



XOX BHD

(Company Registration No.: 201001016682 (900384-X)
(Incorporated in Malaysia under the Companies Act, 1965)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 DECEMBER 2020

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Description	INDIVIDUAL PERIOD		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR-TO-DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31 December 2020 RM'000	31 December 2019 RM'000	31 December 2020 RM'000	31 December 2019 RM'000
Revenue	72,632	65,158	72,632	65,158
Operating Expenses	(67,512)	(64,567)	(67,512)	(64,567)
Other Income	655	96	655	96
Finance Costs	(386)	(306)	(386)	(306)
Profit Before Tax	5,389	381	5,389	381
Tax Expenses	(137)	(108)	(137)	(108)
Profit for the period, net of tax	5,252	273	5,252	273
Other comprehensive income, net of tax				
Item that may be reclassified subsequently to profit or loss				
Foreign currency translation	(125)	(1)	(125)	(1)
Total comprehensive income for the financial period	5,127	272	5,127	272
Profit for the period, net of tax				
Attributable to:				
- Owners of the Company	5,650	358	5,650	358
- Non-controlling Interest	(398)	(85)	(398)	(85)
	5,252	273	5,252	273
Total comprehensive income				
Attributable to:				
- Owners of the Company	5,515	358	5,515	358
- Non-controlling Interest	(388)	(86)	(388)	(86)
	5,127	272	5,127	272
Earnings per Share Attributable				
To Equity Holders of the Parent				
- Basic (sen)	0.17	0.03	0.17	0.03
- Diluted (sen)	0.17	0.03	0.17	0.03

Notes:-

The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial period ended 30 September 2020 and the accompanying explanatory notes attached to this interim financial statements.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Description	Unaudited as at 31 December 2020 RM'000	Audited as at 30 September 2020 RM'000
ASSETS		
NON-CURRENT ASSETS		
Plant and equipment	51,164	52,883
Intangible assets	43,890	37,123
Deferred tax assets	1,449	1,449
Other investment	65,781	6,152
Other receivables	238	238
<i>Total Non-Current Assets</i>	162,522	97,845
CURRENT ASSETS		
Inventories	8,620	7,929
Trade receivables	10,823	12,451
Other receivables, deposits and prepayments	59,034	46,890
Tax recoverables	568	347
Cash and short term deposits	188,080	182,275
<i>Total Current Assets</i>	267,125	249,892
TOTAL ASSETS	429,647	347,737
EQUITY AND LIABILITIES		
Share capital	415,669	343,519
Irredeemable Convertible Preference Shares (ICPS)	1,963	2,160
Capital reserve	2,200	2,200
Warrant reserves	2,527	2,527
Other reserves	(2,527)	(2,527)
Exchange reserves	(158)	(23)
Share Issuance Scheme Options Reserve	1,772	2,976
Accumulated losses	(83,759)	(89,409)
<i>Total Equity</i>	337,687	261,423
Non-controlling interest	(252)	137
	337,435	261,560
NON-CURRENT LIABILITY		
Lease liabilities	7,639	8,760
Deferred tax liabilities	307	170
<i>Total Non-Current Liability</i>	7,946	8,930
CURRENT LIABILITIES		
Trade payables	25,301	18,687
Other payable and accruals	30,833	30,038
Contract liability	23,600	24,034
Tax payable	11	15
Lease liabilities	4,521	4,473
<i>Total Current Liability</i>	84,266	77,247
TOTAL LIABILITY	92,212	86,177
TOTAL EQUITY AND LIABILITIES	429,647	347,737
Net assets per share attributable to equity holders of the Company (sen) #	8.97	8.52



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Notes: -

The net assets per share attributable to equity holders of the Company is computed based on the net assets divided by 3,762,673,975 ordinary shares of the Company. The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial period ended 30 September 2020 and the accompanying explanatory notes attached to this interim financial statements.



