

THIS CIRCULAR TO SHAREHOLDERS OF XOX BHD (“XOX” OR THE “COMPANY”) IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately. This Circular has been reviewed by TA Securities Holdings Berhad, being the Principal Adviser to the Company for the Proposed Share Consolidation (as defined herein).

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness, and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



XOX BHD

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

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

PROPOSED CONSOLIDATION OF EVERY 30 EXISTING ORDINARY SHARES IN XOX (“XOX SHARES” OR “SHARES”) INTO 1 XOX SHARE (“CONSOLIDATED SHARE”) (“PROPOSED SHARE CONSOLIDATION”)

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser

 **TA SECURITIES**

AN UNWAVERING COMMITMENT

TA SECURITIES HOLDINGS BERHAD

(Registration No. 197301001467 (14948-M))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Extraordinary General Meeting of the Company (“EGM”) will be conducted on a virtual basis through live streaming and online remote participation and voting from the Broadcast Venue at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan via online meeting platform at <https://rebrand.ly/XOX-EGM> on Friday, 12 July 2024 at 10.00 a.m. or any adjournment thereof. The Notice of EGM together with the Form of Proxy are enclosed in this Circular.

If you decide to appoint a proxy(ies) to participate and vote on your behalf at the EGM, you must complete, sign and return the Form of Proxy and deposit it at the Company’s share registrar’s office at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur or via e-mail at ir@shareworks.com.my not less than 24 hours before the date and time indicated below or at any adjournment thereof. The completion and lodging of the Form of Proxy will not preclude you from attending and voting at the virtual EGM should you subsequently wish to do so and in such an event, your Form of Proxy shall be deemed to have been revoked.

Last date and time for lodging the Form of Proxy : Thursday, 11 July 2024 at 10.00 a.m.
Date and time of the EGM : Friday, 12 July 2024 at 10.00 a.m.
Online meeting platform of the EGM : <https://rebrand.ly/XOX-EGM>

This Circular is dated 26 June 2024

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

Act	:	Companies Act 2016 of Malaysia
Board	:	The Board of Directors of XOX
Books Closing Date	:	A date to be determined and announced later by the Board, at the close of business on which the Shareholders must be registered in the Record of Depositors of the Company as at 5.00 p.m. in order to be entitled to participate in the Proposed Share Consolidation
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (198701006854 (165570-W))
Bursa Securities	:	Bursa Malaysia Securities Berhad (200301033577 (635998-W))
By-Laws	:	The by-laws governing the ESOS
Circular	:	This circular to Shareholders in relation to the Proposed Share Consolidation
Consolidated ICPS	:	Adjusted ICPS after the Proposed Share Consolidation
Consolidated Shares	:	Shares that have been consolidated following the completion of the Proposed Share Consolidation
Convertible Securities	:	Collectively, the ICPS and ESOS Options
Directors	:	Directors of the Company for the time being and shall have the meaning ascribed to it in Section 2(1) of the Act and Section 2(1) of the Capital Markets and Services Act 2007
EGM	:	Extraordinary general meeting of the Company
EPS	:	Earnings per Share
ESOS	:	Employees' share option scheme of the Company which took effect on 27 May 2021 for a period of 3 years and extended for a further duration of 3 years until 27 May 2027
ESOS Options	:	Options granted or which may be granted under the ESOS pursuant to the By-Laws governing the ESOS that are exercisable into new XOX Shares
FPE	:	Financial period ended
FYE	:	Financial year ended / ending, as the case may be
ICPS	:	77,971,406 outstanding irredeemable convertible preference shares issued by the Company, which will expire on 5 March 2030
Listing Requirements	:	ACE Market Listing Requirements of Bursa Securities including any amendments made thereto from time to time

DEFINITIONS (CONT'D)

LPD	:	28 May 2024, being the latest practicable date prior to the printing of this Circular
Market Day	:	Any day on which Bursa Securities is open for trading in securities
Maximum Scenario	:	Assuming all the Convertible Securities are converted / exercised into new Shares prior to the implementation of the Proposed Share Consolidation
Minimum Scenario	:	Assuming none of the Convertible Securities are converted / exercised into new Shares prior to the implementation of the Proposed Share Consolidation
NA	:	Net assets
Proposed Share Capital Reduction	:	Proposed reduction of up to RM303,000,000 of the issued share capital of XOX pursuant to Section 117 of the Act, further details of which are set out in the circular to Shareholders dated 16 May 2024
Proposed Share Consolidation	:	Proposed consolidation of every 30 existing XOX Shares held by the Shareholders on the Books Closing Date into 1 Consolidated Share
Record of Depositors	:	A record of securities holders provided by Bursa Depository under the rules of Bursa Depository as issued pursuant to the Securities Industry (Central Depositories) Act 1991, including the Securities Industry (Central Depositories) Amendment Act, 1998
RM and sen	:	Ringgit Malaysia and sen, respectively
Shareholders	:	Registered holders of XOX Shares
TA Securities or the Principal Adviser	:	TA Securities Holdings Berhad (197301001467 (14948-M))
VWAP	:	Volume-weighted average market price
Warrants C	:	Warrants 2021/2024 of the Company which expired on 19 January 2024. Each Warrant C holder is entitled the right to subscribe for 1 XOX Share for each Warrant C held at an exercise price of RM0.10
XOX or the Company	:	XOX Bhd (201001016682 (900384-X))
XOX Group or the Group	:	Collectively, XOX and its subsidiaries
XOX Share(s) or Share(s)	:	Ordinary share(s) in XOX

All references to “we”, “us”, “our” and “ourselves” are to the Company, or where the context requires, are to our Group. All reference to “you” in this Circular are to the Shareholders of XOX.

