WHERE IMAGINATION MEETS INNOVATION



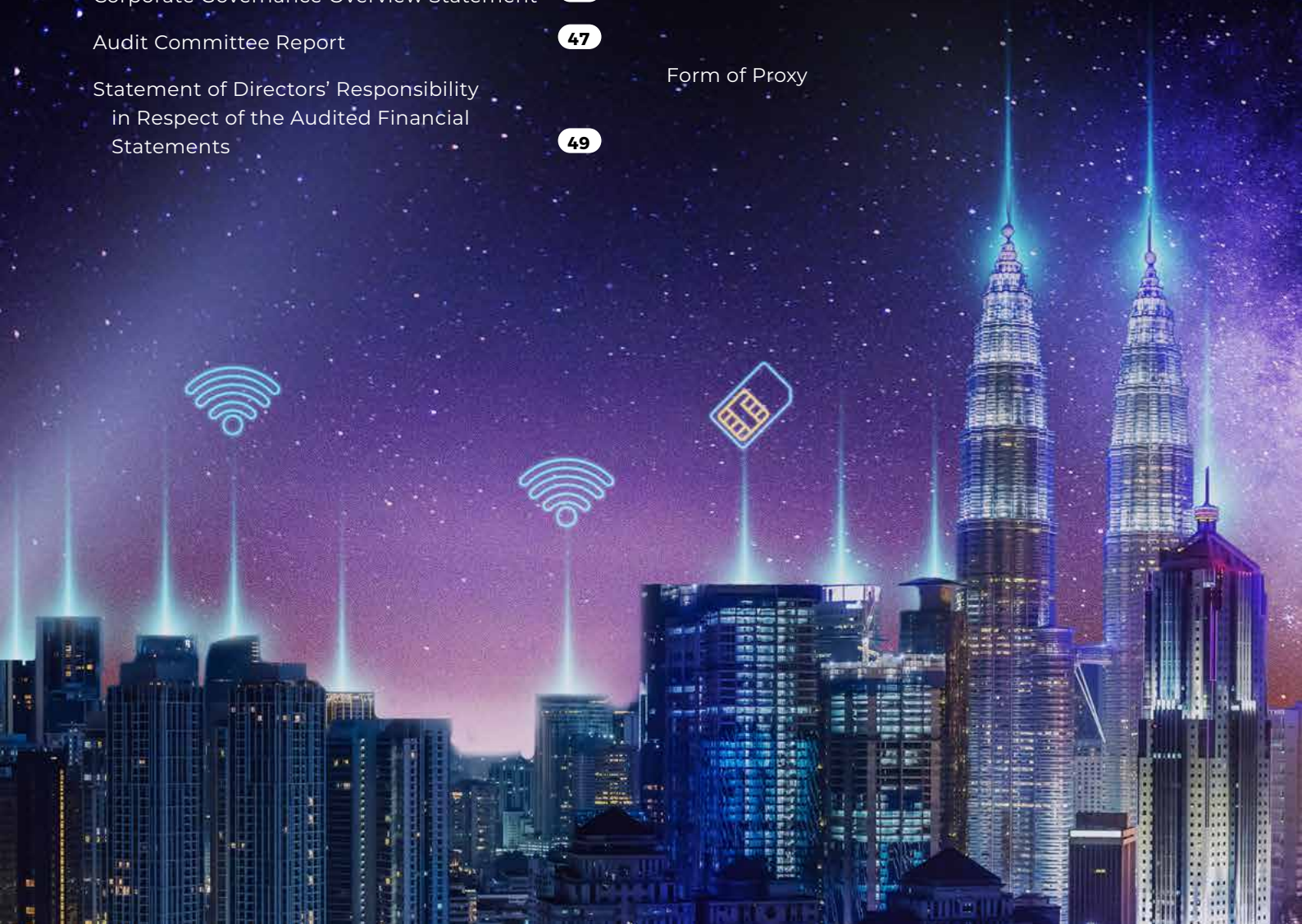
2022 ANNUAL REPORT

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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 re-designated 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 oversea. He was involved in numerous successful initial public offering ("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 obtained 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.

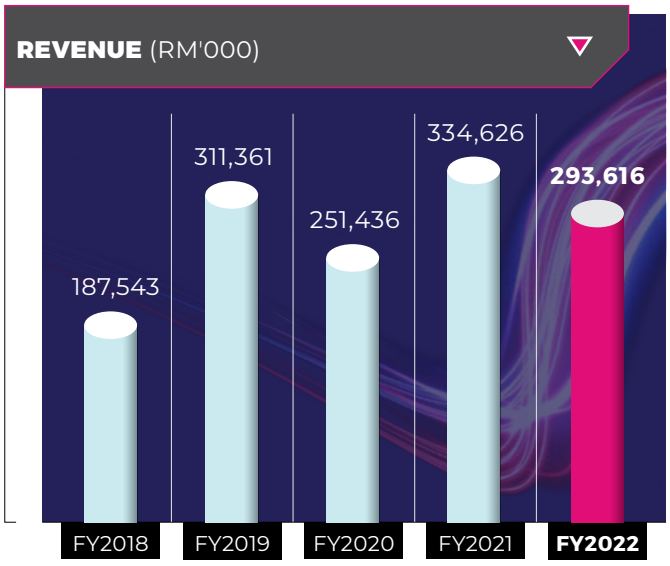
He does not hold any directorship in any other public listed companies. He has no relationship with any other Directors or Major Shareholder of the Company, no conflict of interest with the Company, and has not been convicted of any offences within the past five (5) years other than the traffic offence,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

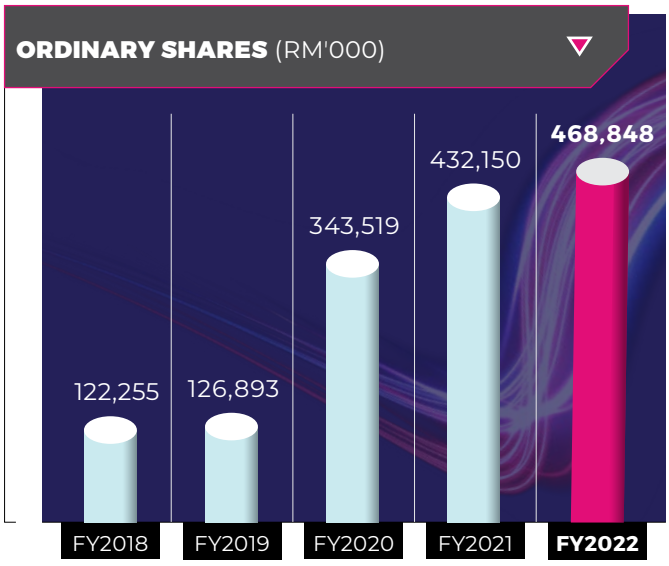
Financial Highlights

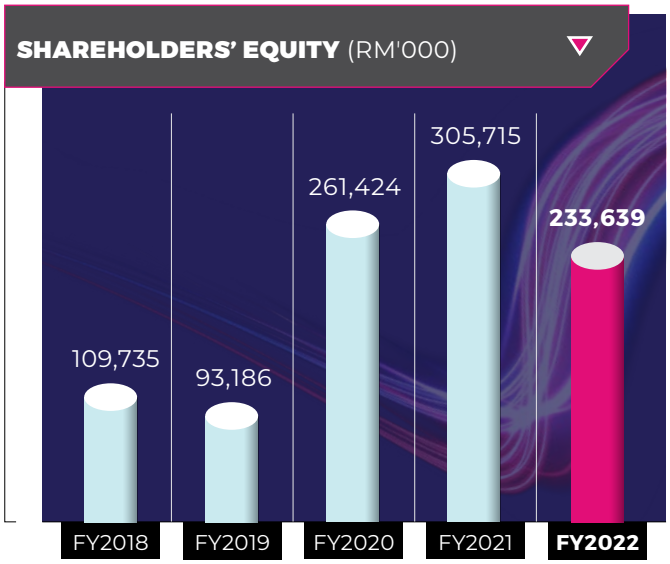
GROUP FINANCIAL SUMMARY					
	12 Months FY 2022 RM	12 Months FY 2021 RM	12 Months FY 2020 RM	15 Months* FY 2019 RM	12 Months FY 2018 RM
FINANCIAL RESULTS					
Revenue	**293,615,791**	334,626,293	251,436,160	311,361,314	187,542,724
Loss Before Tax	**(89,227,245)**	(46,858,141)	(55,663,403)	(21,344,657)	(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)

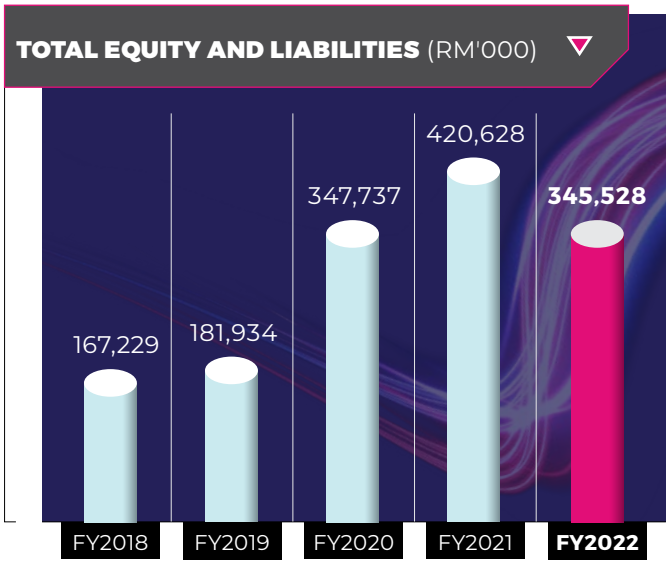
* The financial year end of the Group and of the Company were changed from 30 June to 30 September.

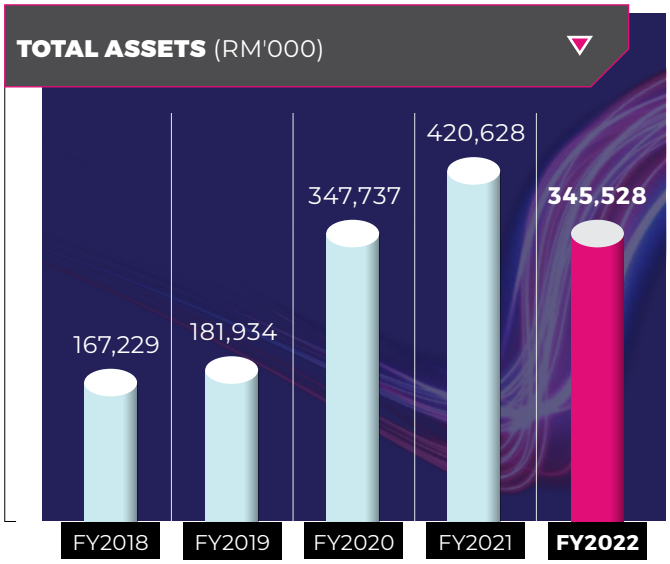
Financial Highlights

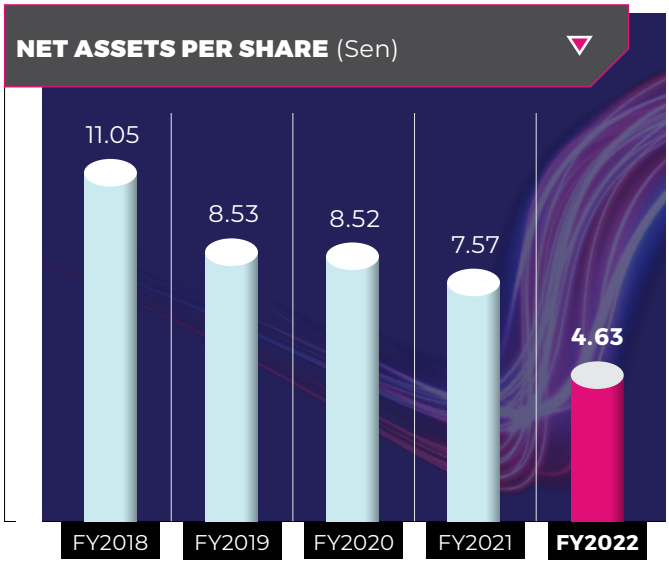




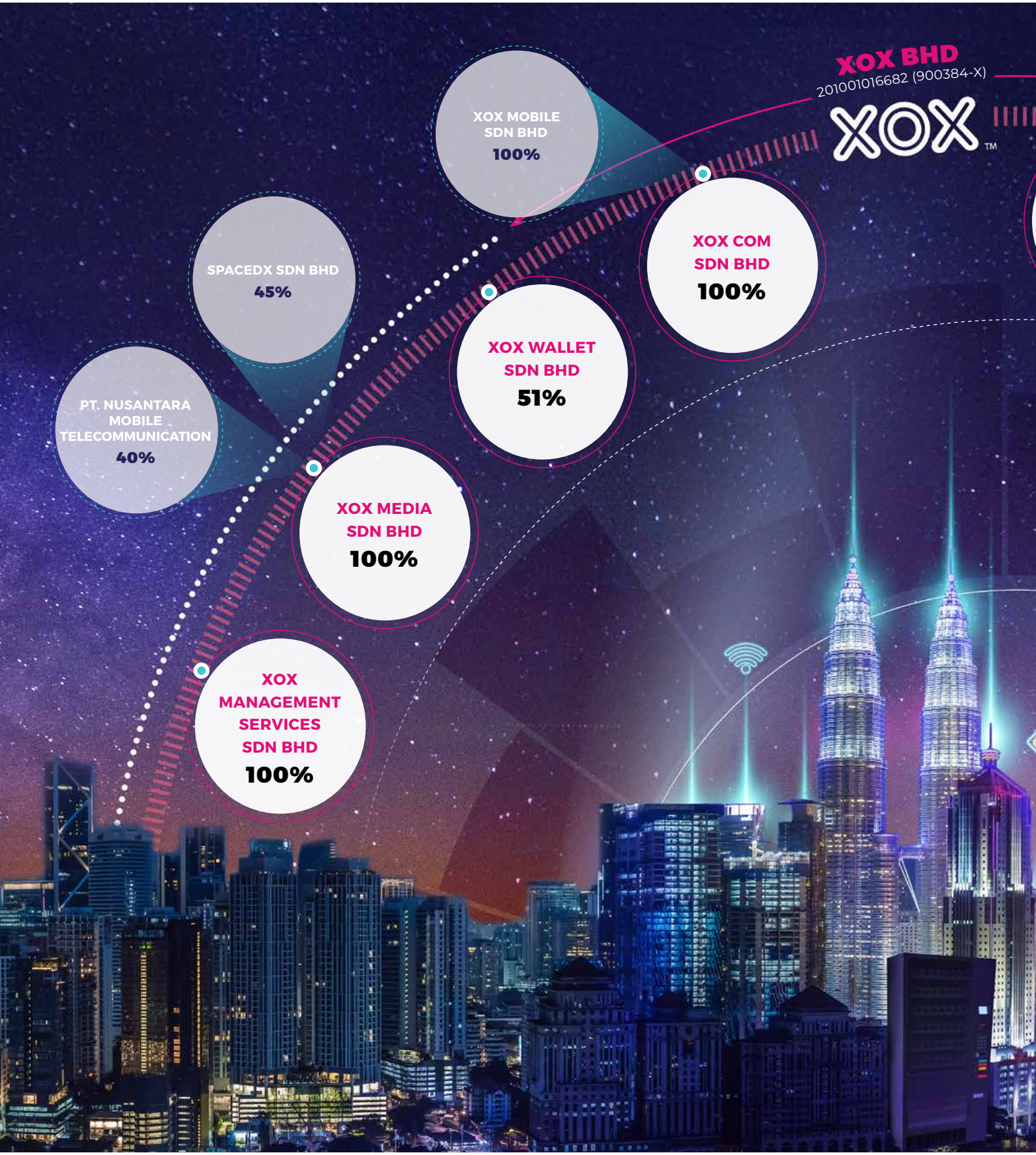




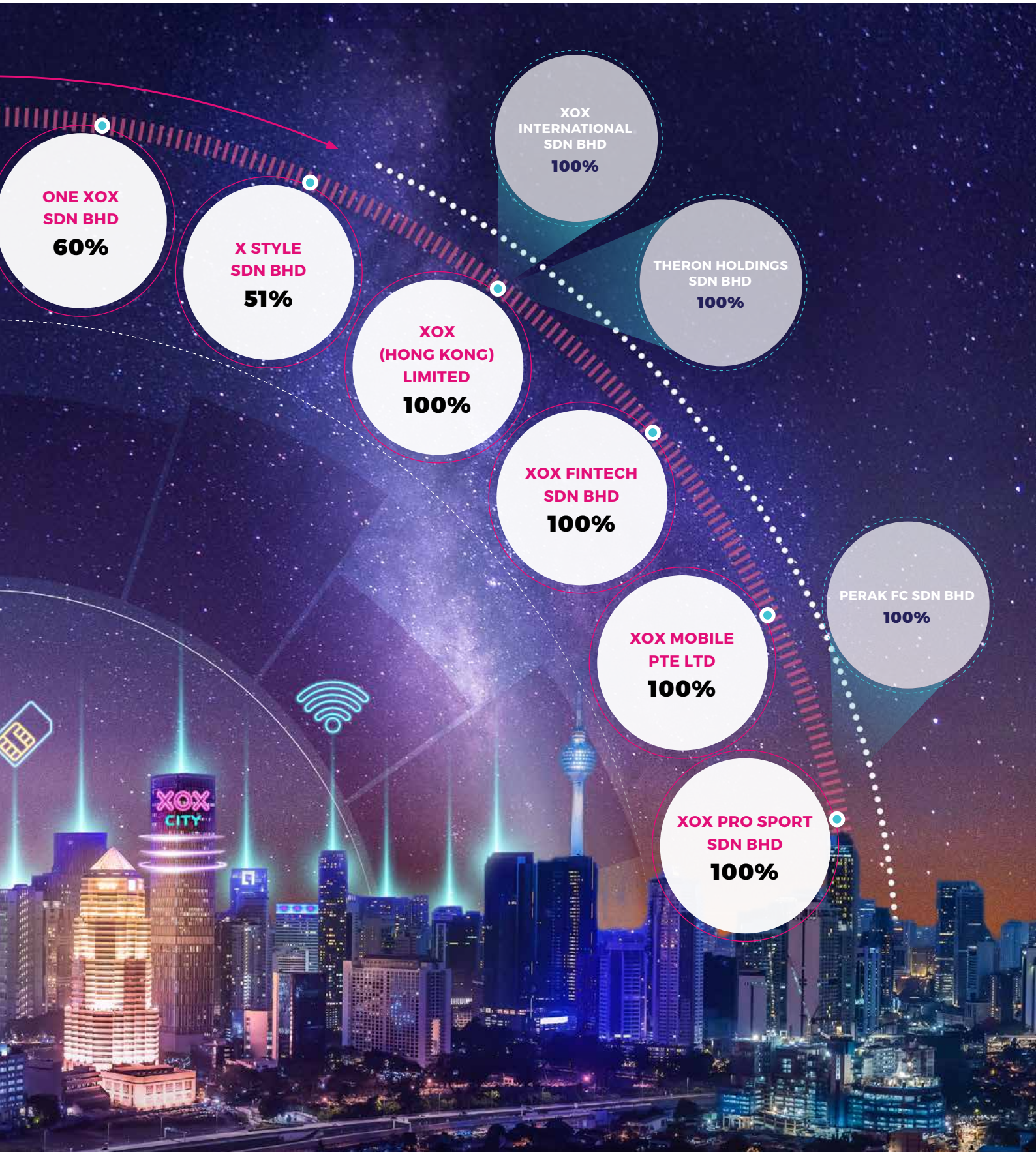




Corporate Structure



Corporate Structure



Management Discussion and Analysis

OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS

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".

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.

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

STRONG CASH POSITION

RM83.30
million

with a stable cash position

TOTAL ASSETS

RM345.53
million

compared to RM420.63 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

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 remainas 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 deiving 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.

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 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

ONEXOX The Bos Gaurus Edition





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.

WAWA18, WAWA35, & UNL35



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.

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	· Annual General Meeting · Extraordinary General Meeting · Annual Reports and Quarterly Financial Reports · Corporate website · Corporate Announcement	· To enhance shareholders' and investors' confidence
Customers (Dealers & Subscribers)	· Meetings · Conferences and Seminars · Company events · In-person service · BLACK APP · XOX Online Store · Corporate website and social media · Customer service channels · Advertisements & billboards	· Customer engagement · Quality products & services address various needs
Employees	· Meetings · Seminar & trainings · Company events · Internal surveys and feedback · Performance appraisal	· 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	· Meetings · Supplier visit	· Business ethics and compliance · Maintaining soundness and strengthening competitiveness · Products and service quality · Leverage partnerships
Government & Regulatory	· Meetings · Conferences & Seminars · Compliance reporting	· Government policies and regulatory compliance · Provide industry feedback and recommendations
Community	· Corporate website and online platforms · CSR programs	· 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.

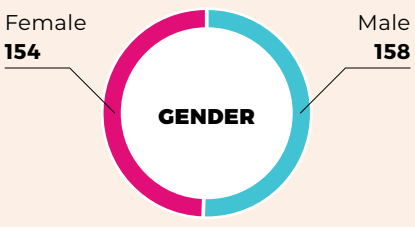
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Serving our community

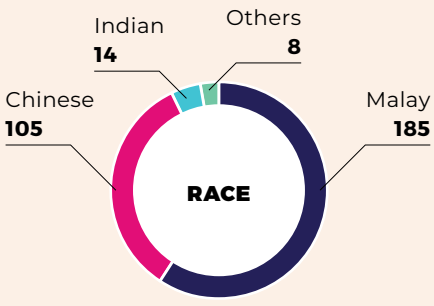
In XOX, we recognise our people as our most important asset and strive to enhance their capabilities as well as competencies through continuous upskills training and professional development. We ensure our reward packages remain competitive to attract, retain and motivate the right talent, as well as 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	ADVANCING OUR BUSINESS	INVESTING IN OUR HUMAN RESOURCES	CONTRIBUTING TO SOCIETY
Investment in our resources to ensure long-term benefits to our various stakeholders	Reinvestment and diversification	Competitive remuneration, compensation, benefits and trainings	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 *(Appointed on 28 March 2022)*	**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	• 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	• Key Disclosure Obligations of a Listed Company
Tan Sik Eek	• Money Services Business – Directors' Education Program (MSB-DEP) • Transactions & RPT Rules Simplified
Hew Tze Kok	• Transfer Pricing Audit • MFRS 16 Leases and COVID 19 Related Rent Concessions
Andy Liew Hock Sim	• ESG and Enterprise Risk Management
Karina binti Idris Ahmad Shah	• Mandatory Accreditation Programme

The Board will continuingly 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 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 MCCG, 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 MCCG, 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 *(Resigned as AC member on 31 May 2022)*	**4/4**
Andy Liew Hock Sim	**5/5**
Karina binti Idris Ahmad Shah *(Appointed as AC member on 31 May 2022)*	**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:

	No. of ESOS Options Over Ordinary Shares			
Category of Employees	**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:

	No. of ESOS Options Over Ordinary Shares				
Name of Director	**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. 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%.
		Sales of packaging and project labelling to XOX Group	741,543	
		Sales of face masks to XOX Group	157,918	
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	-	

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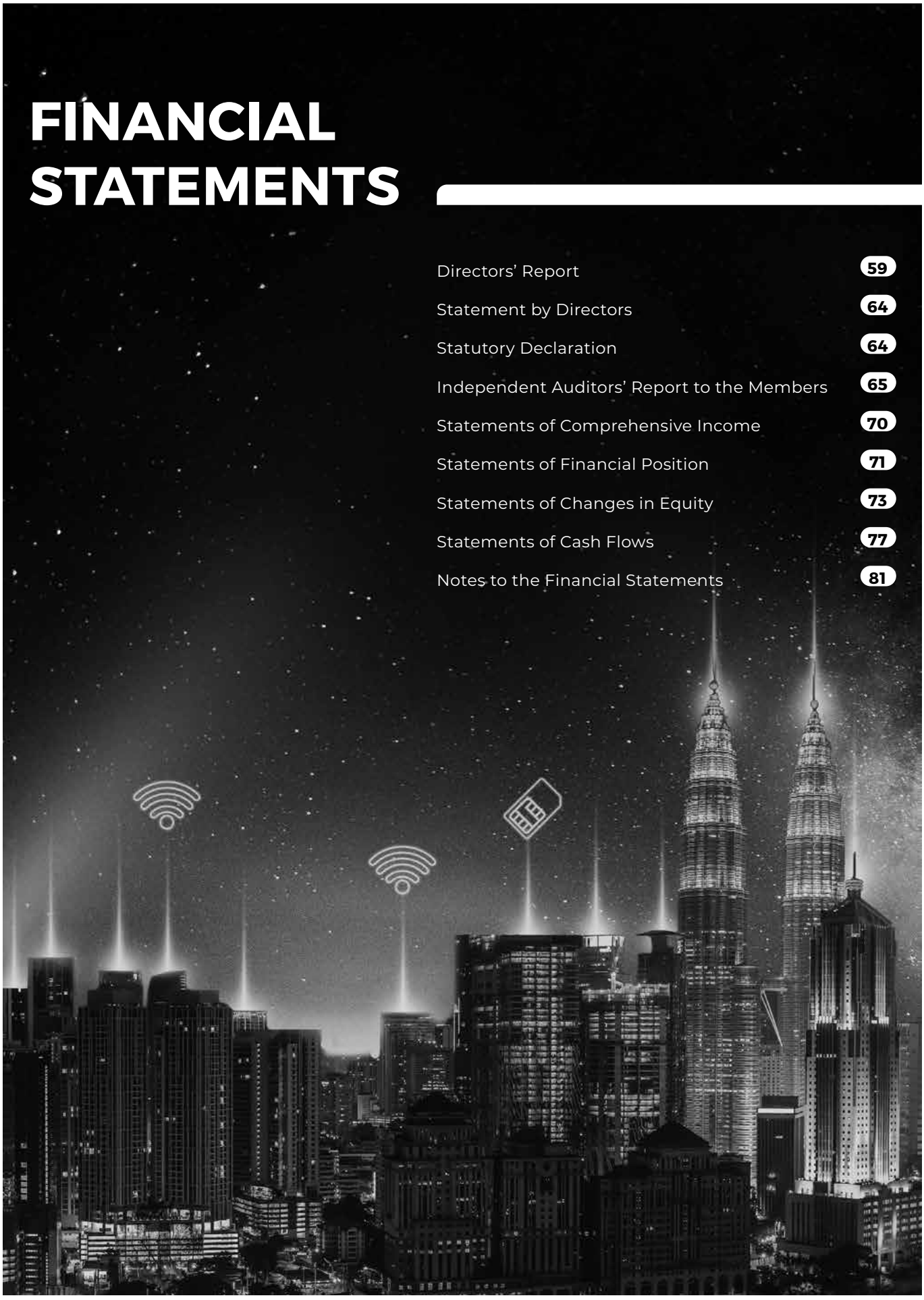
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Directors' Report

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 September 2022.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of its subsidiaries are set out in Note 11 to the financial statements.

There have been no significant changes in the nature of these activities of the Group and of the Company during the financial year.

RESULTS

	Group RM	Company RM
Net loss for the financial year	**92,079,768**	**112,430,934**
Attributable to:		
Owners of the Company	**90,976,473**	**112,430,934**
Non-controlling interests	**1,103,295**	**-**
	92,079,768	**112,430,934**

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year are disclosed in the financial statements.

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year. The Company is not in a position to pay or declare dividends for the current financial year.

ISSUANCE OF SHARES OR DEBENTURES

Ordinary shares

During the financial year, the Company has increased its issued ordinary shares from RM432,150,129 to RM468,848,306 by way of the issuance of 1,014,964,800 new ordinary shares at the issue price ranging from RM0.018 to RM0.0375 per ordinary share pursuant to the exercise of the Employees' Share Option Scheme ("ESOS") at the ratio of 1 ESOS for 1 new ordinary share.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company.

Irredeemable Convertible Preference Shares ("ICPS")

As at 30 September 2022, the total number of ICPS remain unconverted amounted to 77,971,406.

The Company has not issued any debentures during the financial year.

Directors' Report (Cont'd)

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year apart from the issue of options pursuant to the Warrants B and Warrants C.

ESOS

The salient features and other terms of the ESOS are disclosed in Note 6 to the financial statements.

The details of the options offered to take up unissued ordinary shares and the forfeited amount during the financial year are as follows:

			Number of options over ordinary shares			
	Exercise price	At 01.10.2021 Unit	Granted Unit	Exercised Unit	Expired Unit	At 30.09.2022 Unit
Date of offer						
27 July 2021	RM0.0425	1,202,300	-	-	(1,202,300)	**-**
16 August 2021	RM0.0375	300,000,000	-	(145,000,000)	(155,000,000)	**-**
16 November 2021	RM0.0350	-	482,329,200	(479,998,600)	(2,330,600)	**-**
13 December 2021	RM0.0275	-	201,731,100	(99,999,600)	(101,731,500)	**-**
7 March 2022	RM0.0180	-	329,966,600	(289,966,600)	(40,000,000)	**-**
		301,202,300	1,014,026,900	(1,014,964,800)	(300,264,400)	**-**

Details of ESOS granted to Directors of the Group are disclosed in Note 6 to the financial statements.

Warrants B

As at 30 September 2022, the total numbers of Warrants B that remain unexercised amounted to 231,832,876.

Further information is disclosed in Note 25(b) to the financial statements.

