



**XOX NETWORKS BERHAD**

200501002315 (679361-D)

ANNUAL REPORT  
**2024**



# Welcome to **XOX Networks Berhad** Group of Companies and Business Ecosystem.

We would like to sincerely thank our shareholders for all their support throughout the challenging year and congratulate everyone at XOX Networks for the achievements we have had over the course of the current year. We are very hopeful for the upcoming year; not because we assume it to be any easier (it certainly won't) but because we are well anticipated and prepared for whatever lies ahead. Thank you for supporting us, your satisfaction has been and will always be our topmost priority.



**EVENT AND TICKETING  
MANAGEMENT**



**FINANCIAL  
SOLUTIONS**



**DIGITAL AND MEDIA  
MANAGEMENT**

gf

**Every detail matters.**  
**In XOX Networks,**  
**we believe that's the key**  
**to successful activations**  
**and relationships. We are**  
**dedicated to delivering**  
**exceptional quality products**  
**and services to our clients to**  
**enable interaction between its**  
**people and businesses.**

gf





# CORE VALUES

## CREATIVITY

Creativity is at the heart of innovation. Creative thinking can lead to breakthroughs that set a company apart from its competitors. We embody creativity and innovative thinking in everything we do, exploring the world of ideas and turning those ideas into indelible experiences for our clients and audiences.

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## MEANINGFUL CONNECTIONS

It signifies a commitment to fostering strong and authentic relationships, whether with employees, clients, partners, or the broader community.

- Employees - can boost employee morale and motivation. When employees feel valued and connected to their colleagues and the company's mission, they are more likely to be engaged and committed.
- Clients - creating unique and purposeful solutions to clients can lead to a long-term working relationship.
- Partners - contributing to mutual success.
- Broader community - It often engages in social responsibility initiatives or participates in community events.

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## SUSTAINABILITY

We strive to leave a positive impact on the world, through embracing and promoting sustainability in our businesses, creating a better future for our stakeholders.



## SCAN ME

Scan the QR Code by  
following these simple steps

**GET IT**

Download the “QR Code Reader” app from Google Play  
(Android Market), App Store (iOS/iPhone) or Windows  
Phone Store

**RUN IT**

Run the QR Code Reader app and point your camera at the  
QR Code

**ACCESS IT**

Get access to XOX Networks Berhad’s website

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Form of Proxy

# COMPANY PROFILE



XOX Networks Berhad ("XOX Networks" or the "Company") is a dynamic and innovative player in the event industry, dedicated to delivering high-quality event experiences to audiences. Our core business mainly focuses on corporate events and live entertainment with subsidiaries built to supplement the core business.

The Company has been listed on the ACE Market of Bursa Malaysia Securities Berhad since 2007.

Our mission is to entertain, inspire, and engage people through a diverse range of event offerings. We aim to create memorable experiences that resonate with audiences of all ages, cultures, and backgrounds.

The core businesses of our Group involve Event Management, Event Equipment Rental, one-stop Ticketing Solutions Provider, Digital and Media Management and Financial Solutions.

Our dedicated and talented team is the heart and soul of our company. With a diverse group of professionals from various backgrounds, we bring together expertise in creative production, marketing, technology, and business development to drive our success.

In 2024, our Group continued to maintain the momentum established and is actively seeking opportunities to strengthen its position as the leading player in the industry as well as to improve its market share in this industry.

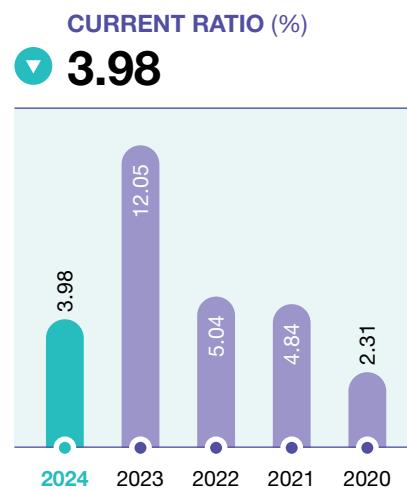
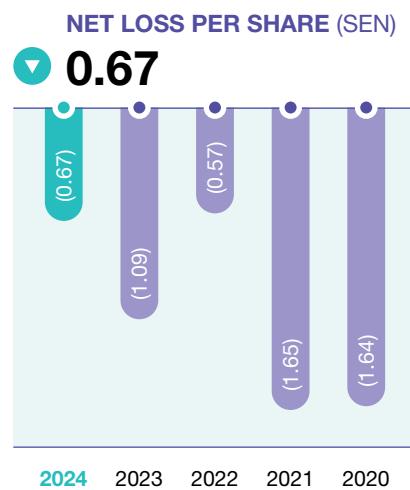
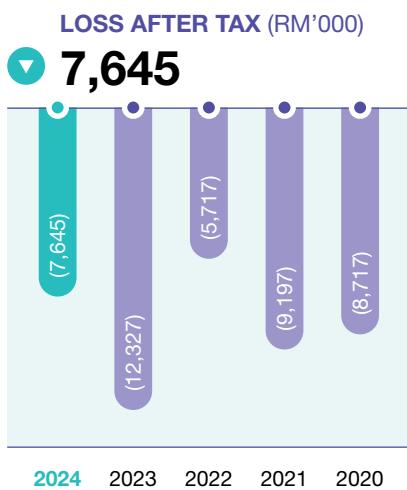
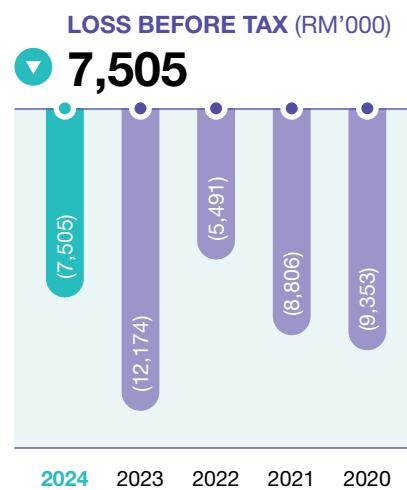
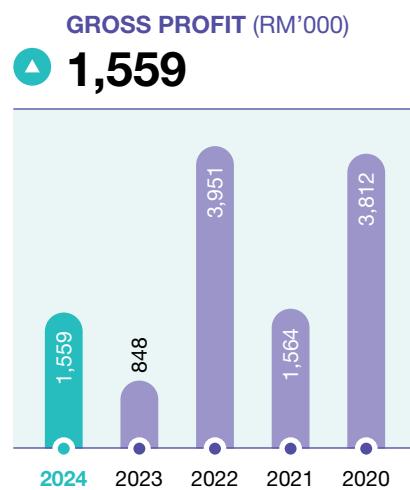
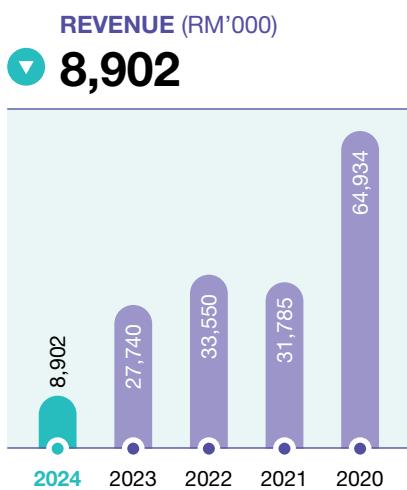
## COMPANY PROFILE



# FINANCIAL HIGHLIGHTS

		AUDITED				
		2024	2023	2022	2021	2020
Number of shares	('000)	1,135,709	1,135,709	1,135,709	946,424	353,295
Revenue	(RM'000)	8,902	27,740	33,550	31,785	64,934
Gross Profit	(RM'000)	1,559	848	3,951	1,564	3,812
Gross Profit Margin	(%)	17.51	3.06	11.78	4.92	5.87
Loss Before Tax	(RM'000)	(7,505)	(12,174)	(5,491)	(8,806)	(9,353)
Loss After Tax	(RM'000)	(7,645)	(12,327)	(5,717)	(9,197)	(8,717)
Loss After Tax Margin	(%)	(85.88)	(44.44)	(17.04)	(28.94)	(13.42)
Net Loss per Share*	(Sen)	(0.67)	(1.09)	(0.57)	(1.65)	(1.64)
Current Ratio	(%)	3.98	12.05	5.04	4.84	2.31

\* Based on weighted average of ordinary shares



# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### YM TENGKU EZUAN ISMARA BIN TENGKU NUN AHMAD

Independent Non-Executive  
Chairman

### LIONEL VERNON YONG NGUON KEE

Independent Non-Executive  
Director

### WOON SING JIUNN

Independent Non-Executive  
Director

### ANDY LIEW HOCK SIM

Independent Non-Executive  
Director

### LEE KIEN FATT

Non-Independent Non-  
Executive Director

## AUDIT & RISK MANAGEMENT COMMITTEE

### Andy Liew Hock Sim

(Chairman)

### Lionel Vernon Yong Nguon Kee Lee Kien Fatt

## NOMINATION AND REMUNERATION COMMITTEE

### Lionel Vernon Yong Nguon Kee

(Chairman)

### Lee Kien Fatt

### Andy Liew Hock Sim

## EMPLOYEE SHARE OPTION SCHEME COMMITTEE

### Roy Ho Yew Kee

(Chairman)

### Lee Kien Fatt

### Andy Liew Hock Sim

## COMPANY SECRETARY

### Chong Voon Wah

(SSM PC No. 202008001343)  
(MAICSA 7055003)

### Thai Kian Yau

(SSM PC No. 202008001515)  
(MIA 36921)

## PRINCIPAL BANKERS

Malayan Banking Berhad  
CIMB Bank Berhad  
AmBank Group Berhad

## REGISTERED OFFICE

22-09, Menara 1MK  
No. 1 Jalan Kiara, Mont Kiara  
50480 Kuala Lumpur  
Wilayah Persekutuan  
Kuala Lumpur  
📞 03-2856 7333  
✉️ [vw.chong@silverocean.com.my](mailto:vw.chong@silverocean.com.my)

## CORPORATE OFFICE

7<sup>th</sup> Floor, Menara Lien Hoe  
No. 8, Persiaran Tropicana  
Tropicana Golf & Country Resort  
47410 Petaling Jaya  
Selangor Darul Ehsan  
📞 010-309 8998  
✉️ [ask@xoxnetworks.com.my](mailto:ask@xoxnetworks.com.my)

## SHARE REGISTRAR

SHAREWORKS SDN. BHD.  
No. 2-1, Jalan Sri Hartamas 8  
Sri Hartamas, 50480 Kuala  
Lumpur, Wilayah Persekutuan  
Kuala Lumpur  
📞 03-6201 1120  
📠 03-6201 3121  
✉️ [ir@shareworks.com.my](mailto:ir@shareworks.com.my)

## WEBSITE

[www.xoxnetworks.com.my](http://www.xoxnetworks.com.my)

## AUDITORS

UHY Malaysia (AF 1411)  
Chartered Accountants  
Suite 11.05 Level 11  
Mid Valley City  
Lingkaran Syed Putra  
59200 Kuala Lumpur  
Wilayah Persekutuan Kuala  
Lumpur  
📞 03-2279 3088  
✉️ 03-2279 3099

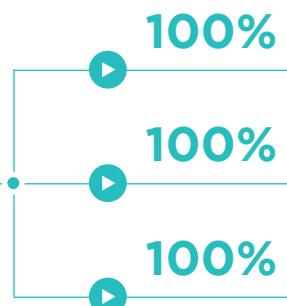
## STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia  
Securities Berhad  
Stock Name : XOXNET  
Stock Code : 0140

# CORPORATE STRUCTURE



**XOX NETWORKS BERHAD**  
[Registration No. 200501002315 (679361-D)]



**TRUMPET INTERNATIONAL SDN BHD**  
*Event management*

**FUTURESCAPE EQUIPMENT SDN BHD**  
*(F.K.A Macpie Equipment Sdn Bhd)*  
*Renting of tools and equipment for stage design production*

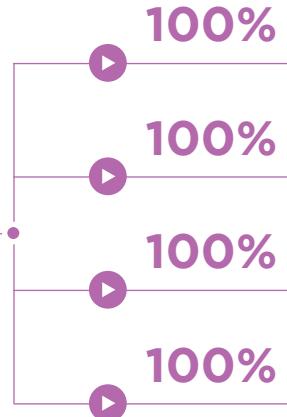
**EXCITIX TICKETING SDN BHD**  
*Ticketing solutions provider*



**PC3 TECHNOLOGY SDN BHD**  
*Money lending businesses*



**OCTAGON MEDIA SDN BHD**  
*Advertising and maintainer of social media platform*



**SUPERNova INTERNATIONAL SDN BHD**  
*Investment Holding Company*

**CONTANGO ALPHA SDN BHD**  
*(F.K.A Macpie Management Sdn Bhd)*  
*General Trading*

**ICT REWARDS AND SERVICES SDN BHD**  
*Dormant*

**URUSRASA SDN BHD**  
*Dormant*

## BOARD OF DIRECTORS' PROFILE

### YM TENGKU EZUAN ISMARA BIN TENGKU NUN AHMAD

Independent Non-Executive Chairman

Gender  
**Male**

Age  
**46 years old**

Nationality  
**Malaysian**

**Length of Services (as of 30 September 2024)**  
3 years



**YM Tengku Ezuan Ismara bin Tengku Nun Ahmad** was appointed to the Board as the Independent Non-Executive Chairman on 27 September 2021.

He holds a Masters in Law majoring in Banking Law and Anti-Money Laundering Act from International Islamic University Malaysia and a Double Degree in Accounting and Finance from the University of East London.

He is a professional and subsequently became a corporate member in numerous industries including oil & gas, military contractors, private equity and investment banking, corporate consulting information technology and general trading.

In the event industry, he used to produce dramas and documentaries for TV stations. He has also been involved in artist management for several major international events, for instance, Petronas, Formula 1, football all-star exhibition matches, etc.

Eager to achieve more, he is always open to any new ideas of career and business opportunities and cooperation with good prospects and future value.

He is also an active member of the Royal Family and is involved in several official and philanthropic activities.

He is presently an Independent Non-Executive Chairman of Komarkcorp Berhad and an Independent Non-Executive Director of Uzma Berhad. He is also a Director of several private companies and holds advisory and management positions in many companies across a multitude of industries in Malaysia and overseas.

## BOARD OF DIRECTORS' PROFILE



### ANDY LIEW HOCK SIM

Independent Non-Executive Director

Nationality  
**Malaysian**

Age  
**44 years old**

Gender  
**Male**

**Length of Services (as of 30 September 2024)**  
3 years 11 months

**Mr. Andy Liew Hock Sim** was appointed to the Board as the Independent Non-Executive Director on 27 October 2020.

He is the Chairman of the Audit & Risk Management Committee and a member of the Nomination and Remuneration Committee and Employee Share Options Scheme (“**ESOS**”) Committee of the Company.

He is a Chartered Accountant with Malaysian Institute of Accountants (MIA) and a member of Certified Practising Accountant (CPA) Australia. He has over sixteen (16) years of experience with major audit firms in audit, taxation and accountancy that gained from both Malaysia and overseas. He was involved in numerous successful initial public offerings (“**IPO**”) in Malaysia, Singapore, Germany and Hong Kong throughout his career.

He started his career with a local audit firm in Malaysia. He then joined KPMG Kuala Lumpur after obtaining his professional qualifications, i.e. MIA and CPA Australia in 2006. In KPMG Kuala Lumpur, he started to be involved in the audit of multinational corporations (MNC) and public listed companies. He was also involved in the IPO of a financial services company in the Main Market of Kuala Lumpur Stock Exchange (now known as Bursa Malaysia Securities Berhad).

In 2008, he ventured to China and since then, spent eight (8) years in China. From 2008 to 2012, he worked in KPMG Beijing and was actively involved in audit and IPO. 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 in 2016.

Upon his return to Malaysia, he joined Baker Tilly Malaysia and led a team of forty (40) which specialise in IPO and was actively involved in various corporate exercises such as business restructuring, mergers and acquisitions, reverse takeover, transfer listing, financial due diligence, regularisation plan for PN17 company, fundraising, 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 XOX Bhd, Perak Corporation Berhad and Oversea Enterprise Berhad as an Independent Non-Executive Director.

## BOARD OF DIRECTORS' PROFILE

### LIONEL VERNON YONG NGUON KEE

Independent Non-Executive Director

Gender  
**Male**

Age  
**54 years old**

Nationality  
**Malaysian**

**Length of Services (as of 30 September 2024)**  
7 years 6 months



**Mr. Lionel Vernon Yong Nguon Kee** is an Independent Non-Executive Director of the Company. He was appointed to the Board on 21 March 2017 and is the Chairman of the Nomination and Remuneration Committee and a member of the Audit & Risk Management Committee of the Company.

Mr. Lionel Yong (CIA, CA (M), FCCA, CMIIA) is an internal audit practitioner with more than 21 years of experience in accounting, finance, and internal audit. He is a certified internal auditor (USA), a chartered accountant (Malaysia), a member of the Malaysian Institute of Accountants (MIA) and a Fellow Member of the Chartered Association of Certified Accountants (UK). His specialities include the provision of independent and objective assessments of systems of internal control as implemented by the management to evaluate and improve the effectiveness of risk management, control, and governance. He is also familiar with the requirements of carrying out investigations into corporate fraud activities and with the requirements of the governance and audit of Information Technology systems based on the Control Objectives for Information Technologies (COBIT) Framework.

He has carried out risk assessment exercises for numerous companies, was involved in the system development life cycle process in the implementation of several information technology applications during his career and led investigations into a number of corporate fraud activities.

He is currently the Chief Financial Officer of the Nova Wellness Group. He also serves on the Board of Green Packet Berhad as an Independent Non-Executive Director.

## BOARD OF DIRECTORS' PROFILE



### WOON SING JIUNN

Independent Non-Executive Director

Nationality  
**Malaysian**

Age  
**42 years old**

Gender  
**Female**

**Length of Services (as of 30 September 2024)**  
5 years 8 months

**Ms. Woon Sing Jiunn** was appointed as the Independent Non-Executive Director of the Company on 30 January 2019.

She graduated from Tuanku Abdul Rahman University College with a Degree in Mass Communication (Media Studies).

She has more than 14 years of experience in the broadcast and media industry.

She got her start as a broadcast journalist with RTM, covering news ranging from crime to natural disasters, politics, and economic issues.

She then joined TV3 and worked as an Assistant Producer cum News Presenter on Buletin Utama. During her time with the television channel, she had amassed a wealth of experience from interviewing high-profile celebrities, politicians, international artists, and successful entrepreneurs. She interviewed personalities such as Ricardo Guadalupe, Chief Executive Officer (“CEO”) of Hublot, Lang Lang, a famous Chinese pianist and Franz Linder, CEO of Mido. She was also tasked with carrying out live reporting in front of millions of audiences.

From 2016 until 2018, she was the Image and Branding Consultant for Media Prima news and current affairs. She was the first female presenter who won Reader’s Digest Malaysia’s Most Trusted TV Presenter twice, in 2016 and 2017. She was also appointed as Chief Editor for the Malaysia Book of Records 2018.

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

## BOARD OF DIRECTORS' PROFILE

**LEE KIEN FATT**

Non-Independent Non-Executive Director

Gender <b>Male</b>	Age <b>58 years old</b>	Nationality <b>Malaysian</b>
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**Length of Services (as of 30 September 2024)**  
3 years 8 months



**Mr. Lee Kien Fatt** was appointed to the Board as the Independent Non-Executive Director on 22 January 2021 and redesigned to Non-Independent Non-Executive Director of the Company on 3 November 2023. He is a member of the Audit & Risk Management Committee, Nomination and Remuneration Committee and ESOS Committee of the Company.

Mr. Lee is a member of Malaysian Institute of Certified Public Accountants (MICPA) and Malaysian Institute of Accountants (MIA).

He started his career with an articleship with KPMG in 1987 before joining Group Associated (C&L) Sdn. Bhd. as Finance Manager from 1992 to 1994. After a stint with Ng Tiong Seng Corporation Berhad, he joined United Straits Amalgamated Berhad as Group Financial Controller in 1997. Subsequently, he was appointed as Consultant cum Executive Director of RNC Corporation Berhad in 1999. Mr. Lee then left to join as Consultant cum Independent Non-Executive Director of LBI Capital Berhad in 2003. He also served as an Independent Non-Executive Director of Tenggara Oil Berhad from 2007 to 2008.

Presently, he is an Independent Non-Executive Director of both Key Alliance Group Berhad, Niche Capital Emas Holdings Berhad and LBI Capital Berhad.

### Notes:

#### **Family Relationship with any Director and/or Major Shareholder**

None of the Directors has any family relationship with any Director and/or major shareholder of the Company.

#### **Conflict of Interest**

None of the Directors has any conflict of interest with the Company.

#### **Conviction for Offences**

Other than traffic offences, if any, the Directors have not been convicted of any offences within the past five (5) years and have not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 June 2024.

#### **Attendance of Board Meetings**

Details of the Directors' attendance at Board meetings are set out in the Corporate Governance Overview Statement on page 24 of this Annual Report.

# PROFILE OF KEY SENIOR MANAGEMENT

Nationality  
**Malaysian**

Age  
**36 years old**

Gender  
**Female**



**Ms. Audrey Thong** is overseeing our Group Finance, Group Human Resources and all corporate affairs related matters. She is a Chartered Accountant with Malaysian Institute of Accountants (MIA) and a member of Association of Chartered Certified Accountants (ACCA). She has more than ten (10) years of experience in financial advisory roles, auditing and accounting in her career.

She started her career with KPMG Malaysia as a Finance Officer and moved on to a local audit firm to gain her audit experience. She then joined Baker Tilly Malaysia in the advisory department after she had completed her professional qualification (ACCA) and was involved in various assignments which included a few successful Initial Public Offering projects for private companies, corporate restructuring and insolvency, financial due diligence as well as financial forensic engagements.

In 2019, she joined Deloitte Malaysia under the Forensic and Litigation Support arm for a team size of approximately 30 people and further explored her career with different investigation toolsets and knowledge to identify/uncover financial crime and/or business disputes through the review of financial statements, data collection as well as performing data analytics and relationship profiling.

Her appointment with the Group commences on 1 January 2021.

She does not hold any directorship in any other public companies or listed corporations. She also does not have any family relationship with any Director and/or Major Shareholder of the Company, have no conflict of interest with the Company, have not been convicted of any offences within the past five (5) years and have not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 June 2024.

# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERVIEW OF OUR GROUP'S BUSINESS

XOX Networks Berhad (“**XOX Networks**” or “**Company**”) and our subsidiaries (“**XOX Networks Group**” or “**Group**”) are principally involved in the following:

<b>Event Management</b>		event management, provision of ticketing solutions as well as renting service for event equipment. Various types of events that we have organised include concerts, corporate events and festivals. Our ticketing solutions deliver ticket management systems and infrastructure to event organisers and can accommodate a wider range of clients, offline sales counters, optional payment gateways, custom ticket choices, entry scanning facilities, report analysis and dispatch services;
<b>Digital and Media Management</b>		providing consultancy services to optimise our client's online presence and media assets. Our diverse portfolio of digital and media platforms spans across various online channels, including social media, streaming services, blogs, and more. These platforms connect creators, consumers and advertisers, providing an immersive environment for content distribution, interaction and engagement; and
<b>Financial Solutions</b>		provision of money lending services.

Our Group successfully hosted the Japanese festival event Nihon Matsuri 2023 for the second time from 29 June 2023 to 2 July 2023. This event was held over 4 days with booths consisting of Japanese food, live performances, cosplay competition, games and merchandise. One of our main attraction was the Yukata and Kimono rental, which was a fun and unique way for guests to experience traditional Japanese culture and fashion.

We continued to host Nihon Matsuri for a third successful year in 2024 with a different Japanese theme, namely “Explore the Arashiyama Bamboo Walkway in Kuala Lumpur”, from 25 July 2024 to 4 August 2024. Further, our Group has also managed to host the first-ever live mochi making in Malaysia.

Our Group also successfully organised Karnival Mesra Anak Muda 2023 (KAMU 2023) together with Royale Fiesta at Stadium Indera Mulia Ipoh Perak, from 15 September 2023 to 17 September 2023 and Mark Tuan ‘The Other Side’ Asia Tour 2024 in Malaysia on 6 January 2024.



Nihon Matsuri 2024



Karnival Mesra Anak Muda (KAMU) 2023



Mark Tuan ‘The Other Side’ Asia Tour 2024

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL PERFORMANCE

	Audited FYE 30 June 2024 RM'000	Audited FYE 30 June 2023 RM'000
Revenue	8,902	27,740
Gross Profit ("GP")	1,559	848
Loss before Tax ("LBT")	(7,505)	(12,174)
Loss after Tax ("LAT")	(7,643)	(12,327)
GP margin (%)	17.5	3.1
LBT margin (%)	(84.3)	(43.9)
LAT margin (%)	(85.9)	(44.4)

For the financial year ended ("FYE") 30 June 2024, event management remains the largest revenue contributor which contributed approximately 67% of our Group's total revenue, followed by the digital and media management segment at approximately 25% and the remaining revenue was contributed by financial solutions.

Our Group's revenue decreased from RM27.7 million in FYE 30 June 2023 to RM8.9 million in FYE 30 June 2024. The decrease in revenue was mainly due to the decline in the event management segment and digital and media management segment. However, this was partially mitigated by the increase in the financial solutions segment.

Our Group recorded a lower LAT of RM7.6 million for FYE 30 June 2024 as compared to LAT of RM12.3 million for FYE 30 June 2023. The lower LAT in FYE 30 June 2023 was mainly due to lower other expenses resulting from the absence of bad debts written off during the current financial year.

### REVIEW OF FINANCIAL POSITION

	As at 30 June	
	2024 RM'000	2023 RM'000
Total assets	54,328	54,416
Total liabilities	11,535	3,981
Net assets / Shareholders' equity	42,793	50,436
Net current assets	34,086	44,025
<b>Financial ratios</b>		
Current ratio <sup>(1)</sup>	3.98	12.25
Gearing ratio <sup>(2)</sup>	Negligible	Negligible

#### Notes:

(1) Current assets / Current liabilities

(2) Total borrowings / Shareholders' equity

## MANAGEMENT DISCUSSION AND ANALYSIS

### REVIEW OF FINANCIAL POSITION (CONT'D)

Our Group's net assets decreased mainly due to the increase in accumulated losses as at 30 June 2024. Our current ratio decreased mainly due to the increase in contract liabilities arising from our event management segment. Our Group's gearing ratio increased due to the decrease in shareholders' equity.

Non-current assets consist mainly of property, plant and equipment as well as trade receivables, which increased to RM8.8 million as at 30 June 2024 from RM6.5 million as at 30 June 2023. This was mainly due to increase in long-term trade receivables during the current financial year.

Current assets decreased to RM45.5 million as at 30 June 2024 from RM47.9 million as at 30 June 2023. This was mainly due to the decrease in cash and cash equivalent as well as deposits with licensed banks, partially offset by the increase in investment in quoted shares.

Our Group's cash and cash equivalents together with deposits with licensed banks decreased to RM15.5 million as at 30 June 2024 from RM26.0 million as at 30 June 2023. The decrease was mainly due to funds being used to finance our financial solutions segment (provision of money lending services), utilisation of private placement proceeds for setting up of digital media platform and investment in quoted shares.

Trade receivables (current and non-current) increased by 20.9% as a result of higher revenue and higher receivables from the money lending business. The increase of 20.8% in other receivables is primarily attributable to prepayments made in advance for events that schedule to take place in the next financial year.

