

## XOX BHD

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

MINUTES OF THE FOURTEENTH (14<sup>TH</sup>) ANNUAL GENERAL MEETING OF XOX BHD (“XOX” OR “THE COMPANY”) HELD BY WAY OF VIRTUAL BASIS FROM THE BROADCAST VENUE AT LOT 4.1, 4<sup>TH</sup> FLOOR, MENARA LIEN HOE, NO. 8, PERSIARAN TROPICANA, TROPICANA GOLF & COUNTRY RESORT, 47410 PETALING JAYA, SELANGOR DARUL EHSAN VIA ONLINE MEETING PLATFORM AT <https://rebrand.ly/XOX-AGM> ON WEDNESDAY, 6 MARCH 2024 AT 10.00 A.M.

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Directors Present : Dato’ Seri Abdul Azim Bin Mohd Zabidi (*Chairman*)  
Mr. Tan Sik Eek (*via videoconferencing*)  
Mr. Roy Ho Yew Kee  
Mr. Andy Liew Hock Sim  
Ms. Karina Binti Idris Ahmad Shah  
Mr. Chuah Hoon Hong

In Attendance : Mr. Ng Kok Heng (*Chief Executive Officer*)  
Ms. Syliva Kong Choo Hui (*Chief Financial Officer*)  
Mr. Chong Voon Wah (*Company Secretary*)

Shareholders/Proxies Present : As per attendance list

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### 1. CHAIRMAN

Dato’ Seri Abdul Azim Bin Mohd Zabidi (“the Chairman”) presided at the meeting and welcomed the members to the Fourteenth (14<sup>th</sup>) Annual General Meeting (“14<sup>th</sup> AGM”) of the Company.

### 2. QUORUM

There being a quorum present at the meeting, the Chairman declared the meeting duly convened at 10.00 a.m.

### 3. NOTICE

With the consent of the meeting, the Notice of 14<sup>th</sup> AGM dated 31 January 2024 (“Notice”) convening the meeting having been circulated within the prescribed period was taken as read.

### 4. PRELIMINARY

The Chairman informed the meeting that the 14<sup>th</sup> AGM will be conducted by way of a virtual basis through live streaming and via online remote voting using the Remote Participation and Voting (“RPV”) facilities.

Before proceeding with the agendas of the meeting, a short system briefing on the voting process using the RPV facilities was shown during the meeting and duly noted by the shareholders.

The Chairman then explained to the meeting on how a resolution is determined. He informed that pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company must 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 must appoint at least one (1) scrutineer to validate the votes cast at the general meeting. Such scrutineer must not be an officer of the Company or its related corporation, and must be independent of the person undertaking the polling process.

The Chairman further informed that the Company has appointed ShareWorks Sdn. Bhd. as poll administrator to conduct the electronic polling process and SharePolls Sdn. Bhd. ("Scrutineer") as the independent scrutineer to verify the poll results.

With the consent and approval of the meeting, the Chairman informed that the polling process for all the resolutions would be conducted upon completion of the deliberation of all items to be transacted at the 14<sup>th</sup> AGM.

## **5. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023**

The Audited Financial Statements of the Company and of the Group for the financial year ended 30 September 2023, together with the Reports of the Directors and Auditors thereon ("Audited Financial Statements") was tabled during the meeting for the shareholders' discussion.

The Chairman informed that the Company had received a letter dated 27 February 2024 from the Minority Shareholders Watch Group ("MSWG"). The questions from MSWG together with the Company's reply, as **Appendix I** enclosed herewith, was projected during the meeting for the shareholders' information. The Chairman then read through the MSWG's questions and the Company's reply during the meeting.

The Chairman informed the meeting that the Audited Financial Statements of the Company is meant for discussion only as Section 340(1) of the Companies Act 2016 provides that the Audited Financial Statements are to be laid in the general meeting. In relation thereto, the Audited Financial Statements of the Company is not put forward for voting. As such, the Chairman concluded that the Audited Financial Statements submitted to the meeting were duly noted and received.

## **6. ORDINARY RESOLUTION 1 PAYMENT OF DIRECTORS' FEES AND OTHER BENEFITS PAYABLE**

The Chairman informed that Ordinary Resolution 1 of the meeting is to approve the payment of the Directors' fees and other benefits payable to the Directors of the Company.

