

**CONDENSED INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 31 DECEMBER 2022
STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**

	Current Quarter 31-Dec	Comparative Quarter 31-Dec	Changes	Cumulative Quarter Ended 31 December	
	2022 RM	2021 RM		2022 RM	2021 RM
Revenue	4,840,804	N/A	N/A	4,840,804	N/A
Cost of sales	(4,519,174)	N/A	N/A	(4,519,174)	N/A
GROSS PROFIT	321,630	N/A	N/A	321,630	N/A
Other operating income	778,141	N/A	N/A	778,141	N/A
Fair value gain on other investment	9,810,032	N/A	N/A	9,810,032	N/A
Administrative expenses	(4,591,118)	N/A	N/A	(4,591,118)	N/A
OPERATING PROFIT	6,318,685	N/A	N/A	6,318,685	N/A
Finance costs	(146,659)	N/A	N/A	(146,659)	N/A
PROFIT BEFORE TAXATION	6,172,026	N/A	N/A	6,172,026	N/A
Taxation	-	N/A	N/A	-	N/A
PROFIT NET OF TAX	6,172,026	N/A	N/A	6,172,026	N/A
Other comprehensive income					
Foreign currency translation	(676,255)	N/A	N/A	(676,255)	N/A
Other comprehensive income for the quarter, net of tax	(676,255)	N/A	N/A	(676,255)	N/A
TOTAL COMPREHENSIVE INCOME FOR THE QUARTER/PERIOD	5,495,771	N/A	N/A	5,495,771	N/A
Profit attributable to:					
Owners of the parent	6,172,351	N/A	N/A	6,172,351	N/A
Non-controlling interests	(325)	N/A	N/A	(325)	N/A
	6,172,026	N/A	N/A	6,172,026	N/A
Total comprehensive income attributable to:					
Owners of the parent	5,496,096	N/A	N/A	5,496,096	N/A
Non-controlling interests	(325)	N/A	N/A	(325)	N/A
	5,495,771	N/A	N/A	5,495,771	N/A
Earning per share attributable to equity holders of the Company:					
Basic (sen)	0.40	N/A		0.40	N/A
Diluted (sen)	N/A	N/A		N/A	N/A

In view of the change in financial year end from 31 May 2022 to 30 September 2022, there were no comparative financial information available presented for the corresponding 3 month period.

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the period ended 30 September 2022 and the accompanying explanatory notes attached to the interim financial statements.)

CONDENSED INTERIM FINANCIAL REPORT
STATEMENT OF FINANCIAL POSITION
As At 31 December 2022

	UNAUDITED	AUDITED
	As at	
	31 DECEMBER	30 SEPTEMBER
	2022	2022
	RM	RM
ASSETS		
Non-current assets		
Property, plant and equipment	21,665,837	21,001,277
Right-of-use asset	7,560,037	7,793,756
Lease receivable	65,221	75,527
Software development expenditure	153,065	198,237
Investment properties	5,750,000	5,750,000
Other investment	93,474,403	84,828,324
Total Non-current assets	128,668,563	119,647,121
Current assets		
Trade and other receivables and deposits	9,487,531	6,745,695
Inventories	4,336,596	3,589,042
Tax recoverable	6,681	6,322
Fixed deposits placed with licensed banks	765,691	765,691
Cash and bank balances	37,917,020	44,129,148
Total Current Assets	52,513,519	55,235,898
TOTAL ASSETS	181,182,082	174,883,019
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company:		
Share capital	258,497,381	258,497,381
Warrant reserve	53,982,148	53,982,148
Retained earnings	(142,050,417)	(148,222,768)
Foreign exchange translation reserve	(2,272,717)	(1,596,462)
Reserves	(90,340,986)	(95,837,082)
Shareholders' funds	168,156,395	162,660,299
Non-controlling interests	(302,595)	(302,270)
Total equity	167,853,800	162,358,029
Non-current liabilities		
Lease liabilities	6,972,451	7,235,287
Term loan	2,145,814	2,330,698
Total Non-current liabilities	9,118,265	9,565,985
Current liabilities		
Trade and other payables and deposits	2,716,470	1,572,229
Lease liabilities	846,475	775,297
Bank overdraft	-	233
Term loan	647,072	611,246
Total Current Liabilities	4,210,017	2,959,005
TOTAL LIABILITIES	13,328,282	12,524,990
TOTAL EQUITY AND LIABILITIES	181,182,082	174,883,019

The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the period ended 30 September 2022 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 31 DECEMBER 2022
STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**