Non-current liabilities comprised lease liabilities in relation to the capitalisation of right-of-use assets (i.e. leases of office equipment / premises to store event equipment and props). Current liabilities comprised mainly contract liabilities, trade and other payables as well as lease liabilities. Trade and other payables decreased by 62.0% due to the repayment to trade and non-trade suppliers during the financial year.

On 1 March 2021, we completed a private placement exercise raising approximately RM27.0 million. The proceeds were intended to fund the purchase of equipment for the event management segment, expansion of the financial solutions segment, and our Group's day-to-day operations. As at 30 June 2024, approximately RM4.2 million remains unutilised. This amount was allocated for the purchase of equipment for the event management segment. On 30 August 2024, the Board announced the extension of the timeframe for the utilisation of that amount to 31 August 2025.

On 29 December 2021, we completed another private placement exercise and raised proceeds of approximately RM5.3 million. The proceeds were intended to fund the development of a digital media platform for our event management business in line with the increasing reliance on digitalisation. As at 30 June 2024, approximately RM4.0 million remains unutilised.

Save as aforementioned, we are not aware of any other known trends and events that are reasonably likely to have a material effect on our operations, performance, financial condition and liquidity.



# MANAGEMENT DISCUSSION AND ANALYSIS

## ANTICIPATED OR KNOWN RISKS

Our Group is exposed to risks that may have a material effect on our operations, performance, financial condition and liquidity. Our plans and strategies to mitigate these risks have also been disclosed below.

### (i) Operational risks

For our event management segment, any disruption in electricity supply and equipment malfunction may have an adverse effect on the progress or delivery of our event (be it physical events or online events), which will affect our Group's business and financial performance. To avoid major breakdowns and disruptions to our events, electricity supply and relevant equipment are constantly monitored, and prior checking will be performed before hosting an event.

Our digital and media management segment provides a variety of online services, which are vulnerable to cyberattacks. We collect and store a significant amount of sensitive customer data, such as names, addresses, and phone numbers. We are acutely aware that this data is a valuable target for cybercriminals, and a data breach or service disruption could damage our Group's reputation and lead to a loss of customers and partners.

### (ii) Competition risks

We continue to face competition from existing and new competitors who may be capable of offering similar services or products. Whilst we strive to remain competitive, there can be no assurance that any changes in the competitive environment would not have any material and adverse impact on our business and financial performance.

Nevertheless, our Group strives to maintain our competitive edge by ensuring the quality of our services and products through stringent quality assurance procedures. We also continuously place importance on improving our services and products, through developing new solutions such as the development of the digital media platform to overcome geographical constraints for our event management business, as well as providing training to develop our key personnel.

### (iii) Credit risks

Our Group is exposed to the risk of default by our trade receivables. We may experience delays in payment for our services and/or products, or in more severe cases, our Group may not be able to collect payments from our trade receivables. In the event of payment defaults, our Group would have to impair or write off the said receivables, which will negatively affect our financial performance.

Considering the above, our Group constantly reviews and evaluates the status of our trade receivables as well as performs thorough due diligence checks on our potential clients before any provision of services and/or products are made.



## MANAGEMENT DISCUSSION AND ANALYSIS

### ANTICIPATED OR KNOWN RISKS (CONT'D)

#### (iv) Outbreak of infectious diseases

The outbreak of pandemic of infectious diseases or other health epidemics may create economic uncertainty and global instability, which may adversely affect business operations and overall economic activity globally. As seen during the start of the COVID-19 pandemic, governments around the world imposed various lockdown measures to curb the spread of the virus, leading to disruptions and temporary cessation of business activities.

Should there be a future outbreak of infectious diseases similar to the COVID-19 pandemic, governments may again impose lockdown measures including closure of international borders as well as temporary cessation of a range of business activities. This may cause demand for our services and products to decline or disrupt the flow of our operations or increase our operational cost as we address the effects of such diseases. In this regard, we will remain vigilant and take a prudent approach in monitoring our operations by developing and implementing a comprehensive business continuity plan.

### TREND AND OUTLOOK

The outlook for our Group's event management segment (our largest revenue contributor) remains challenging, with amongst others, the following factors:

- (i) maintain relationships with artists and their representatives to secure their availability for touring and live performances as well as contract negotiation which would impact the pricing of the concerts and our Group's financial performance;
- (ii) consistently adopting a sustainable business model and financial management;
- (iii) compliance with evolving regulations, including local regulation, licensing requirements, intellectual property laws as well as health and safety protocols; and
- (iv) keeping up with the latest technology in event production and audience engagement to provide a better audience experience.

Further, we intend to shift our focus to organising more events so that we eventually will own the intellectual property associated with the event concept, brand and content. Our Group is also exploring more corporate events such as product launches, award ceremonies and appreciation events. We will also continue to expand and innovate the digital and media management as well as the financial solutions segment. Internally, we will continue to strive for better cost management by constantly reviewing our operations and adopting more efficient processes.

With the above in mind, the Board is cautiously optimistic of the future prospects of our Group.



## MANAGEMENT DISCUSSION AND ANALYSIS

### DIVIDEND POLICY

No dividend has been paid by our Company for our current financial year. The declaration of interim dividends and the recommendation of final dividends are subject to the discretion of our Board and any final dividend for the year is subject to shareholders' approval. Although we have not formulated a dividend policy or payout ratio, we recognise that it is important to reward our investors with dividends. The payment of dividends or other distributions will depend on our financial performance, cash flow requirement, availability of distributable reserves, capital expenditure plans and other factors that the Board of Directors deems relevant.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“**Board**”) of XOX Networks Berhad (“**XOX Networks**” or the “**Company**”) presents this Corporate Governance Overview Statement (“**Statement**”) to provide the shareholders and other stakeholders with an overview of the corporate governance (“**CG**”) practices of the Company during the financial year ended 30 June 2024 (“**FY2024**”). This overview takes guidance from the key CG principles as set out in the Malaysian Code on Corporate Governance (“**MCCG**”).

This Statement is prepared in accordance with the ACE Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and it is to be read together with the CG Report 2024 of the Company (“**CG Report**”) which is available on the Company’s website at <https://www.xoxnetworks.com.my/>.

The CG Report provides details on how the Company has applied the practices as set out in the MCCG during FY2024.

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### 1.0 Board’s Responsibilities and Leadership

The Company and its subsidiaries (“**Group**”) is led by an experienced and effective Board. All Board members are expected to show good stewardship and act in a professional manner as well as to uphold the core values of integrity with due regard to their fiduciary duties and responsibilities.

The Board is responsible for governing, guiding and overseeing the overall management of the Group and retains full and effective control over the affairs of the Group. It reviews the Group’s policies and strategies, enforces standards of accountability, actively oversees the conduct, management and business affairs of the Group and monitors the performance of Executive Director and Senior Management. The Board ensures the effective discharge of its fiduciary and leadership functions, as well as sustains long-term shareholder value while safeguarding the interests of all its stakeholders. It works closely with the Executive Director and Senior Management to ensure that the operations of the Group are conducted prudently within the framework of relevant laws and regulations. The Board ensured that it had set the appropriate tone at the top, providing thought leadership and championing good governance and ethical practices throughout the Group.

The Board has delegated specific responsibilities to the following Board Committees to assist in the execution of its responsibilities:

- (a) Audit & Risk Management Committee (“**ARMC**”);
- (b) Nomination and Remuneration Committee (“**NRC**”); and
- (c) Employee Share Option Scheme Committee (“**ESOS**”).

Each Committee operates in accordance with respective terms of reference (“**TOR**”) and reports to the Board with their recommendations. The ultimate responsibility for the decision lies with the Board. The Board keeps itself abreast of the significant matters and resolutions deliberated by each Board Committee through the reports by the Chairman of the relevant Board Committees or the tabling of the minutes of the Board Committees’ meetings and circular resolutions passed at the immediate subsequent Board meeting.

The TORs of the Board Committees are reviewed as and when the need arises. The TORs are published on the Company’s website at <https://www.xoxnetworks.com.my/>.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### 1.1 Separation of role and responsibility of Chairman and Executive Director

There is a clear separation of the role and responsibility between the Chairman, the Executive Director and the Independent Non-Executive Directors to promote greater accountability to enhance the check and balance of power and authority. The positions of the Chairman and the Executive Director are held by different individuals, and their roles are described in the Board Charter.

The Chairman is responsible for the leadership, effectiveness, conduct and governance of the Board, while the Executive Director has overall responsibility, with the support of the Senior Management team of the Company, for the day-to-day management of the business and implementation of the Board's policies, directives, strategies and decisions.

Delegation of the Board's authority to the Executive Director and Senior Management is subject to defined limits of authority of the Group and monitoring by the Board. However, as the Board has the overall responsibility to manage and supervise the affairs of the Company in accordance with the law, there are matters which are reserved for the Board's consideration as set out in the Board Charter.

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 objectivity will not be influenced by the Chairman of the Board who also sits on Board Committee(s).

### 1.2 Board Meetings

The Board met five (5) times during FY2024. The meeting attendance of the Board members is as follows:

Directors	Meeting Attendance
YM Tengku Ezuan Ismara bin Tengku Nun Ahmad	5/5
Koo Kien Keat (Resigned on 8 February 2024)	4/4
Andy Liew Hock Sim	5/5
Lionel Vernon Yong Nguon Kee	5/5
Woon Sing Jiunn	5/5
Lee Kien Fatt	5/5

At the Board meetings, the Management presented papers pertaining to each issue raised for discussion or as supplementary information.

Independent Advisers, Internal Auditors and External Auditors were invited to provide further insight and/or share advice and opinions on matters pertaining to corporate exercises, governance, internal controls and risk management. The Chairman constantly promotes constructive, healthy debate and the Directors are given the chance to freely express their views.

The deliberations of the Board and Board Committees 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 Secretary. Minutes of meetings are circulated and confirmed as a correct record by the Board and Board Committees at the next meeting. The Directors may request clarification or make comments on the minutes prior to their confirmation.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### 1.2 Board Meetings (Cont'd)

To facilitate the Directors' time planning, a planned annual meeting calendar is prepared and circulated to them before the beginning of each year. It provides the scheduled dates for meetings of the Board, Board Committees and annual general meeting ("AGM"). If there is any extraordinary general meeting to be held during the financial year, the meeting date will be planned in accordance with the availability of the Directors and the timeline of the corporate exercise. The Directors are also constantly updated with the closed periods for dealings in securities based on the targeted dates of announcement of the Group's quarterly results and annual financial results.

In the intervals between Board meetings, for exceptional matters requiring urgent Board's decisions, approvals will be obtained via circular resolutions which are supported with information necessary for an informed decision. Ample time was given to all Directors in order for them to make informed and constructive decisions.

Notwithstanding that no specific quantum of time has been fixed, each member of the Board is expected to devote sufficient time and attention to the affairs of the Company. Each Board member is expected to achieve at least 50% attendance of total Board Meetings held in any applicable financial year with appropriate leave of absence be notified to the Chairman and/or Company Secretaries, where applicable.

In addition, prior to the acceptance of new board appointment(s) in other companies and/or Public Listed Companies ("PLCs"), the Directors are to notify the Chairman and/or the Company Secretary in writing. To ensure the Directors have the time to focus and fulfill their roles and responsibilities effectively, 1 criterion as agreed by the Board is that they must not hold more than five (5) directorships in PLCs (as prescribed in Rule 15.06 of the Listing Requirements).

The Board was satisfied that all Directors have been devoting sufficient time to discharge their responsibilities adequately.

#### 1.3 Training

The Directors acknowledge that continuous education is vital for the Board members to gain insight into the state of the economy, technological advances, regulatory updates and management strategies to equip themselves with the necessary skills and knowledge to effectively discharge their duties.

An appropriate induction is provided to any newly appointed Director for them to familiarise themselves with the Group's organisational structure, strategic plans, significant financial, accounting and risk issues and other important matters and become effective in their role within the shortest practicable time.

In addition to the Mandatory Accreditation Programme as required by Bursa Securities, the Directors are encouraged to attend relevant seminars and training programmes to equip themselves with the knowledge to effectively discharge their duties as Directors.

The Directors continuously received briefings and updates on amongst others, amendments to Listing Requirements and new circulars/directives/guidelines/consultation papers issued by Bursa Securities and Companies Commission of Malaysia ("CCM") respectively. The Directors also received briefings on information on the Group's businesses and operations and initiatives undertaken by the Group.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### 1.3 Training (Cont'd)

Besides the above briefings, the Directors had attended the following training programmes/seminars/webinars during FY2024 to further enhance their knowledge and skills:

Name of Directors	Training Programmes/Seminars/Webinars
YM Tengku Ezuan Ismara bin Tengku Nun Ahmad	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part II: Leading for Impact</li> </ul>
Andy Liew Hock Sim	<ul style="list-style-type: none"> <li>MIA Webinar Series: Detecting &amp; Deterring Financial Statement Fraud</li> <li>MIA Webinar Series: Tax Audits and Investigations Framework - The Latest Practical Procedures and Challenges</li> <li>MIA Blended Learning Series : An Overview of the Malaysian Private Entities Reporting Standard (MPERS) - Practical approach to recognition and measurement principles including updates</li> <li>MIA Forum with Practitioners</li> <li>Mandatory Accreditation Programme Part II: Leading for Impact</li> </ul>
Lionel Vernon Yong Nguon Kee	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part II: Leading for Impact</li> <li>2nd ASEAN Finance Innovation Summit 2024</li> </ul>
Lee Kien Fatt	<ul style="list-style-type: none"> <li>Budget Highlight 2024</li> </ul>
Woon Sing Jiunn	NIL

During FY2024, Ms. Woon Sing Jiunn was unable to attend any training due to her busy work schedule. However, she has constantly been updated with relevant reading materials and technical updates, which will enhance her knowledge and equip her with the necessary skills to effectively discharge her duties as the Director of the Company.

### 2.0 Board's Composition

The Group is currently led and managed by an experienced Board consisting of one (1) Independent Non-Executive Chairman, three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The Independent Directors make up more than 50% of the composition of the Board. Hence, the composition of the Board fulfils the prescribed requirement under Rule 15.02(1) of the Listing Requirement and adopts the best practice 5.2 of the MCCG. In the event of any vacancy in the Board 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 composition of the Board reflects a diversity of backgrounds, skills and experiences in the areas of business, media, accounting, finance, taxation, audit, sports, legal, general management and strategy that contributes effectively to leading and directing the management and affairs of the Group. Given the calibre and integrity of its members and the objectivity and independent judgment brought by the Independent Directors, the Board is of the opinion that its current size and composition contribute to an effective Board.

The Board is aware of the importance of boardroom diversity and is supportive of the recommendation of MCCG to establish a boardroom and workforce gender diversity policy. The Board has adopted the Diversity Policy which sets out the Company's approach to diversity on the Board. 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 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 practice discrimination of any form, whether based on age, gender, race or religion, throughout the organisation.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### 2.0 Board's Composition (Cont'd)

As of FY2024, our Board comprises one (1) female Director, representing approximately 20% 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 a female director onto the Board in future to bring about a more diverse perspective.

#### 2.1 Board Charter

The Board is guided by its Board Charter which provides reference in relation to the roles and responsibilities of the Board and Management. The Board Charter is subject to periodic review and will be updated as and when necessary to ensure it remains consistent with the Group's policies and procedures, the Board's overall responsibilities as well as changes to legislation and regulations.

The Board Charter is published on the Company's website at <https://www.xoxnetworks.com.my/>.

#### 2.2 Code of Business Conducts

The Directors are expected to conduct themselves with the highest ethical standards by setting the appropriate tone at the top, providing thought leadership and championing good governance and ethical practices throughout the Group. All Directors and employees are expected to behave ethically and professionally at all times and thereby protect and promote the reputation and performance of the Group. The Company has adopted a Code of Business Conducts, which can be viewed on the Company's website at <https://www.xoxnetworks.com.my/>.

#### 2.3 Whistleblowing Policy

The Board is committed to promoting and maintaining a high standard of integrity, openness and accountability in the conduct of its businesses and operations. It aspires to conduct its affairs in an ethical, responsible and transparent manner.

The Company provides avenues for all employees and members of the public to disclose any improper conduct in accordance with the procedures as provided for under this policy to provide protection for employees and members of the public who report such allegations. This is also to provide protection for the whistle-blower from reprisal as a direct consequence of making a disclosure and to safeguard such a person's confidentiality. To this end, the Board has established a Whistleblowing Policy, available for viewing on the Company's website at <https://www.xoxnetworks.com.my/>.

#### 2.4 Anti-Bribery & Anti-Corruption Policy

The Group has adopted an Anti-Bribery & Anti-Corruption Policy to prevent the occurrence of bribery and corruption practices in relation to the businesses of the Group. The Group strictly prohibits all forms of bribery and corruption and will take all necessary steps to ensure that it complies with and conducts its business with transparency. The Anti-Bribery & Anti-Corruption Policy is published on the Company's website at <https://www.xoxnetworks.com.my/>.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### 2.5 Corporate Disclosure Policy

Recognising the importance of accurate and timely public disclosures of corporate information in order for the shareholders to exercise their ownership rights on an informed basis, the Board has established a Corporate Disclosure Policy, which outlines how the Group identifies and distributes information in a timely manner to all shareholders. It also reinforces the Group's commitment to the continuous disclosure obligations and describes the procedures implemented to ensure compliance.

The Board through the Management oversees the Group's corporate disclosure practices and ensures implementation and adherence to the Corporate Disclosure Policy. The Board has authorised the Executive Director as the primary spokesperson responsible for communicating information to all stakeholders including the public.

The Corporate Disclosure Policy is published on the Company's website at <https://www.xoxnetworks.com.my/>.

### 2.6 Directors' Fit and Proper Policy

The Board has established the Directors' Fit and Proper Policy, to ensure that any person to be appointed or elected/re-elected as a Director of the Group shall possess the necessary quality and character as well as integrity, competency and commitment to enable the discharge of the responsibilities required of the appointed position in the most effective manner. The Directors' Fit and Proper Policy is accessible on the Company's website at <https://www.xoxnetworks.com.my/>.

### 2.7 Conflict of Interest Policy for Directors

The Board has established the Conflict of Interest Policy for Directors, to ensure that actual, potential and perceived conflicts of interest are effectively identified and managed and to provide guidance on how to deal with conflict of interest situations as they arise. The Conflict of Interest Policy for Directors is accessible on the Company's website at <https://www.xoxnetworks.com.my/>.

To assure accountability and prevent conflict of interest in relation to issues that come before the Board, Directors are reminded by the Company Secretary of their statutory duties and responsibilities and are provided with updates on any changes thereon. Hence, all related party transactions and/or potential conflict of interest situations (if any) will be submitted to the ARMC 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.

During the financial year under review, the ARMC and the Board have not received any reports from the Directors or chief executive of the Company relating to conflicts of interest or potential conflicts of interest situations, including interests in any competing business, that they have with the Company or its subsidiaries.

### 2.8 Succession Plan

The Board, through the NRC, is ensuring that there is an effective and orderly succession plan within the Group. The NRC is responsible for formulating the nomination, selection and succession policies for the members of the Board and Board Committees while the Executive Director is responsible for the succession of the Group's key management personnel from time to time under the purview of NRC.

In this regard, the NRC reviews and assesses the profile, professional achievements, personality, experience, competency, skills and knowledge of each candidate for a key management position to ensure the right candidate is appointed for the relevant position.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### 2.9 Promoting Sustainability

The Board recognises the importance of sustainability and its increasing impact to the Group's businesses. The Board annually reviews the sustainability of the Company's strategic directions, with due consideration over the progress of the long-term and short-term plans, changes in the business and political environment, levels of competition, updates in risk factors and any other factors which could affect the sustainability of the Group.

### 2.10 Access to Information and Advice

Every Director has full, free and unrestricted access to information within the Group. Where required, the Board and Board Committees are provided with independent professional advice or other advice in furtherance of their duties, the cost of which is borne by the Company. The Board may also seek advice from the Management or request further explanation, information or update on any aspect of the Group's operations or business concerns.

The Board is supplied with quality and timely information, which allows it to discharge its responsibilities effectively and efficiently. The agenda for each meeting together with a set of comprehensive meeting papers for each agenda item are delivered to each Director seven (7) days or at an appropriate time prior to the meeting, to enable the Board to review the matters to be deliberated for effective discussion and decision making during the meeting, and where necessary, to obtain supplementary information before the meeting.

In addition, the Directors have full and unrestricted access to the advice and dedicated support services of the Company Secretary appointed by the Board. He is experienced, competent and responsible for advising the Board on procedural and regulatory requirements to ensure that the Board adheres to the Board policies, procedures and regulatory requirements in carrying out its roles and responsibilities effectively.

When necessary, the 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.

### 2.11 Company Secretary

The Board is assisted by an experienced, competent and knowledgeable Company Secretary who gives clear and sound advice on regulatory requirements and governance matters to the Board. The Company Secretary is qualified to act as company secretary under Section 235 of the Companies Act 2016 ("the Act").

The Company Secretary is responsible for advising the Board on issues relating to compliance with laws, rules, procedures and regulations affecting the Group as well as the principles of best corporate governance practices.

The Company Secretary also advises the Board of their obligations and adherence to matters, amongst others, disclosure of interest in securities, disclosure of any conflict of interest in a transaction involving the Company or its subsidiaries, requirements on dealing in securities and restrictions on disclosure of price-sensitive information.

During FY2024, the Company Secretary had:

- attended the Board, Board Committees and general meetings and ensured that the proceedings of the meetings and decisions made thereof are accurately and sufficiently recorded and properly kept;
- advised the Board and Board Committees on corporate disclosures and compliance with the Act, Listing Requirements and Capital Markets and Services Act 2007;
- advised the Board on the amendments to Listing Requirements and new circulars/directives/guidelines/consultation papers issued by Bursa Securities and CCM respectively;
- ensured all statutory submissions to the relevant authorities were completed within the prescribed timeline;
- monitored corporate governance developments and practices; and
- ensures timely and appropriate information flow within the Board and Board Committees.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### 2.12 Nomination and Remuneration Committee

For FY2024, the NRC consists of three (3) members, the majority of whom are Independent Non-Executive Directors. The composition of the NRC fulfils the prescribed requirement under Rule 15.08A(1) of the Listing Requirement. The TOR of the NRC are available at the Company's website at <https://www.xoxnetworks.com.my/>.

The main responsibilities of the NRC are as follows:

- Nominate new nominees for appointment to the Board and Board Committees for the Board's consideration.
- Annually assess the effectiveness of the Board as a whole, the Board Committees and the contributions of each individual Director including the Independent Non-Executive Directors based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.
- Annually review and assess the independence of the Independent Non-Executive Directors.
- Annually review the term of office and performance of the ARMC and each of its members to determine whether such committee and members have carried out their duties in accordance with the terms of reference.
- Annually review and make recommendations on the re-election of Directors.
- To oversee the development of succession planning of the Directors and Senior Management.
- Review and recommend the remuneration framework as well as the remuneration package of the Executive Director and Senior Management.
- Review and recommend the payment of Directors' fees and other benefits payable to the Directors for the shareholders' approval.

During FY2024, the NRC met once and the activities undertaken by the NRC are listed below:

- Assessed the effectiveness of the Board as a whole, and the Board Committees against criteria as set out in the evaluation forms.
- Reviewed the structure, size and composition of the Board.
- Assessed and evaluated the independence of the Independent Non-Executive Directors to ensure that they are free from any interest, position or relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of his/her independent judgement.
- Assessed the performance of each individual Director against criteria as set out in the evaluation forms, amongst others, attendance at Board and/or Board Committee meetings, adequate preparation for Board and/or Board Committee meetings, regular contribution to Board and/or Board Committee meetings, personal input to the role and other contributions to the Board and/or Board Committees.
- Reviewed and recommended the retirement and re-election of Directors in accordance with the Company's Constitution.
- Reviewed and recommended the payment of additional Directors' fees to the Directors for the financial year ended 30 June 2023.
- Reviewed and recommended the payment of Directors' fees for the financial year ended 30 June 2024.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### 2.12 Nomination and Remuneration Committee (Cont'd)

During FY2024, the NRC met once and the activities undertaken by the NRC are listed below (Cont'd):

- Reviewed and recommended the re-designation of Mr. Lee Kien Fatt from Independent Non-Executive Director to Non-Independent Non-Executive Director.
- Reviewed and recommended any modifications and/or amendments to the TOR of the NRC and other policies.

In the intervals between NRC meetings, for exceptional matters requiring urgent NRC's decisions, approvals will be obtained via circular resolutions which are supported with information necessary for an informed decision. Ample time was given to the NRC in order for them to make informed and constructive decisions.

### 2.13 Annual Evaluation

The Board, through the NRC and facilitated by the Company Secretary, will conduct an annual assessment to evaluate the performance of the Board, its Board Committees and each individual director, as well as identify any gaps or areas of improvement.

The annual assessment will be conducted internally through a questionnaire and by way of a self and peer-assessment evaluation approach, focusing on maximising the effectiveness and performance of the Board. The Board did not engage any external party to undertake an independent assessment of the Directors. A summary of the results and all feedback received were tabled to the NRC for deliberation before appropriate action plans were recommended to the Board for further discussion and approval.

The criteria used by the NRC in evaluating the performance of an individual, include contribution to interaction, integrity, competency and time commitment of the members of the Board and Board Committees in discharging their duties.

From the annual assessment and review conducted for FY2024, the NRC was satisfied that all the Directors possess sufficient qualifications to remain on the Board. Save for the NRC members who are also a member of the Board and have abstained from assessing their own individual performance as Director of the Company, each of the NRC members views that all the Directors have good personal attributes and possess sufficient experience and knowledge in various fields that are vital to the Company's industry.

As for the Board evaluation, the NRC agreed that all the Directors have discharged their stewardship duties and responsibilities towards the Company as Directors effectively. The NRC further concluded that the Board and Board Committees were functioning effectively as a whole with a high level of compliance and integrity.

### 2.14 Annual Assessment of Independence

The NRC will conduct annual assessments on an annual basis 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.

From the annual assessment and review conducted for FY2024, the NRC was satisfied that all the Independent Directors are independent of Management and free from any business or other relationship which could interfere with the exercise of independent judgment, objectivity or the ability to act in the best interests of the Company. Additionally, each of the Independent Directors has provided an annual confirmation of their independence to the NRC and the Board.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### 2.15 Appointment of Directors

The NRC has a formal and transparent procedure for the appointment of new Directors to the Board. When assessing new appointments to the Board, the NRC carefully reviews the combined skills and experience of the existing Board members to determine the required characteristics and profile of the new Director. Candidates are identified based on their corporate leadership, skills, knowledge, competencies, experience, reference check and expertise to complement the Board. Diversity of experience in business, professionalism, corporate industry standing, integrity as well as academic background, age, gender, ethnicity and cultural background are also considered.

Besides carrying out reference checks, the candidates are interviewed as part of the assessment process. Consideration is given to ensure appointees have sufficient time to devote to the role, ability to discharge responsibilities and that the balance of skills, knowledge and experience on the Board will be maintained and enriched. When the NRC has found a suitable candidate, the NRC will make a recommendation to the Board for deliberation.

### 2.16 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 1/3 of the remaining Directors are subject to re-election by rotation at each AGM, and retiring Directors can offer themselves for re-election. All Directors shall retire from office at least once every three (3) years but shall be eligible for re-election.

The NRC would carry out formal assessment evaluation on the performance as well as identify any gaps or areas of improvement of the individual Directors, Board and Board Committee annually. The NRC also would identify the Directors to be retired by rotation in accordance with the Constitution of the Company.

