

**Unaudited Condensed Consolidated Statement of Comprehensive Income**  
**For the Second Quarter Ended 31 December 2013**

	Current Quarter 3 Months Ended		Cumulative Quarter 6 Months Ended	
	31 Dec 2013 Unaudited RM'000	31 Dec 2012 Unaudited RM'000	31 Dec 2013 Unaudited RM'000	31 Dec 2012 Unaudited RM'000
<b>1 Continuing Operations</b>				
Revenue	41,801	45,166	83,159	88,506
Operating expenses	(34,221)	(44,515)	(66,687)	(85,092)
Other income	8,506	3,942	11,668	7,281
Other expenses	(8,822)	(33,533)	(19,041)	(53,580)
<b>Operating profit/(loss)</b>	<b>7,264</b>	<b>(28,940)</b>	<b>9,099</b>	<b>(42,885)</b>
Finance costs	(4,627)	(3,983)	(9,451)	(8,370)
<b>Profit/(loss) before tax</b>	<b>2,637</b>	<b>(32,923)</b>	<b>(352)</b>	<b>(51,255)</b>
Income tax expense	(480)	(2,072)	(772)	(4,034)
<b>Profit/(loss) net of tax</b>	<b>2,157</b>	<b>(34,995)</b>	<b>(1,124)</b>	<b>(55,289)</b>
<b>Other comprehensive income/(loss)</b>				
Foreign currency translation	17	3	198	-
<b>Total comprehensive income/ (loss) for the period</b>	<b>2,174</b>	<b>(34,992)</b>	<b>(926)</b>	<b>(55,289)</b>
<b>Profit/(loss) attributable to:</b>				
Owners of the parent	2,385	(34,030)	(1,051)	(53,865)
Non-controlling interests	(228)	(965)	(73)	(1,424)
	2,157	(34,995)	(1,124)	(55,289)
<b>Total comprehensive income/(loss) attributable to:</b>				
Owners of the parent	2,402	(34,027)	(853)	(53,865)
Non-controlling interests	(228)	(965)	(73)	(1,424)
	2,174	(34,992)	(926)	(55,289)
<b>2 Earnings/(loss) per share attributable to owners of the parent (sen)</b>				
Basic/diluted	0.2	(4.5)	(0.1)	(7.1)

The Unaudited Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to the Interim Financial Statements .

Unaudited Condensed Consolidated Statement of Financial Position  
As at 31 December 2013

	31 Dec 2013 Unaudited RM'000	30 June 2013 Audited RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	5,002	4,935
Land held for property development	201,378	217,739
Investment properties	255,350	255,350
Investment in associates	-	-
	<b>461,730</b>	<b>478,024</b>
<b>Current Assets</b>		
Property development costs	37,474	37,470
Inventories	10,815	10,852
Amount due from associates, net	230	227
Amount due from affiliated companies, net	-	788
Trade and other receivables	167,151	149,772
Investment in securities	15,195	17,658
Cash and bank balances	34,712	34,236
	<b>265,577</b>	<b>251,003</b>
<b>TOTAL ASSETS</b>	<b>727,307</b>	<b>729,027</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share Capital	1,023,432	1,023,432
Other Reserves	(219,352)	(219,550)
Accumulated losses	(475,385)	(474,334)
	<b>328,695</b>	<b>329,548</b>
<b>Non-controlling interests</b>	<b>38,139</b>	<b>38,212</b>
<b>TOTAL EQUITY</b>	<b>366,834</b>	<b>367,760</b>
<b>Non-Current Liabilities</b>		
Loans and borrowings	159,748	177,994
Deferred tax liabilities	359	358
	<b>160,107</b>	<b>178,352</b>
<b>Current Liabilities</b>		
Trade and other payables	131,872	110,138
Amount due to affiliated companies, net	1,794	922
Loans and borrowings	62,155	63,672
Tax payable	4,545	8,183
	<b>200,366</b>	<b>182,915</b>
<b>TOTAL LIABILITIES</b>	<b>360,473</b>	<b>361,267</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>727,307</b>	<b>729,027</b>
<b>Net assets per share attributable to owners of the parent (RM)</b>	<b>0.32</b>	<b>0.32</b>

The Unaudited Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to the Interim Financial Statements.