	←-----Attributable to owner of the company----->							
	Issued Capital RM	Translation Reserve RM	Share Option Reserve RM	Warrant Reserve RM	Retained Earnings RM	Equity attributable to owners of the company RM	Non-controlling Interests RM	Total Equity RM
1st Quarter ended 31 December 2022								
As at 1 October 2022	258,497,381	(1,596,462)	-	53,982,148	(148,222,768)	162,660,299	(302,270)	162,358,029
Total comprehensive income/(loss)	-	(676,255)	-	-	6,172,351	5,496,096	(325)	5,495,771
As at 31 December 2022	<u>258,497,381</u>	<u>(2,272,717)</u>	<u>-</u>	<u>53,982,148</u>	<u>(142,050,417)</u>	<u>168,156,395</u>	<u>(302,595)</u>	<u>167,853,800</u>

In view of the change in current financial year end from 31 May 2022 to 30 September 2022, there were no comparative financial information available for the 3-month financial period ended 31 December 2022.

**CONDENSED INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 31 DECEMBER 2022
STATEMENT OF CASH FLOW (UNAUDITED)**

	3 months ended 31.12.2022 (RM)	16 months ended 30.9.2022 (RM)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	6,172,026	(75,280,622)
Adjustments for :		
Bad debts written off	-	38,122,147
Depreciation and amortisation	712,991	1,680,379
Impairment loss on receivables	70,311	2,655,828
Interest expenses	146,659	432,419
Interest income	(45,986)	(148,624)
Gain on derecognition of right-of-use assets	-	(42,688)
Gain on disposal of property, plant and equipment	-	(1)
Fair value (gain)/loss on other investment	(9,810,032)	14,322,009
Share option expenses	-	7,435,613
Unrealised loss/(gain) on foreign exchanges	1,211,076	(2,653,024)
Deregistration (winding up) of a subsidiary company	-	3,960,947
Dividend income from other investment	(709,715)	(909,371)
Operating loss before working capital changes	(2,252,670)	(10,424,988)
Changes in Working Capital:		
Receivables	(2,801,841)	(8,922,609)
Inventories	(747,554)	(3,589,042)
Payables	1,144,241	929,770
Cash used in operations	(4,657,824)	(22,006,869)
Interest paid	(146,659)	(78,944)
Tax paid	(359)	(1,854)
Net Operating Cash Flows	(4,804,842)	(22,087,667)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	45,986	146,779
Additions in other investment	(709,715)	(54,565,461)
Deregistration (Winding up) of a subsidiary company	-	(46,383,704)
Placement of fixed deposit	-	(733,124)
Proceeds from disposal of property, plant and equipment	-	1
Purchase of right-of-use asset	-	(23,186)
Purchase of investment properties	-	(2,460,000)
Purchase of property, plant & equipment	(1,098,660)	(21,617,880)
Dividend received	709,715	909,371
Cash received on lease receivable	-	11,400
Net Investing Cash Flows	(1,052,674)	(124,715,804)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from rights issue	-	99,745,285
Proceeds from ESOS	-	16,119,532
Share issuance expenses	-	(979,283)
Repayment of term loan	(149,058)	(348,056)
Repayment of lease liabilities	(191,658)	(905,140)
Net Financing Cash Flows	(340,716)	113,632,338
NET DECREASE IN CASH AND CASH EQUIVALENTS	(6,198,232)	(33,171,133)
EFFECTS OF EXCHANGE RATE CHANGES	(13,663)	(39,815)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	44,134,699	77,345,647
CASH AND CASH EQUIVALENTS AT END OF PERIOD	37,922,804	44,134,699
Note: Cash and cash equivalents	31.12.2022	30.9.2022
Cash and bank balance	37,917,020	44,129,148
Fixed deposit placed with licensed banks	765,691	765,691
Less: Bank overdraft	-	(233)
	38,682,711	44,894,606
Less: Fixed deposit with maturity of more than 3 months	(759,907)	(759,907)
Cash and cash equivalents	37,922,804	44,134,699

(The unaudited condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial period ended 30 September 2022 and the accompanying explanatory notes attached to the interim financial statements.)

LAMBO GROUP BERHAD

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 DECEMBER 2022**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 Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), and should be read in conjunction with the Group's audited financial statements for the period ended 30 September 2022.

A2. Audit Report of the Preceding Annual Financial Statements

The Auditors' Report of the preceding annual financial statements for the 16-month financial period ended 30 September 2022 has a Disclaimer of Opinion as the Auditors were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

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 unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter ended 31 December 2022.

