

**CONDENSED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2023
STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**

	Current Quarter	Comparative Quarter	Changes	Cumulative Quarter Ended	
	30-Sep	30-Sep		2023	2022
	2023	2022		2023	2022
	RM	RM		RM	RM
Revenue	4,755,181	N/A	N/A	14,791,067	N/A
Cost of sales	(3,836,310)	N/A	N/A	(11,969,353)	N/A
GROSS PROFIT	918,871	N/A	N/A	2,821,714	N/A
Other operating (loss)/income	(2,051,855)	N/A	N/A	4,602,187	N/A
Fair value gain on other investment	7,516,787	N/A	N/A	8,161,998	N/A
Administrative expenses	(3,089,033)	N/A	N/A	(11,539,017)	N/A
OPERATING PROFIT	3,294,770	N/A	N/A	4,046,882	N/A
Finance costs	(150,175)	N/A	N/A	(578,893)	N/A
PROFIT BEFORE TAXATION	3,144,595	N/A	N/A	3,467,989	N/A
Taxation	-	N/A	N/A	-	N/A
PROFIT NET OF TAX	3,144,595	N/A	N/A	3,467,989	N/A
Other comprehensive income					
Foreign currency translation	(636,984)	N/A	N/A	(881,761)	N/A
Other comprehensive income for the quarter, net of tax	(636,984)	N/A	N/A	(881,761)	N/A
TOTAL COMPREHENSIVE INCOME FOR THE QUARTER/PERIOD	2,507,611	N/A	N/A	2,586,228	N/A
Profit attributable to:					
Owners of the parent	3,144,655	N/A	N/A	3,470,395	N/A
Non-controlling interests	(60)	N/A	N/A	(2,406)	N/A
	3,144,595	N/A	N/A	3,467,989	N/A
Total comprehensive loss attributable to:					
Owners of the parent	2,507,671	N/A	N/A	2,588,634	N/A
Non-controlling interests	(60)	N/A	N/A	(2,406)	N/A
	2,507,611	N/A	N/A	2,586,228	N/A
Earning per share attributable to equity holders of the Company:					
Basic (sen)	0.20	N/A		0.23	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 12 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 30 September 2023

	UNAUDITED	AUDITED
	As at	30 SEPTEMBER
	30 SEPTEMBER	2022
	2023	2022
	RM	RM
ASSETS		
Non-current assets		
Property, plant and equipment	20,725,350	21,001,277
Right-of-use asset	7,196,931	7,793,756
Lease receivable	35,223	75,527
Software development expenditure	17,548	198,237
Goodwill	4,680	-
Investment properties	5,750,000	5,750,000
Other investment	96,776,832	84,828,324
Total Non-current assets	130,506,564	119,647,121
Current assets		
Trade and other receivables and deposits	20,299,129	6,745,695
Inventories	1,708,594	3,589,042
Tax recoverable	79,916	6,322
Fixed deposits placed with licensed banks	759,907	765,691
Cash and bank balances	23,863,785	44,129,148
Total Current Assets	46,711,331	55,235,898
TOTAL ASSETS	177,217,895	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
Accumulated losses	(144,752,373)	(148,222,768)
Foreign exchange translation reserve	(2,478,223)	(1,596,462)
Reserves	(93,248,448)	(95,837,082)
Shareholders' funds	165,248,933	162,660,299
Non-controlling interests	(304,676)	(302,270)
Total equity	164,944,257	162,358,029
Non-current liabilities		
Lease liabilities	6,591,123	7,235,287
Term loan	1,705,273	2,330,698
Total Non-current liabilities	8,296,396	9,565,985
Current liabilities		
Trade and other payables and deposits	2,398,690	1,572,229
Lease liabilities	919,315	775,297
Bank overdraft	-	233
Term loan	639,786	611,246
Deferred taxation	19,451	-
Total Current Liabilities	3,977,242	2,959,005
TOTAL LIABILITIES	12,273,638	12,524,990
TOTAL EQUITY AND LIABILITIES	177,217,895	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 FOURTH QUARTER ENDED 30 SEPTEMBER 2023
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	Accumulated Losses RM	Equity attributable to owners of the company RM	Non-controlling Interests RM	Total Equity RM
4th Quarter ended 30 Sept 2023								
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 (loss)/income	-	(881,761)	-	-	3,470,395	2,588,634	(2,406)	2,586,228
As at 30 September 2023	<u>258,497,381</u>	<u>(2,478,223)</u>	<u>-</u>	<u>53,982,148</u>	<u>(144,752,373)</u>	<u>165,248,933</u>	<u>(304,676)</u>	<u>164,944,257</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 12-month financial period ended 30 September 2023.

