

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 DECEMBER 2017

(The figures have not been audited)

	CURRENT		YEAR TO DATE	
	3 Months Ended		12 Months	12 Months
	31.12.2017	31.12.2016	Ended	Ended
	RM'000	RM'000	31.12.2017	31.12.2016
			RM'000	RM'000
CONTINUING OPERATIONS :				
Revenue	29,191	31,482	175,860	128,951
Operating expenses	(12,021)	(24,331)	(130,826)	(102,585)
Other income	11,735	32,468	17,472	36,752
Other expenses	(21,299)	(10,412)	(27,269)	(33,827)
Operating profit/(loss)	7,606	29,207	35,237	29,291
Finance costs	(3,237)	(3,619)	(13,415)	(20,031)
Profit / (Loss) before tax	4,369	25,588	21,822	9,260
Income tax expense	(2,940)	(4,772)	(8,786)	(8,373)
Profit / (Loss) after tax from :				
- continuing operations	1,429	20,816	13,036	887
DISCONTINUING OPERATIONS :				
Profit / (Loss) after tax from :				
- discontinuing operations	93	298	430	1,069
(Loss) / Profit after tax :	1,522	21,114	13,466	1,956

(Loss) / Profit attributable to:				
- Owners of the Company :				
- continuing operations	652	20,913	12,259	987
- discontinuing operations	172	618	699	1,426
	824	21,531	12,958	2,413
- Non-controlling interests :				
- continuing operations	777	(97)	777	(100)
- discontinuing operations	(79)	(320)	(269)	(357)
	698	(417)	508	(457)
	1,522	21,114	13,466	1,956

Other comprehensive (loss) / income :				
- Foreign currency translation	(299)	250	(276)	228
	(299)	250	(276)	228
Total comprehensive (loss) / profit for the period	1,223	21,364	13,190	2,184

Total comprehensive (loss) / income attributable to:				
- Owners of the Company :				
- continuing operations	353	21,163	11,983	1,215
- discontinuing operations	172	618	699	1,426
	525	21,781	12,682	2,641
- Non-controlling interests :				
- continuing operations	777	(97)	777	(100)
- discontinuing operations	(79)	(320)	(269)	(357)
	698	(417)	508	(457)
	1,223	21,364	13,190	2,184

(Loss) / Profit per share attributable to

Owners of the Company :				
Basic (Sen) :				
- continuing operations	0.1	2.0	1.2	0.1
- discontinuing operations	0.0	0.1	0.1	0.1
	0.1	2.1	1.3	0.2
Diluted (Sen) :				
- continuing operations	0.1	2.0	1.2	0.1
- discontinuing operations	0.0	0.1	0.1	0.1
	0.1	2.1	1.3	0.2

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the Interim Financial Statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE QUARTER ENDED 31 DECEMBER 2017

(The figures have not been audited)

	As at 31.12.2017 RM'000 Unaudited	As at 31.12.2016 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	9,792	14,153
Land held for property development	201,876	201,845
Investment properties	330,280	330,280
Intangible assets	21	21
Investment in associates	-	-
Derivative financial asset	22	320
	541,991	546,619
Current assets		
Property development costs	-	40,677
Inventories	61,365	61,589
Amount due from associates	-	-
Amount due from affiliated companies	3,280	3,262
Trade and other receivables	14,441	36,415
Investment in securities	16,568	14,581
Tax refundable	-	60
Cash and bank balances	29,585	65,733
	125,239	222,317
Assets of disposal group classified as held for sale / discontinuing operations	64,609	-
	189,848	222,317
TOTAL ASSETS	731,839	768,936
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share Capital	102,343	102,343
Other Reserves	195,547	198,040
Merger deficit	(233,884)	(233,884)
Retained earnings	330,422	317,465
Reserves of disposal group classified as held for sale	2,217	-
	396,645	383,964
Non-controlling interests	5,043	4,535
Total equity	401,688	388,499
Non-current liabilities		
Loans and borrowings	169,860	121,066
Deferred tax liabilities	2,596	2,639
Derivative financial liability	-	-
	172,456	123,705
Current liabilities		
Amount due to associates	17	4
Amount due to affiliated companies	88,534	89,807
Trade and other payables	31,763	114,334
Loans and borrowings	681	48,936
Tax payable	3,688	3,651
	124,683	256,732
Liabilities directly associated with disposal group classified as held for sale / discontinuing operations	33,012	-
	157,695	256,732
Total liabilities	330,151	380,437
TOTAL EQUITY AND LIABILITIES	731,839	768,936
Net assets per share attributable to owners of the Company (RM)	0.39	0.38

