OLYMPIA INDUSTRIES BERHAD

(Company No. 63026-U)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 JUNE 2018
(The figures have not been audited)

	CURRENT 3 Months Ended		YEAR TO DATE 6 Months Ended	6 Months Ended
	30.6.2018 RM'000	**30.6.2017 RM'000**	**30.6.2018 RM'000**	**30.6.2017 RM'000**
CONTINUING OPERATIONS :				
Revenue	28,047	86,687	61,886	118,380
Operating expenses	(27,087)	(67,233)	(56,968)	(92,939)
Other income	3,303	1,978	13,543	3,350
Other expenses	(2,545)	363	(8,427)	(4,028)
Operating profit/(loss)	1,718	21,795	10,034	24,763
Finance costs	(4,468)	(3,522)	(6,779)	(6,641)
Profit / (Loss) before tax	(2,750)	18,273	3,255	18,122
Income tax credit / (expense)	1,143	(4,218)	815	(4,928)
Profit / (Loss) after tax from :				
- continuing operations	(1,607)	14,055	4,070	13,194
DISCONTINUING OPERATIONS :				
Profit / (Loss) after tax from :				
- discontinuing operations	37	(441)	295	(408)
(Loss) / Profit after tax :	**(1,570)**	**13,614**	**4,365**	**12,786**
(Loss) / Profit attributable to:				
- Owners of the Company :				
- continuing operations	(1,606)	14,056	4,073	13,195
- discontinuing operations	107	(424)	391	(309)
	(1,499)	13,632	4,464	12,886
- Non-controlling interests :	(71)	(18)	(99)	(100)
	(1,570)	13,614	4,365	12,786
Other comprehensive (loss) / income :				
- Foreign currency translation	(23)	(163)	(23)	64
	(23)	(163)	(23)	64
Total comprehensive (loss) / profit for the period	(1,593)	13,451	4,342	12,850
Total comprehensive (loss) / income attributable to:				
- Owners of the Company :				
- continuing operations	(1,629)	13,892	4,050	13,258
- discontinuing operations	107	(423)	391	(308)
	(1,522)	13,469	4,441	12,950
- Non-controlling interests :	(71)	(18)	(99)	(100)
	(1,593)	13,451	4,342	12,850
(Loss) / Profit per share attributable to Owners of the Company :				
Basic (Sen) :				
- continuing operations	(0.2)	1.4	0.4	1.3
- discontinuing operations	0.0	(0.0)	0.0	(0.0)
	(0.1)	1.3	0.4	1.3
Diluted (Sen) :				
- continuing operations	(0.2)	1.4	0.4	1.3
- discontinuing operations	0.0	(0.0)	0.0	(0.0)
	(0.1)	1.3	0.4	1.3

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2017 and the accompanying explanatory notes attached to the Interim Financial Statements.

OLYMPIA INDUSTRIES BERHAD
(Company No. 63026-U)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE QUARTER ENDED 30 JUNE 2018

(The figures have not been audited)	As at 30.6.2018 RM'000 Unaudited	As at 31.12.2017 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	8,131	9,792
Land held for property development	201,955	201,876
Investment properties	330,280	330,280
Intangible assets	21	21
Investment in associates	393	-
Derivative financial asset	175	22
	540,955	541,991
Current assets		
Property development costs	-	-
Inventories	58,176	61,365
Amount due from associates	6	-
Amount due from affiliated companies	2,877	3,280
Trade and other receivables	21,903	14,033
Investment in securities	16,828	16,568
Tax refundable	-	-
Cash and bank balances	35,557	29,635
	135,347	124,881
Assets of disposal group classified as held for sale / discontinuing operations	30,960	64,942
	166,307	189,823
TOTAL ASSETS	**707,262**	**731,814**
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share Capital	296,985	296,985
Other Reserves	883	906
Merger deficit	(233,884)	(233,884)
Retained earnings	335,219	330,755
Reserves of disposal group classified as held for sale	-	2,217
	399,203	396,979
Non-controlling interests	4,946	5,045
Total equity	**404,149**	**402,024**
Non-current liabilities		
Loans and borrowings	169,632	169,875
Deferred tax liabilities	2,662	2,596
	172,294	172,471
Current liabilities		
Amount due to associates	4	17
Amount due to affiliated companies	86,285	88,534
Trade and other payables	22,821	23,518
Loans and borrowings	214	681
Tax payable	1,679	2,567
	111,003	115,317
Liabilities directly associated with disposal group classified as held for sale / discontinuing operations	19,816	42,002
	130,819	157,319
Total liabilities	303,113	329,790
TOTAL EQUITY AND LIABILITIES	**707,262**	**731,814**
Net assets per share attributable to owners of the Company (RM)	0.39	0.39

