OLYMPIA INDUSTRIES BERHAD
(Company No. 63026-U)

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

	CURRENT 3 Months Ended		YEAR TO DATE 9 Months Ended	9 Months Ended
	30.9.2018 RM'000	**30.9.2017 RM'000**	**30.9.2018 RM'000**	**30.9.2017 RM'000**
CONTINUING OPERATIONS :				
Revenue	35,035	28,289	96,921	146,669
Operating expenses	(28,988)	(25,866)	(85,956)	(118,805)
Other income	14,611	2,387	28,154	5,737
Other expenses	(5,012)	(1,942)	(13,439)	(5,970)
Operating profit/(loss)	15,646	2,868	25,680	27,631
Finance costs	(3,661)	(3,537)	(10,440)	(10,178)
Share of results of associates	160	-	160	-
Profit / (Loss) before tax	12,145	(669)	15,400	17,453
Income tax credit / (expense)	(829)	(918)	(14)	(5,846)
Profit / (Loss) after tax from :				
- continuing operations	11,316	(1,587)	15,386	11,607
DISCONTINUING OPERATIONS :				
Profit / (Loss) after tax from :				
- discontinuing operations	(295)	745	-	337
(Loss) / Profit after tax :	**11,021**	**(842)**	**15,386**	**11,944**
(Loss) / Profit attributable to:				
- Owners of the Company :				
- continuing operations	11,351	(1,587)	15,424	11,607
- discontinuing operations	(391)	835	-	527
	10,960	(752)	15,424	12,134
- Non-controlling interests :	61	(90)	(38)	(190)
	11,021	(842)	15,386	11,944
Other comprehensive (loss) / income :				
- Foreign currency translation	322	(41)	299	23
	322	(41)	299	23
Total comprehensive (loss) / profit for the period	11,343	(883)	15,685	11,967
Total comprehensive (loss) / income attributable to:				
- Owners of the Company :				
- continuing operations	11,673	(1,628)	15,723	11,630
- discontinuing operations	(391)	835	-	527
	11,282	(793)	15,723	12,157
- Non-controlling interests :	61	(90)	(38)	(190)
	11,343	(883)	15,685	11,967
(Loss) / Profit per share attributable to Owners of the Company :				
Basic (Sen) :				
- continuing operations	1.1	(0.2)	1.5	1.1
- discontinuing operations	(0.0)	0.1	-	0.1
	1.1	(0.1)	1.5	1.2
Diluted (Sen) :				
- continuing operations	1.1	(0.2)	1.5	1.1
- discontinuing operations	(0.0)	0.1	-	0.1
	1.1	(0.1)	1.5	1.2

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 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 SEPTEMBER 2018

(The figures have not been audited)