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes to the Interim Financial Statements.

OLYMPIA INDUSTRIES BERHAD
(Company No. 63026-U)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 DECEMBER 2017

(The figures have not been audited)

	---Attributable to Owners of the Company ---					Non-Controlling Interests RM'000	Equity RM'000
	Share Capital RM'000	-----Non-distributable -----		Retained Earnings / (Accumulated Losses) RM'000	Total RM'000		
		Other Reserves RM'000	Merger Deficit RM'000				
Balance at 1 January 2017	102,343	198,040	(233,884)	317,465	383,964	4,535	388,499
Total comprehensive income / (loss)	-	(276)	-	12,957	12,681	508	13,189
Balance at 31 December 2017	102,343	197,764	(233,884)	330,422	396,645	5,043	401,688
Balance at 1 January 2016	1,023,432	15,789	(233,884)	(424,014)	381,323	4,992	386,315
Total comprehensive (loss) / income	-	228	-	2,413	2,641	(457)	2,184
	1,023,432	16,017	(233,884)	(421,601)	383,964	4,535	388,499
Transactions with owners							
Effects of par value reduction	(921,089)	182,023	-	739,066	-	-	-
Balance at 31 December 2016	102,343	198,040	(233,884)	317,465	383,964	4,535	388,499

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 DECEMBER 2017**

(The figures have not been audited)

Breakdown of - Other Reserves	Asset Revaluation Reserve RM'000	Share Premium RM'000	Foreign Currency Translation Reserve RM'000	Reserves of disposal group classified as held for sale RM'000	Capital Reserve RM'000	Hedging Reserve RM'000	Total RM'000
Balance at 1 January 2017	-	11,018	906	2,493	183,623	-	198,040
Total comprehensive income / (loss)	-	-	-	(276)	-	-	(276)
Balance at 31 December 2017	-	11,018	906	2,217	183,623	-	197,764
Balance at 1 January 2016	-	11,018	3,171	-	1,600	-	15,789
Total comprehensive (loss) / income	-	-	228	-	-	-	228
Transactions with owners							
Effects of par value reduction	-	-	-	-	182,023	-	182,023
Balance at 31 December 2016	-	11,018	3,399	-	183,623	-	198,040

The unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the Notes to the Interim Financial Statements.

OLYMPIA INDUSTRIES BERHAD

(Company No. 63026-U)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE QUARTER ENDED 31 DECEMBER 2017

(The figures have not been audited)

