

**CONDENSED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2018
STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**

| | Current Quarter 31-Dec | Comparative Quarter 31-Dec | Changes | Cumulative Quarter Ended 31 December | | Changes |
|---|------------------------------|----------------------------------|-------------|--|-------------------|-------------|
| | 2018 RM | 2017 RM | | 2018 RM | 2017 RM | |
| Revenue | 24,607,978 | 24,723,497 | 0% | 92,475,848 | 84,724,677 | 9% |
| Cost of sales | (18,860,436) | (17,902,341) | 5% | (68,764,373) | (58,645,826) | 17% |
| GROSS PROFIT | 5,747,542 | 6,821,156 | -16% | 23,711,475 | 26,078,851 | -9% |
| Other operating income | 511,031 | 1,439,628 | -65% | 1,867,275 | 1,983,591 | -6% |
| Administrative expenses | (942,344) | (1,523,657) | -38% | (2,539,932) | (2,459,486) | 3% |
| OPERATING PROFIT | 5,316,229 | 6,737,127 | -21% | 23,038,818 | 25,602,956 | -10% |
| Finance costs | - | - | - | 0 | - | |
| PROFIT BEFORE TAXATION | 5,316,229 | 6,737,127 | -21% | 23,038,818 | 25,602,956 | -10% |
| Taxation | (1,535,875) | (1,666,899) | -8% | (6,276,273) | (6,426,791) | -2% |
| PROFIT NET OF TAX | 3,780,354 | 5,070,228 | -25% | 16,762,545 | 19,176,165 | -13% |
| Other comprehensive income | | | | | | |
| Foreign currency translation | 34,976 | (1,742,885) | -102% | (3,433,971) | (3,355,103) | 2% |
| Other comprehensive income for the quarter, net of tax | 34,976 | (1,742,885) | -102% | (3,433,971) | (3,355,103) | 2% |
| TOTAL COMPREHENSIVE INCOME FOR THE QUARTER | 3,815,330 | 3,327,343 | 15% | 13,328,574 | 15,821,062 | -16% |
| Profit attributable to: | | | | | | |
| Owners of the parent | 3,796,988 | 5,070,228 | -25% | 16,814,007 | 19,176,165 | -12% |
| Non-controlling interests | (16,634) | - | | (51,462) | - | |
| | 3,780,354 | 5,070,228 | -25% | 16,762,545 | 19,176,165 | -13% |
| Total comprehensive income/(loss) attributable to: | | | | | | |
| Owners of the parent | 3,831,964 | 3,327,343 | 15% | 13,380,036 | 15,821,062 | -15% |
| Non-controlling interests | (16,634) | - | | (51,462) | - | |
| | 3,815,330 | 3,327,343 | 15% | 13,328,574 | 15,821,062 | -16% |
| Earning per share attributable to equity holders of the Company: | | | | | | |
| Basic (sen) | 0.20 | 0.61 | | 0.90 | 2.30 | |
| Diluted (sen) | 0.14 | 0.44 | | 0.63 | 1.66 | |

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.)