	As at 30.9.2018 RM'000 Unaudited	As at 31.12.2017 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	7,163	9,792
Land held for property development	201,997	201,876
Investment properties	330,280	330,280
Intangible assets	-	21
Investment in associates	1,260	-
Derivative financial asset	37	22
	540,737	541,991
Current assets		
Inventories	58,150	61,365
Amount due from associates	8	-
Amount due from affiliated companies	1,055	3,280
Trade and other receivables	17,194	14,033
Investment in securities	20,329	16,568
Cash and bank balances	69,036	29,635
	165,772	124,881
Assets of disposal group classified as held for sale / discontinuing operations	-	64,942
	165,772	189,823
TOTAL ASSETS	**706,509**	**731,814**
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share Capital	296,985	296,985
Other Reserves	1,202	905
Merger deficit	(233,884)	(233,884)
Retained earnings	346,078	330,755
Reserves of disposal group classified as held for sale	-	2,217
	410,381	396,978
Non-controlling interests	3,741	5,045
Total equity	**414,122**	**402,023**
Non-current liabilities		
Loans and borrowings	169,726	169,875
Deferred tax liabilities	2,661	2,596
	172,387	172,471
Current liabilities		
Amount due to associates	4	17
Amount due to affiliated companies	86,981	88,534
Trade and other payables	31,686	23,519
Loans and borrowings	163	681
Tax payable	1,166	2,567
	120,000	115,318
Liabilities directly associated with disposal group classified as held for sale / discontinuing operations	-	42,002
	120,000	157,320
Total liabilities	292,387	329,791
TOTAL EQUITY AND LIABILITIES	**706,509**	**731,814**
Net assets per share attributable to owners of the Company (RM)	0.40	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 SEPTEMBER 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	905	(233,884)	330,755	2,217	396,978	5,045	402,023
Total comprehensive income / (loss)	-	297	-	15,426	-	15,723	(38)	15,685
	296,984	1,202	(233,884)	346,181	2,217	412,701	5,007	417,708
Realisation on disposal of subsidiaries	-	-	-	-	(2,217)	(2,217)	(1,266)	(3,483)
Transactions with owners								
Effects of MFRS 9 application	-	-	-	(103)		(103)		(103)
	-	-	-	(103)	-	(103)	-	(103)
Balance at 30 September 2018	296,984	1,202	(233,884)	346,078	-	410,381	3,741	414,122
Balance at 1 January 2017	102,343	195,549	(233,884)	317,465	2,491	383,964	4,535	388,499
Total comprehensive income/(loss)	-	-	-	12,135	23	12,158	(194)	11,964
Balance at 30 September 2017	102,343	195,549	(233,884)	329,600	2,514	396,122	4,341	400,463

OLYMPIA INDUSTRIES BERHAD
(Company No. 63026-U)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 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	-	-	905	-	-	905
Total comprehensive income / (loss)	-	-	297	-	-	297
Balance at 30 September 2018	-	-	1,202	-	-	1,202
Balance at 1 January 2017	-	11,018	908	183,623	-	195,549
Total comprehensive income/(loss)	-	-	-	-	-	-
Balance at 30 September 2017	-	11,018	908	183,623	-	195,549

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 SEPTEMBER 2018

(The figures have not been audited)

	9 Months Ended 30.9.2018 RM'000	9 Months Ended 30.9.2017 RM'000
Cash flows from operating activities		
Profit / (Loss) before tax :-		
- continuing operations	15,401	17,452
- discontinuing operations	-	337
	15,401	17,789
Adjustments for non-cash items:		
Impairment loss on receivables	38	53
Reversal of impairment loss on receivables	(785)	-
Gain on disposal of investment in subsidiaries	(23,016)	-
Net loss / (gain) on fair value changes of investment securities	129	(13)
Fair value (gain) / loss on derivative financial instrument	(14)	719
Amortisation of transaction cost on borrowings	367	244
Depreciation of property, plant and equipment	3,215	3,359
Property, plant and equipment written off	7	4
(Gain) / loss on disposal of property, plant and equipment	1	4
Unrealised loss on foreign exchange	2	89
Dividend income	(562)	(317)
Interest income from fixed deposits and others	(1,992)	(2,429)
Finance costs	10,440	10,172
	(12,170)	11,885
Operating profit before working capital changes	3,231	29,674
Changes in working capital		
(Increase) / Decrease in land held for property development	(120)	(17)
(Increase) / Decrease in property development costs	-	40,677
Decrease / (Increase) in inventories	3,214	(33)
(Increase) / Decrease in receivables	17,725	(12,961)
Net changes in the balances with associated companies	(21)	10
Net changes in the balances with affiliated companies	675	70,698
Increase / (decrease) in payables	(19,055)	(128,289)
	2,418	(29,915)
Cash generated from operations	5,649	(241)
Interest received	1,992	2,429
Interest paid	(11,590)	(10,172)
Tax paid / (refunded)	(1,431)	(7,647)
Net cash generated from operating activities	(5,380)	(15,631)
Cash flows from investing activities		
Purchase of property, plant and equipment	(494)	(613)
Proceeds from disposal of property, plant and equipment	-	4
Proceeds from disposal of investment securities	38,869	2,686
Purchase of investment securities	(42,758)	(5,035)
Proceeds from disposal of stake in subsidiaries	34,661	-
Acquisition of investment in associate	(1,100)	-
Dividend received	562	317
Net cash (used in) / generated from investing activities	29,740	(2,641)