	12 Months Ended 31.12.2017 RM'000	12 Months Ended 31.12.2016 RM'000
Cash flows from operating activities		
Profit / (Loss) before tax :-		
- continuing operations	21,822	9,260
- discontinuing operations	402	1,009
	22,224	10,269
Adjustments for non-cash items:		
Impairment loss on receivables	128	596
Reversal of impairment loss on receivables	(6,363)	(28)
Fair value gain on investment properties	-	(30,000)
Net loss / (gain) on fair value changes of investment securities	(51)	90
Fair value (gain) / loss on derivative financial instrument	298	(320)
Amortisation of transaction cost on borrowings	(426)	489
Depreciation of property, plant and equipment	4,485	4,430
Property, plant and equipment written off	4	164
(Gain) / loss on disposal of property, plant and equipment	4	-
Unrealised loss on foreign exchange	89	413
Dividend income	(503)	(270)
Interest income from fixed deposits and others	(3,485)	(3,722)
Finance costs	13,419	20,042
	7,599	(8,116)
Operating profit before working capital changes	29,823	2,153
Changes in working capital		
(Increase) / Decrease in land held for property development	(32)	(614)
(Increase) / Decrease in property development costs	40,677	(210)
Decrease / (Increase) in inventories	225	679
(Increase) / Decrease in receivables	(14,150)	22,900
Net changes in the balances with associated companies	13	245
Net changes in the balances with affiliated companies	71,786	(1,420)
Increase / (decrease) in payables	(121,905)	99,252
	(23,386)	120,832
Cash generated from operations	6,437	122,985
Interest received	3,485	3,722
Interest paid	(13,419)	(20,042)
Tax paid	(8,625)	(9,778)
Net cash generated from operating activities	(12,122)	96,887
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,045)	(2,866)
Proceeds from disposal of property, plant and equipment	2	-
Proceeds from disposal of investment securities	27,353	40,127
Purchase of investment securities	(29,289)	(42,255)
Dividend received	503	270
Net cash (used in) / generated from investing activities	(2,476)	(4,724)

OLYMPIA INDUSTRIES BERHAD
(Company No. 63026-U)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 DECEMBER 2017
(The figures have not been audited)

	12 Months Ended 31.12.2017 RM'000	12 Months Ended 31.12.2016 RM'000
Cash flows from financing activities		
Proceeds from borrowings	400	159,000
Repayment of borrowings	-	(243,634)
Repayment of hire purchase payables	(328)	235
Net movement in trust monies for dealers' representatives	(28)	177
Net movement in securities placed with licensed bank	121	(117)
Net movement in fixed deposits with licensed banks	2,369	138
Net cash generated from / (used in) financing activities	2,534	(84,201)
Net increase / (decrease) in cash and cash equivalents	(12,064)	7,962
Effect of exchange rate changes	(276)	228
Cash and cash equivalents at beginning of period	45,553	37,363
Cash and cash equivalents at end of the period	33,213	45,553

Cash and cash equivalents at the end of the period comprise the following :-

	12 Months Ended 31.12.2017 RM'000	12 Months Ended 31.12.2016 RM'000
Deposits with financial institutions	20,366	29,296
Cash and bank balances	12,847	16,257
	33,213	45,553

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the Notes to the Interim Financial Statements.

A1. Basis of preparation

The interim financial statements have been prepared under historical cost convention.

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

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016.

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 Olympia Industries Berhad (“OIB” or “Company”) and its subsidiary companies (hereinafter referred to as the “Group”) since the financial year ended 31 December 2016.

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 31 December 2016 except as follows :-

(i) Standards, Amendments and Annual Improvements to Standards effective for financial periods beginning on or after 1 January 2017

On 1 January 2017 the Group and Company adopted the following new and amended MFRS and IC interpretations mandatory for annual financial periods beginning on or after 1 January 2017 :

Amendments to MFRS 107 Statement of Cash Flows - Disclosure Initiative
Amendments to MFRS 112 Income Taxes - Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to MFRS 12 Disclosure of Interests in Other Entities (Annual Improvements to MFRSs 2014 - 2016 Cycle)

Adoption of the the above standards and interpretations did not have any have any material impact on the interim financial statements of the Group, except for the Amendments to MFRS 107 Statement of Cash Flows- Disclosure Initiative.

This disclosure initiative requires the Group to disclose a reconciliation between the opening and closing balances for liabilities arising from financing activities, including changes arising from both cash flow and non-cash flow items. The adoption of these amendments does not require additional disclosure in the interim financial statements, but such disclosure will be required in the annual financial statements.