During the quarter ended 31 December 2022, the exceptional other income were shown below:

	3-month ended 31 December 2022
	RM'000
Fair value gain on other investment	<u>9,810</u>

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, cancellation, repurchase, resale and repayment of debt and equity securities 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 operated in e-commerce, logistics and commencing retails business during the quarter under review. The business segment results for the quarter ended 31 December 2022 is as below:

Business Segment	Retail	E-Commerce Platform	Logistic	Others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	41	4,220	591	-	(12)	4,841
Segment results	(79)	(2,021)	(675)	8,338	-	5,563
Interest expenses						(147)
Interest income						756
Loss before taxation						6,172
Taxation						-
Net loss after taxation						<u>6,172</u>

LAMBO GROUP BERHAD

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 DECEMBER 2022**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 segmental of the Group, segment revenue is based on the geographical location of customers.

The activities of the Group are conducted in Malaysia.

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Year Corresponding Quarter Ended	Current 3- months ended	Comparative Quarter Ended
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
	RM	RM	RM	RM
Malaysia	4,840,804	N/A	4,840,804	N/A

Segmental information by geographical segmental for the quarter ended 31 December 2022

	Malaysia	Hong Kong	Singapore	Elimination	Total
	RM	RM	RM	RM	RM
Revenue	4,852,645	-	-	(11,841)	4,840,804
Segment results	(2,971,293)	8,396,379	(8,761)	-	5,416,325
Interest income	755,701	-	-	-	755,701
Loss before taxation	(2,215,592)	8,396,379	(8,761)	-	6,172,026
Taxation	-	-	-	-	-
Net loss after taxation	(2,215,592)	8,396,379	(8,761)	-	6,172,026

A9. Valuations of Property, Plant and Equipment

The valuation of property, plant and equipment were brought forward without any amendments from the preceding annual financial statements.

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

There were no 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.

LAMBO GROUP BERHAD

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 DECEMBER 2022

B. Explanatory Notes Pursuant to Appendix 9B of the AMLR of Bursa Securities

B1. Review of Performance

The Group recorded revenue of RM4.84 million for the current quarter ended 31 December 2022, mainly from e-commerce segment. The result is not comparable to the preceding year corresponding quarter due to the change of financial year end from 31 May 2022 to 30 September 2022.

The Group recorded profit after tax of RM6.17 million for the current quarter ended 31 December 2022. This is mainly due to fair value gain on other investment amounting to RM9.81 million.

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

For the quarter ended 31 December 2022, the Group recorded revenue of RM4.84 million and profit before taxation of RM6.17 million compared to revenue of RM 3.20 million and loss before taxation of RM51.26 million for the immediate preceding quarter ended 30 September 2022. The Group recorded profit before taxation of RM6.17 million mainly due to the fair value gain on other investment during the current quarter amounting to RM9.81 million.

B3. Current Year Prospects

With the recovery of the economy after the COVID-19 pandemic, the Group intends to leverage on this to regroup and improve its business operations and financial performance. In this regard, the Group has launched a specialised e-commerce platform, LamboCellar, to market liquor products. It is also expanding its warehousing and logistics capability and capacity to support and expand its Lamboplacé, Lambomove and LamboCellar platform and operations by setting up the warehouses in Petaling Jaya and Klang. However, the Group expects that the path to recovery may be challenging and will take a cautious stance in conducting its business operations.

Further, as announced on 31 January 2023, the Company was classified as an affected listed corporation pursuant to Rule 8.03A of the AMLR on 22 August 2022 and is taking the necessary steps to formulate a regularisation plan to regularise its financial condition and will endeavour to submit a workable plan to the relevant authorities within the prescribed timeline.

B4. Forecast of Profit After Tax

Not applicable as no forecast was issued as public document.

B5. Tax Expenses

	Group	
	3-month ended 31-Dec-22 RM	16-month ended 30-Sep-22 RM
Income tax		
- current year provision	-	-
- underprovision in previous year	-	-
	<u>-</u>	<u>-</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

The details of the investment in quoted shares as at 31 December 2022 are as below:

	RM'000
Book value as at 31.12.2022	33,456
At market value	33,456

LAMBO GROUP BERHAD

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 DECEMBER 2022**B. Explanatory Notes Pursuant to Appendix 9B of the AMLR of Bursa Securities****B8. Status of Corporate Proposals**

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

B9. Group Borrowings and Debt Securities

The Group's borrowing as at 31 December 2022 is as below:

	Short-term RM	Long-term RM	Total RM
Hire purchase	50,018	152,351	202,369
Lease liability	796,457	6,820,100	7,616,557
Term loan	647,072	2,145,814	2,792,886
	1,493,547	9,118,265	10,611,812

The Group's borrowing as at 30 September 2022 is as below:

