

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE	
	Quarter Ended	Quarter Ended	Year Ended	Year Ended
	31.03.2023 RM'000	31.03.2022 RM'000	31.03.2023 RM'000	31.03.2022 RM'000
Revenue	14,499	9,707	26,965	27,629
Cost of sales	(12,610)	(7,986)	(24,121)	(24,394)
<b>Gross profit</b>	<b>1,889</b>	<b>1,721</b>	<b>2,844</b>	<b>3,235</b>
Other income	172	344	4,434	819
Administrative expenses	(2,237)	(2,672)	(6,619)	(6,838)
Other expenses	(3,570)	(105)	(7,368)	(814)
Loss from operations	(3,746)	(712)	(6,709)	(3,598)
Finance costs	(112)	(15)	(129)	(43)
<b>Loss before taxation</b>	<b>(3,858)</b>	<b>(727)</b>	<b>(6,838)</b>	<b>(3,641)</b>
Taxation	(45)	(32)	(45)	(32)
<b>Loss after taxation</b>	<b>(3,903)</b>	<b>(759)</b>	<b>(6,883)</b>	<b>(3,673)</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive loss for the period</b>	<b>(3,903)</b>	<b>(759)</b>	<b>(6,883)</b>	<b>(3,673)</b>
<b>Loss attributable to:</b>				
Owners of the Parent	(3,903)	(756)	(6,883)	(3,661)
Non-controlling interests	-	(3)	-	(12)
	<b>(3,903)</b>	<b>(759)</b>	<b>(6,883)</b>	<b>(3,673)</b>
<b>Total comprehensive loss attributable to:</b>				
Owners of the Parent	(3,903)	(756)	(6,883)	(3,661)
Non-controlling interests	-	(3)	-	(12)
	<b>(3,903)</b>	<b>(759)</b>	<b>(6,883)</b>	<b>(3,673)</b>
<b>Loss per share attributable to the owners of the Company (sen) :-</b>				
Basic loss per share (sen)	(0.34)	(0.07)	(0.61)	(0.32)
Diluted loss per share (sen)	N/A	N/A	N/A	N/A

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	AS AT 31.03.2023 (Unaudited) RM'000	AS AT 30.06.2022 (Audited) RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	5,439	12,929
Goodwill arising from consolidation	60	60
Right of use assets	467	646
Trade receivables	8,959	8,959
	14,925	22,594
<b>Current assets</b>		
Inventories	-	602
Receivables, deposits and prepayments	17,788	15,411
Tax recoverable	351	290
Cash and cash equivalents	13,747	20,500
Deposit with licensed bank	12,000	10,359
	43,886	47,162
Assets held for sale	-	255
Assets included in disposal group held for sale and discontinued operation	-	1,926
	43,886	49,343
<b>TOTAL ASSETS</b>	<b>58,811</b>	<b>71,937</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	87,762	87,762
Accumulated losses	(31,882)	(24,999)
<b>Equity attributable to owners of the parent</b>	<b>55,880</b>	<b>62,763</b>
Non-controlling interests	-	(892)
<b>TOTAL EQUITY</b>	<b>55,880</b>	<b>61,871</b>
<b>Non-current liabilities</b>		
Lease liabilities	272	272
Deferred taxation	12	12
	284	284
<b>Current liabilities</b>		
Trade and other payables	1,291	8,618
Contract liabilities	1,126	610
Lease liabilities	230	426
	2,647	9,654
Liabilities included in disposal group held for sale and discontinued operation	-	128
<b>TOTAL LIABILITIES</b>	<b>2,931</b>	<b>10,067</b>
<b>TOTAL EQUITY LIABILITIES</b>	<b>58,811</b>	<b>71,937</b>
<b>Net assets per share attributable to the owners of the parent (RM)</b>	(0.05)	(0.07)