In this Circular, words referring to the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise stated.

Certain amounts and percentage figures included herein have been subject to rounding adjustments. Any discrepancies between the figures shown herein and figures published by the Company, such as in the quarterly results or annual reports of the Company (as the case may be), is due to rounding.

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EXECUTIVE SUMMARY

This Executive Summary highlights the salient information contained in the main contents of this Circular. Please read the entire Circular carefully for further details on the Proposed Share Consolidation before voting at the EGM.

Summary

Summary of the Proposed Share Consolidation

Consolidation of every 30 existing Shares held by the Shareholders, whose names appear in the Company's Record of Depositors at the close of business on the Books Closing Date, into 1 Consolidated Share.

Please refer to **Section 2** of this Circular for further information.

Rationale for the Proposed Share Consolidation

The reduction in the number of Shares available in the market may reduce the volatility of the trading price for the Shares. As the Shares are currently traded at relatively low price range, a small movement in the share price may be significant in percentage terms.

Please refer to **Section 3** of this Circular for further information.

Approvals required

The Proposed Share Consolidation is subject to the following approvals being obtained:

- (i) Bursa Securities, the approval of which was obtained on 19 June 2024;
- (ii) Shareholders at the forthcoming EGM; and
- (iii) any other relevant parties / authorities, if required.

Please refer to **Section 7** of this Circular for further information.

Board's recommendation

The Board recommends that you VOTE IN FAVOUR of the resolution pertaining to the Proposed Share Consolidation to be tabled at the forthcoming EGM, the details of which are set out in this Circular, and the Notice of EGM as enclosed.

Please refer to **Section 9** of this Circular for further information.



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

Registered Office

22-09, Menara 1MK
No. 1, Jalan Kiara Mont Kiara
50480 Kuala Lumpur

26 June 2024

Board of Directors

Dato' Seri Abdul Azim Bin Mohd Zabidi (Non-Independent Non-Executive Chairman)
Roy Ho Yew Kee (Executive Director)
Tan Sik Eek (Executive Director)
Andy Liew Hock Sim (Independent Non-Executive Director)
Karina Binti Idris Ahmad Shah (Independent Non-Executive Director)
Chuah Hoon Hong (Independent Non-Executive Director)

To: The Shareholders of XOX

Dear Sir/ Madam,

PROPOSED SHARE CONSOLIDATION

1. INTRODUCTION

On 5 June 2024, TA Securities had, on behalf of the Board, announced that the Company proposes to undertake the Proposed Share Consolidation.

On 19 June 2024, TA Securities had, on behalf of the Board, announced that Bursa Securities had vide its letter dated 19 June 2024 granted its approval for the Proposed Share Consolidation.

The approval of Bursa Securities is subject to the conditions as set out in **Section 7** of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH RELEVANT INFORMATION ON THE PROPOSED SHARE CONSOLIDATION AND TO SET OUT THE VIEWS AND RECOMMENDATION OF THE BOARD AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED SHARE CONSOLIDATION WHICH WILL BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF THE EGM AND THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION TO GIVE EFFECT TO THE PROPOSED SHARE CONSOLIDATION AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED SHARE CONSOLIDATION

2.1 Proposed Share Consolidation

The Proposed Share Consolidation entails the consolidation of every 30 existing Shares held by the Shareholders, whose names appear in the Company's Record of Depositors at the close of business on the Books Closing Date, into 1 Consolidated Share.

As at the LPD, the issued share capital of the Company is RM472,341,180 comprising 5,190,892,950 Shares. The Company does not have any treasury shares. The Company has the following convertible securities:

- (i) 77,971,406 outstanding ICPS; and
- (ii) up to 301,873,800 ESOS Options which may be granted and exercised pursuant to the maximum allowable amount under the ESOS. For information, there are no ESOS Options which have been granted but not exercised as at the LPD.

For illustration:

- (i) assuming none of the Convertible Securities are converted / exercised into new Shares prior to the Books Closing Date, the 5,190,892,950 Shares as at the LPD will be consolidated into 173,029,765 Consolidated Shares; and
- (ii) assuming all the Convertible Securities are converted / exercised into new Shares prior to the Books Closing Date, the enlarged number of 5,570,738,156 Shares will be consolidated into 185,691,271 Consolidated Shares.

The actual number of Consolidated Shares will be determined based on the total number of issued Shares at the Books Closing Date to be determined later after taking into consideration any new Shares that may be issued arising from the exercise of any outstanding Convertible Securities.

