 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.

- (a) Nil (YTD: 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.



XOX BHD

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 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.

9. Changes in the composition of the Group

There were no material changes in the composition of the Group for the current 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:	
- Capital Expenditure	<u>3,683</u>



XOX BHD

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 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 30 September 2023 RM'000	Quarter Ended 30 September 2022 RM'000
(i) Services to a related party:		
- Web blasting	31	42
- Mobile services	1	1
- E-commerce and other services	1,337	189
- Rental income	49	49
(ii) Services from related parties:		
- Rental charged/handling fee	-	(87)
- Marketing and consultancy related expenses	(740)	(3,254)
- Printing & packaging	(301)	(210)
- Healthcare product	-	(102)
- Vending machine	-	(927)
- Apparels	(26)	(263)
- Purchase of software/hardware & equipment	(257)	(3,546)
- Renovation	(1,351)	(83)

13. Other Investments

Save for the funds of RM8.153 million placed with a licensed bank, invested in money market investments and short to medium-term fixed income instruments as at 30 September 2023, details of other investments are as follows:-

Company	Nos of Share Held	Market Value RM
XOX Networks Berhad	171,000,000	6,840,000
Nexion Technologies Limited	117,848,500	2,330,678
DGB Asia Berhad	25,600,000	3,712,000
BioAlpha Holdings Berhad	68,000,000	6,120,000
Total		19,002,678



XOX BHD

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FORTH QUARTER ENDED 30 SEPTEMBER 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		Current	Preceding	Changes	
	Ended	Ended	RM'000	%	Year Ended	Year Ended	RM'000	%
	30-Sep-23	30-Sep-22			30-Sep-23	30-Sep-22		
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	66,445	68,633	(2,188)	-3%	273,666	294,286	(20,620)	-7%
Earnings/(Losses) Before Interest Tax Depreciation & Amortisation ("EBITDA/LBITDA")	35,219	(12,820)	48,039	-375%	(42,239)	(72,125)	29,886	-41%
Profit/(Loss) Before Tax ("PBT/LBT")	28,422	(17,302)	45,724	-264%	(67,040)	(89,226)	22,186	-25%
Profit/(Loss) After Tax ("PAT/LAT")	26,685	(19,788)	46,473	-235%	(68,843)	(92,079)	23,236	-25%
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	26,942	(19,364)	46,306	-239%	(67,091)	(90,976)	23,885	-26%

The Group experienced a dip in revenue attributed to subdued consumer sentiment with cautious and discretionary spending during the reporting period. As a result, Group revenue for the reporting quarter Q4'23 recorded at RM66.45 million, 3% lower than the previous corresponding quarter Q4'22 of RM68.63 million.

Year-on-year, total revenue declined by 7% from RM294.29 million to RM273.67 million, primarily driven by the intense competition in the market. Notably, the mobile device bundling service featuring extra low commitment deals, coupled with the provision of broadband connectivity plans and enterprise sales are the key drivers for user churn.

Supported by the better share performance of the Group's other investments as of 30 September 2023, the Group recorded a positive fair value adjustments and share of results of investments companies of RM26.30 million. As a result, the Group registered a PBT & EBITDA of RM28.42 million and RM35.22 million respectively compared to LBT & LBITDA of RM17.30 million and RM12.82 million reported in the previous corresponding quarter Q4'22. And YTD LBT & LBITDA stood at RM67.04 million & RM42.24 million respectively.



XOX BHD

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FORTH QUARTER ENDED 30 SEPTEMBER 2023

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	Immediate	Changes	
	Quarter	Preceding		
	30-Sep-23	30-Jun-23	RM'000	%
	RM'000	RM'000		
Revenue	66,445	65,458	987	2%
Earnings/(Loss) Before Interest Tax Depreciation & Amortisation ("EBITDA/LBITDA")	35,219	(84,312)	119,531	-142%
Profit/(Loss) Before Tax ("PBT/LBT")	28,422	(92,775)	121,197	-131%
Profit/(Loss) After Tax ("PAT/LAT")	26,685	(92,784)	119,469	-129%
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	26,942	(92,245)	119,187	-129%

The Group revenue grew by 2% quarter-on-quarter to RM66.45 million on the back of the Group adopted a strategic approach towards expanding its market reach under soften market sentiment through the introduction of government endorsed-MySISWA mobile plan, along with One Family plan. The Company had further undertaken the aggressive deployment of on-ground promotion initiatives at strategic locations nationwide during the quarter Q4'23.