OLYMPIA INDUSTRIES BERHAD
(Company No. 63026-U)

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

	9 Months Ended 30.9.2018 RM'000	9 Months Ended 30.9.2017 RM'000
Cash flows from financing activities		
Repayment of borrowings	-	(750)
Repayment of hire purchase payables	90	(243)
Net movement in trust monies for dealers' representatives	(31)	41
Net movement in securities placed with licensed bank	2,874	(20)
Net movement in fixed deposits with licensed banks	(6,200)	3,190
Net cash generated from / (used in) financing activities	(3,267)	2,218
Net increase / (decrease) in cash and cash equivalents	21,093	(16,054)
Effect of exchange rate changes	169	23
Cash and cash equivalents at beginning of period	27,123	45,553
Cash and cash equivalents at end of the period	48,385	29,522

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

	9 Months Ended 30.9.2018 RM'000	9 Months Ended 30.9.2017 RM'000
Deposits with financial institutions	-	20,093
Cash and bank balances	48,385	9,429
	48,385	29,522
	-	

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.

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	(103)	13,931
Equity attributable to owners of the Company :			
Retained earnings	330,755	(103)	330,653
Net shareholders' funds	396,978	(103)	396,876
Total equity	402,023	(103)	401,921

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 finance 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 9 months ended 30 September 2018 :

	Financial Services {discontinuing} RM'000	Property Development RM'000	Gaming RM'000	Leasing RM'000	Investment Holding & Others RM'000	Adjustment / Elimination RM'000	Consolidated RM'000
Revenue							
External customers	-	3,400	72,766	14,996	-	5,760	96,922
Inter-segment	-	-	2,911	5,373	1,873	(10,158)	(1)
Total revenue	-	3,400	75,677	20,369	1,873	(4,398)	96,921
Results							
Segment results	(20)	(4,775)	4,865	5,713	37,718	(17,821)	25,680
Finance costs	-	-	(9)	(7,411)	(3,032)	12	(10,440)
Share of results of associates	-	-	-	-	-	160	160
Profit/(Loss) before tax	(20)	(4,775)	4,856	(1,698)	34,686	(17,649)	15,400
Income tax expense	-	1,595	(1,226)	(365)	(4)	(14)	(14)
Profit/(Loss) for the period	(20)	(3,180)	3,630	(2,063)	34,682	(17,663)	15,386

Comparative results for 9 months ended 30 September 2017 :

	Financial Services {discontinuing} RM'000	Property Development RM'000	Gaming RM'000	Leasing RM'000	Investment Holding & Others RM'000	Adjustment / Elimination RM'000	Consolidated RM'000
Revenue							
External customers	7,490	58,800	64,756	18,327	4,786	-	154,159
Inter-segment	-	-	2,590	5,112	3,184	(10,886)	-
Total revenue	7,490	58,800	67,346	23,439	7,970	(10,886)	154,159
Results							
Segment results	(740)	16,187	3,292	7,837	1,460	(74)	27,962
Finance costs	(13)	-	(13)	(7,223)	(2,941)	18	(10,172)
Profit/(Loss) before tax	(753)	16,187	3,279	614	(1,481)	(56)	17,790
Income tax expense	-	(3,741)	(548)	(1,511)	(46)	-	(5,846)
Profit/(Loss) for the period	(753)	12,446	2,731	(897)	(1,527)	(56)	11,944

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 September 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. The disposal was completed on 28 September 2018.

Further details of the disposal is described under Note B6. Save as disclosed above, there were no other material events subsequent to the end of the quarter ended 30 September 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 September 2018.