Fractional entitlements of the Consolidated Shares and Consolidated ICPS arising from the Proposed Share Consolidation, if any, shall be disregarded and dealt with by the Board in such manner at its absolute discretion as it may deem fit or expedient and in the best interest of the Company.

THE PROPOSED SHARE CONSOLIDATION WILL RESULT IN A REDUCTION IN THE NUMBER OF SHARES AND ICPS AVAILABLE IN THE MARKET AND THE TRADING PRICE OF THE SHARES AND ICPS WILL BE ADJUSTED ACCORDINGLY IN PROPORTION TO THE BASIS OF THE PROPOSED SHARE CONSOLIDATION. YOU ARE STRONGLY ADVISED TO TRADE CAUTIOUSLY TO PREVENT OVERSELLING OF YOUR POSITION IN RESPECT OF YOUR SHARES AND ICPS.

2.1.1 Theoretical adjusted reference price of the Consolidated Shares and Consolidated ICPS

The Proposed Share Consolidation will result in an adjustment to the reference price of the Shares and ICPS as quoted on the ACE Market of Bursa Securities. Theoretically, this shall not have any impact on the total market value of these securities held by the Shareholders and ICPS holders.

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(i) **Consolidated Shares**

For illustration, based on the last transacted market price of the Shares as at the LPD, the theoretical adjusted reference price of the Consolidated Shares upon completion of the Proposed Share Consolidation is as follows:

	No. of Shares	Closing market price / Theoretical adjusted reference price per Share (RM)	Total value⁽¹⁾ (RM)
As at the LPD	5,190,892,950	0.01	51,908,930
After the Proposed Share Consolidation	173,029,765	0.30 ⁽²⁾	51,908,930

Notes:

- (1) The total value is arrived at by multiplying the number of Shares with the closing market price / theoretical adjusted reference price per Share.
- (2) The theoretical adjusted reference price is arrived at based on the following formula:

$$\begin{aligned} \text{Theoretical adjusted reference price} &= \text{Market price per Share} \times \frac{\text{Number of Shares before the Proposed Share Consolidation}}{\text{Number of Shares after the Proposed Share Consolidation}} \\ &= 0.01 \times \frac{5,190,892,950}{173,029,765} \\ &= 0.30 \end{aligned}$$

Based on the above illustration, the effects of the Proposed Share Consolidation to a Shareholder holding 10,000 Shares are as follows:

	As at the LPD	After the Proposed Share Consolidation
No. of XOX Shares	10,000	⁽¹⁾ 333
Closing market price / Theoretical adjusted reference price per Share (RM)	0.01	0.30
Total value of shareholdings (RM)	100	100

Note:

- (1) After disregarding fractional entitlements.

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(ii) **Consolidated ICPS**

The Proposed Share Consolidation will also result in an adjustment to the reference price of the existing ICPS. For illustration, based on the last transacted market price of the ICPS as at the LPD, the theoretical adjusted reference price of the ICPS upon completion of the Proposed Share Consolidation is as follows:

	No. of ICPS	Closing market price / Theoretical adjusted reference price per ICPS (RM)	Total value⁽¹⁾ (RM)
As at the LPD	77,971,406	0.01	779,714
After the Proposed Share Consolidation	2,599,046	0.30 ⁽²⁾	779,714

Notes:

(1) The total value is arrived at by multiplying the number of ICPS with the closing market price / theoretical adjusted reference price per ICPS.

(2) The theoretical adjusted reference price is arrived at based on the following formula:

$$\begin{aligned} \text{Theoretical adjusted reference price} &= \text{Market price per ICPS} \times \frac{\text{Number of ICPS before the Proposed Share Consolidation}}{\text{Number of ICPS after the Proposed Share Consolidation}} \\ &= 0.01 \times \frac{77,971,406}{2,599,046} \\ &= 0.30 \end{aligned}$$

Based on the above illustration, the effects of the Proposed Share Consolidation to an ICPS holder holding 10,000 ICPS are as follows:

	As at the LPD	After the Proposed Share Consolidation
No. of ICPS	10,000	⁽¹⁾ 333
Closing market price / Theoretical adjusted reference price per ICPS (RM)	0.01	0.30
Total value of ICPS holdings (RM)	100	100

Note:

(1) After disregarding fractional entitlements.

Based on the illustrations above, the Proposed Share Consolidation will increase the reference prices of the Shares and ICPS respectively but it will not have any impact on the total value of these securities.

Further, the Proposed Share Consolidation is expected to result in adjustments to the conversion price, cash payment for conversion and number of outstanding ICPS as well as the number and exercise price of ESOS Options (if granted and remain outstanding on the Books Closing Date), further details of which are set out in **Section 4.4** of this Circular.

2.1.2 Ranking of the Consolidated Shares and Consolidated ICPS

The Consolidated Shares shall rank equally in all respects with one another.

The Consolidated ICPS shall rank equally in all respects with one another.

2.1.3 Suspension of trading, listing date and notices of allotment

There will not be any suspension of trading of the Shares and ICPS on the ACE Market of Bursa Securities pursuant to the Proposed Share Consolidation.