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2017 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 30 JUNE 2018
(The figures have not been audited)

	---Attributable to Owners of the Company---							
		-----Non-distributable -----						
	Share Capital RM'000	Other Reserves RM'000	Merger Deficit RM'000	Retained Earnings / (Accumulated Losses) RM'000	Reserves of disposal group classified as held for sale RM'000	Total RM'000	Non-Controlling Interests RM'000	Equity RM'000
Balance at 1 January 2018	296,984	906	(233,884)	330,755	2,217	396,978	5,045	402,023
Total comprehensive income / (loss)	-	(23)	-	4,464	-	4,441	(99)	4,342
	296,984	883	(233,884)	335,219	2,217	401,419	4,946	406,365
Reserves of disposal group classified as held for sale	-	-	-	-	(2,217)	(2,217)	-	(2,217)
Balance at 30 June 2018	296,984	883	(233,884)	335,219	-	399,202	4,946	404,148
Balance at 1 January 2017	102,343	198,040	(233,884)	317,465	-	383,964	4,535	388,499
Total comprehensive income/(loss)	-	64	-	12,888	-	12,952	(102)	12,850
Balance at 30 June 2017	102,343	198,104	(233,884)	330,353	-	396,916	4,433	401,349

OLYMPIA INDUSTRIES BERHAD
(Company No. 63026-U)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 JUNE 2018
(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	Capital Reserve RM'000	Hedging Reserve RM'000	Total RM'000
Balance at 1 January 2018	-	-	906	-	-	906
Total comprehensive income / (loss)	-	-	(23)	-	-	(23)
Balance at 30 June 2018	-	-	883	-	-	883
Balance at 1 January 2017	-	11,018	3,399	183,623	-	198,040
Total comprehensive income/(loss)	-	-	64	-	-	64
Balance at 30 June 2017	-	11,018	3,463	183,623	-	198,104

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 2017 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 30 JUNE 2018

(The figures have not been audited)

	6 Months Ended 30.6.2018 RM'000	6 Months Ended 30.6.2017 RM'000
Cash flows from operating activities		
Profit / (Loss) before tax :-		
- continuing operations	3,255	18,123
- discontinuing operations	295	(408)
	3,550	17,715
Adjustments for non-cash items:		
Impairment loss on receivables	7	44
Reversal of impairment loss on receivables	(37)	-
Net loss / (gain) on fair value changes of investment securities	129	(47)
Fair value (gain) / loss on derivative financial instrument	(152)	-
Amortisation of transaction cost on borrowings	244	244
Depreciation of property, plant and equipment	2,133	2,231
Property, plant and equipment written off	9	4
Unrealised loss on foreign exchange	15	89
Dividend income	(311)	(172)
Interest income from fixed deposits and others	(1,529)	(1,685)
Finance costs	6,783	6,650
	7,292	7,358
Operating profit before working capital changes	10,842	25,073
Changes in working capital		
(Increase) / Decrease in land held for property development	(79)	(11)
(Increase) / Decrease in property development costs	-	40,677
Decrease / (Increase) in inventories	3,189	(20)
(Increase) / Decrease in receivables	20,292	(6,865)
Net changes in the balances with associated companies	(19)	(3)
Net changes in the balances with affiliated companies	(1,843)	68,934
Increase / (decrease) in payables	(22,739)	(130,599)
	(1,199)	(27,887)
Cash generated from operations	9,643	(2,814)
Interest received	1,529	1,685
Interest paid	(7,933)	(6,617)
Tax paid / (refunded)	(88)	(4,923)
Net cash generated from operating activities	3,151	(12,669)
Cash flows from investing activities		
Purchase of property, plant and equipment	(535)	(512)
Proceeds from disposal of investment securities	1,560	1,724
Purchase of investment securities	(1,949)	(4,035)
Acquisition of investment in associate	(393)	-
Dividend received	311	172
Net cash (used in) / generated from investing activities	(243)	(2,651)