The Chairman then put the motion to vote the following Ordinary Resolution 1 by way of poll upon completion of the remaining businesses of the meeting:

"THAT 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 6 March 2024 until the conclusion of the next Annual General Meeting of the Company be and is hereby approved."

**7. ORDINARY RESOLUTION 2**  
**RE-ELECTION OF MR. ROY HO YEW KEE**

The Chairman informed that Ordinary Resolution 2 is to re-elect Mr. Roy Ho Yew Kee, who retires pursuant to Clause 115 of the Company's Constitution and being eligible, had offered himself for re-election.

The Chairman then put the motion to vote the following Ordinary Resolution 2 by way of poll upon completion of the remaining businesses of the meeting:

"THAT Mr. Roy Ho Yew Kee, who is retiring pursuant to Clause 115 of the Company's Constitution, be re-elected as a Director of the Company".

**8. ORDINARY RESOLUTION 3**  
**RE-ELECTION OF MR. ANDY LIEW HOCK SIM**

The Chairman informed that Ordinary Resolution 3 is to re-elect Mr. Andy Liew Hock Sim, who retires pursuant to Clause 115 of the Company's Constitution and being eligible, had offered himself for re-election.

The Chairman then put the motion to vote the following Ordinary Resolution 3 by way of poll upon completion of the remaining businesses of the meeting:

"THAT Mr. Andy Liew Hock Sim, who is retiring pursuant to Clause 115 of the Company's Constitution, be re-elected as a Director of the Company".

**9. ORDINARY RESOLUTION 4**  
**RE-ELECTION OF MR. CHUAH HOON HONG**

The Chairman informed that Ordinary Resolution 4 is to re-elect Mr. Chuah Hoon Hong, who retires pursuant to Clause 125 of the Company's Constitution and being eligible, had offered himself for re-election.

The Chairman then put the motion to vote the following Ordinary Resolution 4 by way of poll upon completion of the remaining businesses of the meeting:

"THAT Mr. Chuah Hoon Hong, who is retiring pursuant to Clause 125 of the Company's Constitution, be re-elected as a Director of the Company".

**10. ORDINARY RESOLUTION 5**  
**RE-APPOINTMENT OF AUDITORS**

The Chairman informed that Ordinary Resolution 5 is to re-appoint Messrs Moore Stephens Associates PLT as the Company's external auditors for the ensuing year and to authorise the Directors to fix their remuneration.

The Chairman then put the motion to vote the following Ordinary Resolution 5 by way of poll upon completion of the remaining businesses of the meeting:

"THAT Messrs Moore Stephens Associates PLT be and is hereby re-appointed as the Company's external auditors for the ensuing year AND THAT the Board of Directors be authorised to determine their remuneration."

**11. SPECIAL BUSINESS - ORDINARY RESOLUTION 6  
AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

The Chairman informed that Ordinary Resolution 6 of the meeting is to seek approval from the shareholders to authorise the Directors of the Company to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.

The Chairman then put the motion to vote the following Ordinary Resolution 6 by way of poll upon completion of the remaining businesses of the meeting:

“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.”

**12. SPECIAL BUSINESS - ORDINARY RESOLUTION 7  
PROPOSED RENEWAL OF EXISTING SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“PROPOSED SHAREHOLDERS’ MANDATE”)**

The Chairman informed that the next item on the agenda is to seek the shareholders’ approval for the Proposed Shareholders’ Mandate, the details of which has been provided in the Company’s Circular to Shareholders dated 31 January 2024.

The Chairman then put the motion to vote the following Ordinary Resolution 7 by way of poll upon completion of the remaining businesses of the meeting:

“THAT, subject to compliance with all applicable laws, regulations and guidelines, approval be and is hereby given to the Company 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 31 January 2024 for the purposes of Rule 10.09, Chapter 10 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 (“the Act”) (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); 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.”

### **13. ANY OTHER BUSINESS**

After verified and confirmed with the Company Secretary, the Chairman informed that there was no other business to be transacted at the 14<sup>th</sup> AGM.

### **14. QUESTIONS AND ANSWERS DISCUSSED AT THE AGM**

The Chairman then invited the management to present a snapshot of the outlook of XOX Group for the shareholders’ information.