The Consolidated Shares and Consolidated ICPS will be listed and quoted simultaneously on the ACE Market of Bursa Securities on the next Market Day after the Books Closing Date.

The notices of allotment of the Consolidated Shares and Consolidated ICPS will be issued and despatched to the entitled holders within 4 Market Days after the listing and quotation of the Consolidated Shares and Consolidated ICPS on the ACE Market of Bursa Securities.

3. RATIONALE FOR THE PROPOSED SHARE CONSOLIDATION

The Proposed Share Consolidation is part of the Company's capital management plan to improve the Company's capital structure.

The reduction in the number of Shares available in the market may reduce the volatility of the trading price for the Shares. As the Shares are currently traded at relatively low price range, a small movement in the share price may be significant in percentage terms.

Following the completion of the Proposed Share Consolidation, the theoretical market price of each Share will increase by 30 times and the total number of Shares in issue will be reduced by the corresponding ratio. Notwithstanding this, Shareholders should note that the Proposed Share Consolidation is not expected to alter the total value of the Shares held by them.

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4. EFFECTS OF THE PROPOSED SHARE CONSOLIDATION

4.1 Share capital

For illustration, assuming the Proposed Share Consolidation is implemented after the Proposed Share Capital Reduction, the pro forma effects of the Proposed Share Consolidation on the issued share capital of the Company are as follows:

	Minimum Scenario		Maximum Scenario	
	No. of Shares	Share capital (RM)	No. of Shares	Share capital (RM)
Issued share capital as at the LPD	5,190,892,950	472,341,180	5,190,892,950	472,341,180
Reduction of share capital pursuant to the Proposed Share Capital Reduction	-	(303,000,000)	-	(303,000,000)
After the Proposed Share Capital Reduction	5,190,892,950	169,341,180	5,190,892,950	169,341,180
To be issued assuming full granting and exercise of the ESOS Options ⁽¹⁾	-	-	301,873,800	7,516,658
To be issued assuming full conversion of outstanding ICPS ⁽²⁾	-	-	77,971,406	3,898,570
After full exercise/ conversion of the Convertible Securities	5,190,892,950	169,341,180	5,570,738,156	180,756,408
Resultant issued share capital upon completion of the Proposed Share Consolidation	173,029,765	169,341,180	185,691,271	180,756,408

Notes:

- (1) Assuming all the ESOS Options are granted and exercised at the illustrative exercise price of RM0.012 per Share, representing a discount of 6.98% to the 5-day VWAP of XOX Shares up to and including the LPD of RM0.0129 and after accounting for the reversal of ESOS Options reserve of approximately RM3.89 million.
- (2) Assuming all outstanding ICPS are fully converted into new Shares based on the conversion price of RM0.050, by surrendering 1 ICPS (which is issued at an issue price of RM0.025 each) with additional cash payment of RM0.025 for 1 new Share.

4.2

NA and gearing

Assuming the Proposed Share Consolidation is implemented after the Proposed Share Capital Reduction, the pro forma effects of the Proposed Share Consolidation on the NA and gearing of the Group are as follows:

Minimum Scenario

	(I) Audited as at FYE 30 September 2023 (RM'000)	(I) After subsequent events ⁽¹⁾ (RM'000)	(II) After (I) and upon completion of the Proposed Share Capital Reduction ⁽²⁾ (RM'000)	(III) After (II) and the Proposed Share Consolidation ⁽³⁾ (RM'000)
Share capital	468,851	472,341	169,341	169,341
ICPS	1,949	1,949	1,949	1,949
Capital reserve	2,200	2,200	2,200	2,200
Translation reserve	(22,257)	(22,257)	(22,257)	(22,257)
ESOS reserve	-	-	-	-
(Accumulated losses)/Retained earnings	(288,812)	(290,337)	12,493	12,323
Shareholders' equity / NA	161,931	163,896	163,726	163,556
Non-controlling interests	(4,661)	(4,661)	(4,661)	(4,661)
Total Equity	157,270	159,235	159,065	158,895
No. of Shares in issue ('000)	5,050,879	5,190,893	5,190,893	173,030
NA per Share (RM)	0.03	0.03	0.03	0.95
Total borrowings (RM'000)	105,082	105,082	105,082	105,082
Gearing (times)	0.67	0.66	0.66	0.66

Notes:

(1) After accounting for the following:

- (i) issuance of 44,700 and 3,750 new Shares arising from the exercise of Warrants C at the exercise price of RM0.10 each on 17 January 2024 and 26 January 2024, respectively;
- (ii) granting of 311,809,300 ESOS Options at the exercise price of RM0.014 on 17 January 2024;
- (iii) issuance of 139,966,000 new Shares on 26 January 2024 pursuant to the exercise of ESOS Options at the exercise price of RM0.014 each; and
- (iv) lapsed of the remaining 171,843,300 ESOS Options on 24 May 2024.

- (2) After setting off RM303.00 million from the Company's accumulated losses due to the cancellation of the Company's issued share capital and deducting the estimated expenses of RM0.17 million in relation to the Proposed Share Capital Reduction.
- (3) Based on the consolidation of every 30 existing Shares into 1 Consolidated Share pursuant to the Proposed Share Consolidation and after deducting the estimated expenses of RM0.17 million in relation to the Proposed Share Consolidation.