**OLYMPIA INDUSTRIES BERHAD**

(Company no. 63026-U)

**Unaudited Condensed Consolidated Statement of Changes in Equity  
For the Period Ended 31 December 2013**

	Attributable to owners of the parent				Non-Controlling Interests RM'000	Total Equity RM'000	
	Share Capital RM'000	*Other Reserves RM'000	Merger Deficit RM'000	Accumulated Losses RM'000			Total RM'000
Balance at 1 July 2013	1,023,432	14,334	(233,884)	(474,334)	329,548	38,212	367,760
Total comprehensive income/(loss)	-	198	-	(1,051)	(853)	(73)	(926)
Balance at 31 December 2013	1,023,432	14,532	(233,884)	(475,385)	328,695	38,139	366,834

**\*Other Reserves**

	Asset Revaluation Reserve RM'000	Share Premium RM'000	Foreign Currency Translation Reserve RM'000	**Capital Reserve RM'000	Total RM'000
	Balance at 1 July 2013	84	11,018	1,632	1,600
Total comprehensive income/(loss)	-	-	198	-	198
Balance at 31 December 2013	84	11,018	1,830	1,600	14,532

**Unaudited Condensed Consolidated Statement of Changes in Equity  
For the Corresponding Period Ended 31 December 2012**

	Attributable to owners of the parent						Non-Controlling Interests RM'000	Total Equity RM'000	
	Share Capital RM'000	Non-distributable reserves			Merger Deficit RM'000	Accumulated Losses RM'000			Total RM'000
		*Other Reserves RM'000	Equity component of						
	ICULS RM'000	ICB RM'000							
Balance at 1 July 2012	754,485	9,245	280,824	7	(233,884)	(397,309)	413,368	40,428	453,796
Total comprehensive income/(loss)	-	-	-	-	-	(53,865)	(53,865)	(1,424)	(55,289)
Transaction with owners ICULS held by a subsidiary now disposed to third party	-	-	32,796	-	-	-	32,796	-	32,796
Balance at 31 December 2012	754,485	9,245	313,620	7	(233,884)	(451,174)	392,299	39,004	431,303

**\*Other Reserves**

	Asset Revaluation Reserve RM'000	Share Premium RM'000	Foreign Currency Translation Reserve RM'000	**Capital Reserve RM'000	Total RM'000
	Balance at 1 July 2012	84	5,950	1,611	1,600
Total comprehensive income/(loss)	-	-	-	-	-
Balance at 31 December 2012	84	5,950	1,611	1,600	9,245

\*\* The capital reserve arose from the issuance of shares in a subsidiary at a premium to minority shareholders.

\* Other reserves represent non-distributable reserves

**OLYMPIA INDUSTRIES BERHAD**

(Company no. 63026-U)

**Unaudited Condensed Consolidated Statement of Cash Flows  
For the Period Ended 31 December 2013**

	6 Months Ended	
	31 Dec 2013 Unaudited RM'000	31 Dec 2012 Unaudited RM'000
<b>Operating Activities</b>		
Loss before tax	(352)	(51,255)
<u>Adjustments for :-</u>		
Interest income from:		
- fixed deposits	(976)	(1,197)
- unwinding of discount on long term receivables	(2,916)	(3,821)
Reversal of impairment loss on receivables	(3)	-
Gain on disposal of land held for land held for property development	(12)	-
Dividend income	(187)	(226)
Net loss/(gain) on fair value changes on investment securities	(10)	7
Impairment loss on receivables	50	304
Depreciation on property, plant and equipment	530	618
Property, plant and equipment written off	2	-
Impairment loss on land held for property development	-	20,800
Impairment loss on investment in associates	-	233
Loss on disposal of investment securities	-	30,888
Gain on disposal of investment in a subsidiary	(5,300)	-
Amortisation of transaction costs on borrowings	3,127	1,660
Finance costs	9,451	8,370
	3,756	57,636
Operating cash flows before changes in working capital	3,404	6,381
<u>Changes in working capital</u>		
Increase in property development costs	(60)	(248)
Increase in land held for property development	(4)	(158)
Decrease/(increase) in inventories	37	(7)
Net changes in affiliated companies balances	1,662	-
(Increase)/decrease in receivables	(32,484)	18,969
Net changes in associated companies balances	(3)	-
Increase/(decrease) in payables	21,696	(24,580)
Total changes in working capital	(9,156)	(6,024)
Cash flows (used in)/from operating activities	(5,752)	357
Interest paid	(9,451)	(6,139)
Income taxes paid	(4,410)	(2,366)
Net cash flows used in operating activities	(19,613)	(8,148)
<b>Investing Activities</b>		
Purchase of property, plant and equipment	(569)	(580)
Proceeds from disposal of investment securities	27,718	8,242
Proceeds from disposal of land held for property development	-	6,400
Purchase of investment securities	(25,245)	-
Proceeds from disposal of subsidiary company	16,000	-
Interest received	976	1,197
Dividend received	187	226
Net cash flows from investing activities	19,067	15,485
<b>Financing Activities</b>		
Proceeds from borrowings	8,230	-
Repayment of borrowings	(7,139)	(564)
Net movement in trust monies for dealers' representatives	87	-
Net movement in fixed deposits with licensed banks	42	-
Repayment of hire purchase payables	(153)	(178)
Net cash flows from/(used in) financing activities	1,067	(742)
Net increase in Cash and Cash Equivalents	521	6,595
Cash and Cash Equivalents at beginning of period	32,403	33,497
Cash and Cash Equivalents at end of the period	32,924	40,092
Cash and cash equivalents at the end of the financial period comprise the following:		
	RM'000	RM'000
Deposits with financial institutions	21,547	28,149
Cash and bank balances	11,377	11,943
	32,924	40,092