Thereafter, the Chairman invited questions from the shareholders relating to the resolutions tabled at the 14<sup>th</sup> AGM.

The following questions were raised by the shareholders/proxies and duly replied by the Directors as follows:

**Q1: When does the Company expect to declare dividend?**

*The management of the Company is presently working relentlessly to generate profitability in this challenging and competitive business environment. Only then will the Company be in a position to consider dividend payments.*

**Q2: How much does the Company spend on this virtual AGM?**

*The cost for the virtual AGM is approximately RM10,000.*

**Q2: What is the prospect of the Company's share price?**

*Due to the restrictions imposed by Bursa Malaysia Securities Berhad on the management of public companies, the Company is restrained from making forward-looking statements.*

After dealing with the questions raised by the shareholders/proxies relating to the resolutions tabled at the 14<sup>th</sup> AGM, the meeting then proceeded with the proceeding of the polling process.

**15. POLLING PROCESS**

After the shareholders cast their votes, the Chairman, with the consent of the meeting, adjourned the meeting at 10.43 a.m. for the counting and verification of the poll results.

**16. ANNOUNCEMENT OF POLL RESULTS**

At 11.05 a.m., the Chairman called the meeting to order for the declaration of results. He informed that he had received the poll results from the Scrutineers as follows:

Resolutions	Voted	No. of Shareholders	No. of Shares	% of Shares
<b><u>Ordinary Resolution 1</u></b> To approve the payment of Directors' fees and other benefits payable to the Directors	For	122	369,865,096	98.4518
	Against	33	5,816,191	1.5482
<b><u>Ordinary Resolution 2</u></b> To re-elect Mr. Roy Ho Yew Kee as Director	For	133	369,957,916	98.4765
	Against	22	5,723,371	1.5235
<b><u>Ordinary Resolution 3</u></b> To re-elect Mr. Andy Liew Hock Sim as Director	For	135	369,958,116	98.4766
	Against	20	5,723,171	1.5234

Resolutions	Voted	No. of Shareholders	No. of Shares	% of Shares
<b>Ordinary Resolution 4</b> To re-elect Mr. Chuah Hoon Hong as Director	For	134	369,958,016	98.4766
	Against	21	5,723,271	1.5234
<b>Ordinary Resolution 5</b> To re-appoint Messrs Moore Stephens Associates PLT as External Auditors of the Company and to authorise the Directors to fix their remuneration	For	139	370,107,541	98.5122
	Against	17	5,589,746	1.4878
<b>Ordinary Resolution 6</b> To approve the authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016	For	126	369,832,316	98.4431
	Against	29	5,848,971	1.5569
<b>Ordinary Resolution 7</b> To approve the Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature	For	128	146,662,416	96.0774
	Against	27	5,987,871	3.9226

The Chairman informed that based on the poll results, he thereby declared that all the resolutions set out in the Notice as carried.

## 17. TERMINATION

There being no other business, the meeting ended at 11.07 a.m. with a vote of thanks of the Chairman.

**Confirmed as a correct record of the proceedings thereat**

*Signed*

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DATO' SERI ABDUL AZIM BIN MOHD ZABIDI  
Chairman



5 March 2024

Your Ref: RF/YLK/XOX/AGM2023

**MINORITY SHAREHOLDERS WATCH GROUP**

Level 23, Unit 23-2, Menara AIA Sentral  
No.30, Jalan Sultan Ismail  
50250 Kuala Lumpur

**Attention: Miss Rita Foo (Head, Corporate Monitoring)**

Dear Miss Foo,

**RE: 14<sup>TH</sup> ANNUAL GENERAL MEETING (“AGM”) OF XOX BHD (“XOX” OR THE “COMPANY”)  
TO BE HELD ON WEDNESDAY, 6 MARCH 2024**

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We refer to your letter dated 27 February 2024.

As per your request, we enclose herewith XOX’s response to the questions raised in your letter.