Maximum Scenario

	Audited as at 30 September 2023 (RM'000)	(i) After subsequent events ⁽¹⁾ (RM'000)	(ii) After (i) and upon completion of the Proposed Share Capital Reduction ⁽²⁾ (RM'000)	(iii) After (ii) and assuming full conversion, granting and exercise of the Convertible Securities ⁽³⁾ (RM'000)	(iv) After (iii) and the Proposed Share Consolidation ⁽⁴⁾ (RM'000)
Share capital	468,851	472,341	169,341	180,756	180,756
ICPS	1,949	1,949	1,949	-	-
Capital reserve	2,200	2,200	2,200	2,200	2,200
Translation reserve	(22,257)	(22,257)	(22,257)	(22,257)	(22,257)
ESOS reserve	-	-	-	-	-
(Accumulated losses)/Retained earnings	(288,812)	(290,337)	12,493	8,598	8,428
Shareholders' equity / NA	161,931	163,896	163,726	169,297	169,127
Non-controlling interests	(4,661)	(4,661)	(4,661)	(4,661)	(4,661)
Total Equity	157,270	159,235	159,065	164,636	164,466
No. of Shares in issue ('000)	5,050,879	5,190,893	5,190,893	5,570,738	185,691
NA per Share (RM)	0.03	0.03	0.03	0.03	0.91
Total borrowings (RM'000)	105,082	105,082	105,082	105,082	105,082
Gearing (times)	0.67	0.66	0.66	0.64	0.64

Notes:

- (1) After accounting for the following:
- (i) issuance of 44,700 and 3,750 new Shares arising from the exercise of Warrants C at the exercise price of RM0.10 each on 17 January 2024 and 26 January 2024, respectively;
- (ii) granting of 311,809,300 ESOS Options at the exercise price of RM0.014 on 17 January 2024;

- (iii) issuance of 139,966,000 new Shares on 26 January 2024 pursuant to the exercise of ESOS Options at the exercise price of RM0.014 each; and
 - (iv) lapsed of the remaining 171,843,300 ESOS Options on 24 May 2024.
- (2) After setting off RM303.00 million from the Company's accumulated losses due to the cancellation of the Company's issued share capital and deducting the estimated expenses of RM0.17 million in relation to the Proposed Share Capital Reduction.
- (3) Assuming for the following:
- (i) full conversion of 77,971,406 ICPS based on the conversion price of RM0.050, by surrendering 1 ICPS (which is issued at an issue price of RM0.025 each) with additional cash payment of RM0.025 for 1 new Share; and
 - (ii) assuming all the ESOS Options are granted and exercised at the illustrative exercise price of RM0.012 per Share, representing a discount of 6.98% to the 5-day VWAP of XOX Shares up to and including the LPD of RM0.0129 and after accounting for the reversal of ESOS Options reserve of approximately RM3.89 million.
- (4) Based on the consolidation of every 30 existing Shares into 1 Consolidated Share pursuant to the Proposed Share Consolidation and after deducting the estimated expenses of RM0.17 million in relation to the Proposed Share Consolidation.

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4.3 Earnings and EPS

The Proposed Share Consolidation will not have any effect on the consolidated earnings of the Group for the FYE 30 September 2024, except that the lower number of XOX Shares in issue upon completion of the Proposed Share Consolidation will result in a corresponding increase in the EPS of the Group.

4.4 Convertible securities

Save for the following, the Company does not have any other outstanding convertible securities as at the LPD:

4.4.1 ICPS

As at the LPD, there are 77,971,406 outstanding ICPS, which will be expiring on 5 March 2030. Each ICPS holder is entitled to convert his/her ICPS into 1 new Share at the conversion price of RM0.05 in any of the following manners:

- (i) by surrendering 2 ICPS (which is issued at an issue price of RM0.025 each and thus collectively have an aggregate issue price equivalent to the conversion price of RM0.05); or
- (ii) by surrendering 1 ICPS (which is issued at an issue price of RM0.025 each) with additional cash payment of RM0.025 for 1 new Share.

Consequential to the Proposed Share Consolidation, the conversion price, cash payment for conversion and the number of outstanding ICPS may be adjusted in accordance with the Constitution of the Company. The adjustments of the ICPS shall be adjusted, calculated or determined by the Board in consultation with and certified by an approved adviser or external auditor appointed by the Company ("**Adjustments of ICPS**") to ensure that the status of the ICPS holders is not prejudiced as a result of the Proposed Share Consolidation.

For illustrative purposes, the adjustments to the conversion price, cash payment for conversion and the number of outstanding ICPS are set out below based on the assumption that the Books Closing Date has been fixed on the LPD.