	Short-term RM	Long-term RM	Total RM
Hire Purchase	44,696	170,492	215,188
Lease liability	730,601	7,064,795	7,795,396
Bank overdraft	233	-	233
Term loan	611,246	2,330,698	2,941,944
	1,386,776	9,565,985	10,952,761

B10. Loss Before Tax

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

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 31/12/2022 RM'000	Comparative Quarter Ended 31/12/2021 RM'000	Current 3-months 31/12/2022 RM'000	Comparative Quarter Ended 31/12/2021 RM'000
Fair value gain on other investment	9,810	N/A	9,810	N/A
Interest income	756	N/A	756	N/A
Interest expense	(147)	N/A	(147)	N/A
Depreciation and amortisation	(713)	N/A	(713)	N/A
Impairment loss on receivables	(70)	N/A	(70)	N/A
Unrealised loss on foreign exchange	(1,211)	N/A	(1,211)	N/A

B11. Changes In Material Litigation

There was no material litigation during the financial period under review.

B12. Dividend

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

LAMBO GROUP BERHAD

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 DECEMBER 2022**B. Explanatory Notes Pursuant to Appendix 9B of the AMLR of Bursa Securities****B13. Status of Utilisation of Proceeds**30% Private Placement

On 18 September 2020, the private placement was completed following the listing and quotation of total 813,303,800 placement shares on the ACE Market of Bursa Securities. As at 31 December 2022, 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
<i>E-Commerce Business Expansion</i>				
Marketing campaigns	18,232	(3,584)	14,648	Within 24 months
System enhancement	5,000	(2,139)	2,861	Within 12 months
Expansion of warehousing and delivery capability and capacity	4,500	(3,574)	926	Within 6 months
Hiring of personnel	4,500	(3,876)	624	Within 36 months
Office expansion	1,000	-	1,000	Within 12 months
Estimated expenses for the exercise	800	(485)	315	Immediate
Total	34,032	(13,658)	20,374	

20% Private Placement

On 2 February 2021, the private placement was completed following the listing and quotation of total 775,063,300 placement shares on the ACE Market of Bursa Securities. As at 31 December 2022, 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
<i>Wine Business</i>				
Procurement of inventory	6,147	(6,837)	(690)	Within 12 months
Setting up of a new warehouse	5,000	(1,623)	3,377	Within 6 months
Marketing and promotion	4,000	(525)	3,475	Within 24 months
Development of a new platform	2,000	(298)	1,702	Within 18 months
Working Capital	3,000	(2,909)	91	Within 24 months
Estimated expenses for the exercise**	940	(250)	690	Immediate
Total	21,087	(12,442)	8,645	

** Surplus funds following the payment of expenses will be used for investment in wine business, i.e. procurement of inventory

LAMBO GROUP BERHAD

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 DECEMBER 2022**B. Explanatory Notes Pursuant to Appendix 9B of the AMLR of Bursa Securities****B13. Status of Utilisation of Proceeds (Cont'd)**Rights issue with free warrants

On 13 September 2021, the rights issue with warrants was completed following the listing and quotation of 997,452,851 Rights Shares, 398,981,138 Warrants C and 52,552,670 additional Warrants B on the ACE Market of Bursa Securities. As at 31 December 2022, 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
System Enhancement	8,000	-	8,000	Within 12 months
Purchase of motor vehicles	2,000	-	2,000	Within 6 months
Expansion of warehousing capability and capacity	40,000	(19,411)	20,589	Within 18 months
Marketing campaign	15,000	-	15,000	Within 12 months
Acquisition and/or investments in complementary businesses and/or assets	20,000	(9,137)	10,863	Within 24 months
Working capital	13,740	(2,646)	11,094	Within 24 months
Expenses for the Corporate Exercises	1,005	(979)	26	Immediate
Total	99,745	(32,173)	67,572	

B14. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit for the period attributable to owner of the company by the weighted average number of ordinary shares in issue during the period.

	Current Quarter		Cumulative	
	Current Year Quarter 31.12.2022	Preceding Year Corresponding Quarter 31.12.2021	Current Year To Date 31.12.2022	Preceding Year Corresponding period 31.12.2021
	RM	RM	RM	RM
Profit net of tax attributable to owner of the company	6,172,351	N/A	6,172,351	N/A
Weighted average number of ordinary shares	1,540,499,046	N/A	1,540,499,046	N/A
EPS (sen) - Basic	0.40	N/A	0.40	N/A
- Diluted	N/A	N/A	N/A	N/A

Diluted

The fully diluted loss per ordinary share for the Group for the current financial period is not presented as the warrants would be anti-dilutive as the exercise price is higher than the fair value of the Company's shares.