Warrants C

As at 30 September 2022, the total numbers of Warrants C that remain unexercised amounted to 1,412,612,765.

Further information is disclosed in Note 25(b) to the financial statements.

DIRECTORS OF THE COMPANY

The Directors in office since the beginning of the financial year to the date of this report are:-

Dato' Seri Abdul Azim bin Mohd Zabidi *
Tan Sik Eek *
Roy Ho Yew Kee *
Hew Tze Kok
Andy Liew Hock Sim
Karina binti Idris Ahmad Shah (Appointed on 28 March 2022)

* *These Directors are also Directors of subsidiaries included in the financial statements of the Group for the financial year.*

Directors' Report (Cont'd)

DIRECTORS OF THE SUBSIDIARIES OF THE COMPANY

Pursuant to Section 253(2) of the Companies Act 2016, the Directors who served in the subsidiaries (excluding Directors who are also Directors of the Company) since the beginning of the financial year to the date of this report are as follows:

Azril bin Aliuddin	
Charissa Lim Zhu Ai	
Datuk Chai Woon Chet	
Imam Pituduh	
Kong Choo Hui	
Loh Boon Teong	
Muhammad Said Aqil	
Ng Kok Heng	
Nicholas Wong Yew Khid	
Rohmat Faisol	
Tommy Kurniawan Yaury	
Neow Choo Seong	(Appointed on 9 December 2022)
Tan Tai Liang	(Appointed on 9 December 2022)
Wong Mun Onn	(Appointed on 9 December 2022)
Heidil Iskandar bin Mohd Shamlan	(Resigned on 9 December 2022)
Zahran bin Badaruddin	(Resigned on 9 December 2022)

DIRECTORS' INTERESTS

According to the register of Directors' shareholdings, the interest of Directors in office at the end of financial year in shares of the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares			
	At 01.10.2021 Unit	Bought Unit	Sold Unit	At 30.09.2022 Unit
Name of Directors				
The Company				
Direct Interest:				
- Dato' Seri Abdul Azim bin Mohd Zabidi	451,380	-	-	**451,380**
- Tan Sik Eek	34,785,000	-	(34,785,000)	**-**

None of the other Directors in office at the end of the financial year had any interest in shares of the Company or its related corporations during the financial year.

Directors' Report (Cont'd)

DIRECTORS' REMUNERATION AND BENEFITS

The amounts of fees and other benefits paid to or receivable by the Directors or past Directors of the Company and the estimated money value of any other benefits received or receivable by them otherwise than in cash from the Company and its subsidiaries for their services to the Company and its subsidiaries were as follows:

	Company RM	Subsidiary RM
Fees	**836,774**	**509,874**
Salaries, bonus and other emoluments	**205,000**	**800,322**
Contributions to defined contribution plan	**-**	**85,248**
Social security contribution	**-**	**1,886**
Total fees and other benefits	**1,041,774**	**1,397,330**

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than Directors' emoluments received or due and receivable as disclosed in Note 5(a) to the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, other than those as disclosed in Note 30 to the financial statements.

There were no arrangements during or at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

OTHER STATUTORY INFORMATION

(a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their value as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the Directors are not aware of any circumstances:

(i) which would render the amount written off for bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent;

(ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading;

(iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(iv) not otherwise dealt with in the report or financial statements which would render any amount stated in the financial statements misleading.

Directors' Report (Cont'd)

OTHER STATUTORY INFORMATION (CONT'D)

(c) At the date of this report, there does not exist:

(i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person other than as disclosed in Note 22; or

(ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year

(d) In the opinion of the Directors:

(i) no contingent or other liability has become enforceable, or likely to become enforceable, within the period of twelve months after the end of the financial year, which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;

(ii) the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature; and

(iii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

(e) The fees paid to or receivables by the auditors of the Company and its subsidiaries as remuneration for their services as auditor as set out in Note 5 to the financial statements.

(f) There was no amount paid to or receivable by any third party in respect of the services provided to the Company or any of its subsidiaries by any Director or past Director of the Company.

(g) The total amount of indemnity given to or insurance effected for the Directors and officers of the Company is RM7,000,000 with insurance premium of RM47,024. No indemnity was given to or insurance effected for auditors of the Company.

AUDITORS

The auditors, Messrs. Moore Stephens Associates PLT, have expressed their willingness to continue in office.

Approved and signed on behalf of the Board in accordance with a resolution of the Directors dated 11 January 2023.

TAN SIK EEK **ROY HO YEW KEE**

Statement by Directors

Pursuant to Section 251(2) of the Companies Act 2016

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the accompanying financial statements as set out on pages 70 to 161 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia, so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2022 and of their financial performance and cash flows for the financial year then ended.

Approved and signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 11 January 2023.

TAN SIK EEK **ROY HO YEW KEE**

Statutory Declaration

Pursuant to Section 251(1) of the Companies Act 2016

I, NG KOK HENG, being the Officer primarily responsible for the financial management of the Company, do solemnly and sincerely declare that the financial statements as set out on pages 70 to 161 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the
abovenamed
at Kuala Lumpur in the Federal Territory
on 11 January 2023

NG KOK HENG

Before me,

TAN KIM CHOOI
No. W661
Commissioner for Oaths

Independent Auditors' Report

To the Members of XOX BHD.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of XOX Bhd., which comprise the statements of financial position as at 30 September 2022 and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 70 to 161.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 September 2022, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment Review of Property, Plant and Equipment, Intangible Assets, Goodwill and the Company's Investments in Subsidiaries

Property, Plant and Equipment ("PPE") and Intangible Assets ("IA")

As at 30 September 2022, as shown in Notes 9 and 10 to the financial statements, the carrying amounts of the Group's PPE and IA amounted to RM76,634,115 and RM34,196,456 respectively, representing approximately 22% and 10% of the Group's total assets.

The PPE and IA are mainly contributed by the main operating subsidiaries of the Group, which certain subsidiaries are in continuous loss-making and/or significant accumulated losses positions and has resulted in multiple indications that the carrying amounts of the PPE and IA may be impaired. Accordingly, the Group estimated the recoverable amount of the PPE and IA based on value-in-use ("VIU") calculations using cash flow projections derived from the most recent financial forecast approved by Directors covering a five-year period. Included in PPE are freehold land and building and motor vehicles of which the recoverable amount was derived based on fair value less cost of disposal.

Goodwill

As at 30 September 2022, as shown in Note 15 to the financial statements, the carrying amount of the Group's goodwill amounted to RM14,282,297. The goodwill arose from the Group's acquisition of Perak FC Sdn. Bhd.

The Group is required to, at least annually, perform impairment assessments of goodwill that has an indefinite useful life regardless whether there is any indicator of impairment. The management assessed the recoverable amount of the goodwill by determining the cash-generating unit ("CGU") based on the value-in-use ("VIU") method using discounted cash flow projections.

Due to the significance of the amount and subjectivity involved in the annual impairment test, we consider this impairment test to be an area of audit focus. Specifically, we focused on evaluation of the assumptions used by management to estimate the recoverable amount of the CGU which was based on the VIU method.

Independent Auditors' Report (Cont'd)

To the Members of XOX BHD.

Key Audit Matters (cont'd)

Impairment Review of Property, Plant and Equipment, Intangible Assets, Goodwill and the Company's Investments in Subsidiaries (cont'd)

Investments in subsidiaries

As at 30 September 2022, as shown in Note 11 to the financial statements, the carrying amount of the Company's investment in subsidiaries amounted to RM109,792,570.

A recent history of losses, significant accumulated losses and the carrying amount is lower than the net assets recorded by certain subsidiaries have resulted in multiple indications that the carrying amount of these investments in subsidiaries may be impaired. Accordingly, the Company estimated the recoverable amount of these investment in subsidiaries based on VIU calculations using cash flow projections derived from the most recent financial forecast approved by Directors covering a five-year period or net assets of subsidiaries (as the case may be).

We have identified the impairment review of PPE, IA, goodwill, and investments in subsidiaries as a key audit matter as impairment test involves significant judgement in estimating the underlying assumptions to be applied in the discounted cash flows projections of the VIU calculations. The recoverable amount of PPE, IA, goodwill, and investments in subsidiaries is highly sensitive to key assumptions applied in respect of future revenue growth rate, gross margin and the pre-tax discount rate used in the cash flows projections. A small change in the assumption can have a significant impact on the estimation of the recoverable amount.

Our audit performed and responses thereon

In addressing the matters above, we have performed the following audit procedures to evaluate management's basis and assumptions used in the VIU:

- Assessed whether the recoverable amounts were prepared by management based on the approved budgets by the Directors;
- Evaluated management's budgeting process by comparing actual results to historical cash flow projections;
- Evaluated the reasonableness of the Directors' assessment that a group of PPE and IA representing the integrated telecommunications services is the cash generating unit ("CGU") which represents the smallest identifiable group of assets that generate independent cash inflows, by understanding the business model of the Group;
- Reviewed management's impairment assessment including the growth rate, gross margin and discount rate against our knowledge of the Group's historical performance, business and cost management strategies based on facts and circumstances currently available; and
- Performed sensitivity analysis around the key inputs that are expected to be most sensitive to the recoverable amounts of the PPE, IA, Goodwill, and investment in subsidiaries.

Recoverability of Amounts due from Subsidiaries

As at 30 September 2022, as shown in Note 21 to the financial statements, the amounts due from subsidiaries was RM85,404,752, net of cumulative impairment loss of RM186,096,192 inclusive of an additional impairment loss recognised during the year of RM112,186,372.

We have identified the recoverability of amounts due from subsidiaries as a key audit matter due to judgement involved by management as to the likelihood of the recoverability of these amounts due from subsidiaries, which is based on a number of factors, including whether there will be sufficient cash flows in the future to repay the outstanding amounts.

In addressing the matters above, we have performed the following audit procedures to evaluate management's assessment about the recoverability of amounts due from subsidiaries: -

- Evaluating management's assessment on the sufficiency of future cash flows of respective subsidiaries in support of the low credit risk of amounts due from subsidiaries by comparing management's forecasts of future cash flows approved by the Directors to historical results and evaluating the assumptions used in those forecasts;
- Reviewed management's impairment assessment including the growth rate, gross margin and discount rate against our knowledge of the Group's historical performance, business and cost management strategies based on facts and circumstances currently available; and
- Performed sensitivity analysis by changing certain key assumptions used in the forecast of future cash flows calculations and assessed the impact to the future cash flows.

Independent Auditors' Report (Cont'd)

To the Members of XOX BHD.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the Annual Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the Annual Report and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this Annual Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are also responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditors' Report (Cont'd)

To the Members of XOX BHD.

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditors' Report (Cont'd)

To the Members of XOX BHD.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that in our opinion the subsidiaries of which we have not acted as auditors, are disclosed in Note 11 to the financial statements.

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

MOORE STEPHENS ASSOCIATES PLT
201304000972 (LLP0000963-LCA)
Chartered Accountants (AF002096)

STEPHEN WAN YENG LEONG
02963/07/2023 J
Chartered Accountant

Petaling Jaya, Selangor
Date: 11 January 2023

Statements of Comprehensive Income

For the Financial Year ended 30 September 2022

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
Revenue	4	**293,615,791**	334,626,293	**-**	-
Cost of sales		**(140,453,750)**	(170,095,557)	**-**	-
Gross profit		**153,162,041**	164,530,736	**-**	-
Other income		**20,263,323**	14,088,373	**2,610,949**	5,826,241
Administrative expenses		**(76,967,862)**	(68,442,112)	**(1,733,789)**	(3,913,929)
Selling and distribution expenses		**(71,247,709)**	(95,673,401)	**-**	-
Other expenses		**(109,454,637)**	(57,768,764)	**(113,308,094)**	(48,112,495)
Loss from operations		**(84,244,844)**	(43,265,168)	**(112,430,934)**	(46,200,183)
Finance costs	5	**(1,443,363)**	(1,598,679)	**-**	-
Share of results of associates, net of tax	12	**(1,812,152)**	(1,520,518)	**-**	-
Share of result of joint venture, net of tax	13	**(1,726,886)**	(473,776)	**-**	-
Loss before tax	5	**(89,227,245)**	(46,858,141)	**(112,430,934)**	(46,200,183)
Income tax expense	7	**(2,852,523)**	(537,088)	**-**	-
Loss for the year, net of tax		**(92,079,768)**	(47,395,229)	**(112,430,934)**	(46,200,183)
Other comprehensive income, net of tax					
Item that may be reclassified subsequently to profit or loss					
Foreign currency translation		**(16,364,791)**	(1,677,617)	**-**	-
Total comprehensive income for the financial year		**(108,444,559)**	(49,072,846)	**(112,430,934)**	(46,200,183)
Loss for the year, net of tax attributable to:					
Owners of the Company		**(90,976,473)**	(45,488,924)	**(112,430,934)**	(46,200,183)
Non-controlling interests		**(1,103,295)**	(1,906,305)	**-**	-
		(92,079,768)	(47,395,229)	**(112,430,934)**	(46,200,183)
Total comprehensive income attributable to:					
Owners of the Company		**(107,308,948)**	(47,160,129)	**(112,430,934)**	(46,200,183)
Non-controlling interests		**(1,135,611)**	(1,912,717)	**-**	-
		(108,444,559)	(49,072,846)	**(112,430,934)**	(46,200,183)
Basic loss per ordinary share attributable to Owners of the Company (sen):	8	**(1.91)**	(1.21)		

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

Statements of Financial Position

As at 30 September 2022

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
ASSETS					
Non-current Assets					
Property, plant and equipment	9	**76,634,115**	59,718,719	**-**	-
Intangible assets	10	**34,196,456**	33,911,040	**-**	-
Investments in subsidiaries	11	**-**	-	**109,792,570**	104,799,728
Investments in associates	12	**39,622,953**	51,911,438	**801,230**	1,922,952
Investment in a joint venture	13	**2,299,338**	4,026,224	**-**	-
Other investments	14	**18,597,448**	37,043,335	**-**	-
Goodwill on consolidation	15	**14,282,297**	-	**-**	-
Finance lease receivable	16	**55,128**	231,365	**-**	-
Other receivables	17	**206,470**	221,926	**-**	-
Amount due from a subsidiary	21	**-**	-	**75,705,180**	146,916,350
Deferred tax assets	18	**304,912**	1,226,735	**-**	-
		186,199,117	188,290,782	**186,298,980**	253,639,030
Current Assets					
Inventories	19	**10,463,672**	8,834,460	**-**	-
Trade receivables	20	**11,875,117**	13,029,719	**-**	-
Finance lease receivable	16	**176,237**	154,643	**-**	-
Other receivables	17	**51,979,342**	45,622,469	**5,128,086**	71,091
Amounts due from subsidiaries	21	**-**	-	**9,699,572**	4,577,609
Tax recoverable		**1,533,281**	929,489	**48,152**	38,574
Cash and cash equivalents	22	**83,301,202**	163,766,587	**44,051,316**	68,487,508
		159,328,851	232,337,367	**58,927,126**	73,174,782
TOTAL ASSETS		**345,527,968**	420,628,149	**245,226,106**	326,813,812

Statements of Financial Position (Cont'd)

As at 30 September 2022

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
EQUITY AND LIABILITIES					
Equity					
Ordinary shares	23	**468,848,306**	432,150,129	**468,848,306**	432,150,129
Irredeemable convertible preference shares ("ICPS"")	24	**1,949,285**	1,949,285	**1,949,285**	1,949,285
Reserves	25	**(237,158,305)**	(128,384,857)	**(225,767,871)**	(110,300,685)
Total equity attributable to Owners of the Company		**233,639,286**	305,714,557	**245,029,720**	323,798,729
Non-controlling interests	11(c)	**(2,911,756)**	(1,776,145)	**-**	-
Total Equity		**230,727,530**	303,938,412	**245,029,720**	323,798,729
Non-current Liabilities					
Lease liabilities	26	**7,264,527**	8,618,325	**-**	-
Deferred tax liabilities	18	**2,053,286**	300,078	**-**	-
		9,317,813	8,918,403	**-**	-
Current Liabilities					
Trade payables	27	**22,763,740**	24,370,865	**-**	-
Other payables	28	**53,373,364**	54,111,580	**196,386**	149,568
Contract liabilities	29	**25,045,284**	24,457,074	**-**	-
Amount due to a subsidiary	21	**-**	-	**-**	2,865,515
Lease liabilities	26	**4,299,645**	4,820,676	**-**	-
Tax payable		**592**	11,139	**-**	-
		105,482,625	107,771,334	**196,386**	3,015,083
Total Liabilities		**114,800,438**	116,689,737	**196,386**	3,015,083
TOTAL EQUITY AND LIABILITIES		**345,527,968**	420,628,149	**245,226,106**	326,813,812

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

Statements of Changes in Equity

For the Financial Year ended 30 September 2022

	◄ Attributable to Owners of the Company ►											
	◄ Non-Distributable ►											
	Ordinary Shares RM	ICPS RM	Other Reserve RM	Sub-total RM	Capital Reserve RM	Warrants Reserve RM	Foreign Translation Reserve RM	Share Issuance Scheme Options Reserve RM	Accumulated Losses RM	Total RM	Non-controlling Interests RM	Total Equity RM
Group												
2021												
At 1 October 2020	343,519,338	2,160,345	(2,527,850)	343,151,833	2,200,000	2,527,850	(23,140)	2,975,773	(89,408,796)	261,423,520	136,572	261,560,092
Loss for the financial year	-	-	-	-	-	-	-	-	(45,488,924)	(45,488,924)	(1,906,305)	(47,395,229)
Other comprehensive income												
Foreign currency translations	-	-	-	-	-	-	(1,671,205)	-	-	(1,671,205)	(6,412)	(1,677,617)
Total comprehensive income for the financial year	-	-	-	-	-	-	(1,671,205)	-	(45,488,924)	(47,160,129)	(1,912,717)	(49,072,846)
Transactions with Owners of the Company:												
Issuance of ordinary shares pursuant to:												
- Private placement	60,630,845	-	-	60,630,845	-	-	-	-	-	60,630,845	-	60,630,845
- Conversion of ICPS	422,120	(211,060)	-	211,060	-	-	-	-	-	211,060	-	211,060
- Exercise of warrants	4,800	-	872	5,672	-	(872)	-	-	-	4,800	-	4,800
- Share options exercised	27,573,026	-	-	27,573,026	-	-	-	(2,498,440)	-	25,074,586	-	25,074,586
Share options granted	-	-	-	-	-	-	-	5,529,875	-	5,529,875	-	5,529,875
Share options expired	-	-	-	-	-	-	-	(2,970,956)	2,970,956	-	-	-
Total transactions with Owners of the Company	88,630,791	(211,060)	872	88,420,603	-	(872)	-	60,479	2,970,956	91,451,166	-	91,451,166
At 30 September 2021	432,150,129	1,949,285	(2,526,978)	431,572,436	2,200,000	2,526,978	(1,694,345)	3,036,252	(131,926,764)	305,714,557	(1,776,145)	303,938,412

Statements of Changes in Equity (Cont'd)

For the Financial Year ended 30 September 2022

	◄ Attributable to Owners of the Company ►											
	◄ Non-Distributable ►											
	Ordinary Shares RM	ICPS RM	Other Reserve RM	Sub-total RM	Capital Reserve RM	Warrants Reserve RM	Foreign Translation Reserve RM	Share Issuance Scheme Options Reserve RM	Accumulated Losses RM	Total RM	Non-controlling Interests RM	Total Equity RM
Group												
2022												
At 1 October 2021	**432,150,129**	**1,949,285**	**(2,526,978)**	**431,572,436**	**2,200,000**	**2,526,978**	**(1,694,345)**	**3,036,252**	**(131,926,764)**	**305,714,557**	**(1,776,145)**	**303,938,412**
Loss for the financial year	-	-	-	-	-	-	-	-	**(90,976,473)**	**(90,976,473)**	**(1,103,295)**	**(92,079,768)**
Other comprehensive income												
Foreign currency translations	-	-	-	-	-	-	**(16,332,475)**	-	-	**(16,332,475)**	**(32,316)**	**(16,364,791)**
Total comprehensive income for the financial year	-	-	-	-	-	-	**(16,332,475)**	-	**(90,976,473)**	**(107,308,948)**	**(1,135,611)**	**(108,444,559)**
Transactions with Owners of the Company:												
Issuance of ordinary shares pursuant to:												
- Share options exercised	**36,698,177**	-	-	**36,698,177**	-	-	-	**(6,491,338)**	-	**30,206,839**	-	**30,206,839**
Share options granted	-	-	-	-	-	-	-	**5,026,838**	-	**5,026,838**	-	**5,026,838**
Share options expired	-	-	-	-	-	-	-	**(1,571,752)**	**1,571,752**	-	-	-
Total transactions with Owners of the Company	**36,698,177**	-	-	**36,698,177**	-	-	-	**(3,036,252)**	**1,571,752**	**35,233,677**	-	**35,233,677**
At 30 September 2022	**468,848,306**	**1,949,285**	**(2,526,978)**	**468,270,613**	**2,200,000**	**2,526,978**	**(18,026,820)**	-	**(221,331,485)**	**233,639,286**	**(2,911,756)**	**230,727,530**

Statements of Changes in Equity (Cont'd)

For the Financial Year ended 30 September 2022

	◄ Attributable to Owners of the Company ►								
	◄ Non-Distributable ►								
	Ordinary Shares RM	ICPS RM	Other Reserve RM	Sub-total RM	Capital Reserve RM	Warrants Reserve RM	Share Issuance Scheme Options Reserve RM	Accumulated Losses RM	Total Equity RM
Company									
2021									
At 1 October 2020	343,519,338	2,160,345	(2,527,850)	343,151,833	2,200,000	2,527,850	2,975,773	(69,825,719)	281,029,737
Loss net of tax, representing total comprehensive income for the financial year	-	-	-	-	-	-	-	(46,200,183)	(46,200,183)
Transactions with Owners of the Company:									
Issuance of ordinary shares pursuant to:									
- Private placement	60,630,845	-	-	60,630,845	-	-	-	-	60,630,845
- Conversion of ICPS	422,120	(211,060)	-	211,060	-	-	-	-	211,060
- Exercise of warrants	4,800	-	872	5,672	-	(872)	-	-	4,800
- Share options exercised	27,573,026	-	-	27,573,026	-	-	(2,498,440)	-	25,074,586
Share options granted	-	-	-	-	-	-	5,529,875	-	5,529,875
Share option expired	-	-	-	-	-	-	(2,970,956)	488,965	(2,481,991)
Total transactions with Owners of the Company	88,630,791	(211,060)	872	88,420,603	-	(872)	60,479	488,965	88,969,175
At 30 September 2021	432,150,129	1,949,285	(2,526,978)	431,572,436	2,200,000	2,526,978	3,036,252	(115,536,937)	323,798,729

Statements of Changes in Equity (Cont'd)

For the Financial Year ended 30 September 2022

	◄ Attributable to Owners of the Company ►								
	◄ Non-Distributable ►								
	Ordinary Shares RM	ICPS RM	Other Reserve RM	Sub-total RM	Capital Reserve RM	Warrants Reserve RM	Share Issuance Scheme Options Reserve RM	Accumulated Losses RM	Total Equity RM
Company									
2022									
At 1 October 2021	**432,150,129**	**1,949,285**	**(2,526,978)**	**431,572,436**	**2,200,000**	**2,526,978**	**3,036,252**	**(115,536,937)**	**323,798,729**
Loss net of tax, representing total comprehensive income for the financial year	-	-	-	-	-	-	-	**(112,430,934)**	**(112,430,934)**
Transactions with Owners of the Company:									
Issuance of ordinary shares pursuant to:									
- Share options exercised	**36,698,177**	-	-	**36,698,177**	-	-	**(6,491,338)**	-	**30,206,839**
Share options granted	-	-	-	-	-	-	**5,026,838**	-	**5,026,838**
Share options expired	-	-	-	-	-	-	**(1,571,752)**	-	**(1,571,752)**
Total transactions with Owners of the Company	**36,698,177**	-	-	**36,698,177**	-	-	**(3,036,252)**	-	**33,661,925**
At 30 September 2022	**468,848,306**	**1,949,285**	**(2,526,978)**	**468,270,613**	**2,200,000**	**2,526,978**	-	**(227,967,871)**	**245,029,720**

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

Statements of Cash Flows

For the Financial Year ended 30 September 2022

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
Cash Flows from Operating Activities					
Loss before tax		**(89,227,245)**	(46,858,141)	**(112,430,934)**	(46,200,183)
Adjustments for:-					
Amortisation of intangible assets		**3,451,533**	3,184,297	**-**	-
COVID-19 related rent concession		**(149,044)**	(99,766)	**-**	-
Depreciation of property, plant and equipment		**13,592,285**	12,720,035	**-**	-
Fair value adjustment on other investments		**36,982,054**	43,595,884	**-**	801,230
Gain on disposal of property, plant and equipment		**(200,000)**	-	**-**	-
Initial recognition on fair value of free warrants		**-**	(5,509,500)	**-**	-
Fair value adjustment of free warrants		**-**	(3,271,988)	**-**	-
Gain on termination of lease contract:					
- derecognition of right-of-use assets		**-**	76,792	**-**	-
- derecognition of lease liability		**-**	(91,900)	**-**	-
Gain on modification of lease contract:					
- modification of right-of-use assets		**794,708**	-	**-**	-
- modification of lease liability		**(985,510)**	-	**-**	-
Impairment loss on:					
- intangible assets		**616,140**	1,420,711	**-**	-
- other receivables		**-**	2,066,400	**-**	-
- trade receivables		**4,535,539**	4,315,305	**-**	-
- amounts due from subsidiaries		**-**	-	**112,186,372**	41,895,235
- investment in subsidiaries		**-**	-	**-**	5,416,030
- investment in associates		**67,126,190**	6,215,853	**1,121,722**	-
Interest expense		**1,443,363**	1,598,679	**-**	-
Interest income		**(1,820,808)**	(2,822,777)	**(952,809)**	(1,069,918)
Lease interest income		**(40,669)**	(43,068)	**-**	-
Reversal of impairment loss on:					
- amounts due from subsidiaries		**-**	-	**-**	(4,756,189)
- investment in subsidiaries		**-**	-	**(1,537,754)**	-
- trade receivables		**(184,260)**	-	**-**	-
Share-based payment expenses		**5,026,838**	5,529,875	**-**	250,451
Share of joint venture's loss		**1,726,886**	473,776	**-**	-
Share of associates' loss		**1,812,152**	1,520,518	**-**	-
Unrealised (gain)/loss on foreign exchange		**(17,342,259)**	(2,157,379)	**(120,386)**	8,464
Written off of:					
- intangible assets		**105,765**	-	**-**	-
- inventories		**18,827**	-	**-**	-
- property, plant and equipment		**7,785**	154,611	**-**	-
- trade receivables		**183**	-	**-**	-
- other receivables		**62,154**	-	**-**	-
Operating profit/(loss) before working capital changes		**27,352,607**	22,018,217	**(1,733,789)**	(3,654,880)

Statements of Cash Flows (Cont'd)

For the Financial Year ended 30 September 2022

	Note	Group		Company	
		2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Balance brought forward		**27,352,607**	22,018,217	**(1,733,789)**	(3,654,880)
Changes in working capital:					
Inventories		**(1,648,039)**	(904,910)	**-**	-
Trade receivables		**(3,196,860)**	(4,894,000)	**-**	-
Finance lease receivable		**154,643**	96,065	**-**	-
Other receivables		**(6,163,864)**	(721,036)	**(5,056,995)**	9,004
Trade payables		**(1,607,125)**	5,683,563	**-**	-
Other payables		**(8,008,477)**	23,723,356	**46,818**	(273,232)
Contract liabilities		**588,210**	423,411	**-**	-
		(19,881,512)	23,406,449	**(5,010,177)**	(264,228)
Cash generated from/(used in) operations		**7,471,095**	45,424,666	**(6,743,966)**	(3,919,108)
Interest received		**1,852,933**	2,856,672	**952,809**	1,069,918
Interest paid		**(1,443,363)**	(1,598,679)	**-**	-
Tax paid		**(941,831)**	(771,523)	**(9,578)**	(11,261)
Tax refund		**150,000**	-	**-**	-
Net cash from/(used in) operating activities		**7,088,834**	45,911,136	**(5,800,735)**	(2,860,451)
Cash Flows from Investing Activities					
Acquisition of other investment	14	**(19,008,752)**	(87,946,935)	**-**	-
Acquisition of subsidiary, net of cash and cash equivalents acquired	11(a)	**(8,794,286)**	-	**-**	-
Advances to subsidiaries		**-**	-	**(46,097,165)**	(138,966,043)
Incorporation of subsidiaries	11(a)	**-**	-	**(2)**	-
Investment in joint venture	13	**-**	(4,500,000)	**-**	-
Investment in associates	12	**(56,649,857)**	(45,735,009)	**-**	-
Proceeds from disposal of other investment		**-**	8,781,488	**-**	-
Purchase of property, plant and equipment	9(a)	**(27,059,059)**	(14,761,368)	**-**	-
Purchase of intangible assets	10	**(4,458,854)**	(1,822,901)	**-**	-
Proceeds from disposal of property, plant and equipment		**200,000**	-	**-**	-
Net cash used in investing activities		**(115,770,808)**	(145,984,725)	**(46,097,167)**	(138,966,043)

Statements of Cash Flows (Cont'd)

For the Financial Year ended 30 September 2022

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
Balance brought forward		**(108,681,974)**	(100,073,589)	**(51,897,902)**	(141,826,494)
Cash Flows from Financing Activities					
Proceeds from issuance of ordinary shares		**30,206,839**	85,921,291	**30,206,839**	85,921,291
Increase in fixed deposit pledged		**(7,491)**	(12,178)	**-**	-
Payment for the principal portion of lease liabilities	(ii)(iii)	**(4,937,505)**	(4,680,733)	**-**	-
(Repayment to)/Advances from a subsidiary	(iii)	**-**	-	**(2,865,515)**	2,865,515
Net cash from financing activities		**25,261,843**	81,228,380	**27,341,324**	88,786,806
Net decrease in cash and cash equivalents		**(83,420,131)**	(18,845,209)	**(24,556,578)**	(53,039,688)
Cash and cash equivalents at the beginning of the financial year		**163,361,679**	181,882,391	**68,487,508**	121,535,660
Effect of exchange rate changes on cash and cash equivalents held		**2,947,255**	324,497	**120,386**	(8,464)
Cash and cash equivalents at the end of the financial year	(i)	**82,888,803**	163,361,679	**44,051,316**	68,487,508

Note:

(i) Cash and cash equivalents comprise of the following: -

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Fixed deposits with a licensed bank	**412,399**	404,908	**-**	-
Short-term fund	**43,212,347**	68,168,842	**43,212,347**	68,168,842
Cash and bank balances	**39,676,456**	95,192,837	**838,969**	318,666
Total cash and cash equivalents (Note 22)	**83,301,202**	163,766,587	**44,051,316**	68,487,508
Less: Fixed deposit pledged (Note 22(i))	**(412,399)**	(404,908)	**-**	-
	82,888,803	163,361,679	**44,051,316**	68,487,508

Statements of Cash Flows (Cont'd)

For the Financial Year ended 30 September 2022

Note: (cont'd)

(ii) Cash outflows for leases as a lessee

	Group	
	2022 RM	**2021 RM**
Included in net cash from operating activities:		
Interest paid in relation to lease liabilities	**1,443,363**	1,598,679
Payment related to short term lease of premises	**1,951,820**	1,607,410
Included in net cash from financing activities:		
Payment for the principal portion of lease liabilities	**4,937,505**	4,680,733
	8,332,688	7,886,822

(iii) Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Group Lease liabilities RM	**Company Amount due to subsidiary RM**
2022		
At beginning of the financial year	**13,439,001**	**2,865,515**
Repayment to, representing net changes in cash flows from financing activities	**(4,937,505)**	**(2,865,515)**
Acquisition of new leases (Note 9(a))	**4,197,230**	**-**
Modification of lease liability	**(985,510)**	**-**
COVID-19 related rent concession	**(149,044)**	**-**
At end of the financial year	**11,564,172**	**-**
2021		
At beginning of the financial year	13,232,603	-
Repayment to	(4,680,733)	-
Advances from	-	2,865,515
Net changes in cash flows from financing activities	(4,680,733)	2,865,515
Acquisition of new leases (Note 9(a))	5,078,797	-
Derecognition of lease liability	(91,900)	-
COVID-19 related rent concession	(99,766)	-
At end of the financial year	13,439,001	2,865,515

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

Notes to the Financial Statements

30 September 2022

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and was listed on the Ace Market of the Bursa Malaysia Securities Berhad.