The conversion price, cash payment for conversion and the number of outstanding ICPS which are not exercised prior to the Books Closing Date will be adjusted. The Adjustments of ICPS are based on the following formulas:

$$\text{Adjusted conversion price of ICPS} = \text{Existing conversion price of ICPS} \times \frac{Y}{Z}$$

$$\text{Adjusted cash payment for conversion of ICPS} = \text{Existing cash payment for conversion of ICPS} \times \frac{Y}{Z}$$

$$\text{Adjusted number of outstanding ICPS} = \text{Existing number of ICPS} \times \frac{Z}{Y}$$

where:

Y = The aggregate number of issued Shares as at the Books Closing Date

Z = The aggregate number of issued Shares on the next Market Day after the Books Closing Date

Following the above, the Adjustments of ICPS are as follows:

$$\begin{aligned}
 \text{Adjusted conversion price of ICPS} &= \text{RM0.05} \times \frac{5,190,892,950}{173,029,765} \\
 &= \mathbf{RM1.50} \\
 \text{Adjusted cash payment for conversion of ICPS} &= \text{RM0.025} \times \frac{5,190,892,950}{173,029,765} \\
 &= \mathbf{RM0.75} \\
 \text{Adjusted number of outstanding ICPS} &= 77,971,406 \times \frac{173,029,765}{5,190,892,950} \\
 &= \mathbf{2,599,046}
 \end{aligned}$$

Such Adjustments will only be finalised on the Books Closing Date and will be effective on the next Market Day after the Books Closing Date. The rights and obligations of the holders of the existing ICPS will remain unchanged, save for the aforesaid Adjustments.

The holders of the outstanding ICPS will be officially notified in due course on the effective Adjustments arising from the Proposed Share Consolidation.

4.4.2 ESOS Options

As at the LPD, there are no ESOS Options which have been granted but not exercised, and up to 301,873,800 ESOS Options which may be granted and exercised pursuant to the maximum allowable amount under the ESOS.

Pursuant to the By-Laws, the Proposed Share Consolidation will give rise to adjustments to the exercise price and number of outstanding ESOS Options (if granted and remain outstanding on the Books Closing Date). The adjustments will be made in accordance with the provisions of the By-Laws.

For illustration, assuming all the 301,873,800 ESOS Options are granted and remain outstanding on the Books Closing Date, the number of ESOS Options and the exercise price will be adjusted based on the following formula in accordance with the By-Laws, as follows:

$$\begin{aligned}
 \text{Adjusted illustrative ESOS Option price} &= \text{EP} \times \frac{\text{FT}}{\text{RT}} \\
 &= \text{RM0.012}^{(1)} \times \frac{5,190,892,950}{173,029,765} \\
 &= \text{RM0.36} \\
 \text{Adjusted number of ESOS Options} &= \text{T} \times \frac{\text{RT}}{\text{FT}} \\
 &= 301,873,800 \times \frac{173,029,765}{5,190,892,950} \\
 &= 10,062,460
 \end{aligned}$$

EP = Illustrative exercise price
 FT = Number of Shares before the Proposed Share Consolidation
 RT = Number of Shares after the Proposed Share Consolidation
 T = Number of ESOS Options (if granted and remain outstanding on the Books Closing Date)

Note:

- (1) Based on the illustrative exercise price of RM0.012 per Share, representing a discount of 6.98% to the 5-day VWAP of XOX Shares up to and including the LPD of RM0.0129.

The details on the actual adjustments to the exercise price and the number of ESOS Options shall be set out in a notice of adjustments to the entitled grantees, which shall be despatched within 30 days pursuant to Clause 15.7 of the By-Laws from the effective date of such adjustments. The adjustment is effective on the market day on which the Proposed Share Consolidation becomes effective (being the date when the Consolidated Shares are traded on Bursa Securities).

5. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of XOX Shares as transacted on Bursa Securities for the past 12 months preceding the date of this Circular are as follows:

	Highest (RM)	Lowest (RM)
2023		
June	0.020	0.010
July	0.020	0.010
August	0.020	0.010
September	0.020	0.010
October	0.015	0.010
November	0.015	0.010
December	0.020	0.010
2024		
January	0.015	0.010
February	0.015	0.010
March	0.015	0.010
April	0.015	0.010
May	0.015	0.010
Last transacted market price on 4 June 2024, being the last market day immediately prior to the first announcement of the Proposed Share Consolidation	0.010	
Last transacted market price on the LPD	0.010	

(Source: Bloomberg)

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6. ESTIMATED TIMEFRAME FOR COMPLETION

Subject to all approvals being obtained, the Proposed Share Consolidation is expected to be completed by the third quarter of 2024. The tentative timeline for the implementation of the Proposed Share Consolidation is as follows:

Date	Events
12 July 2024	EGM for the Proposed Share Consolidation
Early August 2024	<ul style="list-style-type: none">• Books Closing Date• Listing and quotation of up to 185,691,271 Consolidated Shares and up to 2,599,046 Consolidated ICPS• Completion of the Proposed Share Consolidation

7. APPROVALS REQUIRED AND CONDITIONALITY

The Proposed Share Consolidation is subject to approvals being obtained from the following:

- (i) Bursa Securities for the listing and quotation of:
 - (a) up to 185,691,271 Consolidated Shares; and
 - (b) up to 2,599,046 Consolidated ICPS,on the ACE Market of Bursa Securities.