1. *“In tandem with our strategic evolution into a digital solutions provider, XOX has proactively cultivated a diverse investment portfolio, encompassing both quoted and unquoted shares in companies with the ability to complement and enhance our existing business model. This strategic initiative serves a dual purpose – fortifying our operational foundations and positioning us optimally for future growth. Our methodical approach is centered on unlocking synergies that concurrently drive revenue growth and optimize costs.” (Page 15 of the Annual Report 2023 (“AR 2023”))*
  - a) Please elaborate how the investments in Cheetah Holdings Berhad, XOX Technology Berhad, Jadi Imaging Holdings Berhad and Symphony Life Berhad complement and enhance the Group’s core business model?

**Response:**

All the investee companies have been carefully selected after much in depth research is conducted and deliberated by XOX Management on their: -

- Business Models and future prospect;
- Synergies expected to derive from business collaboration either from cross selling of products or services or joint venture efforts; and
- The calibre of the management team.

Our investment into Cheetah Holdings Berhad (“Cheetah”) provides the Group with a valuable anchor product to create a more loyal customer base. Based on calendar year ending 2023, approximately RM2 million in sales goes through BLACK Market which is related to Cheetah. This number will continue to rise in 2024 as more and more of our

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customers will be aware of the connection and with the implementation of our loyalty program.

Jadi Imaging Berhad (“Jadi”) similarly to Cheetah has a Jadi Life Web platform that sells personal care products. Jadi's contribution to the E-Commerce ecosystem is currently exposed to resale of toners and personal care products under the brand Passion.

XOX Technology Berhad's (“XOX Technology”) One-Time Password (“OTP”) business in Malaysia and Pakistan remains a valuable synergistic tool for XOX although any cross business has yet to arise from this investment. In due course there will be a strategic move for our MVNO to try to expand into foreign countries, and XOX Technology's Pakistan OTP business will provide a window of opportunity.

Meanwhile, in Malaysia XOX Group uses XOX Technology's OTP services as a traditional supplier at this stage.

Symphony Life Berhad (“Symlife”) acquisition is in line with the Group's strategy of enhancing our offerings to not only include mobile phone services, but a whole host of other products. Symlife's approach to high density, high quality developments in the urban area will assist XOX Group in cross selling to a newer, higher value customer base.

- b) To quantify how much revenue increase and costs saving were attributable to the synergies derived from investment in each of these associates.

**Response:**

We are not able to quantify this number at this early stage as the full synergies and expansionary benefits have not yet fully been optimised. In respond to the commoditisation of data and intense competition, as a telco, XOX needs to change its business strategy to become a lifestyle fulfilment company, which encompasses consumer brands and services. The financial results may not be measured immediately, but will contribute to the brand loyalty in the future.

2. The table below set forth the impairment losses incurred for the past 3 financial years:

	FYE 2021	FYE 2022	FYE 2023
	RM'000	RM'000	RM'000
Impairment loss on investments in associates	6,216	67,126	34,441

Premised on the impairment loss above, please elaborate the Group's plans to turn its existing investment portfolio to a robust and sustainable one, aiming to create value for the shareholders thereon?

**Response:**

The impairment losses over the past three years were mainly due the depressed overall capital market from the Covid 19 pandemic. XOX marked to market all its quoted investment and as such incurred significant impairment losses. Cheetah share price has recovered by 43% since January 2020 in comparison to current trading price, XOX Technology by 20% and Jadi increased by 175%.

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Internally, our Investment Committee will monitor and adopt the pricing averaging strategy on the market price of the respective investments and will exit the investment when the time is right despite it is below investment cost.

3. What is the Group's blended Average Revenue Per User (ARPU) and number of subscribers for the past 3 financial years?

**Response:**

	FYE 2021	FYE 2022	FYE 2023
Number of subscribers	2,146,398	2,075,060	2,343,323
Blended ARPU (RM)	50.51	44.56	42.48

4. "Price wars impact the profit margins, prompting XOX to innovate and maintain a competitive edge. In addition, customer shifting their preferences pose a risk, in which case, XOX needs to leverage on data analytics for tailored offerings to mitigate subscriber retention risks."

- a) Please provide some examples of the innovative plans/strategies XOX has executed to maintain a competitive edge to-date. What is the outcome of these executed plans/strategies?