The registered office of the Company is located at 22-09 Menara 1MK, No.1, Jalan Kiara, 50480 Kuala Lumpur.

The principal place of business of the Company is located at Lot 8.1, 8th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan.

The Company is principally engaged in the business of investment holding. The principal activities of its subsidiaries are set out in Note 11. There have been no significant changes in the nature of these activities of the Group and of the Company during the financial year.

The financial statements were authorised for issue in accordance with Board of Directors' resolution dated 11 January 2023.

2. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The Group and the Company have also considered the new accounting pronouncements in the preparation of the financial statements.

(i) Accounting pronouncements that are effective and adopted during the financial year

The Group and the Company have adopted the following new accounting pronouncements that are mandatory for the current financial year:

Amendments to MFRS 9, MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform – Phase 2
Amendments to MFRS 16	COVID-19 – Related Rent Concession beyond 30 June 2021
Amendments to References to the Conceptual Framework in MFRSs	

The adoption of the above pronouncements did not have any significant effect on the financial statements of the Group and of the Company.

(ii) Accounting pronouncements that are issued but not yet effective and have not been early adopted

The Group and the Company have not adopted the following accounting pronouncements that have been issued as at the date of authorisation of these financial statements but are not yet effective for the Group and the Company.

Effective for financial periods beginning on or after 1 January 2022

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

Notes to the Financial Statements (Cont'd)

30 September 2022

2. BASIS OF PREPARATION (CONT'D)

(a) Statement of compliance (cont'd)

(ii) Accounting pronouncements that are issued but not yet effective and have not been early adopted (cont'd)

Effective for financial periods beginning on or after 1 January 2023

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative Information
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Effective for financial periods beginning on or after 1 January 2024

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback

Effective date to be announced

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group and the Company will adopt the above accounting pronouncements when they become effective in the respective financial periods. These accounting pronouncements are not expected to have any effect to the financial statements of the Group and of the Company upon their initial application.

(b) Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost convention except for those as disclosed in the accounting policy notes.

(c) Functional and presentation currency

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's and the Company's functional currency.

(d) Significant accounting estimates and judgements

The summary of accounting policies as described in Note 3 are essential to understand the Group's and the Company's results of operations, financial position, cash flows and other disclosures. Certain of these accounting policies require critical accounting estimates that involve complex and subjective judgements and the use of assumptions, some of which may be for matters that are inherently uncertain and susceptible to change. Directors exercise their judgement in the process of applying the Group's and the Company's accounting policies.

Notes to the Financial Statements (Cont'd)

30 September 2022

2. BASIS OF PREPARATION (CONT'D)

(d) Significant accounting estimates and judgements (cont'd)

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and of the Company's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The key assumptions concerning the future and other key sources of estimation or uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below.

(i) Impairment of financial assets

The Group and the Company assess on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses and adjusts for qualitative and quantitative reasonable and supportable forward-looking information (if any). If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables. The carrying amount of trade receivables as at the reporting date is disclosed in Note 20.

For other receivables, the Group and the Company apply the approach permitted by MFRS 9, which requires the Group and the Company to measure the allowance for impairment loss for that financial asset at an amount based on the probability of default occurring within the next 12 months considering the loss given default of that financial asset.

For amounts due from joint venture and subsidiaries, the Group and the Company determine the recoverability of its amounts due from joint venture and subsidiaries based on the future discounted cash flows of the joint venture and respective subsidiaries, for which significant judgment is required in the estimation of the present value of future cash flows generated by the joint venture's and respective subsidiaries' operations. This involves uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The net carrying amount of joint venture and amounts due from subsidiaries as at the reporting date is disclosed in Note 17 and 21 respectively.

(ii) Impairment of property, plant and equipment, intangible assets, investment in subsidiaries and investment in joint venture

The Group and the Company determine whether an item of its property, plant and equipment, intangible assets, investment in subsidiaries and joint venture is impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. Discounted cash flows is used to determine the recoverable amount of which significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amounts of property, plant and equipment, intangible assets, investment in subsidiaries and joint venture as at the reporting date are disclosed in Notes 9, 10, 11 and 13.

(iii) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis and at other times when such indication exists. This requires management to estimate the expected future cash flows of the cash-generating unit to which goodwill is allocated and to apply a suitable discount rate in order to determine the present value of those cash flows. The future cash flows are most sensitive to budgeted gross margins, growth rates estimated and discount rate used. If the expectation is different from the estimation, such difference will impact the carrying value of goodwill. The carrying amount of goodwill as at reporting date are disclosed in Note 15.

Notes to the Financial Statements (Cont'd)

30 September 2022

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

(a) Basis of consolidation

Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

The Company controls an investee if and only if the Company has all the following:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant power activities of the investee);
(ii) Exposure, or rights, to variable returns from its investment with the investee; and
(iii) The ability to use its power over the investee to affect its returns.

When the Company has less than a majority of the voting rights of an investee, the Company considers the following in assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee:

(i) The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
(ii) Potential voting rights held by the Company, other vote holders or other parties;
(iii) Rights arising from other contractual arrangements; and
(iv) Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary.

Losses within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. The resulting difference is recognised directly in equity and attributed to Owners of the Company.

When control ceases, the disposal proceeds and the fair value of any retained investment are compared to the Group's share of the net assets disposed. The difference together with the carrying amount of allocated goodwill and the exchange reserve that relate to the subsidiary is recognised as gain or loss on disposal.

Business combination

Acquisitions of subsidiaries are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. The Group elects on a transaction-by-transaction basis whether to measure the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Transaction cost incurred are expensed and included in administrative expenses.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes in the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with MFRS 9 either in profit or loss or a change to other comprehensive income. If the contingent consideration is classified as equity, it will not be remeasured. Subsequent settlement is accounted for within equity. In instances where the contingent consideration does not fall within the scope of MFRS 9, it is measured in accordance with the appropriate MFRS.

Notes to the Financial Statements (Cont'd)

30 September 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of consolidation (cont'd)

Business combination (cont'd)

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Subsidiaries

In the Company's separate financial statements, investment in subsidiaries are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in the profit or loss.

Non-controlling interests

Non-controlling interests represent the equity in subsidiaries not attributable directly or indirectly, to Owners of the Company, and is presented separately in the Group's statements of comprehensive income and within equity in the Group's statements of financial position, separately from equity attributable to Owners of the Company. Non-controlling interest is initially measured at acquisition-date share of net assets other then goodwill as of the acquisition after and is subsequently adjusted for the changes in the net assets of the subsidiary after the acquisition date.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to Owners of the Company.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions between subsidiaries in the Group, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted associates are eliminated against the investment to the extent of the Group's interest in the investees. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Associates

Associates are entities, in which the Group has significant influence, but not control, over the financial and operating policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method less any impairment losses. The cost of the investment includes transaction costs. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the associates, after adjustments if any, to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

Notes to the Financial Statements (Cont'd)

30 September 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of consolidation (cont'd)

Associates (cont'd)

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investments is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the associate's operations or has made payments on behalf of the associate.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. The difference between the fair value of any retained interest plus proceeds from the interest disposed of and the carrying amount of the investment at the date when equity method is discontinued is recognised in the profit or loss.

When the Group's interest in an associate decrease but does not result in a loss of significant influence, any retained interest is not re-measured. Any gain or loss arising from the decrease in interest is recognised in the profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to profit or loss.

Joint arrangements

A joint arrangement is an arrangement of which there is contractually agreed sharing of control by the Group with one or more parties, where decisions about the relevant activities relating to the joint arrangement require unanimous consent of the parties sharing control. A joint venture is a joint arrangement whereby the joint venturers have rights to the net assets of the arrangement.

The Group's interest in joint venture is accounted for in the consolidated financial statements using the equity method. Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the joint venture in profit or loss, and the Group's share of movements in other comprehensive income of the joint venture in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint ventures.

The Group determines at each reporting date whether there is any objective evidence that the investment in the joint venture is impaired. An impairment is recognised for the amount by which the carrying amount of the joint venture exceeds its recoverable amount and recognises the amount in profit or loss.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the assets transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

When the Group ceases to equity account its joint venture because of a loss of joint control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as a financial asset. In addition, any amount previously recognised in other comprehensive income in respect of the entity is accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture is reduced but joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

Notes to the Financial Statements (Cont'd)

30 September 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Foreign currencies

Foreign currency translations and balances

Transactions in foreign currencies are converted into the functional currency at rates of exchange ruling at the transaction dates. Monetary assets and liabilities in foreign currencies at the end of each reporting period are translated into the functional currency at rates of exchange ruling at that date. All exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are included in profit or loss in the period in which they arise. Non-monetary items initially denominated in foreign currencies, which are carried at historical cost are translated using the historical rates as of the date of acquisition, and non-monetary items, which are carried at fair value are translated using the exchange rate that existed when the values were determined for presentation currency purposes.

Foreign operations

Financial statements of foreign operations are translated at end of each reporting period exchange rates with respect to their assets and liabilities, and at exchange rates at the dates of the transactions with respect to the statements of comprehensive income. All resulting translation differences are recognised as a separate component of equity.

In the consolidated financial statements, exchange differences arising from the translation of net investment in foreign operations are taken to equity. When a foreign operation is partially disposed or sold, exchange differences that were recorded in equity are recognised in profit or loss as part of the gain or loss on disposal.

Exchange differences arising on a monetary item that forms part of the net investment of the Company in a foreign operation shall be recognised in profit or loss in the separate financial statements of the Company or the foreign operation, as appropriate. In the consolidated financial statements, such exchange differences shall be recognised initially as a separate component of equity and recognised in profit or loss upon disposal of the net investment.

(c) Revenue and other income recognition

(i) Revenue from contracts with customers

The Group is in the business of providing telecommunication services, mobile application related services, e-commerce and digital advertising.

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer and is measured at the consideration specified in the contract of which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts.

The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of that asset.

Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time. The Group transfers control of a good or service at a point in time unless one of the following over time criteria is met:

- The customer simultaneously receives and consumes the benefits provided as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Notes to the Financial Statements (Cont'd)

30 September 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Revenue and other income recognition (cont'd)

(i) Revenue from contracts with customers (cont'd)

The Group has identified its Performance Obligation ("PO") toward its customers as follows:

(a) Telecommunication services

Telecommunication services revenue from postpaid and prepaid services provided by the Group are recognised over time, as the benefits of telecommunication services are simultaneously received and consumed by the customer. Included in telecommunication services also refer to Short Message Service ("SMS") blasting services rendered to customers which are recognised at point in time.

Revenue from prepaid services (i.e. preloaded talk time, prepaid top-up vouchers, etc.) are satisfied when services are rendered. Consideration from the sale of prepaid sim cards, reload vouchers and e-recharge to customers (subscribers) where services have not been rendered at the reporting date is deferred as contract liability until actual usage or when the cards, vouchers or reloaded amounts are expired or forfeited. Payment from distribution channel is generally due to from 7 to 30 days when e-recharge and prepaid top-up voucher is transferred.

Postpaid services are provided in postpaid packages which consists of various services (i.e. call minutes, internet data, SMS, etc.). These postpaid packages have been assessed to meet the definition of a series of distinct services that are substantially the same and have the same pattern of transfer and as such the Group treats these packages as a single performance obligation. Payment is generally due 30 days from the date when PO is satisfied.

Postpaid packages are either sold separately or bundled together with the sale of a mobile device to a customer. Mobile devices can also be obtained separately from other mobile device retailers and can be used together with the postpaid packages provided by the Group. Postpaid packages and mobile devices are capable of being distinct and separately identifiable, therefore, there are two performance obligations within a bundled transaction. Accordingly, the Group allocates the transaction price based on the relative stand-alone selling prices of the postpaid packages and device. Stand-alone selling price are based on observable sales prices; however, where stand-alone selling prices are not directly observable, estimates will be made maximising the use of observable inputs.

Revenue from SMS blasting services are recognised based on monthly actual usage of the customers at point in time. Payment is generally due 30 days from the date when PO is satisfied.

(b) Mobile application services

Revenue from mobile application services refers to prepaid services (i.e. preloaded air time) via Voopee mobile application provided by the Group. Sales of mobile application services is satisfied upon services are rendered. Revenue from mobile application services is recognised over time, as the benefits of mobile application services are simultaneously received and consumed by the customer.

(c) E-commerce

E-commerce sales refers to sales of phone device and non-telecommunication products to distribution channels or subscribers through digital communications platform. E-commerce sales is satisfied upon delivery of goods where the control of the goods has been transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods, net of indirect taxes and discounts.

For distribution channels, payment is generally due ranging from 30 days to 60 days from the date when PO is satisfied, whereas payment from subscribers is made before the goods are delivered. Revenue is recognised at point in time when customers have acknowledged the receipt of good sold.

Notes to the Financial Statements (Cont'd)

30 September 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Revenue and other income recognition (cont'd)

(i) Revenue from contracts with customers (cont'd)

(d) Digital advertising

Revenue from digital advertising services generally refers to publish the advertisement content provided by the advertiser through digital communications platform. Sales of digital advertising services is satisfied and recognised over the period in which fulfilment in accordance with the contract with customer is met.

Revenue is generated in barter transactions in exchange of the goods provided by the advertisers and is due within 7 days from the date of execution of Agreement. Such revenues are measured at the estimated fair market value of the goods received. The fair market value of the goods received is recorded as an asset when they qualify for asset recognition or are otherwise expensed to profit or loss.

Cost to obtain a contract

The Group pays sales commissions to external distribution channels as an incentive for each new registration, top-up of reload vouchers or e-recharge by the customers to the Group's telecommunication services or bulk purchase of e-commerce of products. Sales commissions have been determined to be an incremental cost of obtaining a contract and are capitalised as contract costs when the Group expects these costs to be recovered over a period of more than one year.

Contract costs are amortised over the expected customer life cycle by reference to the basis consistent with the subsequent income recognition of the related deferred revenue. For contract costs with an amortisation period of less than one year, the Group has elected to apply the practical expedient to recognise as an expense when incurred. Amortisation of contract costs are included as part of selling and distribution expenses in the profit or loss, based on the nature of commission costs, and not under amortisation expenses.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group performs under the contract.

For prepaid, postpaid, mobile application services, e-commerce and digital advertising, a contract liability is recognised when consideration is received from the customer, but services are yet to be performed.

(ii) Interest income

Interest income is recognised on a time proportion basis that reflects the effective yield on asset.

(iii) Registration fee

Registration fee is recognised in profit or loss on the date the Group has rendered its services to its dealers. Registration fee from dealers is recognised as other income.

Notes to the Financial Statements (Cont'd)

30 September 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Employee benefits

(i) Short term employee benefits

Wages, salaries, social security contributions and bonuses are recognised as an expense in the financial year in which the associated services are rendered by employees of the Group and of the Company. Short term accumulating compensated absences such as paid annual leave is recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when absences occur.

The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period.

(ii) Defined contribution plan

As required by law, companies in Malaysia make contributions to the state pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense as incurred. Once the contributions have been paid, the Group and the Company have no further payment obligations.

(iii) Equity-settled share-based payment transaction

The Group operates an equity-settled, share-based compensation plan for the Directors and employees of the Group for equity instruments of the Company (known as "share options"). Employee services received in exchange for the grant of the share options is recognised as an expense in the profit or loss over the vesting periods of the grant with a corresponding increase in equity.

In the Company's separate financial statements, the grant of the share options to the subsidiaries' Directors and employees is not recognised as an expense. Instead, the fair value of the share options measured at the grant date is accounted for as an increase to the investment in subsidiary undertaking with a corresponding credit to the employee share option reserve.

When the options are exercised, the Company issues new ordinary shares. The proceeds received net of any directly attributable transaction costs are credited to ordinary shares when the options are exercised. The share options reserves are transferred to ordinary shares when the options are exercised. When options are not exercised and lapsed, the share options reserve is transferred to retained earnings.

(e) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Interest incurred on borrowings costs that are directly attributable to the acquisition, construction or production of a qualifying asset related to property development activities or construction of assets are capitalised as part of the cost of the asset during the period of time required to complete and prepare the asset for its intended use. Capitalisation of borrowing costs ceases when the assets are ready for their intended use or sale whereby the assets are no longer qualifying asset.

Notes to the Financial Statements (Cont'd)

30 September 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Income taxes

Current tax

Tax expense represents the aggregate amount of current and deferred tax. Current tax is the expected amount payable in respect of taxable income for the financial year, using tax rates enacted or substantively enacted by the reporting date, and any adjustments recognised for prior years' tax. When an item is recognised outside profit or loss, the related tax effect is recognised either in other comprehensive income or directly in equity.

Deferred tax

Deferred tax is recognised using the liability method, on all temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not recognised if the temporary difference arises from the initial recognition of an asset or liability in a transaction, which is not a business combination and at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to apply in the period in which the assets are realised or the liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are recognised only to the extent that there are sufficient taxable temporary differences relating to the same taxable entity and the same taxation authority to offset or when it is probable that future taxable profits will be available against which the assets can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will be available for the assets to be utilised.

Deferred tax assets relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in relation to the underlying transactions either in other comprehensive income or directly in equity and deferred tax arising from business combination is adjusted against goodwill on acquisition or the amount of any excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the acquisition cost.

(g) Leases

As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are presented within property, plant and equipment and lease liabilities are presented as a separate line in the statements of financial position.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

Notes to the Financial Statements (Cont'd)

30 September 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Leases (cont'd)

As a lessee (cont'd)

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The Group applies MFRS 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 3(n)(ii).

The lease liability is initially measured at the present value of the future lease payments at the commencement date, discounted using the Group's incremental borrowing rates. Lease payments included in the measurement of the lease liability include fixed payments, any variable lease payments, amount expected to be payable under a residual value guarantee, and exercise price under an extension option that the Group is reasonably certain to exercise.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if the Group changes its assessment of whether it will exercise an extension or termination option.

Lease payments associated with short term leases and leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less. Low value assets are those assets valued at less than RM20,000 each when purchased new.

As a lessor

When the Group is an intermediate lessor, it assesses the lease classification of a sublease as a finance or an operating lease with reference to the right-of-use assets arising from the head lease, not with reference to the underlying asset.

Finance leases

The Group classifies a lease as a finance lease if the lease transfers substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee. The Group derecognises the underlying asset and recognises a receivable at an amount equal to the net investment in a finance lease. Net investment in a finance lease is measured at an amount equal to the sum of the present value of lease payments from lessee. Lease income is recognised over the term of the lease using the net investment method so as to reflect a constant periodic rate of return.

(h) Earnings per share

Basic earnings per share ("EPS") is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares, which comprise free warrants B and C and ICPS granted to shareholders and share options granted to employees.

Notes to the Financial Statements (Cont'd)

30 September 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

(i) Recognition and measurement

Cost includes expenditures that are directly attributable to the acquisition of the assets and any other costs directly attributable to bringing the asset to working condition for its intended use, cost of replacing component parts of the assets, and the present value of the expected cost for the decommissioning of the assets after their use. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. All other repair and maintenance costs are recognised in profit or loss as incurred.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in the profit or loss on straight line basis over its estimated useful lives of each component of an item of property, plant and equipment.

Property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:

Telecommunication network and equipment	10 years
Office equipment	5 years
Furniture and fittings	10 years
Renovation	10 years
Motor vehicles	5 years
Leased properties	2 to 6 years
Leased signboard	3 years
Freehold land and building	50 years

Capital work-in-progress are not depreciated but are tested for impairment annually and whenever there is an indication that they may be impaired.

Depreciation methods, useful lives and residual values are reviewed at end of the reporting period and adjusted as appropriate.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these property, plant and equipment.

Notes to the Financial Statements (Cont'd)

30 September 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Intangible assets

(i) Recognition and measurement

Intangible assets which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets which have indefinite lives and are not yet available for use are stated at cost less accumulated impairment losses.

Capital work-in-progress is stated at cost less any accumulated impairment losses and includes borrowing cost incurred during the period of development.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific intangible asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

(iii) Amortisation

Amortisation is calculated based on the cost of an intangible asset less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:

Mobile and telecommunication software	5 - 10 years

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted, if appropriate.

Intangible assets with indefinite useful lives, intangible assets not yet available for use and capital work-in-progress are not amortised but are tested for impairment annually and whenever there is an indication that they may be impaired.

(k) Inventories

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories is measured based on weighted average cost formula, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

(l) Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and on hand, fixed deposits placed with a licensed bank and short-term fund that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of pledged deposits, if any.

Notes to the Financial Statements (Cont'd)

30 September 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) Financial instruments

(i) Initial recognition and measurement

A financial asset or a financial liability is recognised in the statements of financial position when, and only when, the Group or the Company become a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

An embedded derivative is recognised separately from the host contract where the host contract is not a financial asset, and accounted for separately if, and only if, the derivative is not closely related to the economic characteristics and risks of the host contract and the host contract is not measured at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

(ii) Financial instrument categories and subsequent measurement

The Group and the Company categorise financial instruments as follows:

Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Group or the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

(a) Amortised cost

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss. Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets.

(b) Fair value through profit or loss

All financial assets not measured at amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. This includes derivative financial assets (except for a derivative that is a designated and effective hedging instrument). On initial recognition, the Group or the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. Financial assets categorised as fair value through profit or loss are subsequently measured at their fair value. Net gains or losses, including any interest or dividend income, are recognised in the profit or loss.

All financial assets, except for those measured at fair value through profit or loss, are subject to impairment assessment under Note 3(n)(i).

Notes to the Financial Statements (Cont'd)

30 September 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) Financial instruments (cont'd)

(ii) Financial instrument categories and subsequent measurement (cont'd)

Financial liabilities

The category of financial liabilities at initial recognition is as follows:

Amortised cost

Other financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Group or the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

(iv) Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting. Trade date accounting refers to:

(a) the recognition of an asset to be received and the liability to pay for it on the trade date, and
(b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

(v) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or control of the asset is not retained or substantially all of the risk and rewards of ownership of the financial assets are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Notes to the Financial Statements (Cont'd)

30 September 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(n) Impairment

(i) Financial assets

The Group and the Company recognise loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost. Expected credit losses are a probability-weighted estimate of credit losses.

Loss allowance of the Group and of the Company are measured on either of the following basis:

(i) 12-month ECLs – represents the ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or

(ii) Lifetime ECLs – represents the ECLs that will result from all possible default events over the expected life of a financial instrument.

The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Simplified approach - trade receivables and finance lease receivables

The Group applies the simplified approach to provide ECLs for all trade receivables and finance lease receivables as permitted by MFRS 9. The simplified approach required expected lifetime losses to be recognised from initial recognition of the receivables. The ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where applicable.

General approach - other financial instruments

The Group and the Company apply the general approach to provide for ECLs on all other financial instruments, which requires the loss allowance to be measured at an amount equal to 12-months ECLs at initial recognition.

At each reporting date, the Group and the Company assess whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs. In assessing whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment and including forward looking information, where available.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

Credit impaired financial assets

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost is credit impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the observable data about the following events:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or significant past due event (e.g. being more than the range from 30 to 150 days past due);
- The lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider (e.g. the restructuring of a loan or advance by the Group and the Company on terms that the Group and the Company would not consider otherwise);
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for security because of financial difficulties.

Notes to the Financial Statements (Cont'd)

30 September 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(n) Impairment (cont'd)

(i) Financial assets (cont'd)

Write-off policy

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's or the Company's procedures for recovery of amounts due. Any recoveries made are recognised in profit or loss.

(ii) Non-financial assets

The carrying amounts of non-financial assets (except for deferred tax assets and inventories) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised immediately in profit or loss, unless the asset is carried at a revalued amount, in which such impairment loss is recognised directly against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

The recoverable amount of an asset or cash-generating units is the greater of its value in use and its fair value less costs to sell. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Assets that were previously impaired are reviewed for possible reversal of the impairment at the end of each reporting period. Any subsequent increase in recoverable amount is recognised in the profit or loss unless it reverses an impairment loss on a revalued asset in which case it is taken to revaluation reserve. Reversal of impairment loss is restricted by the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

Except for goodwill, assets that were previously impaired are reviewed for possible reversal of the impairment at the end of each reporting period. Any subsequent increase in recoverable amount is recognised in the profit or loss unless it reverses an impairment loss on a revalued asset in which case it is taken to revaluation reserve. Reversal of impairment loss is restricted by the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

An impairment loss recognised for goodwill is not reversed.

An impairment loss is recognised for the amount by which the carrying amount of the subsidiary or associate exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and present value of the estimated future cash flows expected to be derived from the investment including the proceeds from its disposal. Any subsequent increase in recoverable amount is recognised in profit or loss.

Notes to the Financial Statements (Cont'd)

30 September 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of their liabilities.

Ordinary shares

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

ICPS

Preference share capital is classified as equity if it is non-redeemable and any dividends are at the Company's discretion. Dividends thereon are recognised as distributions within equity.

Bonus Issue of Warrants

There is no proceed received by the Company arising from the Bonus Issue of warrant, accordingly, no allocation of proceeds is required to account for the fair value of warrant issued.

(p) Operating segments

Operating segments are defined as components of the Group that:

(a) engage in business activities from which it could earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group);

(b) whose operating results are regularly reviewed by the chief operating decision maker of the Group in making decisions about resources to be allocated to the segment and assessing its performance; and

(c) for which discrete financial information is available.

The Group reports separately information about each operating segment that meets any of the following quantitative thresholds:

(a) its reported revenue, including both sales to external customers and intersegment sales or transfers, is 10% or more of the combined revenue, internal and external, of all operating segments.

(b) the absolute amount of its reported profit or loss is 10% or more of the greater, in absolute amount of:
  (i) the combined reported profit of all operating segments that did not report a loss; and
  (ii) the combined reported loss of all operating segments that reported a loss.

(c) its assets are 10% or more of the combined assets of all operating segments.

Operating segments that do not meet any of the quantitative thresholds may be considered reportable, and separately disclosed, if the management believes that information about the segment would be useful to users of the financial statements.

Total external revenue reported by operating segments shall constitute at least 75% of the revenue of the Group. Operating segments identified as reportable segments in the current financial year in accordance with the quantitative thresholds would result in a restatement of prior period segment data for comparative purposes.

(q) Goodwill

Goodwill acquired in a business combination represents the difference between the purchase consideration and the Group's interest in the net fair value of the identifiable assets at the date of acquisition.

Goodwill is allocated to cash-generating units and is stated at cost less accumulated impairment losses, if any. Impairment test is performed annually. Goodwill is also tested for impairment when indication of impairment exists. Impairment losses recognised are not reversed in subsequent periods.