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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 DECEMBER 2020

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent								Total	Non-Controlling Interest	Total Equity
	Non-distributable										
	Share Capital	ICPS	Other Reserve	Capital Reserve	Warrant Reserve	Exchange Reserves	Share Issuance Scheme Option Reserve	Accumulated Losses	RM'000	RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 October 2020	343,520	2,160	(2,528)	2,200	2,528	(23)	2,976	(89,409)	261,424	136	261,560
Profit for the financial period	-	-	-	-	-	-	-	5,650	5,650	(398)	5,252
Other comprehensive income											
Foreign currency translations	-	-	-	-	-	(135)	-	-	(135)	10	(125)
Total comprehensive income for the financial period	-	-	-	-	-	(135)	-	5,650	5,515	(388)	5,127
Transactions with owners:											
Issuance of ordinary shares pursuant to:											
- Private placement	60,631	-	-	-	-	-	-	-	60,631	-	60,631
- Conversion of ICPS	395	(197)	-	-	-	-	-	-	198	-	198
- Exercise of warrants	5	-	1	-	(1)	-	-	-	5	-	5
- Share options exercised	11,118	-	-	-	-	-	(2,778)	-	8,340	-	8,340
Share options granted	-	-	-	-	-	-	1,574	-	1,574	-	1,574
	72,149	(197)	1	-	(1)	-	(1,204)	-	70,748	-	70,748
At 31 December 2020	415,669	(197)	(2,527)	2,200	2,527	(158)	1,772	(83,759)	337,687	(252)	337,435



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D)

	Attributable to owners of the parent								Total	Non-Controlling Interest	Total Equity
	Non-distributable										
	Share Capital	ICPS	Other Reserve	Capital Reserve	Warrant Reserve	Exchange Reserves	Share Issuance Scheme Option Reserve	Accumulated Losses			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 October 2019	126,893	-	-	2,200	-	(12)	962	(36,856)	93,187	2,312	95,499
Effect on adoption of MFRS 16	-	-	-	-	-	-	-	(286)	(286)	(26)	(312)
At 1 October 2019, as restated	126,893	-	-	2,200	-	(12)	962	(37,142)	92,901	2,286	95,187
Profit for the financial period	-	-	-	-	-	-	-	358	358	(85)	273
Other comprehensive income											
Foreign currency translations	-	-	-	-	-	-	-	-	-	(1)	(1)
Total comprehensive income for the financial period	-	-	-	-	-	-	-	358	358	(86)	272
At 31 December 2019	126,893	-	-	2,200	-	(12)	962	(36,784)	93,259	2,200	95,459

Notes:-

The Unaudited Condensed Consolidated Statement of Changes to Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2020 and the accompanying explanatory notes attached to this interim financial statements.



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

Description	Quarter Ended 31 December 2020 RM'000	Preceding Year Corresponding Quarter Ended 31 December 2019 RM'000
CASH FLOWS FOR OPERATING ACTIVITIES		
Profit before taxation	5,389	381
Adjustments for:		
Depreciation of property, plant and equipment	3,305	3,411
Amortisation of intangible assets	758	986
SIS fair value adjustment	1,574	-
Fair value adjustment on other investment	(14,671)	-
Impairment loss on:		
- trade receivables	446	1,158
Interest expense	386	306
Interest income	(605)	(15)
Accretion of interest income on other receivables	(2)	(2)
Unrealised loss/(gain) on foreign exchange	1,411	(75)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(2,009)	6,150
Changes in working capital:		
Inventories	(690)	122
Trade and other receivables	(10,960)	(4,405)
Trade and other payables	8,138	(2,414)
	(3,512)	(6,697)
Cash generated from operations	(5,521)	(547)
Interest received	605	15
Interest paid	(386)	(306)
Tax paid	(225)	(91)
	(6)	(382)
Net cash used in operating activities	(5,527)	(929)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
 FIRST QUARTER ENDED 31 DECEMBER 2020

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (CONT'D)