(ii) Standards issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and of the Company's financial statements are disclosed below. The Group and the Company intends to adopt these standards, if applicable, when they become effective :

Amendments to MFRS 2 Share-based Payment - Classification and Measurement of Share-based Payment Transactions
Amendments to MFRS 4 Insurance Contracts - Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts
Amendments to MFRS 140 Investment Property - Transfers of Investment Property
Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRSs 2014 - 2016 Cycle)

Amendments to MFRS 128 Investments in Associates and Joint Ventures (Annual Improvements to MFRSs 2014 - 2016 Cycle)
IC Interpretation 22 Foreign Currency Transactions and Advance Consideration

MFRS 9 Financial Instruments
MFRS 15 Revenue from Contracts with Customers
MFRS 16 Leases
Long-term Interests in Associates and Joint Ventures (Amendments to MFRS 128)
Prepayment Features with Negative Compensation (Amendments to MFRS 9)

Annual Improvements to MFRS Standards 2015-2017 Cycle :-

- (i) Previously Held Interest in a Joint Operation (Amendments to MFRS 3 Business Combinations)
- (ii) Previously Held Interest in a Joint Operation (Amendments to MFRS 11 Joint Arrangements)
- (iii) Income Tax Consequences of Payments on Financial Instruments Classified as Equity (Amendments to MFRS 112 Income Taxes)
- (iv) Borrowing Costs Eligible for Capitalisation (Amendments to MFRS 123 Borrowing Costs)

The Group is studying the impact of adopting these standards, if applicable, when they become effective.

A3. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2016 was not subject to qualification.

A4. Comments about seasonal or cyclical factors

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

A : EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

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

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter under review.

A6. Changes in estimates

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

A7. Debts and equity securities

There were no issuance, cancellation, repurchase, resale or repayment of debts and equity securities for the current quarter.

A8. Dividend paid

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

A9. Segmental information

Results for 12 months ended 31 December 2017 :

	Financial Services {discontinuing RM'000	Property Development RM'000	Gaming RM'000	Leasing RM'000	Investment Holding & Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue							
External customers	9,823	59,200	86,029	24,568	6,063	-	185,683
Inter-segment	-	-	3,441	7,128	4,697	(15,266)	-
Total revenue	9,823	59,200	89,470	31,696	10,760	(15,266)	185,683
Included in segment revenue of RM185.7 million above is RM6.0 million denominated in Singapore Dollars ("SGD") as follows :-							
- SGD'000	-	-	-	-	1,947	(14)	1,933
- RM'000 equiv. @ 3.1134	-	-	-	-	6,063	(43)	6,019
Results							
Segment results	(1,080)	15,632	6,157	13,666	2,262	(1,001)	35,636
Finance costs	(19)	-	(16)	(9,641)	(3,758)	22	(13,412)
Profit/(Loss) before tax	(1,099)	15,632	6,141	4,025	(1,496)	(979)	22,224
Income tax expense	28	(3,781)	(1,433)	(2,603)	(969)	-	(8,758)
Profit/(Loss) for the period	(1,071)	11,851	4,708	1,422	(2,465)	(979)	13,466
Included in segment profit of RM13.5 million above is RM1.2 million profit denominated in SGD as follows :-							
- SGD'000	-	-	-	-	260.681	132	393
- RM'000 equiv. @ 3.1134	-	-	-	-	811.603	411	1,222

A : EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

A9. Segmental information (cont'd)

Comparative results for 12 months ended 31 December 2016 :

	Financial Services {discontinuing} RM'000	Property Development RM'000	Gaming RM'000	Leasing RM'000	Investment Holding & Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue							
External customers	6,994	690	98,166	23,652	6,443	-	135,945
Inter-segment	-	-	3,927	6,753	4,705	(15,385)	-
Total revenue	6,994	690	102,093	30,405	11,148	(15,385)	135,945
Included in segment revenue of RM135.9 million above is RM6.4 million denominated in SGD as follows :-							
- SGD'000	-	-	-	-	2,165	(18)	2,147
- RM'000 equiv. @ 3.0004	-	-	-	-	6,497	(54)	6,443

