



WHERE IMAGINATION MEETS INNOVATION



20 | **ANNUAL**
22 | **REPORT**

INSIDE THIS REPORT



SCAN QR CODE
to download this Annual Report

or log on to
<http://xox.com.my>

Corporate Information	1	Statement of Employees' Share Option Scheme ("ESOS") Committee	50
Profile of Directors	2	Statement on Risk Management and Internal Control	51
Profile of Key Senior Management	8	Other Disclosure Requirements Pursuant to the Listing Requirements of Bursa Securities	54
Financial Highlights	10	Financial Statements	58
Corporate Structure	12	Group Properties	162
Management Discussion and Analysis	14	Analysis of Shareholdings	163
Events Highlights 2022	20	Notice of Annual General Meeting	171
Products and Services Launched During the Year	25	Administrative Guide	176
Sustainability Statement	26	Form of Proxy	
Corporate Governance Overview Statement	31		
Audit Committee Report	47		
Statement of Directors' Responsibility in Respect of the Audited Financial Statements	49		

Corporate Information

Board of Directors

1

Dato' Seri Abdul Azim bin Mohd Zabidi

Non-Independent
Non-Executive Chairman

2

Roy Ho Yew Kee

Executive Director

3

Tan Sik Eek

Executive Director

4

Hew Tze Kok

Independent
Non-Executive Director

5

Andy Liew Hock Sim

Independent
Non-Executive Director

6

Karina binti Idris Ahmad Shah

Independent
Non-Executive Director

AUDIT COMMITTEE

Hew Tze Kok

(Chairman)

Andy Liew Hock Sim

(Member)

Karina binti Idris Ahmad Shah

(Member)

NOMINATION AND REMUNERATION COMMITTEE

Andy Liew Hock Sim

(Chairman)

Hew Tze Kok

(Member)

Karina binti Idris Ahmad Shah

(Member)

EMPLOYEES' SHARE OPTION SCHEME COMMITTEE

Tan Sik Eek

(Chairman)

Roy Ho Yew Kee

(Member)

Ng Kok Heng

(Member)

COMPANY SECRETARIES

Chong Voon Wah

(SSM PC No. 202008001343)

(MAICSA 7055003)

Thai Kian Yau

(SSM PC No. 202008001515)

(MIA 36921)

REGISTERED OFFICE

22-09, Menara 1MK

No. 1, Jalan Kiara

Mont Kiara

50480 Kuala Lumpur

Telephone: (603) 2856 7333

Email:

vw.chong@silverocean.com.my

BUSINESS ADDRESS

Lot 8.1, 8th Floor

Menara Lien Hoe

No. 8, Persiaran Tropicana

Tropicana Golf & Country Resort

47410 Petaling Jaya

Selangor Darul Ehsan

Telephone: (603) 7884 2388

Facsimile: (603) 7803 0778

SHARE REGISTRAR

ShareWorks Sdn. Bhd.

No. 2-1, Jalan Sri Hartamas 8

Sri Hartamas

50480 Kuala Lumpur

Telephone: (603) 6201 1120

Facsimile: (603) 6201 3121

AUDITORS

Messrs Moore Stephens

Associates PLT

201304000972 (LLP0000963-LCA)

Chartered Accountants

(AF002096)

Unit 3.3A, 3rd Floor

Surian Tower

No. 1, Jalan PJU 7/3

Mutiara Damansara

47810 Petaling Jaya

Selangor Darul Ehsan

Telephone: (603) 7728 1800

Facsimile: (603) 7728 9800

PRINCIPAL BANKERS

Ambank (M) Berhad

Public Bank Berhad

Hong Leong Bank Berhad

STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia

Securities Berhad

Stock Name: XOX

Stock Code: 0165

WEBSITE

www.xox.com.my

INVESTOR RELATIONS

Email: ir@xox.com.my

Tel: (603) 7884 2388

Profile of Directors

Dato' Seri Abdul Azim bin Mohd Zabidi

Non-Independent Non-Executive Chairman

▶ Appointed to the Board on 30 June 2010.



Nationality: Malaysian

Gender: Male

Age: 63

Dato' Seri Abdul Azim bin Mohd Zabidi, was appointed to the Board on 30 June 2010. He graduated with a Masters of Arts in Business Law from the London Metropolitan University, United Kingdom in 1983. He is also a Fellow of The Chartered Institute of Secretaries and Administrators, United Kingdom.

Aged 63, Dato' Seri Azim was Chairman of Bank Simpanan Nasional (BSN), Malaysia's National Savings Bank, a position he held for 10 years from 1999 – 2009. He had quickly risen through the ranks of the Malaysian financial industry, having started his banking career in 1984.

Growing from his work with BSN, Dato' Seri Azim was also active in the work undertaken by the Brussels based World Savings Banks Institute (WSBI). In 2000, he was appointed President (Asia Pacific) for WSBI and in 2003, he was elevated to its Board of Directors. In 2007, he became the first non-European since WSBI's inception, to be appointed to the dual post of Vice President and Treasurer.

A long association with the unit trusts/mutual funds and fund management industry culminated in Dato' Seri Azim's election as President of the Federation of Malaysian Unit Trust Managers, a post he held from 1998 to 2003. During this period, he was appointed Member of the Board of

Directors of the International Investment Funds Association (IIFA), with headquarters in Montreal, Canada, a post he relinquished in 2008. The year prior to that, he was also appointed Chairman of the Board's Audit Committee.

His love for the arts and being an avid collector of Malaysian art works saw him being appointed Chairman of the Board of Trustees of the National Art Gallery, Malaysia in March 2009 until 2010.

In the field of sports, he was appointed Chairman of the National Sports Institute in May 2017 and subsequent to that appointed Malaysia's Chef-de-Mission to the Asian Games 2018 in Jakarta and Palembang, Indonesia. On 5 May 2018, Dato' Seri Azim was elected Deputy President of the Olympic Council of Malaysia, a position he held until September 2021.

He now sits on numerous local and foreign Boards of Companies, both public and private, amongst which are Fintec Global Berhad, LYC Healthcare Berhad and Seacera Group Berhad.

He has no relationship with any other Directors or Major Shareholder of the Company, no conflict of interest with the Company and has not been convicted of any offences within the past 5 years other than the traffic offence, if any.

Profile of Directors

Roy Ho Yew Kee

Executive Director

▶ Appointed to the Board on 22 March 2019.



Nationality: Malaysian

Gender: Male

Age: 47

Mr Roy Ho Yew Kee was appointed to the Board on 22 March 2019 as Non-Independent Non-Executive Director, and as the representative of Key Alliance Group Berhad, the major shareholder of the Company. On 16 March 2020, he was redesignated as Executive Director of the Company. He obtained his Bachelor of Commerce from the Griffith University, Brisbane, Australia. Mr Roy brings over 20 years of financial service and restructuring experience both locally and abroad in various capacities.

Mr Roy started his career in Australia in 1998, in the financial services industry, joining Hartley Poynton Ltd, a subsidiary of Royal Bank of Canada, where he was trained as a financial advisor, specialising in derivatives and first generation fintech products.

He then moved to a boutique trading firm, Tricom Futures Ltd, in 2003, where he set up a trading desk in greenfield markets, specialising in debt instruments, capital raising, equity linked structures and derivatives.

In 2011, Mr Roy returned to Malaysia where he joined Key Alliance Group Berhad as an Executive Director overseeing corporate strategy and in 2017, he was redesignated as Managing Director of Key Alliance Group Berhad, the major shareholder of the Company.

At present, he also sits on the board of directors of Key Alliance Group Berhad, Cheetah Holdings Berhad, Komarkcorp Berhad and Nexion Technologies Limited.

He is presently a member of the Employees' Share Option Scheme Committee and Investment Committee of the Company.

He has no relationship with any other Directors or Major Shareholder of the Company, no conflict of interest with the Company and has not been convicted of any offences within the past 5 years other than the traffic offence, if any.

Profile of Directors

Tan Sik Eek

Executive Director

▶ Appointed to the Board on 25 August 2016.



Nationality: Malaysian

Gender: Male

Age: 46

Mr Tan Sik Eek was appointed to the Board on 25 August 2016 as an Independent Non-Executive Director. On 17 August 2018, he was re-designated as Executive Director of the Company. He majored in Economics and Political Science from University of Sydney, Australia.

He has more than two decades of experience ranging from corporate finance advisory to private equity investments. He was previously a partner in a private equity firm focused on investing in companies seeking growth funding and pre-IPO capital. Prior to that, he was specialising in securing funding from a series of established North America global opportunity fund, for companies listed on the regional capital markets.

Since 2013, he has been engaged as the Director of several public companies to provide management strategy, day to day operational oversight, fund raising and business development planning of the various companies.

He is also a Director of Fintec Global Berhad, Mlabs Systems Berhad, NetX Holdings Berhad and Symphony Life Berhad.

He is presently the Chairman of the Employees' Share Option Scheme Committee and a member of Investment Committee of the Company.

He has no relationship with any other Directors or Major Shareholder of the Company, no conflict of interest with the Company and has not been convicted of any offences within the past 5 years other than the traffic offence, if any.

Profile of Directors

Hew Tze Kok

Independent Non-Executive Director

▶ Appointed to the Board on 21 October 2013.



Nationality: Malaysian

Gender: Male

Age: 45

Mr Hew Tze Kok was appointed to the Board on 21 October 2013 as an Independent Non-Executive Director. Mr Hew is a fellow member of the Association of Chartered Certified Accountants ("FCCA").

He started his career path by practising in accounting firms, namely Wong Yew Seng & Co. and BDO Binder for approximately 7 years. Thereafter, he served the Securities Commission Malaysia ("SC") for 5 years in the area of enforcement of securities law. He was then appointed as an Investigating Officer of the SC with a ranking of Senior Manager. Subsequent to that, he joined KPMG Forensic Investigation Services as an Associate Director.

He does not hold any directorship in any other public listed companies.

He is presently the Chairman of the Audit Committee and a member of the Nomination and Remuneration Committee of the Company.

He has no relationship with any other Directors or Major Shareholder of the Company, no conflict of interest with the Company and has not been convicted of any offences within the past 5 years other than the traffic offence, if any.

Profile of Directors

Andy Liew Hock Sim

Independent Non-Executive Director

▶ Appointed to the Board on 1 March 2020.



Nationality: Malaysian

Gender: Male

Age: 42

Mr Andy Liew Hock Sim was appointed to the Board on 1 March 2020 as an Independent Non-Executive Director. Mr Andy is a Chartered Accountant with Malaysian Institute of Accountants (“MIA”) and member of Certified Practising Accountant (“CPA”) Australia.

Mr Andy has 20 years of experience with major audit firms in audit, taxation and accountancy that gained from both Malaysia and overseas. He was involved in numerous successful initial public offerings (“IPO”) in Malaysia, Singapore, Hong Kong and Germany throughout his career.

Mr Andy started his career with a local audit firm in Malaysia. He then joined KPMG Kuala Lumpur after obtaining his professional qualifications, i.e. MIA and CPA Australia in 2006. In KPMG Kuala Lumpur, he started to involve in the audit of multinational corporation and public listed company. He was also involved in the IPO of a financial services company in the Main Market of Kuala Lumpur Stock Exchange.

In 2008, he ventured to China and since then, spent 8 years in China. From 2008 to 2012, he worked in KPMG Beijing as Manager and actively involved in audit and IPO engagements. In 2012, he joined a China-based manufacturing company in the capacity of Chief Financial Officer, and

listed the company in Frankfurt Stock Exchange in 2014 prior to his return to Malaysia.

Upon his return to Malaysia in 2016, he joined Baker Tilly Malaysia as the Director of the Transaction Reporting department. He was then promoted to Partner in 2017 and led a team of 40 specialise in IPO engagements and actively involved in various corporate exercises, e.g. business restructuring, merger and acquisition, reverse takeover, transfer listing, financial due diligence, regularisation plan for PN17 company, fund raising and etc.

In 2019, he started his own public practice and assumed the role of Managing Partner.

At present, he also sits on the board of directors of XOX Networks Berhad, Perak Corporation Berhad and Oversea Enterprise Berhad.

He is presently the Chairman of the Nomination and Remuneration Committee and Investment Committee and a member of Audit Committee of the Company.

He has no relationship with any other Directors or Major Shareholder of the Company, no conflict of interest with the Company and has not been convicted of any offences within the past 5 years other than the traffic offence, if any.

Profile of Directors

Karina binti Idris Ahmad Shah

Independent Non-Executive Director

▶ Appointed to the Board on 28 March 2022.



Nationality: Malaysian

Gender: Female

Age: 53

Ms. Karina Shah was appointed to the Board on 28 March 2022 as an Independent Non-Executive Director. She holds a Bachelor of Laws (LLB Hons) from the National University of Malaysia (UKM).

She has over 15 years of extensive in house experience as a legal consultant in a wide variety of disciplines namely telecommunication, construction, fast moving consumer goods (FMCG) and oil and gas industry.

Ms. Karina started her career in the Attorney Generals Chamber as Federal Counsel in 1994. Her role was managing procurement contracts for the Army, Navy and Air Force. She moved to private practice in 1996 with the firm Abu Talib Shahrom & Zahari as an Advocate & Solicitor. She was then seconded to PLUS Bhd to manage the legal department and was involved in various corporate exercises. In 2000 she moved to Johor Bahru and joined a commercial property arm of the Kuok Group of Companies. In 2007 she was hired to set up the legal unit for Iskandar Regional Development Authority (IRDA) a statutory body to develop Iskandar Malaysia in Johor. She and her team successfully organized 5 members of the authority and advisory council meetings with the Prime Minister's office, government stakeholders

and joint ministerial meetings between Malaysia and Singapore.

In 2011, she took on a legal role in Doha, Qatar for a Malaysian construction firm that was involved in the construction of the Ministry of Interior.

Upon her return from the Middle East she joined Zico Insource as a Legal Consultant. She has been assigned to various organisations that include Time dot com, Heng Yuan Refining Co. (fka Shell Refining Co.), Dutch Lady Milk Industries Bhd, Genting Bhd, Bumi Armada, Maxis Bhd and Axiata Business Services Sdn Bhd.

She does not hold any directorship in any other public listed companies.

She is presently a member of the Audit Committee and the Nomination and Remuneration Committee of the Company.

She has no relationship with any other Directors or Major Shareholder of the Company, no conflict of interest with the Company and has not been convicted of any offences within the past 5 years.

Profile of Key Senior Management



▶ **Ng Kok Heng**
Chief Executive Officer

Nationality: Malaysian
Gender: Male
Age: 59

Mr Ng Kok Heng was appointed as Managing Director and Chief Executive Officer of the Company on 30 June 2010. On 9 December 2013, he retired as Managing Director of the Company but continue to serve the Company as Chief Executive Officer. On 17 August 2018, he was appointed as Executive Director of the Company and thereafter retired from the said position on 27 February 2020. He graduated with a Bachelor of Computer Science (Honours) from the University Sains Malaysia, Penang in 1987.

He was also a consultant to Teligent AB, Sweden, a telecommunications provider and has worked with key players in various South East Asian countries such as Telekom Malaysia Berhad, Singapore Telecommunications Limited and Smart Communications Inc. He leads highly specialised teams of IT integrators and implementers to implement systems for telecommunications providers.

Mr Ng is presently a member of the Share Issuance Scheme ("SIS") Committee of the Company.

He has no relationship with any other Directors or Major Shareholder of the Company, no conflict of interest with the Company and has not been convicted of any offences within the past five (5) years other than the traffic offence, if any.



▶ **Sylvia Kong Choo Hui**
Chief Financial Officer

Nationality: Malaysian
Gender: Female
Age: 56

Ms Sylvia Kong Choo Hui graduated with a Bachelor of Business (Accounting) from the University of Technology, Sydney, Australia. She has more than twenty (20) years of finance and accounting experience in the Manufacturing Industry; she was also involved in the corporate restructuring and fund-raising exercises for public listed companies. Prior to joining the Company, she was the Finance Director of a multinational company in the Manufacturing sector.

She joined the Company as Chief Financial Officer in 2015 and overseeing the Finance, Taxation, Legal, Human Resources and Administration of the Group.

She does not hold any directorships in any other public listed companies. She has no relationship with any other Directors or Major Shareholder of the Company, no conflict of interest with the Company and has not been convicted of any offences within the past five (5) years other than the traffic offence, if any.



▶ **Azril bin Aliuddin**
Chief Strategy Officer

Nationality: Malaysian
Gender: Male
Age: 44

Mr Azril bin Aliuddin graduated from Universiti Teknologi Mara with a Bachelor's Degree in Information Management. He is the Chief Strategy Officer of the Company who oversees the implementation of the business strategy of the Company. He has been in the Company since 2009 in various roles from project management, business process engineering, business development and business strategy. He is part of the pioneer team in the Company which form and develop the Company to be the 'thick' MVNO in the country. He is instrumental in driving the technology initiatives in the Company and setting up the technical foundation for the Company moving forward.

Prior to joining the Company, Mr Azril Aliuddin has various experiences in IT consultancy, IT project management and business process engineering. He was involved in a national level project which is Malaysia's Multimedia Super Corridor (MSC) Initiatives, the merger of two (2) major telecommunication operators in Malaysia and implementation of an internet service provider for one of the State in Malaysia.

He does not hold any directorships in any other public listed companies. He has no relationship with any other Directors or Major Shareholder of the Company, no conflict of interest with the Company and has not been convicted of any offences within the past five (5) years other than the traffic offence, if any.