Description	Quarter Ended 31 December 2020 RM'000	Preceding Year Corresponding Quarter Ended 31 December 2019 RM'000
Balance B/F	(5,527)	(929)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(1,586)	(305)
Acquisition of intangible assets	(7,525)	(570)
Acquisition of other investments	(46,123)	-
Proceeds from disposal of plant and equipment	-	2
Net cash used in investing activities	<u>(55,234)</u>	<u>(873)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liability	(1,072)	(1,141)
Proceeds from issuance of shares	69,174	-
Net cash generated from financing activities	<u>68,102</u>	<u>(1,141)</u>
NET INCREASED/(DECREASED) IN CASH AND CASH EQUIVALENTS	7,341	(2,943)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	182,275	8,953
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS HELD	<u>(1,536)</u>	<u>-</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>188,080</u>	<u>6,010</u>

Notes: -

The Unaudited Condensed Consolidated Statements of Cash Flow should be read in conjunction with the Audited Financial Statements for the financial period ended 30 September 2020 and the accompanying explanatory notes attached to this interim financial statements.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
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A. Explanatory Notes Pursuant to MFRS 134

1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements").

The unaudited interim financial report should be read in conjunction with the latest audited financial statements of XOX Bhd ("XOX" or the "Company") and its subsidiaries ("Group") for the financial period ended 30 September 2020.

The accounting policies adopted by the Group in this interim financial statements are consistent with those of the audited financial statements for the financial period ended 30 September 2020 except for Malaysian Financial Reporting Standards ("MFRS"), interpretation and amendments to standards to be applied by all Entities Other Than Private Entities for the financial periods beginning on or after 1 January 2020:

Effective for financial periods beginning on or after 1 January 2020

Amendments to MFRS 3	Definition of a Business
Amendments to MFRS 9 and MFRS 7	Interest Rate Benchmark Reform
Amendments to MFRS 101 and MFRS 108	Definition of Material
Amendments to References to the Conceptual Framework in MFRSs	

The adoption of the above did not have any significant effects on the interim financial report upon their initial application.

2. Seasonality or cyclical factors

The business of the Group was not affected by any significant seasonal and cyclical factors for the current quarter under review and financial year-to-date.

3. Nature and amount of exceptional and extraordinary items

There were no exceptional or extraordinary items affecting the assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review and financial year-to-date.

4. Changes in estimates

There were no material changes in estimates for the current quarter under review and financial year-to-date.

5. Debt and equity securities

There were no other issuance, cancellations, repurchase, resale and repayment of debt and equity securities, share buy backs, share cancellation, shares held as treasury shares and resale of treasury shares for the current quarter except that the Company increased its issued ordinary share capital pursuant to:-

- The conversion of 7,895,200 ICPS 7,895,200 ordinary shares;
- The exercise of 80,000 Warrant B to ordinary shares;
- Issuance of 614,851,000 share pursuant to Private Placement completed on 15 December 2020; &
- Issuance of 71,016,200 ordinary shares through the exercise of the share options that was granted under Share Issuance Scheme.



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6. Dividends Paid

No dividends were declared or paid by the Group in the current quarter under review.

7. Segment information

Segmental information is neither included in the internal management reports nor provided regularly to the Management as the Group operates principally in Malaysia and in one major business segment that is in the provision of mobile communication services and its related products.

8. Material events subsequent to the end of the reporting period

There were no material events subsequent to the end of this current quarter that have not been reflected in the financial statement for this current financial quarter under review except the following: -

- (a) Conversion of 547,200 ICPS to 547,200 ordinary shares; &
- (b) Issuance of 4,000,000 ordinary shares through the exercise of the share options that was granted under Share Issuance Scheme.

9. Changes in the composition of the Group

There were no material changes in the composition of the Group during the quarter under review.

10. Contingent liabilities and assets

There are no material contingent liabilities or assets which may have material effect on the financial position of the Group as the date of this announcement.