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

B1. Performance review

RM'000		Individual Period (3rd Quarter) Curr. year 30.9.2018	Preceding year 30.9.2017	+ / -		Cumulative Period (9 months year-to-date) Curr. year 30.9.2018	Preceding year 30.9.2017	+ / -	
Revenue	- continuing op.	35,035	28,289	6,746	24%	96,921	146,669	(49,748)	-34%
	- discontinuing op.	-	2,269	(2,269)	-100%	-	7,490	(7,490)	-100%
		35,035	**30,558**	**4,477**	**15%**	**96,921**	**154,159**	**(57,238)**	**-37%**
Profit before tax	- continuing op.	12,145	(669)	12,814	1915%	15,400	17,453	(2,053)	-12%
	- discontinuing op.	-	745	(745)	-100%	-	337	(337)	-100%
		12,145	**76**	**12,069**	**15880%**	**15,400**	**17,790**	**(2,390)**	**-13%**
Profit after tax	- continuing op.	11,316	(1,587)	12,903	813%	15,386	11,607	3,779	33%
	- discontinuing op.	(295)	745	(1,040)	-140%	-	337	(337)	-100%
		11,021	**(842)**	**11,863**	**1409%**	**15,386**	**11,944**	**3,442**	**29%**

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 RM35.0 million for the current quarter under review as compared to RM28.3 million in the previous corresponding quarter of last year, an increase of 23.8% or RM6.7 million in the Group's revenue. Gaming division remains the main contributor of the Group, making up 64.2% or RM24.3 million of total revenue to the Group for the current quarter.

The Group reported a profit before tax of RM12.1 for the current quarter compared to a RM0.7 million loss before tax in the previous corresponding quarter last year.

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

i) Gaming division – Higher profit despite lower payout ratio of 60.7%, down from 64.2% in the corresponding quarter last year and higher average sales value per draw.

ii) Investment holding segment – Gain on disposal of Jupiter Securities Sdn Bhd of RM22.0 million and net negative adjustments on sundry income of RM6.0 million for the current quarter.

YTD (9 months) Q3 FY 2018 vs YTD (9 months) Q3 2017

The Group reported a profit before tax of RM15.4 million during the 9 months ended 30 September 2018 compared to a RM17.5 million profit before tax in the corresponding 9 months period last year.

The variance is mainly due to:

i) Property development segment – Profit from sale of development land in the previous year, and none recorded in the current period to-date.

ii) Gaming division – Lower profits due to lower average sales value per draw and higher payout ratio at 63.8%, up from 62.9% in the corresponding 9 months period last year.

iii) Leasing segment – Revaluation surplus on Menara Olympia in previous year, and none during the current period to-date.

iv) Investment holding segment – Gain on disposal of Jupiter Securities Sdn Bhd of RM22.0 million for the current period to-date.

B2. Comparison with immediate preceding quarter's results

RM'000		Current quarter 30.9.2018	Immediate preceding quarter 30.6.2018	+ / -	
Revenue	- continuing op.	35,035	28,047	6,988	25%
	- discontinuing op.	-	1,836	(1,836)	-100%
		35,035	**29,883**	**5,152**	**17%**
Profit before tax	- continuing op.	12,145	(2,750)	14,895	542%
	- discontinuing op.	-	37	(37)	-100%
		12,145	**(2,713)**	**14,858**	**548%**
Profit after tax	- continuing op.	11,316	(1,607)	12,923	804%
	- discontinuing op.	(295)	37	(332)	-897%
		11,021	**(1,570)**	**12,591**	**802%**

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

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

B2. Comparison with immediate preceding quarter's results (cont'd)

The Group reported a profit before tax of RM12.1 million for the current quarter compared to a RM2.8 million loss 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) Investment holding segment – Gain on disposal of Jupiter Securities Sdn Bhd of RM22.0 million and net negative adjustments on sundry income of RM6.0 million during 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.