Profile of Key Senior Management



Tan Tai Liang
Chief Sales Officer

Nationality: Malaysian
Gender: Male
Age: 56

Mr Tan Tai Liang graduated with a Diploma in Marketing from the Institute of Marketing, UK. He joined the Company in 2009 with the position of General Manager. He was very proficient in all job aspects and with his outperforming work attitude, he currently holds the position of a Chief Sales Officer.

Mr Tan has more than twenty-five (25) years of managerial experience in both Sales and Business Development field, with a successful record of sales accomplishments in the telecommunication, mobile and IT industries.

Aside from his notable contributions to the Company which includes assisting in the acquisition of One XOX Sdn. Bhd. as a subsidiary for the Company in 2014, he has also overseen the sizeable growth for the activations and revenue of the Company since 2013 when he was promoted to Assistant Vice President.

He does not hold any directorship in any other public listed companies. He has no relationship with any other Directors or Major Shareholder of the Company, no conflict of interest with the Company and has not been convicted of any offences within the past five (5) years other than the traffic offence, if any.



Sim Chin Yee
Chief Technology Officer

Nationality: Malaysian
Gender: Male
Age: 44

Mr Sim Chin Yee graduated from University of Portsmouth, United Kingdom with a Bachelor's Degree in Computing. He has more than fifteen (15) years of experience in Telecommunication and Information Technology industry. He is part of the pioneer team in the Company and is responsible for the development and operation of telecommunication and IT infrastructure of the Company.

He does not hold any directorship in any other public listed companies. He has no relationship with any other Directors or Major Shareholder of the Company, no conflict of interest with the Company and has not been convicted of any offences within the past five (5) years other than the traffic offence, if any.



Winson Wong Mun Onn
Chief Operating Officer

Nationality: Malaysian
Gender: Male
Age: 39

Mr Winson Wong Mun Onn is responsible for Big Data, Digital, Strategic Marketing and Product Development in XOX. Mr Winson joined the Company in May 2015 as an Assistant General Manager, Marketing and was subsequently promoted to be Vice President, Big Data in September 2019. Currently, he holds the position of Chief Operating Officer.

Throughout Mr Winson's time in XOX, he has made significant contributions towards Analytics & Big Data development creating new experiences, services, products and performing Risk Analysis.

Prior to joining XOX, Mr Winson held the position of Head of Marketing with a multinational mobile phone company in Bangkok, Thailand.

Mr Winson was awarded with a Master's in Business Administration from Anglia Ruskin University, United Kingdom.

He does not hold any directorship in any other public listed companies. He has no relationship with any other Directors or Major Shareholder of the Company, no conflict of interest with the Company, and has not been convicted of any offences within the past five (5) years other than the traffic offence, if any.

Financial Highlights

GROUP FINANCIAL SUMMARY

	12 Months FY 2022 RM	12 Months FY 2021 RM	12 Months FY 2020 RM	15 Months* FY 2019 RM	12 Months FY 2018 RM
--	----------------------------	----------------------------	----------------------------	-----------------------------	----------------------------

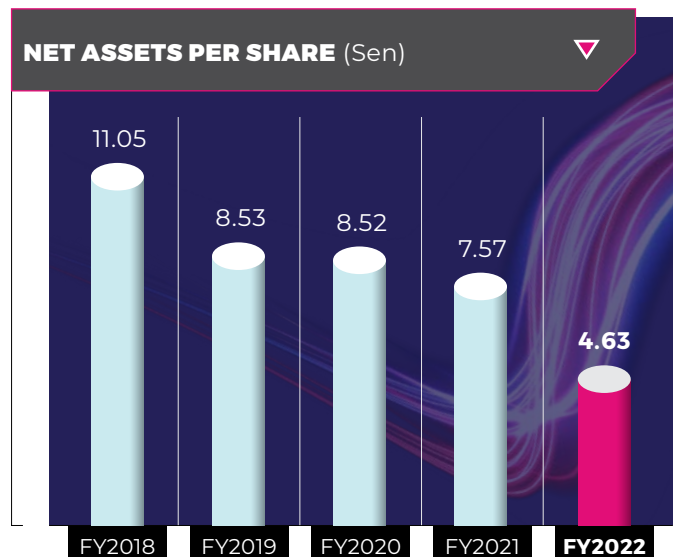
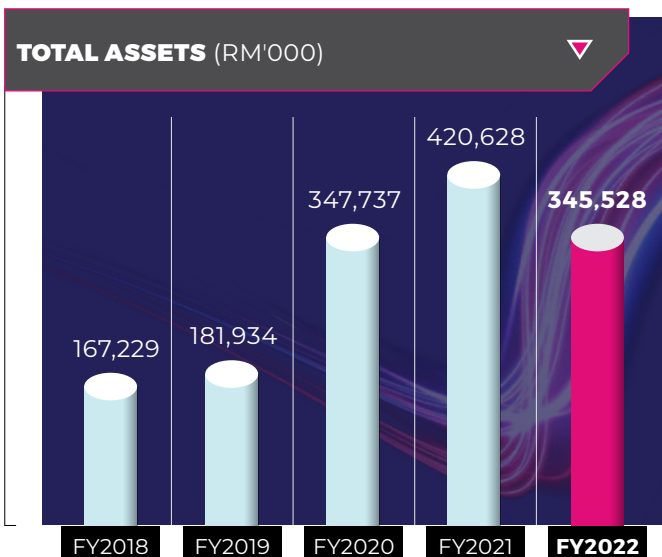
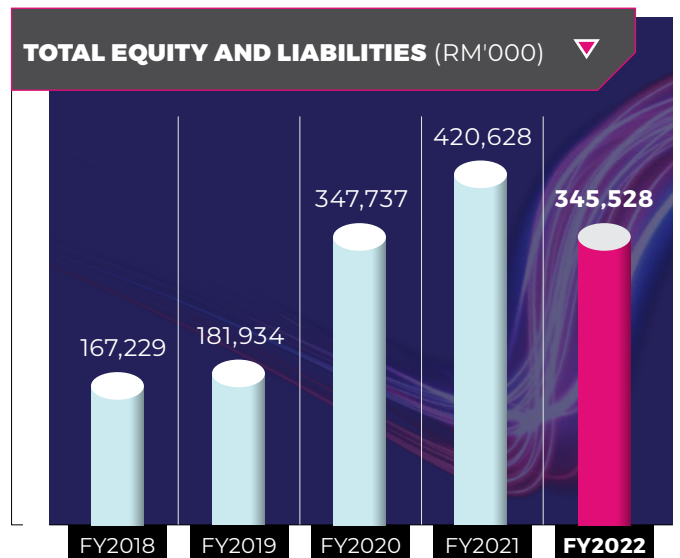
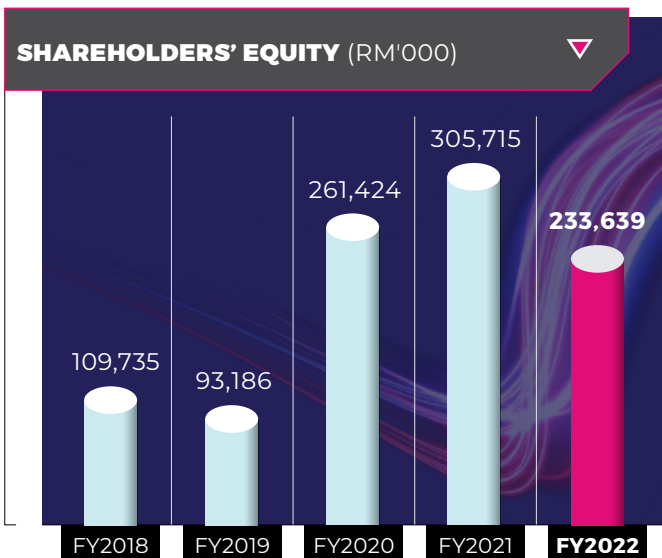
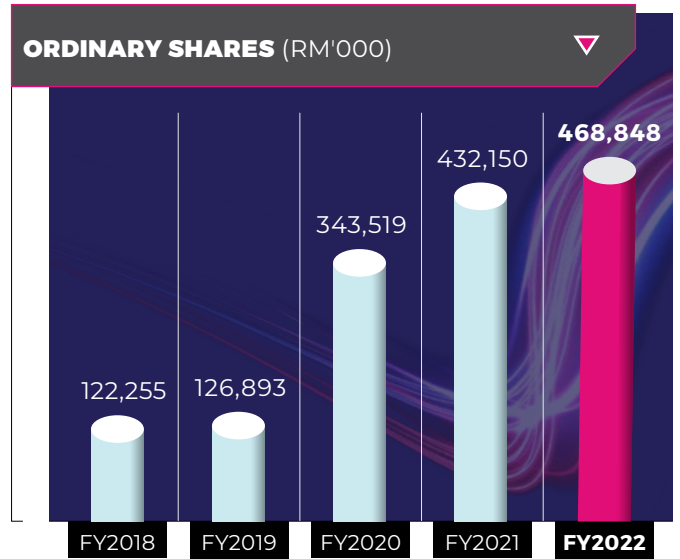
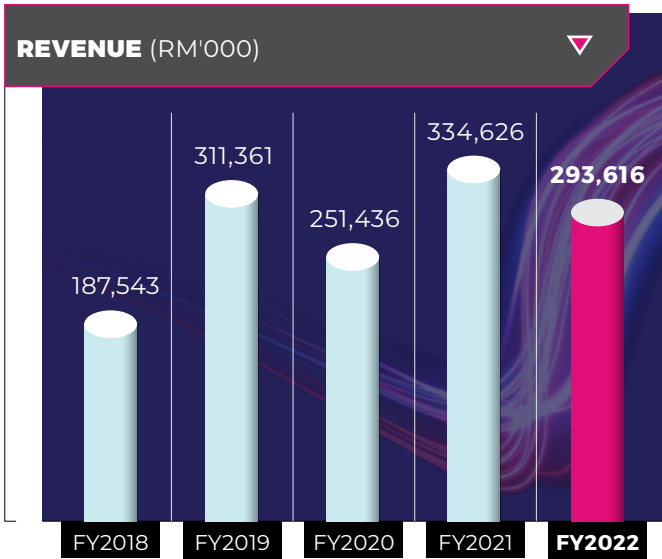
FINANCIAL RESULTS					
Revenue	293,615,791	334,626,293	251,436,160	311,361,314	187,542,724
Loss Before Tax	(89,227,245)	(46,858,141)	(55,663,403)	(21,344,657)	(11,639,022)
Loss After Tax	(92,079,768)	(47,395,229)	(54,447,415)	(21,499,673)	(11,844,898)
Losses Before Interest Tax Depreciation & Amortisation ("LBITDA")	(72,601,541)	(32,220,975)	(37,341,225)	(6,565,775)	(3,449,253)
Loss Attributable to Shareholders	(90,976,473)	(45,488,924)	(52,323,588)	(21,177,600)	(11,899,760)

FINANCIAL POSITION					
Ordinary shares	468,848,306	432,150,129	343,519,338	126,892,891	122,255,081
Irredeemable convertible preference shares ("ICPS")	1,949,285	1,949,285	2,160,345	-	-
Reserves	(237,158,305)	(128,384,857)	(84,256,163)	(33,706,396)	(12,519,988)
Shareholders' Equity	233,639,286	305,714,557	261,423,520	93,186,495	109,735,093
Non-controlling interests	(2,911,756)	(1,776,145)	136,572	2,312,034	513,418
Total Equity	230,727,530	303,938,412	261,560,092	95,498,529	110,248,511
Non-Current Liabilities	9,317,813	8,918,403	8,929,674	2,987,008	1,496,547
Current Liabilities	105,482,625	107,771,334	77,247,375	83,448,889	55,483,619
Total Equity and Liabilities	345,527,968	420,628,149	347,737,141	181,934,426	167,228,677
Non-Current Assets	186,199,117	188,290,782	97,844,878	90,597,168	85,051,839
Current Assets	159,328,851	232,337,367	249,892,263	91,337,258	82,176,838
Total Assets	345,527,968	420,628,149	347,737,141	181,934,426	167,228,677

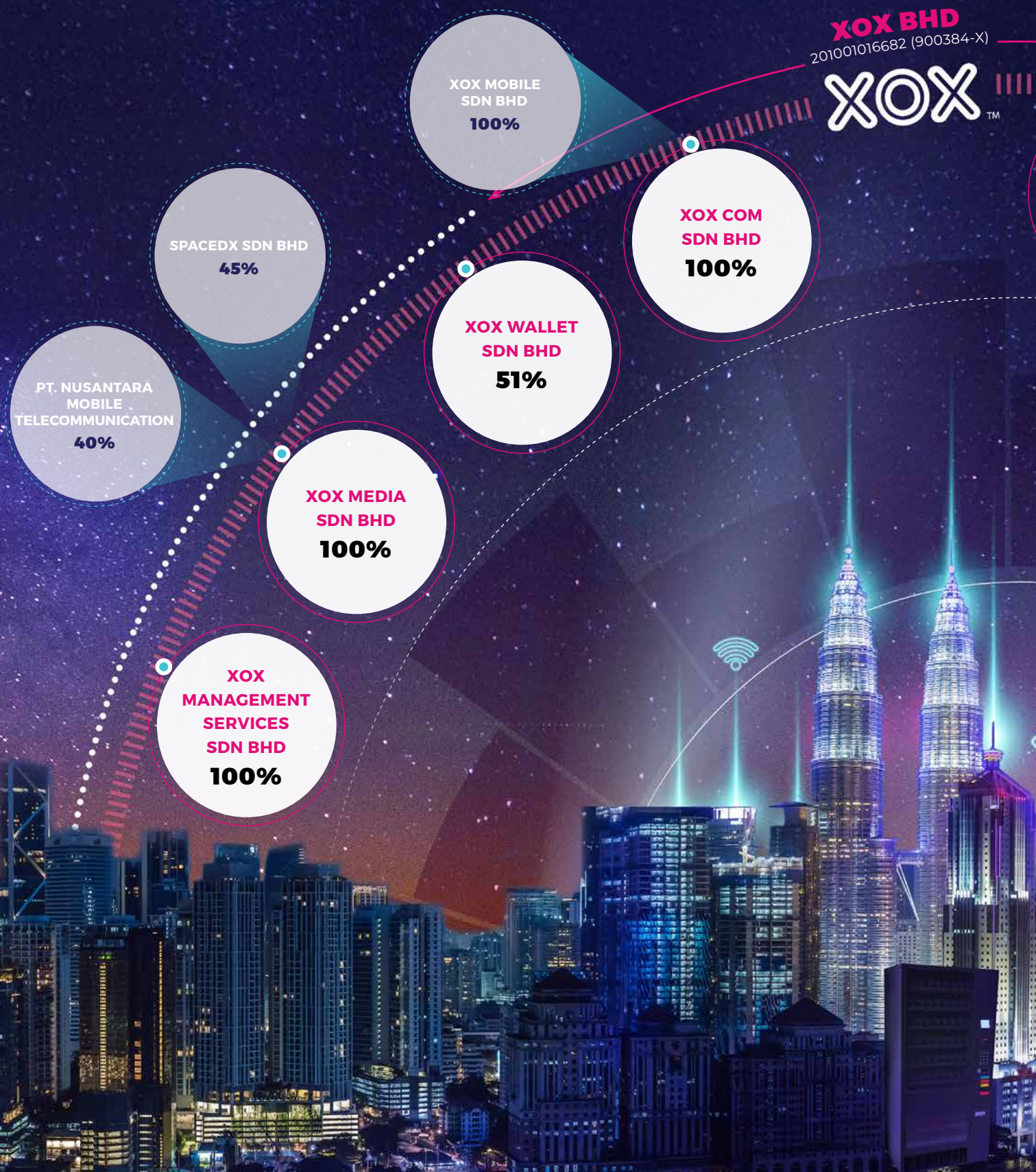
FINANCIAL RATIOS					
Net Assets Per Share (sen)	4.63	7.57	8.52	8.53	11.05
Net Loss Per Share (sen)	(1.91)	(1.21)	(3.77)	(1.98)	(1.27)

* The financial year end of the Group and of the Company were changed from 30 June to 30 September.

Financial Highlights



Corporate Structure



Corporate Structure



Management Discussion and Analysis

OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS

The unique features of our products enable users to carry forward their data and minutes seamlessly. "Season Pass" offers for bulk advance purchases with unlimited sharing of Data, Talk Time and SMS quotas and our signature XOX eSim caters for our digitally savvy customers in the new era of communications.

With an active subscriber base of more than 2.5 million, we dedicate ourselves to technology and innovation and to augment the Group into a leading technology company by offering innovative digital solutions to its subscribers and consumers.

"Where Imagination Meets Innovation" is the fundamental realignment of our strategic positioning and operating model to move beyond MVNO to a diversified e-commerce service provider. We offer a broad range of services and solutions to connect the digital ecosystem and digital services platforms tailored to the requirements of our customers.

Central to our transformation beyond a telco is to enrich the daily life of the community through the way we serve our customers. All activities across our online and offline touchpoints are powered by rich analytics, which allows XOX to personalise and simplify the customer journey.

“

XOX Bhd ("XOX" or "the Company" or "the Group") is principally engaged in the provision of mobile telecommunications products and services, e-Wallet services, e-commerce services and digital advertising. Since June 2011, we are the only publicly listed Mobile Virtual Network Operator ("MVNO") in Malaysia. Our core business depends on the growth of the SIM card subscriber base with products packaged in "ONEXOX Prepaid", "ONEXOX BLACK" and "XOX eSIM".