**CONDENSED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2023
STATEMENT OF CASH FLOW (UNAUDITED)**

	12 months ended 30.9.2023 RM	16 months ended 30.9.2022 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	3,467,989	(75,280,622)
Adjustments for :		
Bad debts written off	-	38,122,147
Depreciation and amortisation	3,026,981	1,680,379
(Reversal of)/Impairment loss on receivables	(1,081,801)	2,655,828
Interest expenses	578,893	432,419
Interest income	(135,805)	(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	(8,161,998)	14,322,009
Share option expenses	-	7,435,613
Unrealised loss/(gain) on foreign exchanges	(785,826)	(2,653,024)
Deregistration (winding up) of a subsidiary company	-	3,960,947
Dividend income from other investment	(1,745,773)	(909,371)
Operating loss before working capital changes	<u>(4,837,339)</u>	<u>(10,424,988)</u>
Changes in Working Capital:		
Receivables	(12,327,733)	(8,922,609)
Inventories	2,006,131	(3,589,042)
Payables	615,830	929,770
Cash used in operations	<u>(14,543,112)</u>	<u>(22,006,869)</u>
Interest paid	(578,893)	(78,944)
Tax paid	(7,454)	(1,854)
Net Operating Cash Flows	<u>(15,129,459)</u>	<u>(22,087,667)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	135,805	146,779
Additions in other investment	(7,747,811)	(54,565,461)
Acquisition of subsidiary	(200,818)	-
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	(1,517,493)	(21,617,880)
Dividend received	1,745,773	909,371
Cash received on lease receivable	-	11,400
Proceeds from withdrawal of other investment	1,800,000	-
Proceeds from disposal of other investment	2,240,000	-
Net Investing Cash Flows	<u>(3,544,544)</u>	<u>(124,715,804)</u>
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	(596,885)	(348,056)
Repayment of lease liabilities	(825,392)	(905,140)
Net Financing Cash Flows	<u>(1,422,277)</u>	<u>113,632,338</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(20,096,280)	(33,171,133)
EFFECTS OF EXCHANGE RATE CHANGES	(174,634)	(39,815)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	44,134,699	77,345,647
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>23,863,785</u>	<u>44,134,699</u>
Note: Cash and cash equivalents	<u>30.9.2023</u>	<u>30.9.2022</u>
Cash and bank balance	23,863,785	44,129,148
Fixed deposit placed with licensed banks	759,907	765,691
Less: Bank overdraft	-	(233)
	<u>24,623,692</u>	<u>44,894,606</u>
Less: Fixed deposit with maturity of more than 3 months	(759,907)	(759,907)
Cash and cash equivalents	<u>23,863,785</u>	<u>44,134,699</u>

(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 FOURTH QUARTER ENDED 30 SEPTEMBER 2023

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 30 September 2023.

During the quarter ended 30 September 2023, the exceptional other income were shown below:

	3-month ended 30 September 2023
	RM'000
Fair value gain on other investment	<u>7,517</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 retail business during the quarter under review. The business segment results for the quarter ended 30 September 2023 is as below:

Business Segment	Retail	E-Commerce	Logistic	Others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	884	3,371	501	-	-	4,755
Segment results	69	(2,149)	(953)	5,966	-	2,932
Interest expenses						(150)
Interest income						362
Profit before taxation						3,144
Taxation						-
Net profit after taxation						<u>3,144</u>

LAMBO GROUP BERHAD

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2023

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	Preceding	Current 12-	Comparative
	Ended	Year	months ended	Quarter
	30/9/2023	30/9/2022	30/9/2023	30/9/2022
	RM	RM	RM	RM
Malaysia	4,755,181	N/A	14,791,067	N/A

Segmental information by geographical segmental for the quarter ended 30 September 2023

	Malaysia	Hong Kong	Singapore	Elimination	Total
	RM	RM	RM	RM	RM
Revenue	4,755,182	-	-	-	4,755,182
Segment results	(1,438,777)	4,233,313	(11,747)	-	2,782,789
Interest income	361,806	-	-	-	361,806
Profit/(Loss) before taxation	(1,076,971)	4,233,313	(11,747)	-	3,144,595
Taxation	-	-	-	-	-
Net profit/(loss) after taxation	(1,076,971)	4,233,313	(11,747)	-	3,144,595

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.

LAMBO GROUP BERHAD

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2023

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

B1. Review of Performance

The Group recorded revenue of RM4.76 million for the current quarter ended 30 September 2023, mainly from e-commerce trading 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 RM3.14 million for the current quarter ended 30 September 2023. This is mainly due to the fair value gain on other investment amounting to RM7.52 million.