For the purpose of determining the eligibility of the Directors to stand for re-election at the Nineteenth AGM ("19<sup>th</sup> AGM"), the Board through its NRC had assessed the retiring Director, and considered the following:

- (i) The Directors' performance and contribution;
- (ii) The Directors' skills, experience and strength in qualities; and
- (iii) The Directors' ability to act in the best interests of the Company in decision-making.

Based on the satisfactory evaluation of the retiring Director's performance and contributions to the Board, and as recommended by the NRC, the Board (except for the retiring Directors who had abstained from deliberations and decisions on their own eligibility to stand for re-election at the relevant Board and NRC meeting) 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, subject to the shareholders' approval at the forthcoming 19<sup>th</sup> AGM.

### 2.17 Tenure of Independent Director

The Board is fully aware that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. However, upon completion of the nine (9) years, an Independent Director may continue to serve the Board subject to the Director's re-designation as a Non-Independent Director, unless the Board provides justification and shareholders' approval is sought through a two-tier voting process at an AGM of the Company for the Director concerned to continue to serve as an Independent Director.

As of FY2024, none of the Independent Non-Executive Directors of the Company has served the Board for more than nine (9) years.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### 2.18 Employees' Share Option Scheme ("ESOS") Committee

The ESOS Committee was established by the Board to administer and manage the ESOS Scheme in accordance with the By-Laws.

The ESOS Scheme will allow the Company to grant the ESOS options to all the eligible persons of the Group (excluding dormant subsidiaries) as a recognition of their performance and contribution to the Group.

As of FY2024, the Company did not grant any options under ESOS.

#### 3.0 Remuneration

The Board has established the NRC which comprises exclusively of Non-Executive Directors, the majority of whom are Independent Non-Executive Directors. The principal objective of NRC is to assist the Board in developing a policy on the remuneration packages for Directors and Senior Management of the Company, and to ensure that the remuneration packages are commensurate with the expected responsibilities and contributions by the Directors and Senior Management.

The Company has adopted a remuneration framework in attracting, retaining and motivating the Directors and Senior Management of the Company for the successful performance of the Group. The remuneration of the Executive Director consists of basic salary, fees, other emoluments and benefits customary to the Group. Any salary and bonus review takes into account the performance of the individual and the financial performance of the Group.

The Non-Executive Directors' remuneration comprises annual fees and benefits based on their roles and responsibilities in the Board and Board Committees, their attendance at meetings and/or special skills and expertise they bring to the Board. Their fees and benefits are subject to the shareholders' approval at the AGM.

The Board determines the level of remuneration, fees and benefits of the Board members, taking into consideration the recommendations of the NRC. Each Director abstains from deliberation and voting on all matters pertaining to their own respective remuneration.

The details of the remuneration of the Directors of the Company and the Group during FY2024 are shown below:

#### The Company

Name	Fees	Salaries	Bonus	Allowance	Benefits in Kind	Other Emoluments	Total
YM Tengku Ezuan Ismara bin Tengku Nun Ahmad	88,000	-	-	-	-	-	88,000
Koo Kien Keat (Resigned on 08.02.2024)	41,834	145,517	-	-	-	24,608	211,959
Andy Liew Hock Sim	47,400	-	-	-	-	-	47,400
Lionel Vernon Yong Nguon Kee	47,400	-	-	-	-	-	47,400
Woon Sing Jiunn	47,400	-	-	-	-	-	47,400
Lee Kien Fatt	47,400	-	-	-	-	-	47,400
<b>Total</b>	<b>319,434</b>	<b>145,517</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,608</b>	<b>489,559</b>

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### 3.0 Remuneration (Cont'd)

#### The Group

Name	Fees	Salaries	Bonus	Allowance	Benefits in Kind	Other Emoluments	Total
YM Tengku Ezuan Ismara bin Tengku Nun Ahmad	114,000	-	-	-	-	-	114,000
Koo Kien Keat (Resigned on 08.02.2024)	155,834	145,517	-	-	-	24,608	325,959
Andy Liew Hock Sim	47,400	-	-	-	-	-	47,400
Lionel Vernon Yong Nguon Kee	47,400	-	-	-	-	-	47,400
Woon Sing Jiunn	47,400	-	-	-	-	-	47,400
Lee Kien Fatt	65,400	-	-	-	-	-	65,400
<b>Total</b>	<b>477,434</b>	<b>145,517</b>	-	-	-	<b>24,608</b>	<b>647,559</b>

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's remuneration 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 FY2024 was RM395,500 representing 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 and the interest of the shareholders will not be prejudiced as a result of non-disclosure of the key senior management on a named basis.

## PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

### 1.0 Audit & Risk Management Committee

In line with the best practice of MCCG, the Board has set up the ARMC which comprises exclusively of Non-Executive Directors, the majority of whom are Independent Non-Executive Directors, as follows:

- Andy Liew Hock Sim (Chairman)
- Lionel Vernon Yong Nguon Kee (Member)
- Lee Kien Fatt (Member)

The positions of Chairman of the ARMC and the Chairman of the Board are held by two (2) different individuals. Hence, the objectivity of the Board's review of the ARMC's findings and recommendations will be able to be preserved.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

#### 1.0 Audit & Risk Management Committee (Cont'd)

The primary objective of the ARMC is to provide independent oversight on both internal and external audit functions, financial reporting, risk management and internal control systems of the Company including reviewing the integrity of the financial reporting and overseeing the independence of both Internal Auditors and External Auditors. The terms of reference of the ARMC are available at the Company's website at <https://www.xoxnetworks.com.my/>.

Collectively, the members of the ARMC 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 ARMC. During the FY2024, the ARMC members undertook the relevant training programmes to keep themselves abreast of the latest developments in accounting and auditing standards, statutory laws, regulations and best practices to enable them to discharge their duties effectively. Further details on the external programs attended by the ARMC members are set out in page 26 of this Annual Report.

The ARMC has in place a term of reference that requires a former key audit partner of the External Auditors to observe a cooling-off period of at least three (3) years before he/she could be considered for appointment as a member of the ARMC. Currently, none of the members of the Board nor the ARMC of the Company was former key audit partners of the external auditors appointed by the Group.

The ARMC met five (5) times during FY2024 and discussed, amongst others, the draft audited financial statements, unaudited quarterly results, the annual report, and the internal audit report. The ARMC also evaluated the Internal Auditors and External Auditors, in terms of their independence, suitability, objectivity, competency, skill set, resources, and time commitment.

To assess or determine the suitability and independence of the External Auditors, the ARMC 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.

Annual appointment or re-appointment of the External Auditors is via shareholders' resolution at the AGM on the recommendation of the ARMC and the Board. The external auditors are being 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.

During FY2024, one (1) private meeting with the External Auditors was held and no material matters of concern were reported by the External Auditors.

The ARMC had assessed the independence of Messrs UHY ("UHY") as External Auditors of the Company as well as reviewed the level of non-audit services rendered by UHY to the Company for the financial year ended 30 June 2023. The ARMC had obtained assurance from UHY confirmed that they are, and have been independent throughout the conduct of the audit engagement in accordance with the independence criteria set out by the International Federation of Accountants and the Malaysian Institute of Accountants.

The ARMC was satisfied with UHY's technical competency and audit independence and took note that the quantum of non-audit fee charged thereto was not material as compared to the total audit fees paid to UHY. Having satisfied itself with their performance and technical competency as well as received the assurance from UHY as stated above, the Board approved the ARMC's recommendation for the shareholders' approval to be sought at the Eighteenth AGM held on 27 November 2023 relating to the re-appointment of UHY as the External Auditors of the Company for FY2024.

The details of the key activities carried out by the ARMC during FY2024 are set out in the ARMC Report of this Annual Report.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

#### 2.0 Risk Management and Internal Control Framework

The Board acknowledges the importance of risk management and internal control systems as an integral part of effective management practice and to safeguard shareholders' investment and the Group's assets. The ARMC ensures principal risks in the Group are identified, assessed and mitigated with the appropriate internal control system.

In establishing and reviewing the risk management and internal controls system, the Board recognises that such systems can provide only reasonable, but not absolute, assurance against the occurrence of any material misstatement or loss.

The ARMC meets on a regular basis to ensure that there is clear accountability for managing significant identified risks and that identified risks are satisfactorily addressed on an ongoing basis. In addition, the adequacy and effectiveness of the risk management and internal controls system are also reviewed by the ARMC.

Assessments on the adequacy and integrity of the internal controls and monitoring of compliance with policies and procedures are also carried out through internal audits. The risk-based internal audit plan that covers internal audit coverage and scope of work is presented to the ARMC for its consideration and approval annually. Internal audit reports encompassing the audit findings together with recommendations thereon are presented to the ARMC once to twice a year. The senior and functional line management are tasked to ensure management action plans are carried out effectively and regular follow-up audits are performed to monitor continued compliance.

The Board has received assurance from the Executive Director and Senior Management that the Group's risk management and internal controls system is operating adequately and effectively, in all material aspects.

The Group has outsourced the services of internal audit to an independent professional service provider ("Outsourced IA") which reports directly to the ARMC. Further details of the activities of the internal audit function carried out by the Outsourced IA during the FY2024 are set out in the ARMC Report of this Annual Report.

The main features of the risk management framework and internal control system of the Group are as set out in the Statement on Risk Management and Internal Control of this Annual Report.

### PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

#### 1.0 Communication with Stakeholders

The Board acknowledges the importance of establishing a direct line of communication with shareholders and investors through timely dissemination of information on the Group's performance and operations via the distribution of annual reports and relevant circulars, and release of quarterly financial results, press releases and announcements.

The Company has in place policies and procedures on the roles and responsibilities of Directors, Management and other employees together with the levels of authority with regard to corporate disclosure requirements. The Company recognises the need to adopt a high standard for the disclosure of relevant and material information on the development of the Group. In addition, the Company also emphasises the need for timely disclosures of information to shareholders as it acknowledges the importance of keeping shareholders and investment communities informed of the Company's business and corporate developments to enable them to make informed judgments in valuing the Company's shares. Such information is disseminated via the Company's annual reports, quarterly financial results and the various announcements made from time to time to Bursa Securities which are accessible via Bursa Malaysia Berhad's website at [www.bursamalaysia.com](http://www.bursamalaysia.com).

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### **PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)**

#### **1.0 Communication with Stakeholders (Cont'd)**

The Group also maintains a website at <https://www.xoxnetworks.com.my/> that allows all shareholders and investors to access information about the Group.

The Company has provided a procedure on communication channel at its website whereby enquiries and feedback may be posed to the Company's Management.

#### **2.0 Conduct of General Meetings**

The Board also acknowledges AGM and extraordinary general meetings as important avenues in engaging with shareholders.

The AGM of the Company represents the principal forum for dialogue with shareholders where they may seek clarification on the Company's business. Shareholders are encouraged to participate in the questions and answers session and the Board will respond to any questions raised during the meeting to the best of its ability and knowledge.

In order to encourage shareholders' participation at the AGM, the Company issues the notice of AGM at least 28 days before the AGM to allow sufficient time for shareholders to make arrangements to attend either in person, by proxy(ies), corporate representative(s) or attorney(s). 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.

The Eighteenth AGM ("18<sup>th</sup> AGM") of the Company was held and conducted on a virtual basis through live streaming and online remote participation and voting from the broadcast venue on 27 November 2023 and was attended by all the Directors of the Company. All resolutions set out in the Notice of 18<sup>th</sup> AGM were put to vote by poll via electronic voting and an independent scrutineer was appointed to validate the poll results. The Management and External Auditors also attended the 18<sup>th</sup> AGM to respond to the shareholders' and proxies' queries.

In line with the recommendation of MCCG, the minutes of the general meeting will be posted on the Company's website for public viewing within 30 business days after the general meeting.

### **COMPLIANCE STATEMENT**

Other than as disclosed and/or explained in this Annual Report and CG Report, 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 CG Report.

This Statement was approved by the Board on 25 October 2024.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## STATEMENT ABOUT THE STATE OF RISK MANAGEMENT AND INTERNAL CONTROL

The Malaysian Code on Corporate Governance stipulates that the Board of Directors of listed companies should maintain a sound system of internal control to safeguard shareholders' investment and the Group's assets. The Board of Directors of XOX Networks Berhad is pleased to provide the following statement on the state of risk management and internal control of the Group, which has been prepared with reference to the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("The Guidelines").

## RESPONSIBILITY FOR RISK MANAGEMENT AND INTERNAL CONTROL

The Board recognises the importance of good risk management practices and sound internal control as a platform for good corporate governance. The Board acknowledges its overall responsibility for maintaining a good sound system of risk management and internal control, and for reviewing the adequacy and integrity of such system. In addition, the Board has also received assurance from the Senior Management of the Company that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects.

Due to inherent limitations in any risk management and internal control system, such a system put into effect by Management is designed to manage rather than eliminate the risk that may impede the achievement of the Group's business objectives. Therefore, the risk management and internal control system can only provide reasonable and not absolute assurance against material misstatement or loss.

## RISK MANAGEMENT

The Group's risk assessment process was developed with the assistance of a professional services firm. During the financial year under review, Senior Management reviews the existence of new risks and assesses the relevance of the Group's existing risk profile. Significant risks that may affect the Group's business objectives have been continually monitored. Whilst the Board maintains ultimate control over risk and control issues, the management of risks in the daily business operations is delegated to the management team and significant risks are identified and related mitigating responses as well as the corresponding internal controls are discussed at the Audit & Risk Management Committee ("ARMC") meetings.

The Board and Management practice proactive significant risk identification on a quarterly basis or earlier as appropriate, particularly on major proposed transactions, changes in nature of activities and/or operating environment, or new business ventures which may entail different risks, and require risk response strategies and controls to manage those risks to a level acceptable to the Board.

The abovementioned practices serve as the on-going process adopted by the Board and Management to identify, evaluate and manage significant risks faced by the Group in achieving the business objectives and strategies.

## INTERNAL CONTROL MECHANISM

The internal audit adopts a risk-based approach in developing its audit plan which addresses the core auditable areas of the Group based on their risk profile. The Group's internal audit function is outsourced to an independent professional services firm that specialises in the provision of internal audit services.

The cost incurred in outsourcing the internal audit function for the financial year ended 30 June 2024 is at RM12,000.

Scheduled internal audits are carried out by the outsourced internal audit function based on the audit plan approved by the ARMC. The internal audit provides an independent assessment of the effectiveness and efficiency of 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 assurance to the ARMC.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### INTERNAL CONTROL MECHANISM (CONT'D)

Apart from risk management and internal audit, the Group also has put in place the following key elements of internal control:

- An organisation structure with well-defined scopes of responsibility, clear lines of accountability, and appropriate levels of delegated authority. The Executive Director and Financial Controller lead all board papers presentations with the assistance of the respective Heads of Divisions and report to the ARMC and the Board on all pertinent issues that may affect the Group's businesses and operations;
- A process of hierarchical reporting which provides for a documented and auditable trail of accountability;
- A set of documented internal policies and procedures for operational, financial and human resource management, which is subject to a yearly review and improvement;
- Quarterly and comprehensive information provided by the Management, covering financial performance for effective monitoring and decision-making; and
- Regular visits to operating units by members of the Board and Senior Management.

During the financial year under review, some minor internal control weaknesses were identified, all of which have been, or are being, addressed. None of the weaknesses have resulted in any material losses, contingencies or uncertainties that would require a separate disclosure in the Company's Annual Report.

The Board continues to review and implement measures to strengthen the internal control environment of the Group.

### REVIEW OF STATEMENT BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement on Risk Management and Internal Control and reported to the Board that nothing has come to their attention that causes them to believe that the Statement on Risk Management and Internal Control is not prepared, in all material aspects, in accordance with the disclosure required by the Guidelines.

### CONCLUSION

The Board is of the opinion that there were no significant weaknesses identified during the financial year under review in the system of risk management and internal control, contingencies or uncertainties that could result in material loss and adversely affect the Group save and except for the specific shortcomings in operational related issues as highlighted by the internal audit conducted. These gaps will be gradually closed through on-going corrective measures.

Nevertheless, the Board recognises that the systems must continuously improve to meet the changing business environment. The Board and the Management will continue to take necessary measures to strengthen and improve its internal control environment and processes.

This statement is issued in accordance with a resolution of the Board of Directors dated 25 October 2024.

# AUDIT & RISK MANAGEMENT COMMITTEE REPORT

The Audit & Risk Management Committee (“**ARMC**”) is established to fulfil the principles of accountability, integrity and good corporate governance in assisting the Board of Directors (“**Board**”) independently in discharging its responsibilities of reviewing and monitoring the Group’s financial processes, audit process, statutory and regulatory compliance, establishing and maintaining internal controls and reinforcing the independence of the Internal Auditors and External Auditors and other matters that the Board may specifically delegate to the ARMC.

## COMPOSITION AND MEETINGS

During the financial year ended 30 June 2024 (“**FY2024**”), the ARMC consists of three (3) members, the majority of whom are Independent Non-Executive Directors.

The composition of the ARMC and the attendance of its members at the meetings are as follows:

Name	Attendance
<b>Chairman</b>	
Andy Liew Hock Sim	5/5
<b>Members</b>	
Lionel Vernon Yong Nguon Kee	5/5
Lee Kien Fatt	5/5

The ARMC fulfils the requirement under Rule 15.09 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad as all the members of ARMC are members of the Malaysian Institute of Accountants and have vast experience, skills and knowledge in finance, audit and accounting practices.

The authorities, duties and responsibilities of the ARMC are set out in its terms of reference which is available at <https://www.xoxnetworks.com.my/>.

The ARMC will meet at least four (4) times in each financial year with additional meetings to be held, if necessary. If the need arises, the ARMC will invite the Directors, Management, Internal Auditors and External Auditors to attend the meetings.

Where necessary, the ARMC will meet with the External Auditors without the presence of the Executive Director and members of Management to discuss any matters that the External Auditors wish to raise directly to the ARMC.

The ARMC meetings are pre-scheduled and are timed just before the meetings of the Board. Notices are issued seven (7) days before the meeting and the relevant meeting papers will also be circulated (7) days before the meeting or at the appropriate time to all members to enable the ARMC to review the matters to be deliberated for effective discussion and decision making during the meeting.

The Executive Director, Financial Controller, Internal Auditors and External Auditors will be invited to the ARMC meetings, when necessary, to provide a direct flow of information to the ARMC as well as to provide clarification in the event of any issues arising. The relevant senior personnel will also be invited to brief the ARMC when specific issues involving their respective areas of responsibility arise from risk management and internal audit reports, when necessary.

The minutes of each ARMC meeting were recorded and tabled to the ARMC for adoption at the following meeting and subsequently all the minutes of ARMC meetings are presented to the Board for notation. The Chairman of the ARMC reported the ARMC’s recommendations to the Board for its consideration, approval and implementation as well as highlighted to the Board significant matters and resolutions deliberated by the ARMC at the Board meeting held subsequent to the relevant ARMC meeting.

The Board, through its Nomination and Remuneration Committee, has reviewed the performance of the ARMC and the skills, experience and competencies possessed by the members of the ARMC through an annual ARMC effectiveness assessment. The Board is satisfied with the performance of the ARMC and its members where they have carried out their duties and responsibilities in accordance with the terms of reference of the ARMC.

## AUDIT & RISK MANAGEMENT COMMITTEE REPORT

### SUMMARY OF ACTIVITIES

The ARMC carried out the following activities during FY2024:

#### 1. Financial Reporting

- Reviewed the unaudited quarterly reports of the Company and its subsidiaries (collectively referred to as “**Group**”) before recommending the same to the Board for approval.
- Reviewed the annual audited financial statements of the Group for the financial year ended 30 June 2023 (“**FY2023**”) with the External Auditors prior to submission to the Board for approval.

For purposes of the above, the ARMC considered changes in accounting policies and practices and the implementation of such changes, compliance with accounting standards and other legal and regulatory requirements, significant and unusual events, significant adjustments arising from the audit process, material litigation, the going concern assumption and where applicable, review and ensure corporate disclosure of the Group pertaining to the accounting, audit and financial matters have complied with the disclosure requirements under the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and Companies Act 2016.

#### 2. Internal Audit

- Reviewed with the Internal Auditors, the internal audit report in respect of the FY2024 comprising the audit findings, recommendations of Internal Auditors, Management's response and actions to be taken by the Management.
- Reviewed with the Internal Auditors, the internal audit plan to ensure the adequacy of the scope, functions and resources to carry out its work.
- Assessed the suitability, objectivity, independence and performance of the Internal Auditors.

#### 3. External Audit

- Reviewed the audit review memorandum of the Group for FY2023 with the External Auditors.
- Reviewed the results of the annual audit and audit report, including all the key audit matters raised by the External Auditors.
- Reviewed and discussed with the External Auditors the nature and scope of the audit plan and ensured that the audit plan was comprehensive.
- Reviewed the External Auditors' report on the status of the audit for FY2023, management letter and Management's response thereto.
- Conducted private meeting with the External Auditors, without the presence of the Executive Director and Management, to discuss any issues of concern arising from the annual statutory audit and, arising therefrom, directed Management to take further action on such matters.
- Reviewed the audit planning memorandum for FY2024.
- Assessed the suitability, objectivity, independence and performance of the External Auditors.

The ARMC was satisfied with the suitability, objectivity, independence, effectiveness, adequacy of resources and performance of the External Auditors and recommended to the Board their re-appointment for the FY2024 at a remuneration to be determined by the Board, subject to the approval of the Company's shareholders at the Eighteenth Annual General Meeting held on 27 November 2023.

## AUDIT & RISK MANAGEMENT COMMITTEE REPORT

### SUMMARY OF ACTIVITIES (CONT'D)

The ARMC carried out the following activities during FY2024 (Cont'd):

#### 4. Annual Report

Reviewed the Corporate Governance Overview Statement, ARMC Report, Management Discussion and Analysis, Sustainability Statement, Statement on Risk Management and Internal Control, Directors' Responsibilities Statement, Additional Compliance Information and Corporate Governance Report for FY2023 and subsequently recommended the same to the Board for its consideration and approval for inclusion in the Annual Report for FY2023.

#### 5. Recurrent Related Party Transactions ("RRPT")/Conflict of Interest Situations

- Reviewed the RRPTs and conflicts of interest situations on a quarterly and annual basis to ensure that such transactions were undertaken on an arm's length basis, on terms not more favourable to the related parties than those generally available to the public, not to the detriment of the minority shareholders of the Company and in the best interest of the Company and the Group and where appropriate, recommended to the Board for approval.
- Reviewed the process used to procure shareholders' mandate for RRPT.

#### 6. Other activities

- Reviewed and recommended the Investment Policy for the Board's consideration and approval.
- Reviewed its ToR and made recommendations to the Board on revision, if necessary;

### STATEMENT ON EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

The allocation of ESOS options shall be verified by the ARMC for each financial year to ensure compliance with the allocation criteria determined by the ESOS Committee and in accordance with the By-Laws of ESOS. The ARMC has reviewed and noted that the Company did not grant any options under ESOS during FY2024.

### INTERNAL AUDIT FUNCTION

The Group's internal audit function, which is outsourced to a professional services firm, is an integral part of the assurance mechanism in ensuring that the Group systems of internal control are adequate and effective.

During the financial year under review, the internal audit function ("IA") is outsourced to GovernAce Advisory & Solutions Sdn. Bhd. ("GovernAce") which is led by a director who is supported by his team members (4 headcounts assigned) with relevant qualifications and/or experience in internal auditing. GovernAce's engagement director in charge of the Group's IA is Mr Chong Chee Seng, who is a certified internal auditor of the Institute of Internal Auditors Inc, Fellow Certified Practising Accountant with CPA Australia ("FCPA"), a Chartered member of Institute of Internal Auditor Malaysia and Accountant registered with Malaysian Institute of Accountants with more than 15 years of international and local audit experiences. The IA practices were guided by the International Professional Practices Framework issued by the Institute of Internal Auditor.

GovernAce is independent and free from any business relationships or conflicts of interest when conducting any internal audit activities, and reports directly to the ARMC.

## AUDIT & RISK MANAGEMENT COMMITTEE REPORT

### INTERNAL AUDIT FUNCTION (CONT'D)

The internal audit covers the review of the adequacy of risk management, the strength and effectiveness of the internal controls, compliance to both internal and statutory requirements, governance and management efficiency, among others. The internal audit report, which provides the results of audits conducted, is submitted to the ARMC for review. Key control issues and recommendations are highlighted to enable the ARMC to execute its oversight function. Areas for improvement and audit recommendations are also forwarded to the Management for their attention and further action. The Management is responsible for the implementation of corrective actions within the required time frame.

During the financial year, the following activities were carried out by GovernAce:

- (a) Proposed and presented the internal audit plan for the ARMC's approval and ensured that appropriate actions were taken to carry out the audits based on the approved plan;
- (b) Review on the adequacy and effectiveness of the systems of internal control relating to the payable process of Trumpet International Sdn. Bhd.; and
- (c) Reported to the ARMC the results of the internal audit reports and its findings and the implementation of the management responses to the findings.

The cost incurred for the internal audit function for FY2024 amounted to RM12,000.

The ARMC had assessed the adequacy of the scope, functions, competency and resources of GovernAce for the financial year under review and the internal audit function performed by GovernAce was satisfactory and adequate. Accordingly, the ARMC and the Board agreed to continuously outsource the internal audit function in providing an independent appraisal of the adequacy and effectiveness of the Group's internal control system.

# ADDITIONAL COMPLIANCE INFORMATION

The information set out below is disclosed in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) for the financial year ended 30 June 2024 (“**FY2024**”) for XOX Networks Berhad (“**XOX Network**” or the “**Company**”):

## 1. Utilisation of Proceeds Raised from Private Placement (“Private Placement I”)

On 14 December 2020, the Company proposed to undertake the proposed private placement of up to 129,614,800 new ordinary shares in XOX Networks (“**XOXNET Shares**” or “**Shares**”), representing up to approximately 30% of the total number of issued XOXNET Shares, to independent third-party investor(s) to be identified later at an issue price to be determined later (“**Proposed Private Placement**”);

The Private Placement has been completed following the listing and quotation of 106,030,800 Shares issued pursuant to the Proposed Private Placement (“**Placement Shares**”) on the ACE Market of Bursa Securities on 1 March 2021. The Company had raised total proceeds of RM27.038 million based on the issue price of RM0.255 per Placement Share.

The status of the utilisation of proceeds as at 30 June 2024 is tabulated below:

Utilisation of proceeds	Proposed utilisation RM'000	Actual utilisation RM'000	Balance unutilised RM'000
Purchase of equipment for the event management segment	13,705	9,519	4,186
Additional funds for the financial solutions segment	8,938	8,938	-
Working capital	3,602	3,602	-
Estimated expenses in relation to the multiple proposals	793	793	-
<b>Total</b>	<b>27,038</b>	<b>22,852</b>	<b>4,186</b>

## 2. Utilisation of Proceeds Raised from Private Placement (“Private Placement II”)

On 30 August 2021, the Company proposed to undertake the proposed private placement of up to 20% of the total number of issued shares in XOX Networks to third-party investor(s) to be identified later and at an issue price to be determined later.

The second private placement has been completed following the listing and quotation of the first and final tranche of 189,284,800 Placement Shares on the ACE Market of Bursa Securities on 29 December 2021. The Company had raised total proceeds of RM5.281 million based on the issue price of RM0.0279 per Placement Share.