CONDENSED INTERIM FINANCIAL REPORT
STATEMENT OF FINANCIAL POSITION
As At 31 December 2018

| | 2018 | AUDITED |
|--|--------------------|--------------------|
| | 31 December | 2017 |
| | RM | 31 DECEMBER |
| | RM | RM |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 173,769 | 57,985 |
| Goodwill on consolidation | 72,790 | - |
| Software development expenditure | 883,280 | 15,393 |
| Other investment | 30,085,000 | 31,150,000 |
| Total Non-current assets | 31,214,839 | 31,223,378 |
| Current assets | | |
| Trade and other receivables | 1,018,996 | 5,636,020 |
| Tax recoverable | 35,046 | 34,863 |
| Fixed deposits placed with licensed banks | 30,340 | 5,175 |
| Cash and bank balances | 85,148,579 | 66,690,777 |
| Total Current Assets | 86,232,961 | 72,366,835 |
| TOTAL ASSETS | 117,447,800 | 103,590,213 |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the Company: | | |
| Share capital | 93,662,046 | 93,182,374 |
| Warrant reserve | 17,433,116 | 17,603,322 |
| Retained earnings/(Accumulated losses) | 8,663,792 | (8,150,215) |
| Foreign exchange translation reserve | (5,087,980) | (1,654,009) |
| Reserves | 21,008,928 | 7,799,098 |
| Shareholders' funds | 114,670,974 | 100,981,472 |
| Non-controlling interests | 11,702 | - |
| Total equity | 114,682,676 | 100,981,472 |
| Current liabilities | | |
| Trade and other payables | 1,231,036 | 953,106 |
| Provision for taxation | 1,534,088 | 1,655,635 |
| Total Current Liabilities | 2,765,124 | 2,608,741 |
| TOTAL LIABILITIES | 2,765,124 | 2,608,741 |
| TOTAL EQUITY AND LIABILITIES | 117,447,800 | 103,590,213 |

Notes:

i. The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the period ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements

**CONDENSED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2018
STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**

←-----Attributable to equity holders of the parent----->

| | Issued Capital RM | Share Premium RM | Translation Reserve RM | Share Option Reserve RM | Warrant Reserve RM | Accumulated Losses RM | Equity attributable to owners of the parent RM | Non-controlling Interests RM | Total Equity RM |
|--|-------------------------|------------------------|------------------------------|-------------------------------|--------------------------|-----------------------------|--|------------------------------------|-----------------------|
| 1st Quarter ended 31 March 2018 | | | | | | | | | |
| As at 1 January 2018 | 93,182,374 | - | (1,654,009) | - | 17,603,322 | (8,150,215) | 100,981,472 | - | 100,981,472 |
| Adjustment for effects of Companies Act 2016* | - | - | - | - | - | - | - | - | - |
| Total comprehensive income/(loss) | - | - | (3,433,971) | - | - | 16,814,007 | 13,380,036 | (51,462) | 13,328,574 |
| Transaction with owners: | | | | | | | | | |
| Exercise of warrants | 479,672 | - | - | - | (170,206) | - | 309,466 | - | 309,466 |
| Acquisition of subsidiary | - | - | - | - | - | - | - | 63,164 | 63,164 |
| As at 31 December 2018 | <u>93,662,046</u> | <u>-</u> | <u>(5,087,980)</u> | <u>-</u> | <u>17,433,116</u> | <u>8,663,792</u> | <u>114,670,974</u> | <u>11,702</u> | <u>114,682,676</u> |
| | | | | | | | | | |
| As at 1 January 2017 | 83,260,880 | 9,894,524 | 1,701,094 | - | 17,612,892 | (27,326,380) | 85,143,010 | - | 85,143,010 |
| Adjustment for effects of Companies Act 2016* | 9,894,524 | (9,894,524) | - | - | - | - | - | - | - |
| Total comprehensive income/(loss) | - | - | (3,355,103) | - | - | 19,176,165 | 15,821,062 | - | 15,821,062 |
| Transaction with owners: | | | | | | | | | |
| Exercise of warrants | 26,970 | - | - | - | (9,570) | - | 17,400 | - | 17,400 |
| As at 31 December 2017 | <u>93,182,374</u> | <u>-</u> | <u>(1,654,009)</u> | <u>-</u> | <u>17,603,322</u> | <u>(8,150,215)</u> | <u>100,981,472</u> | <u>-</u> | <u>100,981,472</u> |

* With the Companies Act 2016 ("New Act") coming into effect on 31 January 2017, the credit stating in the share premium accounts of RM9,894,524 has been transferred to the share capital account. Pursuant to subsection 618(3) and 618(4) of the New Act, the Group may exercise its right to use the credit amounts being transferred from share premium within 24 months after the commencement of the New Act. The Board of Directors will make a decision thereon by 31 January 2019.