11. Capital commitment

Authorised capital expenditure not provided for in the interim financial report at the end of the current quarter under review is as follows:-

	RM'000
Approved and contracted for:	
- Equipment	<u>1,454</u>

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
 FIRST QUARTER ENDED 31 DECEMBER 2020

12. Significant related party transactions

- (a) Identities of related parties
- (i) the Company has a controlling related party relationship with its subsidiaries;
 - (ii) the directors who are the key management personnel; and
 - (iii) entities controlled by certain key management personnel, directors and/or substantial shareholders.
- (b) In addition to the information detailed elsewhere in the financial statements, the Group carried out the following significant transactions with the related parties during the quarter:

	Current quarter 31 December 2020 RM'000	Preceding year corresponding quarter 31 December 2019 RM'000
(i) Key management personnel compensation:		
Short-term employee benefit	417	285
(ii) Services to a related party		
- Web blasting	59	40
- Black plan	1	-
(iii) Services from related parties		
- Rental charged	76	65
- Interior design and renovation	6,478	-
- Purchase of game license and game center access	920	-
- Purchase of software	6,179	-

13. Other Investments

Save for the funds of RM104.34 million placed with a licensed bank, invested in money market investments and short to medium-term fixed income instruments as at 31 December 2020, details of other investments are as follows:-

Company	Nos of Share Held	Market Value (RM)
M3 Technologies (Asia) Berhad	72,380,000	2,621,502
MACPIE Berhad	46,300,000	21,992,500
Nexion Technologies Limited	117,848,500	39,084,219
Total		63,698,221

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 FIRST QUARTER ENDED 31 DECEMBER 2020

B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities
1. Performance of the current quarter and financial year-to-date against preceding year corresponding quarter and year-to-date ("YTD")

Description	Individual Period (1st Quarter)				Cumulative Period			
	Current Year Quarter 31-Dec-20	Preceding Year Corresponding Quarter 31-Dec-19	Changes		Current Year-To-date 31-Dec-20	Preceding Year Corresponding Period 31-Dec-19	Changes	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	72,632	65,158	7,474	11%	72,632	65,158	7,474	11%
Earnings Before Interest Tax Depreciation & Amortisation ("EBITDA")	9,232	5,066	4,166	82%	9,232	5,066	4,166	82%
Profit Before Tax ("PBT")	5,389	381	5,008	1314%	5,389	381	5,008	1314%
Profit After Tax ("PAT")	5,252	273	4,979	1824%	5,252	273	4,979	1824%
Profit Attributable to Ordinary Equity Holders of the Parent	5,650	358	5,292	1478%	5,650	358	5,292	1478%

For the quarter ended 31 December 2020, XOX Group revenue increased by 11% to RM72.63 million as compared to the previous year corresponding quarter under the challenging operating environment, it was mainly from the subscribers' conversion from a prepaid plan to "Black Plan" (postpaid) with recurrent revenue.

The Group reported a profit after tax of RM5.25 million against a profit after tax of RM0.27 million in the preceding year corresponding quarter, because of better results arising from the revenue growth coupled with the fair value gain on other investment.

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2. Performance of the current quarter against the preceding quarter

Description	Current Quarter	Immediate Preceding Quarter	Changes	
	31 December 2020	30 September 2020	RM'000	%
Revenue	72,632	68,820	3,812	6%
Earnings Before Interest Tax Depreciation & Amortisation ("EBITDA")	9,232	(36,246)	45,478	125%
Profit/(Loss) Before Tax ("PBT/LBT")	5,389	(40,603)	45,992	113%
Profit/(Loss) After Tax ("PAT/LAT")	5,252	(39,160)	44,412	113%
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	5,650	(37,345)	42,995	115%

The Group registered a revenue of RM72.63 million, 6% higher than the previous quarter of RM68.82 million which was contributed by quality prepaid subscribers converting to "Black Plan".

For the current quarter, the Group recorded a PAT of RM5.25 million as compared to LAT of RM39.16 million reported in the previous quarter. In addition to the operating profit reported in line with revenue growth, the Group also recorded a net fair value gain arising from the investment in quoted shares.

3. Prospects and business outlook

Despite the market conditions remaining unpredictable due to ongoing hardship stemming from the COVID-19 health crisis; the Group remains committed to our core business by offering attractive mobile subscription plans for connectivity services.

The Group is also developing a digital ecosystem to capture the unique combination of the core business, customer base and capabilities to build new sources of business and revenue stream.

Premised on the overview and outlook of the telecommunication, e-commerce, digital lending and electronic payment in Malaysia, the Board is cautiously optimistic about the future prospects of the Group despite a challenging economic outlook ahead.