The status of the utilisation of proceeds as at 30 June 2024 is tabulated below:

Utilisation of proceeds	Proposed utilisation RM'000	Actual utilisation RM'000	Balance unutilised RM'000
Setting up of digital media platform	5,211	1,273	3,983
Estimated expenses in relation to the exercise	70	30	40
<b>Total</b>	<b>5,281</b>	<b>1,303</b>	<b>3,978</b>

## ADDITIONAL COMPLIANCE INFORMATION

### 3. Audit and Non-audit fees

The audit fee and non-audit fees paid or payable by the Company and the Group to the External Auditors for FY2024 were as follows:

Audit Services	2024	
	Group RM	Company RM
Statutory audit fees	123,400	52,000
Non-audit fees	7,000	7,000
- Review of Statement on Risk Management and Internal Control		
<b>Total</b>	<b>130,400</b>	<b>59,000</b>

### 4. Recurrent Related Party Transactions of Revenue of Trading Nature

At the Annual General Meeting (“AGM”) of the Company held on 27 November 2023, the Company had obtained a mandate from its shareholders for the Company and/or its subsidiaries to enter into recurrent related party transactions (“RRPTs”) of a revenue or trading nature.

The details of the RRPTs entered into during FY2024 were as follows:

XOX Networks Group - Transacting Party	Related Parties	Interested Director, Major Shareholders and/or Persons Connected to them	Nature of Recurrent Transactions	Actual Value RM
XOX Networks Group	XOX Bhd and its subsidiaries companies (“ <b>XOX Group</b> ”)	XOX Bhd and XOX (Hong Kong) Limited <sup>N1</sup>	Provision of event management services to XOX Group	924,290
XOX Networks Group	Komarkcorp Berhad and its subsidiary companies (“ <b>Komarkcorp Group</b> ”)	Key Alliance Group Berhad <sup>N2</sup>	Provision of event management and digital solution services provided to Komarkcorp Group	-
XOX Networks Group	Cheetah Holdings Berhad and its subsidiary companies (“ <b>Cheetah Group</b> ”)	XOX Bhd and XOX (Hong Kong) Limited <sup>N3</sup>	Provision of event management and digital solution services provided to Cheetah Group	112,407
XOX Networks Group	Wellknown Entertainment Sdn. Bhd. (formerly known as KNK Vogue Sdn Bhd) (“ <b>WESB</b> ”)	Koo Kien Keat <sup>N4</sup>	Provision of event and project management provided to WESB.	-

## ADDITIONAL COMPLIANCE INFORMATION

### 4. Recurrent Related Party Transactions of Revenue of Trading Nature (Cont'd)

#### Notes:

- N1 XOX Bhd has an indirect interest of 15.057% of the total number of issued shares in XOX Networks through its shareholding in XOX (Hong Kong) Limited. XOX (Hong Kong) Limited has a direct interest of 15.057% of the total number of issued shares in XOX Networks.
- N2 Key Alliance Group Berhad is a common Major Shareholder of both XOX Networks and Komarkcorp Berhad with a shareholding of 12.367% and 19.203% respectively.
- N3 XOX Bhd is a Major Shareholder of XOX Networks through its shareholding in XOX (Hong Kong) Limited. XOX Bhd is also a Major Shareholder of Cheetah Holdings Berhad with a shareholding of 20.854%.
- N4 Mr Koo Kien Keat is a director of subsidiary companies of XOX Networks Group and the sole Director of WESB. He is also the sole shareholder of WESB.

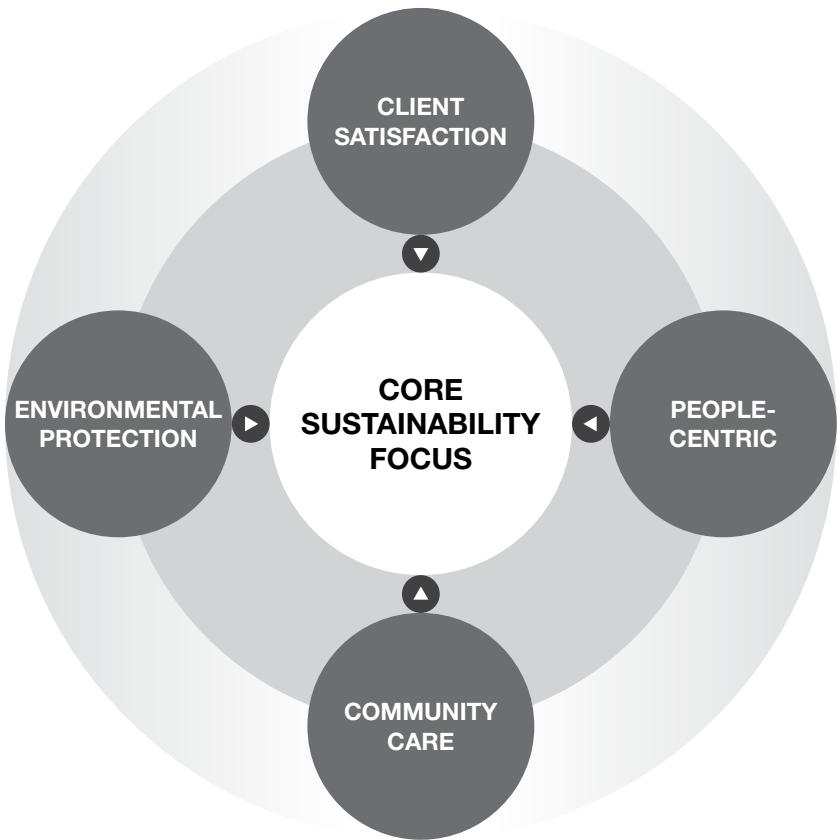
### 5. Material Contracts

There were no material contracts, including contracts relating to any loans, entered into by the Company and its subsidiaries involving the interests of Directors or major shareholders either still subsisting at the end of FY2024 or entered into since the end of the previous financial year.

# SUSTAINABILITY STATEMENT

XOX Networks Berhad (“**XOX Networks**” or “**Company**”) is committed to sustainability, and the commitment is rooted in the knowledge that economically, environmentally, and socially responsible business practices are essential to foster the long-term well-being of our stakeholders and our businesses. Our Board of Directors (“**Board**”) continues to oversee XOX Networks’ sustainability performance in compliance with the guidelines on sustainability reporting issued by Bursa Malaysia Securities Berhad.

We continue to do our best to persevere through a challenging business climate, remain conscious of the impacts of our business and strive to transition our business operations towards best sustainability practices. During the financial year under review, the following core focus areas define our approach towards that commitment:



## CLIENT SATISFACTION

Exceptional client experience and satisfaction are crucial factors for the long-term sustainability of our business. XOX Networks places client experience at the forefront of our service and product delivery by ensuring services and products are of good quality, priced competitively and delivered on time.

We recognise the importance of the efficient and effective functioning of our supply chain. To minimise potential disruption to our supply chain, we diversify our supply network and work closely with reliable and trusted suppliers. XOX Networks engaged collaborative partners from local communities to source for the venue, security services, food & beverages, ticketing systems as well as other services.

We are committed to continuous improvement in our client satisfaction performance by constantly monitoring our progress and developing new initiatives to improve our client experience. To better understand our clients’ needs and expectations, we provide them with the opportunity to give feedback on their event experience, which we then use to make improvements.

In addition, we have also put in place the following measures:-

### Internal

Appropriate control and monitoring mechanisms have been implemented to ensure our costs are kept within budget for all our event management activities. In addition, we strive to develop and provide our customers with innovative and high-quality services to adapt to the dynamic changes and stay ahead of the competition in the entertainment industries.

# SUSTAINABILITY STATEMENT

## CLIENT SATISFACTION (CONT'D)

In addition, we have also put in place the following measures (Cont'd):-

### External

At XOX Networks, we uphold a high standard of integrity and ethical conduct throughout our supply chain. We ensure that all our business partners adhere to fair business practices, which include incorporating the anti-corruption and anti-bribery clauses in the agreements signed with our business partners for compliance purposes. While the current business climate remains tough, we remain committed to resolving supplier issues in time, and outstanding amounts are paid to suppliers promptly.

We strive to achieve a more diversified market to ensure long-term revenue sustainability for our Group.

As the COVID-19 pandemic subsides, we have actively expanded our event management business by organising a series of events in late 2022 and 2023, including the Japanese festival event titled "Nihon Matsuri" (held in both years), Westlife's "The Wild Dreams Tour Live In Kuala Lumpur", Park Eun-bin's (actress from "Extraordinary Attorney Woo") fan-meet tour in Kuala Lumpur and many more.

In financial year ended ("FYE") 30 June 2024, we continued to organise events such as Karnival Mesra Anak Muda 2023 (KAMU 2023) together with Royale Fiesta at Stadium Indera Mulia Ipoh Perak, from 15 September 2023 to 17 September 2023 and the Mark Tuan 'The Other Side' Asia Tour 2024 in Malaysia on 6 January 2024. We also hosted Nihon Matsuri 2024 for a third successful year.

While FYE 30 June 2024 saw a decline in overall revenue (especially that of the event management segment), we will continue to expand our event management segment. To this end, we intend to shift our focus to organising more events so that we eventually will own the intellectual property associated with the event concept, brand and content. Our Group is also exploring more corporate events such as product launches, award ceremonies and appreciation events.

## PEOPLE-CENTRIC

Our employees play an important role in the continued success of our business. We recognise that their dedication and commitment is the key to the effective functioning of our various departments. XOX Networks prefers recruiting local talents, which could provide more job opportunities for the local communities.

We have identified the following areas which we think are the primary considerations of an employee's long-term career satisfaction:

- **Safe and conducive working environment.** We continuously ensure that our premises are clean, organised and adequately equipped with fire prevention measures for safety purposes. In addition, we have also designated certain areas within our premises for our employees to carry out leisure activities to encourage a healthy work-life balance.
- **Remuneration.** We strive to ensure that the remuneration package offered to our employees is in accordance with the applicable labour laws and regulations as well as comparable to market rates.

- **Personal development.** We provide on-the-job training to our employees to help them develop the necessary skills and be competent in their respective functions. We also conduct in-house seminars for our employees and reimburse employees for the cost of external courses and seminars attended by them to improve their skills and employability.

Further, we carry out orientation programmes for new employees, such as the following:

- Briefing on our corporate culture;
- Briefing on internal rules and requirements applicable to our operations;
- Induction training for elementary on-the-job skills;
- Briefing on emergency evacuation procedures and fire drills; and
- Occupational health and safety training.

## SUSTAINABILITY STATEMENT

### ENVIRONMENTAL PROTECTION

As we are not a manufacturing concern or in the property development / construction industry, the environmental impact of our business is relatively lower compared to companies operating in those industries. However, we are cognisant of the need for environmental protection and have inculcated this aspect into our operations and corporate culture. The initiatives taken by us in this regard include introducing an environmental awareness program and constant reminders to our employees to reduce wasteful consumption of resources in all of our premises.

Our energy saving initiatives come in the form of using LED lighting as opposed to traditional lighting as well as eco-friendly equipment, whenever possible. Power saving features or sleep mode were also enabled on computers, photocopiers, and other equipment, which also lowered power consumption.

To reduce the use of paper, we encourage our employees to use digital storage and filing. Employees are also encouraged to re-use recycled paper for internal processes to practice the good culture of reduce, reuse and recycle waste materials.

We also proactively reduce wasteful consumption of water in our premises. The measures taken in this respect include regular maintenance of water taps and piping to prevent water leakage and creating awareness of the need to conserve water among employees. We also remind our employees to report any leakages and malfunction of water infrastructure in our premises.

### COMMUNITY CARE

We recognise the need to engage with the wider community, including our shareholders, clients and suppliers. Through our website, we disseminate information on our Company to investors and members of the public. For shareholders, there are also opportunities for engagement with our Board and management at annual general meetings.

In addition, we believe the wellbeing of the community is important to the sustainability and growth of our business. As a responsible organisation, we recognise our duty to contribute towards social welfare. We are dedicated to making annual contributions to the community, be it for improving the livelihood of old folks / underprivileged children or to improving the state of education in our country.

As best as we can, we incorporate our community care efforts into the events that we organise. In this regard, we provided Japanese students who study in Malaysia the opportunity to work as an event crew as well as running a carnival booth on their own in our Nihon Matsuri festival. This gave them the experience of working or managing a booth on their own during their studies in Malaysia. Further, we donated to the Society for the Prevention of Cruelty to Animals during the current financial year.

# DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are required by the Companies Act 2016 to ensure that the financial statements for each financial year are prepared in accordance with the applicable approved accounting standards and the requirements of the Companies Act 2016, which give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year, and of the results and cash flows of the Group and the Company for the financial year.

In preparing the financial statements for the financial year ended 30 June 2024, the Directors ensured that the Management has:

- (a) adopted appropriate accounting policies and applied them consistently;
- (b) made judgments and estimates that are reasonable and prudent; and
- (c) prepared the financial statements on a going concern basis.

The Directors are responsible for ensuring that the Group and the Company keep accounting records which disclose the financial position of the Group and the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the Companies Act 2016.

The Directors have an overall responsibility for taking such steps that are reasonably open to them to safeguard the assets of the Group and the Company, and to prevent and detect fraud and other irregularities.

The Directors are satisfied that in preparing the financial statements of the Group for the financial year ended 30 June 2024, 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.



# FINANCIAL STATEMENTS

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# DIRECTORS' REPORT

The Directors of the XOX Networks Berhad hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2024.

## Principal Activities

The principal activity of the Company is investment holding, whilst the principal activities of the Group, comprising the Company and its subsidiaries, which involved in event management, retail and distribution management, financial solutions and digital and media management. Details of the principal activities of the subsidiary companies are disclosed in Note 6.

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

## Results

The results of the Group and of the Company for the financial year are as follows:

	<b>Group</b> <b>RM</b>	<b>Company</b> <b>RM</b>
Loss for the financial year attributable to owners of the Company	7,643,053	232,650

In the opinion of the Directors, the results of 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.

## Reserves and Provisions

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

## DIRECTORS' REPORT

### Dividends

No dividend has been paid or declared by the Company since the end of the previous financial year. The Directors do not recommend any dividend payment in respect of the current financial year.

### Issue of Shares and Debentures

There was no issuance of shares or debentures during the financial year.

### Share Options

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

### Warrants 2021/2024

On 12 March 2021, the bonus issue of warrants has been completed following the listing and quotation of 459,467,057 Warrants B on the basis of every 2 existing ordinary shares on the ACE Market of Bursa Securities.

Each warrant carries entitlement, at any time during the exercise period, to subscribe for one (1) new ordinary share in the share capital of the Company at the exercise price of RM0.16 per ordinary share for each warrant held, subject to adjustments in accordance with the provision of the Deed Poll which is to be satisfied in cash. Any warrant not exercised during the exercise period will lapse and thereafter ceases to be valid for any purpose. The exercise period of the warrant is expired on 11 March 2024.

The salient terms of the warrants are disclosed in Note 15.

At the end of the reporting year, there was a total of 431,976,832 unexercised Warrants B which have been lapsed and become null and void and cease to be exercisable thereafter.

## DIRECTORS' REPORT

### Directors

The Directors of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

YM Tengku Ezuan Ismara bin Tengku Nun Ahmad\*

Lionel Vernon Yong Nguon Kee

Woon Sing Jiunn

Andy Liew Hock Sim

Lee Kien Fatt \*

Koo Kien Keat\*

(Resigned on 8 February 2024)

The Directors who held office in the subsidiary companies (excluding Directors who are also Directors of the Company) during the financial year up to the date of this report:

Koo Kien Keat

Wong Mun Onn

Roy Ho Yew Kee

Audrey Thong Pooi Mun

(Appointed on 1 September 2023)

(Appointed on 1 July 2024)

*\* Directors of the Company and of the subsidiary companies*

The information required to be disclosed pursuant to Section 253 of the Companies Act 2016 is deemed incorporated herein by such reference to the financial statements of the respective subsidiary companies and made a part hereof.

### Directors' Interests

According to the Register of Directors' Shareholdings, there is no Director who is in office at the end of the financial year held any interest in the shares of the Company and its related corporation.

### Directors' Benefits

Since the end of the previous financial year, none of the Directors of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors as disclosed in the Directors' Remuneration of this report) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

Neither during nor at the end of the financial year, no arrangement subsisted to which the Company was a party whereby Directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## DIRECTORS' REPORT

### Directors' Remuneration

The details of the Directors' remuneration paid/payable to the Directors of the Group and of the Company during the financial year are as follows:

	Group RM	Company RM
Directors' fee	639,434	319,434
Salaries and other emoluments	145,517	145,517
Defined contribution plans	23,836	23,836
Social security contributions	772	772
	<hr/> 809,559	<hr/> 489,559

### Indemnity and Insurance Costs

There was no indemnity given to or insurance effected for any Directors, officers and auditors of the Company in accordance with Section 289 of the Companies Act 2016.

### Other Statutory Information

Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

- (a) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that adequate allowance had been made for doubtful debts and there were no bad debts to be written off; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

## DIRECTORS' REPORT

### Other Statutory Information (Cont'd)

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

- (a) which would render it necessary to write off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (d) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

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

- (a) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liability of any other person; or
- (b) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

No contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

In the opinion of the Directors, 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 operations of the Group and of the Company in the financial year in which this report is made.

### Subsidiary Interests

The details of the subsidiary companies are disclosed in Note 6.

### Auditors' Remuneration

The auditors' remuneration of the Group and of the Company for the financial year ended 30 June 2024 is RM130,400 and RM59,000.

## DIRECTORS' REPORT

### Auditors

The Auditors, Messrs. UHY Malaysia (formerly known as UHY) have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors,

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TENGKU EZUAN ISMARA  
BIN TENGKU NUN AHMAD

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LEE KIEN FATT

KUALA LUMPUR

25 October 2024

## STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

The Directors of XOX Networks Berhad, state that, in their opinion, the accompanying financial statements 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 of 30 June 2024 and of the financial performance and the cash flows of the Group and of the Company for the financial year ended on that date.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors,

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TENGKU EZUAN ISMARA  
BIN TENGKU NUN AHMAD

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LEE KIEN FATT

KUALA LUMPUR

25 October 2024

## DECLARATION BY THE DIRECTOR

PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, Lee Kien Fatt (MIA Membership No. 7499), being the Director primarily responsible for the financial management of XOX Networks Berhad, do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, 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.

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LEE KIEN FATT

Subscribed and solemnly declared by the abovenamed Lee Kien Fatt at Kuala Lumpur in Federal Territory, this 25 October 2024

Before me,

ZAINUL ABIDIN BIN AHMAD  
NO. W790

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COMMISSIONER FOR OATHS

# INDEPENDENT AUDITORS' REPORT

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of XOX Networks Berhad which comprise the statements of financial position as at 30 June 2024 of the Group and of the Company, and the statements of profit and loss and other 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 material accounting policy information, as set out on pages 67 to 151.

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 June 2024, 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 IESBA Code.

## INDEPENDENT AUDITORS' REPORT

### Key Audit Matter

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 financial 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.

Key Audit Matter	How we addressed the key audit matter
<p><b>1. Impairment of trade receivables</b></p> <p>The Group's trade receivables amounting to approximately RM24.09 million, representing approximately 44% of the Group's total assets as at 30 June 2024.</p> <p>The impairment assessment involves significant judgements and there is inherent uncertainty in the assumptions applied by the management to determine the level of allowance. This is considered a key audit matter due to the inherent subjectivity that is involved in making judgement in relation to the recoverability of the receivables.</p>	<p>Our procedures in relation to management's impairment assessment included, amongst others:</p> <ul style="list-style-type: none"> <li>Reviewed the Group's trade receivables to determine whether there is any indication of impairment. Our impairment review is focused towards trade receivables which are overdue but not impaired as at 30 June 2024.</li> <li>Reviewed and understood management's credit control policies.</li> <li>Tested the accuracy and completeness of the data used by the management.</li> <li>Assessed the reasonableness of the methods and assumptions used by the management in estimating the recoverable amount and tested the completeness and accuracy of data used in the expected credit loss calculation by tracing to underlying source documents.</li> </ul>

## INDEPENDENT AUDITORS' REPORT

### Key Audit Matter (Cont'd)

STRATEGIC REVIEW

CORPORATE GOVERNANCE

FINANCIAL STATEMENTS

OTHERS INFORMATION

Key Audit Matter	How we addressed the key audit matter
<b>1. Impairment of trade receivables (Cont'd)</b>	<p>Our procedures in relation to management's impairment assessment included, amongst others: (Cont'd)</p> <ul style="list-style-type: none"> <li>Reviewed the adequacy of the impairment loss and enquired the management regarding the recoverability of selected samples of trade receivables that are individually significant and group of receivables with similar credit risk characteristics. We examine the subsequent collections or the fair value of collateral.</li> </ul>

## INDEPENDENT AUDITORS' REPORT

### 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 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 other information 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 other information 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 other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of 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 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.

## INDEPENDENT AUDITORS' REPORT

### 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 the financial statements.

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:

- 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.
- 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 the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- 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 or 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 disclosure 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 or the Company to cease to continue as a going concern.

## INDEPENDENT AUDITORS' REPORT

### 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 judgement and maintain professional scepticism throughout the audit. We also: (Cont'd)

- 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 of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 financial 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

### Other Matters

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.

STRATEGIC REVIEW

CORPORATE GOVERNANCE

FINANCIAL STATEMENTS

OTHERS INFORMATION

UHY Malaysia  
Firm Number: AF 1411  
Chartered Accountants

TEOH WEI YEIN  
Approved Number: 03655/04/2026 J  
Chartered Accountant

KUALA LUMPUR

25 October 2024

# STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Note	Group		Company		STRATEGIC REVIEW	CORPORATE GOVERNANCE	FINANCIAL STATEMENTS	OTHERS INFORMATION					
		2024 RM	2023 RM	2024 RM	2023 RM									
<b>Assets</b>														
<b>Non-Current Assets</b>														
Property, plant and equipment	4	4,369,059	5,888,093	38,347	57,741									
Right-of-use assets	5	342,503	151,806	79,049	70,772									
Investment in subsidiary companies	6	-	-	1,005	47,550									
Goodwill on consolidation	7	-	-	-	-									
Trade receivables	8	4,094,751	439,590	-	-									
Amount due from subsidiary companies	9	-	-	-	13,135,189									
		<u>8,806,313</u>	<u>6,479,489</u>	<u>118,401</u>	<u>13,311,252</u>									
<b>Current Assets</b>														
Inventories	10	363,286	-	-	-									
Trade receivables	8	19,995,718	19,489,796	-	-									
Other receivables	11	2,289,567	1,896,028	48,828	49,731									
Other investments	12	6,602,729	-	-	-									
Amount due from subsidiary companies	9	-	-	28,294,601	6,594,951									
Tax recoverable		725,347	541,850	143	143									
Fixed deposits with licensed banks	13	9,548,712	12,298,270	9,340,748	12,094,853									
Cash and bank balances		5,996,034	13,711,034	3,180,691	9,179,515									
<b>Total Assets</b>		<u>54,327,706</u>	<u>54,416,467</u>	<u>40,983,412</u>	<u>41,230,445</u>									

# STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2024

## Equity and Liabilities

### Equity

	Group		Company	
	2024	2023	2024	2023
	Note	RM	RM	RM
<b>Share capital</b>	14	87,761,774	87,761,774	87,761,774
<b>Reserves</b>	15	(44,969,254)	(37,326,201)	(47,076,525)
<b>Total Equity</b>		<u>42,792,520</u>	<u>50,435,573</u>	<u>40,685,249</u>
				<u>40,917,899</u>

### Non-Current Liabilities

#### Liabilities

Lease liabilities	16	99,525	40,518	-	-
Deferred tax liabilities	17	-	28,506	-	-
		<u>99,525</u>	<u>69,024</u>	<u>-</u>	<u>-</u>

### Current Liabilities

Trade payables	18	640,051	1,342,693	-	-
Other payables	19	456,960	1,547,424	218,575	233,574
Contract liabilities	20	10,090,019	898,967	-	-
Lease liabilities	16	248,631	122,786	79,588	78,972
		<u>11,435,661</u>	<u>3,911,870</u>	<u>298,163</u>	<u>312,546</u>
<b>Total Liabilities</b>		<u>11,535,186</u>	<u>3,980,894</u>	<u>298,163</u>	<u>312,546</u>
<b>Total Equity and Liabilities</b>		<u>54,327,706</u>	<u>54,416,467</u>	<u>40,983,412</u>	<u>41,230,445</u>

The accompanying notes form an integral part of the financial statements.

# STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Revenue	21	8,902,272	27,739,771	-	-
Cost of sales		(7,343,598)	(26,892,031)	-	-
Gross profit		1,558,674	847,740	-	-
Other income		1,128,212	6,716,534	1,289,027	1,530,372
Administrative expenses		(6,217,731)	(18,712,220)	(1,879,618)	(9,631,846)
Net (loss)/gain on impairment of financial instruments		(3,959,634)	(1,001,553)	362,860	(8,810,573)
<b>Loss from operations</b>		(7,490,479)	(12,149,499)	(227,731)	(16,912,047)
Finance costs	22	(14,072)	(24,881)	(4,919)	(12,570)
<b>Loss before tax</b>	23	(7,504,551)	(12,174,380)	(232,650)	(16,924,617)
Taxation	24	(138,502)	(152,759)	-	-
<b>Loss for the financial year, representing total comprehensive loss for the financial year</b>		(7,643,053)	(12,327,139)	(232,650)	(16,924,617)

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>Loss for the financial year attributable to:</b>					
Owners of the parent		(7,643,053)	(12,327,139)	(232,650)	(16,924,617)
<b>Loss per share</b>					
Basic loss per share (sen)	25	(0.67)	(1.09)		
Diluted loss per share (sen)	25	*	*		

\* Anti-dilutive in nature

# STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

<b>Group</b>	<b>Attributable to Owners of the Parent</b>		
	<b>Share Capital RM</b>	<b>Accumulated Losses RM</b>	<b>Total Equity RM</b>
At 1 July 2023	87,761,774	(37,326,201)	50,435,573
Loss for the financial year, representing total comprehensive loss for the financial year	-	(7,643,053)	(7,643,053)
At 30 June 2024	<b>87,761,774</b>	<b>(44,969,254)</b>	<b>42,792,520</b>

## STATEMENTS OF CHANGES IN EQUITY

## FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

Attributable to Owners of the Parent					
Non-Distributable			Non-Controlling Interests		
Share Capital	Accumulated Losses	Total RM	Controlling Interests	Total Equity RM	Equity RM
RM	RM	RM	RM	RM	RM
87,761,774	(24,999,062)	62,762,712	(891,686)	61,871,026	
-	(12,327,139)	(12,327,139)	-	-	(12,327,139)
-	-	-	-	891,686	891,686
87,761,774	(37,326,201)	50,435,573	-	-	50,435,573

**Loss** for the financial year, representing total comprehensive loss for the financial year

## Disposal of subsidiaries

At 30 June 2023

**STATEMENTS OF  
CHANGES IN EQUITY**  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

<b>Company</b>	<b>Share Capital RM</b>	<b>Accumulated Losses RM</b>	<b>Total Equity RM</b>
At 1 July 2023	87,761,774	(46,843,875)	40,917,899
Loss for the financial year, representing total comprehensive loss for the financial year	-	(232,650)	(232,650)
At 30 June 2024	<u>87,761,774</u>	<u>(47,076,525)</u>	<u>40,685,249</u>
At 1 July 2022	87,761,774	(29,919,258)	57,842,516
Loss for the financial year, representing total comprehensive loss for the financial year	-	(16,924,617)	(16,924,617)
At 30 June 2023	<u>87,761,774</u>	<u>(46,843,875)</u>	<u>40,917,899</u>

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

## Cash flows from operating activities

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>Cash flows from operating activities</b>					
Loss before tax		(7,504,551)	(12,174,380)	(232,650)	(16,924,617)
Adjustments for:					
Bad debts written off		-	8,007,777	-	7,810,370
Depreciation of property, plant and equipment	4	1,477,948	2,214,268	19,394	18,850
Depreciation of right-of-use assets	5	210,024	204,093	137,659	131,636
Loss on disposal of property, plant and equipment		-	3,797,989	-	-
Gain on termination of lease contracts		-	(21,752)	-	-
Gain on disposal of assets held for sale		-	(100,777)	-	-
Gain on disposal of subsidiary company		-	(3,955,665)	-	(101,000)
Impairment losses recognised on:					
- amount due from subsidiary companies		-	-	-	9,255,684
- goodwill		-	59,510	-	-
- investment in subsidiary companies		-	-	46,545	-
- trade receivables		4,310,000	1,001,553	-	-
Interest expense		14,072	24,881	4,919	12,570
Interest income		(546,306)	(422,917)	-	(403,173)
Property, plant and equipment written off		41,086	6,110	-	2,195

**STATEMENTS OF  
CASH FLOWS**

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

Note	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
<b>Cash flows from operating activities (Cont'd)</b>				
Reversal of impairment losses recognised on:				
- trade receivables	(350,366)	-	-	-
- amount due from subsidiary companies	-	-	(362,860)	-
Unwinding of discounts:				
- trade receivables	532,334	(980,560)	-	-
Unrealised gain on foreign exchange	(28,994)	(124,909)	-	-
Operating loss before working capital changes	(1,844,753)	(2,464,779)	(386,993)	(197,485)
<b>Changes in working capital:</b>				
Inventories	(363,286)	574,111	-	-
Receivables	(9,046,590)	2,085,594	903	(874)
Payables	(1,793,106)	(5,503,318)	(14,999)	130,115
Contract liabilities	9,191,052	289,357	-	-
	(2,011,930)	(2,554,256)	(14,096)	129,241
Cash used in operations	(3,856,683)	(5,019,035)	(401,089)	(68,244)
Interest paid	(14,072)	(24,881)	(4,919)	(12,570)
Interest received	546,306	422,917	-	403,173
Tax paid	(350,505)	(463,245)	-	-
	181,729	(65,209)	(4,919)	390,603
Net cash (used in)/from operating activities	(3,674,954)	(5,084,244)	(406,008)	322,359

## STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

### Cash flows from investing activities

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Net advances to subsidiary companies		-	-	(8,201,601)	(2,449,220)
Net cash outflows from disposal of subsidiary companies	6(a)	-	(1,060,743)	-	-
Purchase of property, plant and equipment	4	-	(852,747)	-	(14,934)
Proceeds from disposal of:					
- property, plant and equipment	4	-	1,873,200	-	-
- subsidiaries		-	-	-	101,000
- assets held for sale		-	356,244	-	-
Purchase of quoted shares		(6,602,729)	-	-	-
Net cash (used in)/from investing activities		(6,602,729)	315,954	(8,201,601)	(2,363,154)

### Cash flows from financing activities

Repayment of lease liabilities, representing net cash used in investing activity	(215,869)	(206,805)	(145,320)	(137,670)
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**STATEMENTS OF  
CASH FLOWS**

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
<b>Net decrease in cash and cash equivalents</b>	(10,493,552)	(4,975,095)	(8,752,929)	(2,178,465)
<b>Cash and cash equivalents at the beginning of the financial year</b>	26,009,304	30,859,490	21,274,368	23,452,833
Effect on foreign exchange	28,994	124,909	-	-
<b>Cash and cash equivalents at the end of the financial year</b>	<u>15,544,746</u>	<u>26,009,304</u>	<u>12,521,439</u>	<u>21,274,368</u>
 <b>Cash and cash equivalents at the end of the financial year comprises:</b>				
Cash and bank balances	5,996,034	13,711,034	3,180,691	9,179,515
Fixed deposits with licensed banks	9,548,712	12,298,270	9,340,748	12,094,853
	<u>15,544,746</u>	<u>26,009,304</u>	<u>12,521,439</u>	<u>21,274,368</u>

The accompanying notes form an integral part of the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 1. Corporate Information

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is 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, Mont Kiara, 50480 Kuala Lumpur.

The principal place of business of the Company is located at 7<sup>th</sup> Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan.

The principal activity of the Company is investment holding. The principal activities of its subsidiary companies are disclosed in Note 6. There have been no significant changes in the nature of these activities during the financial year.

The financial statements were authorised for issue by the Directors in accordance with a resolution of the Board of Directors passed on 25 October 2024.

## 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 (“IFRS”) and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the material accounting policies below.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 2. Basis of Preparation (Cont'd)

### (a) Statement of compliance (Cont'd)

#### Adoption of new and amended standards

During the financial year, the Group and the Company have adopted the following new and amendments to MFRSs issued by the Malaysian Accounting Standards Board (“MASB”) that are mandatory for current financial year:

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative Information
Amendments to MFRS 101 and Disclosure of Accounting Policies	
MFRS Practice Statement 2	
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRS 112	International Tax Reform - Pillar Two Model Rules

The adoption of the above new and amendments to MFRSs did not have any significant impact on the financial statements of the Group and of the Company except as disclosed below:

#### Amendments to MFRS 101 and MFRS Practice Statement 2 Disclosure of Accounting Policies

The Group and the Company have adopted the amendments to MFRS 101 *Presentation of Financial Statements* and MFRS Practice Statement 2 *Materiality Practice Statement* for the first time in the current financial year. The amendments change the requirements in MFRS 101 *Presentation of Financial Statements* with regard to disclosure of accounting policies. The amendments replace all instances of the term “significant accounting policies” with “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

Amendments to MFRS 101 *Presentation of Financial Statements* are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 2. Basis of Preparation (Cont'd)

### (a) Statement of compliance (Cont'd)

#### **Amendments to MFRS 101 and MFRS Practice Statement 2 Disclosure of Accounting Policies (Cont'd)**

The amendments have no effect on the measurement, recognition or presentation of any items in the Group and the Company's financial statements but affect the disclosure of accounting policies.

#### **Standards issued but not yet effective**

The Group and the Company have not applied the following new and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group and the Company:

		<b>Effective dates for financial periods beginning on or after</b>
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101	Classification of Liabilities as Current or Non - Current	1 January 2024
Amendments to MFRS 101	Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 2. Basis of Preparation (Cont'd)

#### (a) Statement of compliance (Cont'd)

##### **Standards issued but not yet effective (Cont'd)**

The Group and the Company intend to adopt the above new and amendments to MFRSs, if applicable, when they become effective.

The initial application of the above-mentioned MFRSs is not expected to have any significant impacts on the financial statements of the Group and of the Company.

#### (b) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's and the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest RM except when otherwise stated.

#### (c) Significant accounting judgments, estimates and assumptions

The preparation of the Group's and of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

#### **Judgements**

The following are the judgements made by management in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements:

##### **Determining the lease term of contracts with renewal and termination options - Group as lessee**

The Group and the Company determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 2. Basis of Preparation (Cont'd)

### (c) Significant accounting judgments, estimates and assumptions (Cont'd)

#### **Judgements (Cont'd)**

##### Determining the lease term of contracts with renewal and termination options - Group as lessee (Cont'd)

The Group and the Company have several lease contracts that include extension and termination options. The Group and the Company apply judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group and the Company reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group and the Company include the renewal period as part of the lease term for leases of premises with non-cancellable period included as part of the lease term as these are reasonably certain to be exercised because there will be a significant negative effect on operation if a replacement asset is not readily available. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

##### Satisfaction of performance obligation in relation to contracts with customers

The Group required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue. This assessment was made based on the terms and conditions of the contracts, and the provisions of relevant laws and regulations:

The Group recognises revenue over time in the following circumstances:

- (i) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- (ii) the Group does not create an asset with an alternative use to the Group and the Company and have an enforceable right to payment for performance completed to date; and
- (iii) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point in time, the Group assesses each contract with customers to determine when the performance obligation of the Group under the contract is satisfied.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 2. Basis of Preparation (Cont'd)

- (c) Significant accounting judgments, estimates and assumptions (Cont'd)

#### **Key sources of estimation uncertainty (Cont'd)**

The key assumptions concerning the future and other key sources of estimation 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 reporting period are set out below:

##### Useful lives/amortisation of property, plant and equipment (Note 4) and right-of-use (“ROU”) assets (Note 5)

The Group and the Company regularly review the estimated useful lives of property, plant and equipment and ROU assets based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment and ROU assets would increase the recorded depreciation and decrease the value of property, plant and equipment and ROU assets.

##### Impairment of investments in subsidiary companies

The Company reviews its investments in subsidiary companies when there are indicators of impairment. Impairment is measured by comparing the carrying amount of an investment with its recoverable amount. Significant judgement is required in determining the recoverable amount. Estimating the recoverable amount requires the Company to make an estimate of the expected future cash flows from the cash-generating units and also to determine a suitable discount rate in order to calculate the present value of those cash flows.

The carrying amount at the reporting date for investments in subsidiaries is disclosed in Note 6.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 2. Basis of Preparation (Cont'd)

(c) Significant accounting judgments, estimates and assumptions (Cont'd)

### Key sources of estimation uncertainty (Cont'd)

#### Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the unused tax losses, unabsorbed capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying value of recognised and unrecognised deferred tax assets are disclosed in Note 17.

#### Provision for expected credit loss of financial assets at amortised cost

The Group and the Company review the recoverability of its receivables, include trade and other receivables, amounts due from subsidiary companies at each reporting date to assess whether an impairment loss should be recognised. The impairment provisions for receivables are based on assumptions about risk of default and expected loss rates. The Group and the Company use judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's and on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The carrying amounts at the reporting date for receivables are disclosed in Note 8, 9 and 11 respectively.

#### Determination of transaction prices

The Group and the Company are required to determine the transaction price in respect of each of its contracts with customers. In making such judgment the Group and the Company assess the impact of any variable consideration in the contract due to discounts or penalties, the existence of any significant financing component and any non-cash consideration in the contract.

There is no estimation required in determining the transaction price, as revenue from sale of goods or services are based on invoiced values. Discounts are not considered as they are not only given in rare circumstances.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2024

### 2. Basis of Preparation (Cont'd)

#### (c) Significant accounting judgments, estimates and assumptions (Cont'd)

##### **Key sources of estimation uncertainty (Cont'd)**

###### Discount rate used in leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation, particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

###### Income taxes

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group and the Company recognise liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. As at 30 June 2024, the Group and the Company have tax recoverable of RM725,347 (2023: RM541,850) and RM143 (2023: RM143) respectively.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 3. Material Accounting Policies

The Group and the Company apply the material accounting policies set out below, consistently throughout all periods presented in the financial statements unless otherwise stated.

### (a) Basis of consolidation

#### (i) Subsidiary companies

Subsidiary companies are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary companies are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary company is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed in profit or loss as incurred.

If the initial accounting for a business combination is incomplete by the end to the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (which cannot exceed one year from the acquisition date), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date, if known, would have affected the amounts recognised at that date.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 3. Material Accounting Policies (Cont'd)

#### (a) Basis of consolidation (Cont'd)

##### (i) Subsidiary companies (Cont'd)

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 9 *Financial Instruments*, is measured at fair value with the changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated. Unrealised losses are eliminated only if there is no indication of impairment. Where necessary, accounting policies of subsidiary companies have been changed to ensure consistency with the policies adopted by the Group.

In the Company's separate financial statements, investments in subsidiary companies are stated at cost less accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy Note 3(k)(i) on impairment of non-financial assets.

##### (ii) Changes in ownership interests in subsidiary companies without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary company is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 3. Material Accounting Policies (Cont'd)

### (a) Basis of consolidation (Cont'd)

#### (iii) Disposal of subsidiary companies

If the Group loses control of a subsidiary company, the assets and liabilities of the subsidiary company, including any goodwill, and non-controlling interests are derecognised at their carrying value on the date that control is lost. Any remaining investment in the entity is recognised at fair value. The difference between the fair value of consideration received and the amounts derecognised and the remaining fair value of the investment is recognised as a gain or loss on disposal in profit or loss. Any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

#### (iv) Goodwill on consolidation

The excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total consideration transferred, non-controlling interest recognised and previously held interest measured at fair value is less than the fair value of the net assets of the subsidiary company acquired (ie. a bargain purchase), the gain is recognised in profit or loss.

Following the initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment annually or more frequent when there is objective evidence that the carrying value may be impaired. See accounting policy Note 3(k)(i) on impairment of non-financial assets.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 3. Material Accounting Policies (Cont'd)

#### (b) Foreign currency transactions and balances

Transactions in foreign currency are recorded in the functional currency of the respective Group entities using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are included in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation are recognised in profit or loss in the Company's financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the reporting period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. Exchange differences arising from such non-monetary items are also recognised in other comprehensive income.

#### (c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The policy of recognition and measurement of impairment losses is in accordance with Note 3(k)(i).

##### (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.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 3. Material Accounting Policies (Cont'd)

### (c) Property, plant and equipment (Cont'd)

- (i) Recognition and measurement (Cont'd)

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices for similar items.

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 recognised in the profit or loss on straight line basis to write off the cost of each asset to its residual value over its estimated useful life.

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

Office equipment	20%
Renovations	20%
Furniture and fittings	20%
Signboard	20%
Tools and equipment	20%
Plant and machinery	20%

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 3. Material Accounting Policies (Cont'd)

#### (c) Property, plant and equipment (Cont'd)

##### (iii) Depreciation (Cont'd)

The residual values, useful lives and depreciation method are reviewed at each reporting period end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in property, plant and equipment.

#### (d) Leases

##### As lessee

The Group and the Company recognise a ROU asset and a lease liability at the lease commencement date. The ROU 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 site on which it is located, less any lease incentives received.

The ROU asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment loss and, if applicable, adjusted for any remeasurement of lease liabilities. The policy of recognition and measurement of impairment losses is in accordance with Note 3(k)(i).

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

Office building	1 - 3 years
Motor vehicles	2 years

The ROU assets are subject to impairment.

The lease liability is initially measured at the present value of future lease payments at the commencement date, discounted using the respective Group entities' 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 and the Company are reasonably certain to exercise.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 3. Material Accounting Policies (Cont'd)

### (d) Leases (Cont'd)

#### As lessee (Cont'd)

Variable lease payments that do not depend on an index or a rate and are dependent on a future activity are recognised as expenses in profit or loss in the period in which the event or condition that triggers the payment occurs.

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 rate, or if the Group or the Company 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 and do not contain a purchase option. Low value assets are those assets valued at less than RM20,000 each when purchased new.

#### As lessor

When the Group and the Company act as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. Leases in which the Group or the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases.

If the lease arrangement contains lease and non-lease components, the Group and the Company apply MFRS 15 *Revenue from Contracts with Customers* to allocate the consideration in the contract based on the stand-alone selling price.

The Group and the Company recognise assets held under a finance lease in its statement of financial position and presents them as a receivable at an amount equal to the net investment in the lease. The Group and the Company use the interest rate implicit in the lease to measure the net investment in the lease.

The Group and the Company recognise lease payments under operating leases as income on a straight-line basis over the lease term unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. The lease payment recognised is included as part of "Other income". Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 3. Material Accounting Policies (Cont'd)

#### (e) Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at FVTPL, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include trade and other receivables, amount due from subsidiary companies, fixed deposits with licensed banks and cash and bank balances.

##### (i) Financial assets at amortised cost

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

##### (ii) Fair value through other comprehensive income

###### Debt instruments

A debt security is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; 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.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 3. Material Accounting Policies (Cont'd)

- (e) Financial assets (Cont'd)
  - (ii) Fair value through other comprehensive income (Cont'd)

### Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group and the Company may irrevocably elect to present subsequent changes in fair value in OCI on an investment-by-investment basis.

Financial assets categorised as FVOCI are subsequently measured at fair value, with unrealised gains and losses recognised directly in OCI and accumulated under fair value reserve in equity. For debt instruments, when the investment is derecognised or determined to be impaired, the cumulative gain or loss previously recorded in equity is reclassified to the profit or loss. For equity instruments, the gains or losses are never reclassified to profit or loss.

The Group and the Company have not designated any financial assets as FVOCI.

- (iii) Financial assets at fair value through profit or loss

All financial assets not classified as measured at amortised cost or FVOCI, as described above, are measured at FVTPL. This includes derivative financial assets (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument). On initial recognition, the Group and the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised as FVTPL are subsequently measured at their fair value with gains or losses recognised in the profit or loss.

All financial assets, except for those measured at FVTPL and equity investments measured at FVOCI, are subject to impairment.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group or the Company commit to purchase or sell the asset.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 3. Material Accounting Policies (Cont'd)

#### (e) Financial assets (Cont'd)

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received for financial instrument is recognised in profit or loss.

#### (f) Financial liabilities

Financial liabilities are recognised when, and only when, the Group and the Company become a party to the contractual provisions of the financial instruments. All financial liabilities are recognised initially at fair value plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

#### (g) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs when the guaranteed debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as financial liabilities at fair value, net of transaction costs. Subsequently, the liability is measured at the higher of:

- the amount of the loss allowance; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15 *Revenue from Contracts with Customers*.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 3. Material Accounting Policies (Cont'd)

### (h) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### (i) Inventories

Inventories are stated at the lower of cost (determined on a weighted average basis) and net realisable value. Where necessary, allowance is made for deteriorated, obsolete and slow-moving inventories.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

### (j) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, bank overdraft and highly liquid investments 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 statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

### (k) Impairment of assets

#### (i) Non-financial assets

The carrying amounts of non-financial assets (except for inventories and deferred tax assets and non-current assets classified as held for sale) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives, or that are not yet available for use, the recoverable amount is estimated each period at the same time.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 3. Material Accounting Policies (Cont'd)

#### (k) Impairment of assets (Cont'd)

##### (i) Non-financial assets (Cont'd)

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value-in-use and its fair value less costs of disposal. 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 or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. Impairment loss is recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amounts of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (group of cash-generating units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for asset in prior years. Such reversal is recognised in the profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 3. Material Accounting Policies (Cont'd)

### (k) Impairment of assets (Cont'd)

#### (ii) Financial assets

The Group and the Company recognise an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (“a 12-month ECL”). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (“a lifetime ECL”).

For trade receivables, other receivables and inter-company balances, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

### (l) Share capital

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity.

Dividend distribution to the Company's shareholders is recognised as a liability in the period they are approved by the Board of Directors except for the final dividend which is subject to approval by the Company's shareholders.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 3. Material Accounting Policies (Cont'd)

#### (m) Provisions

Provisions are recognised when there is a present legal or constructive obligation that can be estimated reliably, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each end of the reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. The expense relating to any provision is presented in the statements of profit or loss and other comprehensive income net of any reimbursement.

#### (n) Employee benefits

##### (i) Short term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the reporting period 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 are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick and medical leave are recognised when the 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.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 3. Material Accounting Policies (Cont'd)

- (n) Employee benefits (Cont'd)
  - (ii) Defined contribution plans

As required by law, companies in Malaysia make contributions to the state pension scheme, the Employee Provident Fund ("EPF"). Some of the Group's foreign subsidiaries also make contributions to their respective countries' statutory pension schemes. Such contributions are recognised as an expense in the profit or loss as incurred. Once the contributions have been paid, the Group and the Company have no further payment obligations.

- (iii) Equity-settled share-based payment transactions

The Group and the Company operate an equity-settled, share-based compensation plan for the employees of the Group and of the Company. 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.

For options granted to the employees of the subsidiaries, the fair value of the options granted is recognised as cost of investment in the subsidiary companies over the vesting period with a corresponding adjustment to equity in the Group's and in the Company's financial statements.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the share options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to be vested. At the end of each reporting date, the Group and the Company revise its estimates of the number of share options that are expected to be vested. It recognises the impact of the revision of original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

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

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 3. Material Accounting Policies (Cont'd)

#### (o) Contract asset and contract liabilities

Contract asset is the right to consideration for goods or services transferred to the customers. The Group's contract asset is the excess of revenue recognised over the billings to-date and deposits or advances received from customers.

Where there is objective evidence of impairment, the amount of impairment losses is determined by comparing the contract asset's carrying amount and the present value of estimated future cash flows to be generated by the contract asset.

Contract asset is reclassified to trade receivables at the point at which invoices have been billed to customers.

Contract liability is the obligation to transfer goods or services to customers for which the Group has received the consideration or has billed the customers. The Group's contract liability is the excess of the billings to-date over the revenue recognised. Contract liabilities are recognised as revenue when the Group performs its obligation under the contracts.

Contract costs comprise costs incurred for the event management services. The contract costs recognized in profit or loss when the related event management of the contract is completed.

#### (p) Revenue recognition

##### (i) Revenue from contracts with customers

Revenue is recognised when the Group satisfied a performance obligation ("PO") by transferring a promised good or services to the customer, which is when the customer obtains control of the good or service. A PO may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied PO.

The Group recognises revenue from the following major sources:

###### (i) Event management services

The revenue arising from event management services are recognised at a point in time unless one of the following overtime criteria is met:

- (a) The customer simultaneously received and consumes the benefits provided;
- (b) The Group's performance creates and enhances an asset that the customer control as the asset is created or enhances; or

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 3. Material Accounting Policies (Cont'd)

### (p) Revenue recognition (Cont'd)

#### (i) Revenue from contracts with customers (Cont'd)

##### (i) Event management services (Cont'd)

The revenue arising from event management services are recognised at a point in time unless one of the following overtime criteria is met: (Cont'd)

(c) 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.

##### (ii) Sales of goods

Revenue from sale of goods is recognised at a point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

##### (iii) Interest income

Revenue from interest income on loan financing is recognised on accrual basis unless recoverability is in doubt, in which case the recognition of interest is suspended. Subsequent to suspension interest is recognised on receipt basis.

The Group recognises interest income using EIR method.

##### (iv) Rental income

Rental income is recognised on an accrual basis.

##### (v) Management fee

Management fee is recognised when services are rendered.

##### (vi) Services fee

Consultant services fee is recognised when services are rendered.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 3. Material Accounting Policies (Cont'd)

#### (q) Income taxes

Tax expense in profit or loss comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the financial year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method for all temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and their tax bases. Deferred tax is not recognised for the temporary differences arising from the initial recognition of goodwill, the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither accounting nor taxable profit nor loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 3. Material Accounting Policies (Cont'd)

### (r) Segments reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-makers are responsible for allocating resources and assessing performance of the operating segments and make overall strategic decisions. The Group's operating segments are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

### (s) Contingencies

Where it is not probable that an inflow or an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the asset or the obligation is disclosed as a contingent asset or contingent liability, unless the probability of inflow or outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities unless the probability of inflow or outflow of economic benefits is remote.

### (t) Sales and service tax

Expenses and assets are recognised net of the amount of sales and service tax, except:

- When the sales and service tax incurred in a purchase of assets or services are not recoverable from the tax authority, in which case, the sales and service tax is recognised as part of the cost of acquisition of the asset or as part of the expenses item; as applicable
- When receivables and payables are stated with the amount of sales and services tax included

The net amount of sales and service tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the statements of financial position.

## NOTES TO THE FINANCIAL STATEMENTS

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### 4. Property, Plant and Equipment

Group 2024	Office equipment	Renovations	Furniture and fittings	Signboard	Tools and equipment	Total
	RM	RM	RM	RM	RM	RM
<b>Cost</b>						
At 1 July 2023	692,536	373,379	109,877	7,193	6,678,085	7,861,070
Written off	(31,846)	(192,950)	(70,020)	-	-	(294,816)
<b>At 30 June 2024</b>	<b>660,690</b>	<b>180,429</b>	<b>39,857</b>	<b>7,193</b>	<b>6,678,085</b>	<b>7,566,254</b>
<b>Accumulated depreciation</b>						
At 1 July 2023	264,660	280,365	70,800	1,867	1,355,285	1,972,977
Charge for the financial year	111,534	26,974	6,000	1,141	1,332,299	1,477,948
Written off	(29,811)	(164,008)	(59,911)	-	-	(253,730)
<b>At 30 June 2024</b>	<b>346,383</b>	<b>143,331</b>	<b>16,889</b>	<b>3,008</b>	<b>2,687,584</b>	<b>3,197,195</b>
<b>Carrying amount</b>						
At 30 June 2024	314,307	37,098	22,968	4,185	3,990,501	4,369,059

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

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### 4. Property, Plant and Equipment (Cont'd)

Group	2023	Office equipment RM	Renovations RM	Furniture and fittings RM	Signboard RM	Tools and equipment RM	Plant and machinery RM	Total RM
<b>Cost</b>								
At 1 July 2022	369,724	373,379	106,877	1,488	15,862,570	24,900	16,738,938	
Additions	344,544	-	3,000	5,705	499,498	-	852,747	
Disposals	-	-	-	-	(9,683,983)	(24,900)	(9,708,883)	
Disposals of subsidiary companies	(9,833)	-	-	-	-	-	(9,833)	
Written off	(11,899)	-	-	-	-	-	(11,899)	
At 30 June 2023	692,536	373,379	109,877	7,193	6,678,085	-	7,861,070	
<b>Accumulated depreciation</b>								
At 1 July 2022	197,855	224,447	54,335	1,289	3,320,391	11,205	3,809,522	
Charge for the financial year	79,924	55,918	16,465	578	2,059,308	2,075	2,214,268	
Disposals	-	-	-	-	(4,024,414)	(13,280)	(4,037,694)	
Disposals of subsidiary companies	(7,330)	-	-	-	-	-	(7,330)	
Written off	(5,789)	-	-	-	-	-	(5,789)	
At 30 June 2023	264,660	280,365	70,800	1,867	1,355,285	-	1,972,977	
<b>Carrying amount</b>								
At 30 June 2023	427,876	93,014	39,077	5,326	5,322,800	-	5,888,093	

**NOTES TO THE  
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30 JUNE 2024

**4. Property, Plant and Equipment (Cont'd)**

	<b>Office equipment</b> RM	<b>Furniture and fittings</b> RM	<b>Renovation</b> RM	<b>Total</b> RM
<b>Company</b>				
<b>2024</b>				
<b>Cost</b>				
At 1 July 2023/				
30 June 2024	<u>60,826</u>	<u>10,150</u>	<u>25,995</u>	<u>96,971</u>
<b>Accumulated depreciation</b>				
At 1 July 2023	22,449	4,650	12,131	39,230
Charge for the financial year	<u>12,165</u>	<u>2,030</u>	<u>5,199</u>	<u>19,394</u>
At 30 June 2024	<u>34,614</u>	<u>6,680</u>	<u>17,330</u>	<u>58,624</u>
<b>Carrying amount</b>				
At 30 June 2024	<u>26,212</u>	<u>3,470</u>	<u>8,665</u>	<u>38,347</u>
<b>2023</b>				
<b>Cost</b>				
At 1 July 2022	53,340	10,150	25,995	89,485
Additions	14,934	-	-	14,934
Written off	(3,799)	-	-	(3,799)
Transfer	(3,649)	-	-	(3,649)
At 30 June 2023	<u>60,826</u>	<u>10,150</u>	<u>25,995</u>	<u>96,971</u>
<b>Accumulated depreciation</b>				
At 1 July 2022	12,979	2,620	6,932	22,531
Charge for the financial year	<u>11,621</u>	<u>2,030</u>	<u>5,199</u>	<u>18,850</u>
Written off	(1,604)	-	-	(1,604)
Transfer	(547)	-	-	(547)
At 30 June 2023	<u>22,449</u>	<u>4,650</u>	<u>12,131</u>	<u>39,230</u>
<b>Carrying amount</b>				
At 30 June 2023	<u>38,377</u>	<u>5,500</u>	<u>13,864</u>	<u>57,741</u>

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 5. Right-of-Use Assets

	Premises RM	Motor Vehicles RM	Total RM
<b>Group</b>			
<b>2024</b>			
<b>Cost</b>			
At 1 July 2023	516,460	-	516,460
Additions	145,936	254,785	400,721
At 30 June 2024	<u>662,396</u>	<u>254,785</u>	<u>917,181</u>
<b>Accumulated depreciation</b>			
At 1 July 2023	364,654	-	364,654
Charge for the financial year	178,176	31,848	210,024
At 30 June 2024	<u>542,830</u>	<u>31,848</u>	<u>574,678</u>
<b>Carrying amount</b>			
At 30 June 2024	<u>119,566</u>	<u>222,937</u>	<u>342,503</u>
<b>2023</b>			
<b>Cost</b>			
At 1 July 2022	1,315,238	-	1,315,238
Additions	121,552	-	121,552
Termination of lease contracts	(598,687)	-	(598,687)
Expiration of lease contracts	(20,981)	-	(20,981)
Disposal of subsidiary company	(300,662)	-	(300,662)
At 30 June 2023	<u>516,460</u>	<u>-</u>	<u>516,460</u>
<b>Accumulated depreciation</b>			
At 1 July 2022	668,801	-	668,801
Charge for the financial year	204,093	-	204,093
Termination of lease contracts	(299,345)	-	(299,345)
Expiration of lease contracts	(20,981)	-	(20,981)
Disposal of subsidiary company	(187,914)	-	(187,914)
At 30 June 2023	<u>364,654</u>	<u>-</u>	<u>364,654</u>
<b>Carrying amount</b>			
At 30 June 2023	<u>151,806</u>	<u>-</u>	<u>151,806</u>

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 5. Right-of-Use Assets (Cont'd)

	Premises RM
<b>Company</b>	
<b>2024</b>	
<b>Cost</b>	
At 1 July 2023	394,908
Additions	<u>145,936</u>
At 30 June 2024	<u>540,844</u>
<b>Accumulated depreciation</b>	
At 1 July 2023	324,136
Charge for the financial year	<u>137,659</u>
At 30 June 2024	<u>461,795</u>
<b>Carrying amount</b>	
At 30 June 2024	<u>79,049</u>
<b>2023</b>	
<b>Cost</b>	
At 1 July 2022/30 June 2023	<u>394,908</u>
<b>Accumulated depreciation</b>	
At 1 July 2022	192,500
Charge for the financial year	<u>131,636</u>
At 30 June 2023	<u>324,136</u>
<b>Carrying amount</b>	
At 30 June 2023	<u>70,772</u>
<b>Other assets</b>	

The Group and the Company have lease contracts for premises for its business operations that include extension option. The leases typically run for a period of 1 to 3 years. The Group also has certain leases of office space with lease term of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for the leases.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 6. Investment in Subsidiary Companies

### In Malaysia

#### At cost

	Company	2024	2023
		RM	RM
Unquoted shares		15,150,054	15,150,054
Less: Accumulated impairment losses		(15,149,049)	(15,102,504)
		<u>1,005</u>	<u>47,550</u>

Movements in the allowance for impairment losses are as follows:

	Company	2024	2023
		RM	RM
At 1 July		15,102,504	21,650,847
Impairment loss recognised		46,545	-
Disposal of subsidiary companies		-	(6,548,343)
At 30 June		<u>15,149,049</u>	<u>15,102,504</u>

The impairment loss recognised in the investment in subsidiary companies was due to the recoverable amounts determined based on the projected cash flows were lower than carrying amount of the investment.