OLYMPIA INDUSTRIES BERHAD
(Company No. 63026-U)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 JUNE 2018
(The figures have not been audited)

	6 Months Ended 30.6.2018 RM'000	6 Months Ended 30.6.2017 RM'000
Cash flows from financing activities		
Repayment of borrowings	-	(750)
Repayment of hire purchase payables	125	(161)
Net movement in trust monies for dealers' representatives	(21)	7
Net movement in securities placed with licensed bank	2,844	(35)
Net movement in fixed deposits with licensed banks	(3,610)	3,340
Net cash generated from / (used in) financing activities	(662)	2,401
Net increase / (decrease) in cash and cash equivalents	2,246	(12,331)
Effect of exchange rate changes	(2,238)	64
Cash and cash equivalents at beginning of period	27,123	45,553
Cash and cash equivalents at end of the period	27,131	33,286

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

	6 Months Ended 30.6.2018 RM'000	6 Months Ended 30.6.2017 RM'000
Deposits with financial institutions	22,893	22,413
Cash and bank balances	4,238	10,873
	27,131	33,286

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2017 and the Notes to the Interim Financial Statements.

A : EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

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 2017.

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 2017.

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 2017 except as follows :-

(i) Standards, Amendments and Annual Improvements to Standards effective for financial periods beginning on or after 1 January 2018

On 1 January 2018 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 2018 :

Amendments to MFRS 2 Share-based Payment - Classification and Measurement of Share-based Payment Transactions
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

Adoption of the the above standards and interpretations did not have any significant impact on the interim financial statements of the Group, except as discussed below :

MFRS 15 Revenue from Contracts with Customers

MFRS 15 establishes a new five-step model that will apply to revenue arising from contracts with customers. MFRS 15 supersedes the previous revenue recognition guidance including MFRS 118 Revenue, MFRS 111 Construction Contracts and the related interpretations.

The core principle of MFRS 15 is that an entity should recognise revenue which depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Under MFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, such as when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted.

The bulk of the Group's revenue and results are contributed from its gaming, leasing and financial services divisions. The Group's assessment of the impact of MFRS 15 are as follows :

Gaming division : The Group deems that its gaming operations are all on cash basis and thus not significantly impacted by the adoption of MFRS 15.

Leasing division : The main portion of the Group's leasing operations fall under MFRS 16 and hence are scoped out from MFRS 15.

Financial services : The financial services division conducts its trading activities based on trading + 3 days rules in accordance with Bursa Malaysia's regulations. As such, the credit period is insignificant and would almost approximate those of a cash basis model and is not greatly impacted by MFRS 15.

Property development : The Group has had no active development which will be scoped in under MFRS 15 and thus the Group does not have any significant impact from adoption of MFRS 15.

Hence, the application of MFRS 15 did not have a material impact on the amounts reported and disclosures made in the Group's interim financial statements.

A : EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

A2. Changes in accounting policies (cont'd)

(i) Standards, Amendments and Annual Improvements to Standards effective for financial periods beginning on or after 1 January 2018 (cont'd) :

MFRS 9 Financial Instruments

MFRS 9 introduces new requirements for classification and measurement, impairment and hedge accounting. MFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory.

The Group has performed a detailed impact assessment of all three aspects of MFRS 9. The assessment was based on currently available information and were subject to changes arising from further reasonable and supportable information being made available to the Group in 2018 upon the Group's adoption of MFRS 9.

Based on the analysis of the Group's financial assets and liabilities as at 31 December 2017 on the basis of facts and circumstances that exist at that date, the directors of the Company have assessed the impact of MFRS 9 to the Group's 2018 interim financial statements as follows :

(i) Classification and measurement

There was no significant impact on the Group's statement of financial position or equity on applying the classification and measurement requirements of MFRS 9. It continues to measure at fair value all financial assets currently held at fair value.

Loans and receivables are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest. The Group analysed the contractual cash flow characteristics of those instruments and concluded that they meet the criteria for amortised cost measurement under MFRS 9. Therefore, reclassification for these instruments is not required.

(ii) Impairment

The Group applied the simplified approach and record lifetime expected losses on all trade receivables. The recognition and measurement of impairment under MFRS 9 will be more forward-looking and will result in earlier recognition of credit losses as compared to MFRS 139. Hence, the total expected credit losses allowances computed under MFRS 9 is higher than the total allowance for impairment on trade and other receivables under MFRS 139. Upon the initial adoption of MFRS 9, a negative adjustment was made to opening retained profits, which decreased the equity and net assets of the Group.