Upon the disposal of investment in the subsidiary, the related goodwill will be included in the computation of gain or loss on disposal of investment in the subsidiary in the profit or loss.

Notes to the Financial Statements (Cont'd)

30 September 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(r) Fair value measurements

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group and the Company used observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.

Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 : Unobservable inputs for the asset or liability.

The Group and the Company recognised transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

4. REVENUE

	Note	Group	
		2022 RM	2021 RM
Revenue from contracts with customers:			
Telecommunication services			
- SMS blasting services		**7,549,745**	5,263,558
- Prepaid, postpaid and other services	(i)	**277,114,164**	309,005,136
Mobile applications services	(ii)	**99,232**	57,212
Digital advertising	(iii)	**137,243**	16,511
E-commerce	(iv)	**8,715,407**	4,697,605
Phone devices		**-**	15,586,271
		293,615,791	334,626,293
Timing of revenue recognition:			
Point in time		**16,265,152**	25,547,434
Over time		**277,350,639**	309,078,859
		293,615,791	334,626,293

The accounting policy for the Group's revenue is disclosed in the Note 3(c).

Notes to the Financial Statements (Cont'd)

30 September 2022

4. REVENUE (CONT'D)

Unsatisfied contracts

The following table shows unsatisfied performance obligations resulting from telecommunication services revenue (prepaid, postpaid and other services), mobile application services, e-commerce and digital advertising revenue.

Revenue recognised over time:

(i) Telecommunication services

	Group	
	2022 RM	**2021 RM**
Total contracted revenue	**301,471,369**	332,899,737
Less: Telecommunication services revenue recognised	**(277,114,164)**	(309,005,136)
Aggregate amount of the transaction price allocated to telecommunication services revenue that are partially or fully unsatisfied as at 30 September	**24,357,205**	23,894,601

The remaining unsatisfied performance obligations are expected to be recognised as revenue within the next 28 months (2021: 28 months).

(ii) Mobile application services

	Group	
	2022 RM	**2021 RM**
Total contracted revenue	**576,063**	532,111
Less: Mobile applications services revenue recognised	**(99,232)**	(57,212)
Aggregate amount of the transaction price allocated to mobile application services revenue that are partially or fully unsatisfied as at 30 September	**476,831**	474,899

The remaining unsatisfied performance obligations are expected to be recognised as revenue within the next 12 months (2021: 12 months).

Notes to the Financial Statements (Cont'd)

30 September 2022

4. REVENUE (CONT'D)

Unsatisfied contracts (cont'd)

Revenue recognised over time: (cont'd)

(iii) Digital advertising

	Group	
	2022 RM	**2021 RM**
Total contracted revenue	**323,739**	60,000
Less: Digital advertising revenue recognised	**(137,243)**	(16,511)
Aggregate amount of the transaction price allocated to digital advertising revenue that are partially or fully unsatisfied as at 30 September	**186,496**	43,489

The remaining unsatisfied performance obligations are expected to be recognised as revenue within the next 6 months (2021: 6 months).

Revenue recognised point-in-time:

(iv) E-commerce

	Group	
	2022 RM	**2021 RM**
Total contracted revenue	**8,740,159**	4,741,690
Less: E-commerce revenue recognised	**(8,715,407)**	(4,697,605)
Aggregate amount of the transaction price allocated to E-commerce revenue that are partially or fully unsatisfied as at 30 September	**24,752**	44,085

The remaining unsatisfied performance obligations are expected to be recognised as revenue within the next 1 month (2021: 1 month).

Notes to the Financial Statements (Cont'd)

30 September 2022

5. LOSS BEFORE TAX

Loss before tax is derived after charging/(crediting):

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Auditors' remuneration:				
- statutory audit	**413,385**	395,251	**112,000**	103,000
- other services	**278,400**	147,000	**50,500**	39,500
Amortisation of intangible assets	**3,451,533**	3,184,297	**-**	-
COVID-19 related rent concession	**(149,044)**	(99,766)	**-**	-
Depreciation of property, plant and equipment	**13,592,285**	12,720,035	**-**	-
Directors' remuneration (Note (a))	**8,807,899**	5,136,019	**1,041,774**	1,022,381
Employee benefits expense (Note (b))	**26,774,668**	24,498,080	**-**	-
Gain on disposal of property, plant and equipment	**(200,000)**	-	**-**	-
Gain on termination of lease contract:				
- derecognition of right-of-use assets	**-**	76,792	**-**	-
- derecognition of lease liability	**-**	(91,900)	**-**	-
Gain on modification of lease contract:				
- modification of right-of-use assets	**794,708**	-	**-**	-
- modification of lease liability	**(985,510)**	-	**-**	-
Fair value adjustment of free warrants	**-**	(3,271,988)	**-**	-
Initial recognition on fair value of free warrants	**-**	(5,509,500)	**-**	-
Loss/(Gain) on foreign exchange:				
- realised	**125,410**	245,794	**-**	-
- unrealised	**(17,342,259)**	(2,157,379)	**(120,386)**	8,464
Impairment loss on:				
- intangible assets	**616,140**	1,420,711	**-**	-
- other receivables	**-**	2,066,400	**-**	-
- trade receivables	**4,535,539**	4,315,305	**-**	-
- amounts due from subsidiaries	**-**	-	**112,186,372**	41,895,235
- investment in associates	**67,126,190**	6,215,853	**1,121,722**	-
- investment in subsidiaries	**-**	-	**-**	5,416,030
Interest income	**(1,820,808)**	(2,822,777)	**(952,809)**	(1,069,918)
Lease interest income	**(40,669)**	(43,068)	**-**	-
Interest expense:				
- lease liabilities	**1,443,363**	1,598,679	**-**	-
Written off of:				
- intangible assets	**105,765**	-	**-**	-
- inventories	**18,827**	-	**-**	-
- property, plant and equipment	**7,785**	154,611	**-**	-
- trade receivables	**183**	-	**-**	-
- other receivables	**62,154**	-	**-**	-
Fair value adjustments on other investments	**36,982,054**	43,595,884	**-**	801,230
Reversal of impairment loss on:				
- amount due from subsidiary	**-**	-	**-**	(4,756,189)
- investment in a subsidiary	**-**	-	**(1,537,754)**	-
- trade receivables	**(184,260)**	-	**-**	-
Short term lease of premises	**1,951,820**	1,607,410	**-**	-

Notes to the Financial Statements (Cont'd)

30 September 2022

5. LOSS BEFORE TAX (CONT'D)

(a) Directors' remuneration:

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Executive Directors:				
Fees	**658,073**	397,108	**416,000**	277,930
Salaries, bonus and other emoluments	**2,345,080**	1,478,330	**166,000**	122,000
Contributions to defined contribution plan	**261,503**	162,788	**-**	-
Social security contribution	**2,829**	2,770	**-**	-
Share options granted under SIS and ESOS (Note 6)	**4,812,840**	2,467,623	**-**	250,451
	8,080,325	4,508,619	**582,000**	650,381
Non-executive Directors:				
Fees	**688,574**	567,400	**420,774**	312,000
Other emoluments	**39,000**	60,000	**39,000**	60,000
	727,574	627,400	**459,774**	372,000
Total	**8,807,899**	5,136,019	**1,041,774**	1,022,381

(b) Employee benefits expense:

	Group	
	2022 RM	**2021 RM**
Salaries, allowances and bonus	**23,560,824**	18,927,052
Contributions to defined contribution plan	**2,761,357**	2,301,922
Social security contribution	**238,489**	206,854
Share options granted under SIS and ESOS (Note 6)	**213,998**	3,062,252
	26,774,668	24,498,080

Notes to the Financial Statements (Cont'd)

30 September 2022

6. SHARE OPTIONS

Share Issuance Scheme ("SIS")

At an extraordinary general meeting held on 30 March 2015, the Company's shareholders approved the establishment of SIS for eligible Directors and employees of the Group. The effective date of implementation of the SIS is on 14 March 2016 ("Effective Date").

The salient features of the SIS Options are as follows:

(a) Any employee of the Group shall be eligible if as at the date of offer, the employee:
   (i) has attained at least eighteen (18) years of age;
   (ii) has been in the employment of the Group for a period of at least three (3) months of continuous service and has been confirmed in writing;
   (iii) is an employee in a company within the Group which is not dormant belonging to such categories of employment as determined by the SIS Committee; and
   (iv) who falls under such categories and criteria that the SIS Committee may decide at its absolute discretion from time to time.

(b) The maximum number of new shares to be issued pursuant to the exercise of the SIS Options which may be granted under the SIS shares shall not exceed thirty percent (30%) of the total issued and paid-up share capital of the Company (excluding treasury shares, if any) at any point of time throughout the duration of the SIS.

(c) The Scheme shall be in force for a period of five (5) years commencing from the effective date. The Scheme may be extended by the Board of Directors, upon the recommendation of the SIS Committee, without having to obtain approval from the Company's shareholders, for a further period of up to five (5) years immediately from the expiry of the first five (5) years but will not in aggregate exceed ten (10) years.

(d) The options granted may be exercised in full or in lesser number of ordinary shares provided that the number shall be in multiples of and not less than 100 shares.

(e) The new Company's shares ("new Shares") to be allotted and issued upon the exercise of the SIS Options shall, upon allotment and issue, rank pari passu in all respects with the existing Company's ordinary shares save and except that the new Shares will not be entitled to any distributions made or paid prior to the date of allotment of the new Shares. The SIS Options shall not carry any right to vote at a general meeting of the Company.

(f) The options granted are vesting immediately without any vesting conditions.

All the SIS Options had lapsed in the last financial year.

Notes to the Financial Statements (Cont'd)

30 September 2022

6. SHARE OPTIONS (CONT'D)

Employees' Scheme Option ("ESOS")

At an extraordinary general meeting held on 19 April 2021, the Company's shareholders approved the establishment of ESOS for eligible Directors and employees of the Group. The effective date of implementation of the ESOS is on 27 May 2021 ("Effective Date").

The salient features of the ESOS Options are as follows:

(a) Any employee of the Group shall be eligible if as at the date of offer, the employee:
   (i) has attained at least eighteen (18) years of age;
   (ii) under an employment contract for a fixed duration and has been in the employment of any company in the Group for such period as may be determined by the ESOS Committee;
   (iii) is an employee in a company within the Group which is not dormant belonging to such categories of employment as determined by the ESOS Committee; and
   (iv) who falls under such categories and criteria that the ESOS Committee may decide at its absolute discretion from time to time.

(b) The Director of the Group shall be eligible if as at the date of offer, the Director:
   (i) has attained at least eighteen (18) years of age;
   (ii) has been appointed as a Director to the Board of Directors of any company of the Group which is not dormant; and
   (iii) who falls under such categories and criteria that the ESOS Committee may decide at its absolute discretion from time to time.

(c) The maximum number of new shares to be issued pursuant to the exercise of the ESOS Options which may be granted under the ESOS shares shall not exceed thirty percent (30%) of the total issued and paid-up share capital of the Company (excluding treasury shares, if any) at any point of time throughout the duration of the ESOS.

(d) The Scheme shall be in force for a period of three (3) years commencing from the effective date. The Scheme may be extended by the Board of Directors, upon the recommendation of the ESOS Committee, without having to obtain approval from the Company's shareholders, for a further period of up to seventh (7) years immediately from the expiry of the first three (3) years but will not in aggregate exceed ten (10) years.

(e) The options granted may be exercised in whole or part in multiplies of 100 shares at any time during the period commencing from the date an Offer is accepted and expiring on the last day of the duration of the Scheme or such other date as stipulated by the ESOS Committee in the Offer or on the date of termination or expiry of the Scheme whichever is the earlier ("Option Period").

(f) The new Company's shares ("new Shares") to be allotted and issued upon the exercise of the ESOS Options shall, upon allotment and issue, rank pari passu in all respects with the existing Company's ordinary shares save and except that the new Shares will not be entitled to any distributions made or paid prior to the date of allotment of the new Shares. The ESOS Options shall not carry any right to vote at a general meeting of the Company.

(g) The options granted are vesting immediately without any vesting conditions.

Notes to the Financial Statements (Cont'd)

30 September 2022

6. SHARE OPTIONS (CONT'D)

The movement of the options over ordinary shares in the Company and the weighted average exercise price during the financial year are as follows:

		Number of options over ordinary shares				
	Exercise price	At 01.10.2021	Granted	Exercised	Expired #	At 30.09.2022
2022						
ESOS:						
Third Grant	RM0.0425	**1,202,300**	**-**	**-**	**(1,202,300)**	**-**
Fourth Grant	RM0.0375	**300,000,000**	**-**	**(145,000,000)**	**(155,000,000)**	**-**
Fifth Grant	RM0.0350	**-**	**482,329,200**	**(479,998,600)**	**(2,330,600)**	**-**
Sixth Grant	RM0.0275	**-**	**201,731,100**	**(99,999,600)**	**(101,731,500)**	**-**
Seventh Grant	RM0.0180	**-**	**329,966,600**	**(289,966,600)**	**(40,000,000)**	**-**
		301,202,300	**1,014,026,900**	**(1,014,964,800)**	**(300,264,400)**	**-**

\# All the ESOS had lapsed during the financial year.

		Number of options over ordinary shares				
	Exercise price	At 01.10.2020	Granted	Exercised	Expired #	At 30.09.2021
2021						
SIS:						
First Grant	RM0.13	3,287,500	-	(60,000)	(3,227,500)	-
Second Grant	RM0.10	15,422,600	-	-	(15,422,600)	-
Fourth Grant	RM0.20	67,566,600	-	-	(67,566,600)	-
Fifth Grant	RM0.20	11,792,400	-	-	(11,792,400)	-
Sixth Grant	RM0.12	-	55,433,300	(52,806,200)	(2,627,100)	-
Seventh Grant	RM0.11	-	22,626,300	(22,150,000)	(476,300)	-
Eighth Grant	RM0.07	-	168,181,400	(168,181,400)	-	-
ESOS:						
First Grant	RM0.0475	-	2,055,100	-	(2,055,100)	-
Second Grant	RM0.0450	-	101,975,600	(100,463,200)	(1,512,400)	-
Third Grant	RM0.0425	-	1,202,300	-	-	1,202,300
Fourth Grant	RM0.0375	-	300,000,000	-	-	300,000,000
		98,069,100	651,474,000	(343,660,800)	(104,680,000)	301,202,300

\# All the SIS had lapsed on 13 March 2021 and First Grant and Second Grant of ESOS had lapsed on 31 August 2021 and 30 September 2021

** Third Grant offered on 16 April 2018 under SIS had been revoked*

Notes to the Financial Statements (Cont'd)

30 September 2022

6. SHARE OPTIONS (CONT'D)

Details of share options outstanding at end of the financial year are as follows:

	Date of offer	Weighted average exercise price		Exercise period
		2022 RM	2021 RM	
ESOS:				
Third Grant	27 July 2021	-	0.0425	26.08.2021 - 26.10.2021
Fourth Grant	16 August 2021	-	0.0375	16.08.2021 - 15.02.2022

The fair value of services received in return for share options granted during the financial year is based on the fair value of share options granted, estimated by the management using Trinomial Options Pricing model, taking into account the terms and conditions upon which the options were granted.

The weighted average fair value of share options measured at grant date and the assumptions are as follows:

	2022 RM	2021 RM
Fair value at grant date:		
21 April 2016	-	0.0803
Weighted average share price	-	0.133
Weighted average exercise price	-	0.130
Expected volatility (%)	-	87.00
Expected life (years)	-	5 years
Risk free rate (%)	-	3.733
Expected dividend yield (%)	-	Nil
Fair value at grant date:		
9 January 2018	-	0.0149
Weighted average share price	-	0.108
Weighted average exercise price	-	0.100
Expected volatility (%)	-	55.00
Expected life (years)	-	3 years
Risk free rate (%)	-	3.45
Expected dividend yield (%)	-	Nil
Fair value at grant date:		
21 August 2020	-	0.0345
Weighted average share price	-	0.198
Weighted average exercise price	-	0.200
Expected volatility (%)	-	161.91
Expected life (years)	-	0.48 years
Risk free rate (%)	-	1.76
Expected dividend yield (%)	-	Nil

Notes to the Financial Statements (Cont'd)

30 September 2022

6. SHARE OPTIONS (CONT'D)

The weighted average fair value of share options measured at grant date and the assumptions are as follows: (cont'd)

	2022 RM	2021 RM
Fair value at grant date:		
18 September 2020	-	0.0128
Weighted average share price	-	0.118
Weighted average exercise price	-	0.200
Expected volatility (%)	-	146.91
Expected life (years)	-	0.41 years
Risk free rate (%)	-	1.60
Expected dividend yield (%)	-	Nil
Fair value at grant date:		
22 October 2020	-	0.0187
Weighted average share price	-	0.118
Weighted average exercise price	-	0.120
Expected volatility (%)	-	145.46
Expected life (years)	-	0.39 years
Risk free rate (%)	-	1.59
Expected dividend yield (%)	-	Nil
Fair value at grant date:		
11 December 2020	-	0.0156
Weighted average share price	-	0.109
Weighted average exercise price	-	0.110
Expected volatility (%)	-	123.66
Expected life (years)	-	0.26 years
Risk free rate (%)	-	1.72
Expected dividend yield (%)	-	Nil
Fair value at grant date:		
8 March 2021	-	0.0026
Weighted average share price	-	0.074
Weighted average exercise price	-	0.070
Expected volatility (%)	-	115.97
Expected life (years)	-	0.01 years
Risk free rate (%)	-	1.78
Expected dividend yield (%)	-	Nil

Notes to the Financial Statements (Cont'd)

30 September 2022

6. SHARE OPTIONS (CONT'D)

The weighted average fair value of share options measured at grant date and the assumptions are as follows: (cont'd)

	2022 RM	2021 RM
Fair value at grant date:		
30 June 2021	-	0.0052
Weighted average share price	-	0.041
Weighted average exercise price	-	0.048
Expected volatility (%)	-	116.96
Expected life (years)	-	0.08 years
Risk free rate (%)	-	1.77
Expected dividend yield (%)	-	Nil
Fair value at grant date:		
2 July 2021	-	0.0072
Weighted average share price	-	0.043
Weighted average exercise price	-	0.045
Expected volatility (%)	-	117.27
Expected life (years)	-	0.12 years
Risk free rate (%)	-	1.77
Expected dividend yield (%)	-	Nil
Fair value at grant date:		
26 August 2021	**0.0052**	0.0052
Weighted average share price	**0.039**	0.039
Weighted average exercise price	**0.043**	0.043
Expected volatility (%)	**121.31**	121.31
Expected life (years)	**0.03 years**	0.03 years
Risk free rate (%)	**1.77**	1.77
Expected dividend yield (%)	**Nil**	Nil
Fair value at grant date:		
16 August 2021	**0.0101**	0.0101
Weighted average share price	**0.039**	0.039
Weighted average exercise price	**0.038**	0.038
Expected volatility (%)	**125.38**	125.38
Expected life (years)	**0.10 years**	0.10 years
Risk free rate (%)	**1.80**	1.80
Expected dividend yield (%)	**Nil**	Nil

Notes to the Financial Statements (Cont'd)

30 September 2022

6. SHARE OPTIONS (CONT'D)

The weighted average fair value of share options measured at grant date and the assumptions are as follows: (cont'd)

	2022 RM	2021 RM
Fair value at grant date:		
22 November 2021	**0.0064**	-
Weighted average share price	**0.032**	-
Weighted average exercise price	**0.035**	-
Expected volatility (%)	**134.65**	-
Expected life (years)	**0.05 years**	-
Risk free rate (%)	**1.81**	-
Expected dividend yield (%)	**Nil**	-
Fair value at grant date:		
20 December 2021	**0.0065**	-
Weighted average share price	**0.030**	-
Weighted average exercise price	**0.028**	-
Expected volatility (%)	**122.89**	-
Expected life (years)	**0.05 years**	-
Risk free rate (%)	**1.79**	-
Expected dividend yield (%)	**Nil**	-
Fair value at grant date:		
7 March 2022	**0.0045**	-
Weighted average share price	**0.020**	-
Weighted average exercise price	**0.018**	-
Expected volatility (%)	**148.79**	-
Expected life (years)	**0.05 years**	-
Risk free rate (%)	**1.89**	-
Expected dividend yield (%)	**Nil**	-

The expected life of the share options is based on historical data, has been adjusted according to management's best estimate for the effects of non-transferability, exercise restrictions (including the probability of meeting the market conditions attached to the options), and behavioural considerations. The expected volatility is based on the historical share price volatility, adjusted for unusual or extraordinary volatility arising from certain economic or business occurrences which is not reflective of its long-term average level. While the expected volatility is assumed to be indicative of future trends, it may not necessarily be the actual outcome. No other features of the options grant were incorporated into the measurement of fair value.

Notes to the Financial Statements (Cont'd)

30 September 2022

6. SHARE OPTIONS (CONT'D)

Directors of the Group have been granted the following number options under the SIS and ESOS:

	2022 Unit	2021 Unit
At beginning of the financial year	**-**	7,198,800
Granted	**822,409,600**	333,600,800
Exercised	**(822,409,600)**	(333,600,800)
Expired	**-**	(7,198,800)
At end of the financial year	**-**	-

7. INCOME TAX EXPENSE

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Current tax:				
- Current year	**139,086**	185,224	**- -**	
- Under/(Over) provision in prior year	**38,406**	(583)	**-**	-
	177,492	184,641	**-**	-
Deferred tax (Note 18):				
Relating to origination of temporary differences				
- Current year	**3,857,183**	293,187	**-**	-
- (Over)/Under provision in prior year	**(1,182,152)**	59,260	**-**	-
	2,675,031	352,447	**-**	-
Income tax expense for the financial year	**2,852,523**	537,088	**-**	-

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2021: 24%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions which are ranging from 16.5% to 25% (2021: 16.5% to 25%).

Notes to the Financial Statements (Cont'd)

30 September 2022

7. INCOME TAX EXPENSE (CONT'D)

The reconciliations from the tax amount at statutory income tax rate to the Group's and to the Company's tax expenses are as follows:

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Loss before tax	**(89,227,245)**	(46,858,141)	**(112,430,934)**	(46,200,183)
Tax at Malaysian statutory tax rate of 24% (2021: 24%)	**(21,414,539)**	(11,245,954)	**(26,983,424)**	(11,088,044)
Effect of different tax rate in other jurisdictions	**6,560,469**	2,862,622	**-**	-
Expenses not deductible for tax purposes	**17,726,274**	9,997,477	**26,983,424**	11,088,076
Income not subject to tax	**(45,301)**	(36,403)	**-**	(32)
Utilisation of previously unrecognised deferred tax assets	**(1,644,187)**	(1,577,961)	**-**	-
Deferred tax assets not recognised	**1,964,183**	-	**-**	-
Under/(Over)provision in prior year:				
- Income tax expense	**38,406**	(583)	**-**	-
- Deferred tax	**(1,182,152)**	59,260	**-**	-
Tax effect on share of results of associates	**434,917**	364,924	**-**	-
Tax effect on share of result of joint venture	**414,453**	113,706	**-**	-
Income tax expense for the financial year	**2,852,523**	537,088	**-**	-

The Group has the following estimated unutilised tax losses and unabsorbed capital allowances respectively, available for set-off against future taxable profit as follows:

	Group	
	2022 RM	**Restated 2021 RM**
Unutilised tax losses	**34,559,359**	34,767,870
Unabsorbed capital allowances	**22,942,080**	27,079,989
	57,501,439	61,847,859

For entities incorporated in Malaysia, the comparative figures have been restated to reflect the actual tax losses and unabsorbed capital allowances carried forward available to the Group. The availability of the tax losses will be subject to Inland Revenue Board discretion and approval to offset against future taxable profit.

For entities incorporated in Malaysia, the unutilised tax losses in a year of assessment can only be carried forward for a maximum period of 10 consecutive YAs to be utilised against income from any business source with effect from Year of Assessment ("YA") 2019.

Notes to the Financial Statements (Cont'd)

30 September 2022

8. LOSS PER ORDINARY SHARE

(a) Basic

Basic loss per ordinary share for the financial year is calculated by dividing loss after tax attributable to Owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

	Group	
	2022	**2021**
Basic loss per share:		
Loss after tax attributable to the Owners of the Company (RM)	**(90,976,473)**	(45,488,924)
Weighted average number of ordinary shares:		
Number of ordinary shares at beginning of the financial year	**4,035,865,775**	3,068,831,575
Effect of weighted average number of ordinary shares issued	**731,614,553**	701,259,763
Weighted average number of ordinary shares at end of the financial year	**4,767,480,328**	3,770,091,338
Basic loss per share (sen)	**(1.91)**	(1.21)

(b) Diluted

The diluted loss per ordinary share is calculated based on the adjusted consolidated loss for the financial year attributable to the Owners of the Company and the weighted average number of ordinary shares in issue during the financial year have been adjusted for the dilutive effects of all potential ordinary shares.

Fully diluted loss per share on the basis of the assumed conversion of ICPS and exercise of Warrants B and C, SIS & ESOS have not been disclosed as the effect is anti-dilutive.

9. PROPERTY, PLANT AND EQUIPMENT

	Freehold land and building RM	Capital work-in-progress RM	Telecom-munication network and equipment RM	Office equipment RM	Furniture and fittings RM	Renovation RM	Motor vehicles RM	Leased properties RM	Leased signboard RM	Total RM
Group										
2022										
Cost										
At 1 October 2021	-	-	84,534,803	11,382,243	681,389	6,602,144	4,886,111	13,516,015	2,665,677	124,268,382
Additions	9,754,786	562,480	9,075,098	1,856,987	-	5,809,708	-	4,197,230	-	31,256,289
Written off	-	-	-	(962,252)	(74,041)	-	-	-	-	(1,036,293)
Disposal	-	-	-	-	-	-	(1,000,419)	-	-	(1,000,419)
Expired of lease contract	-	-	-	-	-	-	-	(832,227)	-	(832,227)
Modification of lease contract	-	-	-	-	-	-	-	(1,747,135)	-	(1,747,135)
Acquisition of a subsidiary (Note 11(a)(iii))	-	-	-	64,158	-	-	-	-	-	64,158
Exchange differences	-	-	22,329	6,098	-	-	-	-	-	28,427
At 30 September 2022	9,754,786	562,480	93,632,230	12,347,234	607,348	12,411,852	3,885,692	15,133,883	2,665,677	151,001,182
Accumulated depreciation										
At 1 October 2021	-	-	42,762,716	6,807,030	461,182	2,048,157	3,544,331	4,355,787	1,702,901	61,682,104
Charge for the financial year	162,580	-	6,670,672	1,214,575	58,752	938,931	402,164	3,256,141	888,470	13,592,285
Written off	-	-	-	(958,991)	(69,517)	-	-	-	-	(1,028,508)
Disposal	-	-	-	-	-	-	(1,000,419)	-	-	(1,000,419)
Expired of lease contract	-	-	-	-	-	-	-	(832,227)	-	(832,227)
Modification of lease contract	-	-	-	-	-	-	-	(952,427)	-	(952,427)
Acquisition of a subsidiary (Note 11(a)(iii))	-	-	-	10,273	-	-	-	-	-	10,273
Exchange differences	-	-	3,535	1,219	-	-	-	-	-	4,754
At 30 September 2022	162,580	-	49,436,923	7,074,106	450,417	2,987,088	2,946,076	5,827,274	2,591,371	71,475,835
Accumulated impairment losses										
At 1 October 2021	-	-	782,554	2,085,005	-	-	-	-	-	2,867,559
Exchange differences	-	-	18,794	4,879	-	-	-	-	-	23,673
At 30 September 2022	-	-	801,348	2,089,884	-	-	-	-	-	2,891,232
Net carrying amount										
At 30 September 2022	9,592,206	562,480	43,393,959	3,183,244	156,931	9,424,764	939,616	9,306,609	74,306	76,634,115

9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Capital work-in-progress RM	Telecom-munication network and equipment RM	Office equipment RM	Furniture and fittings RM	Renovation RM	Motor vehicles RM	Leased properties RM	Leased signboard RM	Total RM
Group									
2021									
Cost									
At 1 October 2020	429,286	71,716,947	10,858,709	681,389	6,669,054	3,380,111	9,972,985	2,665,677	106,374,158
Additions	12,372,091	14,310	630,267	-	238,700	1,506,000	5,078,797	-	19,840,165
Reclassification	(12,801,377)	12,777,158	24,219	-	-	-	-	-	-
Written off	-	-	(138,159)	-	(305,610)	-	-	-	(443,769)
Expired of lease contract	-	-	-	-	-	-	(893,433)	-	(893,433)
Termination of lease contract	-	-	-	-	-	-	(160,261)	-	(160,261)
Derecognition due to lease arrangement	-	-	-	-	-	-	(482,073)	-	(482,073)
Exchange differences	-	26,388	7,207	-	-	-	-	-	33,595
At 30 September 2021	-	84,534,803	11,382,243	681,389	6,602,144	4,886,111	13,516,015	2,665,677	124,268,382
Accumulated depreciation									
At 1 October 2020	-	36,437,001	5,656,234	400,578	1,555,431	2,848,722	2,510,112	814,431	50,222,509
Charge for the financial year	-	6,321,537	1,264,156	60,604	667,082	695,609	2,822,577	888,470	12,720,035
Written off	-	-	(114,802)	-	(174,356)	-	-	-	(289,158)
Expired of lease contract	-	-	-	-	-	-	(893,433)	-	(893,433)
Termination of lease contract	-	-	-	-	-	-	(83,469)	-	(83,469)
Exchange differences	-	4,178	1,442	-	-	-	-	-	5,620
At 30 September 2021	-	42,762,716	6,807,030	461,182	2,048,157	3,544,331	4,355,787	1,702,901	61,682,104
Accumulated impairment losses									
At 1 October 2020	-	760,344	2,079,240	-	-	-	-	-	2,839,584
Exchange differences	-	22,210	5,765	-	-	-	-	-	27,975
At 30 September 2021	-	782,554	2,085,005	-	-	-	-	-	2,867,559
Net carrying amount									
At 30 September 2021	-	40,989,533	2,490,208	220,207	4,553,987	1,341,780	9,160,228	962,776	59,718,719

Notes to the Financial Statements (Cont'd)

30 September 2022

9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) Acquisition of property, plant and equipment

	Group	
	2022 RM	**2021 RM**
Cash purchase	**27,059,059**	14,761,368
Financed through lease arrangement	**4,197,230**	5,078,797
Total acquisition of property, plant and equipment	**31,256,289**	19,840,165

(b) Assets classified as right-of-use assets

The net carrying amount of right-of-use assets recognised by the Group are as follows:

	Group	
	2022 RM	**2021 RM**
Telecommunication network and equipment	**2,122,088**	2,452,803
Motor vehicles	**5,915**	76,877
Leased properties	**9,306,609**	9,160,228
Leased signboard	**74,306**	962,776

The expenses charged to profit or loss during the financial year are as follows:

	Group	
	2022 RM	**2021 RM**
Depreciation of right-of-use assets	**4,546,290**	4,415,302
Interest expenses of lease liabilities	**1,443,363**	1,598,680
	5,989,653	6,013,982

Notes to the Financial Statements (Cont'd)

30 September 2022

10. INTANGIBLE ASSETS

	Capital work-in--progress RM	Telecom-munication software RM	Mobile application software RM	Total RM
Group				
2022				
At Cost				
At 1 October 2021	**8,689,326**	**43,590,629**	**702,761**	**52,982,716**
Additions	**3,679,184**	**779,670**	**-**	**4,458,854**
Written off	**(105,765)**	**-**	**-**	**(105,765)**
At 30 September 2022	**12,262,745**	**44,370,299**	**702,761**	**57,335,805**
Accumulated amortisation				
At 1 October 2021	**-**	**11,548,066**	**205,113**	**11,753,179**
Charge for the financial year	**-**	**3,451,533**	**-**	**3,451,533**
At 30 September 2022	**-**	**14,999,599**	**205,113**	**15,204,712**
Accumulated impairment losses				
At 1 October 2021	**3,311,330**	**3,509,519**	**497,648**	**7,318,497**
Additions	**-**	**616,140**	**-**	**616,140**
At 30 September 2022	**3,311,330**	**4,125,659**	**497,648**	**7,934,637**
Net carrying amount				
At 30 September 2022	**8,951,415**	**25,245,041**	**-**	**34,196,456**
2021				
At Cost				
At 1 October 2020	12,137,805	38,319,249	702,761	51,159,815
Additions	1,374,521	448,380	-	1,822,901
Reclassification	(4,823,000)	4,823,000	-	-
At 30 September 2021	8,689,326	43,590,629	702,761	52,982,716
Accumulated amortisation				
At 1 October 2020	-	8,434,045	134,837	8,568,882
Charge for the financial year	-	3,114,021	70,276	3,184,297
At 30 September 2021	-	11,548,066	205,113	11,753,179
Accumulated impairment losses				
At 1 October 2020	2,394,505	3,503,281	-	5,897,786
Additions	916,825	6,238	497,648	1,420,711
At 30 September 2021	3,311,330	3,509,519	497,648	7,318,497
Net carrying amount				
At 30 September 2021	5,377,996	28,533,044	-	33,911,040

Notes to the Financial Statements (Cont'd)

30 September 2022

10. INTANGIBLE ASSETS (CONT'D)

Impairment testing for intangible assets

The recoverable amount of intangible assets were determined based on value-in-use calculations using cash flow projections from financial forecasts and projections approved by Board of Directors covering a five-year period. The intangible assets had been allocated into two cash-generating units ("CGUs") for impairment testing which are telecommunication services and mobile application services (i.e. Voopee application).

