

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 DECEMBER 2018

(The figures have not been audited)

	CURRENT		YEAR TO DATE	
	3 Months Ended		12 Months Ended	12 Months Ended
	31.12.2018	31.12.2017	31.12.2018	31.12.2017
	RM'000	RM'000	RM'000	RM'000
CONTINUING OPERATIONS :				
Revenue	33,859	29,699	125,020	170,034
Operating expenses	(28,966)	(12,305)	(109,600)	(124,429)
Other income	8,134	11,526	33,053	11,395
Other expenses	(7,612)	(21,219)	(18,255)	(21,086)
Operating profit/(loss)	5,415	7,701	30,218	35,914
Finance costs	(3,553)	(4,117)	(14,005)	(14,286)
Share of results of associates	-	-	-	-
Profit / (Loss) before tax	1,862	3,584	16,213	21,628
Income tax expense	(6,951)	(1,819)	(6,982)	(7,631)
Profit / (Loss) after tax from :				
- continuing operations	(5,089)	1,765	9,231	13,997
DISCONTINUED OPERATIONS :				
Profit / (Loss) after tax from :				
- discontinued operations	-	91	(137)	(197)
(Loss) / Profit after tax :	(5,089)	1,856	9,094	13,800

(Loss) / Profit attributable to:				
- Owners of the Company :				
- continuing operations	(5,279)	988	9,062	12,595
- discontinued operations	-	168	(120)	695
	(5,279)	1,156	8,942	13,290
- Non-controlling interests :	190	700	152	510
	(5,089)	1,856	9,094	13,800

Other comprehensive (loss) / income :				
- Foreign currency translation	(299)	(299)	-	(276)
	(299)	(299)	-	(276)
Total comprehensive (loss) / profit for the period	(5,388)	1,557	9,094	13,524

Total comprehensive (loss) / income attributable to:				
- Owners of the Company :				
- continuing operations	(5,578)	690	9,062	12,320
- discontinued operations	-	167	(120)	694
	(5,578)	857	8,942	13,014
- Non-controlling interests :	190	700	152	510
	(5,388)	1,557	9,094	13,524

(Loss) / Profit per share attributable to

Owners of the Company :				
Basic (Sen) :				
- continuing operations	(0.5)	0.1	0.9	1.3
- discontinued operations	-	0.0	(0.0)	-
	(0.5)	0.1	0.9	1.3
Diluted (Sen) :				
- continuing operations	(0.5)	0.1	0.9	1.3
- discontinued operations	-	0.0	(0.0)	-
	(0.5)	0.1	0.9	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.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE QUARTER ENDED 31 DECEMBER 2018**

(The figures have not been audited)

	As at 31.12.2018 RM'000 <u>Unaudited</u>	As at 31.12.2017 RM'000 <u>Audited</u>
ASSETS		
Non-current assets		
Property, plant and equipment	6,137	9,792
Land held for property development	202,025	201,876
Investment properties	330,280	330,280
Intangible assets	-	21
Investment in associates	1,260	-
Derivative financial asset	-	22
	539,702	541,991
Current assets		
Inventories	13,222	61,365
Amount due from associates	11	-
Amount due from affiliated companies	1,231	3,280
Trade and other receivables	17,453	14,033
Investment in securities	24,415	16,568
Cash and bank balances	31,101	29,635
	87,535	124,881
Assets of disposal group classified as held for sale / discontinuing operations	-	64,942
	87,535	189,823
TOTAL ASSETS	627,237	731,814
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share Capital	296,984	296,984
Other Reserves	906	906
Merger deficit	(233,884)	(233,884)
Retained earnings	339,715	330,755
Reserves of disposal group classified as held for sale	-	2,217
	403,721	396,978
Non-controlling interests	3,931	5,045
Total equity	407,652	402,023
Non-current liabilities		
Loans and borrowings	150,835	169,875
Deferred tax liabilities	2,661	2,596
	153,606	172,471
Current liabilities		
Amount due to associates	19	17
Amount due to affiliated companies	34,879	88,534
Trade and other payables	26,815	23,519
Loans and borrowings	333	681
Tax payable	3,933	2,567
	65,979	115,318
Liabilities directly associated with disposal group classified as held for sale / discontinuing operations	-	42,002
	65,979	157,320
Total liabilities	219,585	329,791
TOTAL EQUITY AND LIABILITIES	627,237	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.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 DECEMBER 2018
(The figures have not been audited)