	Financial Services {discontinuing} RM'000	Property Development RM'000	Gaming RM'000	Leasing RM'000	Investment Holding & Others RM'000	Elimination RM'000	Consolidated RM'000
Results							
Segment results	(1,525)	(4,680)	7,428	34,828	24,983	(30,723)	30,311
Finance costs	(11)	(12,532)	(21)	(3,766)	(9,796)	6,084	(20,042)
Profit/(Loss) before tax	(1,536)	(17,212)	7,407	31,062	15,187	(24,639)	10,269
Income tax expense	60	(1,013)	(3,041)	(6,502)	2,183	-	(8,313)
Profit/(Loss) for the period	(1,476)	(18,225)	4,366	24,560	17,370	(24,639)	1,956
Included in segment profit of RM2.0 million above is RM1.2 million profit denominated in SGD as follows :-							
- SGD'000	-	-	-	-	271	132	403
- RM'000 equiv. @ 3.0004	-	-	-	-	812	396	1,208

A10. Valuation of property, plant and equipment

The valuations of property, plant and equipment have been brought forward from the financial statements for the previous year ended 31 December 2016.

During the period under review, Menara Olympia and its adjoining leased car park ("Properties") of Dairy Maid Resort & Recreation Sdn Bhd ("DMRR") was revalued to reflect the fair value of the Properties in accordance with Malaysian Financial Reporting Standards ("MFRS") 140: Investment Properties. DMRR is a wholly-owned subsidiary of the Company.

There is no change in the fair value of the Properties since the end of the previous financial year.

The valuation was carried out by an independent firm of professional valuer, Knight Frank Malaysia Sdn Bhd using Investment and Comparison methods.

A11. Subsequent events

There were no material events subsequent to the end of the quarter and period to-date ended 31 December 2017.

A12. Changes in composition of the Group

On 6 September 2017, the Company had entered into a Share Purchase Agreement with CIMB Group Sdn Bhd to dispose of its entire equity interest in Jupiter Securities Sdn Bhd ("JSSB") and its subsidiaries.

On 4 October 2017, the Company's wholly-owned subsidiary, Olympia Ventures Sdn Bhd, had entered into a Sale and Purchase Agreement with Global Mobility Investments Limited to dispose of 70% of its equity interest in Olympia Travels & Tours (S) Pte Lte ("OTTS").

A12. Changes in composition of the Group (cont'd)

Disposal group classified as held for sale / discontinuing operations :

At the end of the current reporting period, the assets, liabilities and relevant reserves of JSSB and OTTS have been presented in the statements of financial position as "Assets of disposal group classified as held for sale / discontinuing operations", "Liabilities directly associated with disposal group classified as held for sale / discontinuing operations" and "Reserves of disposal group classified as held for sale" respectively.

Details of the assets, liabilities and reserves of the disposal group classified as held for sale / discontinuing operations are as follows :-

	31/12/2017
	RM'000
Assets	
Property, plant & equipment	899
Trade & other receivables	42,362
Cash and bank balances	21,348
<i>Assets of disposal group classified as held for sale / discontinuing operations :</i>	<u>64,609</u>
Liabilities	
HP payables	70
Deferred tax liabilities	46
Trade & other payables	32,896
<i>Liabilities directly associated with disposal group classified as held for sale / discontinuing operations :</i>	<u>33,012</u>
Equity	
Foreign exchange reserve	2,217
<i>Reserves of disposal group classified as held for sale :</i>	<u>2,217</u>

Further details of the disposals are described under Note B6. Save as disclosed above, there were no other material events subsequent to the end of the quarter ended 31 December 2017.

A13. Changes in contingent liabilities and contingent assets

There were no changes in other contingent liabilities and contingent assets since the last audited statement of financial position as at 31 December 2016.

A14. Capital commitments

There were no capital commitments contracted but not provided for in the interim financial statements as at 31 December 2017.