The quantitative impact to the overall interim financial statements are as follows :-

	As previously reported 31.12.2017 RM'000	"Day 1 adjustment" upon MFRS 9 adoption on 1.1.2018 RM'000	Adjusted opening balance on 1.1.2018 RM'000
Current assets :			
Trade & other receivables	14,033	(675)	13,358
Equity attributable to owners of the Company :			
Retained earnings	330,755	(675)	330,080
Net shareholders' funds	396,978	(675)	396,303
Total equity	402,023	(675)	401,348

A : EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

A2. Changes in accounting policies (cont'd)

(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 :

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.
Adoption of the the above standards and interpretations are expected to have no significant impact on the interim financial statements of the Group, except as discussed below :

MFRS 16 Leases

MFRS 16 will replace MFRS 117 Leases, IC Interpretation 4 Determining whether an Arrangement contains a Lease, IC Interpretation 115 Operating Lease-Incentives and IC Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for fi nance leases under
MFRS 117.

At the commencement date of a lease, a lessee will recognise a liability to make lease payments and an asset representing the right to use the underlying asset during the lease term. Lessees will be required to recognise interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessor accounting under MFRS 16 is substantially the same as the accounting under MFRS 117. Lessors will continue to classify all leases using the same classification principle as in MFRS 117 and distinguish between two types of leases: operating and finance leases.

MFRS 16 is effective for annual periods beginning on or after 1 January 2019. Early application is permitted but not before an entity applies MFRS 15. A lessee can choose to apply the standard using either a full retrospective or a modified retrospective approach. The Group is currently assessing the impact of MFRS 16 and plans to adopt the new standard on the required effective date.

A3. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2017 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.

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 securitites

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.

A : EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

A9. Segmental information

Results for 6 months ended 30 June 2018 :

	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	4,461	3,400	48,430	10,056	-	-	66,347
Inter-segment	-	-	1,937	3,583	1,249	(6,769)	-
Total revenue	4,461	3,400	50,367	13,639	1,249	(6,769)	66,347
Results							
Segment results	(428)	(4,268)	2,084	3,352	16,669	(7,076)	10,333
Finance costs	18	-	(6)	(4,883)	(1,890)	(22)	(6,783)
Profit/(Loss) before tax	(410)	(4,268)	2,078	(1,531)	14,779	(7,098)	3,550
Income tax expense	-	1,580	(576)	(189)	-	-	815
Profit/(Loss) for the period	(410)	(2,688)	1,502	(1,720)	14,779	(7,098)	4,365

Comparative results for 6 months ended 30 June 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	5,221	58,800	44,373	12,145	3,062	-	123,601
Inter-segment	-	-	1,775	3,413	2,121	(7,309)	-
Total revenue	5,221	58,800	46,148	15,558	5,183	(7,309)	123,601
Results							
Segment results	(386)	16,772	2,604	5,006	(298)	666	24,364
Finance costs	(9)	-	(9)	(4,803)	(1,829)	-	(6,650)
Profit/(Loss) before tax	(395)	16,772	2,595	203	(2,127)	666	17,714
Income tax expense	-	(3,734)	(670)	(504)	(20)	-	(4,928)
Profit/(Loss) for the period	(395)	13,038	1,925	(301)	(2,147)	666	12,786

A : EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

A10. Valuation of property, plant and equipment

There were no valuations carried out since the end of the previous financial year.

A11. Subsequent events

There were no material events subsequent to the end of the period to-date ended 30 June 2018.

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").

Disposal group classified as held for sale / discontinuing operations :

At the end of the previous financial year, 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 :-

	30.6.2018
	RM'000
Assets	
Property, plant & equipment	175
Trade & other receivables	14,578
Cash and bank balances	16,207
Assets of disposal group classified as held for sale / discontinuing operations :	30,960
Liabilities	
Trade & other payables	19,816
Liabilities directly associated with disposal group classified as held for sale / discontinuing operations :	19,816

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 30 June 2018.

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 2017.

A14. Capital commitments

There were no capital commitments contracted but not provided for in the interim financial statements as at 30 June 2018.