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2017.

**CONDENSED INTERIM FINANCIAL REPORT
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2018
 STATEMENT OF CASH FLOW (UNAUDITED)**

| | 12 months ended 31.12.2018 (RM) | 12 months ended 31.12.2017 (RM) |
|---|--|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 23,038,818 | 25,602,956 |
| Adjustments for : | | |
| Depreciation and amortisation | 63,444 | 26,390 |
| Interest income | (1,867,266) | (680,677) |
| Waiver of debts | - | (56,000) |
| Operating profit before working capital changes | 21,234,996 | 24,892,669 |
| Changes in Working Capital: | | |
| Receivables | 4,617,024 | 27,395,876 |
| Payables | 277,930 | 103,660 |
| Cash generated from operations | 26,129,950 | 52,392,205 |
| Tax paid | (6,347,299) | (5,823,265) |
| Net Operating Cash Flows | 19,782,651 | 46,568,940 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Interest received | 1,867,266 | 680,677 |
| Development expenditure incurred | (888,053) | (15,393) |
| Purchase of property, plant & equipment | (131,968) | (2,428) |
| Investment in other investment | - | (31,150,000) |
| Investment in new subsidiary | (399,764) | - |
| Net Investing Cash Flows | 447,481 | (30,487,144) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from exercise of warrants | 309,465 | 17,400 |
| Net Financing Cash Flows | 309,465 | 17,400 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 20,539,597 | 16,099,196 |
| EFFECTS OF EXCHANGE RATE CHANGES | (2,056,630) | (3,384,451) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | 66,695,952 | 53,981,207 |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | 85,178,919 | 66,695,952 |
| | | |
| Note: Cash and cash equivalents | 31.12.2018 | 31.12.2017 |
| Cash and bank balance | 85,148,579 | 66,690,777 |
| Fixed deposit placed with licensed banks | 30,340 | 5,175 |
| | 85,178,919 | 66,695,952 |
| Less: Bank overdraft | - | - |
| Cash and cash equivalents | 85,178,919 | 66,695,952 |

(The unaudited condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.)

LAMBO GROUP BERHAD (517487-A)*(Formerly known as Accsoft Technology Bhd)*

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2018**A Explanatory Notes Pursuant to Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting****A1. Basis of Preparation**

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting, and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (for the ACE Market), and should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2017.

A2. Audit Report of the Preceding Annual Financial Statements

The auditors' report of the preceding annual financial statements was not subject to any qualification.

A3. Seasonal or Cyclical Factors of Interim Operations

There were no seasonal or cyclical factors affecting the results of the Group for the current interim period.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income, or Cash

There were no items affecting assets, liabilities, equity, net income, or cash that are unusual in nature, size or incidence for the current interim period.

A5. Material Changes in Estimates

There were no changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years that have a material effect in the current interim period.

A6. Debt and equity securities

There were no 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.

A7. Dividend paid

The Board does not recommend any dividend for the current interim period.

A8. Segmental Information

The Group is operated in wholesale of shoes, information technology and e-commerce business and the Group has started the logistic business during the year. The business segment results for the quarter ended 31 December 2018 is as below:

| Business Segment | Distribution Platform (Business to Business Model) | IT and E-Commerce Platform (Business to Consumer Model) | Logistic | Others | Elimination | Total |
|---------------------------|---|--|-----------------|---------------|--------------------|--------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 21,611 | 2,914 | 83 | - | - | 24,608 |
| Segment results | 3,384 | 1,984 | (371) | (192) | - | 4,805 |
| Interest income | | | | | | 511 |
| Profit before taxation | | | | | | 5,316 |
| Taxation | | | | | | (1,536) |
| Net profit after taxation | | | | | | 3,780 |

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INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2018**A Explanatory Notes Pursuant to Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting****A8. Segmental Information (Cont'd)**Geographical segment

In determining the geographical segments of the Group, segment revenue is based on the geographical location of customers.