**B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA
MALAYSIA SECURITIES BERHAD**

B1. Performance review

		Individual Period (4th Quarter)				Cumulative Period (12 months year-to-date)			
		Curr. year 31/12/2017	Preceding year 31/12/2016	+ / -		Curr. year 31/12/2017	Preceding year 31/12/2016	+ / -	
RM'000									
Revenue	- continuing op.	29,191	31,482	(2,291)	-7%	175,860	128,951	46,909	36%
	- discontinuing op.	2,333	1,540	793	51%	9,823	6,994	2,829	40%
		31,524	33,022	(1,498)	-5%	185,683	135,945	49,738	37%
Profit before tax	- continuing op.	4,369	25,588	(21,219)	-83%	21,822	9,260	12,562	136%
	- discontinuing op.	65	(188)	253	135%	402	1,009	(607)	-60%
		4,434	25,400	(20,966)	-83%	22,224	10,269	11,955	116%
Profit after tax	- continuing op.	1,429	20,816	(19,387)	-93%	13,036	887	12,149	1370%
	- discontinuing op.	93	298	(205)	-69%	430	1,069	(639)	-60%
		1,522	21,114	(19,592)	-93%	13,466	1,956	11,510	588%

Table 1: Financial review for current quarter & financial year-to-date

Current Quarter vs Previous Corresponding Quarter Last Year

The Group reported a consolidated revenue of RM31.5 million for the current quarter under review as compared to RM33.0 million in the previous corresponding quarter of last year, a decline of 4.5% or RM1.5 million in the Group's revenue. Gaming division remains the main contributor of the Group, making up 67.5% or RM21.3 million of total revenue to the Group for the current quarter.

The Group reported a profit before tax of RM4,434,000 for the current quarter compared to a RM25.4 million profit before tax in the previous corresponding quarter last year.

The variance in comparing both financial quarters is mainly due to :

- i) Property development segment – Higher share of project expenses during the current quarter.
- ii) Financial services division – Lower loss due to higher trading volume and lower expenses in the current quarter.
- i) Gaming division – Higher profit due to lower payout ratio of 58.0%, down from 59.9% in the corresponding quarter last year, despite lower average sales value per draw.
- ii) Leasing segment – Higher profits during the corresponding quarter last year mainly due to revaluation of Menara Olympia which resulted in a RM30.0 million gain on fair value adjustment before deferred tax.
- iii) Investment Holding segment – Lower loss due to lower term loan interests during the current quarter.

YTD (12 months) Q4 FY 2017 vs YTD (12 months) Q4 2016

The Group reported a profit before tax of RM22.2 million during the 12 months ended 31 December 2017 compared to a RM10.3 million profit before tax in the corresponding 12 months period last year.

The variance is mainly due to:

- i) Property development segment :-
 - Profit from sale of development land: A wholly-owned subsidiary, Olympia Properties Sdn Bhd entered into a Sale and Purchase Agreement on 22 April 2016 with Semanja Hartamas Sdn Bhd for the disposal of a piece of development land held under Geran No. 77974, Lot No. 67801, situated in Mukim Batu, District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur. The sale was completed on 25 April 2017.
 - Lower term loan interests during the current 12 months period to-date.
- ii) Gaming division – Lower profits due to lower average sales value per draw, despite lower payout ratio at 61.7%, down from 62.0% in the corresponding 12 months period last year.
- iii) Leasing segment – Higher profits during the corresponding 12 months last year mainly due to revaluation of Menara Olympia which resulted in a RM30.0 million gain on fair value adjustment before deferred tax.
- iv) Investment Holding segment – Lower loss due to lower term loan interests during the current 12 months period.

**B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA
MALAYSIA SECURITIES BERHAD**

B2. Comparison with immediate preceding quarter's results

		Current quarter 31/12/2017	Immediate preceding quarter 30/9/2017	+ / -	
		RM'000			
Revenue	- continuing op.	29,191	28,289	902	3%
	- discontinuing op.	2,333	2,269	64	3%
		31,524	30,558	966	3%
Profit before tax	- continuing op.	4,369	(669)	5,038	753%
	- discontinuing op.	65	745	(680)	-91%
		4,434	76	4,358	5734%
Profit after tax	- continuing op.	1,429	(1,587)	3,016	190%
	- discontinuing op.	93	745	(652)	-88%
		1,522	(842)	2,364	281%

Table 2: Financial review for current quarter compared with immediate preceding quarter

The Group reported a profit before tax of RM4.4 million for the current quarter compared to a RM76.0 thousand profit before tax in the immediate preceding quarter.