Details of the subsidiary companies are as follows:

Name of company	Place of business/ Country of incorporation	Effective Interest		Principal activities
		2024 %	2023 %	
<b><i>Direct holding:</i></b>				
Futurescape Equipment Sdn. Bhd. (formerly known as Macpie Equipment Sdn. Bhd.)	Malaysia	100	100	Renting of tools and equipment for stage design production
ICT Rewards and Services Sdn. Bhd.	Malaysia	100	100	Restaurant operator

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 6. Investment in Subsidiary Companies (Cont'd)

Details of the subsidiary companies are as follows: (Cont'd)

Name of company	Place of business/ Country of incorporation	Effective Interest		Principal activities
		2024 %	2023 %	
Contango Alpha Sdn Bhd (formerly known as Macpie Management Sdn. Bhd.)	Malaysia	100	100	Trading of telephone and telecommunications equipment and cell phones, event management and trading and general trading
PC3 Technology Sdn. Bhd.	Malaysia	100	100	Money lending
Urusrasa Sdn. Bhd.	Malaysia	100	100	Dormant
Octagon Media Sdn. Bhd.	Malaysia	100	100	Advertising, media buying and maintainer of social media platforms
Trumpet International Sdn. Bhd.	Malaysia	100	100	Event and artist management
Excitix Ticketing Sdn. Bhd.	Malaysia	100	100	Ticketing solutions provider to the event industry
<i>Subsidiary company of ICT Rewards and Services Sdn. Bhd.</i>				
Supernova International Sdn. Bhd.	Malaysia	100	100	Investment holding

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 6. Investment in Subsidiary Companies (Cont'd)

### (a) Disposal of subsidiaries

#### In the previous financial year

(i) On 1 July 2022, the Company has disposed of 5,100 ordinary shares, representing the 51% equity interest in Level Up Plus Sdn. Bhd. for a total cash consideration of RM1,000.

The effect of the disposal of Level Up Plus Sdn. Bhd. on the financial position of the Group on the date of disposal was as follow:

	2023
	RM
Assets included in disposal group held for sale and discontinued operation	1,926,452
Liabilities included in disposal group held for sale and discontinued operation	(128,250)
Amount due to immediate holding company	(3,489,832)
Amount due to related company	(144,795)
NCI	891,686
Total net assets disposed	(944,739)
Gain on disposal	945,739
Proceeds from disposal	1,000
Less: Cash and bank disposed	(161)
Net cash inflow from disposal	839

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2024

### 6. Investment in Subsidiary Companies (Cont'd)

#### (a) Disposal of subsidiaries

##### In the previous financial year

(ii) On 2 September 2022, the Company has disposed of 3,000,000 ordinary shares, representing the entire equity interest of its wholly-owned subsidiary company, Macpie Distribution Sdn. Bhd. for a total cash consideration of RM100,000.

The effect of the disposal of Macpie Distribution Sdn. Bhd. on the financial position of the Group on the date of disposal was as follow:

	<b>2023</b> <b>RM</b>
Plant, property and equipment	2,503
Right-of-use assets	112,748
Inventories	27,782
Trade receivables	264,286
Other receivables	171,742
Tax recoverable	75,025
Cash and bank balances	1,161,582
Trade payables	(53,402)
Other payables	(172,016)
Amount due to immediate holding company	(4,320,574)
Amount due to related company	(51,612)
Lease liabilities	(127,990)
Total net liabilities disposed	(2,909,926)
Gain on disposal	3,009,926
Proceeds from disposal	100,000
Less: Cash and bank disposed	(1,161,582)
Net Cash outflow from disposal	<b>(1,061,582)</b>

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 7. Goodwill on Consolidation

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>Cost</b>		
At 1 July/30 June	2,670,921	<u>2,670,921</u>
<b>Accumulated impairment losses</b>		
At 1 July	2,670,921	2,611,411
Impairment loss recognised	-	59,510
At 30 June	<u>2,670,921</u>	<u>2,670,921</u>
<b>Carrying amount</b>		
At 30 June	-	-

### 8. Trade Receivables

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Trade receivables		
- Third party	28,222,493	20,694,575
- Related party	1,177,728	584,929
	<u>29,400,221</u>	<u>21,279,504</u>
Less: Accumulated impairment losses	(5,309,752)	(1,350,118)
	<u>24,090,469</u>	<u>19,929,386</u>
Presented as:		
Non-Current	4,094,751	439,590
Current	19,995,718	19,489,796
	<u>24,090,469</u>	<u>19,929,386</u>
Secured		
	15,748,920	14,204,515
Unsecured	8,341,549	5,724,871
	<u>24,090,469</u>	<u>19,929,386</u>

## NOTES TO THE FINANCIAL STATEMENTS

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### 8. Trade Receivables (Cont'd)

Included in trade receivables of the Group is an amount of RM1,171,000 (2023: RM584,929) due from a subsidiary company of a corporate shareholders.

Trade receivables of RM629,698 (2023: RM1,785,034) are non-interest bearing and the normal credit terms are generally 30 days (2023:30) days.

Secured and unsecured loan receivables of RM15,748,920 and RM7,711,851 (2023: RM14,204,515 and RM3,939,837) are with interest bearing ranging from 6% to 12% (2023: 6% to 12%) per annum and repayable over 12 to 60 (2023: 6 to 24) monthly instalments.

All loan receivables are to pay only interest portion on monthly basis and the whole principal amount of loan is to be paid in final payment of the loan except RM7,000,000 (2023: RM3,068,880) which is to be paid on monthly basis for both interest and principal portion.

Movements in the allowance for impairment losses are as follows:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
At 1 July	1,350,118	4,125,619
Impairment losses recognised	4,310,000	1,001,553
Impairment loss reversed	(350,366)	-
Amount written off	-	(159,605)
Disposal of subsidiary companies	-	(3,617,449)
At 30 June	<u>5,309,752</u>	<u>1,350,118</u>

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 8. Trade Receivables (Cont'd)

The aged analysis of trade receivables as at the end of the reporting period:

	Gross amount RM	Specific allowance RM	Expected credit losses RM	Net amount RM
<b>Group 2024</b>				
Neither past due nor impaired				
	22,013,553		-	22,013,553
<i>Past due but not impaired:</i>				
Less than 30 days	150,324		-	150,324
31 to 60 days	65,805		-	65,805
61 to 90 days	34,807		-	34,807
91 to 120 days	122,831		-	122,831
More than 121 days	2,216,901		(513,752)	1,703,149
	2,590,668		(513,752)	2,076,916
<i>Credit impaired</i>				
Individual impaired	4,796,000	(4,796,000)	-	-
	<u>29,400,221</u>	<u>(4,796,000)</u>	<u>(513,752)</u>	<u>24,090,469</u>
<b>2023</b>				
Neither past due nor impaired	1,256,573		-	1,256,573
<i>Past due but not impaired:</i>				
91 to 120 days	1,596		-	1,596
More than 121 days	19,535,335		(864,118)	18,671,217
	19,536,931		(864,118)	18,672,813
<i>Credit impaired</i>				
Individual impaired	486,000	(486,000)	-	-
	<u>21,279,504</u>	<u>(486,000)</u>	<u>(864,118)</u>	<u>19,929,386</u>

Trade receivables that are neither past due nor impaired are creditworthy receivables with good payment records with the Group.

As at 30 June 2024, trade receivables of RM2,076,916 (2023: RM18,672,813) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2024

### 8. Trade Receivables (Cont'd)

The trade receivables of the Group that are individually assessed to be impaired amounting to RM4,796,000 (2023: RM486,000), relate to customers that are in financial difficulties, have defaulted on payments and/or have disputed on the billings. These balances are expected to be recovered through the debts recovery process.

### 9. Amount Due from Subsidiary Companies

#### (a) Amount due from subsidiary companies

	Company	
	2024	2023
	RM	RM
Non-trade related	80,812,978	72,611,377
Less: Accumulated impairment losses	<u>(52,518,377)</u>	<u>(52,881,237)</u>
	<u>28,294,601</u>	<u>19,730,140</u>
 Presented as:		
Non-current	-	13,135,189
Current	<u>28,294,601</u>	<u>6,594,951</u>
	<u>28,294,601</u>	<u>19,730,140</u>

These represents non-trade in nature, unsecured, non-interest bearing advances and repayable on demand.

Movement in allowance for impairment losses are as follows:

	Company	
	2024	2023
	RM	RM
At 1 July	52,881,237	44,070,664
Impairment losses recognised	-	9,255,684
Reversal of impairment losses	<u>(362,860)</u>	-
Disposal of subsidiary companies	<u>-</u>	<u>(445,111)</u>
At 30 June	<u>52,518,377</u>	<u>52,881,237</u>

The impairment loss recognised in the amount due from subsidiaries was due to irrecoverable of outstanding amount.

## NOTES TO THE FINANCIAL STATEMENTS

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### 10. Inventories

	Group	
	2024	2023
	RM	RM
<b>At cost:</b>		
Trading goods	363,286	-
<b>Recognised in profit or loss:</b>		
Inventories recognised as cost of sales	28,606	-

### 11. Other Receivables

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Other receivables	5,351,324	5,305,200	1,395,291	1,396,194
Less: Accumulated impairment losses	(5,295,291)	(5,295,291)	(1,395,291)	(1,395,291)
	56,033	9,909	-	903
Deposits	146,001	189,036	48,828	48,828
Prepayments	2,087,533	1,697,083	-	-
	2,289,567	1,896,028	48,828	49,731

Movements in the allowance for impairment losses are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
At 1 July 2023/ 30 June 2024	5,295,291	5,295,291	1,395,291	1,395,291

Other receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant difficulties and have defaulted on payments.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 12. Other Investments

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>Financial assets at fair value through profit or loss</b>		
Quoted shares in Malaysia	<u>6,602,729</u>	-

The other investments measured at fair value recurring basis and classified as Level 1 of the fair value hierarchy by reference to quoted price at active market.

### 13. Fixed Deposits with Licensed Banks

The interest rates of fixed deposits of the Group and of the Company are ranging from 3.20% to 3.62% (2023: 2.95% to 3.75%) per annum and the maturity of deposits is 1 to 3 months (2023: 1 to 3 months).

### 14. Share Capital

	<b>Group and Company</b>			
	<b>Number of Shares</b>		<b>Amount</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>Units</b>	<b>Units</b>	<b>RM</b>	<b>RM</b>
<b>Issued and fully paid Ordinary shares</b>				
At 1 July 2023/				
30 June 2024	<u>1,135,709,139</u>	<u>1,135,709,139</u>	<u>87,761,774</u>	<u>87,761,774</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 15. Reserves

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Accumulated losses	(44,969,254)	(37,326,201)	(47,076,525)	(46,843,875)

### (a) Warrant B

On 12 March 2021, the Company issued 459,467,057 free warrants on the basis of 1 warrant for every 2 units of ordinary shares.

The salient features of the Warrants B are as follows:

- (i) The issue date of Warrants B is 12 March 2021 and the expiry date is 11 March 2024. Any Warrants B not exercised at the expiry date will lapse and cease to be valid for any purpose;
- (ii) Each Warrant B entitles the registered holder during the exercise period to subscribe for one (1) new ordinary share in the share capital of the Company at the exercise price of RM0.16 per ordinary share;
- (iii) Subject to the provision in the respective Deed Polls, the exercise price and the number of Warrants B held by each warrant holder shall be adjusted by the Board of Directors of the Company in consultation with the adviser and certification of the external auditors, in the event of alteration to the share capital of the Company; and
- (iv) The theoretical fair value of the Warrants B was based on the 5-market day volume weighted average market price of the shares up to and including the last trading day prior to the price-fixing date of the Warrants B.

At the end of the reporting year, there was a total of 431,976,832 (2023: 431,976,832) unexercised Warrants B which have been lapsed and become null and void and cease to be exercisable thereafter.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2024

### 16. Lease Liabilities

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
At 1 July	163,304	697,641	78,972	216,642
Additions	400,721	121,552	145,936	-
Termination of lease contracts	-	(321,094)	-	-
Accretion of interest	14,072	24,881	4,919	12,570
Payments	(229,941)	(231,686)	(150,239)	(150,240)
Disposal of subsidiary	-	(127,990)	-	-
At 30 June	<u>348,156</u>	<u>163,304</u>	<u>79,588</u>	<u>78,972</u>
 Presented as:				
Non-Current	99,525	40,518	-	-
Current	<u>248,631</u>	<u>122,786</u>	<u>79,588</u>	<u>78,972</u>
	<u>348,156</u>	<u>163,304</u>	<u>79,588</u>	<u>78,972</u>

#### **The maturity analysis of lease liabilities of the Group and of the Company at the end of the reporting period:**

Within one year	262,778	126,374	80,774	80,774
Later than one year and not later than two years	<u>102,303</u>	<u>45,600</u>	<u>-</u>	<u>-</u>
	<u>365,081</u>	<u>171,974</u>	<u>80,774</u>	<u>80,774</u>
Less: Future finance charges	<u>(16,925)</u>	<u>(8,670)</u>	<u>(1,186)</u>	<u>(1,802)</u>
Present value of lease liabilities	<u>348,156</u>	<u>163,304</u>	<u>79,588</u>	<u>78,972</u>

The Group leases premises. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The lease liabilities bear interest at 5.40% - 6.65% (2023: 5.40 - 6.15%) per annum.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 17. Deferred Tax Liabilities

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
At 1 July	28,506	11,864	-	-
Recognised in profit or loss	-	19,261	-	-
Over provision in prior years	(28,506)	(2,619)	-	-
At 30 June	-	28,506	-	-

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

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Deferred tax assets	(37,431)	(177,861)	(5,884)	(4,259)
Deferred tax liabilities	37,431	206,367	5,884	4,259
	-	28,506	-	-

The components and movements of deferred tax assets and liability are as follows:

Group	Unutilised tax losses RM	Unabsorbed capital allowances RM	Total RM
<b>Deferred tax assets</b>			
<b>At 1 July 2023</b>			
At 1 July 2023	-	(177,861)	(177,861)
Recognised in profit or loss	-	159,276	159,276
Under provision in prior years	-	(18,846)	(18,846)
At 30 June 2024	-	(37,431)	(37,431)
<b>At 1 July 2022</b>			
At 1 July 2022	(15,553)	(990,048)	(1,005,601)
Recognised in profit or loss	-	456,860	456,860
Disposal of subsidiaries companies	15,553	7,987	23,540
Over provision in prior years	-	347,340	347,340
At 30 June 2023	-	(177,861)	(177,861)

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 17. Deferred Tax Liabilities (Cont'd)

The components and movements of deferred tax assets and liability are as follows:  
(Cont'd)

<b>Group</b>	<b>Accelerated capital allowances</b>	<b>RM</b>
<b>Deferred tax liability</b>		
At 1 July 2023	206,367	
Recognised in profit or loss	(159,348)	
Over provision in prior years	(9,588)	
At 30 June 2024	<u>37,431</u>	
At 1 July 2022	1,017,465	
Recognised in profit or loss	(437,599)	
Over provision in prior years	(349,959)	
Disposal of subsidiary companies	(23,540)	
At 30 June 2023	<u>206,367</u>	
<b>Unabsorbed capital allowances</b>		
<b>Company</b>		
<b>Deferred tax asset</b>		
At 1 July 2023	(4,259)	
Recognised in profit or loss	2,474	
Under provision in prior years	(4,099)	
At 30 June 2024	<u>(5,884)</u>	
At 1 July 2022	(7,765)	
Recognised in profit or loss	(1,101)	
Over provision in prior years	4,607	
At 30 June 2023	<u>(4,259)</u>	

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 17. Deferred Tax Liabilities (Cont'd)

The components and movements of deferred tax assets and liability are as follows: (Cont'd)

	Accelerated capital allowances	RM
<b>Company</b>		
<b>Deferred tax liability</b>		
At 1 July 2023	4,259	
Recognised in profit or loss	(2,474)	
Under provision in prior years	4,099	
At 30 June 2024	<u>5,884</u>	
At 1 July 2022	7,765	
Recognised in profit or loss	1,101	
Over provision in prior years	(4,607)	
At 30 June 2023	<u>4,259</u>	

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Unabsorbed capital allowances	15,524,066	14,360,744	50,574	37,504
Unutilised tax losses	17,213,393	15,312,624	5,328,880	5,066,113
Other deductible temporary differences	<u>14,249</u>	-	-	-
	<u>32,751,708</u>	<u>29,673,368</u>	<u>5,379,454</u>	<u>5,103,617</u>

Deferred tax assets have not been recognised in respect of these items as they may not have sufficient taxable profits to be used to offset or they have arisen in subsidiary companies that have a recent history of losses.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2024

### 18. Trade Payables

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Trade payables		
- third parties	624,085	1,330,334
- related parties	15,966	12,359
	<u>640,051</u>	<u>1,342,693</u>

Credit terms of trade payables of the Group ranged from 0 to 30 days (2023: 0 to 30 days) depending on the terms of the contracts. The trade payables are non-interest bearing and unsecured.

Included in trade payables of the Group is an amount of RM15,966 (2023: RM12,359) due from company in which Directors have interest.

### 19. Other Payables

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Other payables	151,878	482,092	117,928	124,661
Accruals	242,189	899,537	100,647	108,913
Deposits received	62,893	150,975	-	-
Service tax payable	-	14,820	-	-
	<u>456,960</u>	<u>1,547,424</u>	<u>218,575</u>	<u>233,574</u>

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 20. Contract Liabilities

	Group	
	2024	2023
	RM	RM
Deferred income	10,090,019	898,967

The Group issues invoices to the customers while the revenue recognised when the performance obligation is satisfied. The Group has contract liabilities which represent unsatisfied performance obligation the end of the reporting year is expected to be recognised within 1 year.

## 21. Revenue

	Group	
	2024	2023
	RM	RM
Revenue from contracts with customers:		
- Sales of goods	12,822	17,267,122
- Services rendered	6,802,333	9,703,082
- Rental income	637,084	252,877
- Interest income	1,450,033	516,690
	<u>8,902,272</u>	<u>27,739,771</u>

### Timing of revenue recognition

At a point in time	8,293,939	22,466,960
Over time	608,333	5,272,811
	<u>8,902,272</u>	<u>27,739,771</u>

## 22. Finance Costs

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Interest expenses on:				
- Lease liabilities	14,072	24,881	4,919	12,570

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2024

### 23. Loss before Tax

Loss before tax is determined after charging/(crediting) amongst other, the following items:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Auditors' remuneration				
- statutory audit	123,400	116,000	52,000	50,000
- non statutory audit	7,000	7,000	7,000	7,000
Bad debts written off	-	8,007,777	-	7,810,370
Depreciation of property, plant and equipment	1,477,948	2,214,268	19,394	18,850
Depreciation of right-of-use assets	210,024	204,093	137,659	131,636
Impairment loss on:				
- Investment in subsidiary companies	-	-	46,545	-
- Amount due from subsidiary companies	-	-	-	9,255,684
- Trade receivables	4,310,000	1,001,553	-	-
- Goodwill	-	59,510	-	-
Property, plant and equipment written off	41,086	6,110	-	2,195
Loss on disposal of property, plant and equipment	-	3,797,989	-	-
Gain on termination of Lease contract	-	(21,752)	-	-
Gain on disposal of subsidiaries	-	(3,955,665)	-	(101,000)
Gain on disposal of assets held for sale	-	(100,777)	-	-
Loss/(Gain) on foreign exchange:				
- realised	(3,175)	80	-	-
- unrealised	(28,994)	(124,909)	-	-
Interest income				
- cash and cash equivalents	(267,872)	(266,184)	(176,140)	(248,334)
- deposit with licensed bank	(278,434)	(156,733)	(276,022)	(154,838)
Rental income	-	-	(158,413)	(158,413)

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 23. Loss before Tax (Cont'd)

Loss before tax is determined after charging/(crediting) amongst other, the following items: (Cont'd)

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
<b>Short-term leases:</b>				
- Rental of machinery and equipment	5,357	36,000	-	-
- Rental of premises	180,013	142,369	-	-
<b>Reversal of impairment losses recognised on</b>				
- other receivables	(350,366)	-	-	-
- amount due from subsidiary company	-	-	(362,860)	(445,111)
<b>Unwinding of discount</b>				
- Trade receivables	532,334	(980,560)	-	-

## 24. Taxation

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
<b>Tax expenses recognised in profit or loss:</b>				
Current tax provision	186,994	51,533	-	-
Under provision in prior years	(19,986)	84,584	-	-
	<u>167,008</u>	<u>136,117</u>	<u>-</u>	<u>-</u>
<b>Deferred tax:</b>				
Relating to reversal of temporary differences	-	19,261	-	-
Over provision in prior years	(28,506)	(2,619)	-	-
	<u>(28,506)</u>	<u>16,642</u>	<u>-</u>	<u>-</u>
Tax expense for the financial year	138,502	152,759	-	-

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 24. Taxation (Cont'd)

Malaysian income tax is calculated at the statutory tax rate of 24% (2023: 24%) of the estimated assessable profits for the financial year.

A reconciliation of income tax expense applicable to loss before tax at the statutory tax rate to income tax expenses at the effective income of the Group and the Company are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Loss before tax	(7,504,551)	(12,174,380)	(232,650)	(16,924,617)
At Malaysian statutory tax rate of 24% (2023: 24%)	(1,801,092)	(2,921,851)	(55,836)	(4,061,908)
Expenses not deductible for tax purposes	1,420,458	1,222,548	76,721	4,031,584
Income not subject to tax	(171,174)	(7,390)	(87,086)	-
Deferred tax assets not recognised	738,802	1,815,197	66,201	30,324
Utilisation of previously unrecognised tax assets	-	(37,710)	-	-
(Over)/Under provision in respect of prior year				
- Taxation	(19,986)	84,584	-	-
- Deferred tax	(28,506)	(2,619)	-	-
Tax expense for the financial year	<u>138,502</u>	<u>152,759</u>	<u>-</u>	<u>-</u>

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 24. Taxation (Cont'd)

The Group and the Company have the following estimated unabsorbed capital allowances and unused tax losses available to carry forward to offset against future taxable profits. The said amount is subject to approval by the tax authorities.

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Unabsorbed capital allowances	15,680,029	15,180,360	75,091	72,330
Unutilised tax losses	17,213,393	15,312,624	5,328,880	5,066,113
	<u>32,893,422</u>	<u>30,492,984</u>	<u>5,403,971</u>	<u>5,138,443</u>

Deferred tax assets have not been recognised in respect of these items as they may not have sufficient taxable profits to be used to offset or they have arisen in subsidiary companies that have a recent history of losses.

With effects from year assessment 2019, unutilised tax losses are allowed to be carried forward up to a maximum of ten (10) years of assessment under the current tax legislation in Malaysia. The other temporary difference does not expire under tax legislation.

Pursuant to Section 44(5F) of the Income Tax Act 1967 in Malaysia, the unutilised tax losses can only be carried forward until the following years of assessment.