The Unaudited Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to the Interim Financial Statements .

# OLYMPIA INDUSTRIES BERHAD

(Company no. 63026-U)

## Notes To The Unaudited Interim Financial Statements For The Period Ended 31 December 2013

### Part A - Explanatory Notes Pursuant to FRS 134

#### **A1 Basis of Preparation**

The Interim Financial Statements are unaudited and have been prepared in accordance with the requirement of MFRS 134 : Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2013. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 30 June 2013.

#### **A2 Changes in Accounting Policies**

The accounting policies and methods of computation for the Interim Financial Statements are consistent with those adopted for the annual audited financial statements ended 30 June 2013 except for the following standards and interpretations that are applicable to the Group's operations with effective from 1 July 2013:

Amendments to MFRS 101: Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)  
MFRS 3: Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004)  
MFRS 10: Consolidated Financial Statements  
MFRS 11: Joint Arrangements  
MFRS 12: Disclosures of Interests in Other Entities  
MFRS 13: Fair Value Measurement  
MFRS 119: Employee Benefits (revised)  
MFRS 127: Separate Financial Statements  
MFRS 128: Investments in Associates and Joint Ventures  
Amendments to IC Interpretation 2: Members' shares in Co-operative Entities and Similar Instruments (Annual Improvements 2009-2011 Cycle)  
IC Interpretation 20: Stripping Costs in the Production Phase of a Surface Mine  
Amendments to MFRS 7: Financial Instruments: Disclosure-Offsetting Financial Assets and Financial Liabilities  
Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards-Government Standards-Government Loans  
Amendments to MFRS 116: Property, Plant and (Annual Improvements 2009-2011 Cycle)  
Amendments to MFRS 132: Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)

Adoption of the the above standards and interpretations are expected to have no significant impact on the financial statements of the Group.

#### **A3 Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the year ended 30 June 2013 was not qualified.

#### **A4 Comments about Seasonal or Cyclical Factors**

The Group's business operations are not significantly affected by any seasonal and cyclical factors.

#### **A5 Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period to date.

#### **A6 Changes in Estimates**

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

#### **A7 Dividend Paid**

No dividend has been paid and/or recommended for the current financial period to date.

## A8 Segmental Information

### Results for 6 months ended 31 December 2013

	Financial Services	Property Development	Gaming	Investment Holding and others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>						
External customers	5,365	-	66,817	10,977	-	83,159
Inter-segment	-	-	4,159	3,104	(7,263)	-
Total revenue	5,365	-	70,976	14,081	(7,263)	83,159
<b>Results</b>						
Segment results	(295)	(1,736)	4,020	9,298	(2,188)	9,099
Finance costs	-	(7,164)	(2)	(7,600)	5,315	(9,451)
Profit/(loss) before tax	(295)	(8,900)	4,018	1,698	3,127	(352)
Income tax expense	-	-	-	(772)	-	(772)
Profit/(loss) for the year	(295)	(8,900)	4,018	926	3,127	(1,124)

### Comparative results for 6 months ended 31 December 2012

	Financial Services	Property Development	Gaming	Investment Holding and others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>						
External customers	3,027	(353)	72,042	13,790	-	88,506
Inter-segment	-	-	4,473	3,120	(7,593)	-
Total revenue	3,027	(353)	76,515	16,910	(7,593)	88,506
<b>Results</b>						
Segment results	(4,476)	(23,273)	6,454	12,222	(33,812)	(42,885)
Finance costs	-	(4,974)	(5)	(8,358)	4,967	(8,370)
Profit/(loss) before tax	(4,476)	(28,247)	6,449	3,864	(28,845)	(51,255)
Income tax expense	(230)	-	(1,612)	(1,745)	(447)	(4,034)
Profit/(loss) for the year	(4,706)	(28,247)	4,837	2,119	(29,292)	(55,289)

## A9 Carrying Amount of Revalued Assets

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the financial year ended 30 June 2013.