This is mainly due to:

- i) Property development segment – the segment recorded a slightly higher loss before tax of RM0.8 million in the current quarter compared to a loss before tax of RM0.9 million in the immediate preceding quarter mainly due to higher share of project costs in the current quarter.
- ii) Leasing segment - higher profit before tax of RM3.1 million as compared to RM0.4 million profit before tax in the immediate preceding quarter mainly due to higher occupancy and average rental rate in the current quarter.

B3. Commentary of prospects

Amidst uncertainties in the external environment, the Group's results for the coming year will mostly remain subdued, in the face of higher interest rates and volatility in the currency. The Group's property division's joint venture are unlikely to unveil new products until the economy and the external environment becomes more conducive.

However, despite the various uncertainties, Gaming and Leasing divisions are expected to sustain their present level of performance for the next financial year.

**B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA
MALAYSIA SECURITIES BERHAD**

B4. Profit forecast and profit guarantee

The Group has not issued any profit forecast or profit guarantee during the current quarter and period to-date under review.

B5. Taxation

	Current Quarter 3 Months 31.12.2017 RM'000	Cumulative Quarter 12 Months 31.12.2017 RM'000
CONTINUING OPERATIONS :-		
Current tax : Malaysian	(2,933)	(8,749)
Overseas	(6)	(34)
Deferred tax : Malaysian	-	(2)
Overseas	(1)	(1)
Total income tax attributable to continuing operations :	<u>(2,940)</u>	<u>(8,786)</u>
DISCONTINUING OPERATIONS :-		
Current tax : Malaysian	-	-
Overseas	-	-
Deferred tax : Malaysian	-	-
Overseas	-	-
Total income tax attributable to discontinuing operations :	<u>-</u>	<u>-</u>
TOTAL :	<u><u>(2,940)</u></u>	<u><u>(8,786)</u></u>

The Group's effective tax rate is higher than the statutory tax rate of 24% (2016: 24%) due additional assessments on disallowed expenses on certain subsidiaries of the Group.

B6. Corporate proposals

- (a) On 6 September 2017, the Company, together with the remaining non-controlling shareholders of Jupiter Securities Sdn Bhd ("JSSB"), had entered into a Share Purchase Agreement ("SPA") with CIMB Group Sdn Bhd ("Purchaser") for the disposal of the entire issued and paid-up share capital in JSSB consisting of 80,288,775 ordinary shares (after full conversion of the 2,000,000 redeemable convertible preference shares ("RCPS") held by the Company) ("Sale Shares") to the Purchaser for a total cash consideration of RM55,000,000 ("Consideration").

The Company currently holds 54,796,652 ordinary shares representing 74.43% equity interest in JSSB and 2,000,000 RCPS. Upon conversion of the RCPS to 6,666,667 ordinary shares in JSSB, the Company's shareholding in JSSB will increase to 76.55% consisting of 61,463,319 ordinary shares.

Accordingly, the Company shall dispose its entire 76.55% shareholding in JSSB to the Purchaser for consideration of RM42,104,049 ("Proposed Disposal"), subject to adjustment and upon satisfaction of all other terms and conditions as stipulated in the SPA.

The Proposed Disposal is currently pending the fulfillment of the conditions precedent as stipulated in the SPA.

- (b) On 4 October 2017, Olympia Ventures Sdn Bhd ("OVSB"), a wholly-owned subsidiary of the Company had entered into a Sale and Purchase Agreement with Global Mobility Investments Limited for the disposal of 70% of its interests in the issued and paid-up share capital in Olympia Travels & Tours (Singapore) Pte Ltd ("OTTS") for a total cash consideration of Singapore Dollars (S\$) 840,000 (equivalent to RM2,609,796). OTTS is wholly-owned by OVSB, which in turn is wholly-owned by the Company.

The Proposed Disposal is currently pending the fulfillment of the conditions precedent as stipulated in the SPA.

Save as disclosed above, there were no other corporate proposal announced but not completed as at 21 February 2018, being 7 days from the date of issuance of these interim financial statements.