We deepen our customer relationships through our digitalised growth platforms which include:

1. **BLACK MARKET**, an e-commerce retail platform which houses well known official brands, amongst others, Cheetah which caters to our retail customers while Perak Football Club and the Komanz Kru Racing merchandise are specially curated for our sports enthusiastic customers;
2. A unique loyalty programme, **ADX** – which earns you points with a click when watching a video, completing surveys or even playing games on this platform, which will enable our customers to use the points earned when making purchases in the BLACK MARKET;
3. **TRAX**, our proprietary traceability solutions which are offered to our valued enterprise segment customers. TRAX leverage on our advanced data analytic capability and technology to enable our enterprise customers to save time, money and headache by merging different tracking solutions into one;
4. **Smart Vending Machine**, which utilises interactive touchscreen technologies to provide an interactive multimedia display interface and allow for features such as interactive advertising and promotions. The machine also offers SIM cards, e-Wallet bundles, consumer goods and sundry consumables; and
5. Collaborating with a financing partner to offer **Dealer i-Financing** to the Group dealers to provide them with the potential of expanding their business.

As part of our growth strategies to accelerate our trajectory, creating diversified revenue streams, broadening our reach in both geographical presence and customer segment and most importantly and significantly to enhance our technological capabilities and bench strength for us to move up the value chain both vertically and horizontally. We continue working on harnessing revenue growth and cost synergies from the following investment portfolio companies:-

1. Cheetah Holdings Berhad
2. XOX Technology Berhad
3. Jadi Imaging Holdings Berhad
4. XOX Networks Berhad
5. Nexion Technologies Limited
6. DGB Asia Berhad
7. Bioalpha Holdings Berhad

Amid the throes of the pandemic, which resulted in uncertainties within the domestic and international economies, we had moved well beyond disaster recovery, business continuity planning and day-to-day remediations.

As the Group enters the 5G era, the unprecedented digitalisation we are witnessing means the business environment will be vastly different. The Group is positively confident in tapping into the benefits of 5G, beyond just faster connectivity but in terms of business models and timelines.

The Group will continue to grow its digital ecosystems to deepen engagement with the Group's mobile subscriber base to capture value and opportunities.

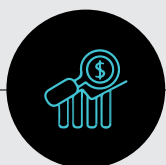
Management Discussion and Analysis



REVENUE

RM293.62
million

compared to RM334.63 million



LBITDA

RM72.60
million

compared to RM32.22 million

FINANCIAL REVIEW

	FY 2022 RM	FY 2021 RM
Financial Results		
Revenue	293,615,791	334,626,293
Loss Before Tax	(89,227,245)	(46,858,141)
Loss Before Interest Tax Depreciation & Amortisation ("LBITDA")	(72,601,541)	(32,220,975)
Loss Attributable to Shareholders	(90,976,473)	(45,488,924)
Financial Positions		
Shareholders' Equity	233,639,286	305,714,557
Total Assets	345,527,968	420,628,149
Basic Loss Per Share (Sen)	(1.91)	(1.21)
Net Assets Per Share (Sen)	4.63	7.57



STRONG CASH POSITION

RM83.30
million

with a stable cash position



TOTAL ASSETS

RM345.53
million

compared to RM420.63 million

Financial Results

Core connectivity products and services in the mobile sector accounted for the majority of the Group's revenue. The softening of income contribution from "ONEXOX BLACK" was due to our customer base coming predominantly from B40 segment, coupled with the lack of non-recurring smart devices with entry plan revenue via Jaringan Prihatin Programs recorded last financial year, the Group's revenue declined by 12.26% to RM293.62 million after partly offsetting RM4.02 million revenue increase from BLACK MARKET.

The Group posted a loss before tax ("LBT") of RM89.23 million for the financial year under review. The loss reported mainly arose from the impairment loss in investment in associates amounting to RM67.13 million and fair value loss adjustment in quoted shares investment of RM36.98 million, which was partly offset by the unrealised foreign exchange gain of RM17.34 million.

Consequently, the LBITDA stood at RM72.60 million, and Group losses attributable to shareholders amounted to RM90.98 million for the financial year, compared to RM45.49 million for FYE 2021.

There was no payment of dividends during the financial year under review.

Financial Position

The Group remains in a sound financial position. We ended the financial year with a stable cash position of RM83.30 million. The healthy balance sheet position has enabled us to operate, unlock business opportunities and sustain ourselves in the face of uncertain economic conditions and a rising inflation environment expected in the coming year.

During the financial year, the share capital increased by RM36.70 million by way of issuance of 1,014,964,800 new ordinary shares pursuant to the exercise of ESOS. However, the shareholders' equity decreased to RM233.64 million on account of RM90.98 million losses attributable to shareholders; and the total assets decreased by RM75.10 million from RM420.63 to RM345.53 as of 30 September 2022.

Management Discussion and Analysis

BUSINESS AND OPERATIONAL REVIEW



As a technology company, XOX operates in a dynamic environment that is leading the way in digital transformation. Digitalisation is changing the world fundamentally, and it will accelerate in the coming decades, transforming societies and our everyday lives.

After almost three years of a global pandemic, we now face new and uncertain times. We have made good progress in our business pillars: reinvigorating our core consumer telecoms business, developing new growth engines through digital services, enhancing our enterprise services footprint, and progressively unlocking the value of our portfolio.

During the financial year, XOX introduced a new addition to its “Data Buffet” postpaid range – B54DB. Tailor-made especially for the modern consumer, the new postpaid range provides a higher internet allowance for bandwidth-heavy activities such as mobile gaming, livestreaming, and videoconferencing.

As there are more diverse options available on the market, telcos have diversified beyond their core offerings, as consumers are rapidly embracing seamless customer experiences popularized by internet companies. Our “Data Buffet” range of B54DB, B59DB, & B89DB has resonated very well with the modern consumer, constituting more than half of our Postpaid activations.

Similarly, XOX also launched the “Ultimate 35” and “WAWA 18” data plan as an equivalent for our Prepaid segment. Similar to XOX’s postpaid efforts, this data plan caters to frequent internet users that would need a higher allowance to accommodate their usage behaviour. To date, Ultimate 35 has grown into one of our highest-selling plans, providing a valuable option for consumers that do not want a postpaid monthly subscription.

Aside from the core telecommunications products, we have also enhanced our digital touch points to ensure our customers enjoy the best possible experience when engaging with us – especially for the many who stayed home during the pandemic and had to connect and transact digitally.

A significant reflection of this shift was the way our customers transact with us. Online transactions are gaining importance for our company’s bottom line, and we project it to grow even further in 2023. Accordingly, we revamped our XOX BLACK APP to allow customers to manage XOX services more fluently within the XOX ecology.

Beyond our telecom presence, XOX entered the Sports arena through our acquisition of the Perak Football Club in May 2022. The crowd consistency of Perak FC’s matches provides a perfect vehicle to power XOX’s strategic goals, by creating a large captive market through our ownership and hands-on management. Leveraging on our expertise in brand strategy, digital marketing and public relations, live events will be held in tandem with Perak FC matches, forming an effective channel to distribute XOX’s products & services.

Moving towards e-commerce, outsized predictions of online shopping growth persisting past the pandemic did not materialise. Not only has online commerce returned to prior trends, but the macroeconomic downturn from unstable geopolitics has impacted consumer confidence. In this regard, XOX’s BLACK MARKET has successfully weathered turbulent periods by integrating further into XOX’s ecology. BLACK MARKET’s revenue is now driven by Perak FC merchandise, as well as exclusively sourced products from our partner network.

As omnichannel retail, cloud services, and other services grow, competition will intensify, including the adoption of evolving business models. XOX may have a substantial competitive advantage because of the greater understanding of and focus on the local customer, as well as working with more established local brand names. Through the aforementioned initiatives, we are confident that BLACK MARKET is positioned strategically to grow further in 2023.

We have also collaborated with our extensive network of partners to enhance our loyalty programme – XOX ADX, to provide greater value to our customers. The programme offers attractive discounts on mobile services, lifestyle rewards and gift vouchers to reward and engage our customers.

Above all else, XOX Group is focusing on a major branding overhaul to realign the targets and goals as we head towards being a technology solution provider, and through strategic partnerships, create new technology driven products for the mass market. Transitioning to 2023, with the right partners and dealers, XOX strives to provide more innovative telecommunications products and services as well as fintech services to our subscribers.

While the Group is establishing new engines of growth, we remain committed to maintaining our core mobile business by adding value to our customers’ lives and helping them reap the benefits of technology by creating a multifaceted digital experience.

Lastly, we are proud to report that the Group had successfully recorded a momentous achievement in the Group’s corporate history, XOX was awarded the **“Best Mobile Virtual Network Operator”** in the Star Rating Award 2021 by Malaysian Communications and Multimedia Commission. We hope the award will provide the impetus and pave the way for the continued growth of the Group.

Management Discussion and Analysis

CORPORATE EXERCISES

Renounceable Rights Issue of New Irredeemable Convertible Preference Shares ("ICPS") with Free Detachable Warrants B 2020/2023

There was no conversion of ICPS to ordinary shares during the financial year, and the total number of ICPS that remains unconverted amounted to 77,971,406 as at 30 September 2022.

Employee Share Option Scheme ("ESOS")

During the FY 2022, 1,014,026,900 options were granted to eligible employees at prices between RM0.018 to RM0.035 per share. There were a total of 1,014,964,800 ESOS options exercised at prices between RM0.018 to RM0.0375.

Warrants B & Warrants C

No Warrants B or Warrants C were exercised during the financial year. As at 30 September 2022, the total number of Warrants B that remains unexercised amounted to 231,832,876 and the total number of Warrants C that remains unexercised amounted to 1,412,612,765.

Formation and Acquisition of Subsidiaries

- (a) On 11 May 2022, XOX Pro Sport Sdn. Bhd. ("XOXPS"), a fully owned subsidiary of the Company, was incorporated as an investment company and marketing agent.

On 29 April 2022, XOX entered into a Memorandum of Understanding with Impact Media & Communication Sdn Bhd ("IMC") for the proposed acquisition of 100% equity interest in Perak FC Sdn. Bhd. ("PFC"). PFC is principally involved in establishing, managing and controlling a football club.

On 17 May 2022, XOXPS, a wholly owned subsidiary of the Company entered into a Share Sale Agreement with IMC for the proposed acquisition of PFC.

The acquisition of the 100% equity interest in PFC by XOXPS was completed on 26 August 2022, and PFC became a fully owned subsidiary of the Group.

- (b) On 14 September 2022, XOX Fintech Sdn. Bhd., a fully owned subsidiary of the Company, was incorporated. The principal activities of the company will be carrying on the business of e-money services, to build and manage an ecosystem through its e-Wallet amongst its subscribers for cashless payment, merchant acquiring services and payment gateway.

Acquisition of Associates

During FY 2022, the Group concluded the acquisition of the following associate company to complement and add synergies to the Group:

- (a) Jadi Imaging Holdings Berhad ("Jadi")

On 15 October 2021, the wholly-owned subsidiary of the Company, XOX (Hong Kong) Limited ("XOXHK") entered into a Sale and Purchase Agreement ("SPA") with LSI Holdings Sdn. Bhd. for the acquisition of 200,000,000 ordinary shares in Jadi for a total consideration of RM46,000,000, representing approximately 19.01% of the total issued and paid-up share capital of Jadi.

Subsequently, XOXHK acquired from the open market an aggregate of 102,292,700 ordinary shares in Jadi for a total purchase consideration of approximately RM10,649,857. Accordingly, XOXHK holds a total of 302,292,700 Jadi's shares, representing 28.08% equity interest in Jadi and the aggregate cost of investment amounting to RM56,649,857 as at 30 September 2022.

Acquisition of Additional Shares in Associate Companies

- (a) During the FY 2022, the wholly-owned subsidiary of the Company, XOXHK acquired an additional 78,400,000 ordinary shares in XOX Networks Berhad ("XOX Networks"). As of 30 September 2022, the total number of shares held by XOXHK in XOX Networks is 171,000,000 representing 15.06% of the total issued and paid up share capital of XOX Networks, and the aggregate cost of investment of XOXHK in XOX Networks is RM27,675,760.
- (b) During the FY 2022, XOXHK further acquired from the open market an aggregate of 6,000,000 ordinary shares in DGB Asia Berhad ("DGB") for a total purchase consideration of approximately RM181,224. As of 30 September 2022, total number of shares held by XOXHK in DGB is 256,000,000, representing 14.34% of the total issued and paid up share capital of DGB and the aggregate cost of investment is RM30,181,224.

ANTICIPATED RISKS AND MITIGATING FACTORS

XOX's business is shrouded with various risk factors which will impact our financial and operational performance. These risks vary widely and can be found at every level of our operation. We aim to mitigate our exposure to the key risks via appropriate risk management strategies, aided by strong internal control processes to reduce the uncertainties associated with implementing our business strategies and maximise opportunities that may arise:

Management Discussion and Analysis

Competitive Treats

The telecommunications industry that we operate in continues to be highly competitive across mobile connectivity with opportunities for increasing digital adoption by consumers and businesses.

In responding to the challenges and to compete effectively to sustain the business with the wave of 5G implementation, we are realigning our targets and goals and moving towards being technology solutions provider.

Towards this end, we are forming strategic partnerships that will drive digital value proposition to enable revenue growth and capture the advances made from digital and internet adoption. This can be achieved by introducing broader ranges of innovative digital solutions to our customers via edge computing, artificial intelligence, e-commerce platforms, cloud and blockchain applications across in-house and partners' offerings.

Data Protection Risks

The Group operates in a high-risk industry for cybercriminals as the industry controls a vast majority of complex and critical communication infrastructure. As we continue to digitalise our processes and expand business collaboration in meeting customer needs, we may expose ourselves to risks in data breaches and also be more restricted from onerous regulatory obligations.

We have in place however, appropriate safeguards and controls to ensure the security and protection of our customer data. We continue to strengthen our operational processes to detect potential threats and identify data protection risks with security measures against cyber threats and continue to work with partners in adopting a holistic approach to cybersecurity to mitigate the threats posed by the security vulnerabilities inherent in the industry.

Cyber Security Risk

The telecommunications industry faces the constant challenge of providing fast, secure and reliable networks in an increasingly digital and connected world, cyber security risks have increased exponentially due to the rapid digitalisation of applications in fulfilling our customers' needs.

Cybersecurity threatens the resilience and integrity of our network infrastructure and support systems. As an MVNO, the provision of our services heavily depends on the quality, stability, resilience and robustness of the networks and systems of Mobile Network Operator ("MVO"), as the risk of network disruptions could affect our ability to serve our customers. The impact of a security breach compromises the confidentiality, integrity or availability of confidential information and disrupts our systems and business applications, impairing our ability to provide services.

We have inaugurated several protocols to mitigate the above risks. Chief amongst them are proactive and continuous engagement with MNO, having an effective communication process for timely updates to our stakeholders and customers during any incidents or crisis, crisis management and escalation process with adequate response plan for our teams to respond to emergencies. We also continue working with business partners in adopting a holistic approach to cybersecurity to alleviate the threats.

Regulatory Risks

XOX is committed to ensuring our business operates ethically, lawfully and with integrity for our long term success. Non-compliance to the regulatory requirements may result in reputation damage, financial penalties or suspension of licence to operate.

Ventures into new technology and digital transformation will lead to new regulatory exposures. Our business expansion into fintech solutions and digitalisation will need additional safeguards involving the implementation of suitable and satisfactory risk management systems. The Group keeps abreast of government policies, rules and regulations with strong internal governance, assign dedicated resources to evaluate business strategies, new technologies, products and services, and government policies and regulations for ongoing compliance.

Management Discussion and Analysis

Talent and Succession Management Risk

XOX believes that our success and growth are only possible through a productive, diverse and sustainable workforce with dedication and commitment to meeting the demands of digital advancements and being ahead of the industry.

We will continue to attract, develop, and retain a skilled and engaged workforce. The shortage of digital talent coupled with a higher cost of acquiring talent, is driving XOX to develop an attractive workplace culture compared to its peers, so as to maintain the experienced and skilled personnel that we already have. We also believe succession management is essential in ensuring that the Group is managed efficiently and effectively. To mitigate succession risks, a succession planning review is conducted annually by Management.

We remain committed to building a place for talent to grow and thrive professionally. Continued upskilling programs are offered to embrace digital transformation strategies to meet rising demands and new opportunities from technological innovation. At the same time, we support employees' career growth, and continuous engagement efforts to retain talent and build inspiring teams and a caring workplace.

Investment Risk

The Group continually looks for investment opportunities that can contribute to our expansion strategy and develop new revenue streams. The investment and decision making processes rely on the information and analytical resources available, but the investment value can fluctuate significantly depending on the vagaries of the market and its operating environment in the short term. This will have an impact on the investment portfolio performance and thus the financial results of the Group. We adopt a disciplined approach in our investment evaluation and decision-making processes to minimise the risk of not being able to generate growth and profitability arising from these synergistic acquisitions.

OUTLOOK & PROSPECTS

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 coming year.

Connectivity revenues are under pressure, telcos are transitioning rapidly to content and other non-connectivity streams to bolster growth. SIM cards will gradually be replaced with better alternatives - eSIM and iSIM - as devices can swap between different networks without the need to physically swap SIM cards. eSIMs that are connected to IoT devices can freely move around while staying connected at all times and the evolution of iSIM, which is directly embedded in IoT devices' hardware will enable even more advanced uses.