4. Profit forecast or profit guarantee

The Board of Directors wishes to inform that the XOX Group did not issue any profit forecast.

5. Qualification of preceding audited financial statements

There was no audit qualification reported in the audited financial statements of the Group for the financial period ended 30 September 2020.

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6. Profit before tax

Descriptions	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-To-Date	Preceding Year Corresponding Period
	31-Dec-20 RM'000	31-Dec-19 RM'000	31-Dec-20 RM'000	31-Dec-19 RM'000
Interest income	(605)	(17)	(605)	(17)
Interest expense	386	306	386	306
Depreciation of property, plant and equipment	3,305	3,411	3,305	3,411
Amortisation of Intangible assets	758	986	758	986
Fair value adjustment on other investment	(14,671)	-	(14,671)	-
Impairment loss:				
- Trade receivables	446	1158	446	1158

7. Income Tax Expense

Descriptions	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-To-Date	Preceding Year Corresponding Period
	31-Dec-20 RM'000	31-Dec-19 RM'000	31-Dec-20 RM'000	31-Dec-19 RM'000
Income Tax:				
- Current	-	88	-	88
Deferred Tax				
- Relating to origination & reversal of temporary differences	137	20	137	20
Income tax expenses	137	108	137	108

The effective tax rate of the Group for the current quarter and financial period to-date is slightly lower than the statutory income tax rate mainly due to utilisation of tax losses and unabsorbed capital allowances.

8. Gain or loss on disposal of quoted and/or unquoted investments and/or properties

There were no other material disposal of quoted, unquoted and/or properties for the current quarter and financial year to date under review.

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9. Corporate proposals and utilisation of proceeds

Save as disclosed below, there were no other corporate proposals which had been announced by the Company and are pending for completion as at end of the reporting quarter except:-

- A. On 18 August 2017, XOX Media Sdn. Bhd. (“XOX Media”), a wholly owned subsidiary of the Company, had entered into a MOU with Multimedia Research Lab Sdn Bhd (“MRL”) to cooperate and collaborate with the aim of enhancing the functions of Voopee mobile application by sharing and incorporating MRL range of video conferencing and server technology to exploit market that arises from XOX Media collaboration with PT. Inovasi and PBNU. Both parties are in the midst of finalising the business arrangement as the business plan in Indonesia has been halted due to unforeseeable COVID-19 pandemic.
- B. On 26 February 2019, XOX Mobile Sdn. Bhd. (“XOX Mobile”), a wholly owned subsidiary of the Company, had entered into a MOU with 10T Tech Limited (“10T Tech”) for the purpose of participating in a platform, to be called as the “eSIM Alliance”, which will handle international traffic through eSIM profile switching between its participants. To date, the parties (10T, XOX and other interested telco) are still discussing on the formation of the Alliance and the agreement to govern the Alliance.
- C. On 8 August 2019, XOX Mobile entered into a MOU with TOT Public Company Limited (“TOT”) for the purpose to establish the mobile virtual network operator (“MVNO”) partnership, cooperation and support between both parties in relation to exploring MVNO market in Thailand, connecting in technicality and testing the mobile telecommunication systems as well as other commercial operations. To date, both parties are working on the project.
- D. On 9 October 2020, XOX Media, a wholly owned subsidiary of the Company, had entered into a MOU with GEM Pay Sdn. Bhd. (“GEM Pay”) for the purpose to discuss, explore and enter into negotiations in respect of a business arrangement to rent up to 1,000 units of contactless payment terminals and/or cashless eWallet payment solutions from GEM Pay to be incorporated into smart vending machines. To date, both parties are working on the business arrangement.
- E. On 19 October, the Company announced that Bursa Securities had granted its approval for the Proposed Bonus Issues with Warrants as follows:-
- (i) Admission to the Official List and listing and quotation of 1,336,281,385 Warrants C; and
 - (ii) Listing and quotation of up to 1,336,281,385 new shares to be issued arising from the exercise of the additional Warrants C.
- On 19 November 2020, the Company further announced that the Company obtained approval from Bursa Securities on the followings:-
- (iii) Admission to the Official List and listing and quotation of additional 230,569,125 Warrants C to be issued pursuant to the Proposed Bonus Issue of Warrants; and
 - (iv) Listing and quotation of additional 230,569,125 new shares to be issued arising from the exercise of the additional Warrants C.
- This proposal was approved by the shareholders of the Company at the Extraordinary General Meeting on 10 December 2020. And on 4 January 2021, the Company has resolved to fix the exercise price of the Warrant C at RM0.10 per Warrant C.
- F. On 11 November 2020, Bursa Malaysia Securities Berhad approved the listing and quotation of up to 614,851,000 Placement Shares at an issue price ranging from RM0.0950 to RM0.1119 pursuant to the Private Placement. Private placement has been completed following the listing and quotation of the last tranche of the Placement Shares on 15 December 2020.