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 30.9.2018 RM'000	Cumulative Quarter 9 Months 30.9.2018 RM'000
CONTINUING OPERATIONS :-			
Current tax :	Malaysian	(844)	(1,805)
	Overseas	-	-
Prior year :	Malaysian	13	1,804
	Overseas	-	-
Deferred tax :	Malaysian	2	2
	Overseas	-	-
Total income tax attributable to continuing operations :		(829)	1
DISCONTINUING OPERATIONS :-			
Current tax :	Malaysian	-	-
	Overseas	(0)	(15)
Total income tax attributable to discontinuing operations :		(0)	(15)
TOTAL :		(829)	(14)

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.

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

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 disposed its entire 76.55% shareholding in JSSB to the Purchaser (“Disposal”) for a consideration of RM42,104,049 (“Consideration”), subject to adjustments and upon satisfaction of all other terms and conditions as stipulated in the SPA.

The Company's Disposal has been completed on 28 September 2018 following, amongst others, the payment of 80% of the Company's proportionate share of the Consideration by the Purchaser to the Company in accordance with the terms of the SPA.

The balance 20% Consideration which shall be paid by the Purchaser to the Company within five (5) business days from the issuance of the report by the Reporting Accountant is subject to adjustment based on the difference between the consolidated net assets and the realisable benefit from the unutilised tax losses and unabsorbed capital allowances carried forward of JSSB and its operating subsidiaries as at 31 December 2015 and as at completion.

(b) 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”), (“Settlement”) to KHE. The valuation was performed by Cheston International (KL) Sdn Bhd on 3 April 2018.

The Settlement, deemed to be a related party transaction pursuant to paragraph 10.08 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, was approved by shareholders at an Extraordinary General Meeting of the Company held on 26 September 2018. The Settlement was completed on 11 October 2018.

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

B7. Borrowings and debt securities

	------------------ As at 30.9.2018 -------------		
Group borrowings	**Secured RM'000**	**Unsecured RM'000**	**Total RM'000**
Short term:			
Term loans	(44)	-	(44)
Bank overdrafts	-	-	-
Hire purchase payables	207	-	207
	163	-	163
Long term:			
Term loans	168,713	-	168,713
Hire purchase payables	1,013	-	1,013
	169,726	-	169,726
	169,889	-	169,889

All borrowings are denominated in Ringgit Malaysia.

B8. Derivative Financial Instrument

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

		As at 30.9.2018		**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")	2 - 3 years	120,000	37	37	-	-	-

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

B8. Derivative Financial Instrument (cont'd)

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 year ended 31 December 2017.

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	
	30.9.2018 RM'000	30.9.2017 RM'000	30.9.2018 RM'000	30.9.2017 RM'000
Interest income	463	744	1,992	2,429
Interest expense	(3,657)	(3,522)	(10,440)	(10,172)
Dividend income	251	145	562	317
Depreciation on property, plant and equipment	(1,082)	(1,128)	(3,215)	(3,359)
Property, plant and equipment written off	2	-	(7)	(4)
Gain on disposal of property, plant and equipment	-	(4)	(1)	(4)
Unrealised loss on foreign exchange	(2)	-	(2)	-
Gain on disposal of investment in subsidiaries	23,016	-	23,016	-
Amortisation of transaction costs on borrowings	(123)	-	(367)	(244)
Gain/(Loss) on fair value changes of investment securities	-	(34)	(129)	13
Impairment loss on receivables	(31)	(9)	(38)	(53)
Reversal of impairment loss on receivables	748	-	785	-

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

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	
	30.9.2018	**30.9.2017**	**30.9.2018**	**30.9.2017**
Profit/(Loss) attributable to Owners of the Company (RM'000) :-				
- continuing operations	11,351	(1,587)	15,424	11,607
- discontinuing operations	(391)	835	-	527
	10,960	(752)	15,424	12,134
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	1.1	(0.2)	1.5	1.1
- discontinuing operations	(0.0)	0.1	-	0.1
	1.1	(0.1)	1.5	1.2

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
27 November 2018