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Unutilised tax losses to be carried forward until:				
- Year of assessment 2028	10,617,621	10,697,649	3,688,872	3,768,900
- Year of assessment 2029	630,521	630,521	607,389	607,389
- Year of assessment 2030	257,123	257,123	40,433	40,433
- Year of assessment 2031	838,639	1,050,779	560,474	560,474
- Year of assessment 2032	529,611	665,348	3,329	3,329
- Year of assessment 2033	2,011,204	2,011,204	85,588	85,588
- Year of assessment 2034	2,328,674	-	342,795	-
	<u>17,213,393</u>	<u>15,312,624</u>	<u>5,328,880</u>	<u>5,066,113</u>

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 25. Loss Per Share

#### (a) Basic loss per share

The basic earnings per share are calculated based on the consolidated loss for the financial year attributable to owners of the parent and the weighted average number of ordinary shares in issue during the financial year as follows:

	Group	2024	2023
		RM	RM
Loss attributable to owners of the parent for basic earnings		<u>(7,643,053)</u>	<u>(12,327,139)</u>
Weighted average number of ordinary shares in issue (in shares):		1,135,709,139	1,135,709,139
Basic loss per ordinary share (in sen)		<u>(0.67)</u>	<u>(1.09)</u>

#### (b) Diluted loss per share

Diluted earnings per share are calculated based on the adjusted consolidated loss for the financial year attributable to the owners of the parent 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 as follows:

	Group	2024	2023
		RM	RM
Loss attributable to owners of the parent for basic earnings		<u>(7,643,053)</u>	<u>(12,327,139)</u>
Weighted average number of ordinary shares in issue in the calculation of basic earnings per share (in shares):		1,135,709,139	1,135,709,139
Potential dilution arising from outstanding warrants		-	362,860,539
Weighted average number of ordinary shares at 30 June		<u>1,135,709,139</u>	<u>1,498,569,678</u>
Diluted loss per ordinary shares (in sen)		NA	NA

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 25. Loss Per Share (Cont'd)

### (b) Diluted loss per share (Cont'd)

Diluted loss per ordinary share is not applicable for the current and previous financial year as the unexercised share options were anti-dilutive in nature, this is due to the average market share price of the Company being below the exercise price of share options.

## 26. Employees Share Option Scheme (“ESOS”)

At an extraordinary general meeting held on 29 November 2018, the Company’s shareholders approved the establishment of an ESOS for eligible Directors and employees of the Group.

The salient features of the ESOS are as follows:

- (a) any employee of the Group shall be eligible if as at the date of offer, the employee:
  - (i) is at least eighteen (18) years of age and is not undischarged bankrupt nor subject to any bankruptcy proceedings;
  - (ii) he/she is employed full time by and on the payroll of any company in the Group and his/her employment has been confirmed by any company in the Group.
- (b) any Director of the Group (excluding dormant subsidiaries) shall be eligible if as at the date of offer, the employee:
  - (i) is at least eighteen (18) years of age and is not undischarged bankrupt nor subject to any bankruptcy proceedings;
  - (ii) the Director is a director named in the register of directors of the Group which is not dormant;
  - (iii) specific allocation of new shares to the Director of the Company under the Scheme must have been approved by the shareholders of the Company in a general meeting and is not prohibited or disallowed by the relevant authorities or laws from participating in the ESOS.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 26. Employees Share Option Scheme (“ESOS”) (Cont’d)

The salient features of the ESOS are as follows: (Cont’d)

- (c) any employee or Director of the Group (excluding dormant subsidiaries) who fulfil the criteria listed under section (a) and (b) should fulfil the following:
  - (i) the employee or Director who is a Malaysia Citizen, he or she has been in employment with the Group (excluding dormant subsidiaries) for a period of at least 1 year prior to and up to the date of offer; or
  - (ii) the employee or Director who is a non-Malaysian Citizen, he or she has been in employment with the Group on a full time contract for a period of at least 1 year prior to and up to the date of offer;
- (d) The maximum number of new shares to be issued pursuant to the exercise of the shares which may be granted under the ESOS shall not exceed thirty percent (30%) of the total issued and paid-up share capital (excluding treasury shares, if any) of the Company at any point of time throughout the duration of the Employees Share Options;
- (e) The ESOS shall be in force for a period of five (5) years commencing from 5 December 2018;
- (f) The options granted may be exercised any time upon the satisfaction of vesting conditions of each offer except for non-executive Director who must not sell, transfer or assign any ESOS within 1 year from the date of offer;
- (g) The option price of a new ordinary share under the ESOS shall be at the weighted average price of the shares for the five Market Days immediately preceding the date of offer with a discount of not more than ten percent (10%) or such other percentage of discount as maybe permitted by Bursa Securities or any other relevant authorities from time to time;
- (h) Upon exercise of the options, the shares issued rank pari passu in all respects with the then existing ordinary shares of the Company; and
- (i) The employees and Directors to whom the options have been granted have no right to vote at any general meeting of the Company, not entitled to any dividends, rights or other entitlements on his unexercised options.

During the financial year, the ESOS expired on 4 December 2023 pursuant to the By-Laws of the ESOS.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 27. Staff Costs

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Directors' fee	639,434	500,000	319,434	324,000
Salaries, wages and other emoluments	1,668,923	1,847,423	674,125	696,184
Defined contribution plans	223,799	245,117	94,719	98,624
Social security contributions	19,233	19,470	5,847	5,271
Other benefits	72,734	117,590	19,886	7,693
	<u>2,624,123</u>	<u>2,729,600</u>	<u>1,114,011</u>	<u>1,131,772</u>

Included in staff costs is aggregate amount of remuneration received and receivable by the Executive Director and Non-executive Directors of the Company and of the subsidiary companies during the financial year as below:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
<b>Executive Directors</b>				
- Fees	155,834	214,400	41,834	62,400
- Salaries and other emoluments	145,517	251,250	145,517	251,250
- Defined contribution plans	23,836	40,775	23,836	40,775
- Social security contributions	772	1,120	772	1,120
	<u>325,959</u>	<u>507,545</u>	<u>211,959</u>	<u>355,545</u>
<b>Non-executive Directors</b>				
- Fees	483,600	285,600	277,600	261,600
	<u>809,559</u>	<u>793,145</u>	<u>489,559</u>	<u>617,145</u>

## 28. Reconciliation of Liabilities Arising from Financing Activities

The table below details changes in the liabilities of the Company arising from financing activities, including both cash and non-cash changes:

Group	At 1 July Note RM	Financing cash flows (i) RM	New lease (Note 5) RM	Other changes (ii) RM	At 30 June RM
<b>2024</b>					
Lease liabilities	16 <u>163,304</u>	<u>(215,869)</u>	<u>400,721</u>	<u>-</u>	<u>348,156</u>
<b>2023</b>					
Lease liabilities	16 <u>697,641</u>	<u>(206,805)</u>	<u>121,552</u>	<u>(449,084)</u>	<u>163,304</u>
<b>Company</b>					
<b>2024</b>					
Lease liabilities	16 <u>78,972</u>	<u>(145,320)</u>	<u>145,936</u>	<u>-</u>	<u>79,588</u>
<b>2023</b>					
Lease liabilities	16 <u>216,642</u>	<u>(137,670)</u>	<u>-</u>	<u>-</u>	<u>78,972</u>

(a) The cash flows from loans and borrowings make up the net amount of proceeds from or repayments of lease liabilities in the statements of cash flows.

(b) Being derecognition of lease liabilities during the financial year.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 29. Related Party Disclosures

### (a) Identifying related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has 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 or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel comprise the Directors and management personnel of the Group, having authority and responsibility for planning, directing and controlling the activities of the Group entities directly or indirectly.

### (b) Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. In addition to the related party balances disclosed in Note 8, 9 and 18 to the financial statements, the significant related party transactions of the Group and of the Company are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
<b>Transaction with subsidiary companies</b>				
Rental charged to Management and consultation fee charged to	-	-	158,412	158,412
Transfer of assets	-	-	678,120	866,520
	<b>1,889,596</b>	<b>10,202,496</b>	<b>(3,102)</b>	
<b>Transaction with related parties</b>				
Sales to related parties	<b>1,889,596</b>	<b>10,202,496</b>	<b>-</b>	<b>-</b>

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2024

### 29. Related Party Disclosures (Cont'd)

#### (c) Compensation of key management personnel

Remuneration of Directors and other members of key management are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Fees	639,434	500,000	319,434	324,000
Salaries and other emoluments	547,987	565,838	547,987	565,838
Defined contribution plans	75,121	81,675	75,121	81,675
Social security contributions	2,852	3,262	2,852	3,262
	<u>1,265,394</u>	<u>1,150,775</u>	<u>945,394</u>	<u>974,775</u>

### 30. Segment Information

For management purposes, the Group is organised into business units based on the nature of products and services and has three reportable segments as follows:

- (a) Information, communication and technology (“ICT”)
  - Trading of telecommunication products; and
  - Distribution and marketing of information and communication technology products.
- (b) Event management
  - Event and artist management;
  - Digital and media management
  - Selling of tickets and
  - Stage and event contractions.
- (c) Financial solutions
  - Provision of money lending service.

# NOTES TO THE FINANCIAL STATEMENTS

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## 30. Segment Information (Cont'd)

Other reporting segments that do not constitute reportable segments comprise operations related to investment holdings, provision of car jockey services and restaurant operator.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Transactions between segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation. The measurement basis and classification are consistent with those adopted in the previous financial year.

## 30. Segment Information (Cont'd)

Information about segment assets and liabilities are neither included in the internal management reports nor provided regularly to the management. Hence, no disclosures are made on segment assets and liabilities.

	Event management	Financial Solutions	Other operating segments	Total segments	Adjustment and eliminations	Consolidated
	RM	RM	RM	RM	RM	RM
<b>2024</b>						
<b>Revenue</b>						
External customers	7,416,433	1,450,033	35,806	8,902,272	-	8,902,272
Inter-segment	734,063	-	-	734,063	(734,063)	-
<b>Total revenue</b>	<b>8,150,496</b>	<b>1,450,033</b>	<b>35,806</b>	<b>9,636,335</b>	<b>(734,063)</b>	<b>8,902,272</b>
<b>Results</b>						
Interest income	92,011	-	454,295	546,306	-	546,306
Finance costs	(9,153)	-	(4,919)	(14,072)	-	(14,072)
Depreciation of property, plant and equipment	(1,437,241)	(19,084)	(21,623)	(1,477,948)	-	(1,477,948)
Depreciation of right-of-use assets	(72,365)	-	(137,659)	(210,024)	-	(210,024)
Income tax expenses	50,705	(189,207)	-	(138,502)	-	(138,502)
(Loss)/Profit after tax	(4,849,487)	(2,424,709)	(52,542)	(7,326,738)	(316,315)	(7,643,053)
<b>Segment Assets</b>						
Additions to non-current assets	254,785	-	145,936	400,721	-	400,721
Segment assets	11,270,025	23,822,543	49,748,324	84,840,892	(30,513,186)	54,327,706

## NOTES TO THE FINANCIAL STATEMENTS

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## NOTES TO THE FINANCIAL STATEMENTS

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Event management	Financial Solutions	Other operating segments	Total segments	Adjustment and eliminations	Consolidated RM
RM	RM	RM	RM	RM	RM
33,145,478	21,144,522	41,786,616	96,076,616	(84,541,430)	<u>11,535,186</u>
1,500,000	2,810,000	-	4,310,000	-	4,310,000
-	-	46,545	46,545	(46,545)	-
-	(350,366)	-	(350,366)	-	(350,366)
-	-	(362,860)	(362,860)	362,860	-
(28,994)	-	-	(28,994)	-	(28,994)
-	532,334	-	532,334	-	532,334
41,086	-	-	-	-	41,086

### 30. Segment Information (Cont'd)

## NOTES TO THE FINANCIAL STATEMENTS

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### 30. Segment Information (Cont'd)

	Event management	Financial Solutions	Other operating segments	Total segments	Adjustment and eliminations	Consolidated
	RM	RM	RM	RM	RM	RM
<b>2023</b>						
<b>Revenue</b>						
External customers	26,641,788	516,690	(22,189)	27,739,771	-	27,739,771
Inter-segment	13,991,566	-	-	13,991,566	(13,991,566)	-
<b>Total revenue</b>	<b>40,633,354</b>	<b>516,690</b>	<b>(22,189)</b>	<b>41,731,337</b>	<b>(13,991,566)</b>	<b>27,739,771</b>
<b>Results</b>						
Interest income	9,889	7,961	405,067	422,917	-	422,917
Finance costs	(12,232)	(79)	(12,570)	(24,881)	-	(24,881)
Depreciation of property, plant and equipment	(2,169,172)	(23,789)	(21,079)	(2,214,268)	-	(2,214,268)
Depreciation of right-of-use assets	(65,463)	(6,994)	(131,636)	(204,093)	-	(204,093)
Income tax expenses	(87,673)	(65,086)	-	(152,759)	-	(152,759)
Loss after tax	(7,864,931)	(4,671)	(16,966,980)	(24,932,867)	12,605,728	(12,327,139)
<b>Segment Assets</b>						
Additions to non-current assets	959,365	-	14,934	974,299	-	974,299
Segment assets	14,079,062	18,531,008	44,988,809	79,426,487	(25,010,020)	54,416,467

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## 30. Segment Information (Cont'd)

	Event management	Financial Solutions	Other operating segments	Total segments	Adjustment and eliminations	Consolidated
	RM	RM	RM	RM	RM	RM
<b>Segment Liabilities</b>						
Segment Liabilities	31,105,026	13,428,278	17,967,662	88,081,824	(84,100,930)	3,980,894
<b>Other non-cash items</b>						
Bad debts written off	114,731	81,626	7,810,370	8,007,777	-	8,007,777
Loss/(Gain) on disposal of:						
- Property, plant and equipment	3,797,989	-	-	3,797,989	-	3,797,989
- Assets held for sale	-	(100,777)	-	(100,777)	-	(100,777)
- Subsidiary companies	-	-	-	-	(3,955,665)	(3,955,665)
Impairment loss on:						
- Trade receivables	-	1,001,553	-	1,001,553	-	1,001,553
- Amount due from subsidiary companies	-	-	9,255,684	9,255,684	(9,255,684)	-
Unrealised loss on foreign exchange		(124,909)	-	-	(124,909)	(124,909)
Unwinding of discount:						-
- Trade receivables	-	(980,560)	-	(980,560)	-	(980,560)
Property, plant and equipment written off	6,110	-	-	6,110	-	6,110

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2024

### 30. Segment Information (Cont'd)

#### Geographical information

No disclosure on geographical segment information as the Group operates predominantly in Malaysia.

#### Major customers

Revenue from 2 (2023: 6) major customers in the event management segments represent approximately amount to RM4,856,682 (2023: RM13,959,524) or 55% (2023: 50%) of the Group's revenue.

### 31. Financial instruments

#### (a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 3 describe how the classes of the financial instruments are measured, and how income and expenses, including fair values gains and losses are recognised.

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

<b>Group 2024</b>	<b>Financial assets at amortised cost</b>	<b>Financial liabilities at amortised cost</b>	<b>Total</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Financial Assets</b>			
<b>Trade receivables</b>			
Trade receivables	24,090,469	-	24,090,469
Other receivables	202,034	-	202,034
Fixed deposits with licensed banks	9,548,712	-	9,548,712
Cash and bank balances	5,996,034	-	5,996,034
	<b>39,837,249</b>	<b>-</b>	<b>39,837,249</b>

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 32. Financial Instruments (Cont'd)

#### (a) Classification of financial instruments (Cont'd)

<b>Group</b>	<b>Financial assets at amortised cost</b>	<b>Financial liabilities at amortised cost</b>	<b>Total</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>2024</b>			
<b>Financial Liabilities</b>			
Trade payables	-	640,051	640,051
Other payables	-	456,960	456,960
Lease liabilities	-	348,156	348,156
	<b>1,445,167</b>	<b>1,445,167</b>	<b>1,445,167</b>
<b>2023</b>			
<b>Financial Assets</b>			
Trade receivables	19,929,386	-	19,929,386
Other receivables	198,945	-	198,945
Fixed deposits with licensed banks	12,298,270	-	12,298,270
Cash and bank balances	13,711,034	-	13,711,034
	<b>46,137,635</b>	<b>-</b>	<b>46,137,635</b>
<b>Financial Liabilities</b>			
Trade payables	-	1,342,693	1,342,693
Other payables	-	1,547,424	1,547,424
Lease liabilities	-	163,304	163,304
	<b>3,053,421</b>	<b>-</b>	<b>3,053,421</b>
		<b>2024</b>	<b>2023</b>
		<b>RM</b>	<b>RM</b>
<b>At FVTPL</b>			
<b>Financial Asset</b>			
Other investments		<b>6,602,729</b>	<b>-</b>

**NOTES TO THE  
FINANCIAL STATEMENTS**  
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**32. Financial Instruments (Cont'd)**

(a) Classification of financial instruments (Cont'd)

<b>Company</b>	<b>Financial</b>	<b>Financial</b>	<b>Total</b>
	<b>assets at</b>	<b>liabilities at</b>	
	<b>amortised cost</b>	<b>amortised cost</b>	<b>RM</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>2024</b>			
<b>Financial Assets</b>			
Other receivables	48,828	-	48,828
Amount due from subsidiary companies	28,294,601	-	28,294,601
Fixed deposits with licensed banks	9,340,748	-	9,340,748
Cash and bank balances	3,180,691	-	3,180,691
	<b>40,864,868</b>	<b>-</b>	<b>40,864,868</b>
<b>Financial Liabilities</b>			
Other payables	-	218,575	218,575
Lease liabilities	-	79,588	79,588
	<b>-</b>	<b>298,163</b>	<b>298,163</b>
<b>2023</b>			
<b>Financial Assets</b>			
Other receivables	49,731	-	49,731
Amount due from subsidiary companies	19,730,140	-	19,730,140
Fixed deposits with licensed banks	12,094,853	-	12,094,853
Cash and bank balances	9,179,515	-	9,179,515
	<b>41,054,239</b>	<b>-</b>	<b>41,054,239</b>
<b>Financial Liabilities</b>			
Other payables	-	233,574	233,574
Lease liabilities	-	78,972	78,972
	<b>-</b>	<b>312,546</b>	<b>312,546</b>

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 32. Financial Instruments (Cont'd)

### (b) 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 its credit, liquidity and interest rate risks. 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 exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

#### (i) 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 from customers and deposits with banks and financial institutions. The Company's exposure to credit risk arises principally from loans and advances to subsidiary companies. There are no significant changes as compared to prior periods.

The Group and the Company have adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposit with banks and financial institutions with good credit rating. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.

The Company provides unsecured loans and advances to subsidiary companies. The Company monitors on an ongoing basis the results of the subsidiary companies and repayments made by the subsidiary companies.

At each reporting date, the Group and the Company assess whether any if the receivables are credit impaired.

The gross carrying amounts of credit impaired trade receivables are written off (either partial or full) when 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. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2024

### 32. Financial Instruments (Cont'd)

#### (b) Financial risk management objectives and policies (Cont'd)

##### (i) Credit risk (Cont'd)

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the financial year represent the Group's and the Company's maximum exposure to credit risk. There was no indication that any subsidiary companies would default on repayment as at the end of the reporting period. There are no significant changes as compared to previous financial year.

At the end of the reporting period, approximately 92% (2023: 89%) of the Group's trade receivables were due from 5 (2023: 3) major customers who are financial borrowers located in Malaysia.

##### (ii) Liquidity risk

Liquidity risk refers to the risk that the Group or the Company will encounter difficulty in meeting its financial obligations as they fall due. 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 funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group finances its liquidity through internally generated cash flows and minimises liquidity risk by keeping committed credit lines available.

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### 32. Financial Instruments (Cont'd)

#### (b) Financial risk management objectives and policies (Cont'd)

##### (ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

Group	2024	On demand or within 1 year	1 - 2 years	Total contractual cash flows	Total carrying amount	
		RM	RM	RM	RM	
<b>2024</b>						
<b>Non-derivative financial liabilities</b>						
Trade payables		640,051	-	640,051	640,051	
Other payables		456,960	-	456,960	456,960	
Lease liabilities		262,778	102,303	365,081	348,156	
		<b>1,359,789</b>	<b>102,303</b>	<b>1,462,092</b>	<b>1,445,167</b>	
<b>2023</b>						
<b>Non-derivative financial liabilities</b>						
Trade payables		1,342,693	-	1,342,693	1,342,693	
Other payables		1,547,424	-	1,547,424	1,547,424	
Lease liabilities		126,374	45,600	171,974	163,304	
		<b>3,016,491</b>	<b>45,600</b>	<b>3,062,091</b>	<b>3,053,421</b>	

**NOTES TO THE  
FINANCIAL STATEMENTS**  
30 JUNE 2024

**32. Financial Instruments (Cont'd)**

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

<b>Company</b>	<b>On demand or within 1 year</b>	<b>Total contractual cash flows</b>	<b>Total carrying amount</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>2024</b>			
<b>Non-derivative financial liabilities</b>			
Other payables			
	218,575	218,575	218,575
Lease liabilities			
	80,774	80,774	79,588
	299,349	299,349	298,163
<b>2023</b>			
<b>Non-derivative financial liabilities</b>			
Other payables			
	233,574	233,574	233,574
Lease liabilities			
	80,774	80,774	78,972
	314,348	314,348	312,546

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

## 32. Financial Instruments (Cont'd)

### (c) Interest rate risk

The Group's and the Company's fixed rate deposits placed with licensed banks and borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

The Group manages the interest rate risk of its deposits with licensed banks by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and maintaining a prudent mix of short and long term deposits.

The Group manages its interest rate risk exposure from interest bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group constantly monitors its interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group does not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.

The interest rate profile of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amount as at the end of the reporting period was:

	2024	2023
	RM	RM
<b>Group</b>		
<b>Fixed rate instruments</b>		
Financial assets	33,009,483	30,442,622
Financial liability	(348,156)	(163,304)
	<hr/> <hr/> 32,661,327	<hr/> <hr/> 30,279,318
<b>Company</b>		
<b>Fixed rate instruments</b>		
Financial assets	9,340,748	12,094,853
Financial liability	(79,588)	(78,972)
	<hr/> <hr/> 9,261,160	<hr/> <hr/> 12,015,881

### Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2024

### 32. Financial Instruments (Cont'd)

#### (d) Fair value of financial instruments

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

It was not practicable to estimate the fair value of investment in unquoted equity due to the lack of comparable quoted prices in an active market and the fair value cannot be reliably measured.

#### (e) Fair value hierarchy

No fair value hierarchy has been disclosed as the Group and the Company do not have financial instruments measured at fair value.

### 33. Capital Management

Total capital managed at the Group level is the shareholders' funds as shown in the statements of the financial position.

The primary objective of the Group's capital management is to ensure that it maintains a strong credit and financially prudent capital ratios in order to support its current business as well as future expansion so as to maximise the shareholder value.

The Group manages its capital structure and make adjustment to it, in light of changes in economic condition including the interest rate movements. To maintain and adjust capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

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

### 34. Date of Authorisation for Issue

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 25 October 2024.

# ANALYSIS OF SHAREHOLDINGS

AS AT 30 SEPTEMBER 2024

## ISSUED SHARES OF THE COMPANY

Total Number of Issued Shares	:	1,135,709,139 ordinary shares
Class of Shares	:	Ordinary shares
Voting Rights	:	One vote per ordinary share

## DISTRIBUTION OF SHAREHOLDERS (BASED ON THE RECORD OF DEPOSITORS)

Size of Holdings	No. of Shareholders	No. of Shares Held	%
Less than 100	129	5,374	*
100 – 1,000	621	296,280	0.03
1,001 – 10,000	1,672	10,306,800	0.90
10,001 – 100,000	2,285	94,133,435	8.29
100,001 to less than 5% of issued shares	651	630,181,850	55.49
5% and above of issued shares	4	400,785,400	35.29
<b>Total</b>	<b>5,362</b>	<b>1,135,709,139</b>	<b>100.00</b>

\* Less than 0.01

## LIST OF 30 LARGEST SECURITIES ACCOUNT HOLDERS

(BASED ON THE RECORD OF DEPOSITORS)

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNT BELONGING TO THE SAME PERSON)

Name of Shareholders	No. of Shares Held	%
1. Key Alliance Group Berhad	140,451,200	12.37
2. Citigroup Nominees (Asing) Sdn. Bhd.		
Exempt An for CLSA Limited (Cust-Non Res)	101,934,200	8.98
3. Alliancegroup Nominees (Tempatan) Sdn. Bhd.		
Pledged Securities Account for Lim Pak Hong (7001583)	80,000,000	7.04
4. M & A Nominee (Asing) Sdn Bhd		
Exempt An for SFGHK Limited (Account Client)	78,400,000	6.90
5. Unik Makmur Sdn. Bhd.	50,934,900	4.48
6. MIDF Amanah Investment Nominees (Asing) Sdn. Bhd.		
for Lazarus Securities Pty Ltd for Lazarus Capital Partners Global Equities Fund	46,000,000	4.05
7. Cartaban Nominees (Asing) Sdn. Bhd.		
Exempt An for Standard Chartered Bank Singapore (EFGBHK-ASING)	42,649,600	3.76
8. Attractive Venture Sdn. Bhd.	36,460,300	3.21
9. Go Kian Lee	32,373,300	2.85
10. Ting Khin Soon	21,414,900	1.89
11. Fast Assets Sdn. Bhd.	20,250,000	1.78
12. Parlo Tours Sdn. Bhd.	15,000,000	1.32
13. Affin Hwang Nominees (Asing) Sdn. Bhd.		
Exempt An for SFGHK Limited (Account Client)	12,034,300	1.06
14. Woon Jing Wei	12,000,000	1.06
15. Kong Kok Keong	11,000,000	0.97
16. Chai Koon Khow	10,357,500	0.91
17. AE Multi Industries Sdn. Bhd.	10,000,000	0.88

## ANALYSIS OF SHAREHOLDINGS

AS AT 30 SEPTEMBER 2024

### LIST OF 30 LARGEST SECURITIES ACCOUNT HOLDERS (CONT'D)

(BASED ON THE RECORD OF DEPOSITORS)

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNT BELONGING TO THE SAME PERSON)

Name of Shareholders	No. of Shares Held	%
18. Chung Kin Chuan	8,779,000	0.77
19. Ho Chin Din	6,396,900	0.56
20. Ling Kee Ong	6,098,500	0.54
21. Wong Ngie Tien	5,430,200	0.48
22. Apex Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Pang Poh Chen (STA 1)	4,700,000	0.41
23. HSBC Nominees (Asing) Sdn. Bhd. Exempt An for the Morgan Stanley & Co. International Plc (IPB Client Acct)	4,604,300	0.41
24. Tan Yoke Cheong	3,798,900	0.33
25. Lam Boon Wai	3,616,800	0.32
26. Choi Fook Chye	3,500,000	0.31
27. Kenanga Nominees (Tempatan) Sdn. Bhd. Rakuten Trade Sdn. Bhd. for Chong Siau Yian	3,500,000	0.31
28. Mok Ching Yam	3,400,000	0.30
29. Wong Geak Mooi	3,300,000	0.29
30. Heng Jooi Hui	3,000,000	0.26
<b>TOTAL</b>	<b>781,384,800</b>	<b>68.80</b>

### LIST OF SUBSTANTIAL SHAREHOLDERS

(BASED ON THE REGISTER OF SUBSTANTIAL SHAREHOLDERS)

Name of Substantial Shareholders	Direct	No. of Shares Held		%
		%	Indirect	
1. XOX (Hong Kong) Limited	171,000,000	15.06	-	-
2. XOX Bhd	-	-	171,000,000 <sup>^</sup>	15.06
3. Key Alliance Group Berhad	140,451,200	12.37	-	-
4. ACE Solution Investments Limited	140,000,000	12.33	-	-
5. Lim Pak Hong	80,000,000	7.04	-	-

<sup>^</sup> Deemed interested by virtue of Section 8 of the Companies Act 2016 through its shareholding in XOX (Hong Kong) Limited

### LIST OF DIRECTORS' SHAREHOLDINGS

(BASED ON THE REGISTER OF DIRECTORS' SHAREHOLDINGS)

Name of Directors	Direct	No. of Shares Held		%
		%	Indirect	
1. YM Tengku Ezuan Ismara bin Tengku Nun Ahmad	-	-	-	-
2. Andy Liew Hock Sim	-	-	-	-
3. Lionel Vernon Yong Nguon Kee	-	-	-	-
4. Lee Kien Fatt	-	-	-	-
5. Woon Sing Jiunn	-	-	-	-

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Nineteenth Annual General Meeting (“**19<sup>th</sup> AGM**” or “**Meeting**”) of XOX Networks Berhad (“**XOX Networks**” or the “**Company**”) will be held and conducted on a virtual basis through live streaming and online remote participation and voting 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, Malaysia via online meeting platform at <https://rebrand.ly/XOXNetworksAGM> on Wednesday, 27 November 2024 at 2:30 p.m. or at any adjournment thereof to transact the following business:

## AGENDA

1. To receive the Audited Financial Statements for the financial year ended 30 June 2024 together with the Reports of the Directors and Auditors thereon.
2. To approve the payment of Directors’ fees and other benefits payable of up to RM550,000 to be divided amongst the Directors in such manner as the Directors may determine for the period commencing from 27 November 2024 until the conclusion of the next annual general meeting of the Company.
3. To re-elect the following Directors who retire by rotation in accordance with Clause 107 of the Company’s Constitution and who being eligible, have offered themselves for re-election:
  - (i) YM Tengku Ezuan Ismara Bin Tengku Nun Ahmad; and
  - (ii) Mr. Lee Kien Fatt
4. To re-appoint Messrs UHY as External Auditors of the Company until the conclusion of the next annual general meeting and to authorise the Directors to fix their remuneration.