**B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA
MALAYSIA SECURITIES BERHAD**

B7. Borrowings and debt securities

	----- As at 31.12.2017 -----		
	Secured RM'000	Unsecured RM'000	Total RM'000
Group borrowings			
Short term:			
Term loans	335	-	335
Hire purchase payables	346	-	346
	681	-	681
Long term:			
Term loans	169,076	-	169,076
Hire purchase payables	784	-	784
	169,860	-	169,860
	170,541	-	170,541

All borrowings are denominated in Ringgit Malaysia.

B8. Derivative Financial Instrument

The nature of all outstanding derivatives as at 31 December 2017 are disclosed as follows :-

Type of Derivative	Remaining tenure	As at 31.12.2017		Classification in Statement of Financial Position			
		Contract / notional value RM'000	Fair value surplus RM'000	Derivative financial assets		Derivative financial liabilities	
				Non-current RM'000	Current RM'000	Non-current RM'000	Current RM'000
Interest rate swap ("IRS")	> 3 years	120,000	22	22	-	-	-

During the previous financial year, the Group entered into an IRS contract to manage its exposure to interest rate risks by converting its floating rate liabilities to fixed rate liabilities in order to limit the Group's exposure to unfavourable interest rate fluctuations on the underlying debt instrument, specifically a long term loan included under Note B7.

The IRS for the term loan was entered into for 5 years with a fixed swap rate of 3.75%.

Since its inception, there has been no change to the type of derivative financial contracts entered into, the risks associated with the derivative, the cash requirements of the derivative, the risk management objectives and policies to mitigate these risks, and the related accounting policies.

B9. Changes in material litigation

The list of material litigation is announced to Bursa Malaysia together with this Interim Financial Report. Other than as disclosed in the attached list of material litigation, there are no material litigations that have material effect to the Group at the date of this report.

B10. Off balance sheet financial instruments

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

B11. Dividend payable

No dividend has been declared for the financial period to-date ended 31 December 2017.

**B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA
MALAYSIA SECURITIES BERHAD**

B12. Notes to the condensed consolidated statement of comprehensive income

The following amount have been credited/(charged) in arriving at profit/(loss) before tax:

	Quarter ended		Financial period ended	
	31.12.2017 RM'000	31.12.2016 RM'000	31.12.2017 RM'000	31.12.2016 RM'000
Interest income	1,800	877	3,485	2,684
Interest expense	(6,769)	(3,998)	(13,419)	(16,418)
Dividend income	331	55	503	190
Depreciation on property, plant and equipment	(2,254)	(1,121)	(4,485)	(3,300)
Property, plant and equipment written off	-	(23)	(4)	(34)
Gain on disposal of property, plant and equipment	(4)	-	(4)	-
Amortisation of transaction costs on borrowings	670	(60)	426	(593)
Gain/(Loss) on fair value changes of investment securities	4	4	51	11
Impairment loss on receivables	(84)	8	(128)	(7)
Reversal of impairment loss on receivables	6,363	-	6,363	-

B13. Earnings/(Loss) per share

a) Basic

The basic earnings/(loss) per share for the quarter and cumulative period to date is computed as follows:

	Quarter ended		Financial period ended	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Profit/(Loss) attributable to Owners of the Company (RM'000) :-				
- continuing operations	652	20,913	12,259	987
- discontinuing operations	172	618	699	1,426
	824	21,531	12,958	2,413
Weighted average number of ordinary shares in issue ('000)	1,023,432	1,023,432	1,023,432	1,023,432
Earnings/(Loss) per share (Sen) :-				
- continuing operations	0.1	2.0	1.2	0.1
- discontinuing operations	0.0	0.1	0.1	0.1
	0.1	2.1	1.3	0.2

b) Diluted

As there are no potential dilutive ordinary shares outstanding at reporting date, the diluted earnings per share is the same as the basic earnings per share.

On behalf of the Board

OLYMPIA INDUSTRIES BERHAD

Lim Yoke Si
Company Secretary

Kuala Lumpur
28 February 2018