The approval of Bursa Securities for the above was obtained on 19 June 2024 subject to the following conditions:

Conditions	Status of compliance
(i) XOX to furnish Bursa Securities with a certified true copy of the resolution passed by Shareholders at the EGM for the Proposed Share Consolidation;	To be complied
(ii) The quotation of the Consolidated Shares and the Consolidated ICPS must be simultaneous; and	To be complied
(iii) XOX and TA Securities to make the relevant announcements pursuant to Rules 6.57(2)(ii) and (iii) and Rule 13.20(2) of the Listing Requirements.	To be complied

- (ii) Shareholders at the forthcoming EGM; and
- (iii) any other relevant parties / authorities, if required.

The Proposed Share Consolidation is not conditional upon any other proposals undertaken or to be undertaken by the Company.

8. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Share Consolidation and the Proposed Share Capital Reduction⁽¹⁾, there are no other corporate exercises which have been announced by the Company but are pending completion as at the date of this Circular.

Note:

- (1) The Proposed Share Capital Reduction was announced on 3 May 2024 and subsequently approved by the Shareholders at the EGM held on 7 June 2024. The Proposed Share Capital Reduction is expected to be completed by early August 2024.

The Company intends to implement the Proposed Share Consolidation after the completion of the Proposed Share Capital Reduction. Nonetheless, as the Proposed Share Consolidation and the Proposed Share Capital Reduction are not conditional upon each other, the order of implementation for the aforesaid exercises may vary depending on amongst others, the timing of obtaining the relevant approvals required.

9. BOARD'S RECOMMENDATION

The Board, having considered all aspects of the Proposed Share Consolidation, including the rationale and effects of the Proposed Share Consolidation, is of the opinion that the Proposed Share Consolidation is in the best interest of the Company.

Accordingly, the Board recommends that you vote in favour of the resolution pertaining to the Proposed Share Consolidation to be tabled at the forthcoming EGM.

10. EGM

The EGM, the notice of which is enclosed in this Circular, will be conducted on a virtual basis through live streaming and online remote participation and voting from a Broadcast Venue at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan via online meeting platform at <https://rebrand.ly/XOX-EGM> on the date and time indicated below or at any adjournment thereof for the purpose of considering and, if thought fit, passing the resolution, with or without modifications, to give effect to the Proposed Share Consolidation.

Date and time of the EGM : Friday, 12 July 2024 at 10.00 a.m.

If you are unable to attend and vote in person at the EGM, you may appoint a proxy or proxies to attend and vote on your behalf by completing, signing and returning the enclosed Form of Proxy via hardcopy in accordance with the instructions contained therein as soon as possible, so as to arrive at the Company's share registrar's office at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur or via e-mail at ir@shareworks.com.my not less than 24 hours before the date and time for the EGM as indicated above or at any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting at the virtual EGM should you subsequently decide to do so and in such an event, your Form of Proxy shall be deemed to have been revoked.

11. FURTHER INFORMATION

You are requested to refer to the appendix for further information.

Yours faithfully,
For and on behalf of the Board of
XOX BHD

Tan Sik Eek
Executive Director

1. RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board and the Directors collectively and individually accept full responsibility for the completeness and accuracy of the information contained in this Circular and confirm that after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements contained in this Circular or other facts, the omission of which would make any statement in this Circular false or misleading.

2. CONSENT AND CONFLICT OF INTEREST

TA Securities, being the Principal Adviser for the Proposed Share Consolidation, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which it appears in this Circular.

TA Securities has confirmed that there is no conflict of interest that exists or any circumstances which would or is likely to give rise to a possible conflict of interests in relation to its role as the Principal Adviser for the Proposed Share Consolidation.

3. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 22-09, Menara 1MK, No. 1 Jalan Kiara, Mont Kiara, 50480 Kuala Lumpur, Malaysia during normal business hours from Monday to Friday (except public holidays) following the date of this Circular up to and including the date of the EGM:

- (i) Constitution of the Company;
- (ii) audited consolidated financial statements of XOX for the FYE 30 September 2022 and FYE 30 September 2023 as well as the unaudited condensed consolidated financial statements of the Group for the 6-month FPE 31 March 2024; and
- (iii) the letter of consent and conflict of interest referred to in **Section 2 of Appendix I** above.

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

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (“**EGM**”) of XOX Bhd (“**XOX**” or the “**Company**”) will be conducted on a virtual basis through live streaming and online remote participation and voting from the Broadcast Venue at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan via online meeting platform at <https://rebrand.ly/XOX-EGM> on Friday, 12 July 2024 at 10.00 a.m. or at any adjournment thereof for the purpose of considering and, if thought fit, passing the following resolution with or without modifications:

ORDINARY RESOLUTION

PROPOSED CONSOLIDATION OF EVERY 30 EXISTING ORDINARY SHARES IN XOX (“XOX SHARES” OR “SHARES”) INTO 1 XOX SHARE (“CONSOLIDATED SHARE”) (“PROPOSED SHARE CONSOLIDATION”)