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to owners of the Parent			
	Share Capital RM'000	Accumulated Losses RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
<b>Balance as of 1 July 2022</b>	87,762	(24,999)	(892)	61,871
Total comprehensive loss for the financial year	-	(6,883)	-	(6,883)
<b>Transaction with the owners:-</b>				
Elimination of non-controlling interest at disposal of subsidiary	-	-	892	892
<b>Balance as of 31 March 2023</b>	87,762	(31,882)	-	55,880

**AUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to owners of the Parent			
	Share Capital RM'000	Accumulated Losses RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
<b>Balance as of 1 July 2021</b>	82,481	(19,302)	(872)	62,307
Total comprehensive loss for the financial year	-	(5,697)	(20)	(5,717)
<b>Transaction with the owners:-</b>				
Private placement exercise	5,281	-	-	5,281
<b>Balance as of 30 June 2022</b>	87,762	(24,999)	(892)	61,871

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

	CUMULATIVE	
	31.03.2023	31.03.2022
	RM'000	RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Loss before taxation</b>	(6,838)	(3,641)
Adjustments for:-		
Bad debts written off	3,570	101
Depreciation of property, plant and equipment	1,841	1,463
Depreciation of right of use assets	171	233
Discount received from lease liabilities	2	13
Gain on disposal of subsidiaries	(3,976)	-
Interest income	(369)	(480)
Interest expense	20	43
Loss on disposal of property, plant and equipment	3,798	-
Written off of property, plant and equipment	6	818
<b>Operating loss before working capital changes</b>	<b>(1,775)</b>	<b>(1,450)</b>
<b>Changes in working capital:</b>		
Contract liabilities	517	-
Inventories	574	1,259
Payables and accruals	904	(4,945)
Receivables, deposits and prepayments	(6,106)	(9,003)
	(4,111)	(12,689)
<b>Cash generated used in operations</b>	<b>(5,886)</b>	<b>(14,139)</b>
Interest received	369	480
Interest paid	(20)	(43)
Tax paid	(182)	(393)
Tax refund	-	5
	167	49
<b>Net cash generated used in operating activities</b>	<b>(5,719)</b>	<b>(14,090)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Disposal of subsidiaries, net of cash disposed of	(1,162)	-
Sales proceeds from disposal of PPE	1,873	-
Proceeds from disposal of subsidiaries	101	-
Purchase of property, plant and equipment	(31)	(3,208)
<b>Net cash generated from/(used in) investing activities</b>	<b>781</b>	<b>(3,208)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of lease liability	(174)	(231)
Proceeds from issuance of share capital	-	5,281
<b>Net cash (used in)/generated from financing activities</b>	<b>(174)</b>	<b>5,050</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(5,112)</b>	<b>(12,248)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	<b>30,859</b>	<b>46,592</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<b>25,747</b>	<b>34,344</b>

	CUMULATIVE	
	31.03.2023	31.03.2022
	RM'000	RM'000
<b>Cash and cash equivalents comprise:-</b>		
Deposits pledged with bank	100	100
Short term deposits with financial institutions	12,000	10,204
Cash and bank balances	13,647	24,040
	<b>25,747</b>	<b>34,344</b>

The unaudited condensed consolidated statement of changes in cash flow should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to the interim financial statements.

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**NOTES TO THE INTERIM FINANCIAL REPORT****A. EXPLANATORY NOTES****A1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134: Interim Financial Reporting and Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements of XOX Networks Berhad (formerly known as Macpie Berhad) (“XOX Networks” or “Company”) on a consolidated basis with its subsidiaries (“XOX Networks Group” or “Group”) for the financial year ended 30 June 2022 and the explanatory notes attached to the interim financial statements, which provide an explanation of events and transactions that are significant to understand the changes in the financial position and performance of the Group since the financial year ended 30 June 2022.

**A2. Changes in accounting policies**

The accounting policies and methods of computation used in the preparation of the quarterly financial statements are consistent with those applied in the latest audited annual financial statements for the financial year ended 30 June 2023.

The significant accounting policies adopted are consistent with those of the audited financial statements financial year ended 30 June 2023.