The calculation of value-in-use for the intangible assets are most sensitive to the following assumptions:

(i) Revenue growth rate

Telecommunication services

Projected revenue growth rate for various business operation ranges from 1% to 5% (2021: 1% to 5%) per annum based on historical experience and management's assessment of future trends and market development in the segment with terminal value without growth rate.

Mobile application services

Projected revenue growth rate for various business operation ranges from 1% to 2% (2021: 1% to 2%) per annum based on historical experience and management's assessment of future trends and market development in the segment with terminal value without growth rate.

(ii) Budgeted gross margin

Telecommunication services

The budgeted gross margin ranges from 32% to 41% (2021: 26% to 42%). Gross margins are based on values achieved previously preceding the start of the budget period. These are increased over the budget period for anticipated efficiency improvements.

Mobile application services

The budgeted gross margin was 30% (2021: 21% to 22%). Gross margins are based on values achieved previously preceding the start of the budget period. These are increased over the budget period for anticipated efficiency improvements.

(iii) Pre-tax discount rate

Pre-tax discount rate of 9.5% (2021: 19.0%) was applied in determining the recoverable amounts of the intangible assets. The discount rate used is based on the weighted average cost of capital of the Group.

The sensitivity analysis is presented as follows except for mobile application services which had been fully impaired in prior year:

- A decrease in budgeted gross margin ranging from 2% to 3% would have reduced the recoverable amount by approximately RM77.7 million.

- A decrease in revenue ranging from 0.5% to 15% would have reduced the recoverable amount by approximately RM81.9 million.

- An increase in the discount rate ranging from 1% to 5% would have reduced the recoverable amount by approximately RM31.5 million.

Except as mentioned above, the Group believes there are no reasonably foreseeable changes in the above key assumptions that would cause the carrying values of the remaining CGUs to materially exceed their recoverable amounts, other than changes in prevailing operating environments, of which the impact is not ascertainable.

Notes to the Financial Statements (Cont'd)

30 September 2022

10. INTANGIBLE ASSETS (CONT'D)

Impairment loss recognised

(a) Impairment of capital work-in-progress

2021

In prior financial year, total impairment loss amounted to RM916,825 was recognised to write-down the carrying amount of capital work-in-progress as shown in the "other expenses" line item in the statements of comprehensive income.

As the future economic benefit likely not to be materialised due to the recent downturn of such mobile application, the capital work-in-progress is subject to impairment. The recoverable amount was derived based on value-in-use which was measured based on cash flows projection prepared by the management.

(b) Impairment of mobile and telecommunication software

2022

During the financial year, total impairment loss amounted to RM616,140 was recognised as shown in the "other expenses" line item in the statements of comprehensive income for the financial year ended 30 September 2022. The related mobile application was subject to impairment as the recoverable amount was in doubt due to absent of future business plan for the continuance usage.

2021

In prior financial year, total impairment loss amounted to RM503,886 was recognised as shown in the "other expenses" line item in the statements of comprehensive income for the financial year ended 30 September 2021. The related mobile application was subject to impairment as there were no indications from past records to show the improvement trend of results and the future economic benefit was assessed to more unlikely to be materialised due to the recent downturn in that mobile applications industry. The recoverable amount was derived based on value-in-use which was measured based on cash flows projection prepared by the management.

Notes to the Financial Statements (Cont'd)

30 September 2022

11. INVESTMENTS IN SUBSIDIARIES

	Company	
	2022 RM	**2021 RM**
Unquoted shares, at cost		
At beginning of the financial year	**131,082,512**	131,082,512
Addition	**2**	-
At end of the financial year	**131,082,514**	131,082,512
Capital contribution to subsidiaries		
At beginning of the financial year	**41,252,326**	38,454,893
Net ESOS granted	**3,455,086**	2,797,433
At end of the financial year	**44,707,412**	41,252,326
Accumulated impairment losses		
At beginning of the financial year	**67,535,110**	62,119,080
Additions	**-**	5,416,030
Reversal	**(1,537,754)**	-
At end of the financial year	**65,997,356**	67,535,110
Net carrying amount		
At end of the financial year	**109,792,570**	104,799,728

The details of the subsidiaries are as follows:

Name of Subsidiaries	Country of Incorporation	Principal activities	Effective Equity Interest	
			2022 %	**2021 %**
XOX Com Sdn. Bhd.	Malaysia	Provider of mobile telecommunication products and services	**100**	100
XOX Management Services Sdn. Bhd.	Malaysia	Provision of management services	**100**	100
XOX Media Sdn. Bhd.	Malaysia	Provision of fintech, telecommunication and mobile application services	**100**	100
XOX Wallet Sdn. Bhd.	Malaysia	Provision of mobile wallet services; trading of telecommunications airtime as a traded commodity for Shariah compliant financing and provision of information technology solution or products which brings simplification to business	**51**	51
X Style Sdn. Bhd.	Malaysia	Provision of mobile virtual network operator services and broadband internet services. Ceased operation and remained dormant	**51**	51

Notes to the Financial Statements (Cont'd)

30 September 2022

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows: (cont'd)

Name of Subsidiaries	Country of Incorporation	Principal Activities	Effective Equity Interest	
			2022 %	2021 %
One XOX Sdn. Bhd.	Malaysia	Wholesaler of mobile telecommunication products and services	**60**	60
XOX Mobile Pte. Ltd.*	Singapore	Intended engaged in the provision of mobile cellular and other wireless telecommunications network operation	**100**	100
XOX (Hong Kong) Limited*	Hong Kong	Investment holding	**100**	100
XOX Pro Sport Sdn. Bhd.*^	Malaysia	Investment holding and marketing agent	**100**	-
XOX Fintech Sdn. Bhd. *^	Malaysia	To carry business of e-money services to build and manage an ecosystem through its e-Wallet amongst its subscribers for the purpose of cashless payment, merchant acquiring services and payment gateway	**100**	-
Held through XOX Com Sdn. Bhd.				
XOX Mobile Sdn. Bhd.	Malaysia	Provider of telecommunication products and related services	**100**	100
Held through XOX Media Sdn. Bhd.				
PT. Nusantara Mobile Telecommunication*	Indonesia	Intended engaged in telecommunication products and services, mobile application services and e-Wallet services. Ceased operation and remained dormant	**40**	40
Held through XOX (Hong Kong) Limited				
XOX International Sdn. Bhd.	Malaysia	Investment company, provision of management services and provision of telecommunication and Fintech products and services. Yet to start operation and remained dormant	**100**	100
Held through XOX Pro Sport Sdn. Bhd.				
Perak FC Sdn. Bhd. *^	Malaysia	Establishing, managing and controlling a football club	**100**	-

* *Not audited by Moore Stephens Associates PLT. The Directors consider that the Group has de facto control of PT. Nusantara Mobile Telecommunication even though it has less than 50% of the equity shares. Based on the terms under which this entity was established, the Group is exposed to variable returns from its involvement and has the ability to affect those returns through its power over the entity. Consequently, it is regarded as subsidiary of the Group.*

^ *The management accounts are reviewed by Moore Stephens Associates PLT for consolidation purpose. XOX Pro Sport Sdn. Bhd. and XOX Fintech Sdn. Bhd. were newly incorporated on 11 May 2022 and 14 September 2022 respectively and may appoint its first auditor at any time within 18 months from the date of its incorporation.*

Notes to the Financial Statements (Cont'd)

30 September 2022

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(a) Acquisition of a subsidiary

2022

(i) *Incorporation of subsidiary*

XOX Pro Sport Sdn. Bhd.

On 11 May 2022, the Company incorporated a new wholly-owned subsidiary in Malaysia with the name of XOX Pro Sport Sdn. Bhd. for a total cash consideration of RM1.

XOX Fintech Sdn. Bhd.

On 14 September 2022, the Company incorporated a new wholly-owned subsidiary in Malaysia with the name of XOX Fintech Sdn. Bhd. for a total cash consideration of RM1.

(ii) *Capital contribution to subsidiaries*

XOX Management Services Sdn. Bhd., XOX Mobile Sdn. Bhd. and XOX Media Sdn. Bhd.

The capital contribution amounted to RM3,455,086 represents ESOS granted by the Company to the Directors and employees of subsidiaries and is treated as additional cost of its investment in the subsidiaries.

(iii) *Acquisition of a subsidiary*

Perak FC Sdn. Bhd. ("Perak FC")

On 29 April 2022, the Company entered into a Memorandum of Understanding ("MOU") with Impact Media & Communication Sdn. Bhd. ("Impact Media") for the proposed acquisition of 100% equity interest in Perak FC for a total purchase consideration of RM1.

On 17 May 2022, XOX Pro Sport Sdn Bhd ("XOX Pro"), a wholly owned subsidiary of the Company entered into a Share Sale Agreement ("SSA") with Impact Media for the proposed acquisition. An advance extended by XOX Pro to Perak FC prior to the acquisition amounting to RM8,919,937 was considered as part of the purchase consideration.

The acquisition of the entire equity interest in Perak FC was completed on 26 August 2022 for a total consideration of RM8,919,938.

For accounting purposes, the cut-off was taken on 31 August 2022.

	As at 31.8.2022 RM
Plant and equipment	**53,885**
Other receivables	**230,440**
Cash and cash equivalents	**125,652**
Other payables	**(5,772,336)**
Fair value of net identifiable assets acquired	**(5,362,359)**

Notes to the Financial Statements (Cont'd)

30 September 2022

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(a) Acquisition of a subsidiary (cont'd)

2022 (cont'd)

(iii) *Acquisition of a subsidiary (cont'd)*

Perak FC Sdn. Bhd. ("Perak FC") (cont'd)

The effect of the acquisition on cash flows is as follows:

	As at 31.8.2022 RM
Net cash flows arising from acquisition of a subsidiary	
Cash consideration	**8,919,938**
Less: Cash and cash equivalents from acquisition of a subsidiary	**(125,652)**
Net cash outflows on completion of acquisition	**8,794,286**

The goodwill arising from the acquisition is as follows:

	RM
Goodwill arising from acquisition	
Cash consideration	**8,919,938**
Less: Fair value of net indentifiable assets acquired	**(5,362,359)**
Goodwill on consolidation (Note 15)	**14,282,297**

2021

(i) *Incorporation of subsidiary*

On 21 April 2021, XOX (Hong Kong) Limited incorporated a new wholly-owned subsidiary in Malaysia with the name of XOX International Sdn. Bhd. for a total cash consideration of RM1.

(ii) *Capital contribution to subsidiaries*

XOX Management Services Sdn. Bhd., XOX Mobile Sdn. Bhd. and XOX Media Sdn. Bhd.

The capital contribution amounted to RM2,797,433 represents SIS and ESOS granted by the Company to the Directors and employees of subsidiaries and is treated as additional cost of its investment in the subsidiaries.

Notes to the Financial Statements (Cont'd)

30 September 2022

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(b) Impairment loss on investment in subsidiaries

2021

In prior financial year, the Company carried out a review of the recoverable amounts of its investment in subsidiaries that are in loss-making and significant accumulated losses positions. An impairment loss amounting to RM5,416,030 was recognised as "other expenses" line item in the statements of comprehensive income for the financial year ended 30 September 2021. The recoverable amounts were derived based on VIU calculation using cash flows projection from financial budget approved by Board of Directors covering a five-year period of respective subsidiaries.

The key assumptions used in the determination of recoverable amount derived based on VIU calculation are as follows:

(i) Revenue growth rate

Projected revenue growth rate for various business operation ranges from 1% to 2% per annum based on historical experience and management's assessment of future trends and market development in the segment with terminal value without growth rate.

(ii) Budgeted gross margin

The budgeted gross margin ranges from 21% to 22%. Gross margins are based on values achieved previously preceding the start of the budget period. These are increased over the budget period for anticipated efficiency improvements.

(iii) Pre-tax discount rate

A pre-tax discount rate of 19.0% was applied to the calculations in determining the recoverable amount of the CGUs. This is the benchmark used by management to assess operating performance and to evaluate future investment proposals.

The sensitivity analysis is presented as follows:

- A decrease of 0.5 percentage point in the revenue growth rate would have reduced the value in use by approximately RM2.2 million.

- A decrease of 2 percentage point in the budgeted gross margin would have reduced the value in use by approximately RM3.9 million.

- An increase of 1 percentage point in the discount rate would have reduced the value in use by approximately RM0.24 million.

Notes to the Financial Statements (Cont'd)

30 September 2022

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(c) Non-controlling interests in subsidiaries

The subsidiaries of the Group that have non-controlling interests ("NCI") are as follows:

	X Style Sdn. Bhd.	One XOX Sdn. Bhd.	PT. Nusantara Mobile Telecom-munication	XOX Wallet Sdn. Bhd.	Total
2022					
NCI percentage of ownership and voting interest (%)	**49%**	**40%**	**60%**	**49%**	
Carrying amount of NCI (RM)	**(317,156)**	**962,619**	**(893,959)**	**(2,663,260)**	**(2,911,756)**
Loss allocated to NCI (RM)	**(25,529)**	**(150,195)**	**(3,102)**	**(924,469)**	**(1,103,295)**
Other comprehensive income allocated to NCI (RM)	**-**	**-**	**(32,316)**	**-**	**(32,316)**
2021					
NCI percentage of ownership and voting interest (%)	49%	40%	60%	49%	
Carrying amount of NCI (RM)	(291,627)	1,112,814	(858,541)	(1,738,791)	(1,776,145)
(Loss)/profit allocated to NCI (RM)	(4,631)	50,689	(1,298,870)	(653,493)	(1,906,305)
Other comprehensive income allocated to NCI (RM)	-	-	(6,412)	-	(6,412)

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(c) Non-controlling interests in subsidiaries (cont'd)

The summarised financial information before intra-group elimination of the subsidiaries that have NCI as at the end of each reporting period are as follows:

	X Style Sdn. Bhd.		One XOX Sdn. Bhd.		PT. Nusantara Mobile Telecommunication		XOX Wallet Sdn. Bhd.	
	2022 RM	2021 RM	2022 RM	2021 RM	2022 RM	2021 RM	2022 RM	2021 RM
Assets and liabilities:								
Non-current assets	**551**	1,187	**1,533,070**	1,997,420	**-**	-	**-**	-
Current assets	**5,267**	8,592	**16,715,605**	17,896,518	**22,536**	59,878	**78,927**	20,532
Non-current liabilities	**-**	-	**(1,084,760)**	(1,355,465)	**-**	-	**-**	-
Current liabilities	**(653,076)**	(604,937)	**(14,757,366)**	(15,756,436)	**(1,512,468)**	(1,490,780)	**(5,514,151)**	(3,569,085)
Net (liabilities)/assets	**(647,258)**	(595,158)	**2,406,549**	2,782,037	**(1,489,932)**	(1,430,902)	**(5,435,224)**	(3,548,553)
Results:								
Revenue	**-**	-	**110,664,304**	132,241,192	**-**	-	**56,090**	35,735
Net (loss)/profit for the financial year	**(52,101)**	(9,451)	**(375,489)**	126,724	**(5,170)**	(2,164,783)	**(1,886,672)**	(1,333,660)
Cash flows:								
Net cash (used in)/from operating activities	**(48,720)**	(86,588)	**(2,703,225)**	246,838	**(31,232)**	(166,420)	**(1,221,115)**	(810,171)
Net cash used in investing activities	**-**	-	**(3,350)**	(41,388)	**-**	-	**(654,992)**	-
Net cash from/(used in) financing activities	**48,340**	86,339	**(213,384)**	(342,192)	**30,918**	142,769	**1,926,851**	772,558
Net (decrease)/increase in cash and cash equivalents	**(380)**	(249)	**(2,919,959)**	(136,742)	**(314)**	(23,651)	**50,744**	(37,613)

Notes to the Financial Statements (Cont'd)

30 September 2022

12. INVESTMENT IN ASSOCIATES

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Quoted shares, at cost				
At beginning of the financial year	**59,647,809**	-	**1,922,952**	-
Addition	**56,649,857**	45,735,009	**-**	-
Remeasurement of equity interest and transfer from other investment (Note14)	**-**	13,912,800	**-**	1,922,952
At end of the financial year	**116,297,666**	59,647,809	**1,922,952**	1,922,952
Add: Share of post-acquisition results				
At beginning of the financial year	**(1,520,518)**	-	**-**	-
Addition	**(1,812,152)**	(1,520,518)	**-**	-
At end of the financial year	**(3,332,670)**	(1,520,518)	**-**	-
Less: Accumulated impairment loss				
At beginning of the financial year	**(6,215,853)**	-	**-**	-
Addition	**(67,126,190)**	(6,215,853)	**(1,121,722)**	-
At end of the financial year	**(73,342,043)**	(6,215,853)	**(1,121,722)**	-
	39,622,953	51,911,438	**801,230**	1,922,952

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Market value:				
Quoted shares in Malaysia	**39,622,953**	51,937,800	**801,230**	1,922,952

Notes to the Financial Statements (Cont'd)

30 September 2022

12. INVESTMENT IN ASSOCIATES (CONT'D)

(a) The details of the associates are as follows:

Name of Associates	Country of Incorporation	Principal Activities	Effective Ownership Interest	
			2022 %	2021 %
Cheetah Holdings Berhad ("CHB")*#	Malaysia	Investment holding	**20.85^**	29.43
XOX Technology Berhad ("XTB")*#	Malaysia	Provision of mobile solutions and trading and distribution of fast-moving electronic goods and related products.	**25.95**	25.95
Jadi Imaging Malaysia Holdings Berhad ("Jadi") *#	Malaysia	Provision of development, formulation and manufacturing of toners for laser printers, photocopiers, facsimile machines and multi-function office equipment.	**28.08**	-

* *Not audited by Moore Stephens Associates PLT.*

\# *The statutory financial year end is not coterminous with the financial year end of the Group. For the purpose of applying the equity method of accounting, the latest unaudited financial statements available have been used. The latest audited financial statement available have been reviewed by the auditor of the respective associate.*

^ *During the financial year, the shareholding of the Group in CHB was diluted due to the private placement of new ordinary shares by CHB of which the Group did not participate.*

(b) Acquisition of associates

2022

Jadi Imaging Holdings Berhad ("Jadi")

On 15 October 2021, a wholly-owned subsidiary of the Company, XOX (Hong Kong) Limited ("XOXHK") entered into a Sale and Purchase of Shares Agreement ("SPA") with LSI Holdings Sdn. Bhd. for the proposed acquisition of 200,000,000 ordinary shares ("Sale Shares") in Jadi, representing approximately 19.01% of the total issued and paid-up share capital of Jadi, for a total purchase consideration of RM46,000,000 only ("Proposed Acquisition"). The Proposed Acquisition has been completed on 22 October 2021.

During the financial year, XOXHK has acquired from the open market an aggregate of 102,292,700 ordinary shares in Jadi, representing 9.07% of the total issued and paid up share capital of Jadi for a total purchase consideration of approximately RM10,649,857.

As at 30 September 2022, the number of shares held by XOXHK in Jadi is 302,292,700, representing 28.08% of the total issued and paid up share capital of Jadi. The aggregate cost of investment of XOX in Jadi was RM56,649,857. For accounting purposes, Jadi was recognised as an associate effective from 1 October 2021 upon significant influence in place.

Notes to the Financial Statements (Cont'd)

30 September 2022

12. INVESTMENT IN ASSOCIATES (CONT'D)

(b) Acquisition of associates (cont'd)

2021

Cheetah Holdings Berhad ("CHB")

On 8 February 2021, XOX (Hong Kong) Limited has entered into a Sale and Purchase Agreement ("SPA") with Chia Yoon Yuen Holdings Sdn. Bhd. for the acquisition of 33,800,000 ordinary shares ("Sale Share") in CHB, representing approximately 29.43% of the total issued and paid up share capital of CHB, for a total purchase consideration of RM44,616,000 only. The Group had capitalised RM1,119,009 as transaction costs attributable from the acquisition. For accounting purposes, CHB was recognised as an associate effective from 1 February 2021 upon significant influence in place.

XOX Technology Berhad ("XTB")

In prior financial year, XOX (Hong Kong) Limited has subscribed addition 159,500,000 ordinary shares in XTB for a total purchase consideration of RM12,281,600. Consequently, the Group's effective equity interest in XTB has increased from 11.26% to 25.95% subsequent to the completion of new shares subscription. For accounting purposes, the equity-interest in XTB was remeasured and recognised as an associate effective from 1 September 2021 upon significant influence in place.

(c) The summarised financial information of the associates, not adjusted for the proportion of the ownership interests held by the Group, are as follows:

	Cheetah Holdings Berhad RM	XOX Technology Berhad RM	Jadi Imaging Holdings Berhad RM
2022			
Assets and liabilities:			
Non-current assets	**40,432,267**	**5,230,779**	**76,424,546**
Current assets	**112,083,019**	**49,305,675**	**52,068,515**
Non-current liabilities	**(1,742,772)**	**(261,248)**	**(18,614,918)**
Current liabilities	**(17,108,949)**	**(24,321,861)**	**(7,111,996)**
Net assets	**133,663,565**	**29,953,345**	**102,766,147**
2021			
Assets and liabilities:			
Non-current assets	34,165,575	7,554,605	-
Current assets	93,618,229	43,771,352	-
Non-current liabilities	(586,655)	(895,112)	-
Current liabilities	(3,641,913)	(20,289,894)	-
Net assets	123,555,236	30,140,952	-

Notes to the Financial Statements (Cont'd)

30 September 2022

12. INVESTMENT IN ASSOCIATES (CONT'D)

(c) The summarised financial information of the associates, not adjusted for the proportion of the ownership interests held by the Group, are as follows: (cont'd)

	Cheetah Holdings Berhad 01.10.2021 to 30.09.2022 RM	XOX Technology Berhad 01.10.2021 to 30.09.2022 RM	Jadi Imaging Holdings Berhad 01.10.2021 to 30.09.2022 RM
Results:			
Revenue	**167,223,324**	**72,201,966**	**41,961,995**
(Loss)/Profit for the financial year	**(1,729,504)**	**8,491,722**	**(8,834,576)**
Total comprehensive income	**(4,794,282)**	**6,445,919**	**(8,850,643)**

	01.02.2021 to 30.09.2021 RM	01.09.2021 to 30.09.2021 RM	01.09.2021 to 30.09.2021 RM
Results:			
Revenue	55,520,772	5,055,708	-
Loss for the financial period	(5,076,984)	(101,587)	-
Total comprehensive income	(5,076,984)	(101,587)	-

(d) The reconciliation of net assets of the associates to the carrying amount of the investment in associates are as follows:

	Group	
	2022 RM	2021 RM
Group's share of net assets	**39,622,953**	42,148,036
Goodwill	**-**	9,763,402
Carrying amount in the statements of financial position	**39,622,953**	51,911,438
Group's share of results, net of tax	**(1,812,152)**	(1,520,518)

(e) Impairment loss

As at 30 September 2022, the Group and the Company carried out an annual review of the recoverable amount of the investments in associates. An impairment loss amounted to RM67,126,190 (2021: RM6,215,853) and RM1,121,722 (2021: RM Nil) respectively were recognised as "other expenses" in the statements of comprehensive income for financial year ended 30 September 2022.

The recoverable amount was derived based on fair value less cost of disposal of the associates represented by the market price of the quoted shares of the associates as at 30 September 2022.

Notes to the Financial Statements (Cont'd)

30 September 2022

13. INVESTMENT IN A JOINT VENTURE

	Group	
	2022 RM	**2021 RM**
Unquoted shares, at cost		
At beginning of the financial year	**4,026,224**	-
Addition	**-**	4,500,000
Share of post-acquisition results	**(1,726,886)**	(473,776)
At end of the financial year	**2,299,338**	4,026,224

Details of the joint venture are as follows:

Name of Joint Venture	Country of Incorporation	Principal Activities	Effective Equity Interest	
			2022 %	**2021 %**
SpacedX Sdn. Bhd.*#	Malaysia	Provision of vending machines, advertising business to promote the usage of digital wallets and cashless transactions	**45%**	45%

* *Not audited by Moore Stephens Associates PLT.*

\# *The statutory financial year end of SpacedX is not coterminous with the financial year end of the Group. For the purpose of applying the equity method of accounting, the latest unaudited financial statements available have been used.*

(a) Investment in a joint venture

2021

On 4 January 2021, a wholly-owned subsidiary, XOX Media Sdn Bhd has subscribed for 4,500,000 ordinary shares representing an equity interest of 45% in SpacedX Sdn. Bhd. for a total cash consideration of RM4,500,000. For accounting purposes, the investment in joint venture was recognised effective from 1 January 2021.

SpacedX Sdn. Bhd. is structured as a separate vehicle and provides the Group rights to the net assets of the entity. Accordingly, the Directors consider that the Group has joint control over SpacedX Sdn. Bhd. and has classified the investment in SpacedX Sdn. Bhd. as a joint venture.