	---Attributable to Owners of the Company ---						Non- Controlling Interests RM'000	Equity RM'000
	-----Non-distributable -----		Retained Earnings / (Accumulated Losses) RM'000	Reserves of disposal group classified as held for sale RM'000	Total RM'000			
	Share Capital RM'000	Other Reserves RM'000						
	-	-	-	-	-	-	-	-
Balance at 1 January 2018, as previously reported	296,984	906	(233,884)	330,755	2,217	396,978	5,045	402,023
Effects of MFRS 9 application	-	-	-	(103)	-	(103)	-	(103)
Balance at 1 January 2018, as restated	296,984	906	(233,884)	330,652	2,217	396,875	5,045	401,920
Total comprehensive income / (loss)	-	-	-	9,063	-	9,063	-	9,063
Realised on disposal of subsidiaries	-	-	-	-	(2,217)	(2,217)	(1,114)	(3,331)
Balance at 31 December 2018	296,984	906	(233,884)	339,715	-	403,721	3,931	407,652
Balance at 1 January 2017	102,343	198,040	(233,884)	317,465	-	383,964	4,535	388,499
Total comprehensive income/(loss)	-	(276)	-	13,290	-	13,014	510	13,524
	102,343	197,764	(233,884)	330,755	-	396,978	5,045	402,023
Transfer of share premium and capital reserve account as a result of adoption of Companies Act, 2016	194,641	(194,641)	-	-	-	-	-	-
Transfer to reserves of disposal group classified as held for sale	-	(2,217)	-	-	2,217	-	-	-
Balance at 31 December 2017	296,984	906	(233,884)	330,755	2,217	396,978	5,045	402,023

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 DECEMBER 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)	-	-	-	-	-	-
Balance at 31 December 2018	-	-	906	-	-	906
Balance at 1 January 2017	-	11,018	3,399	183,623	-	198,040
Total comprehensive income/(loss)	-	-	(276)	-	-	(276)
	-	11,018	3,123	183,623	-	197,764
Transfer to share capital as a result of adoption of Companies Act, 2016	-	(11,018)	-	(183,623)	-	(194,641)
Transfer to assets of disposal group classified as discontinued operations	-	-	(2,217)	-	-	(2,217)
Balance at 31 December 2017	-	-	906	-	-	906

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 31 DECEMBER 2018

(The figures have not been audited)

	12 Months Ended 31.12.2018 RM'000	12 Months Ended 31.12.2017 RM'000
Cash flows from operating activities		
Profit / (Loss) before tax :-		
- continuing operations	16,336	21,036
- discontinued operations	(123)	401
	<u>16,213</u>	<u>21,437</u>
Adjustments for non-cash items:		
Impairment loss on receivables	-	128
Reversal of impairment loss on receivables	(3,961)	(6,369)
Gain on disposal of investment in subsidiaries	(20,820)	-
Net loss / (gain) on fair value changes of investment securities	138	(51)
Fair value (gain) / loss on derivative financial instrument	132	298
Amortisation of transaction cost on borrowings	490	(411)
Depreciation of property, plant and equipment	4,189	4,473
Property, plant and equipment written off	2	4
(Gain) / loss on disposal of property, plant and equipment	-	4
Unrealised loss on foreign exchange	63	102
Dividend income	(805)	(503)
Interest income from fixed deposits and others	(1,013)	(3,485)
Finance costs	13,776	14,301
	<u>(4,595)</u>	<u>8,491</u>
Operating profit before working capital changes	11,618	29,928
Changes in working capital		
(Increase) / Decrease in land held for property development	(149)	(32)
(Increase) / Decrease in property development costs	-	40,677
Decrease / (Increase) in inventories	48,143	225
(Increase) / Decrease in receivables	154	(20,196)
Net changes in the balances with associated companies	(10)	13
Net changes in the balances with affiliated companies	(51,602)	71,786
Increase / (decrease) in payables	(1,359)	(115,093)
	<u>(4,823)</u>	<u>(22,620)</u>
Cash generated from operations	6,795	7,308
Interest received	1,013	3,485
Interest paid	(14,290)	(14,302)
Tax paid / (refunded)	(5,734)	(8,625)
Net cash generated from operating activities	<u>(12,216)</u>	<u>(12,134)</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(515)	(1,045)
Proceeds from disposal of property, plant and equipment	-	2
Proceeds from disposal of investment securities	45,099	27,353
Purchase of investment securities	(57,174)	(29,289)
Proceeds from disposal of stake in subsidiaries	31,536	-
Acquisition of investment in associate	(1,260)	-
Dividend received	805	503
Net cash (used in) / generated from investing activities	<u>18,491</u>	<u>(2,476)</u>

OLYMPIA INDUSTRIES BERHAD
(Company No. 63026-U)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 DECEMBER 2018
(The figures have not been audited)