**A3. Auditors’ report on preceding annual financial statements**

The auditors’ report on the financial statements of the Group for the financial year ended 30 June 2023 was not subject to any qualification.

**A4. Seasonal or cyclical factors**

The business of the Group is subjected to the cyclical effects, usually due to economic conditions.

**A5. Unusual items due to their nature, size or incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter.

**A6. Changes in composition of the Group**

There were no material changes to the composition of the Group during the current quarter.

**A7. Changes in estimates**

There were no changes in estimates that have had a material effect on the results of the current quarter and financial period-to-date.

**A8. Capital and reserves**

There were no other issuance and repayment of debt and equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares during the current quarter under review except as disclosed in Note B6.

**NOTES TO THE INTERIM FINANCIAL REPORT (CONTINUED)**
**A9. Dividends paid and proposed**

No dividend has been proposed during the current quarter.

**A10. Segmental Information**

Sales revenue by division to external parties for the quarter ended 31 March 2023 are as follows:-

	Event Management	ICT	Digital & Media Management	Financial Solutions	Others	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>						
External sales	12,615	-	1,874	10	-	14,499
Gross profit	1,693	-	186	10	-	1,889
Profit/(loss) before taxation	132	(6)	40	(106)	(3,918)	(3,858)

The Group's revenue increased significantly as compared to the corresponding quarter in previous year mainly due to the event management segment captured some major events during the quarter under review. On top of that, the business under the digital and media management segment has been gradually established.

The Group has captured a further loss before taxation this quarter as compared to the corresponding quarter in previous year in view of the written off of bad debts during the quarter under review.

Sales revenue by division to external parties for the quarter ended 31 March 2022 are as follows:-

	Event Management	ICT	Digital Services	Financial Solutions	Others	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>						
External sales	6,745	2,216	327	418	-	9,707
Gross (loss)/profit	1,135	(136)	304	418	-	1,721
(Loss)/profit before taxation	4	(797)	158	355	(447)	(727)

**NOTES TO THE INTERIM FINANCIAL REPORT (CONTINUED)**
**A11. Related Party Transactions**

- a. Identities of related parties
- i. the Company has a controlling related party relationship with its subsidiaries;
  - ii. the director who is the key management personnel; and
  - iii. entities controlled by certain key management personnel, directors and/or substantial shareholders.
- b. Compensation of key management personnel
- i. Key management personnel includes all the Directors of the Company and its subsidiaries and certain members of senior management of the Group.
  - ii. Key management personnel is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly.
- c. During the quarter under review, the Group has disclosed key management personnel compensation in total and the following related parties transactions:

	Individual Quarter		Cumulative Quarter	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
<b>Key management personnel compensation:</b>				
Short-term employee benefit	235	154	485	483
<b>Transactions with:</b>				
<b>Subsidiaries of the Group</b>				
Rental of equipment	50	-	180	-
Rental receivables	40	40	120	120
<b>Services to related parties</b>				
Provision of event management	-	5,167	1,850	6,366
Provision of digital and media management	1,383	115	3,854	459
Warehouse rental and transportation	-	600	39	1,851
Sales and purchase of mobile phones and telecommunication services	-	4	1	1,077

**A12. Valuation of Property, Plant and Equipment**

The Group did not revalue any of its assets from the previous audited financial statements for the financial year ended 30 June 2023.

**A13. Contingent Assets or Liabilities**

There are no contingent assets and liabilities since the previous audited financial statement for the financial year ended 30 June 2023.

**A14. Material Events Subsequent to the End of the Interim Reporting Period**

There were no material events subsequent to the end of the current quarter under review up to the date of this quarterly report.

**A15. Changes in the Composition of the Group**

There were no material changes to the composition of the Group for the current quarter under review.

**A16. Capital Commitments**

There were no capital commitments for the current quarter under review.