As we enter into the 5G era, it will mark an acceleration in the transformation of telcos to become technology companies as 5G will be the key revenue driver for the industry. Granted, the 5G outcome and benefits beyond fast connectivity remain largely unknown in terms of business models, investment requirements and timeline.

Artificial Intelligence is increasingly available with more features to enhance customer engagement. Metaverse is about creating a virtual world, it is currently seen as a consumer-led proposition that will help people experience games, videos and from virtual meetings to creating their own communities. Metaverse allows companies to design and build products using AI and VR tools by spinning physical operations in a virtual world. Telcos will be exploring creative opportunities of AI, using the metaverse bandwagon as part of their strategic roadmap to innovate and provide new services that elevate the relationship with customers beyond just being a connectivity provider, delivering a platform to achieve innovation and improve customer experience.

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.

Events Highlights 2022

Awards

XOX bags Best MVNO 2021



January 2023

XOX Com Sdn Bhd has been awarded the **“Best Mobile Virtual Network Operator (“MVNO”) 2021”** at MCMC’s Star Rating Award (SRA) by Deputy Minister of Communications & Digital YB Teo Nie Ching, accompanied by MCMC’s Chief Operating Officer, YBhg. Dato’ Mohd Ali Hanafiah Mohd Yunus.

Sponsorships

XOX Unity League



March 2022

XOX Unity League was established to nurture our local e-Sports ecosystem. To date, our initiative has produced up to 4 seasons, in which we provide up to RM9,000 worth of prizes to contest. XOX aims to propel our local e-Sports scene to the forefront of Southeast Asia.

TKKR Sponsorship



March – December 2022

Our efforts to search for the best Malaysian rider continues so that young talent are given an opportunity on the racing track. Our presence in motor sports for the last 4 years is a commitment that we value young domestic talent and want to see them flourish in the sport arena.

Events Highlights 2022



#JomBantu

September 2021 – Current

#JomBantu is our signature digital-inclusion CSR initiative, which provides disadvantaged students with free mobile connectivity. Individual subscribers can also participate by donating their data to the pool. We are immensely proud to have helped >3,000 passionate learners to further develop their education.



Majlis Berbuka Puasa Charity Event

April 2022

We actively support closer ties with our community by coming together for the breaking of Ramadhan fast, and to provide for underprivileged children. This successful event was organised in collaboration with Rumah Perlindungan Nur Hati. Additional financial aid was also provided to the orphanage.



Breast Cancer Talk

October 2022

XOX donated RM5,000 to Pink Ribbon Wellness Foundation as an act of support to raise and spread awareness of breast cancer to the community. A physical awareness talk delivered by the founder of Pink Ribbon Wellness foundation, Dato Dr. Devanand, was conducted in the office on 5 October 2022 to further spread the awareness among our staffs.

Corporate Social Responsibility

Events Highlights 2022

Memorandum of Understanding ("MOU")

MOU with Impact Media Communication Sdn Bhd



April 2022

Perak FC Sdn Bhd ("PFC") was acquired into XOX's ever-growing enterprise in August 2022, establishing ourselves as one of the most dynamic companies operating in the country today. In conjunction with our efforts to market our core products into new business verticals, PFC also serves as a sports marketing channel for our brand. Through PFC, we have unlocked a new avenue to connect with prospective customers.

MOU ceremony with MBI



May 2022

XOX has entered into a MOU with Majlis Bandaraya Ipoh ("MBI") a statutory body under the local government of Ipoh City Council, to jointly develop and pave the road for XOX to provide technical proposals for MBI to consider implementing based on a public's needs basis.

MOU with VfL Wolfsburg FC



October 2022

Perak FC signed a MOU with VfL Wolfsburg FC to begin talks for collaborative efforts in developing youth footballing talents together. This collaboration will see the German club conduct a technology and knowledge transfer to Perak FC to develop the club's coaches & players, by giving them an opportunity to be exposed to European football such as the Bundesliga Football League.

Events Highlights 2022



Main Distributors Retreat

January 2022

The annual retreat for our Main Distributors (“MD”) provides a forum for the next big idea to flourish within our network. XOX supports our distributors through such initiatives, which is also intended to inspire & build camaraderie with one another in a comfortable environment.



1st F&B SPACE

Union Artisan Coffee x XOX SPACE

March 2022

As the movement of working from anywhere picks up steam, the attractiveness of having a comfortable working space seems appealing to students and working adults in general.

XOX Bhd has partnered with a neighbourhood-concept cafe, Union Artisan Coffee to open its first food and beverage (F&B) space in Mid Valley Megamall which promises urbanites a gratifying experience.

This is similar lifestyle-like spaces called SPACE @ XOX in two other malls in Klang Valley which the outlets are equipped with high-speed Wi-Fi internet connection and charging ports, like a coworking space.



Indahnya Raya Bersama XOX

May 2022

XOX hosted a Raya festive event to build rapport between employees and our cherished working partners. It is an appreciative gesture to everyone that have contributed to our resiliency, especially during the challenging times of the pandemic. In conjunction with the event, a celebration of 5 & 10 years long service awards for eligible staffs that have grown with us during their extensive tenure.

Events

Events Highlights 2022

Events (continued)

Opening of XOX Partnership Programme Outlet at AEON Kota Bharu



August 2022

As business expands and the need to meet the demand of the market, XOX has opened additional outlets in AEON Kota Bharu which is the first flagship in Kelantan via the opening of the XOX Partnership Programme ("XPP") outlet.

ONEXOX The Bos Gaurus BLACK Plan



September 2022

The launch of the new mobile plans open up another revenue stream for commercialisation efforts of football clubs in Malaysia. This supports the efforts by Malaysian Football League (MFL) to privatise clubs to support its business activities. XOX hopes to be part of the change to "lend a hand" in the commercialisation of football industry in Malaysia.

Products and Services Launched During the Year



In tandem with our acquisition of Perak Football Club, we have rolled out a suite of co-branded mobile products which aims to deliver customised experience for local football fans. Designated as "ONEXOX The Bos Gaurus Edition", these mobile plans offer free tickets to Perak FC matches, discounts to team merchandise, as well as exclusive updates for its loyal supporters.

ONEXOX The Bos Gaurus Edition



Designed for the modern, multipurpose consumer, our new Prepaid plans cater for all facets that the subscriber might utilise – including bandwidth-heavy activities such as streaming services. Our mobile strategy envisions a dynamic portfolio that consistently adapts to market trends, so we can provide our customers with the best value.

WAWA18, WAWA35, & UNL35

Sustainability Statement



Sustainability is the core principle embedded in the culture and operations of XOX Bhd (“XOX” or “the Company”) & its subsidiaries (collectively referred to as “the Group”) as we strive to pursue our business growth and profitability in a safe, caring and sustainable environment.

OUR APPROACH

In line with Bursa Malaysia Securities Berhad’s Sustainability Reporting Guide (2nd Edition), the Group’s sustainability practices are to ensure that economic, environmental and social risks and opportunities are tied in with our governance framework and social responsibilities.

In this respect, our mission is to ensure high standards of governance across our business to promote responsible business practices, manage environmental impacts, and meet the community’s social (societal) needs in which we operate.

XOX is committed to adhering to all standards of upright business conduct – through integrity and transparency with a constant and growing progression towards excellence in every area of business administration and striving towards its sustainable goals. The Board of Directors and Senior Management of XOX recognise the importance of prioritising sustainability as part of its overall approach to value creation.

A strategic and concerted approach to address environmental, social and governance (“ESG”) topics based on an inclusive perspective of the Group and its stakeholders mitigate business and operational risks and supports continued financial and non-financial value creation across the short, medium and long-term perspectives.

SUSTAINABILITY GOVERNANCE

Governance Structure

Sustainability is embedded in our organisational approach and is led from the top. Spearheading the Group’s sustainability agenda is the Board of Directors (“Board”) with the Management team’s assistance to oversee the implementation of the organisation’s sustainability approaches and ensure that key targets are being met.

The Board also acknowledges that risk management and internal controls are integral to our corporate governance and responsible for establishing a sound risk management framework and internal control systems and ensuring its adequacy and effectiveness. The Board of Directors has delegated the implementation of Sustainability Management to Senior Management. Through the formation of a Committee comprising representatives from various business units, the Committee is responsible for implementing, overseeing and addressing all sustainability related issues from the various stakeholders and updating the Board on the Group’s sustainability management performance, key material issues identified by stakeholders, and planned follow-up measures.

Sustainability Statement

Stakeholder Engagement

The Group acknowledges the importance of maintaining regular and effective communication with our stakeholders, and through timely engagements to understand their concerns and expectations in formulating our business strategies and thus achieving the sustainable growth.

KEY STAKEHOLDERS	ENGAGEMENT CHANNEL	ENGAGEMENT OBJECTIVE
Shareholders and investors	<ul style="list-style-type: none"> Annual General Meeting Extraordinary General Meeting Annual Reports and Quarterly Financial Reports Corporate website Corporate Announcement 	<ul style="list-style-type: none"> To enhance shareholders' and investors' confidence
Customers (Dealers & Subscribers)	<ul style="list-style-type: none"> Meetings Conferences and Seminars Company events In-person service BLACK APP XOX Online Store Corporate website and social media Customer service channels Advertisements & billboards 	<ul style="list-style-type: none"> Customer engagement Quality products & services address various needs
Employees	<ul style="list-style-type: none"> Meetings Seminar & trainings Company events Internal surveys and feedback Performance appraisal 	<ul style="list-style-type: none"> Employees engagement & retention Employees welfare, safety and optimum well-being through work-life balance Non-discrimination and equal opportunity Career advancement and skills development
Suppliers	<ul style="list-style-type: none"> Meetings Supplier visit 	<ul style="list-style-type: none"> Business ethics and compliance Maintaining soundness and strengthening competitiveness Products and service quality Leverage partnerships
Government & Regulatory	<ul style="list-style-type: none"> Meetings Conferences & Seminars Compliance reporting 	<ul style="list-style-type: none"> Government policies and regulatory compliance Provide industry feedback and recommendations
Community	<ul style="list-style-type: none"> Corporate website and online platforms CSR programs 	<ul style="list-style-type: none"> Provide human resources development and employment opportunities Enhancing the community

Ethical Business Practices

The Board recognises the importance of ethical business conduct across the operations in building trust within the community, maintaining shareholders' confidence and creating positive branding & reputation. A Code of Ethics and Conduct is established to achieve a standard of ethical behaviour based on trustworthiness and values that can be accepted and to uphold a spirit of responsibility in meeting our business objectives and deliver high quality products and services to our customers.

All Board members and employees have accepted the company's integrity and anti-bribery and anti-corruption ("ABAC") policy. The Company communicates the ABAC policy to all employees during employee orientation upon joining the Company, and the Company also reminds employees of its commitment to ABAC through yearly refresher briefing on ABAC policy.

Good governance is the bedrock of our business, led by ethical business practices and integrity. We have embedded the highest standards of governance in our business by improving compliance awareness and keeping abreast on industry regulations for full compliance, as well as supporting the Government's initiatives.

Sustainability Statement

MATERIAL SUSTAINABILITY MATTERS

Materiality assessment is vital in guiding our business strategies and prioritising our sustainability endeavours. We define the material sustainability matters as those having a significant economic, environmental and social impact on our business and stakeholders.

The materiality assessment process includes:

1. Identification

sustainability matters are identified based on internal and external sources of information

2. Prioritisation

sustainability matters are prioritised according to the importance of each issue to the Group and stakeholders

3. Validation

material sustainability matters with action plans are presented to the Board for validation



ECONOMIC:

Sustaining our economy

Customer Satisfaction

We are committed to serving the best digital experience and promoting the digital lifestyle to consumers nationwide. We are continuously challenging the norms and promoting a digital lifestyle through technology adoption with an array of excellent product innovations we offer; helping our customers to thrive in a digital world.

Our Group recognises that customers satisfaction is one of the key factors underlying our Group's operations' long-term sustainability. We uphold the belief that customers' rights should be preserved and we are continuously endeavouring to create value-for-money for our customers.

We continue focusing on technology ideas that can be a complementary to XOX's current business and leverage on our captive market to implement new technology offerings and digital products in response to the digital transformation, thereby capturing opportunities from our big data to enhance financial performance and in turn shareholders' value.

Suppliers

To our suppliers, we are committed to enhancing our processes and engagement with our suppliers to identify and manage risks, underpinned by the values of integrity and transparency. We look to create value by looking for opportunities to collaborate and share the best practices with our suppliers. Hence, our suppliers' engagement is filtered through with careful selection with specific criteria.

Regulatory Compliance

Our Group believes that strict compliance with all relevant laws and regulations is a requisite to promote an ethical and responsible society. To this end, our Group strives to comply with all the relevant laws and regulations applicable to our business operations. Our Group's commitment to proper compliance with laws and regulations has proven to be favourable and value-enhancing for our shareholders and stakeholders.

Sustainability Statement



ENVIRONMENT: Conserving our environment

The Group generally does not generate any major environmental concerns, but we are conscious of the risks related to climate change, waster generation and water resources and are therefore complying with all applicable environmental laws, guidelines and regulations. As such, the Group strives to minimise the negative impact on the environment and has taken active steps to reduce our carbon footprint on the environment.

Energy & Water Saving Initiatives

Measures have been taken to reduce energy consumption and conserve water. Management initiates reminders to switch off lighting, air-conditioning and computers when not in use and apply eco-friendly lighting and electronic devices, as well as promoting proper water usage.

Waste Management

We acknowledge that the impact of paper used on the environment is significant and we have adopted the practice of the 3Rs – Reduce, Reuse and Recycle, across the Company. Paper recycling initiatives are underway by encouraging employees to, amongst others, prioritise electronic means to share and store documents, reduce printing or photocopying and to use double-sided printing. We adopt a “paperless” concept where meeting documents and presentation materials are through electronic devices to minimise printing and the negative impact towards the environment. In addition, other materials such as furnishing and fixtures are recycled or reused whenever possible. Waste segregation is carried out by placing different bins for different discarded materials such as plastic, paper and others in and around our office area.



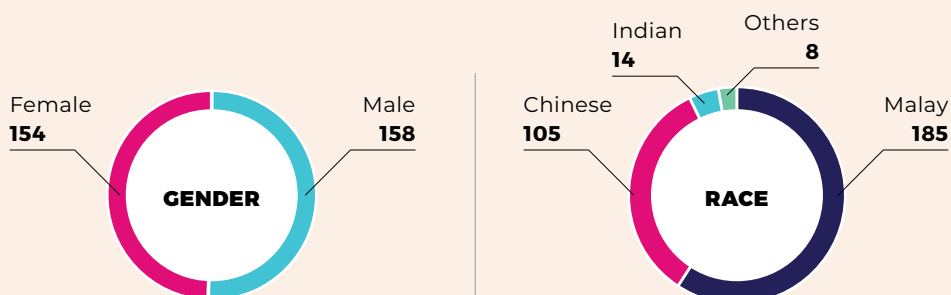
SOCIAL: Serving our community

In XOX, we recognise our people as our most important asset and strive to enhance their capabilities as well as competencies through continuous upsills training and professional development. We ensure our reward packages remain competitive to attract, retain and motivate the right talent, as well as emphases on creating an engaged workforce by embracing diversity and providing equal opportunities.

Equality and Diversity

We strive to provide a level of playing field in terms of equal opportunities and to support all employees regardless of age, race, gender, religion and cultural belief, as we recognise the importance of inclusivity and equality in retaining a capable workforce.

Our recruitment and employment practices safeguard against discrimination based on race, age and gender. We offer employees an opportunity to grow, learn new skills and develop.



Sustainability Statement

Our MANAGEMENT TRAINEE PROGRAMME continues to attract talented graduates to undergo a comprehensive program and on-the-job engagement, to develop them as the future leaders of XOX, to broaden their minds by providing them opportunities for interchange of experiences, and to correct the narrow outlook they may feel arising from over specialisation.

We also create jobs opportunities for our dealers and hire additional workforce for the business transformation. We share the responsibility of improving the well-being of society, thus assisting in a small way towards reducing and preventing poverty.

Training and Development

We continue to focus on human capital development to nurture our employees to their full potential. The Group also places pressure on continuously upskilling and reskilling our workforce through training programs, to stay relevant and productive, so that our employee can execute their roles and responsibilities efficiently, continuously contribute towards the growth and development of the Company.

Employee Health & Well-being

The Group also recognises that the safety and well-being of its employees are the foundation of its success. Hence, we strive to provide a safe and healthy environment for our employees and to ensure safe practices in all aspects of our business operations.

We continue to manage the impact of COVID-19 under the government guidelines to mitigate the potential risk and provide a healthy and safe workplace.

Community

Our Group is devoted to philanthropy and firmly believes in contributing to society. We are deeply rooted in the community we operate in and are actively engaged in community outreach programs and activities, to serve various community segments towards providing for social empowerment and helping to make a positive difference for people across all walks of life.

Besides participating in the internship program, followings are the CSR programs the Group undertook during FY 2022:

1. **“Jom Bantu Data Untuk Mereka”** – our signature digital-inclusion CSR initiative, whereby XOX’s community was given the option to donate unused data to disadvantaged students with free mobile connectivity. We are immensely proud of helping more than 3,000 passionate learners;
2. **“Majlis Berbuka Puasa Charity Event”** – closer ties with our community by coming together for a breaking of fast during Ramadhan for underprivileged children, and financial aid to the orphanages;
3. **“Pink Ribbon Wellness Foundation”** – donation made as an act of support to raise and spread awareness of breast cancer to the community; and
4. **“Blood Donation Events”** – we organised blood donation drive in our outlets, this noble act was also participated by staff of XOX and our customers who donated a pint of blood.