After accounting for the positive fair value adjustments and share of results of investments companies of RM26.30 million, the Group reported PBT of RM28.42 million and EBITDA of RM35.25 million accordingly.

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.



XOX BHD

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 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. Profit/(Loss) before tax

	Individual Quarter		Cumulative Quarter	
	Quarter Ended	Quarter Ended	Current Year Ended	Preceding Year Ended
	30-Sep-23	30-Sep-22	30-Sep-23	30-Sep-22
	RM'000	RM'000	RM'000	RM'000
Amortisation of Intangible assets	2,623	879	10,206	3,452
Depreciation of property, plant and equipment	2,307	3,598	8,691	13,592
(Gain)/Loss on disposal of:				
- Property, plant & equipment	(20)	-	(20)	(200)
- Other Investment	700	-	700	-
Fair value adjustment on other investment	(566)	20,853	(431)	36,982
Interest expense	2,146	337	6,811	1,443
Interest income	(276)	(325)	(888)	(1,344)
Lease Interest Income	(3)	(8)	(19)	(41)
Impairment loss:				
- Intangible assets	-	616	-	616
- Inventory	2	-	2	-
- Trade receivables	1,059	1,868	2,567	4,536
- Investment in associates	-	4,267	33,746	67,126
Reversal of Impairment loss on investment in associates	(28,912)	-	-	-
Share options granted under ESOS/SIS	-	-	-	5,027
Written off/(Write Back):				
- Property, plant and equipment	189	5	189	8
- Intangible assets	295	-	295	106
- Inventory	358	-	358	-
- Other receivables	-	62	-	62
- Trade receivables	(6)	(184)	(6)	(184)
Unrealised (gain)/loss on foreign exchange	(2,327)	(9,496)	1,685	(15,329)
Waiver of debts	(679)	-	(679)	-



XOX BHD

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2023

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

7. Income Tax Expense

	Individual Quarter		Cumulative Quarter	
	Quarter Ended	Quarter Ended	Current Year Ended	Preceding Year Ended
	30-Sep-23 RM'000	30-Sep-22 RM'000	30-Sep-23 RM'000	30-Sep-22 RM'000
Income Tax:				
- Current	14	(106)	97	186
Deferred Tax				
- Relating to origination & reversal of temporary differences	1,723	2,592	1,706	2,667
Income tax expenses	<u>1,737</u>	<u>2,486</u>	<u>1,803</u>	<u>2,853</u>

The effective tax rate of the Group for the current quarter and financial year to-date lower than the statutory income tax rate mainly 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

There were no other material disposal of quoted, unquoted and/or properties for the current quarter and financial year to date under review except for the following:-

- (a) On 18 August 2023, XOX Hong Kong Limited had disposed of 18,000,000 ordinary shares in Komarkcorp Bhd for a cash consideration of approximately RM720,000 with a loss of RM700,498.

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 except:-

- (a) On 24 May 2022, XOX Bhd ("XOX" or "the Company" or "the Group") has entered into a Memorandum of Understanding ("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 are working on finalising the strategic technology partnership arrangement.

On 31 May 2023, the Company has further announced that XOX and MBI had agreed to extend the MOU for another 12 months to finalise the strategic technology partnership arrangement.



XOX BHD

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FORTH QUARTER ENDED 30 SEPTEMBER 2023

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

The Company had on 14 September 2023 entered into a fresh MOU with MBI (“New MOU”) for the purposes of strengthening the parameters, framework, and intent of the Parties to finalise the partnership for the Proposed Technology Collaboration. The New MOU will strengthen the appointment of XOX as a strategic technology partner to MBI for the purpose of enabling XOX to provide technical recommendations for MBI to consider implementing based on the needs of the public.

In connection therewith, the New MOU will replace and extend the MOU that was previously entered between MBI and the Company on 24 May 2022.

- (b) On 12 October 2022, Perak FC Sdn Bhd (“PFC”), an indirect wholly-owned subsidiary of XOX 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 (“XOX Pro Sport”) a wholly-owned subsidiary of XOX had entered into a 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 a wholly-owned subsidiary of XOX 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 a wholly-owned subsidiary of XOX 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 a wholly-owned subsidiary of XOX 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 24 March 2023, XOX Pro Sport a wholly-owned subsidiary of XOX had entered into a MOU with 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.
- (h) On 12 April 2023, XOX Pro Sport a wholly-owned subsidiary of XOX had entered into a MOU with Kelantan United FC Sdn. Bhd. (“KUFC”) 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, KUFC had signed up as XOX’s dealer and both parties are still in the midst of finalising the collaboration.
- (i) On 19 May 2023, XOX Com Sdn. Bhd (“XOX Com”) a wholly-owned subsidiary of XOX had entered into a MOU 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. To date, both parties are in the midst of discussion.