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**NOTES TO THE INTERIM FINANCIAL REPORT (CONTINUED)**
**B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS**
**B1 Review of Group Performance**

The summary results of the Group are as follows:

	Individual Quarter		Variance	Cumulative Quarter		Variance
	31.03.2023	31.03.2022	+ / (-)	31.03.2023	31.03.2022	+ / (-)
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	14,499	9,707	49%	26,965	27,629	(2%)
Loss from operations	(3,746)	(712)	426%	(6,709)	(3,598)	86%
Loss before taxation	(3,858)	(727)	431%	(6,838)	(3,641)	88%
Loss after taxation	(3,903)	(759)	414%	(6,883)	(3,673)	87%

The Group recorded a revenue of RM14.5 million for the third quarter ended 31 March 2023 ("Q3 FY2023"), which is higher as compared to the corresponding quarter in previous year ended 31 March 2022 ("Q3 FY2022") due to the Group had successfully organized and managed a few major events during the quarter under review.

The Group recorded a loss after taxation of RM3.90 million for Q3 FY2023, which was 414% higher than Q3 FY2022 loss after taxation of RM0.76 million mainly contributed by bad debts written off during Q3 FY2023.

The event management segment has progressively recovered as a result of entering into the endemic phase of COVID-19 as announced by the Malaysian's government.

**B2 Performance of the current quarter against the immediate preceding quarter**

	Current Quarter	Immediate Preceding Quarter	Changes	
	31.03.2023	31.12.2022	RM'000	%
	RM'000	RM'000		
Revenue	14,499	6,202	8,297	134%
Loss from operations	(3,746)	(4,959)	1,213	(24%)
Loss before taxation	(3,858)	(4,963)	1,105	(22%)
Loss after taxation	(3,903)	(4,963)	1,060	(21%)

For Q3 FY2023, the Group recorded a revenue of RM14.5 million, representing a significant increase of 134% compared to the second quarter ended 31 December 2022 ("Q2 FY2023"). The Group's loss after taxation for Q3 FY2023 has decreased compared to Q2 FY2023.

**NOTES TO THE INTERIM FINANCIAL REPORT (CONTINUED)**
**B3 Future prospects**

As the Covid 19 pandemic subsides, the entertainment industry is expected to recover, and eventually grow in the longer term as Covid 19 containment measures are gradually relaxed and people become more comfortable to attend these events; and more international performers and artistes are able to travel to Malaysia. The Group shifts their focus back to organizing physical events. With the anticipated recovery in the entertainment industry, the Group is aiming to capture more revenue on physical events and festivals in the coming quarters.

**B4 Variance of actual profit from profit forecast and profit guarantee**

There was no profit forecast or guarantee made public for the financial period under review and hence no comparison was made with the actual results.

**B5 Taxation**

	Cumulative	
	Year Ended 31.03.2023 RM'000	Year Ended 31.03.2022 RM'000
Based on the results for the current year:-		
Tax expense	(45)	(32)

Income tax is calculated at the Malaysian statutory tax rate of 24% (2022: 24%) of the estimated assessable profit for the year.

**B6 Status of Corporate Exercises**
Multiple proposals

The private placement has been completed following the listing and quotation of 106,030,800 placement shares on the ACE Market of Bursa Securities on 1 March 2021 and its status of utilisation of proceeds is tabulated below:

**Status of utilisation of proceeds**

Purpose	Proposed	Actual	Intended timeframe for utilisation	Balance unutilised	
	utilisation RM'000	utilisation RM'000		RM'000	%
Purchase of equipment for the event management segment	13,705	9,519	Within 18 months	4,185	31%
Additional funds for the financial solutions segment	8,938	8,938	Within 12 months	-	0%
Working capital	3,602	3,602	Within 12 months	-	0%
Estimated expenses for the Proposals	793	793	Immediate	-	0%
	<u>27,038</u>	<u>22,852</u>		<u>4,185</u>	

The Board had on, 8 September 2022 announced the proceeds had been fully utilised save for an amount of RM7.275 million allocated for the purchase of equipment for the event management segment.