Notes to the Financial Statements (Cont'd)

30 September 2022

13. INVESTMENT IN A JOINT VENTURE (CONT'D)

(b) The summarised financial information of the joint venture, not adjusted for the proportion of the ownership interest held by the Group, is as follows:

	2022 RM	2021 RM
Assets and liabilities:		
Non-current assets	**11,569,546**	5,552,994
Current assets	**2,435,487**	3,695,999
Current liabilities	**(8,895,393)**	(301,828)
Net assets	**5,109,640**	8,947,165

	01.01.2022 to 30.09.2022 RM	01.01.2021 to 30.09.2021 RM
Results:		
Revenue	**694,900**	-
Loss for the financial year/period	**(3,837,525)**	(1,052,835)
Total comprehensive loss	**(3,837,525)**	(1,052,835)

(c) The reconciliation of net asset of the joint venture to the carrying amount of the investment in joint venture is as follows:

	Group	
	2022 RM	2021 RM
Group's share of net assets	**4,026,224**	4,500,000
Share of post-acquisition results	**(1,726,886)**	(473,776)
Carrying amount in the statements of financial position	**2,299,338**	4,026,224
Group's share of results, net of tax	**(1,726,886)**	(473,776)

Notes to the Financial Statements (Cont'd)

30 September 2022

14. OTHER INVESTMENTS

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Investment in quoted shares, at fair value through profit or loss				
In Malaysia				
At beginning of the financial year	**23,612,000**	6,152,300	**-**	2,724,182
Additions	**19,008,752**	64,913,822	**-**	-
	42,620,752	71,066,122	**-**	2,724,182
Less: Changes in fair value	**(28,074,723)**	(33,816,720)	**-**	(801,230)
Less: Remeasurement of equity interest and transfer to associate (Note 12)	**-**	(13,912,800)	**-**	(1,922,952)
Exchange differences	**(1,166,029)**	275,398	**-**	-
At end of the financial year	**13,380,000**	23,612,000	**-**	-
Outside Malaysia				
At beginning of the financial year	**13,431,335**	-	**-**	-
Additions	**-**	23,033,113	**-**	-
	13,431,335	23,033,113	**-**	-
Less: Changes in fair value	**(8,907,331)**	(9,779,164)	**-**	-
Exchange differences	**693,444**	177,386	**-**	-
At end of the financial year	**5,217,448**	13,431,335	**-**	-
Investment in quoted warrants, at fair value through profit or loss				
At beginning of the financial year	**-**	-	**-**	-
Additions	**-**	5,509,500	**-**	-
Add: Changes in fair value	**-**	3,271,988	**-**	-
Less: Disposal	**-**	(8,781,488)	**-**	-
At end of the financial year	**-**	-	**-**	-
	18,597,448	37,043,335	**-**	-

(a) These investments have quoted market prices in an active market and hence, the fair value was derived based on the market price of the quoted shares. The fair value of the investments are categorised at Level 1 of the fair value hierarchy.

(b) Upon the completion of the share subscription as disclosed in Note 12(b), XOX Technology Berhad has become an associate of the Group and of the Company starting from 1 September 2021 with significant influence in place.

Notes to the Financial Statements (Cont'd)

30 September 2022

15. GOODWILL ON CONSOLIDATION

	Group	
	2022 RM	2021 RM
At beginning of the financial year	-	-
Additional (Note 11(a)(iii))	**14,282,297**	-
At end of the financial year	**14,282,297**	-

Goodwill on consolidation arose upon the acquisition of a subsidiary principally engaged in establising, managing and controlling a football club as disclosed in Note 11(a)(iii).

The Group is in the midst of performing the purchase price allocation to determine goodwill arising from the acquisition of Perak FC Sdn. Bhd. of which the measurement period has not exceed one year from the acquisition date in accordance with MFRS 3 Business Combination Paragraph 45. Consequently, the provisional goodwill recognised as at 30 September 2022 is subject to retrospective adjustment, if any upon completion of identify and measure the fair value of its identifiable assets acquired and liabilities assumed.

Impairment review on goodwill

The recoverable amount of goodwill was determined based on value-in-use calculations using cash flow projections from financial forecasts and projections approved by Board of Directors covering a five-year period.

The key assumptions used in the determination of recoverable amount derived based on VIU calculation are as follows:

(i) Revenue growth rate

Projected revenue growth rate ranges from 11% to 13% per annum based on historical experience and management's assessment of future trends and market development in the segment with terminal value without growth rate.

(ii) Budgeted gross margin

The budgeted gross margin ranges from 21% to 33%. Gross margin was based on values achieved previously preceding the start of the budget period. These are increased over the budget period for anticipated efficiency improvements.

(iii) Pre-tax discount rate

A pre-tax discount rate of 10.5% was applied to the calculations in determining the recoverable amount of the CGUs. This is the benchmark used by management to assess operating performance and to evaluate future investment proposals.

The sensitivity analysis is presented as follows:

- A decrease of 10% in the budgeted gross margin would have reduced the recoverable amount by approximately RM27.6 million.

- A decrease of 10% in the revenue would have reduced the recoverable amount by approximately RM27.6 million.

- An increase of 10% in the discount rate would have reduced the recoverable amount by approximately RM25.0 million.

Except as mentioned above, the Group believes there are no reasonably foreseeable changes in the above key assumptions that would cause the carrying values of the CGU to materially exceed their recoverable amounts, other than changes in prevailing operating environments, of which the impact is not ascertainable.

Notes to the Financial Statements (Cont'd)

30 September 2022

16. FINANCE LEASE RECEIVABLE

The Group's sub-lease of its right-of-use of the office space is classified as finance lease receivable because the sub-lease is for the entire remaining lease term of the head lease. In prior financial year, the right-of-use asset relating to the head lease with the sub-lease classified as finance lease is derecognised as disclosed in Note 9.

	Group	
	2022 RM	**2021 RM**
Future minimum lease income		
Receivable within one year	**195,312**	195,312
Receivable between one and two years	**56,179**	195,312
Receivable between two and five years	**-**	56,179
	251,491	446,803
Less: Unearned lease income	**(20,126)**	(60,795)
Present value of minimum lease receivables	**231,365**	386,008
Present value of lease receivables:		
Repayable within one year	**176,237**	154,643
Repayable between one and two years	**55,128**	176,237
Repayable between two and five years	**-**	55,128
	231,365	386,008
Representing:		
Current portion	**176,237**	154,643
Non-current portion	**55,128**	231,365
	231,365	386,008

The effective interest rate of the finance lease receivables is 13.14% (2021: 13.14%) per annum. Finance income on the net investment in sub-lease during the financial year is RM40,669 (2021: RM43,068).

Notes to the Financial Statements (Cont'd)

30 September 2022

17. OTHER RECEIVABLES

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
Non-current asset:					
Other receivables	(i)	**206,470**	221,926	**-**	-
Current assets:					
Other receivables, gross		**7,838,785**	5,879,746	**1,000**	1,000
Less: Allowance for impairment loss	(ii)	**(3,486,814)**	(3,407,614)	**-**	-
Less: Written off		**(62,154)**	-	**-**	-
Other receivables, net	(iii)	**4,289,817**	2,472,132	**1,000**	1,000
Deposits, gross		**12,976,303**	13,904,372	**-**	-
Less: Allowance for impairment loss		**(60,000)**	(60,000)	**-**	-
Deposits, net	(iv)	**12,916,303**	13,844,372	**-**	-
Prepayments	(v)	**15,628,974**	11,471,566	**5,127,086**	70,091
Contract costs	(vi)	**6,527,831**	6,060,692	**-**	-
Deferred costs	(vii)	**12,616,417**	11,773,707	**-**	-
		51,979,342	45,622,469	**5,128,086**	71,091

(i) The non-current other receivables represent the principal outstanding sum of staff advances which are expected to be recoverable more than 1 year. The effective interest rate of the non-current other receivables discounting is 3.85% (2021: 3.85%) per annum.

(ii) Movements in the allowance for impairment losses on other receivables during the financial year are as follows:

	Group	
	2022 RM	2021 RM
Balance at beginning of the financial year	**3,407,614**	1,368,049
Addition	**-**	2,066,400
Written off	**-**	(70,035)
Exchange differences	**79,200**	43,200
Balance at end of the financial year	**3,486,814**	3,407,614

(iii) Included in net other receivables of the Group are:

(a) an amount of RM Nil (2021: RM45,120) owing by Directors' related companies which relates to the rental receivable and purchase of goods; and

(b) an amount of RM3,210,000 (2021: RM126,000) due from a joint venture which represents advance given to the joint venture.

Notes to the Financial Statements (Cont'd)

30 September 2022

17. OTHER RECEIVABLES (CONT'D)

(iv) Included in net deposits of the Group are:

(a) an amount of RM10,000,000 (2021: RM10,000,000) relating to performance bond for telecommunication business arrangement; and

(b) an amount of RM Nil (2021: RM1,314,786) which represents deposits paid for two Sales and Purchase Agreements ("SPAs") for acquisition of freehold lands and buildings. In prior financial year, the condition precedents of SPAs have yet to be fulfilled and remaining capital commitment are disclosed in Note 31. During the financial year, the condition precedents of SPAs have fulfilled, consequently have capitalised as property, plant and equipment.

(v) Included in prepayments are:

(a) an advance payment for purchase of software and hardware equipment of RM3,275,214 (2021: RM810,000) paid to a Director's related company;

(b) an advance payment for advertising, promotions, billboards and sponsorship of RM337,025 (2021: RM90,000) to a Director's related company;

(c) down payments for office renovation amounted to RM2,519,429 (2021: RM6,471,024) to a Director's related company; and

(d) an advance payment for purchase of goods of RM166,981 (2021: RM68,016) paid to a Director's related company.

(e) an advance payment for the proposed acquisition of 100% equity interest in Theron Holdings Sdn. Bhd. of RM4,990,244 (2021: RM Nil) paid to the solicitor of the seller. The condition precedents of the SSA have yet to be fulfilled as at 30 September 2022. Subsequently, the proposed acquisition was completed on 13 December 2022 as disclosed in Note 36(vi).

(vi) The contract costs represent the capitalised incremental cost to obtain a contract in relation to the deferred revenue.

(vii) The deferred costs represent mobile tariff directly attributable to the deferred telecommunication revenue from prepaid services and mobile application services which the services have yet to be rendered.

18. DEFERRED TAX (ASSETS)/LIABILITIES

	Group	
	2022 RM	**2021 RM**
At beginning of the financial year	**(926,657)**	(1,279,104)
Recognised in profit or loss (Note 7)	**2,675,031**	352,447
At end of the financial year	**1,748,374**	(926,657)
Representing:		
Deferred tax assets	**(304,912)**	(1,226,735)
Deferred tax liabilities	**2,053,286**	300,078
	1,748,374	(926,657)

Notes to the Financial Statements (Cont'd)

30 September 2022

18. DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)

The net deferred tax (assets) and liabilities shown on the statements of financial position after appropriate offsetting are as follows:

	Group	
	2022 RM	2021 RM
Deferred tax liabilities	**11,493,468**	9,401,888
Deferred tax assets	**(9,745,094)**	(10,328,545)
	1,748,374	(926,657)

The recognised deferred tax (assets)/liabilities before offsetting are as follows:

	Accelerated capital allowances RM	Others taxable temporary differences RM	Total RM
Group			
Deferred tax liabilities:			
2022			
At 1 October 2021	**9,503,341**	**(101,453)**	**9,401,888**
Recognised in profit or loss	**2,161,012**	**(69,432)**	**2,091,580**
At 30 September 2022	**11,664,353**	**(170,885)**	**11,493,468**
2021			
At 1 October 2020	6,674,437	64,361	6,738,798
Recognised in profit or loss	2,828,904	(165,814)	2,663,090
At 30 September 2021	9,503,341	(101,453)	9,401,888

	Unabsorbed capital allowances RM	Unutilised tax losses RM	Others deductible temporary differences RM	Total RM
Group				
Deferred tax assets:				
2022				
At 1 October 2021	**(3,610,103)**	**(5,412,413)**	**(1,306,029)**	**(10,328,545)**
Recognised in profit or loss	**1,124,732**	**(642,161)**	**100,880**	**583,451**
At 30 September 2022	**(2,485,371)**	**(6,054,574)**	**(1,205,149)**	**(9,745,094)**
2021				
At 1 October 2020	(3,265,372)	(3,399,741)	(1,352,789)	(8,017,902)
Recognised in profit or loss	(344,731)	(2,012,672)	46,760	(2,310,643)
At 30 September 2021	(3,610,103)	(5,412,413)	(1,306,029)	(10,328,545)

Notes to the Financial Statements (Cont'd)

30 September 2022

18. DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)

The estimated amount of temporary differences for which no deferred tax assets have been recognised in the financial statements are as follows (stated at gross):

	Group	
	2022 RM	**Restated 2021 RM**
Unutilised tax losses	**9,331,967**	13,392,754
Unabsorbed capital allowances	**12,586,367**	11,726,216
Other deductible temporary differences	**4,533,954**	-
	26,452,288	25,118,970

The comparative figures have been restated to reflect the actual tax losses and unabsorbed capital allowances carried forward available to the Group.

19. INVENTORIES

	Group	
	2022 RM	**2021 RM**
At cost:		
Sim cards, recharge cards and E-recharge	**9,072,818**	8,252,624
E-commerce	**1,196,725**	260,105
Handphones	**194,129**	316,848
Goods-in-transit	**-**	4,883
	10,463,672	8,834,460

The Group recognised inventories as cost of sales amounted to RM60,936,586 (2021: RM72,394,407).

20. TRADE RECEIVABLES

	Note	Group	
		2022 RM	**2021 RM**
Trade receivables, gross	(a)	**18,320,682**	18,663,191
Less: Allowance for impairment loss	(b)	**(6,445,565)**	(5,633,472)
Trade receivables, net		**11,875,117**	13,029,719

The normal credit terms extended to customers is ranging from 7 to 60 days (2021: 7 to 60 days). Other credit terms are assessed and approved on a case by case basis.

(a) Included in trade receivables are RM25,541 (2021: RM18,977) and RM89,711 (2021: RM Nil) represent the amount owing by an associate and a Directors' related company respectively which are unsecured, interest free and subject to normal credit term granted by the Group.

Notes to the Financial Statements (Cont'd)

30 September 2022

20. TRADE RECEIVABLES (CONT'D)

(b) Movements in the allowance for impairment losses on trade receivables during the financial year are as follows:

	Group	
	2022 RM	**2021 RM**
Balance at beginning of the financial year	**5,633,472**	7,190,097
Additions	**4,535,539**	4,315,305
Reversal	**(184,260)**	-
Written off	**(3,539,186)**	(5,871,930)
Balance at end of the financial year	**6,445,565**	5,633,472

21. AMOUNTS DUE FROM/(TO) SUBSIDIARIES

	Note	Company	
		2022 RM	**2021 RM**
Amounts due from subsidiaries			
Non-trade, gross		**271,500,944**	225,403,779
Less: Allowance for impairment loss			
At beginning of the financial year		**(73,909,820)**	(36,770,774)
Reversal		**-**	4,756,189
Additions		**(112,186,372)**	(41,895,235)
At end of the financial year		**(186,096,192)**	(73,909,820)
Non-trade, net		**85,404,752**	151,493,959
Representing:			
Current portion	(i)	**9,699,572**	4,577,609
Non-current portion	(ii)	**75,705,180**	146,916,350
		85,404,752	151,493,959
Amount due to a subsidiary			
Non-trade	(iii)	**-**	(2,865,515)

(i) These amounts are non-trade in nature, unsecured, interest free advances which are collectible on demand.

(ii) This amount is non-trade in nature, unsecured, interest free advances which is not collectible within the next twelve months.

(iii) This amount is non-trade in nature, unsecured, interest free advances which is repayable on demand.

Notes to the Financial Statements (Cont'd)

30 September 2022

22. CASH AND CASH EQUIVALENTS

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
Fixed deposit with a license bank	(i)	**412,399**	404,908	**-**	-
Short-term fund	(ii)	**43,212,347**	68,168,842	**43,212,347**	68,168,842
Cash and bank balances		**39,676,456**	95,192,837	**838,969**	318,666
		83,301,202	163,766,587	**44,051,316**	68,487,508

(i) The effective interest rate of fixed deposit is 1.85% (2021: 1.85%) per annum. The fixed deposit with the carrying amount of RM412,399 (2021: RM404,908) has maturity period of 365 days (2021: 365 days). The fixed deposit is pledged by a subsidiary to a licensed bank for bank guarantee facility granted to a third party.

(ii) This refers to investment in a short to medium-term fixed income fund of which the fund will be invested in money market investments and short to medium-term fixed income instruments. The distribution income from this fund is tax exempted and is being treated as interest income by the Group and the Company.

23. ORDINARY SHARES

	Group and Company			
	Number of shares		Amount	
	2022 Units	2021 Units	2022 RM	2021 RM
Issued and fully paid:				
At beginning of the financial year	**4,035,865,775**	3,068,831,575	**432,150,129**	343,519,338
Issuance of ordinary shares pursuant to:				
- private placement	**-**	614,851,000	**-**	60,630,845
- conversion of ICPS (Note 24)	**-**	8,442,400	**-**	422,120
- exercise of warrants B	**-**	80,000	**-**	4,800
- exercise of SIS and ESOS	**1,014,964,800**	343,660,800	**36,698,177**	27,573,026
At end of the financial year	**5,050,830,575**	4,035,865,775	**468,848,306**	432,150,129

2022

During the financial year, the Company increased its issued and paid up ordinary shares from RM432,150,129 to RM468,848,306 by way of the issuance of 1,014,964,800 new ordinary shares at the issue price ranging from RM0.018 to RM0.0375 per ordinary share pursuant to the exercise of the Employees' Share Option Scheme ("ESOS") at the ratio of 1 ESOS for 1 new ordinary share.

Notes to the Financial Statements (Cont'd)

30 September 2022

23. ORDINARY SHARES (CONT'D)

2021

In prior financial year, the Company increased its issued and paid up ordinary shares from RM343,519,338 to RM432,150,129 by way of the issuance of:

(i) 614,851,000 new ordinary shares at the issue price ranging from RM0.095 to RM0.1119 per share pursuant to the private placement for the purpose of raising working capital;

(ii) 8,442,400 new ordinary shares of RM0.05 each pursuant to the conversion of 8,442,400 irredeemable convertible preference shares ("ICPS") at a conversion ratio of 1 ICPS for 1 new ordinary share;

(iii) 80,000 new ordinary shares at an issue price of RM0.06 per share pursuant to the exercise of Warrants B 2020/2023 ("Warrants B"); and

(iv) 343,660,800 new ordinary shares at the issue price ranging from RM0.045 to RM0.13 per ordinary share pursuant to the exercise of the share options that was granted under Share Issuance Scheme ("SIS") and Employees' Share Option Scheme ("ESOS") at the ratio of 1 SIS or ESOS for 1 new ordinary share.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

24. ICPS

	Group and Company			
	Number of ICPS		Amount	
	2022 Units	2021 Units	2022 RM	2021 RM
At beginning of the financial year	**77,971,406**	86,413,806	**1,949,285**	2,160,345
Conversion during the financial year (Note 23)	**-**	(8,442,400)	**-**	(211,060)
At end of the financial year	**77,971,406**	77,971,406	**1,949,285**	1,949,285

On 12 March 2020, the Company has issued and allotted 1,061,027,506 new ICPS of RM26,525,688 at an issue price of RM0.025 per share.

In prior financial year, the ICPS of the Company decreased from RM2,160,345 to RM1,949,285 by way of the conversion of 8,442,400 ICPS for 8,442,400 new ordinary shares at a conversion ratio of 1 ICPS for 1 new ordinary share with a conversion price of RM0.025 per ordinary share.

The salient terms of the ICPS were as follows:

(a) Dividend

The Company has full discretion over the declaration of dividends. Dividends declared and payable annually in arrears are non-cumulative and shall be paid in priority over the ordinary shares of the Company.

Notes to the Financial Statements (Cont'd)

30 September 2022

24. ICPS (CONT'D)

(b) Conversion

(i) Conversion period

The ICPS holders may convert the ICPS into new ordinary shares of the Company at any time during the tenure of 10 years commencing from and inclusive the date of issuance. Any outstanding unconverted ICPS at the end of the tenure shall be mandatorily converted into new ordinary share of the Company at the conversion ratio of 2 ICPS for every 1 new ordinary share.

(ii) Conversion mode

The ICPS may be converted into new ordinary shares in the following manner:

- by surrendering for cancellation the ICPS with an aggregate issue price equivalent to the conversion price; or
- by surrendering for cancellation such number of ICPS with an aggregate par value below the conversion price, subject to a minimum of 1 ICPS, and paying the difference between the aggregate issue price of ICPS surrendered and the conversion price, in cash, for every 1 new ordinary share of the Company.

The conversion mode and conversion price will be subject to adjustment at the determination of the Board, in the event of any alteration to the Company's share capital, whether by way of rights issue, bonus issue, capitalisation issue, consolidation of shares, subdivision of shares or reduction of capital.

(c) Redemption

The ICPS shall not be redeemable for cash.

(d) Ranking of the ICPS

The ICPS will rank pari passu in all respects with each other and will rank in priority to all other class of shares in the capital of the Company except that such new ordinary shares shall not entitled to any dividends, rights, allotments and/or other distributions that may be declared.

(e) Ranking of the new ordinary shares

The new ordinary shares to be issued pursuant to the conversion of the ICPS shall, upon allotment and issuance, rank pari passu in all respects with the ordinary shares of the Company except that such new ordinary shares shall not entitle its holders to any dividends, rights, allotments and/or other distributions on or prior to the relevant date of allotment of new ordinary shares arising from the conversion of the ICPS.

(f) Rights

The ICPS holders shall be entitled to receive notice of meetings, report and accounts, and attend meetings of the Company but shall not have the right to vote at any general meeting of the Company except on:

(i) reduction of the Company's share capital;
(ii) sale the whole of the Company's property, business and undertaking;
(iii) proposals varying or affecting the rights and privileges attached to the ICPS; and
(iv) winding up of the Company.

(g) Transferability

The ICPS shall be transferable in the manner provided under the Securities Industry (Central Depositories) Act 1991 ("SICDA") and the Rules of Bursa Depository.

Notes to the Financial Statements (Cont'd)

30 September 2022

25. RESERVES

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
Non-distributable:					
Capital reserve	(a)	**2,200,000**	2,200,000	**2,200,000**	2,200,000
Warrants reserve	(b)	**2,526,978**	2,526,978	**2,526,978**	2,526,978
Other reserve	(c)	**(2,526,978)**	(2,526,978)	**(2,526,978)**	(2,526,978)
Foreign translation reserve	(d)	**(18,026,820)**	(1,694,345)	**-**	-
Share options reserve	(e)	**-**	3,036,252	**-**	3,036,252
Distributable:					
Accumulated losses		**(221,331,485)**	(131,926,764)	**(227,967,871)**	(115,536,937)
		(237,158,305)	(128,384,857)	**(225,767,871)**	(110,300,685)

(a) Capital reserve

The capital reserve arose from the special issue of shares to selected pioneer management team of the Group and is not distributable by way of dividends.

(b) Warrants reserve

Warrants reserve represents reserve allocated to free detachable warrants B issued with right issue.

Warrants B

On 12 March 2020, the Company listed and quoted of 265,256,876 free detachable Warrants B pursuant to the renounceable rights issue of ICPS with Warrants B exercise on the basis of four (4) ICPS together with one (1) free Warrants B for every two (2) existing ordinary shares of the Company. The fair value of the Warrants B was determined as RM0.0109.

The Company executed a Deed Poll constituting the Warrants B and the exercise price of the Warrants B have been fixed at RM0.06 each. The Warrants B may be exercised at any time within 3 years commencing on and including the date of issuance and expiring on 3 March 2023. Any Warrants B which has not been exercised at date of maturity will lapse and cease to be valid for any purpose.

The new ordinary shares allotted and issued upon exercise of the Warrants B shall rank pari passu in all respects with the then existing ordinary shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment of the new ordinary shares arising from exercise of the Warrants B.

As at 30 September 2022, the total numbers of Warrants B that remain unexercised stands at 231,832,876 (2021: 231,832,876).

Notes to the Financial Statements (Cont'd)

30 September 2022

25. RESERVES (CONT'D)

(b) Warrants reserve (cont'd)

Warrants C

On 22 January 2021, Bursa Malaysia Securities Berhad approved the Company's proposed bonus issue of up to 1,412,612,765 free warrants ("Warrants C") on the basis of three (3) Warrants C for every eight (8) existing ordinary shares of the Company. There is no proceed received by the Company arising from the Bonus Issue of warrant, accordingly, no allocation of proceeds is required to account for the fair value of warrant issued.

The Company executed a Deed Poll constituting the Warrants C and the exercise price of the Warrants C have been fixed at RM0.10 each. The Warrants C may be exercised at any time within 3 years commencing on and including the date of issuance and expiring on 19 January 2024. Any Warrants C which has not been exercised at date of maturity will lapse and cease to be valid for any purpose.

The new ordinary shares allotted and issued upon exercise of the Warrants C shall rank pari passu in all respects with the then existing ordinary shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment of the new ordinary shares arising from exercise of the Warrants C.

As at 30 September 2022, the total numbers of Warrants C that remain unexercised amounted to 1,412,612,765 (2021: 1,412,612,765).

(c) Other reserve

Other reserve represents the discount on issuance of shares and the value of which is represented by the fair value of the warrants. The other reserve, in substance, form part of the issued and paid-up share capital and is presented separately for better understanding.

(d) Foreign translation reserve

The exchange translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

(e) Share options reserve

	Group and Company	
	2022 RM	**2021 RM**
At beginning of the financial year	**3,036,252**	2,975,773
Granted	**5,026,838**	5,529,875
Exercised	**(6,491,338)**	(2,498,440)
Expired	**(1,571,752)**	(2,970,956)
At end of the financial year	**-**	3,036,252

Share options reserve represents the equity-settled share options granted to Directors and employees of the Group. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options, and is reduced by the expiry or exercise of the share options. Share options is disclosed in Note 6.

Notes to the Financial Statements (Cont'd)

30 September 2022

26. LEASE LIABILITIES

	Group	
	2022 RM	**2021 RM**
Minimum lease payments:		
Repayable within one year	**5,385,106**	6,150,419
Repayable between one to two years	**3,519,114**	4,334,134
Repayable between two to five years	**4,834,915**	5,401,874
Repayable more than five years	**240,167**	600,061
	13,979,302	16,486,488
Less: Future finance charges	**(2,415,130)**	(3,047,487)
Present value of minimum lease payments	**11,564,172**	13,439,001
Present value of lease payables:		
Repayable within one year	**4,299,645**	4,820,676
Repayable between one to two years	**2,868,391**	3,499,062
Repayable between two to five years	**4,166,386**	4,539,143
Repayable more than five years	**229,750**	580,120
	11,564,172	13,439,001
Representing:		
Current portion	**4,299,645**	4,820,676
Non-current portion	**7,264,527**	8,618,325
	11,564,172	13,439,001

The lease liabilities bear effective interest rate ranging from 4.69% to 13.84% (2021: 4.69% to 13.84%) per annum.

27. TRADE PAYABLES

	Group	
	2022 RM	**2021 RM**
Third parties	**22,555,047**	24,370,865
Associate	**208,693**	-
	22,763,740	24,370,865

The normal trade credit terms granted to the Company is ranging from 30 to 90 days (2021: 30 to 90 days). Other credit terms are assessed and approved on a case by case basis.

Notes to the Financial Statements (Cont'd)

30 September 2022

28. OTHER PAYABLES

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
Other payables	(i)	**11,729,413**	7,600,938	**28,946**	-
Deposits	(ii)	**114,828**	48,828	**-**	-
Accruals	(iii)	**41,529,123**	46,461,814	**167,440**	149,568
		53,373,364	54,111,580	**196,386**	149,568

(i) Included in other payables of the Group is:

(a) an amount of RM1,976,110 (2021: RM717,973) due to the vendors for the purchase and enhancement of telecommunication network equipment and software;

(b) an amount of RM858,911 (2021: RM410,605) due to Director's related company for the provision of event management services;

(c) an amount of RM Nil (2021: RM16,664) due to Director's related company for the provision of rental services;

(d) an amount of RM Nil ((2021: RM55,889) due to Director's related company for printing and packing related services;

(e) an amount of RM1,079,720 (2021: RM1,620,000) due to Director's related company for electronic data management service; and

(f) an amount of RM24,899 (2021: RM Nil), RM28,000 (2021: RM Nil) and RM4,733 (2021: RM Nil) due to an associate, joint venture and Director's related company respectively for marketing related services.

(ii) Included in deposits is refundable rental deposits received from a Director's related company amounting to RM48,828 (2021: RM48,828).

(iii) Included in accruals of the Group is:

(a) accrued event management expenses and marketing expenses payable to Directors' related companies amounting to RM26,000 (2021: RM763,200);

(b) accrued advertising expenses of RM Nil (2021: RM2,902,824) payable to a third party; and

(c) the cost of recharge usage accrued amounting to RM20,103,552 (2021: RM26,293,354).

(d) accrued subscription fee for Antchain Blockchain-based Solutions of RM77,233 (2021: RM70,000).

29. CONTRACT LIABILITIES

	Note	Group	
		2022 RM	2021 RM
Telecommunication services			
- Prepaid, postpaid and other services	(i)	**24,357,205**	23,894,601
Mobile applications services	(ii)	**476,831**	474,899
Digital advertising	(iii)	**186,496**	43,489
E-commerce	(iv)	**24,752**	44,085
		25,045,284	24,457,074

Notes to the Financial Statements (Cont'd)

30 September 2022

29. CONTRACT LIABILITIES (CONT'D)

Contract liabilities mainly relates to advance consideration received from subscribers at inception of contracts, for which is only recognised upon rendering of telecommunication services, mobile application services via Voopee. For e-commerce and digital advertising, contract liabilities mainly related to amount billed to customer before the related performance obligations are satisfied by the Group.