	12 Months Ended 31.12.2018 RM'000	12 Months Ended 31.12.2017 RM'000
Cash flows from financing activities		
Proceeds from borrowings	-	400
Repayment of borrowings	(19,400)	-
Repayment of hire purchase payables	25	(328)
Net movement in trust monies for dealers' representatives	(31)	(28)
Net movement in securities placed with licensed bank	2,924	121
Net movement in fixed deposits with licensed banks	(9,050)	2,369
Net cash generated from / (used in) financing activities	(25,532)	2,534
Net increase / (decrease) in cash and cash equivalents	(19,257)	(12,076)
Effect of exchange rate changes	(216)	(276)
Cash and cash equivalents at beginning of period	27,123	41,989
Cash and cash equivalents at end of the period	7,650	29,637

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

	12 Months Ended 31.12.2018 RM'000	12 Months Ended 31.12.2017 RM'000
Deposits with financial institutions	-	20,366
Cash and bank balances	7,650	9,271
	7,650	29,637

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.

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	Restated opening balance on 1.1.2018 RM'000
Current assets :			
Trade & other receivables	14,033	(103)	13,930
Equity attributable to owners of the Company :			
Retained earnings	330,755	(103)	330,652
Net shareholders' funds	396,978	(103)	396,875
Total equity	402,023	(103)	401,920

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)

Definition of a Business (Amendments to MFRS 3)

Definition of Material (Amendments to MFRS 101)

Definition of Material (Amendments to MFRS 108)

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 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 year.

A : EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

A9. Segmental information

Results for 12 months ended 31 December 2018 :

	Financial Services {discontinued} 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	101,354	20,266	-	-	125,020
Inter-segment	-	-	4,054	6,808	2,500	(13,362)	-
Total revenue	-	3,400	105,408	27,074	2,500	(13,362)	125,020
Results							
Segment results	410	(4,912)	7,858	7,443	36,987	(17,568)	30,218
Finance costs	-	(25)	(11)	(9,838)	(4,156)	25	(14,005)
Share of results of associates	-	-	-	-	-	-	-
Profit/(Loss) before tax	410	(4,937)	7,847	(2,395)	32,831	(17,543)	16,213
Income tax expense	-	(1,039)	(1,819)	(813)	(3,311)	-	(6,982)
Profit/(Loss) for the year	410	(5,976)	6,028	(3,208)	29,520	(17,543)	9,231

Comparative results for 12 months ended 31 December 2017 :

	Financial Services {discontinued} 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	-	59,437	86,029	24,568	-	-	170,034
Inter-segment	-	-	3,441	7,171	4,655	(15,267)	-
Total revenue	-	59,437	89,470	31,739	4,655	(15,267)	170,034
Results							
Segment results	(20)	14,919	6,157	13,665	323	870	35,914
Finance costs	-	-	(16)	(9,641)	(4,643)	14	(14,286)
Profit/(Loss) before tax	(20)	14,919	6,141	4,024	(4,320)	884	21,628
Income tax expense	-	(2,791)	(1,433)	(2,471)	(936)	-	(7,631)
Profit/(Loss) for the year	(20)	12,128	4,708	1,553	(5,256)	884	13,997

A10. Valuation of property, plant and equipment

During the current financial year, 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 year to-date ended 31 December 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 31 December 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 31 December 2018.

**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 31.12.2018	Preceding year 31.12.2017	+ / -		Curr. year 31.12.2018	Preceding year 31.12.2017	+ / -	
	RM'000								
Revenue	- continuing op.	33,859	29,699	4,160	14%	125,020	170,034	(45,014)	-26%
	- discontinued op.	(1,491)	2,333	(3,824)	-164%	7,209	16,157	(8,948)	-55%
		32,368	32,032	336	1%	132,229	186,191	(53,962)	-29%
Profit / (loss) b4 tax	- continuing op.	1,862	3,584	(1,722)	-48%	16,213	21,628	(5,415)	-25%
	- discontinued op.	(224)	64	(288)	-450%	(123)	(190)	67	35%
		1,638	3,648	(2,010)	-55%	16,090	21,438	(5,348)	-25%
Profit / (loss) after tax	- continuing op.	(5,089)	1,765	(6,854)	-388%	9,231	13,997	(4,766)	-34%
	- discontinued op.	-	91	(91)	-100%	(137)	(197)	60	30%
		(5,089)	1,856	(6,945)	-374%	9,094	13,800	(4,706)	-34%

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 RM33.9 million for the current quarter under review as compared to RM29.7 million in the previous corresponding quarter of last year, an increase of 14.0% or RM4.2 million in the Group's revenue. Gaming division remains the main contributor of the Group, making up 84.4% or RM28.6 million of total revenue to the Group for the current quarter.

The Group reported a profit before tax of RM1.9 million for the current quarter compared to a RM3.6 million profit before tax in the previous corresponding quarter last year.