## A10 Subsequent Events

There were no material events subsequent to the end of the quarter ended 31 December 2013.

## A11 Changes in Composition of the Group

On 1 November 2013, the Company entered into a Sale and Purchase Agreement with Multi Eternity Sdn Bhd for the disposal of 100 % equity interest in Harta Sekata Sdn Bhd consisting of 128,210 ordinary shares of RM1.00 each for a total consideration of RM16 million.

On 6 December 2013, the Company's wholly-owned subsidiary, Olympia Ventures Sdn Bhd ("OVSB") entered into a Share Sale Agreement ("SSA") with British Image Sdn Bhd for disposal of 100 % equity interest in Miles And Miles Leisure Sdn Bhd ("MMLSb") consisting of 1,000,000 ordinary shares of RM1 each for a total consideration of RM100,000. The transaction was completed on 15 January 2014.

MMLSb is a wholly-owned subsidiary of OVSB.

Other than above, there were no changes in the composition of the Group during the quarter ended 31 December 2013.

## A12 Changes in Contingent Liabilities and Contingent Assets

There were no changes in other contingent liabilities and contingent assets since the last statement of financial position as at 30 June 2013.

## A13 Capital Commitments

There is no Capital Commitments contracted but not provided for in the interim financial statements as at 31 December 2013.

## Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Bhd

### B1 Performance Review

#### For the Current Quarter

The Group's revenue declined by RM3.4 million to RM41.8 million from RM45.2 million in the previous year's corresponding quarter and this was mainly due to lower revenue from the gaming and investment holding divisions as compared to previous year. Gaming division remained the main contributor to the Group, which contributed RM34.3 million or 82% revenue to the Group for the quarter.

The Group reported a profit before tax of RM2.6 million as compared to a loss before tax of RM32.9 million in the previous year corresponding quarter, this was mainly due to as follows:

- a. gain on disposal of a wholly-owned subsidiary, Harta Sekata Sdn Bhd amounting to RM5.3 million in current quarter; and
- b. loss of RM30.9 million arising from the scheduled mandatory disposal of investment securities by financial services division pursuant to the Modified Workout Proposal ("MWP") of a subsidiary, Jupiter Securities Sdn Bhd in previous year corresponding quarter.

#### For 6 months ended 31 December 2013

The Group's revenue declined by RM5.3 million to RM83.2 million from RM88.5 million in the previous year is mainly due to lower revenue recorded by gaming division and investment holding division.

The Group recorded a loss before tax of RM0.35 million if compared with a loss before tax of RM51.3 million in previous year is mainly due to as follows:

- a. gain on disposal of a wholly-owned subsidiary, Harta Sekata Sdn Bhd amounting RM5.3 million in current quarter;
- b. impairment loss of RM20.8 million on land held for property development in previous year; and
- c. loss of RM30.9 million due to scheduled mandatory disposal of investment securities by financial services division pursuant to the MWP of a subsidiary, Jupiter Securities Sdn Bhd in previous year.

### B2 Comparison with Preceding Quarter's Results

The Group's current quarter profit before tax was recorded at RM2.6 million as compared to an operating loss of RM3.0 million in the preceding quarter. It was due to gain on disposal of a wholly-owned subsidiary, Harta Sekata Sdn Bhd amounting to RM5.3 million.

### B3 Commentary on Prospects

Taking into consideration the uncertainty of global economy, the Group's result for the financial year ending 30 June 2014 is expected to be better than previous financial year. The gaming division and financial services division are expected to improve its profits by maintaining its market share.

### B4 Variance from Profit Forecast/Profit Guarantee

Not applicable in this quarterly report.

### B5 Income Tax Expense

Tax charges/credits comprise:

	Current quarter 3 months ended 31 Dec 2013 RM'000	Cumulative quarter 6 months ended 31 Dec 2013 RM'000
Current tax expense	480	772
Deferred tax expense	-	-
Total income tax expense	<u>480</u>	<u>772</u>

The Group's effective tax rate for the cumulative year-to-date was higher than the statutory tax rate principally due to losses in certain subsidiaries that are not available for set-off against taxable profits in other subsidiaries within the Group and the certain interest expense and other expenses which were not allowed for tax deduction.