Movement of contract liabilities are as follows:

(i) Telecommunication services

	Group	
	2022 RM	**2021 RM**
At beginning of the financial year	**23,894,601**	23,581,101
Collection during the financial year	**277,576,768**	309,318,636
Revenue recognised during the financial year (Note 4)	**(277,114,164)**	(309,005,136)
At end of the financial year	**24,357,205**	23,894,601

(ii) Mobile application services

	Group	
	2022 RM	**2021 RM**
At beginning of the financial year	**474,899**	452,562
Collection during the financial year	**101,164**	79,549
Revenue recognised during the financial year (Note 4)	**(99,232)**	(57,212)
At end of the financial year	**476,831**	474,899

(iii) Digital advertising

	Group	
	2022 RM	**2021 RM**
At beginning of the financial year	**43,489**	-
Billing during the financial year	**280,250**	60,000
Revenue recognised during the financial year (Note 4)	**(137,243)**	(16,511)
At end of the financial year	**186,496**	43,489

(iv) E-commerce

	Group	
	2022 RM	**2021 RM**
At beginning of the financial year	**44,085**	-
Billing during the financial year	**8,696,074**	4,741,690
Revenue recognised during the financial year (Note 4)	**(8,715,407)**	(4,697,605)
At end of the financial year	**24,752**	44,085

Notes to the Financial Statements (Cont'd)

30 September 2022

30. RELATED PARTY DISCLOSURES

(a) Identifying related parties

For the purposes of these financial statements, parties are considered to be related to the Group and to the Company if the Group and the Company have the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Group has a related party relationship with Directors' related companies, associates, joint venture and key management personnel. The Company has related party relationship with its subsidiaries. The Directors' related companies refer to companies in which certain Directors of the Group are also Directors of the related companies. The related party balances of the Group and of the Company are disclosed in Notes 17, 20, 21 and 28.

(b) Related party transactions

Other than disclosed elsewhere in the financial statements, the significant related party transactions between the Group and the Company and their related parties during the financial year are as follows:

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Transactions with Directors' related companies:				
- Purchase of software	**(6,652,800)**	(7,925,375)	**-**	-
- Purchase of vending machine	**(3,855,000)**	(4,626,000)	**-**	-
- Purchase of goods	**(4,555,679)**	(1,458,706)	**-**	-
- Rental charge	**8,052**	(45,345)	**(9,540)**	(33,579)
- Renovation charge	**(1,261,078)**	(6,490,310)	**-**	-
- Marketing related expenses	**(8,318,580)**	(2,240,157)	**-**	-
- Commission income	**10,211**	-	**-**	-
- Sales	**155,465**	-	**-**	-
Transactions with associates:				
- Sales	**388,994**	211,044	**-**	-
- Service charge	**(25,408)**	(37,290)	**-**	-
- Purchase	**(263,134)**	-	**-**	-
- Rental income	**-**	-	**-**	-
Transaction with subsidiaries:				
- Advances to	**-**	-	**(46,097,165)**	(138,966,043)
- (Repayment to)/advances from	**-**	-	**(2,865,515)**	2,865,515
- Share options	**-**	-	**5,883,009**	5,357,557
Transaction with joint venture:				
- Sales	**426**	-	**-**	-
- Advertisement	**(98,600)**	-	**-**	-
- Advances to	**(3,084,000)**	(126,000)	**-**	-
Transaction with a Director:				
- Disposal of motor vehicle	**100,000**	-	**-**	-

Notes to the Financial Statements (Cont'd)

30 September 2022

30. RELATED PARTY DISCLOSURES (CONT'D)

(c) Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly, including any Directors of the Company and its subsidiaries.

The remunerations paid by the Group and the Company to key management personnel during the financial year have been disclosed in Note 5(a).

31. CAPITAL AND OTHER COMMITMENT

The future capital and other commitment payable at the reporting date but not recognised as payable is as follows:

	Group	
	2022 RM	**2021 RM**
Contracted for:		
Antchain Blockchain-based Solutions	**849,567**	1,605,400
Purchase of system software	**4,498,270**	3,829,662
Renovation	**3,779,144**	4,957,039
	9,126,981	10,392,101
Contracted and authorised for:		
Acquisition of freehold lands and buildings	**-**	8,460,000

32. SEGMENTAL INFORMATION

Segmental information is not presented as the Group is primarily engaged in the provision of mobile communication services and its related products, e-commerce services and digital advertising in Malaysia.

During the financial year, the Group has acquired a subsidiary that principally engaged in establising, managing and controlling a football club as disclosed in Note 11(a). The contribution from the newly acquired subsidiary was less than 10% of the Group's consolidated revenue. As such, the segmental information is not presented.

Notes to the Financial Statements (Cont'd)

30 September 2022

33. FINANCIAL INSTRUMENTS

Categories of financial instruments

The Group's and the Company's financial assets and financial liabilities are all categorised as amortised costs respectively, except for other investment in quoted shares which is categorised at fair value through profit or loss as disclosed in Note 14.

Financial Risk Management Objectives and Policies

The Group's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's operations whilst managing the financial risks, including credit risk, interest risk, foreign currency risk and liquidity risk. The Group operates within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative transactions.

The following sections provide details regarding the Group's and the Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables (which consist of trade and other receivables). The Company's exposure to credit risk arises principally from loans and advances to subsidiaries. There are no significant changes as compared to prior year.

Trade receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit risk is minimised and monitored via strictly limiting the Group's associations to business partners with good credit rating. Credit evaluations are performed on all customers requiring credit over a certain amount.

At each reporting date, the Group assesses whether any of the trade receivables are credit impaired.

There is no significant changes as compared to previous year.

Exposure to credit risk, credit quality and collateral

As the Group does not hold any collateral, the maximum exposure to credit risk from receivables is represented by the carrying amounts in the statements of financial position as at the end of the reporting year.

Concentration of credit risk

The Group determines concentration of credit risk by monitoring the profiles of its receivables on an ongoing basis.

As at 30 September 2022, the Group has significant concentration of credit risk arising from the amounts owing by 6 (2021: 4) distribution channels constituting 38% (2021: 57%) of net trade receivables of the Group.

Recognition and measurement of impairment loss

The Group has applied the simplified approach in MFRS 9 to measure the loss allowance at lifetime expected credit losses.

Notes to the Financial Statements (Cont'd)

30 September 2022

33. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risk Management Objectives and Policies (cont'd)

(a) Credit risk (cont'd)

Trade receivables (cont'd)

Recognition and measurement of impairment loss (cont'd)

Distribution channels and others

The Group assesses impairment of trade receivables on individual and collective basis.

For individual assessment, it is due to different credit risk characteristics and these debtors can be individually managed by the Group in an effective and efficient manner. The Group has reasonable and supportable information available to assess the impairment individually.

For collective assessment, the Group determines the expected credit losses by using a provision matrix for collective assessed receivables which are grouped together based on shared credit risk characteristics and similar types of contracts which have similar risk characteristics.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency.

Loss rates are based on actual credit loss experienced over the prior years and are adjusted to reflect the alternative forward looking information. The Group also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions, (c) the Group's view of economic conditions over the expected lives of the receivables.

Postpaid users

The Group assesses impairment of trade receivable on collective basis. The Group uses an allowance matrix to measure ECL of collective assessed receivables as they are grouped based on shared credit risk characteristics, the days past due and similar types of contracts which have similar risk characteristics. Consistent with the debt recovery process, invoices which are past due more than 120 days will be considered as credit impaired.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency.

Loss rates are based on actual credit loss experienced over the prior years. The Group also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions, (c) the Group's view of economic conditions over the expected lives of the receivables.

Notes to the Financial Statements (Cont'd)

30 September 2022

33. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risk Management Objectives and Policies (cont'd)

(a) Credit risk (cont'd)

Trade receivables (cont'd)

Impairment losses

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at the reporting date:

	Gross RM	Loss Allowance RM	Net RM
Group			
Postpaid users, distribution channels and others			
2022			
Not past due	**9,781,095**	**(1,225,207)**	**8,555,888**
Past due and impaired:			
Less than 30 days	**2,959,136**	**(865,381)**	**2,093,755**
31 days to 60 days	**501,623**	**(90,216)**	**411,407**
61 days to 90 days	**822,995**	**(397,601)**	**425,394**
91 days to 120 days	**412,442**	**(255,722)**	**156,720**
Trade receivables, gross	**4,696,196**	**(1,608,920)**	**3,087,276**
Credit impaired:			
121 days to 150 days	**3,416,044**	**(3,416,044)**	**-**
More than 150 days - Renegotiated	**231,953**	**-**	**231,953**
Individually impaired	**195,394**	**(195,394)**	**-**
Trade receivables, net	**18,320,682**	**(6,445,565)**	**11,875,117**
2021			
Not past due	9,728,910	(1,160,101)	8,568,809
Past due and impaired:			
Less than 30 days	3,149,385	(743,216)	2,406,169
31 days to 60 days	1,281,949	(311,791)	970,158
61 days to 90 days	603,786	(249,224)	354,562
91 days to 120 days	439,257	(267,748)	171,509
Trade receivables, gross	5,474,377	(1,571,979)	3,902,398
Credit impaired:			
121 days to 150 days	2,762,476	(2,762,476)	-
More than 150 days - Renegotiated	558,512	-	558,512
Individually impaired	138,916	(138,916)	-
Trade receivables, net	18,663,191	(5,633,472)	13,029,719

Notes to the Financial Statements (Cont'd)

30 September 2022

33. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risk Management Objectives and Policies (cont'd)

(a) Credit risk (cont'd)

Trade receivables (cont'd)

Credit impaired

Distribution channels and others

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments subsequent to the range from 30 to 150 days past due, depending on risk profile of the respective debtors. These receivables are not secured by any collateral or credit enhancements.

A debtor of the Group with credit impaired risk on total debt outstanding amounted to RM233,000 (2021: RM563,000) as at 30 September 2022 has been renegotiated with the Group by way of 12-months repayment plan within the next financial year end.

Postpaid users

Trade receivables that are collectively determined to be impaired at the reporting date relate to debtors that have defaulted on payments and due more than 120 days. These receivables are not secured by any collateral or credit enhancements.

Receivables that are not past due nor impaired/not past due

Distribution channels and others

Trade receivables that are not past due nor impaired are creditworthy debtors with good payment records and mostly are regular customers that have been transacting with the Group.

Postpaid users

Trade receivables that are not past due are creditworthy debtors with good payment records.

Receivables that are past due but not impaired

Distribution channels and others

These trade receivables relate mostly to customers with slower repayment patterns, for whom there is no history of default. The Group has not provided for impairment for these trade receivables as there has been no significant changes in their credit quality and the amounts are still considered recoverable.

Postpaid users

The Group has not provided for impairment for these trade receivables as there has been no significant changes in their credit quality and the amounts are still considered recoverable according to the Group's postpaid validity cycle. The Group does not hold any collateral or other credit enhancement over these balances.

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. These banks and financial institutions have low credit risks. Hence, a loss allowance is not necessary.

Notes to the Financial Statements (Cont'd)

30 September 2022

33. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risk Management Objectives and Policies (cont'd)

(a) Credit risk (cont'd)

Other receivables and deposits

Expected credit loss of other receivable is determined individually after considering the financial strength of the other receivables. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. The Group has provided allowances for expected credit losses on the debtors as disclosed in Note 17. Besides, the Group has assessed debtors which are past due more than 1 year as credit impaired and has write off the receivables as disclosed in Note 17.

Credit risk on deposits are mainly arising from deposits paid to landlord as security and utilities deposit for rental of office and outlet which will be received upon termination of such services and thus have low credit risks. As at the end of the reporting period, no allowance for doubtful debts is necessary in respect of the deposits.

Amounts due from joint venture and subsidiaries

Risk management objectives, policies and processes for managing the risk

The Group and the Company provide unsecured loans and advances to its joint venture and subsidiaries. The Group and the Company monitor the ability of the joint venture and subsidiaries to repay the loans and advances on an individual basis.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. Loans and advances provided are not secured by any collateral.

Recognition and measurement of impairment loss

Intercompany loans between entities within the Group are repayable on demand. For loans that are repayable on demand, expected credit losses are assessed based on the assumption that repayment of the loans is demanded at the reporting date.

Generally, the Group and the Company consider loans and advances to joint venture and subsidiaries have low credit risk. The Group and the Company assume that there is a significant increase in credit risk when joint venture's and subsidiaries' financial positions deteriorate significantly. As the Group and the Company are able to determine the timing of payments of the joint venture's and subsidiaries' loans and advances when they are payable, the Group and the Company consider joint venture's and subsidiaries loans or advances to be credit impaired when the joint venture and subsidiaries are unlikely to repay the loans or advances to the Group and the Company in full given insufficient highly liquid resources when the loans are demanded.

The Group and the Company determine the probability of default for these loans and advances individually using internal information available.

At the reporting date, the Company assumes that there is a significant increase in credit risk given the subsidiaries financial position has deteriorated significantly which may lead to high probability of default for the advances to the subsidiaries. An impairment loss of RM112,186,372 (2021: RM41,895,235) and reversal of impairment of RM Nil (2021: RM4,756,189) has been recognised in profit or loss as disclosed in Note 21.

Notes to the Financial Statements (Cont'd)

30 September 2022

33. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risk Management Objectives and Policies (cont'd)

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value of cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group and the Company are exposed to foreign currency risk on purchases that are denominated in a currency other than functional currency of the Group and of the Company. The currency giving rise to this risk is primarily United States Dollar (''USD'') and Australian Dollar ("AUD").

Foreign exchange exposures in transactional currency other than functional currency of the Group and of the Company is kept to an acceptable level.

Exposure to foreign currency risk

The Group's and the Company's significant exposure to foreign currency (a currency which is other than functional currency of the Group and of the Company) risk, based on carrying amounts as at end of the reporting period was:

	Denominated in		
	USD RM	**AUD RM**	**Total RM**
Group			
2022			
Other payables	**(256,458)**	**-**	**(256,458)**
Cash and cash equivalents	**17,191,181**	**5,912,347**	**23,103,529**
	16,934,723	**5,912,347**	**22,847,070**
2021			
Other payables	(234,335)	-	(234,335)
Cash and cash equivalents	61,658,835	5,679,864	67,338,699
	61,424,500	5,679,864	67,104,364
Company			
2022			
Cash and cash equivalents	**-**	**5,912,347**	**5,912,347**
2021			
Cash and cash equivalents	-	5,679,864	5,679,864

Notes to the Financial Statements (Cont'd)

30 September 2022

33. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risk Management Objectives and Policies (cont'd)

(b) Foreign currency risk (cont'd)

A 5% strengthening of the functional currency of the Group and of the Company against the foreign currency at the end of the reporting period would have (increased)/decreased loss after tax and equity by the amount shown below:

	2022		2021	
	Loss after tax RM	**Equity RM**	**Loss after tax RM**	**Equity RM**
Group				
USD/RM	**643,519**	**643,519**	2,334,131	2,334,131
AUD/RM	**224,669**	**224,669**	215,835	215,835
Company				
AUD/RM	**224,669**	**224,669**	215,835	215,835

A 5% weakening of the functional currency of the Group and of the Company against the foreign currency at the end of the reporting period would have equal but opposite effect on loss after tax and equity.

(c) Interest rate risk

	Group and Company	
	2022 RM	**2021 RM**
Floating rate interest		
Financial assets	**37,300,000**	62,488,978

The Group and the Company are exposed to interest rate risk through the impact of rate changes in floating rate short term fund. The changes in interest rates would not have material impact on the profit or loss and equity of the Group and of the Company.

(d) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations associated with financial liabilities. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain sufficient cash balances and the availability of funding through certain commitment credit facilities.

The Group's and the Company's liquidity risk management policy is to manage their debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. In addition, the Group and the Company maintain sufficient levels of cash and available banking facilities at a reasonable level to their overall debt position to meet their working capital requirement.

All of the Company's liabilities at the reporting date mature within one year or repayable on demand.

Notes to the Financial Statements (Cont'd)

30 September 2022

33. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risk Management Objectives and Policies (cont'd)

(d) Liquidity risk (cont'd)

The table below summarises the maturity profile of the Group's financial liabilities at the reporting date based on contractual undiscounted repayment of obligations:

	Carrying amount RM	Contractual cash flows RM	◄ Contractual Cash Flows ►			
			On demand or within 1 year RM	Between 1 to 2 years RM	Between 2 to 5 years RM	More than 5 years RM
Group						
2022						
Trade payables	**22,763,740**	**22,763,740**	**22,763,740**	**-**	**-**	**-**
Other payables	**53,373,364**	**53,373,364**	**53,373,364**	**-**	**-**	**-**
Lease liabilities	**11,564,172**	**13,979,302**	**5,385,106**	**3,519,114**	**4,834,915**	**240,167**
	87,701,276	**90,116,406**	**81,522,210**	**3,519,114**	**4,834,915**	**240,167**
2021						
Trade payables	24,370,865	24,370,865	24,370,865	-	-	-
Other payables	54,111,580	54,111,580	54,111,580	-	-	-
Lease liabilities	13,439,001	16,486,488	6,150,419	4,334,134	5,401,874	600,061
	91,921,446	94,968,933	84,632,864	4,334,134	5,401,874	600,061

34. FAIR VALUE INFORMATION

Financial instrument at fair value

The fair value measurement hierarchies used to measure financial instruments at fair value in the statements of financial position are disclosed in Note 14.

There were no material transfer between Level 1, Level 2 and Level 3 during the financial year.

Financial instrument other than those carried at fair value

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of short-term receivables and payables and cash and cash equivalents approximate their fair values due to the relatively short-term nature of these financial instruments and insignificant impact of discounting.

Notes to the Financial Statements (Cont'd)

30 September 2022

35. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to ensure an adequate capital base when developing its future business and safeguard the Group's ability to continue as a going concern.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic and business conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt includes lease liabilities less cash and cash equivalents whilst total capital is the equity attributable to the Owners of the Company.

There were no changes in the Group's approach to capital management during the financial year.

The net debt-to-equity ratio as at the end of the reporting period was as follows:

	Group	
	2022 RM	**2021 RM**
Lease liabilities (Note 26)	**11,564,172**	13,439,001
Less: Cash and cash equivalents (Note 22)	**(83,301,202)**	(163,766,587)
Total net cash	**(71,737,030)**	(150,327,586)
Equity attributable to the Owners of the Company, representing total capital	**233,639,286**	305,714,557
Debt-to-equity ratio (%)	*****	*

* *Not meaningful*

The Group is not subject to any externally imposed capital requirements.

Notes to the Financial Statements (Cont'd)

30 September 2022

36. ANNOUNCED BUSINESS COLLABORATION

(i) On 18 August 2017, XOX Media Sdn. Bhd. ("XOX Media") entered into a MOU with Multimedia Research Lab Sdn. Bhd. ("MRL") to cooperate and collaborate with the aim of enhancing the functions of Voopee mobile application by sharing and incorporating MRL range of video conferencing and server technology ("Technology collaboration") to exploit the potential market that arises from XOX Media collaboration with PT. Inovasi Telematika Nusantara and Pengurus Besar Nahdlatul Ulama. XOX Media has served a notice of termination to MRL on 30 November 2021.

(ii) On 26 February 2019, XOX Mobile Sdn. Bhd. ("XOX Mobile") entered into a MOU with 10T Tech Limited ("10T Tech") for the purpose of participating in a platform, to be called as the "eSIM Alliance", which will handle international traffic through eSIM profile switching between its participants. XOX Mobile has served a notice of termination to 10T Tech on 30 November 2021.

(iii) On 8 August 2019, XOX Mobile entered into a MOU with TOT Public Company Limited ("TOT") for the purpose to record the mobile virtual network operator ("MVNO") partnership, cooperation and support between both parties in relation to the performances of exploring MVNO market in Thailand, connecting in technicality and testing the mobile telecommunication systems as well as other commercial operations. XOX Mobile has served a notice of termination to TOT on 30 November 2021.

(iv) On 27 July 2020, XOX Media entered into a Head of Agreement ("HOA") with Jiangsu Sulian Asset Management Co., Ltd ("Sulian Capital") to form a non-circumvention and commercial agreement between both parties concerning the introduction of a Chinese Telco, to partner and collaborate with XOX in the regional deployment of 5G mobile networks. The HOA is terminated on 26 December 2021 as no commercial agreement was concluded.

(v) On 17 September 2020, the Company entered into a Provisional Technology Partnership Agreement with Nexion Technologies Limited ("Nexion") to establish a long-term and stable strategic partnership in order to ensure XOX and Nexion competitiveness and offerings to a more challenging global market. To date, there is no material development pertaining to the agreement.

(vi) On 24 May 2022, the Company entered into a MOU with Majlis Bandaraya Ipoh ("MBI") for the purpose to solidify the parameters and lay the foundation for formalisation of the strategic technology partnership to collectively enhance the current infrastructure and services provided by MBI to the residents of Ipoh, by virtue of digitalisation, augmented reality application, cashless applications and automation. The MOU had become effective from 24 May 2022. To date, there is no material development pertaining to the MOU.

(vii) On 12 July 2022, XOXHK entered into a SSA with Muar Ban Lee Group Berhad for the proposed acquisition of 2 ordinary shares in Theron Holdings Sdn. Bhd. ("Theron"), representing 100% of the total issued and paid-up share capital of Theron, for a total a total purchase consideration of RM19,254,590. The proposed acquisition was completed on 13 December 2022.

(viii) On 12 October 2022, Perak FC entered into a MOU with VFL Wolfsburg-Fubball GMBH ("Wolfsburg") to setup a working executive committee to build a commercial and professional sporting partnership framework between both football clubs, focusing on three key areas, youth development, technology transfer and merchandising opportunities. The MOU had become effective from 12 October 2022. To date, there is no material development pertaining to the MOU.

Group Properties

As at 30 September 2022

Location of Properties	Tenure	Land Area / Built Up Area	Description	Approximate Age of Building	Date of Acquisition	Carrying Amount as at 30.09.2022 RM'000
Geran No. Hakmilik: 25131, No. Lot 30 Seksyen 21, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur measuring and bearing assessment postal address known as No. 126, Jalan Tun H S Lee, 50000 Kuala Lumpur	Freehold	119 sq m^2 / 119 sq m^2	Double Storey Shop	49	9.12.2021	4,274
Geran 29412, Lot 12 Seksyen 30, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur measuring and bearing assessment postal address of No. 42, Jalan Hang Kasturi, 50050 Kuala Lumpur	Freehold	222.774 sq m^2 / 222.774 sq m^2	Industrial land with 3 Storey shoplot	49	9.12.2021	5,318

Analysis of Shareholdings

As at 12 January 2023

SHARE CAPITAL

Total Number of Issued Share	:	5,050,830,575
Issued and Paid-Up Capital	:	RM461,741,886.130
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote for each ordinary share held

DISTRIBUTION OF SHAREHOLDINGS AS AT 12 JANUARY 2023

Size of Shareholdings	No. of Holders	No. of Shares	%
1 – 99	176	7,710	Negligible
100 – 1,000	2,104	1,209,875	0.02
1,001 – 10,000	8,534	55,731,689	1.11
10,001 – 100,000	17,510	802,282,379	15.88
100,001 to less than 5% of issued shares	7,614	3,871,946,222	76.66
5% and above of issued shares	1	319,652,700	6.33
TOTAL	**35,939**	**5,050,830,575**	**100.00**

SUBSTANTIAL SHAREHOLDERS AND DIRECTORS' SHAREHOLDINGS AS AT 12 JANUARY 2023

Substantial Shareholders

		Direct		Indirect	
		No. of Shares Held	Percentage Held	No. of Shares Held	Percentage Held
1	Key Alliance Group Berhad	347,900,000	6.89	-	-

Directors' Interests in Shares

		Direct		Indirect	
		No. of Shares Held	Percentage Held	No. of Shares Held	Percentage Held
1	Dato' Seri Abdul Azim bin Mohd Zabidi	451,380	0.01	-	-
2	Roy Ho Yew Kee	-	-	-	-
3	Tan Sik Eek	-	-	-	-
4	Hew Tze Kok	-	-	-	-
5	Andy Liew Hock Sim	-	-	-	-
6	Karina binti Idris Ahmad Shah	-	-	-	-

Analysis of Shareholdings

As at 12 January 2023

LIST OF TOP 30 LARGEST SECURITIES ACCOUNTS HOLDERS
(ACCORDING TO THE REGISTER OF DEPOSITORS AS AT 12 JANUARY 2023)

No.	Name	No. of Shares Held	Percentage Held
1.	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR LAZARUS CORPORATE FINANCE PTY LTD	319,652,700	6.33
2.	UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	37,720,000	0.75
3.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KHO CHONG YAU (E-TSA)	20,500,000	0.41
4.	MERRY NOEL ROBERT	20,000,000	0.40
5.	WONG HUI LING	18,500,000	0.37
6.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN CHEE CHUAN (7007197)	15,000,000	0.30
7.	TIRAM TRAVEL SDN BHD	14,500,000	0.29
8.	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHEW SIONG KEAT (CHE2692C)	14,000,000	0.28
9.	CHONG YEAN YAW	14,000,000	0.28
10.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM YEE SIEW (E-TAI)	13,500,000	0.27
11.	ONG KIM HOI	13,000,000	0.26
12.	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHEE CHI VUN (M02)	12,700,000	0.25
13.	ANG KIAN YOU	12,000,000	0.24
14.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SWEE EE MEI (E-BCG)	12,000,000	0.24
15.	MARA INCORPORATED SDN BHD	11,559,945	0.23
16.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE CHONG WEI	10,500,000	0.21
17.	ONG NGOH ING @ ONG CHONG OON	10,500,000	0.21
18.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR CHOW CHONG CHEK (PB)	10,472,300	0.21
19.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHANG TIANG POW (E-BCG)	10,000,000	0.20
20.	TAN KEAN YIP	10,000,000	0.20
21.	MD YUSOFF BIN ABDUL GHAFFAR	9,850,000	0.20
22.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAI CHIE KING (6000752)	9,500,000	0.19
23.	LEE HYEN SIP @ SIMON	9,500,000	0.19
24.	LIM AH WAH	9,482,000	0.19
25.	CHENG, AIJIN	9,332,200	0.18
26.	THEY ENG HUAT	8,564,500	0.17
27.	WEE SEE LONG	8,540,000	0.17
28.	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOU SING HOAN	8,150,000	0.16
29.	GOH KHEE TECK	8,000,000	0.16
30.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG KOK HENG	8,000,000	0.16
	Total	**689,023,645**	**13.70**

Analysis of Warrants B Holdings

As at 12 January 2023

WARRANTS B 2020/2023

Number of Outstanding Warrants B : 231,832,876

DISTRIBUTION OF WARRANTS B HOLDINGS AS AT 12 JANUARY 2023

Size of Warrants B Holdings	No. of Holders	No. of Warrants B	%
1 – 99	36	1,775	Negligible
100 – 1,000	132	69,266	0.03
1,001 – 10,000	601	3,886,710	1.68
10,001 – 100,000	1,187	50,118,175	21.62
100,001 to less than 5% of issued warrant	418	177,756,950	76.67
5% and above of issued warrant	-	-	-
TOTAL	**2,374**	**231,832,876**	**100.00**

DIRECTORS' WARRANTS B HOLDINGS AS AT 12 JANUARY 2023

		Direct		Indirect	
		No. of Warrants B Held	Percentage Held	No. of Warrants B Held	Percentage Held
1	Dato' Seri Abdul Azim bin Mohd Zabidi	-	-	-	-
2	Roy Ho Yew Kee	-	-	-	-
3	Tan Sik Eek	-	-	-	-
4	Hew Tze Kok	-	-	-	-
5	Andy Liew Hock Sim	-	-	-	-
6	Karina binti Idris Ahmad Shah	-	-	-	-

Analysis of Warrants B Holdings

As at 12 January 2023

LIST OF TOP 30 WARRANTS B ACCOUNTS HOLDERS
(ACCORDING TO THE REGISTER OF DEPOSITORS AS AT 12 JANUARY 2023)

No.	Name	No. of Warrants B Held	Percentage Held
1.	MUHD ABD MUIZ AL-AMIN BIN MUHAMMAD FIRDAUS	5,501,000	2.37
2.	MAYBANK NOMINEES (TEMPATAN) SDN BHD FOR NGU TAH JOHN	4,270,000	1.84
3.	YIN YIT FUN	4,118,800	1.78
4.	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHEE CHI VUN (M02)	3,850,000	1.66
5.	AFFIN HWANG INVESTMENT BANK BERHAD IVT (NEN)	3,000,000	1.29
6.	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SIAW TECK HWA	2,950,050	1.27
7.	TAN WEE	2,622,500	1.13
8.	LEOW KUAN SHU	2,500,000	1.08
9.	MARINA BINTI MOHAMOD JANAB	2,434,500	1.05
10.	ZOLKEPELI BIN ABD AZIZ	2,200,000	0.95
11.	KENANGA NOMINEES (ASING) SDN BHD RAKUTEN TRADE SDN BHD FOR ANDREA WESTRICH GEB. WAGNER	2,000,000	0.86
12.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR PUA CHYE (E-SKC)	1,989,600	0.86
13.	SAW GIM LEE	1,696,000	0.73
14.	LOKE KENG YONG	1,589,000	0.69
15.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG SENG POH (8068615)	1,543,300	0.67
16.	MOHAMAD LOKMAN BIN MOHAMAD RAFIUDDIN	1,507,600	0.65
17.	ANG SOO BOON	1,500,000	0.65
18.	ER KAH LENG	1,500,000	0.65
19.	ONG EU LIONG	1,391,000	0.60
20.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MOHD SYAFIEE BIN ABDUL RAHMAN(E-TMI)	1,390,000	0.60
21.	MAYBANK NOMINEES (TEMPATAN) SDN BHD FOR ONG BENG HOE	1,310,000	0.57
22.	MAYBANK NOMINEES (TEMPATAN) SDN BHD FOR LEE MEE KON	1,250,000	0.54
23.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOH LEH CHIONG (ESRK)	1,240,000	0.53
24.	FAHITAH BINTI MOHD SENAWI	1,200,000	0.52
25.	LEONG YI WHYE	1,185,200	0.51
26.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YAP YEE PING	1,100,000	0.47
27.	TAN TENG FOOK	1,100,000	0.47
28.	YAP SHUEY LIN	1,100,000	0.47
29.	SAKINAH BINTI MOHD AZAM	1,085,000	0.47
30.	KANG CHEE SEANG	1,062,000	0.46
	Total	**61,185,550**	**26.39**

