

DELEGATION OF AUTHORITY LIMITS POLICY

Issue Date: 18 March 2022

Delegation of Authority Limit

1. OVERVIEW

- 1.1 This Delegation of Authority Limits Policy is to set out the authority limits for entering into contracts, commitments and appropriating the Company's assets in the course of conducting the Group's business.
- 1.2 This policy does not replace other specific policies in relation to the procedures to be followed for particular types of activities and should be read in conjunction with these other policies.
- 1.3 The Management is expected to understand their authorization limits along with related policies, and to exercise a duty of care with respect to decisions made and commitments and contracts entered into on behalf of the Company.
- 1.4 For the purpose of this policy, "the Company" means XOX Networks Berhad (formerly known as Macpie Berhad), "the Group" means XOX Networks Berhad (formerly known as Macpie Berhad) and its subsidiaries and "Board" means the Board of Directors of XOX Networks Berhad (formerly known as Macpie Berhad).

2. REPORTING BY THE MANAGEMENT TO THE BOARD

- 2.1 As part of the framework established by this policy, the Management is required to report regularly to the Board concerning the authority exercised.
- 2.2 Reports by the Management shall cover such areas as financial performance, risk management and other items related to organisational operations.

3. GENERAL PRACTICE

- 3.1 The Board and the Management will have a separate set of authority limits to each transactions / matters that entered into and/or to be entered into on behalf of the Group/Company.
- 3.2 The Management may not act without the approval of the Board where a transaction exceeds the Management's level of authority.
- 3.3 Escalation to the higher authority level is to occur when:
 - 3.3.1 An individual is in a situation of approving transaction originating from him/herself, including claim;

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- 3.3.2 An individual is, or could be seen to be related to the contracting parties in a transaction. In such circumstances, the approving individual shall disclose such conflict of interest according to the Code of Conduct and Business Ethics and abstain him/herself from making the decision.

4. RELATED PARTY TRANSACTION

- 4.1 Notwithstanding the limit of authority specified under this policy, any transaction entered into by the Group which involves interest (whether direct or indirect) of a related party must bring to the attention of the Group Financial Controller at the earliest opportunity.

“Related Party” means a director, Chief Executive Officer (“CEO”) or major shareholder of the Group, or persons connected with such director, CEO or major shareholder.

- 4.2 All authorised personnel should consult with the Group Financial Controller prior to the finalisation of any related party transaction.

5. MATTERS RESERVED FOR THE BOARD

Matters specifically reserve for the Board’s approval:

- Determination of the remuneration and terms and conditions of service of the Executive Director and Chief Executive Officer, including incentives;
- Succession planning and recommendation for Board position and Executive Director/s;
- Quarterly financial reports, internal audit report, annual report (which includes financial statements, directors’ reports, chairman’s statement, sustainability statement, corporate governance overview statement, audit and risk management committee report, and statement on risk management and internal control);
- Proposals for the acquisition of business and establishment of subsidiary;
- Matters involving financial amounts above the limit as stipulated under section 6;
- Approval of contracts and obligations above the limit as stipulated under section 6;
- All matters with potential material impact on the reputation of the Group.

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6. AUTHORITY LIMITS OF THE MANAGEMENT

The Management can approve the following:

Nature of business	Transaction value (RM)
Event management (All on-ground events except for concerts)	RM3 million and below
Event management (Physical concerts)	RM5 million and below
Event management (Esports / online events)	RM5 million and below
Money lending business	RM5 million and below
Digital media management	RM1 million and below
Trading business	RM3 million and below
Out of the ordinary course of business	RM1 million and below

7. COMMUNICATION ON BEHALF OF THE COMPANY

Any verbal or written communication with media, regulatory bodies, or other entities that may have an impact on the Group are limited to the Board, the Executive Directors and the Group Financial Controller.

8. TEMPORARY DELEGATION OF AUTHORITY

In the absence of the relevant approving authority, approval can be sought from the superiors of the approving authority. For instance, if the approval from the Group Financial Controller is required and he/she is absent, then the approval can be sought from the Executive Director. The superiors, however, must keep the original approving authority informed on such approvals granted.

This policy has been endorsed by the Board of Directors and the Executive Directors of the Company.

**On behalf of the Board of XOX Networks Berhad
(formerly known as Macpie Berhad)**

**EXECUTIVE DIRECTOR
KOO KIEN KEAT**

Effective date 18 March 2022