## B6 Profit/(loss) before tax

Included in the profit/(loss) before tax is arrived after charging/(crediting) the following items:

	Current Quarter 3 months ended		Cumulative Quarter 6 months ended	
	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
	RM'000	RM'000	RM'000	RM'000
Interest income	(3,424)	(2,656)	(3,892)	(5,018)
Interest expense	4,627	3,983	9,451	8,370
Dividend income	(73)	(106)	(187)	(226)
(Gain)/loss on fair value changes on investment securities	(15)	5	(10)	7
Depreciation on property, plant and equipment	272	292	530	618
Property, plant and equipment written off	1	-	2	-
Impairment loss on receivables	22	270	50	304
Amortisation of transaction costs on borrowings	430	833	3,127	1,660
Impairment loss on investment in associates	-	-	-	233
Gain on disposal of investment in a subsidiary	(5,300)	-	(5,300)	-
Gain on disposal of land held for property development	(12)	-	(12)	-
Loss on disposal of investment securities	-	30,888	-	30,888
Reversal of impairment loss on receivables	(3)	-	(3)	-
Impairment loss on land held for property development	-	1,812	-	20,800

## B7 Earnings/(loss) Per Share

### Basic

Basic earnings /(loss) per share amount is calculated by dividing loss for the period, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial period.

	Current Quarter 3 months ended		Cumulative Quarter 6 months ended	
	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Earnings/(oss) net of tax attributable to owners of parent (RM'000)	2,385	(34,030)	(1,051)	(53,865)
Weighted average number of ordinary shares in issue ('000)	1,023,432	754,485	1,023,432	754,485
Basic earnings/(loss) per share (Sen)	0.2	(4.5)	(0.1)	(7.1)

## B8 Corporate Proposals

On 10 January 2014, the Company entered into a Second Supplemental Agreement with City Properties Sdn Bhd ("CPSB") and Rodem Sdn Bhd ("Rodem") for an extension of time for the settlement of RM55.3 million out of the original settlement sum of RM125.0 million ("Settlement Sum") owing by CPSB to the Company. CPSB had paid the Company in cash amounting to RM36.3 million ahead of the payment date of Settlement Sum of 15 February 2014, the balance outstanding amount of RM88.7 million was proposed to be settled as follows:

- Payment in cash of RM33.4 million on or before 15 February 2014; and
- The remaining sum of RM55.3 million is proposed to be set-off against the sale of fifteen (15) condominium units together with forty eight (48) car parking bays of which of part of the project known as 9 Madge on Jalan Madge, Taman U-Thant, Kuala Lumpur, which is owned and being developed by Rodem.

Other than the above, there were no corporate proposals announced during the quarter under review.



**B9 Off Balance Sheet Financial Instruments**

There were no off balance sheet financial instruments as at the date of this report.

**B10 Material Litigation**

The list of material litigation is attached as Annexure I.

**B11 Dividend Payable**

No ordinary dividend has been declared for the financial period ended 31 December 2013 (31 December 2012: Nil).

**B12 Interest-bearing Loans and Borrowings**

As at 31 December 2013, the Group borrowings are as follows :

	Secured Short Term Borrowings	Secured Long Term Borrowings	Total
	RM'000	RM'000	RM'000
Term loans	62,000	159,359	221,359
Bank overdraft	-	-	-
Hire purchase payables	155	389	544
	<b>62,155</b>	<b>159,748</b>	<b>221,903</b>

**B13 Breakdown of Realised and Unrealised Accumulated Losses**

	Current Quarter Ended 31 Dec 2013 RM'000	Previous Financial Year Ended 30 June 2013 RM'000
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(1,876,981)	(1,892,830)
- Unrealised	43,608	43,659
	<b>(1,833,373)</b>	<b>(1,849,171)</b>
Total share of retained earnings from associates:		
- Realised	287	287
	<b>(1,833,086)</b>	<b>(1,848,884)</b>
Add: Consolidation Adjustments	1,357,701	1,374,550
Accumulated losses as per financial statements	<b>(475,385)</b>	<b>(474,334)</b>

On behalf of the Board  
**OLYMPIA INDUSTRIES BERHAD**

Lim Yoke Si  
Company Secretary

Kuala Lumpur  
25 February 2014