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

B1. Performance review

		Individual Period (2nd Quarter)				Cumulative Period (6 months year-to-date)			
	RM'000	Curr. year 30.6.2018	Preceding year 30.6.2017	+ / -		Curr. year 30.6.2018	Preceding year 30.6.2017	+ / -	
Revenue	- continuing op.	28,047	86,687	(58,640)	-68%	61,886	118,380	(56,494)	-48%
	- discontinuing op.	1,836	2,613	(777)	-30%	4,461	5,221	(760)	-15%
		29,883	**89,300**	**(59,417)**	**-67%**	**66,347**	**123,601**	**(57,254)**	**-46%**
Profit before tax	- continuing op.	(2,750)	18,273	(21,023)	-115%	3,255	18,122	(14,867)	-82%
	- discontinuing op.	37	(441)	478	108%	295	(408)	703	172%
		(2,713)	**17,832**	**(20,545)**	**-115%**	**3,550**	**17,714**	**(14,164)**	**-80%**
Profit after tax	- continuing op.	(1,607)	14,055	(15,662)	-111%	4,070	13,194	(9,124)	-69%
	- discontinuing op.	37	(441)	478	108%	295	(408)	703	172%
		(1,570)	**13,614**	**(15,184)**	**-112%**	**4,365**	**12,786**	**(8,421)**	**-66%**

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 RM29.9 million for the current quarter under review as compared to RM89.3 million in the previous corresponding quarter of last year, a decline of 66.5% or RM59.4 million in the Group's revenue. Gaming division remains the main contributor of the Group, making up 74.7% or RM22.3 million of total revenue to the Group for the current quarter.

The Group reported a loss before tax of RM2.7 for the current quarter compared to a RM17.8 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 – Higher loss due to higher trading volume and lower expenses in the current quarter.

iii) Gaming division – No change in profit despite higher payout ratio of 65.2%, down from 62.0% in the corresponding quarter last year and higher average sales value per draw.

YTD (6 months) Q2 FY 2018 vs YTD (6 months) Q2 2017

The Group reported a profit before tax of RM3.6 million during the 6 months ended 30 June 2018 compared to a RM17.7 million profit before tax in the corresponding 6 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.

ii) Gaming division – Lower profits due to lower average sales value per draw and higher payout ratio at 65.3%, up from 62.3% in the corresponding 6 months period last year.

iii) Leasing segment – Higher profits during the corresponding 6 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.

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

B2. Comparison with immediate preceding quarter's results

	RM'000	Current quarter 30.6.2018	Immediate preceding quarter 31.3.2018	+ / -	
Revenue	- continuing op.	28,047	33,839	(5,792)	-17%
	- discontinuing op.	1,836	2,625	(789)	-30%
		29,883	**36,464**	**(6,581)**	**-18%**
Profit before tax	- continuing op.	(2,750)	6,005	(8,755)	-146%
	- discontinuing op.	37	258	(221)	-86%
		(2,713)	**6,263**	**(8,976)**	**-143%**
Profit after tax	- continuing op.	(1,607)	5,677	(7,284)	-128%
	- discontinuing op.	37	258	(221)	-86%
		(1,570)	**5,935**	**(7,505)**	**-126%**

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

The Group reported a loss before tax of RM2.7 million for the current quarter compared to a RM6.3 million profit before tax in the immediate preceding quarter.

This is mainly due to:

i) Property development segment – the segment recorded a slighty higher loss before tax of RM2.2 million in the current quarter compared to a loss before tax of RM2.0 million in the immediate preceding quarter mainly due to higher share of project costs in the current quarter.

ii) Leasing segment - higher loss before tax of RM1.4 million as compared to RM1.1 million loss before tax in the immediate preceding quarter mainly due to lower occupancy and average rental rate in the current quarter.

B3. Commentary of prospects

Amidst uncertainties in the external environment, and the recent change of government in the country, the Group's results for the rest of the 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 current 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 30.6.2018 RM'000	Cumulative Quarter 6 Months 30.6.2018 RM'000
CONTINUING OPERATIONS :-			
Current tax :	Malaysian	(642)	(961)
	Overseas	-	-
Prior year :	Malaysian	1,791	1,791
	Overseas	-	-
Deferred tax :	Malaysian	-	-
	Overseas	-	-
Total income tax attributable to continuing operations :		1,149	830
DISCONTINUING OPERATIONS :-			
Current tax :	Malaysian	-	-
	Overseas	(6)	(15)
Deferred tax :	Malaysian	-	-
	Overseas	-	-
Total income tax attributable to discontinuing operations :		(6)	(15)
TOTAL :		1,143	815

The Group's effective tax rate is lower than the statutory tax rate of 24% (2017: 24%) due its share of prior year tax overprovided on property development joint operations 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”).