**NOTES TO THE INTERIM FINANCIAL REPORT (CONTINUED)**
Second private placement

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 and its status of utilisation of proceeds is tabulated below:

Purpose	Proposed utilisation	Actual utilisation	Intended timeframe for utilisation	Balance unutilised	
	RM'000	RM'000		RM'000	%
Setting up of digital media platform	5,211	248	Within 18 months	4,963	95%
Estimated professional expenses	70	30	Immediate	40	57%
	<u>5,281</u>	<u>278</u>		<u>5,003</u>	

Save for the above, there were no other corporate proposals announced but not completed.

**B7 Group Bank Borrowing and Debt Securities**

There were no borrowing and debt securities for the financial quarter under review.

**B8 Changes in Material Litigation**
**Civil Suit No. BA-22NCvC-41-01/2022) against Mr. Luah Aik Teong (“Defendant”)**

Reference is made to the announcements dated 11 February 2022, 15 February 2022, 10 March 2022 and 11 April 2022 respectively in relation to the Litigation. Unless otherwise defined in this announcement, the terms stated herein shall have the same meaning as defined in the earlier announcements.

The Board of Directors of XOX Networks wishes to announce that the Plaintiff had on 2 June 2022 filed a fair order (hereinafter referred to as “Fair Order”) in the High Court at Shah Alam (hereinafter referred to as “Court”). Pursuant to the Fair Order, the Court has approved to serve the sealed Bankruptcy Notice to the Defendant in the following manner:-

- i. by affixing a copy of the Fair Order and a copy of the Bankruptcy Notice on the notice board of the High Court at Shah Alam and at the last address of the Defendant; and
- ii. by advertising a notice on The Star newspaper for one (1) day.

Carrying out the matters as set out in (i) and (ii) above shall be deemed effective and sufficient for the service of the Bankruptcy Notice on the Defendant after fourteen (14) days from the date the matters as set out in (i) and (ii) above are carried of such pasting or advertising.

There will not have any financial and operational impact on XOX Network Group for the financial year ended 30 June 2023 as the impairment on amount owing by the Defendant had been made in the previous financial year.

Save for the above disclosure, there is no material litigation up to the date of this quarterly report.

**NOTES TO THE INTERIM FINANCIAL REPORT (CONTINUED)**
**B9 Dividend**

No dividend has been proposed for the financial year under review.

**B10 Notes to the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income**

Loss of the Group for the financial year is arrived at after crediting the following expenses/(income):

	INDIVIDUAL QUARTER		CUMULATIVE	
	31.03.2023	31.03.2022	YEAR ENDED 31.03.2023	YEAR ENDED 31.03.2022
	RM'000	RM'000	RM'000	RM'000
Bad debts written off	3,570	101	3,570	101
Depreciation of property, plant and equipment	340	49	1,841	1,463
Depreciation of right of use assets	49	76	171	233
Gain on disposal of subsidiaries	-	-	(3,976)	-
Interest income	(178)	(137)	(369)	(480)
Interest expense	4	13	20	43
Loss on disposal of property, plant and equipment	-	-	3,798	-
Property, plant and equipment written off	6	72	6	818

The other items as required under Appendix 9B Note 16 of the Listing Requirements of Bursa Securities are not applicable to the Group.

**B11 Basic profit or loss per Share**

Basic profit or loss per share is calculated by dividing profit or loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	INDIVIDUAL QUARTER		CUMULATIVE	
	31.03.2023	31.03.2022	YEAR ENDED 31.03.2023	YEAR ENDED 31.03.2022
	RM'000	RM'000	RM'000	RM'000
Net loss attributable to the owners of the Company	(3,903)	(756)	(6,883)	(3,661)
Weighted average number of shares in issue ('000)	1,136,709	1,136,709	1,136,709	1,136,709
Basic profit/(loss) per share (sen)	(0.34)	(0.07)	(0.61)	(0.32)

**B12 Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors on 30 May 2023.