OUR COMMITMENT

As a responsible company, the Group shall endeavour to undertake sustainable and responsible practices to add value to sustainable business growth, environmental stewardship and social responsibility.

SUSTAINING LONG TERM VALUE

Investment in our resources to ensure long-term benefits to our various stakeholders

ADVANCING OUR BUSINESS

Reinvestment and diversification

INVESTING IN OUR HUMAN RESOURCES

Competitive remuneration, compensation, benefits and trainings

CONTRIBUTING TO SOCIETY

Continued upliftment of our society’s well-being through taxes and donations

Corporate Governance Overview Statement

The Board of Directors (“the Board”) of XOX Bhd (“XOX” or “the Company”) strives to ensure that a high standard of corporate governance practices is implemented and maintained throughout the Company and its subsidiaries (“the Group”) in discharging its responsibilities with integrity, transparency and professionalism, to protect and enhance shareholders’ value and the financial position of the Group.

The Board recognises the importance of good corporate governance and fully supports the principles and best practices promulgated in the Malaysian Code on Corporate Governance (“MCCG”) to enhance business prosperity and maximise shareholders’ value. The Board will continuously evaluate the Group’s corporate governance practices and procedures, and where appropriate will adopt and implement the best practices as enshrined in MCCG in the best interest of the shareholders of the Company.

This Corporate Governance Overview Statement (“CG Statement”) sets out the manner in which the Group has applied and the extent of compliance with principles and recommendations as set out in the MCCG, throughout the financial year ended 30 September 2022 pursuant to Rule 15.25 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”).

The CG Statement shall be read together with the Corporate Governance Report 2022, available on the Company’s website at www.xox.com.my.



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Board Leadership

The respective roles and responsibilities of the Board and management are clearly set out and understood by both parties to ensure accountability.

The Board is responsible for the oversight and overall management of the Group including assessing and agreeing with the Group’s corporate objectives, and the goals and targets to be met by management.

The Board has a formal schedule of matters reserved to itself for the decision, which includes the overall Group strategy and direction, investment policy, major capital expenditures, consideration of significant financial matters and review of the financial and operating performance of the Group.

The management, including the Executive Directors of the Company, is responsible for managing the day-to-day running of the business activities in accordance with the direction and delegation of the Board. The management meets regularly to discuss and resolve operational issues. During the quarterly Board meeting, the Executive Directors brief the Board on business performance and operations as well as the management initiatives.

The Board is entrusted with the responsibility to promote the success of the Group by directing and supervising the Group’s affairs. Hence, to develop corporate objectives and position descriptions including the limits to management’s responsibilities, which the management is aware of and is responsible for meeting.

The Board understands the principal risks of all aspects of the business that the Group is engaged in recognising that business decisions require the incurrence of risk. To achieve a proper balance between risks incurred and potential returns to shareholders, the Board ensures that there are in place systems that effectively monitor and manage these risks with a view to the long-term viability of the Group.

The roles and responsibilities of the Board are clearly defined in the Board Charter, which is available on the Company’s website at www.xox.com.my.

Corporate Governance Overview Statement

The principal roles and responsibilities assumed by the Board are as follows:

i) Review and the Adopt Strategic Plan of the Group

The Board plays an active role in the development of the Group's overall corporate strategy, investment plan, marketing plan and financial plan. The Board will be briefed by the Executive Directors on the short and long-term strategy of the Group together with its proposed business plans for the forthcoming year. The Board also monitors budgetary exercise which to support the Group's business plan and budget plan.

ii) Implementation of Internal Compliance Controls and Justifies Measures to Address Principal Risks

The Board is fully alert to the responsibilities to maintain a proper internal control system. The Board's responsibilities for the Group's system of risk management and internal controls include the financial condition of the business, operational and regulatory compliance.

iii) To Formulate and Have in Place an Appropriate Succession Plan

The Board is responsible for formulating and having in place an appropriate succession plan encompassing the appointment, training, and determination of compensation for senior management of the Group, as well as assessing the performance of Directors and Committee members and, where appropriate, retiring and appointing new members of the Board and Executive Directors.

iv) Developing and Implementing an Investor Relations Program or Shareholder Communications Policy for the Group

The Board recognises that shareholders and other stakeholders are entitled to be informed in a timely and readily accessible manner of all material information concerning the Company through a series of regular disclosure events during the financial year. Hence, the Company's website is the primary medium for providing information to all shareholders and stakeholders.

The Board will normally hold meetings at least four (4) times in each financial year to consider, amongst others, the following matters:

- i) relevant operational reports from the management;
- ii) reports on the financial performance;
- iii) specific proposals for capital expenditure and acquisitions, if any;
- iv) significant issues and opportunities for the Company, if any; and
- v) quarterly financial statements for the announcement to authorities.

In addition, the Board will, at intervals of not more than one (1) year:

- i) review and approve annual financial statements and other reports to shareholders;
- ii) consider and, if appropriate, declare or recommend the payment of dividends;
- iii) review the Board's composition, structure and succession plan;
- iv) review the Company's audit requirements;
- v) review the performance and composition of Board committees;
- vi) undertake Board and individual Board member evaluations;
- vii) review Board's remuneration; and
- viii) review risk assessment policies and controls and compliance with legal and regulatory requirements.

The roles and responsibilities of the Independent Non-Executive Directors and Executive Directors are clearly defined and adequately segregated. All the Independent Non-Executive Directors are independent of the Executive Directors, management and major shareholders of the Company. They are free from any business or other relationship with the Group that could materially interfere with the exercise of their independent judgment. This offers a strong check and balance on the Board's deliberations.

The Executive Directors are responsible for the overall performance and operations as well as the corporate affairs and administrations of the Group. The senior management of the Group assists them in managing the business activities of the Group in the manner that is consistent with the policies, standards, guidelines, procedures and/or practices of the Group and in accordance with the specific plans, instructions and directions set by the Board.

Corporate Governance Overview Statement

The Executive Directors hold the principal obligations in focusing, guiding, addressing, supervising, regulating, managing, controlling and communicating the Company's goals and objectives, as well as all significant corporate matters, corporate restructuring plans, business extension plans and proposals. The Executive Directors, assisted by the senior management, are also responsible for proposing, developing and implementing applicable and relevant new policies and procedures.

The Independent Non-Executive Directors of the Company play a key role in providing unbiased and independent views, advice and contributing their knowledge and experience toward the formulation of policies and in the decision-making process. The Board structure ensures that no individual or group of individuals dominates the Board's decision-making process. Although all the Directors have equal responsibility for the Company and the Group's operations, the role of the Independent Directors are particularly important in ensuring that the strategies proposed by the Executive Directors are deliberated on and have taken into consideration the interest, not only of the Company, but also that of the shareholders, employees, customers, suppliers and the community.

In discharging its fiduciary duties, the Board has delegated specific tasks to three (3) Board Committees, namely Audit Committee ("AC"), Nomination and Remuneration Committee ("NRC") and Investment Committee. All the Board Committees have its terms of reference and have the authority to act on behalf of the Board within the authority as laid out in terms of reference and report to the Board with the necessary recommendation.

The Chairman of the Board

During the financial year under review, the Board is chaired by a Non-Independent Non-Executive Director who is not related to the Executive Directors and half of the Board comprises Independent Non-Executive Directors. The Board of the Company, notwithstanding that the Chairman is a Non-Independent Non-Executive Director, is of the opinion that the element of independence that currently exists is adequate to provide assurance that there is a balance of power and authority of the Board. In addition, the Chairman is not involved in the day-to-day management of the Group's business and has no relationship that could materially interfere with his judgment.

The Chairman is responsible for the Board's effectiveness and conduct, implementing the Group's policies, business plans and executive decision making and is assisted by the Executive Directors. The Chairman also promotes an open environment for debate and ensures effective contributions from Non-Executive Directors. He also exercises control over the quality, quantity and timeliness of information flow between the Board and management. Together with the other Non-Executive and Independent Directors, he leads the discussion on the strategies and policies recommended by the management.

At a general meeting, the Chairman plays a role in fostering constructive dialogue between shareholders, the Board and management.

In line with the recommendation of the MCCG, the Chairman is not a member of any of the Board Committees. This is to ensure check and balance as well as that objectivity will not be influenced by the Chairman of the Board who also sits on Board Committee(s).

Separation of Positions of the Chairman and Chief Executive Officer

During the financial year under review, the Company has complied with the recommendation of the MCCG where different individuals hold the positions of the Chairman and the Chief Executive Officer, and the Chairman is a non-executive member of the Board.

The roles of the Chairman and the Chief Executive Officer are clearly defined and segregated, to ensure an appropriate balance of power and authority, increased accountability and enhanced capacity of the Board for independent decision-making. The Chairman is not related to the Chief Executive Officer, and is responsible for leading the Board in the oversight and supervision of the Group's management; whilst the Executive Directors together with the Chief Executive Officer are responsible for the day-to-day operations of the Group, making a strategic business decision and implementing the Board's policies and decisions.

Corporate Governance Overview Statement

Qualified and Competent Company Secretaries

The Board is supported by qualified and competent Company Secretaries who are responsible for ensuring that the Company's Constitution, procedures and policies and regulations are complied with. The Board is regularly updated and advised by the Company Secretaries on any new statutory and regulatory requirements in relation to their duties and responsibilities. The Board recognises that the Company Secretaries are suitably qualified and capable of carrying out the duties required. The Board is satisfied with the service and support rendered by the Company Secretaries in the discharge of their functions.

The Company Secretaries attend all Board and all Board Committees meetings and ensure that meetings are properly convened, and that accurate and proper records of the proceedings and resolutions passed are taken and maintained accordingly.

Information and Support for Directors

Unless otherwise agreed, a notice of each meeting confirming the venue, time, date and agenda of the meeting together with relevant Board papers will be forwarded to each director no later than seven (7) days before the date of the meeting. This is to ensure that Board papers comprising due notice of issues to be discussed and supporting information and documentations were provided to the Board sufficiently in advance. Furthermore, Directors are given sufficient time to read the Board paper and seek any clarification as and when they may need advice or further explanation from management and Company Secretaries. The deliberations of the Board in terms of the issues discussed during the meetings and the Board's conclusions in discharging its duties and responsibilities are recorded in the minutes of meetings by the Company Secretaries. Minutes of meetings are circulated and confirmed as a correct record by the Board and Board Committees at the next meeting.

The Board has access to all information within the Company as a full Board to enable them to discharge their duties and responsibilities and is supplied on a timely basis with information and reports on financial, regulatory and audit matters by way of Board papers for informed decision making and meaningful discharge of its duties.

In addition, all Directors have direct access to the advice and services of the Company Secretaries who are responsible for ensuring the Board's meeting procedures are adhered to and that applicable rules and regulations are complied with. External advisers are invited to attend meetings to provide insights and professional views, advice and explanation on specific items on the meeting agenda, when required. The senior management team from different business units will also be invited to participate in the Board meetings to enable the Board members to have equal access to the latest updates and developments of business operations of the Group presented by the senior management team. The Chairman of the Board Committees, namely, the AC and NRC briefs the Board on matters discussed as well as decisions taken at the meetings of their respective Board Committees meetings.

When necessary, Directors may whether as a full Board or in their individual capacity, seek independent professional advice, including the internal and external auditors, at the Company's expense to enable the directors to discharge their duties with adequate knowledge on the matters being deliberated, subject to approval by the Chairman of the Board, and depending on the quantum of the fees involved.

Board Charter

As part of the governance process, the Board has formalised and adopted the Board Charter. This Board Charter sets out the composition and balance, roles and responsibilities, operation and processes of the Board and is to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities as Board members.

The Board Charter is reviewed periodically as and when the need arises to ensure that the dynamic needs of the Group are consistently met. A copy of the Board Charter is available on the Company's website at www.xox.com.my.

Corporate Governance Overview Statement

Code of Conduct and Ethics

The Board is committed to maintaining a corporate culture which engenders ethical conduct through its Code of Conduct and Ethics, which summarises what the Company must endeavour to do proactively in order to increase corporate value, and which describes the areas in daily activities that require caution in order to minimise any risks that may occur.

The Code of Conduct and Ethics was adopted on 27 May 2016 and will be reviewed from time to time when necessary to ensure it remains relevant and appropriate. A copy of the Code of Conduct and Ethics is available on the Company's website at www.xox.com.my.

Sustainability Policy

XOX Group is committed to adhering to all standards of upright business conduct through integrity, transparency with a constant and growing progression towards excellence in every area of business conduct. To this end, the Board is in place a Sustainability Policy, embedding the principles of sustainability into the Group's business operations.

The policy outlines the general principles and structures of the foundations that govern the sustainability strategy of the Group to ensure that all its corporate activities and businesses are carried out while enhancing the sustainable creation of value for shareholders and taking into account the other stakeholders related to its business activities, natural resources, society and neighbouring communities, promoting the values of sustainability, integration and dynamism, favouring the achievement of the sustainable development goals.

The Board fulfils its responsibilities by delegating to the senior management which comprises representatives from various business units. The senior management is responsible for implementing, overseeing and addressing all sustainability related issues from stakeholders and updating the Board on the Group's sustainability management performance, key material issues identified by stakeholders and planned follow-up measures.

The Sustainability Policy is accessible on the Company's corporate website at www.xox.com.my.

Whistle-Blowing Policy

The Board has formalised a Whistle-blowing Policy, with the aim to provide an avenue for raising concerns related to a possible breach of business conduct, non-compliance with laws and regulatory requirements as well as other malpractices. The policy is a specific means by which an employee can exercise their responsibility to report or disclose through established channels, their legitimate concerns regarding any unethical conduct, illegal acts or failure to comply with the Company's policies and regulatory requirements responsibly and sensibly.

A copy of the Whistle-Blowing Policy is available on the Company's website at www.xox.com.my.

Anti-Bribery and Anti-Corruption Policy ("ABAC Policy")

In line with the amendments to the Malaysian Anti-Corruption Commission Act 2009 to incorporate a new Section 17A on corporate liability for corruption which took effect on 1 June 2020, the Group had adopted the ABAC Policy which set out the Group's responsibilities in providing principles, guidelines and recommendation to the employees on the procedures to deal with solicitation, bribery and corruption that could possibly arise on the business dealing and operation activities.

The Company had also conducted briefings and trainings for all employees of the Group to create awareness of the ABAC Policy to foster the commitment of the employees to instil the spirit of integrity and avoid all forms of corruption practices within the organisation.

The ABAC Policy is accessible to the public through the Company's website at www.xox.com.my.

Corporate Governance Overview Statement

Board Composition

The current Board of Directors consists of six (6) members, comprising a Non-Independent Non-Executive Chairman, two (2) Executive Directors and three (3) Independent Non-Executive Directors. The Company thus complies with Rule 15.02 of the Listing Requirements whereby at least two (2) or one-third (1/3) of the Board of Directors, whichever is higher, are Independent Directors and one (1) of the Directors of the Company is a woman. The Company also complies with the recommendation of the MCCG of which at least half of the Board is Independent Director. In the event of any vacancy in the Board of Directors resulting in non-compliance with the Listing Requirements, the Board shall fill the vacancy within three (3) months from the date of that event.

The Board views the present number of its Independent Directors as ideal to provide the necessary check and balance to the Board's decision-making process. There is a good mix of skills and core competencies in the current Board membership. The Board is of the opinion that the existing three (3) Independent Non-Executive Directors, with their extensive knowledge and experience would be able to represent the investment of the public and the minority shareholders. The profile of each Director is presented separately on pages 2 to 7 of this Annual Report.

Tenure of Independent Directors

In line with the MCCG, the Board has adopted the nine (9) years policy for Independent Directors. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to the re-designation of the said person as a Non-Independent Director. In the event the Board intends to retain such Director as Independent Director after the latter has served a cumulative term of nine (9) years, the Board will justify the decision and seek annual shareholders' approval through a two-tier voting process.

As of 30 September 2022, the tenure of the Independent Non-Executive Directors of the Company is as follows :

	1-3 Years	7-9 Years
Hew Tze Kok		√
Andy Liew Hock Sim	√	
Karina binti Idris Ahmad Shah	√	

Board Appointment Process

The Group has in place a formal and transparent procedure for the appointment of new directors to the Board. The Board had entrusted NRC to identify and nominate suitable candidates for appointments to the Board for approval, either to fill vacancies or as an addition to meet the changing needs of the Group. The NRC may engage in professional recruitment or from recommendations by existing Board members, to search for suitable candidates subject to approval by the Chairman or the Board, depending on the quantum of the fees involved.

Before recommending an appointment to the Board, the NRC will undertake a comprehensive evaluation and assessment of the candidates in accordance with the criteria as set out in the Directors' Fit & Proper Policy adopted by the Group. The NRC also takes into account the Group's business and matches the capabilities and contribution expected for a particular appointment. In the selection of Board candidates, the NRC takes into account the mix of skills, competencies, experience, integrity, personal attributes and time commitment required to effectively discharge his/her role as a director. The NRC shall ensure that the Board has the right balance of skills, experience, independence and business knowledge necessary to discharge its responsibilities in keeping with the highest standards of governance.

Currently, the sources to identify suitably qualified candidates for appointment of directors are recommendations from existing Board members, senior management or major shareholders. However, the Board and NRC would not hesitate to utilise independent sources to identify suitably qualified candidates, where necessary.