With the conversion of the RCPS to 6,666,667 ordinary shares in JSSB on 20 April 2018, the Company's shareholding in JSSB increased 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 a consideration of RM42,104,049 (“Proposed Disposal”), subject to adjustments 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 transaction was completed on 2 March 2018.

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

B6. Corporate proposals (cont'd)

(c) On 14 June 2018, the wholly-owned subsidiaries of the Company namely Olympia Properties Sdn Bhd ("OPSB") and United Malaysian Properties Sdn Bhd ("UMP") entered into a property settlement agreement ("Property Settlement Agreement") with KH Estates Sdn Bhd ("KHE"), a wholly-owned subsidiary of DutaLand Berhad ("DutaLand") for the settlement of RM57.48 million owing by OPSB to KHE partially in cash and partially by way of the transfer and delivery of the vacant possession of UMP's properties consisting of 12 condominium units together with 39 car park bays which are part of the project known as 9 Madge ("Settlement Properties") which is equivalent to a total market value of RM45.40 million ("Property Settlement Amount"), ("Proposed Settlement") to KHE. The valuation was performed by Cheston International (KL) Sdn Bhd on 3 April 2018.

The Proposed Settlement is deemed to be a related party transaction pursuant to paragraph 10.08 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Proposed Settlement is currently pending approval from shareholders at the forthcoming Extraordinary General Meeting of the Company.

Save as disclosed above, there were no other corporate proposal announced but not completed as at 20 August 2018, being 7 days from the date of issuance of these interim financial statements.

B7. Borrowings and debt securities

	------------------ As at 30.6.2018 -------------		
Group borrowings	**Secured RM'000**	**Unsecured RM'000**	**Total RM'000**
Short term:			
Term loans	-	-	-
Hire purchase payables	214	-	214
	214	-	214
Long term:			
Term loans	168,591	-	168,591
Hire purchase payables	1,041	-	1,041
	169,632	-	169,632
	169,846	-	169,846

All borrowings are denominated in Ringgit Malaysia.

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

B8. Derivative Financial Instrument

The nature of all outstanding derivatives as at 30 June 2018 are disclosed as follows :-

		As at 30.6.2018		Classification in Statement of Financial Position			
				Derivative financial assets		Derivative financial liabilities	
Type of Derivative	Remaining tenure	Contract / notional value RM'000	Fair value surplus RM'000	Non-current RM'000	Current RM'000	Non-current RM'000	Current RM'000
Interest rate swap ("IRS")	3 years	120,000	175	175	-	-	-

The Group had in prior years 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	
	30.6.2018 RM'000	30.6.2017 RM'000	30.6.2018 RM'000	30.6.2017 RM'000
Interest income	795	880	1,529	1,685
Interest expense	(4,472)	(3,528)	(6,783)	(6,650)
Dividend income	(8,940)	87	311	172
Depreciation on property, plant and equipment	(1,830)	(1,118)	(2,133)	(2,231)
Property, plant and equipment written off	(8)	(3)	(9)	(4)
Gain on disposal of property, plant and equipment	(1)	-	(1)	-
Amortisation of transaction costs on borrowings	(122)	(61)	(244)	(244)
Gain/(Loss) on fair value changes of investment securities	-	47	(129)	47
Impairment loss on receivables	(4)	(44)	(7)	(44)
Reversal of impairment loss on receivables	37	(13)	37	-

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	
	30.6.2018	30.6.2017	30.6.2018	30.6.2017
Profit/(Loss) attributable to Owners of the Company (RM'000) :-				
- continuing operations	(1,606)	14,056	4,073	13,195
- discontinuing operations	107	(424)	391	(309)
	(1,499)	13,632	4,464	12,886
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	(0.2)	1.4	0.4	1.3
- discontinuing operations	0.0	(0.0)	0.0	(0.0)
	(0.1)	1.3	0.4	1.3

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
27 August 2018