“**THAT** upon the approvals being obtained from the relevant authorities, where required, approval be and is hereby given to the Company to give effect to the consolidation of every 30 Shares held by the shareholders of the Company, whose names appear in the Company’s Record of Depositors at the close of business on a date to be determined and announced later by the Board of Directors of the Company (“**Board**”), into 1 Consolidated Share;

THAT the fractional entitlements arising from the Proposed Share Consolidation, if any, shall be disregarded and dealt with by the Board in such manner at its absolute discretion as it may deem fit or expedient and in the best interest of the Company;

THAT the Consolidated Shares and consolidated irredeemable convertible preference shares of the Company shall respectively, upon allotment and issuance, rank equally in all respects with one another following the completion of the Proposed Share Consolidation;

AND THAT the Board be and is hereby authorised with full power to do or procure to be done all such acts, deeds and things and to execute, sign and deliver on behalf of the Company all such documents and/or agreements as the Board may deem fit, necessary or expedient or appropriate in the best interest of the Company, in order to finalise, implement, give effect to and/or complete the Proposed Share Consolidation with full power to assent to any terms, conditions, modifications, variations and/or amendments as may be imposed or required by the relevant authorities.”

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
26 June 2024

Notes:

1. A member entitled to attend and vote is entitled to appoint at least one (1) proxy but not more than two (2) proxies to attend, speak and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
2. Where a member appoints two (2) proxies, the appointment shall be invalid unless the proportions of shareholdings to be represented by each proxy are specified.
3. Where a member of the Company is an exempt authorised nominee as defined under the Central Depositories Act which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**Omnibus Account**"), there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
4. The instrument appointing the proxy shall be in writing, executed by or on behalf of the appointor. In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or attorney duly authorised.
5. The instrument appointing a proxy must be deposited at the Share Registrar's office at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur or via e-mail at ir@shareworks.com.my not less than 24 hours before the time for holding the EGM or any adjournments thereof PROVIDED that in the event the member(s) duly executes the Form of Proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the Meeting as his/their proxy, provided always that the rest of the Form of Proxy, other than the particulars of the proxy have been duly completed by the member(s).
6. For the purpose of determining members' eligibility to attend this meeting, only members whose names appear in the Record of Depositors as at 4 July 2024 shall be entitled to attend this meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.
7. All resolution as set out in this notice of EGM is to be voted by poll.
8. The EGM will be conducted as virtual meeting from the Broadcast Venue, the members are advised to refer to the Administrative Guide on the registration and voting process for the said meeting.



XOX BHD

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

FORM OF PROXY

CDS Account No.																				
No. of Shares Held																				

I/We,
(FULL NAME IN BLOCK LETTERS)

(NRIC No./ Registration No./ Passport No.)

of
(FULL ADDRESS)

(Contact No. and Email Address

being a member/members of **XOX BHD (“Company”)**, hereby appoint

Name of Proxy	NRIC No./ Passport No.	% of Shareholdings to be Represented
Address		
Contact No.	Email Address	

and/ or failing him/ her

Name of Proxy	NRIC No./ Passport No.	% of Shareholdings to be Represented
Address		
Contact No.	Email Address	

or failing him/ her*, the CHAIRMAN OF THE MEETING as my/ our* proxy to vote for me/ us* on my/ our* behalf at the Extraordinary General Meeting of the Company to be conducted on a virtual basis through live streaming and online remote participation and voting from the Broadcast Venue at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan via online meeting platform at <https://rebrand.ly/XOX-EGM> on Friday, 12 July 2024 at 10.00 a.m. or at any adjournment thereof.

My / our proxy is to vote as indicated below:

Resolution		FOR	AGAINST
Ordinary Resolution	Proposed Share Consolidation		

Please indicate with “X” in the appropriate space how you wish your proxy to vote. If you do not indicate how you wish your proxy to vote on any resolution, the proxy shall vote as he thinks fit or, at his discretion, abstain from voting.

Dated this _____ day of _____ 2024.



.....
* Signature of Member(s) / Common Seal of Shareholder
* Delete if not applicable

Fold this flap for sealing

Notes

1. A member entitled to attend and vote is entitled to appoint at least one (1) proxy but not more than two (2) proxies to attend, speak and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
2. Where a member appoints two (2) proxies, the appointment shall be invalid unless the proportions of shareholdings to be represented by each proxy are specified.
3. Where a member of the Company is an exempt authorised nominee as defined under the Central Depositories Act which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
4. The instrument appointing the proxy shall be in writing, executed by or on behalf of the appointor. In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or attorney duly authorised.
5. The instrument appointing a proxy must be deposited at the Share Registrar's office at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur or via e-mail at ir@shareworks.com.my not less than 24 hours before the time for holding the EGM or any adjournments thereof PROVIDED that in the event the member(s) duly executes the Form of Proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the Meeting as his/their proxy, provided always that the rest of the Form of Proxy, other than the particulars of the proxy have been duly completed by the member(s).
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AFFIX
STAMP

**THE SHARE REGISTRAR OF
XOX BHD**

Registration No. 201001016682 (900384-X)

c/o SHAREWORKS SDN. BHD.

No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas, 50480 Kuala Lumpur
Malaysia

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