Corporate Governance Overview Statement

Boardroom Diversity

The Board is aware of the importance of boardroom diversity and is supportive of the recommendation of MCCG to establish of boardroom and workforce gender diversity policy. The Board had adopted the Board Diversity Policy which sets out the Company's approach to diversity on the Board of XOX. The Board together with the NRC will assess and evaluate current diversity levels, identify and analyse gaps and criteria for new board appointments, and thereafter recommend the strategies, objectives, targets and practical goals against an indicative time frame in order to maintain an appropriate range and balance of skills, experience and background on the Board. The Group will evaluate the suitability of candidates as a new Board member or as a member of the workforce based on the candidates' competency, skills, character, time commitment, knowledge, experience and other qualities in meeting the needs of the Group, regardless of gender. Equal opportunity is given and does not practise discrimination of any form, whether based on age, gender, race and religion, throughout the organisation.

Currently, our Board comprises one (1) female Director, representing approximately 16.7% of the total number of the Board. In line with the MCCG of at least 30% representation of women on Boards, the Board will evaluate and match the criteria of the potential candidate as well as consider the appointment of female director onto the Board in future to bring about a more diverse perspective.

Time Commitment and Directorship in Other Public Listed Companies

Under the Board Charter, the directorships in other public listed companies in Malaysia held by any Board member at any one time shall not exceed any number as may be prescribed by the relevant authorities. In addition, at the time of appointment, the Board shall obtain the Director's commitment to devote sufficient time to carry out his/her responsibilities. Directors are required to notify the Chairman before accepting any new directorship(s). Any Director is, while holding office, at liberty to accept other Board appointments in other companies so long as the appointment is not in conflict with the Company's business and does not affect the discharge of his/her duty as a Director of the Company.

Each Board member is expected to achieve at least 50% attendance of total Board Meetings in any applicable financial year with appropriate leave of absence be notified to the Chairman and/or Company Secretaries, where applicable.

During the financial year ended 30 September 2022, the Directors have demonstrated their ability to devote sufficient time and commitment to their roles and responsibilities as Directors of the Company. The Board is satisfied with the level of time and commitment given by the Directors of the Company towards fulfilling their duties and responsibilities. This is evidenced by the attendance record of the Directors as set out in the section below.

Conflict of Interest and Related Party Transactions

To assure accountability and prevent conflict of interest in relation to issues that come before the Board, Directors are reminded by the Company Secretaries of their statutory duties and responsibilities and are provided with updates on any changes thereon. Hence, all related party transactions (if any) will be submitted to the AC for review on a quarterly basis.

The Directors further acknowledge that they are also required to abstain from deliberation and voting on relevant resolutions in which they have an interest at the Board or any general meeting convened. In the event a corporate proposal is required to be approved by shareholders, the interested Directors will abstain from voting in respect of their shareholdings and will further undertake to ensure that persons connected to them will similarly abstain from voting on the resolutions.

Board Meetings

There were six (6) Board of Directors meetings held during the financial year ended 30 September 2022. Details of the attendance of the Directors at the Board of Directors' meetings are as follow:

Name of Directors	No. of Meetings Attended
Dato' Seri Abdul Azim bin Mohd Zabidi	6/6
Roy Ho Yew Kee	6/6
Tan Sik Eek	6/6
Hew Tze Kok	6/6
Andy Liew Hock Sim	6/6
Karina binti Idris Ahmad Shah (<i>Appointed on 28 March 2022</i>)	3/3

Corporate Governance Overview Statement

All the Directors have complied with the minimum 50% attendance requirement in respect of Board meetings held during the financial year ended 30 September 2022.

The Board meets on a quarterly basis, with amongst others, review of the operations, financial performance, reports from the various Board Committees and other significant matters of the Group. Where any direction or decisions are required expeditiously or urgently from the Board between the regular meetings, special Board meetings will be convened by the Company Secretaries, after consultation with the Chairman. Additionally, in between Board meetings, the Directors also approved various matters requiring the sanction of the Board by way of circular resolutions.

The tentative dates for Board and Board Committee meetings for the year will be circulated by the Company Secretaries well in advance towards the end of the previous year to ensure that each of the Directors is able to attend the planned Board and/or Board Committee meetings including that of the Annual General Meeting. At the end of each Board and AC meetings, the date of the next meetings is to be re-confirmed.

Continuing Education Programs

All Directors appointed to the Board have undergone the Mandatory Accreditation Program ("MAP") prescribed by Bursa Securities. Although the Board does not have a policy requiring each Director to attend a specific number and types of training sessions each year, the Directors are encouraged to attend continuous education programmes/seminars/conferences and shall as such receive further training from time to time to keep themselves abreast of the latest development in statutory laws, regulations and best practices, where appropriate, in line with the changing business environment and enhance their business acumen and professionalism in discharging their duties to the Group.

Details of seminars/conferences/training programmes attended by the Board members during the financial year as listed below:

Name of Director	Seminars/Conferences/Training Programmes Attended
Dato' Seri Abdul Azim bin Mohd Zabidi	<ul style="list-style-type: none"> Ambassadors' Roundtable: Does Malaysia Need a Reset? Asia Talks by Tawfik Tun Dr Ismail - "Malaysia First", a concept he is championing as Malaysia heads to the GE15 Transaction and RPT Rules, Simplified
Roy Ho Yew Kee	<ul style="list-style-type: none"> Key Disclosure Obligations of a Listed Company
Tan Sik Eek	<ul style="list-style-type: none"> Money Services Business – Directors' Education Program (MSB-DEP) Transactions & RPT Rules Simplified
Hew Tze Kok	<ul style="list-style-type: none"> Transfer Pricing Audit MFRS 16 Leases and COVID 19 Related Rent Concessions
Andy Liew Hock Sim	<ul style="list-style-type: none"> ESG and Enterprise Risk Management
Karina binti Idris Ahmad Shah	<ul style="list-style-type: none"> Mandatory Accreditation Programme

The Board will continually evaluate and determine the training needs of each Director, particularly on relevant new laws and regulations and essential practices for effective corporate governance and risk management to enable the Directors to discharge their duties effectively.

In addition to the above, Directors would be updated on recent developments in the areas of statutory and regulatory requirements from the briefing by the External Auditors, the Internal Auditors and Company Secretaries during the Committee and Board Meetings.

Nomination and Remuneration Committee

The Board has established the NRC which comprises exclusively of Independent Non-Executive Directors, with the responsibilities of assessing the balanced composition of Board members, nominating the proposed Board member by looking into his/her skills and expertise for contribution to the Company on an ongoing basis. At the same time, the NRC is authorised by the Board to establish a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual Directors.

The Terms of Reference of the NRC can be viewed on the Company's website at www.xox.com.my.

Corporate Governance Overview Statement

The present members of the NRC of the Company are:

Designation	Name	Directorship
Chairman	Andy Liew Hock Sim	Independent Non-Executive Director
Member	Hew Tze Kok	Independent Non-Executive Director
Member	Karina binti Idris Ahmad Shah	Independent Non-Executive Director

The summary of activities undertaken by the NRC during the financial year included the following:

- i) Reviewed the effectiveness of the Board, as a whole, Board Committees and individual Directors and made an appropriate recommendation to the Board;
- ii) Reviewed and recommended the retirement and re-election of Directors at the forthcoming Annual General Meeting in accordance with the Company's Constitution;
- iii) Reviewed and recommended the payment of Directors' fees and other benefits payable to Directors;
- iv) Reviewed the proposed bonus paid for the employees of the Group;
- v) Reviewed and recommended the payment of additional Directors' fees and allowance to the Directors;
- vi) Reviewed and recommended the payment of bonuses to the Executive Directors and Chief Executive Officer;
- vii) Reviewed and recommended the revision of the remuneration of the Executive Directors and Chief Executive Officer;
- viii) Reviewed and recommended the appointment of Karina binti Idris Ahmad Shah as Independent Non-Executive Director of the Company;
- ix) Reviewed and recommended the restructuring of the composition of AC and NRC; and
- x) Reviewed and recommended any modification and/or amendment to the terms of reference of the NRC.

Evaluation for Board, Board Committees and Individual Directors

The NRC would assess the performance of the Board, as a whole, Board Committees and individual Directors, based on a self and peer assessment approach on an annual basis. From the results of the assessment, including the mix of skills and experience possess by Directors, the Board will consider and approve the recommendations on the re-election and re-appointment of Directors at the forthcoming Annual General Meeting of the Company, to meet current and future requirements of the Group.

The criteria used by the NRC in evaluating the performance of an individual, including contribution to interaction, integrity, competency and time commitment of the members of the Board and Board Committees in discharging their duties, are in a set of questionnaires. The Board did not engage any external party to undertake an independent assessment of the Directors.

Based on the assessment conducted for the financial year ended 30 September 2022, the Board and the NRC are satisfied with the current size, composition as well as mixture of qualifications, skills and experience among the Board and Board Committees members and the independence of its Independent Non-Executive Directors.

Annual Assessment of Independence

The NRC will conduct annual assessments and the criteria for assessment covers areas such as contributions to interaction, roles and responsibilities and quality of input to enhance the Board's effectiveness. The independence of Independent Directors was assessed based on their relationship with the Group and their involvement in any significant transactions with the Group including their ability to exercise independent judgment at all times and based on the criteria set out in the Listing Requirements of Bursa Securities.

Based on the assessment carried out for the financial year ended 30 September 2022, the Board and the NRC are satisfied with the level of independence demonstrated by all the Independent Directors and their ability to act in the best interests of the Company during the financial year under review, and that each of them continues to fulfil the definition of independence as set out in the Listing Requirements of Bursa Securities.

Corporate Governance Overview Statement

Re-Election of Directors

The procedure for the re-election of directors by rotation is set out in the Company's Constitution. Pursuant to the Company's Constitution, all Directors who are appointed by the Board during the year are subject to re-election by shareholders at the first meeting after their appointment. The Company's Constitution also provides that at least one-third (1/3) of the remaining Directors are subject to re-election by rotation at each Annual General Meeting, and retiring directors can offer themselves for re-election. All Directors shall retire from office at least once in every three (3) years, but shall be eligible for re-election.

The NRC has assessed the suitability of the Directors who are subject to re-election at the forthcoming Annual General Meeting and is satisfied that the retiring Directors meet the criteria of character, experience, integrity, competence and time commitment to effectively discharge their respective roles as Directors of the Company and recommended the retiring Directors be re-elected as the Directors of the Company.

The Directors who are standing for re-election and re-appointment at the forthcoming Annual General Meeting of the Company are as stated in the Notice of Annual General Meeting.

Remuneration Policy

The Board has adopted a Remuneration Policy to ensure the payment of equitable, competitive remuneration to the Directors and senior management of the Company which is based on individual performance, Company's benchmark, industry practices and performance of the Group as a whole.

The determination of the remuneration for Non-Executive Directors is a matter of the Board as a whole. The level of remuneration for Non-Executive Directors reflects the amount paid by other comparable organisations, adjusted for the experience and levels of responsibilities undertaken by the particular Non-Executive Directors concerned. The remuneration package of Non-Executive Directors will be a matter to be deliberated by the Board, with the Director concerned abstaining from deliberations and voting on deliberations in respect of his remuneration. In addition, the Company also reimburses reasonable out-of-pocket expenses incurred by all the Non-Executive Directors in the course of their duties as Directors of the Company. The aggregate annual Directors' fees and other benefits payable are to be approved by shareholders at the Annual General Meeting based on recommendations of the Board. A copy of the Company's Remuneration Policy is available on the Company's website at www.xox.com.my.

Directors' Remuneration

Details of the Directors' remuneration paid or payable to all Directors of the Company (both by the Company and the Group) for the financial year ended 30 September 2022 are as follows:

i) The Company

Name	Fees RM	Salaries RM	Bonus RM	Allowance RM	Benefits in Kind RM	Other Emoluments RM	Total RM
Dato' Seri Abdul Azim bin Mohd Zabidi	192,000	-	-	11,000	-	-	203,000
Roy Ho Yew Kee	208,000	-	-	83,000	-	-	291,000
Tan Sik Eek	208,000	-	-	83,000	-	-	291,000
Hew Tze Kok	96,000	-	-	12,000	-	-	108,000
Andy Liew Hock Sim	96,000	-	-	12,000	-	-	108,000
Karina binti Idris Ahmad Shah	36,774	-	-	4,000	-	-	40,774
Total	836,774	-	-	205,000	-	-	1,041,774

Corporate Governance Overview Statement

ii) The Group

Name	Fees RM	Salaries RM	Bonus RM	Allowance RM	Benefits in Kind RM	Other Emoluments RM	Total RM
Dato' Seri Abdul Azim bin Mohd Zabidi	459,800	-	-	11,000	-	-	470,800
Roy Ho Yew Kee	329,037	398,737	44,991	83,000	-	-	855,765
Tan Sik Eek	329,037	398,737	44,991	83,000	-	-	855,765
Hew Tze Kok	96,000	-	-	12,000	-	-	108,000
Andy Liew Hock Sim	96,000	-	-	12,000	-	-	108,000
Karina binti Idris Ahmad Shah	36,774	-	-	4,000	-	-	40,774
Total	1,346,648	797,474	89,982	205,000	-	-	2,439,104

Remuneration of Senior Management

The Company notes the need for corporate transparency in the remuneration of its senior management executives, however, given the confidential and commercial sensitivities associated with remuneration matters and the highly competitive human resource environment for personnel with the requisite knowledge, expertise and experience in the Company's business activities, such disclosure may be detrimental to the business interests and give rise to recruitment and talent retention issues. Thus, the Company is of the view that the interest of the shareholders will not be prejudiced as a result of the non-disclosure of the Group's senior management personnel who are not directors of the Company.

The remuneration of the senior management personnel, which is a combination of annual salary, bonus and benefits-in-kinds are determined in a similar manner as other management employees of the Group. The basis of determination has been consistently applied and is based on individual performance and the overall performance of the Group. The aggregate remuneration of the top five (5) senior management received for the financial year ended 30 September 2022 was RM3.01 million representing 11.31% of the total employees' remuneration of the Group.

The Board is of the opinion that disclosure of remuneration of the Directors of the Board by appropriate components and the top five (5) senior management's total combined remuneration package should meet the intended objectives of the MCCG.



PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit Committee

The Board has set up the AC which comprises exclusively of Independent Non-Executive Directors and the Chairman of the AC is not the Chairman of the Board.

The present members of the AC are as follows:

Designation	Name	Directorship
Chairman	Hew Tze Kok	Independent Non-Executive Director
Member	Andy Liew Hock Sim	Independent Non-Executive Director
Member	Karina binti Idris Ahmad Shah	Independent Non-Executive Director

The primary objective of the AC is to establish a documented, formal and transparent procedure to assist the Board in fulfilling its fiduciary responsibilities relating to corporate accounting, financial reporting practices, a system of risk management and internal control, the audit process and the process of monitoring compliance with laws and regulations.

Corporate Governance Overview Statement

Terms of Reference

The terms of reference of the AC which laid down its duties and responsibilities are accessible via the Company's website at www.xox.com.my.

Independence of the Audit Committee

XOX recognised the need to uphold the independence of its external auditors and that no possible conflict of interest whatsoever should arise. Currently, none of the members of the Board nor the AC of the Company were former key audit partners of the external auditors appointed by the Group. As recommended by MCCG, the Company will observe a cooling-off period of at least three (3) years in the event any potential candidate to be appointed as a member of the AC was a key audit partner of the external auditors of the Group.

Financial Literacy of the Audit Committee Members

Collectively, the members of the AC have the relevant experience and expertise in finance and accounting, and have carried out their duties in accordance with the Terms of Reference of the AC. The qualification and experience of the individual AC members are disclosed in the Profile of Directors on pages 2 to 7 of this Annual Report. During the financial year ended 30 September 2022, all other members of the AC had undertaken the relevant training programmes to keep themselves abreast of the latest development in accounting and auditing standards, statutory laws, regulations and best practices to enable them to discharge their duties effectively.

Compliance with Applicable Financial Reporting Standards

The Board strives to provide shareholders with a balanced and meaningful evaluation of the Group's financial performance, financial position and prospects through the annual audited financial statements, interim financial reports, annual report and announcements to Bursa Securities.

The interim financial reports, annual audited financial statements and annual report of the Group for the financial year ended 30 September 2022 are prepared in accordance with the Malaysian Financial Reporting Standards, Listing Requirements and the Companies Act, 2016. The AC assists the Board in overseeing the financial reporting processes and ensuring the quality of its financial reporting.

The statement by the Board pursuant to Rule 15.26(a) of the Listing Requirements on its responsibilities in preparing the financial statements is set out on page 49 of this Annual Report.

Assessment of Suitability and Independence of External Auditors

The Company has established a transparent arrangement with the External Auditors to meet their professional requirements. From time to time, the External Auditors highlight to the AC and Board on matters that require their attention.

The AC is responsible for reviewing the audit, recurring audit-related and non-audit services provided by the External Auditors. The AC has been explicitly accorded the power to communicate directly with both the External Auditors and Internal Auditors. The terms of engagement for services provided by the External Auditors are reviewed by the AC prior to submission to the Board for approval. The effectiveness and performance of the External Auditors are reviewed annually by the AC.

To assess or determine the suitability and independence of the External Auditors, the AC has taken into consideration, among others, the following:

- i) The adequacy of the experience and resources of the External Auditors;
- ii) The External Auditors' ability to meet deadlines in providing services and responding to issues in a timely manner as contemplated in the external audit plan;
- iii) The nature of the non-audit services provided by the External Auditors and fees paid for such services relative to the audit fee; and
- iv) Whether there are safeguards in place to ensure that there is no threat to the objectivity and independence of the audit arising from the provision of non-audit services or tenure of the External Auditors.