The activities of the Group are conducted both in China and Malaysia.

| | Individual Quarter | | Cumulative Quarter | |
|----------|--------------------|-------------------|--------------------|-------------------|
| | Current Quarter | Preceding | Current 12- | Comparative |
| | Ended | Year | month ended | Quarter |
| | 31/12/2018 | 31/12/2017 | 31/12/2018 | 31/12/2017 |
| | RM | RM | RM | RM |
| Malaysia | 84,053 | - | 108,968 | - |
| China | 24,523,925 | 24,723,497 | 92,366,880 | 84,724,677 |
| | <u>24,607,978</u> | <u>24,723,497</u> | <u>92,475,848</u> | <u>84,724,677</u> |

Segmental information by geographical segments for the quarter ended 31 December 2018

| | Malaysia | China | Singapore | Elimination | Total |
|----------------------------------|------------------|------------------|----------------|-------------|------------------|
| | RM | RM | RM | RM | |
| Revenue | 84,053 | 24,523,925 | - | | 24,607,978 |
| Segment results | (821,957) | 5,636,952 | (9,789) | | 4,805,206 |
| Interest income | 33,587 | 477,436 | - | | 511,023 |
| Profit/(loss) before taxation | (788,370) | 6,114,388 | (9,789) | | 5,316,229 |
| Taxation | (1,784) | (1,534,091) | - | | (1,535,875) |
| Net profit/(loss) after taxation | <u>(790,154)</u> | <u>4,580,297</u> | <u>(9,789)</u> | | <u>3,780,354</u> |

A9. Valuations of Property, Plant and Equipment

The property, plant and equipment were acquired at cost during the current interim period.

A10. Material Events Subsequent to the End of the Interim Period

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

A11. Changes in the Composition of the Group

On 3 January 2019, the Group has acquired additional 29% equity interest in Gen M Prominent Sdn Bhd (GMPSB) by its wholly owned subsidiary, Lamboplace Sdn Bhd (formerly known as Accsoft Marketplace Sdn Bhd). GMPSB is principally involved in the business of management consultancy activities, organisation, promotions and/or management of events. The Group holds total 80% equity interest in GMPSB after the completion of additional acquisition.

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

A12. Contingent Liabilities/Contingent Assets

The Group does not have any contingent liabilities and contingent assets as at the date of this quarterly report.

A13. Capital commitments

The Group has no material capital commitments in respect of property, plant and equipment in the current quarter under review.

A14. Significant related party transactions

During the current quarter under review, the Directors are of the opinion that the Group has no related party transactions which would have a significant impact on the financial position and business of the Group.

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INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2018**B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (for ACE Market)****B1. Review of Performance**

The Group recorded revenue of RM24.61 million for the current quarter ended 31 December 2018 compared to the revenue RM24.72 million recorded in the preceeding year of the corresponding quarter. The revenue has decreased slightly.

The Group has recorded a net profit after taxation of RM3.78 million for the current quarter ended 31 December 2018 compared to the net profit after taxation of RM5.07 million in the preceeding year of the corresponding quarter. The operation cost has increased following by the commencement of business in Malaysia.

The main activities during the period are the provision of e-commerce business in developing, managing online trading platform and distribution business via Business to Business model. The Group has commenced the last mile delivery service and launched the Lamboplace e-commerce platform in Malaysia during the year.

B2. Material changes in profit before taxation for the current quarter as compared with the immediate preceding

For the quarter ended 31 December 2018, the Group reported a slightly lower revenue of RM24.61 million as compared to RM24.73 million achieved in the previous quarter ended 30 September 2018. The profit before taxation recorded in this quarter is RM5.32 million as compared to last quarter net profit of RM6.13 million due to the increase in operation cost.