**Response:**

Over the years, pricing war on mobile plans were intensified with the big players like Maxis, U Mobile and Celcom- Digi rollout many plans which are either boosted with extra data with existing price plan or with a steep cut in the pricing of the respective mobile subscription plans. Some of those plans and aggressive marketing throw ins are depicted below: -

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In order to fend off the competition and the threat of higher churn rate, XOX has offered similar if not better features to maintain or to acquire new subscribers. Hence, it had resulted in margin depressed for the Group as a whole.

Based on our analysis of both our own database and industry trends, we discovered that many of our subscribers, particularly those in lower to middle-income households, utilise multiple mobile telecommunication providers within their families. This revealed a gap in the market, as current offerings are often too expensive for this demographic, which comprises the majority of XOX's user base. In response to this, we launched a **no-frills Family Plan**. This plan is designed for families with children, allowing them the ability to share data among one another at a very competitive monthly rate. The Family Plan also caters to families who rely heavily on mobile data usage, particularly those in the lower to middle-income bracket who do not have WiFi at home.

Similarly, our findings showed that many young subscribers are regularly seeking WiFi services to save on data costs and a significant portion of this group uses XOX's service for data-intensive activities on their secondary devices, such as attending online classes, gaming and streaming movies. **MySISWA**, a one-of-a-kind mobile package was introduced precisely to address these needs. MySISWA was of particular interest to the Ministry of Higher Education, which has endorsed the program. This endorsement aligns with the goal of promoting affordable mobile packages for students and young adults.

- b) How much was spent on implementation of data analytics? What are the actionable strategies executed or planned based on the findings from data analytics?

**Response:**

Over the years, XOX Group has invested both financially and organically on trained skillsets to roll out data analytics technology to service and grow our subscribers.

A significant portion of our findings revealed that simply offering mobile telecommunications products, such as data, is no longer sufficient, and customer interest is waning. However, when we bundle these products with additional offerings, especially those that are relevant, such as phones, electronic gadgets, and even football kits (like those from Perak FC), to selected subscribers, our mobile campaigns have experienced a successful uptake. Moreover, considering the saturated SIM market in Malaysia, mobile operators are vying for the same pool of customers, leading to a zero-sum game and reduced margins. On this basis, our present focus lies in enhancing the Average Revenue Per Account (ARPA) rather than the Average Revenue Per User (ARPU). Meaning that, our strategy will not solely involve increasing revenue through mobile top-ups or bill payments, but also promoting non-telecommunication products to subscribers through collaboration with our strategic counterparts and affiliated companies such as Cheetah, as well as leveraging our diverse range of services within the XOX ecosystem.

5. Given the substantial investment involved to remain at the forefront amidst the rapid technology advancement (5G for instance).

- a) How much has the Group invested to remain competitive in 5G era?

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**Response:**

The Group had and will continue to invest in information technology in the advent of the 5G era. Some of the Company's initiatives include its proprietary e-commerce platform BLACK market houses renown brands and outstanding merchants. Driving towards Fintech advancement, XOX has offered an e-wallet option as a form of digital payment to its customers and has launched an 5G ready digital media management application NIMBUS for its selected group of subscribers.

- b) In addition to upskilling the Group's workforce, what are the other specific areas that require investment to maintain a competitive edge? What is the anticipated expenditure for the said investment?

**Response:**

Other than further investment in manpower, the Group is well-poised to compete in the 5G era. The Group will continue to identify areas that need to invest in the future in order to stay competitive.

6. The Group has a bank borrowing of approximately RM91.59 million, secured by listed securities held by the Group. In the event that the market prices of the listed securities fall substantially below its current value, how does the Group intend repay such borrowing considering its current loss-making position and cash holdings.

**Response:**

The Group's Security-Back Advance Facility ("Facility") with an offshore financier will only due in FY2025. The ups and downs of a listed security traded on an exchange are a normalcy of the trading market and as such in the event the market prices fall below its current value, there is no immediate obligation of the Company to top up or repay the difference in the value for the Facility. The terms of the Facility do not have such condition imposed.

The Company remains optimistic on the market price of the underlying secured securities as the Company is currently undervalued premised on the fact that there are many impending projects yet to be launched and the sizeable land banks in the listed securities, as a guidance the last reported NTA was RM872.90 million.

Thank you.

Yours faithfully,  
**XOX BHD**

**MR. ROY HO YEW KEE**  
Executive Director

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