Corporate Governance Overview Statement

Annual appointment or re-appointment of the External Auditors is via shareholders' resolution at the Annual General Meeting on the recommendation of the AC and the Board. The External Auditors are being invited to attend the Annual General Meeting of the Company to respond and reply to the Shareholders' enquiries on the conduct of the statutory audit and the preparation and contents of the audited financial statement.

Where necessary, the AC will meet with the External Auditors without the presence of Executive Directors and members of management to ensure that the independence and objectivity of the External Auditors are not compromised and matters of concerns expressed by the AC are duly recorded by the Company Secretaries. In presenting the Audit Planning Memorandum to the AC, the External Auditors have highlighted their internal policies and procedures with respect to their audit independence and objectivity which include safeguards and procedures and independent policy adopted by the External Auditors. The External Auditors have also provided the required independence declaration to the AC and the Board for the financial year ended 30 September 2022.

The AC is satisfied with the competence and independence of the External Auditors for the financial year under review. Having regard to the outcome of the annual assessment of the External Auditors, the Board approved the AC's recommendation for the shareholders' approval to be sought at the Annual General Meeting on the re-appointment of Messrs Moore Stephens Associates PLT as the External Auditors of the Company for the financial year ending 30 September 2023.

Risk Management and Internal Control

The Board is entrusted with the overall responsibility of continually maintaining a sound system of internal control, which covers not only financial controls but also operational and compliance controls as well as risk management, and the need to review its effectiveness regularly in order to safeguard shareholders' investments and the Company's assets. The internal control system is designed to access current and emerging risks, respond appropriately to the risks of the Group.

As an effort to enhance the system of internal control, the Board together with the assistance of the external professional Internal Audit firm adopted on-going monitoring and reviewed the existing risk management process in place within the various business operations, with the aim of formalising the risk management functions across the Group. This function also acts as a source to assist the AC and the Board to strengthen and improve current management and operating style in pursuit of best practices.

As an ongoing process, significant business risks faced by the Group are identified and evaluated, and consideration is given to the potential impact of achieving the business objectives. This includes examining principal business risks in critical areas, assessing the likelihood of material exposures and identifying the measures taken to mitigate, avoid or eliminate these risks.

The information on the Group's internal control is further elaborated on pages 51 to 53 in the Statement on Risk Management and Internal Control of this Annual Report.

Internal Audit Function

The Group has appointed an established external professional Internal Audit firm, who reports to the AC and assists the AC in reviewing the effectiveness of the internal control systems whilst ensuring that there is an appropriate balance of controls and risks throughout the Group in achieving its business objectives.

For the financial year ended 30 September 2022, the Internal Audit firm appointed by the Company is staffed by a total of 2 professionals for each cycle of internal audit and is led by Mr Low Chiun Yik ("Mr Low"), the Founder and Executive Partner of the firm. Mr Low holds a MSc in Accountancy and Finance Degree from Birmingham City University, United Kingdom, and has more than 10 years of experience in the field of consulting, including internal audit. The Internal Audit firm appointed by the Company is independent from the activities related to Group's business operations and performs its duties in accordance with standards set by relevant professional bodies, namely the Institute of Internal Auditors.

Internal audit provides an independent assessment on the design and effectiveness of the internal controls utilising an acceptable audit methodology and tool to support the corporate governance framework and an efficient and effective risk management framework to provide reasonable assurance to the AC.

The AC approved the internal audit plan proposed by the internal auditors and management of the Company. Any subsequent changes to the internal audit plan shall be reviewed and approved by the AC. The scope of the internal audit covers the audits of all units and operations, including subsidiaries as stated in the letter of engagement.

Corporate Governance Overview Statement

The cost incurred by the Group for the internal audit function during the financial year ended 30 September 2022 amounted to RM28,500.

The functions of the internal auditors are to:

- i) Perform internal audit work in accordance with the pre-approved internal audit plan, which covers reviews of the internal control system, risk management and follow up audits to address observations reported in preceding internal audit visits;
- ii) Carry out reviews on the systems of internal control of the Group;
- iii) Review and comment on the effectiveness and adequacy of the existing internal control policies and procedures; and
- iv) Provide recommendations, if any, for the improvement of the internal control policies and procedures.

During the financial year, the following activities were carried out by the internal auditors in the discharge of its responsibilities:

- i) Reviewed the adequacy and effectiveness of the systems of internal control and compliance with the Group's policies and procedures on the following companies over the business process/area set out below:
 - (a) Corporate Governance Compliance;
 - (b) Bribery Prevention; and
 - (c) Retail Centre/Branch Operations.
- ii) Performed follow-up reviews to ensure corrective actions have been implemented in a timely manner; and
- iii) Proposed and presented a risk based internal audit plan to the AC for approval.

The AC and the Board agreed that the internal audit review was done in accordance with the audit plan and the coverage is adequate.

The AC and Board are satisfied with the performance of the internal auditors and have in the interest of greater independence and continuity in the internal audit function, decided to continue with the outsourcing of the Internal Audit function.

▶ PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDER

Communication with Stakeholders

The Board recognises the need for transparency and accountability to the Company's shareholders as well as regular communication with its shareholders, stakeholders and investors on the performance and major developments in the Company. The Company ensures that timely releases of the quarterly financial results, press releases and corporate announcements are made to its shareholders and investors, which are clear, unambiguous, succinct, accurate and contain sufficient and relevant information.

In order to maintain its commitment to effective communication with shareholders, the Group embraces the practice of comprehensive, timely and continuing disclosures of information to its shareholders as well as the general investing public.

The practice of disclosure of the information is to adopt the best practices recommended in the MCCG with regard to strengthening engagement and communication with shareholders; it is not only established just to comply with the Listing Requirements.

The Group also endeavours to provide additional disclosures of information on a voluntary basis, where necessary. The management believes that consistently maintaining a high level of disclosure and extensive communication is vital to shareholders and investors in making informed investment decisions.

Besides the above, the Company's Annual Report and financial results will be announced to Bursa Securities on an annual basis to provide an overview of the Group's business activities and performances. The Company strives to provide a high level of transparency reporting in order to provide value for users.

Corporate Governance Overview Statement

Leverage on Information Technology for Effective Dissemination of Information

The Company's website at www.xox.com.my incorporates an Investor Section which provides all relevant information on the Company accessible to the public. This section enhances the investor relations function by including all announcements made by the Company and its annual reports.

The quarterly financial results are announced to Bursa Securities after the Board's approval. This is important in ensuring equal and fair access to information by the investing public.

Shareholders and investors may also forward their queries to the Company via email to ir@xox.com.my.

Dialogue with Shareholders

In addition to the dissemination of information to shareholders and other interested parties via announcements to Bursa Securities, its website, circulars and press releases, the Board is of the view that the annual and any extraordinary general meetings as ideal opportunities to communicate with shareholders.

The Chairman or the Executive Directors of the Company will brief shareholders on the Company's projects and elaborate further on proposals for which the approval of shareholders is being sought at the general meeting.

Whilst the Company aims to provide as much information as possible to its shareholders, it is also mindful of the legal and regulatory framework governing the release of material and price-sensitive information.

Conducts of General Meetings

The Annual General Meeting ("AGM") is the principal forum for dialogue with the shareholders. As recommended by the MCG, the notice of AGM will be despatched to shareholders at least twenty eight (28) days before the AGM, to allow shareholders to have additional time to go through the Annual Report and make the necessary attendance and voting arrangements. The Notice of AGM, which sets out the business to be transacted at the AGM, is also published in a major local newspaper. The Board will ensure that each item of special business included in the notices of the AGM or extraordinary general meeting is accompanied by a full explanation of the effects of any proposed resolution.

At the commencement of all general meetings, the Chairman will inform the shareholders of their rights to a poll voting. Separate resolutions are proposed for substantially separate issues at the meeting. The outcome of the AGM will be announced to Bursa Securities on the same meeting day.

At the AGM, the shareholders are encouraged to participate in the questions and answers session, where they will be given the opportunity to raise questions or seek more information during the AGM. In the event that an answer cannot be readily given at the meeting, the Chairman will undertake to provide a written reply to the shareholders.

The external auditors also will be invited to attend the AGM of the Company to respond and reply to the Shareholders' enquiries on the conduct of the statutory audit and the preparation and contents of the audited financial statement.

In line with the recommendation of MCG, the minutes of the AGM or any general meeting will be posted on the Company's website for public viewing within thirty (30) business days after the AGM or general meeting.

Apart from contacts at general meetings, currently there is no other formal program or schedule of meetings with investors, shareholders, stakeholders and the public generally. However, the management has the option of calling for meetings with investors/analysts if it deems necessary. Thus far, the management is of the opinion that the existing arrangement has been satisfactory.

Corporate Governance Overview Statement

Attendance of Directors at General Meetings

The tentative dates of the AGM will be discussed and fixed by the Board in advance to ensure that each of the Directors is able to make the necessary arrangement to attend the planned AGM.

All the Directors and chairman of AC and NRC shall endeavor to present in person to engage directly with, and be accountable to the shareholders for their stewardship of the Company at the AGM.

With the outbreak of Coronavirus Disease ("Covid-19") and as part of the safety measures to curb the spread of the Covid-19 pandemic, the Twelfth (12th) AGM of the Company which was held on 25 February 2022 was conducted by way of a fully virtual basis and online remote voting using the Remote Participation and Voting Facilities and has been attended by all the Directors of the Company.

Poll Voting

In line with Rule 8.31A of the Listing Requirements, the Company will ensure that any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, is voted by poll. At the same time, the Company will appoint at least one (1) scrutineer to validate the votes cast at the general meeting.

Effective Communication and Proactive Engagement

The Group maintains its effective communication with shareholders by adopting timely, comprehensive, and continuing disclosures of information to its shareholders as well as the general investing public and adopts the best practices recommended by the MCCG with regard to strengthening engagement and communication with shareholders.

To this end, the Group relies on the following channels for effective communication with the shareholders and stakeholders:

- i) Interim financial reports to provide updates on the Group's operations and business developments on a quarterly basis;
- ii) Annual audited financial statements and annual report to provide an overview of the Group's state of governance, state of affairs, financial performance and cash flows for the relevant financial year;
- iii) Corporate announcements to Bursa Securities on material developments of the Group, as and when necessary and mandated by the Listing Requirements; and
- iv) Annual General Meetings.

Shareholders and stakeholders may raise their concerns and queries by contacting the Registered Office of the Group, the details of which as provided under the "Corporate Information" section of this Annual Report. The Share Registrar is also available to attend to administrative matters relating to shareholder interests.

COMPLIANCE STATEMENT

Other than as disclosed and/or explained in this Annual Report and Corporate Governance Report 2022, the Board is of the view that the Group has complied with and shall remain committed to attaining the highest possible standards through the continuous adoption of the principles and best practices set out in MCCG and all other applicable laws, where applicable and appropriate.

Moving forward, the Board will continue to enhance the corporate disclosure requirements in the best interest of the Company's shareholders and stakeholders. The areas to be prioritised by the Board will be principles that have yet to be adopted by the Company as disclosed in the Corporate Governance Report 2022.

Audit Committee Report

ATTENDANCE OF MEETINGS

During the financial year ended 30 September 2022, the Audit Committee ("AC") held five (5) meetings and the details of the attendance are as follows:

Members	Meeting Attendance
Hew Tze Kok	5/5
Dato' Seri Abdul Azim bin Mohd Zabidi (<i>Resigned as AC member on 31 May 2022</i>)	4/4
Andy Liew Hock Sim	5/5
Karina binti Idris Ahmad Shah (<i>Appointed as AC member on 31 May 2022</i>)	1/1

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

In line with the terms of reference of the AC, the following activities were carried out by the AC during the financial year in the discharge of its functions and duties, included the following:

- i) Reviewed the quarterly unaudited financial report of the Group and the Company including the announcements pertaining thereto, before recommending to the Board for their approval and release of the Group's results to Bursa Securities;
- ii) Reviewed and discussed with the management on the budget of the Group;
- iii) Reviewed with external auditors on their audit planning memorandum on the statutory audit of the Group for the financial year ended 30 September 2022;
- iv) Reviewed the annual audited financial statements of the Group before recommending to the Board for their approval and release of the Group's results to Bursa Securities;
- v) Reviewed and discussed with the external auditors of their audit findings inclusive of system evaluation, issues raised, audit recommendations and management's response to these recommendations;
- vi) Evaluated the performance of the external auditors for the financial year ended 30 September 2022 covering areas such as calibre, quality processes, audit team, audit scope, audit communication, audit governance and independence and considered and recommended the re-appointment of the external auditors;
- vii) Reviewed and assessed the adequacy of the scope and functions of the internal audit plan;
- viii) Reviewed the internal audit reports presented and considered the findings of the internal audit through the review of the internal audit reports tabled and management responses thereof;
- ix) Reviewed the effectiveness of the Group's system of internal control;
- x) Reviewed the proposed fees for the external auditors and internal auditors in respect of their audit of the Company and the Group;
- xi) Reviewed related party transactions and conflict of interest situations that may arise within the Company or the Group;
- xii) Reviewed and recommended the proposed shareholders' mandate for the recurrent related party transactions of a revenue or trading nature for the shareholders' consideration and approval;
- xiii) Verified the options allocated under the Share Issuance Scheme ("SIS") and Employees' Share Option Scheme ("ESOS") in compliance with criteria as stipulated in the SIS By-laws and ESOS By-laws of the Company;
- xiv) Reviewed and discussed with the management on the Risk Assessment Report and mitigation plans of the Group;
- xv) Reviewed the Company's compliance with the Listing Requirements, applicable Approved Accounting Standards and other relevant legal and regulatory requirements;
- xvi) Reviewed the Corporate Governance Overview Statement, Audit Committee Report and Statement on Risk Management and Internal Control before recommending to the Board for approval and inclusion in the Annual Report;
- xvii) Reviewed and recommended the Investment Policy and Enterprise Risk Management Policy for the Board's consideration and approval;
- xviii) Reviewed and recommended for any modification and/or amendment to the terms of reference of the Audit Committee; and
- xix) Report to the Board on its activities and significant findings and results.

Audit Committee Report

HOW THE AUDIT COMMITTEE DISCHARGED AND MET ITS RESPONSIBILITIES DURING THE FINANCIAL YEAR

i) Financial Reporting

The AC had reviewed the unaudited quarterly financial results and the annual audited financial statements of the Company and of the Group and made recommendations to the Board for approval and for the announcement to Bursa Securities.

The AC also had reviewed the annual audited financial statements with the External Auditors and finance team to ensure that the financial statements give a true and fair view of the financial position and performance of the Group are in compliance with the relevant accounting standards, other legal requirements and to ensure compliance with the provisions of the Companies Act, 2016 and the Listing Requirements.

ii) External Auditors

During the financial year under review, the AC had met with the External Auditors to review the issues relating to financial controls and operational efficiencies of the Company and its subsidiaries arising from the audit. Significant matters required to follow up were highlighted in the management letter by the External Auditors and enquired on the adequacy and effectiveness of remedial actions taken by management in resolving these issues.

The AC also had reviewed and evaluated the audit planning memorandum and audit reviewed memorandum prepared and presented by the External Auditors.

The proposed audit fees for the External Auditors in respect of their audit of the financial statements of the Company and its subsidiaries were analysed and reviewed by the AC for recommendation to the Board for approval.

The AC also evaluated the performance and independence of the External Auditors covering areas such as calibre, quality processes/performance, audit team, independence and objectivity, audit scope and planning, audit fees as well as the audit communications of the External Auditors. The AC has been satisfied with the independence and performance of Messrs Moore Stephens Associates PLT, had recommended the re-appointment of Messrs Moore Stephens Associates PLT as External Auditors to the Board for consideration and tabled to the shareholders for approval at the forthcoming Annual General Meeting of the Company.

iii) Internal Audit

During the financial year under review, the AC had reviewed and evaluated the Internal Audit Reports ("IAR") pertaining to the internal control on the Group prepared by the outsourced Internal Auditors of the Company.

The IAR on audit findings, description, implication, recommendations to improve any weaknesses or non-compliance and the management action plan and comments thereto were tabled to the AC for their review and deliberations. The management was invited to attend the meetings as and when necessary to brief the AC on matters relating to their areas of responsibility.

Some weaknesses in internal control were identified for the year under review and measures have been or are being taken to address these weaknesses. The Internal Auditors monitored the implementation of management's action plan on outstanding issues through follow up reports to ensure that all key risks and control weaknesses are being properly addressed.

iv) Related Party transactions

The related party transactions including recurrent related party transactions of a revenue or trading nature entered into by the Group were reviewed by the AC to ensure that they were conducted on the Group's normal commercial terms and adequate internal procedures had been deployed in the Group in relation to such transactions to monitor compliance with the Listing Requirements and to ascertain that the transactions entered into were not prejudicial to the interest of the non-controlling shareholders.

Statement of Directors' Responsibility in Respect of the Audited Financial Statements

The Directors are required by the Companies Act, 2016 to prepare financial statements for each financial year which have been made out in accordance with the applicable approved accounting standards so as to give a true and fair view of the state of affairs of the Group and Company at the end of the financial year and of the results and cash flows of the Group and Company for the financial year.

The Directors are responsible for ensuring that the Company keeps proper accounting records with reasonable accuracy of the financial position of the Company. The Directors are to ensure that the financial statements comply with mandatory provisions of the Companies Act, 2016, the Malaysian Financial Reporting Standards and the Listing Requirements. The Directors are also responsible for taking such reasonable steps to safeguard the assets of the Group and to minimise fraud and other irregularities.