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G. Utilisation of Proceeds

Utilisation of proceeds from various corporate exercises as at 31 December 2020:-

ICPS (Completed on 12 March 2020)

Details	Proposed Utilisation (based on acceptance of applications for Rights Issue)	Actual Utilisation	Balance Available for Utilisation
	RM	RM	RM
(a) E-Sim expansion plan	15,000,000	9,476,845	5,523,155
(b) Expansion of XOX's E-Wallet function	10,525,688	7,527,433	2,998,255
(c) Expenses incurred for the Rights Issue	1,000,000	1,000,000	-
Total	26,525,688	18,004,278	8,521,410

Private Placement (Completed on 23 July 2020)

Details	Proposed Utilisation (based on acceptance of applications for Rights Issue)	Actual Utilisation	Balance Available for Utilisation
	RM	RM	RM
(a) Investment in the business of smart vending machine	19,063,140	2,398,079	16,665,061
(b) Expenses incurred for the Private Placement	600,000	600,000	-
Total	19,663,140	2,998,079	16,665,061

Private Placement (Completed on 15 December 2020)

Details	Proposed Utilisation (based on acceptance of applications for Rights Issue)	Actual Utilisation	Balance Available for Utilisation
	RM	RM	RM
(a) Fintech Business Expansion	48,000,000	15,059,046	32,940,954
(b) Rebranding exercise to reposition the xox brand into a Fintech solution and telecommunications provider	5,000,000	38,450	4,961,550
(c) Marketing and promotional expenses for the Fintech Business Expansion	7,060,845	920,000	6,140,845
(d) Expenses for the Private Placement	570,000	570,000	-
Total	60,630,845	16,587,496	44,043,349

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10. Group Borrowings

The increase in lease liabilities arising from the adoption of MFRS 16, there were no other borrowings during the current quarter under review and financial year-to-date.

Description	As at 31 December 2020 RM'000	As at 30 September 2020 RM'000
Lease Liabilities		
Short-term	4,535	4,473
Long-term	7,625	8,760

The lease liabilities are pertaining to the acquisition of motor vehicles, telecommunication network and right-of-use-assets.

The Group does not have any foreign currency denominated borrowings.

11. Trade Receivables

Description	As at 31 December 2020 RM'000	As at 30 September 2020 RM'000
Trade Receivables	18,459	19,641
Less: Allowance for impairment losses	(7,636)	(7,190)
	10,823	12,451

Trade receivables are non-interest bearing and are generally within the stipulated current credit term. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

12. Material litigation

There were no litigation or arbitration, which has a material effect on the financial position of the Group and the Board is not aware of any other proceedings pending or threatened or of any fact likely to give rise to any proceedings which has a material effect on the financial position of the Group.

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13. Earnings per share

Descriptions	Individual Quarter		Cumulative Quarter	
	Current Year quarter	Preceding Year Corresponding Quarter	Current Year-To-Date	Preceding Year Corresponding Period
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
	RM'000	RM'000	RM'000	RM'000
Net gain attributable to equity holders of the company	5,650	358	5,650	358
Weighted average number of ordinary shares in issue ('000)	3,289,788	1,092,397	3,289,788	1,092,397
Net Earnings Per Share - Basic (sen)	0.17	0.03	0.17	0.03

The fully diluted profit per share is not presented as there were no dilutive potential ordinary shares outstanding at the end of the reporting period.