XOX BHD

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FORTH QUARTER ENDED 30 SEPTEMBER 2023

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

- (j) On 20 June 2023 & 8 August 2023, XOX announced and proposed to undertake a private placement of not more than 10% of the total number of issued shares of XOX to independent third-party investors to be identified later at an issue price to be determined later. To date, the application is pending approval from the Authority.
- (k) On 20 June 2023, XOX Pro Sport, a wholly-owned subsidiary of XOX had entered into a MOU with Penang FC Sdn. Bhd. ("PFCSB") 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, PFCSB had signed up as XOX's dealer and both parties are still in the midst of finalising the collaboration.
- (l) on 28 June 2023, XOX Com, a wholly-owned subsidiary of XOX had entered into a MOU with KDDI Malaysia Sdn. Bhd. ("KDDI") for the purpose to explore a business collaboration between the parties particularly in the scope of synergising commercial activities, with cross-border full suite integration of the parties' services. To date, both parties are in the midst of discussion.
- (m) On 31 July 2023, XOX had entered into a MOU with the Government of Malaysia acting through the Ministry of Higher Education, Malaysia and VMR Three Sdn. Bhd. ("VRM3") to provide cooperation and support to XOX and VMR3 for the implementation of the Program Keusahawanan MYSISWA (MYSISWA Entrepreneurship Program). To date, all parties involved are working on the program.
- (n) Utilisation of proceeds from various corporate exercises:-

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	Intended Timeframe for Utilisation
(i) Investment in the business of smart vending machine	19,063,140	10,058,230	9,004,910	Within 48 months
(ii) Expenses incurred for the Private Placement	600,000	600,000	-	Immediate
Total	19,663,140	10,658,230	9,004,910	

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	Intended Timeframe for Utilisation
(i) Fintech Business Expansion	48,000,000	41,684,599	6,315,401	Within 36 months
(ii) Rebranding exercise to reposition the XOX brand into a Fintech solution and telecommunication provider	5,000,000	3,291,798	1,708,202	Within 36 months
(iii) Marketing and promotional expenses for the Fintech Business Expansion	7,060,845	7,060,845	-	Within 36 months
(iv) Expenses for the Private Placement	570,000	570,000	-	Immediate
	60,630,845	52,607,242	8,023,603	



XOX BHD

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2023

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

10. Group Borrowings

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

	Unaudited As at 30-Sep-23 RM'000	Audited As at 30-Sep-22 RM'000
Lease Liabilities		
Short-term	4,947	4,300
Long-term	8,539	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.

11. Trade Receivables

	Unaudited As at 30-Sep-23 RM'000	Audited As at 30-Sep-22 RM'000
Descriptions		
Trade Receivables	22,141	18,321
Less: Allowance for impairment losses	(5,654)	(6,446)
	<u>16,487</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.



XOX BHD

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2023

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

13. Earnings per share

	Individual Quarter		Cumulative Quarter	
	Quarter Ended	Quarter Ended	Current Year Ended	Preceding Year Ended
	30-Sep-23	30-Sep-22	30-Sep-23	30-Sep-22
Basic profit/(loss) per share:				
Profit/(Loss) after tax attributable to the Owners of the Company (RM'000)	26,942	(19,364)	(67,091)	(90,976)
Weighted average number of ordinary shares ('000)	5,050,862	4,767,480	5,050,862	4,767,480
Basic earnings/(loss) per share (sen)	0.53	(0.41)	(1.33)	(1.91)

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

14. Comparative figures

Certain comparative figures for the prior year's statement of Financial Position have been reclassified to conform with current year's presentation.

	As previously Reported RM'000	Reclassification RM'000	As restated RM'000
Statements of financial position			
Property, plant and equipment	76,634	(39,348)	37,286
Intangible assets	34,196	39,348	73,544
Goodwill on consolidation	14,282	(5,388)	8,894
Trademark	-	2,753	2,753
Other receivables, deposits and prepayments	51,980	2,635	54,615