**Please refer to  
Explanatory Note 1**

**(Ordinary Resolution 1)**

**(Ordinary Resolution 2)  
(Ordinary Resolution 3)**

**(Ordinary Resolution 4)**

## AS SPECIAL BUSINESS

To consider and, if thought fit, pass with or without any modifications, the following resolutions:

5. **Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016**

**(Ordinary Resolution 5)**

**“THAT** pursuant to Sections 75 and 76 of the Companies Act 2016, and subject to the approvals of the relevant governmental and/or regulatory authorities, the Directors of the Company be and are hereby empowered to allot and issue shares in the Company from time to time at such price, upon such terms and conditions, for such purposes and to such person or persons whomsoever 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 ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) for the time being and that the Directors be and are also empowered to obtain approval from Bursa Malaysia Securities Berhad (“**Bursa Securities**”) for the listing of and quotation for the additional shares so issued and that such authority shall continue in force until the conclusion of the next annual general meeting of the Company after the approval was given or at the expiry of the period within which the next annual general meeting is required to be held after the approval was given, whichever is earlier unless revoked or varied by an ordinary resolution of the Company at a general meeting (“**Mandate**”);

**THAT** approval be and is hereby given for the Company to waive the statutory pre-emptive rights of the existing shareholders of the Company to be offered new shares in proportion to their shareholdings ranking equally to the existing issued shares of the Company pursuant to Section 85 of the Companies Act 2016 and Clause 59 of the Constitution of the Company arising from any issuance of new shares pursuant to the Mandate;

## NOTICE OF ANNUAL GENERAL MEETING

**AND THAT** the Board of Directors (“**Board**”) of the Company is exempted from the obligation to offer such new shares first to the existing shareholders of the Company arising from any issuance of new shares pursuant to the Mandate.”

6. **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 6)

“**THAT**, subject to the provisions of the ACE Market Listing Requirements of Bursa Securities and/or any other applicable laws, regulations and guidelines, approval be and is hereby given for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.4 of the Circular to Shareholders in relation to the Proposed Shareholders’ Mandate dated 30 October 2024 provided that such transactions are in the ordinary course of business which are necessary for the day-to-day operations, made on an arm’s length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company;

**THAT** such authority shall commence immediately upon the passing of this resolution and shall continue to be in force until:

- (a) the conclusion of the next annual general meeting of the Company following the general meeting at which this ordinary resolution for the Proposed Shareholders’ Mandate was passed, at which time it will lapse, unless the authority is renewed by an ordinary resolution passed at the next annual general meeting;
- (b) the expiration of the period within which the next annual general meeting of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (c) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting of the Company,

whichever is the earlier;

**AND THAT** the Directors of the Company be and are hereby authorised to complete and do all such acts and things and take all such steps and to execute all such transactions, deeds, agreements, arrangements and/or undertakings as the Directors in their discretion deem fit, necessary, expedient and/or appropriate in the best interest of the Company in order to implement, finalise and give full effect to the Proposed Shareholders’ Mandate and such transactions as authorised by this ordinary resolution with full powers to assent to any modifications, variations and/or amendments thereto.”

7. To transact any other business for which due notice shall have been given in accordance with the Companies Act 2016 and/or the Constitution of the Company.

# NOTICE OF ANNUAL GENERAL MEETING

## 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

30 October 2024

### **Notes:**

1. A member of the Company entitled to attend and vote is entitled to appoint a maximum of two (2) proxies to attend, participate (including pose questions to the Board of the Company) and vote in his/her/its stead. Where a member appoints two (2) proxies to attend, participate and vote at the 19<sup>th</sup> AGM, he/she/it shall specify the proportions of his/her/its shareholdings to be represented by each proxy, failing which, the appointments shall be invalid.

Please read and follow the procedures as set out in the Administrative Guide of the 19<sup>th</sup> AGM which can be downloaded from the Company's announcement on Bursa Malaysia Berhad's website at [www.bursamalaysia.com](http://www.bursamalaysia.com) in order to register, participate and vote remotely.

2. The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman to be present at the main venue of the 19<sup>th</sup> AGM. No members/proxies/corporate representatives/attorneys from the public shall be physically present at the Broadcast Venue on the day of the 19<sup>th</sup> AGM.
3. For the purpose of determining a member who shall be entitled to attend the 19<sup>th</sup> AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a General Meeting Record of Depositors as at 19 November 2024. Only a depositor whose name appears on the Record of Depositors as at 19 November 2024 shall be entitled to attend, participate and vote at the 19<sup>th</sup> AGM or appoint a proxy(ies)/corporate representative(s)/attorney(s) to attend, participate and vote on his/her/its behalf.
4. A proxy may but need not be a member of the Company.
5. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the share registrar office of the Company, ShareWorks Sdn. Bhd. at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time for holding the 19<sup>th</sup> AGM or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for taking of the poll, and in default the instrument of proxy shall not be treated as valid. The instrument appointing a proxy transmitted by facsimile or electronic mail will not be accepted.
6. Where a member is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 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.
7. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds which is credited with the shares of the Company. The appointment of two (2) proxies in respect of a particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.

## NOTICE OF ANNUAL GENERAL MEETING

### **Notes (Cont'd):**

8. The instrument appointing a proxy shall be in writing under the hand of the member or of his attorney duly authorised in writing or, if the member is a corporation, either under its common seal or under the hand of two (2) authorised officers, one of whom shall be a director, or of its attorney duly authorised in writing.
9. Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Securities, all the resolutions set out in this Notice will be put to vote by way of poll.

### **EXPLANATORY NOTES**

#### **1. Audited Financial Statements for the Financial Year Ended 30 June 2024**

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

#### **2. Ordinary Resolution 1: Proposed Payment of Directors' Fees and Other Benefits Payable**

Section 230(1) of the Companies Act 2016 provides that the Directors' fees and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved by the shareholders at a general meeting.

This resolution is to facilitate payment of Directors' fees and/or other benefits payable as and when required. In the event the Directors' fees proposed is insufficient, approval will be sought at the next Annual General Meeting for additional fees to meet the shortfall.

#### **3. Ordinary Resolutions 2 and 3: Re-election of Directors**

The following Directors are standing for re-election as Directors of the Company pursuant to Clause 107 of the Company's Constitution at the 19<sup>th</sup> AGM of the Company and are being eligible have offered themselves for re-election in accordance with the Company's Constitution:

- (i) YM Tengku Ezuan Ismara Bin Tengku Nun Ahmad; and
- (ii) Mr. Lee Kien Fatt.

(collectively referred to as "**Retiring Directors**")

For the purpose of determining the eligibility of the Retiring Directors to stand for re-election at the 19<sup>th</sup> AGM, the Board through its Nomination and Remuneration Committee ("**NRC**") had assessed the Retiring Directors, and considered the following:

- (i) The Directors' performance and contribution;
- (ii) The Directors' skills, experience and strength in qualities; and
- (iii) The Directors' ability to act in the best interest of the Company in decision-making.

Upon deliberation, the Board (except for the Retiring Directors who had abstained from deliberations and decisions on their own eligibility to stand for re-election at the relevant Board and NRC meetings) 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.

# NOTICE OF ANNUAL GENERAL MEETING

## EXPLANATORY NOTES (CONT'D)

### 3. Ordinary Resolutions 2 and 3: Re-election of Directors (Cont'd)

Further, the NRC has considered and affirmed, and the Board has endorsed that YM Tengku Ezuan Ismara Bin Tengku Nun Ahmad comply with the independence criteria as prescribed in the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and remained independent in exercising his judgment and in carrying out his duties as Independent Non-Executive Director.

### 4. Ordinary Resolution 4: Re-appointment of External Auditors

The Audit and Risk Management Committee (“**ARMC**”) has assessed the objectivity, suitability and independence of the External Auditors and recommended the re-appointment of Messrs. UHY as External Auditors of the Company for the financial year ending 30 June 2025. The Board has in turn reviewed the recommendation of the ARMC and recommended the same for the shareholders’ approval at the 19<sup>th</sup> AGM of the Company.

### 5. Ordinary Resolution 5: Authority to Allot and Issue and Shares Pursuant to Sections 75 and 76 of the Companies Act 2016

Ordinary Resolution 5 is proposed pursuant to Sections 75 and 76 of the Companies Act 2016 for the purpose of obtaining a renewed general mandate (“**Renewed General Mandate**”), which if passed, will empower the Directors of the Company to allot and issue new ordinary shares in the Company at any time provided that the aggregate number of shares issued pursuant to the Renewed General Mandate does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares, if any) of the Company for the time being for such purposes as the Directors deem fit and in the best interest of the Company. This would avoid any delay and cost involved in convening a general meeting to approve such an issue of shares. This Renewed General Mandate will, unless revoked or varied by the Company at a general meeting, expire at the conclusion of the next annual general meeting after the approval was given or at the expiry of the period within which the next annual general meeting is required to be held after the approval was given, whichever is the earlier. This Renewed General Mandate, if granted, will provide flexibility to the Company for any possible fundraising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s).

Pursuant to Section 85(1) of the Companies Act 2016 read together with Clause 59 of the Company’s Constitution, 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.*

#### **Clause 59 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 issue 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 Board may dispose of those shares or securities in such manner as it think most beneficial to the Company. The Board 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 Board, be conveniently offered under this Constitution and the Rules.*

## NOTICE OF ANNUAL GENERAL MEETING

### EXPLANATORY NOTES (CONT'D)

#### 5. Ordinary Resolution 5: Authority to Allot and Issue and Shares Pursuant to Sections 75 and 76 of the Companies Act 2016 (Cont'd)

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 5, if passed, will exclude your pre-emptive rights over all new shares in the Company to be issued under the Renewed General Mandate.

As at the date of this Notice, no new ordinary shares in the Company were issued pursuant to the general mandate granted to the Directors at the Eighteenth Annual General Meeting of the Company held on 27 November 2023 and it will lapse at the conclusion of the 19<sup>th</sup> AGM of the Company.

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

Ordinary Resolution 6, if passed, will authorise the Company and/or its subsidiary to enter into recurrent related party transactions of a revenue or trading nature. This authority, unless revoked or varied by the Company in a general meeting, will expire at the next annual general meeting of the Company. Please refer to the Circular to Shareholders dated 30 October 2024 for further information.

# STATEMENT ACCOMPANYING NOTICE OF NINETEENTH ANNUAL GENERAL MEETING ("19<sup>TH</sup> AGM")

(PURSUANT TO RULE 8.29(2) OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA  
MALAYSIA SECURITIES BERHAD)

1. No individual is seeking election as a Director of the Company (excluding the Directors who are standing for re-election under Ordinary Resolutions 2 and 3) at the 19<sup>th</sup> AGM.
2. Details of the general mandate to allot and issue shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in proposed Ordinary Resolution 5 and Explanatory Note No. 5 of the Notice of 19<sup>th</sup> AGM.

# ADMINISTRATIVE GUIDE FOR THE NINETEENTH ANNUAL GENERAL MEETING

(“19<sup>TH</sup> AGM” OR “MEETING”)

Date	Time	Broadcast Venue
Wednesday, 27 November 2024	2:30 p.m.	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

## MODE OF MEETING

- The 19<sup>th</sup> AGM of XOX Networks Berhad (“**XOX Networks**” or the “**Company**”) will be held and conducted on a virtual basis through live streaming and online remote participation and voting (“**RPV**”) from the Broadcast Venue.
- The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman to be present at the main venue of the 19<sup>th</sup> AGM.
- All Shareholders of the Company (“**Shareholders**” or “**Members**”) or his/her/its Proxies/Corporate Representatives/Attorneys who wish to attend, participate and vote remotely at the 19<sup>th</sup> AGM have to register themselves via the RPV platform, the details of which are set out below.
- No Shareholders/Proxies/Corporate Representatives/Attorneys will be allowed to be physically present at the Broadcast Venue on the day of the 19<sup>th</sup> AGM.
- Only Members whose names appear on the General Meeting Record of Depositors as at 19 November 2024 shall be eligible to attend, participate and vote at the 19<sup>th</sup> AGM or appoint Proxy(ies)/Corporate Representative(s)/Attorney(s) to attend, participate and vote on his/her/its behalf.

## RPV

- With the RPV facilities, Members may exercise their rights to attend, participate (including to pose questions to the Board of Directors (“**Board**”) of the Company) and vote at the 19<sup>th</sup> AGM.
- The procedures for the RPV in respect of the live streaming and remote voting at the 19<sup>th</sup> AGM are as follows:

Procedures	Action
<b>Before the 19<sup>th</sup> AGM</b>	
1. Register as a participant in Virtual 19 <sup>th</sup> AGM 	<ul style="list-style-type: none"> <li>Using your computer, access the website at <a href="https://rebrand.ly/XOXNetworksAGM">https://rebrand.ly/XOXNetworksAGM</a></li> <li>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 19<sup>th</sup> AGM session.</li> <li>Upon submission of your registration, you will receive an email notifying you that your registration has been received and is pending verification.</li> <li>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 refer to the tutorial guide posted on the same page for assistance.</li> </ul>

# ADMINISTRATIVE GUIDE FOR THE NINETEENTH ANNUAL GENERAL MEETING

(“19<sup>TH</sup> AGM” OR “MEETING”)

## RPV (CONT'D)

2. The procedures for the RPV in respect of the live streaming and remote voting at the 19<sup>th</sup> AGM are as follows (Cont'd):

Procedures	Action
<b>Before the 19<sup>th</sup> AGM</b>	
2. Submit your online registration	<ul style="list-style-type: none"> <li>Shareholders who wish to participate and vote remotely at the 19<sup>th</sup> AGM via RPV facilities are required to register prior to the meeting. The registration will open from <b>2:30 p.m. on 30 October 2024</b> and close at <b>2.30 p.m. on 25 November 2024</b>.</li> <li>Clicking on the link mentioned in item 1 will redirect you to the 19th AGM event page. Click on the <b>Register</b> link for the online registration form.</li> <li>Complete your particulars in the registration page. Your name <b>MUST</b> match your CDS account name (not applicable for Proxy).</li> <li>Insert your CDS account number(s) and indicate the number of shares you hold.</li> <li>Read and agree to the Terms &amp; Conditions and confirm the Declarations.</li> <li>Please ensure all information given is accurate before you click <b>Submit</b> to register your remote participation. Failure to do so will result in your registration being rejected.</li> </ul>
<u>Email Notification to Shareholders</u>	
	<ul style="list-style-type: none"> <li>The system will send an email to notify that your registration for remote participation is received and will be verified.</li> <li>After verification of your registration against the General Meeting Record of Depositors of the Company as at <b>19 November 2024</b> the system will send you an email to notify you if your registration is approved or rejected after <b>20 November 2024</b>.</li> <li>If your registration is rejected, you can contact the Company's Poll Administrator for clarifications or to appeal.</li> </ul>
<b>On the day of 19<sup>th</sup> AGM</b>	
3. Attending Virtual AGM	<ul style="list-style-type: none"> <li>Two reminder emails will be sent to your inbox. First is one day before the 19<sup>th</sup> AGM, while the second will be sent 1 hour before the 19<sup>th</sup> AGM session.</li> <li>Click <b>Join Event</b> in the reminder email to participate in the RPV.</li> </ul>
4. Participate with live video	<ul style="list-style-type: none"> <li>You will be given a short brief about the system.</li> <li>Your microphone is muted throughout the whole session.</li> <li>If you have any questions for the Chairman/Board, you may use the <b>Q&amp;A panel</b> to send your questions. The Chairman/Board will try to respond to relevant questions if time permits. All relevant questions received throughout the session which are not answered during the 19<sup>th</sup> AGM will be replied later to your registered email.</li> <li>Take note that the quality of the live streaming is dependent on the bandwidth and stability of the internet connection at your location.</li> </ul>
5. Online Remote Voting	<ul style="list-style-type: none"> <li>The Chairman will announce the commencement of the voting session and the duration allowed at the 19<sup>th</sup> AGM.</li> <li>The list of resolutions for voting will appear on the right-hand side of your computer screen under the <b>Slido</b> panel. You are required to indicate your votes for the resolutions that are tabled for voting within the given time frame.</li> <li>Click on the <b>Submit</b> button when you have completed.</li> <li>Votes cannot be changed once it is submitted.</li> </ul>
6. End of RPV Facility	<ul style="list-style-type: none"> <li>Upon the announcement by the Chairman on the closure of the 19<sup>th</sup> AGM, the live session will end.</li> </ul>

# ADMINISTRATIVE GUIDE FOR THE NINETEENTH ANNUAL GENERAL MEETING (“19<sup>TH</sup> AGM” OR “MEETING”)

## APPOINTMENT OF PROXY/CORPORATE REPRESENTATIVE/ATTORNEY

- i. **Member (Individual Member, Corporate Shareholder, Authorised Nominee or Exempt Authorised Nominee) who is appointing Proxy(ies)** to attend, participate and vote at the 19<sup>th</sup> AGM must ensure the original duly signed and executed Form of Proxy is delivered to the Share Registrar, ShareWorks Sdn. Bhd. at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia **not later than 26 November 2024 at 2:30 p.m.** The instrument appointing a proxy transmitted by facsimile or electronic mail will not be accepted.
- ii. The instrument appointing a Proxy shall be in writing under the hand of the Member or of his attorney duly authorised in writing or, if the Member is a corporation, either under its common seal or under the hand of two (2) authorised officers, one of whom shall be a director, or of its attorney duly authorised in writing.
- iii. If a Member is unable to attend the 19<sup>th</sup> AGM, he/she/it is encouraged to appoint the Chairman of the 19<sup>th</sup> AGM as his/her/its Proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.
- iv. **Corporate Shareholder who is appointing Corporate Representative(s)** instead of Proxy(ies) must send the hardcopy of the following documents to the Share Registrar, ShareWorks Sdn. Bhd. at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia **not later than 26 November 2024 at 2:30 p.m.**
  - Certificate of Appointment of Corporate Representative (“**Certificate**”) under the seal of the corporation or in accordance with the provision of its constitution or by two (2) authorised officers (one of whom shall be a director, or of its attorney duly authorised in writing) duly authorised on behalf of the corporation. If the Certificate is not executed under the seal of the corporation or it is only signed by 1 authorised officer, please attach a copy of that corporation’s constitution for verification;
  - Copy of the Corporate Representative’s MYKAD (for Malaysian)/Passport (for non-Malaysian); and
  - Corporate Representative’s email address and mobile phone number.
- v. **Member who is appointing Attorney(s)** instead of Proxy(ies) must send the hardcopy of the following documents to the Share Registrar, ShareWorks Sdn. Bhd. at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia **not later than 26 November 2024 at 2:30 p.m.**
  - Power of Attorney which is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
  - Copy of the Attorney’s MYKAD (for Malaysian) / Passport (for non-Malaysian); and
  - Attorney’s email address and mobile phone number.

## REVOCATION OF PROXY

Please note that if a Member has submitted his/her/its Form of Proxy prior to the 19<sup>th</sup> AGM and subsequently decides to personally attend and participate in the 19<sup>th</sup> AGM via the RPV platform, the Member must contact ShareWorks Sdn. Bhd. via the contact details set out below to revoke the appointment of his/her/its proxy not later than **26 November 2024 at 2:30 p.m.**

# ADMINISTRATIVE GUIDE FOR THE NINETEENTH ANNUAL GENERAL MEETING

(“19<sup>TH</sup> AGM” OR “MEETING”)

## POLL VOTING

The voting at the 19<sup>th</sup> AGM will be conducted by poll in accordance with Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed ShareWorks Sdn. Bhd. as Poll Administrator to conduct the poll by way of electronic means and SharePolls Sdn. Bhd. as an Independent Scrutineer to verify the poll results.

The Independent Scrutineer will verify the poll results and the Chairman will declare whether the resolutions are duly passed or otherwise.

## PRE-MEETING SUBMISSION OF QUESTIONS TO THE BOARD

Members may before the 19<sup>th</sup> AGM submit questions to the Board to [ask@xoxnetworks.com.my](mailto:ask@xoxnetworks.com.my) not later than **26 November 2024 at 2:30 p.m.** The Board will endeavour to address the questions received at the 19<sup>th</sup> AGM.

## NO RECORDING OR PHOTOGRAPHY

Strictly **NO recording or photography** of the proceedings of the 19<sup>th</sup> AGM is allowed.

## NO BREAKFAST/LUNCH PACKS, DOOR GIFTS OR FOOD VOUCHERS

There will be **NO** distribution of breakfast/lunch packs, door gifts or food vouchers to the Members or Proxy(ies)/Corporate Representative(s)/Attorney(s) who participate in the 19<sup>th</sup> AGM.

## ENQUIRY

If you have any enquiry prior to the 19<sup>th</sup> AGM, please contact the following officers during office hours from 9.00 a.m. to 5.30 p.m. (Monday to Friday) (except public holidays) at:

**For Registration, logging in and system related:**  
**InsHub Sdn. Bhd.**

Name : Ms Eris/Mr Calvin  
 Telephone No. : +603-7688 1013  
 Email : [vgm@mlabs.com](mailto:vgm@mlabs.com)

**For Form of Proxy:**  
**ShareWorks Sdn. Bhd.**

Name : Mr. Kou Si Qiang/En. Taufiq  
 Telephone No. : +603-6201 1120  
 Email : [ir@shareworks.com.my](mailto:ir@shareworks.com.my)



**XOX NETWORKS BERHAD**  
Registration No. 200501002315 (679361-D)  
(Incorporated in Malaysia)

CDS Account No.
No. of Shares held

## FORM OF PROXY

I/We, \_\_\_\_\_ NRIC/Passport/Company Registration No. \_\_\_\_\_  
 of \_\_\_\_\_ [Full name in block]  
 \_\_\_\_\_ [Address]  
 contact no. \_\_\_\_\_ email address \_\_\_\_\_ being a member/members  
 of **XOX NETWORKS BERHAD**, hereby appoint:

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 attend and to vote for me/us on my/our behalf at the Nineteenth Annual General Meeting (“**19<sup>th</sup> AGM**”) of the Company to be held and conducted on a virtual basis through live streaming and online remote participation and voting 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, Malaysia via online meeting platform at <https://rebrand.ly/XOXNetworksAGM> on Wednesday, 27 November 2024 at 2:30 p.m. or at any adjournment thereof, and to vote as indicated below:

No.	Agenda	Resolution	For	Against
1.	To approve the payment of Directors' fees and other benefits payable to the Directors for the period commencing from 27 November 2024 until the next annual general meeting of the Company.	<b>Ordinary Resolution 1</b>		
2.	To re-elect YM Tengku Ezuan Ismara Bin Tengku Nun Ahmad as Director.	<b>Ordinary Resolution 2</b>		
3.	To re-elect Mr. Lee Kien Fatt as Director.	<b>Ordinary Resolution 3</b>		
4.	To re-appoint Messrs UHY as External Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.	<b>Ordinary Resolution 4</b>		
5.	To approve the authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.	<b>Ordinary Resolution 5</b>		
6.	To approve the proposed new shareholders' mandate and renewal of existing shareholders' mandate for recurrent related party transactions of a revenue or trading nature.	<b>Ordinary Resolution 6</b>		

**(Please indicate with a “X” in the space provided how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his/her discretion)**

Dated this \_\_\_\_\_

\_\_\_\_\_  
**Signature\***  
**Member**

(\* if shareholder is a corporation, this form should be executed under seal)

**Notes:-**

1. A member of the Company entitled to attend and vote is entitled to appoint a maximum of two (2) proxies to attend, participate (including pose questions to the Board of the Company) and vote in his/her/its stead. Where a member appoints two (2) proxies to attend, participate and vote at the 19<sup>th</sup> AGM, he/she/it shall specify the proportions of his/her/its shareholdings to be represented by each proxy, failing which, the appointments shall be invalid. Please read and follow the procedures as set out in the Administrative Guide of the 19<sup>th</sup> AGM which can be downloaded from the Company's announcement on Bursa Malaysia Berhad's website at [www.bursamalaysia.com](http://www.bursamalaysia.com) in order to register, participate and vote remotely.
2. The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman to be present at the main venue of the 19<sup>th</sup> AGM. No members/proxies/corporate representatives/attorneys from the public shall be physically present at the Broadcast Venue on the day of the 19<sup>th</sup> AGM.

**Notes:-**

3. For the purpose of determining a member who shall be entitled to attend the 19<sup>th</sup> AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a General Meeting Record of Depositors as at 19 November 2024. Only a depositor whose name appears on the Record of Depositors as at 19 November 2024 shall be entitled to attend, participate and vote at the 19<sup>th</sup> AGM or appoint a proxy(ies)/corporate representative(s)/attorney(s) to attend, participate and vote on his/her/its behalf.
4. A proxy may but need not be a member of the Company.
5. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the share registrar office of the Company, ShareWorks Sdn. Bhd. at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time for holding the 19<sup>th</sup> AGM or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for taking of the poll, and in default the instrument of proxy shall not be treated as valid. The instrument appointing a proxy transmitted by facsimile or electronic mail will not be accepted.
6. Where a member is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 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.
7. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds which is credited with the shares of the Company. The appointment of two (2) proxies in respect of a particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
8. The instrument appointing a proxy shall be in writing under the hand of the member or of his attorney duly authorised in writing or, if the member is a corporation, either under its common seal or under the hand of two (2) authorised officers, one of whom shall be a director, or of its attorney duly authorised in writing.
9. Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Securities, all the resolutions set out in this Notice will be put to vote by way of poll.

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Affix Stamp

**SHARE REGISTRAR OF  
XOX NETWORKS BERHAD**  
Registration No. 200501002315 (679361-D)

**ShareWorks Sdn. Bhd.**  
Registration No. 199101019611 (229948-U)  
No. 2-1, Jalan Sri Hartamas 8  
Sri Hartamas, 50480 Kuala Lumpur  
Wilayah Persekutuan Kuala Lumpur  
Malaysia

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**XOX NETWORKS BERHAD**  
200501002315 (679361-D)

[www.xoxnetworks.com.my](http://www.xoxnetworks.com.my)