Analysis of Warrants C Holdings

As at 12 January 2023

WARRANTS C 2021/2024

Number of Outstanding Warrants C : 1,412,612,765

DISTRIBUTION OF WARRANTS C HOLDINGS AS AT 12 JANUARY 2023

Size of Warrants C Holdings	No. of Holders	No. of Warrants C	%
1 – 99	4,534	221,415	0.02
100 – 1,000	3,197	1,568,686	0.11
1,001 – 10,000	11,653	52,629,113	3.72
10,001 – 100,000	10,304	329,075,934	23.30
100,001 to less than 5% of issued warrant	2,273	1,029,117,617	72.85
5% and above of issued warrant	-	-	-
TOTAL	**31,961**	**1,412,612,765**	**100.00**

DIRECTORS' WARRANTS C HOLDINGS AS AT 12 JANUARY 2023

		Direct		Indirect	
		No. of Warrants C Held	Percentage Held	No. of Warrants C Held	Percentage Held
1	Dato' Seri Abdul Azim bin Mohd Zabidi	-	-	-	-
2	Roy Ho Yew Kee	-	-	-	-
3	Tan Sik Eek	-	-	-	-
4	Hew Tze Kok	-	-	-	-
5	Andy Liew Hock Sim	-	-	-	-
6	Karina binti Idris Ahmad Shah	-	-	-	-

Analysis of Warrants C Holdings

As at 12 January 2023

LIST OF TOP 30 WARRANTS C ACCOUNTS HOLDERS
(ACCORDING TO THE REGISTER OF DEPOSITORS AS AT 12 JANUARY 2023)

No.	Name	No. of Warrants C Held	Percentage Held
1.	RHB NOMINEES (TEMPATAN) SDN BHD FOR FOO PAK SOOI	16,375,000	1.16
2.	CHONG ME HONG	15,750,000	1.11
3.	UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	13,818,800	0.98
4.	MD NOR BIN MANSOR	13,000,000	0.92
5.	LAY CHEAK JOE	10,687,212	0.76
6.	MAYBANK NOMINEES (TEMPATAN) SDN BHD FOR NGU TAH JOHN	7,924,200	0.56
7.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM KHEK KENG (E-TAI)	7,500,000	0.53
8.	LIEW CHA WEE	7,280,350	0.52
9.	CHAN JOONG WEI	7,250,012	0.51
10.	CHAN SWUEI NGAN	6,094,937	0.43
11.	SIM KIAN SENG	6,050,000	0.43
12.	TAN KEAN YIP	6,000,000	0.42
13.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR CHOW CHONG CHEK (PB)	5,802,200	0.41
14.	HOO DIONG HOO	5,500,200	0.39
15.	TIRAM TRAVEL SDN BHD	5,437,500	0.38
16.	LEE MEE HUONG	5,377,000	0.38
17.	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE CHONG WEI	5,250,000	0.37
18.	TEE KIM LEE	5,091,800	0.36
19.	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN CHEE CHUAN	5,000,000	0.35
20.	CH'NG CHOR WAH	4,956,300	0.35
21.	ER SIONG PENG	4,600,000	0.33
22.	TAN MAO LING	4,500,000	0.32
23.	MAYBANK NOMINEES (TEMPATAN) SDN BHD FOR TAMIL VANI A/P M SENTHANASAMY	4,300,000	0.30
24.	YEE SENG KENG	4,200,000	0.30
25.	WONG YENG FART	3,750,375	0.27
26.	MD YUSOFF BIN ABDUL GHAFFAR	3,693,800	0.26
27.	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHEE CHI VUN (M02)	3,637,500	0.26
28.	TONG YOKE LIAN	3,600,000	0.25
29.	LEE HYEN SIP @ SIMON	3,562,500	0.25
30.	MOHD NAJID BIN MD YAHYA	3,515,850	0.25
	Total	**199,505,536**	**14.11**

Analysis of Irredeemable Convertible Preference Shares ("ICPS") Holdings

As at 12 January 2023

ICPS 2020/2030

Number of Outstanding ICPS : 77,971,406

DISTRIBUTION OF ICPS HOLDINGS AS AT 12 JANUARY 2023

Size of ICPS Holdings	No. of Holders	No. of ICPS	%
1 – 99	-	-	-
100 – 1,000	29	16,300	0.02
1,001 – 10,000	114	728,506	0.94
10,001 – 100,000	257	12,447,800	15.96
100,001 to less than 5% of issued ICPS	101	45,378,800	58.20
5% and above of issued ICPS	2	19,400,000	24.88
TOTAL	**503**	**77,971,406**	**100.00**

DIRECTORS' ICPS HOLDINGS AS AT 12 JANUARY 2023

		Direct		Indirect	
		No. of ICPS Held	Percentage Held	No. of ICPS Held	Percentage Held
1	Dato' Seri Abdul Azim bin Mohd Zabidi	-	-	-	-
2	Roy Ho Yew Kee	-	-	-	-
3	Tan Sik Eek	-	-	-	-
4	Hew Tze Kok	-	-	-	-
5	Andy Liew Hock Sim	-	-	-	-
6	Karina binti Idris Ahmad Shah	-	-	-	-

Analysis of Irredeemable Convertible Preference Shares ("ICPS") Holdings

As at 12 January 2023

LIST OF TOP 30 ICPS ACCOUNTS HOLDERS
(ACCORDING TO THE REGISTER OF DEPOSITORS AS AT 12 JANUARY 2023)

No.	Name	No. of ICPS Held	Percentage Held
1.	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHEE CHI VUN (M02)	15,400,000	19.75
2.	TUNG CHEONG SENG	4,000,000	5.13
3.	CHIA AI WOON	3,030,000	3.89
4.	LEE HYEN SIP @ SIMON	3,000,000	3.85
5.	MAYBANK NOMINEES (TEMPATAN) SDN BHD FOR LEE LEP KIONG	3,000,000	3.85
6.	MURLIDHAR A/L DUHLANOMAL	2,000,000	2.57
7.	GEOFFREY LIM FUNG KEONG	1,634,700	2.10
8.	CHONG YING CHOY	1,600,000	2.05
9.	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SIAW TECK HWA	1,375,400	1.76
10.	POH CHYE LEAN	1,200,000	1.54
11.	WONG KAR CHUAN	939,000	1.20
12.	FONG CHIN TAU	920,000	1.18
13.	LEE SU CHEW	800,000	1.03
14.	YAP FOOK LIM	800,000	1.03
15.	CHIM LUANG ENG	781,700	1.00
16.	WAI CHE SENG	700,000	0.90
17.	WONG HANG HUP @ WAN PENG KWONG	700,000	0.90
18.	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR KHOO AH TIONG	642,500	0.82
19.	LEONG KAM KWONG	620,000	0.80
20.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR JASLINDA BINTI AHMAD (PB)	600,000	0.77
21.	LING AH KENG	600,000	0.77
22.	MAYBANK NOMINEES (TEMPATAN) SDN BHD FOR YAP FOOK LIM	600,000	0.77
23.	MOHAMAD LOKMAN BIN MOHAMAD RAFIUDDIN	588,000	0.75
24.	MAYBANK NOMINEES (TEMPATAN) SDN BHD FOR LEE CHING KON	550,000	0.71
25.	TAN BEE CHOO	520,000	0.67
26.	MAYBANK NOMINEES (TEMPATAN) SDN BHD FOR WONG KIM MOI	470,000	0.60
27.	LOKE QUENG TUCK	450,000	0.58
28.	CHEN KOK SOON	429,000	0.55
29.	CHIM LUANG ENG	425,500	0.55
30.	CHAI YUN KIEN	414,400	0.53
	Total	**48,790,200**	**62.60**

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Thirteenth (13th) Annual General Meeting of XOX Bhd ("XOX" or "the Company") will be held on a virtual basis and entirely via remote participation and voting from the Broadcast Venue at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Monday, 27 February 2023 at 10.00 a.m. or any adjournment thereof, for the purpose of transacting the following businesses:

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 30 September 2022 together with the Directors' and Auditors' Reports thereon. — **Please refer to Explanatory Note 1**

2. To approve the payment of Directors' fees of up to RM800,000.00 to be divided amongst the Directors in such manner as the Directors may determine and other benefits payable of up to RM200,000.00 for the period commencing from 27 February 2023 until the conclusion of the next Annual General Meeting of the Company. — **Ordinary Resolution 1**

3. To re-elect the following Directors who retire pursuant to Clause 115 of the Company's Constitution:

   (a) Dato' Seri Abdul Azim bin Mohd Zabidi — **Ordinary Resolution 2**

   (b) Mr Tan Sik Eek — **Ordinary Resolution 3**

4. To re-elect Ms Karina binti Idris Ahmad Shah who retires pursuant to Clause 125 of the Company's Constitution. — **Ordinary Resolution 4**

5. To re-appoint Messrs Moore Stephens Associates PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. — **Ordinary Resolution 5**

SPECIAL BUSINESSES:

To consider and, if thought fit, to pass the following Resolution:

6. **Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016** — **Ordinary Resolution 6**

   "THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 ("the Act") and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company from time to time and upon such terms and conditions and for such purposes as the Directors, may in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that the Directors be and are hereby also empowered to obtain approval from the Bursa Malaysia Securities Berhad for the listing and quotation of the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

   AND THAT pursuant to Section 85 of the Act to be read together with Clause 70 of the Constitution of the Company, approval be and is hereby given for the Company to waive the statutory pre-emptive rights of the shareholders and empowered the Directors of the Company to issue and allot new ordinary shares pursuant to Sections 75 and 76 of the Act without offering them to the existing members to maintain their relative voting and distribution right and such new shares shall rank pari passu in all respects with the existing class of ordinary shares."

Notice of Annual General Meeting

7. **Proposed New Shareholders' Mandate and Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Shareholders' Mandate")** **Ordinary Resolution 7**

"THAT, subject to compliance with all applicable laws, regulations and guidelines, approval be and is hereby given to the Company and/or its subsidiaries to enter into Recurrent Related Party Transactions of a revenue or trading nature with related parties as set out in Section 2.4 of the Circular to Shareholders dated 20 January 2023 for the purposes of Rule 10.09 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), subject to the following:

(i) the transactions are necessary for the day to day operations of the Company's subsidiary in the ordinary course of business, at arm's length, on normal commercial terms and are on terms not more favourable to the related party than those generally available to the public and not detrimental to minority shareholders of the Company;

(ii) the mandate is subject to annual renewal. In this respect, any authority conferred by a mandate shall only continue to be in force until:

  (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;

  (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340 (2) of the Companies Act, 2016 ("CA") (but shall not extend to such extension as may be allowed pursuant to Section 340 (4) of CA); or

  (c) revoked or varied by resolution passed by the shareholders in a general meeting,

  whichever is the earlier.

(iii) disclosure is made in the annual report of the Company of the breakdown of the aggregate value of the Recurrent Related Party Transactions conducted pursuant to the mandate during the current financial year, and in the annual reports for the subsequent financial years during which a shareholder's mandate is in force, where:

  (a) the consideration, value of the assets, capital outlay or costs of the aggregated transactions is equal to or exceeds RM1.0 million; or

  (b) any one of the percentage ratios of such aggregated transactions is equal to or exceeds 1%,

  whichever is the higher;

and amongst other, based on the following information:

(a) the type of the Recurrent Related Party Transactions made; and

(b) the names of the related parties involved in each type of the Recurrent Related Party Transactions made and their relationships with XOX Group.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

Notice of Annual General Meeting

8. To transact any other business of the Company for which due notice shall have been given.

By order of the Board,

CHONG VOON WAH (SSM PC No. 202008001343) (MAICSA 7055003)
THAI KIAN YAU (SSM PC No. 202008001515) (MIA 36921)
Company Secretaries

Kuala Lumpur
20 January 2023

Notes

1. A member entitled to attend and vote at the Meeting is entitled to appoint a maximum of two (2) proxies to attend and vote in his/her stead. A proxy may but need not be a member of the Company.

2. Where a member appoints more than one proxy to attend the same meeting, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.

3. Where a member of the Company is an exempt authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provision of subsection 25A(1) of the Central Depositories Act which holds ordinary shares in the Company for multiple beneficial owners in one Securities Account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

4. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under its Common Seal or signed by attorney so authorised.

5. The Form of Proxy must be deposited at the Share Registrar's office at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur or via facsimile no. 03-6201 3121 or via e-mail at ir@shareworks.com.my not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument, proposes to vote or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll.

6. For the purpose of determining members' eligibility to attend this meeting, only members whose names appear in the Record of Depositors as at 20 February 2023 shall be entitled to attend this meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

7. Pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolutions set out above will be put to vote by way of poll.

8. The AGM will be conducted as virtual meeting from the Broadcast Venue, the members are advised to refer to the Administrative Guide on the registration and voting process for the said meeting.

EXPLANATORY NOTES

1. Audited Financial Statements for the Financial Year Ended 30 September 2022

The Agenda No. 1 is meant for discussion only as Section 340(1) (a) of the Companies Act, 2016 provide that the audited financial statements are to be laid in the general meeting and do not require a formal approval of the shareholders. Hence, this Agenda item is not put forward for voting.

2. Ordinary Resolution 1: To approve the payment of Directors' Fees and Other benefits payable

The Directors' benefits payable comprises of meeting attendance allowances and other claimable benefits.

In determining the estimated total amount of Directors' benefits, the Board has considered various factors, among others, the estimated claimable benefits and estimated number of meetings for the Board and its Committees held for the period commencing from 27 February 2023 until the conclusion of the next Annual General Meeting for the Company.

Notice of Annual General Meeting

3. Ordinary Resolutions 2 to 4: Re-election of Directors

The following Directors are standing for re-election as Directors of the Company pursuant to the following clauses of the Company's Constitution at the Thirteenth (13th) Annual General Meeting of the Company and are being eligible have offered themselves for re-election in accordance with the Company's Constitution:

(a) Dato' Seri Abdul Azim bin Mohd Zabidi (Clause 115);
(b) Mr Tan Sik Eek (Clause 115); and
(c) Ms Karina binti Idris Ahmad Shah (Clause 125).

(collectively referred to as "Retiring Directors")

The Board of Directors through the Nomination and Remuneration Committee ("NRC") has deliberated on the suitability of the Retiring Directors to be re-elected as Directors. Upon deliberation, the Board (except for the Retiring Directors) collectively agreed 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.

Further, the NRC has considered and affirmed, and the Board has endorsed that Ms Karina binti Idris Ahmad Shah, who is seeking re-election at the forthcoming Thirteenth (13th) Annual General Meeting of the Company comply with the independence criteria as prescribed in the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and remained independent in exercising her judgment and in carrying out her duties as Independent Non-Executive Director.

4. Ordinary Resolution 5: Re-appointment of Auditors

The Board, through the Audit Committee, had conducted an assessment on the suitability, objectivity and independence of Messrs Moore Stephens Associates PLT in respect of the financial year ended 30 September 2022. The Board was satisfied with the performance of Messrs Moore Stephens Associates PLT and recommended the re-appointment of Messrs Moore Stephens Associates PLT as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company in accordance with Section 271 of the Companies Act, 2016.

5. Ordinary Resolution 6: Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016

The proposed Ordinary Resolution 6, if passed, is the renewal of general mandate to empower the Directors to issue and allot shares up to an amount not exceeding 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company ("General Mandate"). This authority, unless revoked or varied by the Company at a General Meeting, will expire at the next Annual General Meeting.

The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s) workings capital and/or acquisitions.

Pursuant to Section 85(1) of the Companies Act, 2016 read together with Clause 70 of the Constitution of the Company, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company.

Section 85(1) of the Companies Act, 2016 states:

Subject to the constitution, where a company issues shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders.

Notice of Annual General Meeting

Clause 70 of the Company's Constitution provides as follows:

Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible Securities shall, before they are issued, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares or Securities to which they are entitled. The offer shall be made by notice specifying the number of shares or Securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or Securities offered, the Directors may dispose of those shares or Securities in such manner as they think most beneficial to the Company. The Directors may, likewise, also dispose of any new shares or Securities which (by reason of the ratio which the new shares or Securities bear to shares or Securities held by persons entitled to an offer of new shares or Securities) cannot, in the opinion of the Directors, be conveniently offered under this Clause.

In order for the Board to issue any new shares free of pre-emptive rights, such pre-emptive rights must be waived. The proposed Ordinary Resolution 6, if passed, will exclude your pre-emptive rights over all new shares in the Company to be issued under the general mandate.

As at the date of this Notice, the Company has not issued any new shares pursuant to the General Mandate granted to the Directors at the Twelfth (12th) Annual General Meeting held on 25 February 2022 and which the said General Mandate will lapse at the conclusion of the Thirteenth (13th) Annual General Meeting.

6. Ordinary Resolution 7: Proposed New Shareholders' Mandate and Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed Ordinary Resolution 7, if passed, will enable the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Company and/or its subsidiaries, subject to the transactions being carried out in the ordinary course of business of the Company and/or its subsidiaries and on normal commercial terms which are generally available to the public and not detrimental to the minority shareholders of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting of the Company.

Statement Accompanying Notice of Annual General Meeting

(Pursuant to Rule 8.29 (2) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad)

As at date of this notice, there are no individuals who are standing for election as Directors (excluding the above Directors who are standing for re-election) at the Thirteenth (13th) Annual General Meeting.

The Company will seek shareholders' approval on the general mandate for issue of securities in accordance with Rule 6.04 (3) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. Please refer to the proposed Ordinary Resolution 6 as stated in the Notice of Thirteenth (13th) Annual General Meeting of the Company for the details.

Administrative Guide

Date	Time	Broadcast Venue
Monday, 27 February 2023	10.00 a.m.	Lot 4.1, 4th Floor, Menara Lien Hoe No. 8, Persiaran Tropicana Tropicana Golf & Country Resort 47410 Petaling Jaya, Selangor Darul Ehsan

Virtual Meeting

1. The Thirteenth (13th) Annual General Meeting ("**AGM**") will be conducted by way of a virtual meeting and online remote voting using the Remote Participation and Voting Facilities ("**RPV Facilities**") from the broadcast venue at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8 Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan.

2. Shareholders are **strongly encouraged** to take advantage of the RPV Facilities to participate and vote remotely at the AGM. With the RPV Facilities, you may exercise your right as a member of the Company to participate *(including to pose questions to the Board of Directors ("**Board**") and/or Management of the Company)* and vote at the AGM. Alternatively, you may also appoint the Chairman of the meeting as your proxy to attend and vote on your behalf at the AGM. Details of the RPV Facilities are set out below.

Registration

3. Shareholders who wish to participate and vote remotely at the AGM via RPV Facilities, the registration is mandatory for the event. Please click the following link to register: https://rebrand.ly/XOX-AGM.

4. All the shareholders are required to register in order to participate to the AGM via RPV Facilities. The registration will be open from 10.00 a.m. on 20 January 2023 and close at 10.00 a.m. on 26 February 2023.

   Upon submission of your registration, you will receive an email to notify you that your registration has been received and is pending verification.

5. After verification of your registration against the General Meeting Record of Depositors of the Company as at 20 February 2023, the system will send you an email to notify you if your registration is approved or rejected after 20 February 2023.

6. Should your registration be rejected, you can contact the Company's Poll Administrator or the Company for clarifications.

7. The event is powered by Cisco Webex. You are recommended to download and install Cisco Webex Meetings (available for PC, Mac, Android and iOS). Please follow the tutorial guide posted on https://rebrand.ly/XOX-AGM.

General Meeting Record of Depositors

8. For the purpose of determining members' eligibility to attend this meeting, only members whose names appear in the Record of Depositors of the Company as at 20 February 2023 shall be entitled to attend this meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

Individual Members

9. Individual members are strongly encouraged to take advantage of RPV Facilities to participate and vote remotely at the AGM. Please refer to the details as set out under RPV Facilities for information.

10. If an individual member is unable to attend the AGM, he/she is encouraged to appoint the Chairman of the meeting as his/her proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

Administrative Guide

Corporate Members

11. Corporate members (through Corporate Representatives or appointed proxies) are also strongly advised to participate and vote remotely at the AGM using the RPV Facilities. Corporate members who wish to participate and vote remotely at the AGM must contact the Company's Poll Administrator with the details set out below for assistance and will be required to provide the following documents to the Company no later than 26 February 2023 at 10.00 a.m.:

    i) Certificate of appointment of its Corporate Representative or Form of Proxy under the seal of the corporation;
    ii) Copy of the Corporate Representative's or proxy's MyKad (front and back)/Passport; and
    iii) Corporate Representative's or proxy's email address and mobile phone number.

12. If a Corporate member (through Corporate Representative(s) or appointed proxy(ies)) is unable to attend the AGM, it is encouraged to appoint the Chairman of the meeting as its proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

Nominee Company Members

13. The beneficiaries of the shares under a Nominee Company's CDS account ("**Nominee Company member(s)**") are also strongly advised to participate and vote remotely at the AGM using RPV Facilities. Nominee Company members who wish to participate and vote remotely at the AGM can request its Nominee Company to appoint him/her as a proxy to participate and vote remotely at the AGM. Nominee Company must contact the Company's Poll Administrator with the details set out below for assistance and will be required to provide the following documents to the Company no later than 26 February 2023 at 10.00 a.m.:

    i) Form of Proxy under the seal of the Nominee Company;
    ii) Copy of the proxy's MyKad (front and back)/Passport; and
    iii) Proxy's email address and mobile phone number.

14. If a Nominee Company member is unable to attend the AGM, it is encouraged to request its Nominee Company to appoint the Chairman of the meeting as its proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

Revocation of Proxy

15. If the member has submitted his/her Form of Proxy prior to the AGM and subsequently decides to personally participate in the AGM, the individual member must contact the Company's Poll Administrator or the Company, whose contact details are set out in note No. 20 below, to revoke the appointment of his/her proxy no later than 26 February 2023 at 10.00 a.m.

Poll Voting

16. The voting at the AGM will be conducted by way of poll in accordance with Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Shareworks Sdn Bhd as the Poll Administrator to conduct the poll by way of electronic voting and Sharepolls Sdn Bhd as the Scrutineers to verify the poll results. Upon completion of the voting session for the respective AGM, the Scrutineers will verify and announce the poll results followed by the Chairman's declaration whether the resolutions are duly passed.

Administrative Guide

RPV Facilities

17. Please refer to the following information on RPV Facilities for live streaming and remote voting at the AGM:

Procedures		Action
Before AGM		
1.	Register as participant in Virtual AGM	• Using your computer, access the website at https://rebrand.ly/XOX-AGM. Click on the **Register** button to register for the AGM session. • If you are using mobile devices, you can also scan the QR provided on the left to access the registration page. Click **Register** and enter your email followed by **Next** to fill in your details to register for the AGM session. • Upon submission of your registration, you will receive an email notifying you that your registration has been received and is pending verification. • The event is powered by Cisco Webex. You are recommended to download and install Cisco Webex Meetings (available for PC, Mac, Android and iOS). Refer to the tutorial guide posted on the same page for assistance.
2.	Submit your online registration	• Shareholders who wish to participate and vote remotely at the AGM via RPV Facilities are required to register prior to the meeting. The registration will be open from 10.00 a.m. on 20 January 2023 and the registration will close at 10.00 a.m. on 26 February 2023. • Clicking on the link will redirect you to the AGM event page. Click on the **Register** button for the online registration form. • Complete your particulars in the registration page. Your name **MUST** match your CDS account name (not applicable for proxy). • Insert your CDS account number and indicate the number of shares you hold. • Read and agree to the Terms & Conditions and confirm the Declarations. • Please ensure all information given is accurate before you click **Submit** to register your remote participation. Failure to do so will result in your registration being rejected. • System will send an email to notify that your registration for remote participation is received and will be verified. • After verification of your registration against the General Meeting Record of Depositors of the Company as at 20 February 2023, the system will send you an email to notify you if your registration is approved or rejected after 20 February 2023. • If your registration is rejected, you can contact the Company's Poll Administrator or the Company for clarifications or to appeal.

Administrative Guide

On the day of AGM		
3.	Attending Virtual AGM	• Two reminder emails will be sent to your inbox. First is one day before the AGM's day, while the 2nd will be sent 1 hour before the AGM's session. • Click **Join Event** in the reminder email to participate the RPV.
4.	Participate with live video	• You will be given a short brief about the system. • Your microphone is muted throughout the whole session. • If you have any questions for the Chairman/Board, you may use the **Q&A panel** to send your questions. The Chairman/Board will try to respond to relevant questions if time permits. All relevant questions will be collected throughout the session and replied later through your registered email. • The session will be recorded. • Take note that the quality of the live streaming is dependent on the bandwidth and stability of the internet connection at your location.
5.	Online Remote Voting	• The Chairman will announce the commencement of the Voting session and the duration allowed at the respective AGM. • The list of resolutions for voting will appear at the right-hand side of your computer screen. You are required to indicate your votes for the resolutions within the given stipulated time frame. • Click on the **Submit** button when you have completed. • Votes cannot be changed once it is submitted.
6.	End of remote participation	Upon the announcement by the Chairman on the closure of the AGM, the live session will end.

No Recording or Photography

18. Strictly **NO recording** or **photography** of the proceedings of the AGM is allowed.

No Breakfast/Lunch Packs, Gifts, e-Voucher or Food Vouchers

19. There will be no distribution of breakfast / lunch packs, gifts, e-voucher or food vouchers.

Enquiry

20. If you have any enquiry prior to the meeting, please contact the following officers during office hours (from 9.00 a.m. to 5.30 p.m. (Monday to Friday)):

For Registration, logging in and system related:
XOX Bhd

Name : Ms Eris / Ms Jey / Mr Hong
Telephone No. : +603-7688 1013
Email : vgm@mlabs.com

For Form of Proxy:
ShareWorks Sdn. Bhd.

Name : Mr Wai Kien / Mr Vemalan
Telephone No. : +603-6201 1120
Email : ir@shareworks.com.my

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XOX BHD
Company Registration No. 201001016682 (900384-X)
(Incorporated in Malaysia)

CDS Account No.
No. of Shares held

FORM OF PROXY

I/We,..... NRIC. No./Registration No.:.....
(Full name in block)

of .....
(Address)

Contact No. ..... Email Address .....

being a member of **XOX BHD**, hereby appoint(s):-

Full Name (in Block)	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address : Contact No. : Email Address :			

and / or* (*delete as appropriate)

Full Name (in Block)	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address Contact No. : Email Address :			

or failing him, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at Thirteenth (13th) Annual General Meeting of XOX Bhd ("XOX" or "the Company") will be conducted on a virtual basis and entirely via remote participation and voting from the Broadcast Venue at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Monday, 27 February 2023 at 10.00 a.m. or any adjournment thereof, and to vote as indicated below:

Item	Agenda	Resolutions	FOR	AGAINST
1.	To approve the payment of Directors' fees and others benefits payable to the Directors	Ordinary Resolution 1		
2.	To re-elect Dato' Seri Abdul Azim bin Mohd Zabidi as Director	Ordinary Resolution 2		
3.	To re-elect Mr Tan Sik Eek as Director	Ordinary Resolution 3		
4.	To re-elect Ms Karina Binti Idris Ahmad Shah as Director	Ordinary Resolution 4		
5.	To re-appoint Messrs Moore Stephens Associates PLT as Auditors	Ordinary Resolution 5		
6.	To approve the authority to allot and Issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016	Ordinary Resolution 6		
7.	To approve the Proposed New Shareholders' Mandate and Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature	Ordinary Resolution 7		

Please indicate with an 'X' in the space provided whether you wish your votes to be cast for or against the resolution. In the absence of specific direction, your proxy may vote or abstain as he thinks fit.

Signed this .....

.....
Signature*
Member

Notes

1. A member entitled to attend and vote at the Meeting is entitled to appoint a maximum of two (2) proxies to attend and vote in his/her stead. A proxy may but need not be a member of the Company.
2. Where a member appoints more than one proxy to attend the same meeting, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.
3. Where a member of the Company is an exempt authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provision of subsection 25A(1) of the Central Depositories Act which holds ordinary shares in the Company for multiple beneficial owners in one Securities Account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under its Common Seal or signed by attorney so authorised.
5. The Form of Proxy must be deposited at the Share Registrar's office at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur or via facsimile no. 03-6201 3121 or via e-mail at ir@shareworks.com.my not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument, proposes to vote or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll.
6. For the purpose of determining members' eligibility to attend this meeting, only members whose names appear in the Record of Depositors as at 20 February 2023 shall be entitled to attend this meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.
7. Pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolutions set out above will be put to vote by way of poll.
8. The AGM will be conducted as virtual meeting from the Broadcast Venue, the members are advised to refer to the Administrative Guide on the registration and voting process for the said meeting.

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AFFIX
STAMP

THE SHARE REGISTRAR OF
XOX BHD
[Company Registration No. 201001016682 (900384-X)]

SHAREWORKS SDN. BHD.
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas, 50480 Kuala Lumpur
Malaysia

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XOX Bhd.

Registration No. 201001016682 (900384-X)

Lot 8.1, 8th Floor, Menara Lien Hoe, No.8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan.

Tel : 03-7884 2388 Fax : 03- 7803 0778

www.xox.com.my