The Directors are satisfied that in preparing the financial statements of the Group for the financial year ended 30 September 2022, the Group has used the appropriate accounting policies and applied them consistently and supported by reasonable and prudent judgments and estimates. The Directors also consider that all applicable approved accounting standards have been complied with and further confirm that the financial statements have been prepared on a going concern basis.

Statement of Employees' Share Option Scheme ("ESOS") Committee

The ESOS Committee was established on 26 May 2021, the members of the present ESOS Committee are as follows:

Designation	Name
Chairman	Tan Sik Eek
Member	Roy Ho Yew Kee
Member	Ng Kok Heng

The main responsibility of the ESOS Committee is to oversee the administration as well as to ensure proper implementation of the ESOS according to the By-Laws of the ESOS. The ESOS Committee deliberates, neither physically nor via circular resolutions, whenever necessary.

The ESOS was approved by the shareholders of the Company at the Extraordinary General Meeting held on 19 April 2021. The ESOS would be in force for a period of three (3) years from the date of implementation i.e. 27 May 2021 and expire on 26 May 2024.

The total number of ESOS options granted, exercised and outstanding under the ESOS since its commencement up to 30 September 2022 are set out in the table below:

Category of Employees	No. of ESOS Options Over Ordinary Shares			
	Granted and Vested	Exercised	Lapsed/ Forfeited/ Revoked	Outstanding
Directors	34,785,000	34,785,000	-	-
Other Employees	1,384,474,900	1,080,643,000	303,831,900	-
Total	1,419,259,900	1,115,428,000	303,831,900	-

The options offered to and exercised by the Directors of the Company pursuant to ESOS as well as their outstanding options in respect of the financial year ended 30 September 2022 are as follows:

Name of Director	No. of ESOS Options Over Ordinary Shares				
	As at 30.09.2021	Number of ESOS Options Granted	Number of ESOS Options Exercised	No. of ESOS Options Revoked	Balance as at 30.09.2022
Dato' Seri Abdul Azim bin Mohd Zabidi	-	-	-	-	-
Roy Ho Yew Kee	-	-	-	-	-
Tan Sik Eek	-	-	-	-	-
Hew Tze Kok	-	-	-	-	-
Andy Liew Hock Sim	-	-	-	-	-
Karina binti Idris Ahmad Shah	-	-	-	-	-

Pursuant to the ESOS By-Laws, the aggregate maximum allocation of ESOS Options applicable to the eligible employee (including the allocation to the Directors and senior management) shall be determined by the ESOS Committee at its sole and absolute discretion. As of 30 September 2022, the actual number of ESOS Options granted to the Directors of the Company since the commencement of the ESOS is 2.45%.

The Audit Committee has verified and was satisfied that the allocation of ESOS Options to the eligible Directors and employees of the XOX Group during the financial year ended 30 September 2022, was in accordance with the criteria of allocation of share options set out in the ESOS By-Laws.

Statement on Risk Management and Internal Control

INTRODUCTION

Pursuant to Rule 15.26(b) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and in accordance with the Malaysian Code of Corporate Governance issued by Securities Commission Malaysia; the Board of Directors of XOX is pleased to present the following statement on the state of the risk management and internal control of the Group as a whole for the financial year ended 30 September 2022. This statement is prepared in accordance with the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers issued by Bursa Securities.

BOARD RESPONSIBILITY

The Board acknowledges its overall responsibility in maintaining a sound system of risk management and internal controls to safeguard its shareholders' interest and the Group's assets. The risk management framework and internal control systems provide an ongoing process in identifying and evaluating significant risks faced or potentially encountered by the Group, establishing an appropriate control environment and framework in managing the risks, and reviewing the adequacy and effectiveness of these systems.

However, the Group's system of risk management and internal control is designed to minimise and manage rather than to eliminate the risk that may impede the achievement of the Group's business objectives; it can only provide reasonable but not absolute assurance against material misstatement, loss, or breaches of laws or regulations.

The risk management and internal control systems within the Group, inclusive of design, operation, identification, assessment, mitigation and control of risks, are implemented with the assistance of the management throughout the period. The Board, either directly or via the Audit Committee, has regularly reviewed the process for identifying, evaluating and managing the significant risks of the Group with the management.

The key features of the risk management and internal control systems which operate with the assistance of the management are described under the following headings:

1. Risk Management Framework

The Group has an embedded process for identifying, evaluating, reporting, managing, monitoring and reviewing the major strategic, business and operational risks within the Group, covering both wholly and partially owned subsidiaries. Both the Audit Committee and the Board review the effectiveness of the risk management function and deliberate on the risk management and internal control frameworks, functions, processes and reports regularly.

Risk management is firmly embedded in the Group's management system as the Board believes that risk management is critical for the Group's sustainability and the enhancement of shareholder value. Senior Management Team and Head of Departments are delegated to manage identified risks within defined parameters and standards.

The Company has set up a Risk Management Committee that comprises key senior management of the Company to identify, evaluate and manage significant risks faced by the Group and report to the Board on significant risks affecting the Group's strategy and business plans, if any.

The main features of the Group's risk management framework involved the following key processes:

- i) The management is entrusted with developing, implementing and monitoring the systems of risk management and internal controls to address the various risks faced by the Group;
- ii) A database of all risks and controls is maintained and updated, and the information is filtered to produce detailed risk registers and individual risk profiles. Key risk areas are identified and scored for the likelihood of the risks occurring and the magnitude of the impact;
- iii) Risk assessment reports with mitigation responses in place are submitted to the Executive Directors and briefed by Senior Management Team and the various heads of departments; and
- iv) Risks identified will be discussed with mitigation plans, monitored continuously in various management meetings to mitigate the risk exposures.

Statement on Risk Management and Internal Control

2. Board of Director / Board Committees

The Board Committees (i.e., Audit Committee, Nomination and Remuneration Committee and Investment Committee) have been established to carry out duties and responsibilities delegated by the Board and are governed by the written terms of references as stated in the Company's website.

Meetings of the Board and respective Board Committees are conducted quarterly to review the performance of the Group, from financial to operational perspectives. The quarterly financial performance review containing key financial results and previous corresponding financial results is presented to the Audit Committee for review and the Board for public release approval.

3. Standard Operating Procedures

The Group has a set of well-established standard operating procedures covering all critical and significant facets of the Group's operational process at its subsidiary level.

The standard operating procedures are being reviewed periodically or when the circumstances warrant, to ensure that these documentations remain current and relevant. Compliance with these procedures is an essential element of the risk management and internal control framework.

4. Organisation Structure and Authorisation Procedure

The Group has a formal organisation structure in place to ensure the appropriate level of authority and responsibilities are delegated appropriately to the competent staff to achieve operational effectiveness and efficiency.

The authorisation requirement of the key internal control points of key business processes is included in the standard operating procedures of the Group.

5. Internal Audit

The Group outsources the internal audit function to an external firm. The firm is appointed by and reports directly to the Audit Committee. Its role is to provide the Audit Committee with regular assurance on the internal control system's continuity, integrity and effectiveness through regular monitoring and independent review of the internal control framework and management processes.

The internal audit firm prepares audit plans for presentation to the Audit Committee for approval wherein the scope of work encompasses management and operational audit of functions in the Group.

During the financial year under review, the internal audit has conducted various assignments quarterly and made recommendations on improving the system of internal controls to the Audit Committee. The areas of the internal audit covered are Corporate Governance Compliance, Bribery Prevention and Retail Centre/Branch Operations of XOX Group.

Based on the internal audit review conducted, none of the weaknesses noted has resulted in any material losses, contingencies or uncertainties that would require separate disclosure in this Annual Report.

Statement on Risk Management and Internal Control

6. Other Key Risk Management and Internal Control Elements

- i) The Board meets regularly to review the performance and operations of the Group.
- ii) The Audit Committee reviews the effectiveness of the Group's system of risk management and internal control on behalf of the Board. The Audit Committee is not restricted in conducting its duties and has unrestricted access to the internal and external auditors of the Company and all employees of the Group. The Audit Committee is also entitled to seek such other third party independent professional advice deemed necessary in the performance of its responsibility.
- iii) Review by the Audit Committee on internal control issues identified by the external and internal auditors and action taken by management in respect of the findings. The internal audit function reports directly to the Audit Committee. Findings are communicated to management and the Audit Committee with recommendations for improvements and follow-up to confirm all agreed recommendations are implemented. The internal audit plan is structured on a risk-based approach and is reviewed and approved by the Audit Committee.
- iv) Regular training and development programs are attended by the employee with the objective of enhancing their knowledge and competency.
- v) Active involvement by the Executive Directors and Chief Executive Officer in the day-to-day business operations of the Group, including weekly operational and management meetings to identify, discuss and resolve business and operational issues.
- vi) Periodic review of management accounts by key personnel, including the Executive Directors and Chief Executive Officer. The management accounts are also presented to the Board and Audit Committee during the respective meetings.
- vii) The Company outsources its internal audit function to independent professional consulting firms for greater independence and accountability in the internal audit function.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by Rule 15.23 of the Listing Requirements of Bursa Securities, the External Auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in the annual report of the Group for the financial year ended 30 September 2022.

Based on their review, the External Auditors have reported to the Board that nothing has come to the attention that causes them to believe that the statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and effectiveness of the risk management and internal control system.

MANAGEMENT'S ASSURANCE

In accordance with the requirements of the statement on Risk Management and Internal Control (Guidelines for Directors of Listed Issuers), the Executive Directors and Chief Executive Officer, representing the management, has given reasonable assurance to the Board that the Group's risk management and internal control systems are adequate and effective, in all material aspects, based on the risk management and internal controls adopted by the Group and similar assurance given by the respective heads of operations.

CONCLUSION

The business processes and internal controls of the Group are continually monitored to ensure statutory compliance and maintain data integrity. The effectiveness of the risk management and internal control system is reviewed regularly.

For the financial year under review, there were no significant internal control deficiencies or material weaknesses resulting in material losses or contingencies requiring separate disclosure in the Annual Report. Therefore, the Board is of the view that the existing system of risk management and internal control is adequate and effective. Nevertheless, the Board recognises that the development of risk management and internal control systems is an ongoing process. Therefore, in striving for continuous improvement, the Board will continue to take appropriate action plans to enforce and strengthen the Group's risk management and internal control systems.

Other Disclosure Requirements Pursuant to the Listing Requirements of Bursa Securities

1 STATUS OF UTILISATION OF PROCEEDS

As at 30 September 2022, the status of utilisation of gross proceeds raised by the Company from the following corporate proposals are as follows:

(i) Right Issue of Irredeemable Convertible Preference Shares with Warrants (completed on 12 March 2020):

Details	Proposed Utilisation RM	Actual Utilisation RM	Balance Available for Utilisation RM
(a) E-Sim expansion plan	15,000,000	15,000,000	---
(b) Expansion of XOX's e-Wallet function	10,525,688	10,525,688	---
(c) Expenses incurred for the Right Issue	1,000,000	1,000,000	---
Total	26,525,688	26,525,688	---

(ii) Private Placement (completed on 23 July 2020):

Details	Proposed Utilisation RM	Actual Utilisation RM	Balance Available for Utilisation RM
(a) Investment in the business of smart vending machine	19,063,140	10,010,000	9,053,140
(b) Expenses incurred for the Private Placement	600,000	600,000	---
Total	19,663,140	10,610,000	9,053,140

(iii) Private Placement (completed on 15 December 2020):

Details	Proposed Utilisation RM	Actual Utilisation RM	Balance Available for Utilisation RM
(a) Fintech business expansion	48,000,000	32,855,274	15,144,726
(b) Rebranding exercise to reposition the XOX brand into a Fintech solution and telecommunication provider	5,000,000	1,678,635	3,321,365
(c) Marketing and promotional expenses for the Fintech business expansion	7,060,845	4,520,528	2,540,317
(d) Expenses for the Private Placement	570,000	570,000	---
Total	60,630,845	39,624,437	21,006,408

Other Disclosure Requirements Pursuant to the Listing Requirements of Bursa Securities

2 AUDIT AND NON-AUDIT FEE PAID TO EXTERNAL AUDITORS

During the financial year, the amount of audit and non-audit fees paid/payable to the External Auditors by the Company and the Group respectively for the financial year ended 30 September 2022 were as follows:

	Company RM	Group RM
Audit Services Rendered	112,000	413,385
Non-Audit Services Rendered		
(a) Review of Statement on Risk Management and Internal Control	10,000	10,000
(b) Review of component's audit work papers	35,000	-
(c) Special review for compliance with fund management requirements of approved e-Money issues	-	55,000
(d) Review and certification of annual MCMC report submission	-	13,000
(e) Special review on management of customer information and permitted disclosure	-	95,000
(f) Preparation and submission of tax return	5,500	70,400

3 MATERIAL CONTRACTS AND CONTRACTS RELATING TO LOAN

There were no material contracts or contracts relating to loan entered into by the Company and its subsidiaries involving the interests of the Directors and major shareholders during the financial year under review.

4 RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE AND TRADING NATURE ("RRPT")

The Company is seeking approval from shareholders for the proposed new shareholders' mandate and renewal of the existing shareholders' mandate for XOX Group to enter into RRPT(s) of a revenue or trading nature pursuant at the forthcoming Annual General Meeting to be held on 27 February 2023.

Other Disclosure Requirements Pursuant to the Listing Requirements of Bursa Securities

As at 30 September 2022, the details of RRPTs of a revenue or trading nature of the Group which was approved by the shareholders at the last AGM of the Company held on 25 February 2022 are as follows:

Related Party and its Principal Activities	XOX Group - Transacting Party	Nature of Transaction with XOX Group	Value of Transaction RM	Interested Director and Major Shareholders and nature of their relationship with Related Party
Key Alliance Group Berhad ("Key Alliance") and its subsidiaries companies – Data Center, Information Technology service provider, Interior Design and Renovation service provider, Trading of Medical Products, Hardware & Software service provider	XOX Group	Provision of mobile telecommunication and Fintech products and services by XOX Group	1,678	Key Alliance is a Major Shareholder of XOX with a shareholding of 6.89%. Mr Roy Ho Yew Kee is the Managing Director and shareholder of Key Alliance with a shareholding of 6.13%. He is also an Executive Director of XOX.
		Provision of cloud data center services to XOX Group	1,717,200	
		Renting of office space / services centre to XOX Group	176,520	
		Provision of interior design and renovation work to XOX Group	1,261,078	
		Provision of Information and Communication Technology services to XOX Group	1,602,179	
		Installation of security and Closed-Circuit Television monitoring system, Internet of Things devices to XOX Group	-	
		Provision of medical products to XOX Group	26,000	
NetX Holdings Berhad ("NetX") and its subsidiaries companies – Investment holding, research and development of software, system design, integration and installation and provision of information technology services, property management services	XOX Group	Provision of mobile telecommunication and Fintech products and services by XOX Group	71,274	Mr Tan Sik Eek is an Executive Director and shareholder of NetX with a shareholding of 4.79%. He is also an Executive Director of XOX.
		Provision of solutions on the network infrastructure, security management and rental of EFTPOS terminals to XOX Group	-	
		Provision of Master Merchant and sub-contractor services to XOX Group	-	
		Provision of software licensing, maintenance and support services to XOX Group	1,846,546	
		Provision of business consultation, supply and commissioning of information technologies to XOX Group	30,547	
		Supply of information technology related hardware and software equipment to XOX Group	910,796	

Other Disclosure Requirements Pursuant to the Listing Requirements of Bursa Securities

Related Party and its Principal Activities	XOX Group - Transacting Party	Nature of Transaction with XOX Group	Value of Transaction RM	Interested Director and Major Shareholders and nature of their relationship with Related Party
Cheetah Holdings Berhad ("Cheetah") and its subsidiary companies – Product designing, development, marketing and dealers of garments, apparels and ancillary products and e-commerce	XOX Group	Provision of mobile telecommunication and Fintech products and services by XOX Group	194,932	Mr Roy Ho Yew Kee is an Executive Director for both XOX and Cheetah.
		Sales of garments, apparels and ancillary products to XOX Group	263,134	
Komarkcorp Berhad ("Komark") and its subsidiary companies – Provider of packaging solution and manufacturer of labelling	XOX Group	Provision of mobile telecommunication and Fintech products and services by XOX Group	79,500	Key Alliance is a common Major Shareholder of XOX and Komark with a shareholding of 6.89% and 21.19%, respectively.
		Sales of packaging and project labelling to XOX Group	741,543	
		Sales of face masks to XOX Group	157,918	Mr Roy Ho Yew Kee is the Managing Director and shareholder of Key Alliance with a shareholding of 6.13%. He is also an Executive Director of XOX and Komark and shareholder of Komark with a shareholding of 0.17%.
Mlabs Systems Berhad ("Mlabs") and its subsidiary companies – Research and development, trading of multimedia video conferencing system and equipment, e-commerce, kitchen appliances, food and beverage, and film production	XOX Group	Provision of mobile telecommunication and Fintech products and services by XOX Group	-	Mr Tan Sik Eek is an Executive Director and shareholder of Mlabs with a shareholding of 0.05%. He is also an Executive Director of XOX.
		Provision of Videoconferencing maintenance and support services and related products or services on subscriptions basis by Mlabs Group	418,965	
		Provision of mobile application products and services on subscriptions basis and related support services by Mlabs Group	166,654	
		Provision of film production services by Mlabs Group	-	