The comparison between the current quarter and the immediate preceding quarter are as follows:-

| | Current Quarter 31.12.2018 | Previous Quarter 30.9.2018 |
|------------------------|-------------------------------|-------------------------------|
| | RM | RM |
| Revenue | 24,607,978 | 24,730,088 |
| Profit before taxation | 5,316,229 | 6,134,691 |

B3. Current Year Prospects

Following the launch of the logistic business and the soft launch of Lamboplace e-commerce platform on 18 August 2018, the Group expects to derive more revenue in line with booming e-commerce sector in Malaysia.

B4. Forecasts of Profit After Tax

Not applicable as no forecast was disclosed in any public document.

B5. Tax Expenses

| | Group | |
|-----------------------------------|------------------|------------------|
| | 2018 RM | 2017 RM |
| Income tax | | |
| - current year provision | 6,274,488 | 6,426,791 |
| - underprovision in previous year | 1,785 | - |
| | <u>6,276,273</u> | <u>6,426,791</u> |

B6. Unquoted Securities and/or Properties

There were no purchases or disposal of unquoted securities and/or properties for the current quarter and financial year-to-date under review.

B7. Quoted Securities

There were no purchases or disposals of quoted securities for the current quarter and financial year-to-date under review. The Group does not have any material investment in quoted securities as at the reporting date.

B8. Status of Corporate Proposals

There were no corporate proposal announced but not completed for the quarter under review.

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INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2018**B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (for ACE Market)****B9. Group Borrowings and Debt Securities**

The Group has no bank borrowings as at 31 December 2018.

B10. Profit Before Tax

Profit for the period is arrived after crediting/(charging) the following:

| | Individual Quarter | | Cumulative Quarter | |
|-------------------------------|--|--|---------------------------------------|--|
| | Current Quarter Ended 31/12/2018 RM'000 | Comparative Quarter Ended 31/12/2017 RM'000 | Current 3-months 31/12/2018 RM'000 | Comparative Quarter Ended 31/12/2017 RM'000 |
| Interest income | 511 | 201 | 1,867 | 681 |
| Depreciation and amortisation | (34) | (6) | (63) | (26) |

B11. Changes In Material Litigation

There was no material litigation pending as at the date of this report.

B12. Dividend

The Board does not recommend any dividend for the quarter under review.

B13. Status of Utilisation of Proceeds**Rights Issue**

On 27 January 2016, the Rights Issue with Warrants has been completed with the listing of Rights Shares and Warrants on the Ace Market of Bursa Malaysia Securities Berhad. As at 31 December 2018, the status utilisation of the proceeds raised is as follow:

| Description | Proposed Utilisation RM'000 | Actual Utilisation RM'000 | Balance to be Utilised RM'000 | Intended Timeframe for Utilisation |
|---|--------------------------------|------------------------------|----------------------------------|------------------------------------|
| Expansion of web-based business | 22,350 | (22,007) | 343 | Within 24 months |
| Marketing expenses, including digital / internet media services | 11,900 | (11,057) | 843 | Within 24 months |
| Working Capital | 7,648 | (7,648) | (0) | Within 24 months |
| Expenses in relation to the Proposal | 800 | (800) | - | Immediate |
| Total | 42,698 | (41,513) | 1,185 | |

B14. Earnings Per Share

Basic earnings/(loss) per share is calculated by dividing the net profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period.

| | 12 months ended | | Cumulative | |
|--|---------------------------------------|---|---------------------------------------|--|
| | Current Year Quarter 31.12.2018 RM | Preceding Year Corresponding Quarter 31.12.2017 RM | Current Year To Date 31.12.2018 RM | Preceding Year Corresponding period 31.12.2017 RM |
| Profit net of tax attributable to owners of the parent | 3,796,988 | 5,070,228 | 16,814,007 | 19,176,165 |
| Weighted average number of ordinary shares | 1,869,404,536 | 832,682,904 | 1,869,404,536 | 832,682,904 |
| EPS (sen) - Basic | 0.20 | 0.61 | 0.90 | 2.30 |
| - Diluted | 0.14 | 0.44 | 0.63 | 1.66 |