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

For the quarter ended 30 September 2023, the Group recorded revenue of RM4.76 million and profit before taxation of RM3.14 million compared to revenue of RM3.10 million and profit before taxation of RM0.66 million for the immediate preceding quarter ended 30 June 2023. This is mainly due to the fair value gain on investment amounting of RM7.52 million (immediate preceding quarter: fair value loss of RM4.26 million) and impairment loss on receivable amounting to RM1.67 million (immediate preceding quarter: reversal of impairment loss on receivable of RM2.81 million) incurred this quarter.

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 Lamboplace, Lambomove and LamboCellar platform and operations by setting up the warehouses in Petaling Jaya and Klang. The Group has official launched a retail/restaurant, La Fleur, in Publika, Mont Kiara, Kuala Lumpur, in February 2023 to sell wine. However, the Group expects that the path to recovery may be challenging and will take a cautious stance in conducting its business operations.

As announced by the Company on 22 August 2022, the Company has been classified as an affected listed corporation pursuant to Rule 8.03A of the AMLR. In addition, as announced by the Company on 31 January 2023, the Company was classified as a Guidance Note 3 ("GN3") company as a result of triggering the prescribed criteria under paragraph 2.1(f) of GN3 of the AMLR. The Company is presently 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	
	12-month ended 30-Sep-23 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 30 September 2023 are as below:

	RM'000
Cost of investment	74,123
At market value	36,018

B8. Status of Corporate Proposals

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

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2023

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

B9. Group Borrowings and Debt Securities

The Group's borrowing as at 30 September 2023 is as below:

	Short-term RM	Long-term RM	Total RM
Hire purchase	45,838	122,250	168,088
Lease liability	873,477	6,468,873	7,342,350
Term loan	639,786	1,705,273	2,345,059
	1,559,101	8,296,396	9,855,497

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. Profit Before Tax

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

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Comparative Quarter Ended	Current Year to Date	Preceding Year Corresponding period
	30/9/2023 RM'000	30/9/2022 RM'000	30/9/2023 RM'000	30/9/2022 RM'000
Fair value gain on other investment	7,517	N/A	8,162	N/A
Interest income	388	N/A	1,882	N/A
Interest expense	(150)	N/A	(579)	N/A
Depreciation and amortisation	(787)	N/A	(3,027)	N/A
(Addition)/Reversal of impairment loss on receivables	(1,665)	N/A	1,082	N/A
Unrealised (loss)/profit on foreign exchange	(1,708)	N/A	517	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.

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 30 September 2023, the status of 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	(3,677)	14,555	Until June 2024
System enhancement	5,000	(2,250)	2,750	Until June 2024
Expansion of warehousing and delivery capability and capacity	4,500	(3,599)	901	Until June 2024
Hiring of personnel	4,500	(4,500)	-	Until June 2024
Office expansion	1,315	-	1,315	Until June 2024
Estimated expenses for the exercise	485	(485)	-	Immediate
Total	34,032	(14,511)	19,521	

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2023

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

B13. Status of Utilisation of Proceeds (Cont'd)

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 30 September 2023, the status of 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
Wine Business				
Procurement of inventory	6,837	(6,837)	-	Until June 2024
Setting up of a new warehouse	5,000	(2,000)	3,000	Until June 2024
Marketing and promotion	4,000	(525)	3,475	Until June 2024
Development of a new platform	2,000	(334)	1,666	Until June 2024
Working Capital	3,000	(3,000)	-	Until June 2024
Estimated expenses for the exercise**	250	(250)	-	Immediate
Total	21,087	(12,946)	8,141	

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 30 September 2023, the status of 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	Until June 2024
Purchase of motor vehicles	2,000	-	2,000	Until June 2024
Expansion of warehousing capability and capacity	40,000	(20,490)	19,510	Until June 2024
Procurement of inventory	15,000	(5,698)	9,302	Until June 2024
Acquisition and/or investments in complementary businesses and/or assets	20,000	(16,125)	3,875	Until June 2024
Working capital	13,766	(4,550)	9,216	Until June 2024
Expenses for the Corporate Exercises	979	(979)	-	Immediate
Total	99,745	(47,842)	51,903	

LAMBO GROUP BERHAD

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2023**B. Explanatory Notes Pursuant to Appendix 9B of the AMLR of Bursa Securities****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 30.9.2023	Preceding Year Corresponding Quarter 30.9.2022	Current Year To Date 30.9.2023	Preceding Year Corresponding period 30.9.2022
	RM	RM	RM	RM
Profit net of tax attributable to owner of the company	3,144,655	N/A	3,470,395	N/A
Weighted average number of ordinary shares	1,540,499,046	N/A	1,540,499,046	N/A
EPS (sen) - Basic	0.20	N/A	0.23	N/A
- Diluted	N/A	N/A	N/A	N/A

Diluted

The fully diluted earnings 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.

Lambo Group Berhad