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

- Gaming division – Lower profit due to higher payout ratio of 62.6%, up from 58.0% in the corresponding quarter last year, despite higher average sales value per draw.
- Investment holding segment – Adjustment of RM1.7 million on the completion of the disposal of Jupiter Securities Sdn Bhd during the current quarter.

YTD (12 months) Q4 FY 2018 vs YTD (12 months) Q4 2017

The Group reported a profit before tax of RM16.2 million during the 12 months ended 31 December 2018 compared to a RM21.6 million profit before tax in the corresponding 12 months period last year.

The variance is mainly due to:

- Property development segment – Profit from sale of development land in the previous year, and none recorded in the current year to-date.
- Gaming division – Lower profits due to higher payout ratio at 63.4%, up from 61.7% in the corresponding 12 months period last year, despite higher average sales value per draw.
- Investment holding segment – Net gain on disposal of Jupiter Securities Sdn Bhd of RM20.3 million for the current year to-date.

B2. Comparison with immediate preceding quarter's results

		Current	Immediate		
		quarter 31.12.2018	preceding quarter 30.9.2018	+ / -	
	RM'000				
Revenue	- continuing op.	33,859	29,275	4,584	16%
	- discontinued op.	(1,491)	-	(1,491)	#DIV/0!
		32,368	29,275	3,093	11%
Profit before tax	- continuing op.	1,862	11,096	(9,234)	-83%
	- discontinued op.	(224)	-	(224)	#DIV/0!
		1,638	11,096	(9,458)	-85%
Profit after tax	- continuing op.	(5,089)	10,250	(15,339)	-150%
	- discontinued op.	-	(25)	25	100%
		(5,089)	10,225	(15,314)	-150%

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 RM1.9 million for the current quarter compared to RM11.1 million profit before tax in the immediate preceding quarter. This is mainly due to :

- i) Investment holding segment – Net gains on the completion of the disposal of Jupiter Securities Sdn Bhd during the current quarter.

B3. Commentary of prospects

The Group's property division's joint venture are unlikely to unveil new products until the economy and the external environment becomes more conducive. The Group expects its gaming division's performance in Sabah to be challenging for the next financial year in view of the presence of illegal gaming operations currently existing. Leasing division is expected to remain steady and maintain its present level of performance for the next 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 31.12.2018 RM'000	Cumulative Quarter 12 Months 31.12.2018 RM'000
CONTINUING OPERATIONS :-		
Current tax : Malaysian	(657)	(2,486)
Overseas	-	-
Prior year tax : Malaysian	(2,988)	(1,185)
Overseas	-	-
Prior year RPGT : Malaysian	(3,307)	(3,307)
Overseas	-	-
Deferred tax : Malaysian	0	2
Overseas	-	-
Total income tax attributable to continuing operations :	<u>(6,951)</u>	<u>(6,976)</u>
DISCONTINUED OPERATIONS :-		
Current tax : Malaysian	-	-
Overseas	0	(6)
Total income tax attributable to discontinuing operations :	<u>0</u>	<u>(6)</u>
TOTAL :	<u>(6,951)</u>	<u>(6,982)</u>

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.

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.

Pursuant to the issuance of a completion audit report by the Reporting Accountant, the balance 20% Consideration was subsequently paid by the Purchaser to the Company on 4 February 2019.

Save as disclosed above, there were no other corporate proposals announced but not completed as at 21 February 2019, being 7 days from the date of issuance of these interim financial statements.

B7. Borrowings and debt securities

	----- As at 31.12.2018 -----		
	Secured RM'000	Unsecured RM'000	Total RM'000
Group borrowings			
Short term:			
Term loans	(58)	-	(58)
Bank overdrafts	-	-	-
Hire purchase payables	391	-	391
	333	-	333
Long term:			
Term loans	150,072	-	150,072
Hire purchase payables	763	-	763
	150,835	-	150,835
	151,168	-	151,168

All borrowings are denominated in Ringgit Malaysia.

B8. Derivative Financial Instrument

The nature of all outstanding derivatives as at 31 December 2018 are disclosed as follows :-

Type of Derivative	Remaining tenure	As at 31.12.2018		Classification in Statement of Financial Position			
		Contract / notional value RM'000	Fair value deficit 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")	2 - 3 years	120,000	(110)	-	-	(110)	-

**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	
	31.12.2018 RM'000	31.12.2017 RM'000	31.12.2018 RM'000	31.12.2017 RM'000
Interest income	455	1,800	1,013	3,485
Interest expense	(3,324)	(7,651)	(13,776)	(14,301)
Dividend income	243	331	805	503
Depreciation on property, plant and equipment	(1,046)	(2,242)	(4,189)	(4,473)
Property, plant and equipment written off	(1)	-	(2)	(4)
Gain on disposal of property, plant and equipment	-	(4)	-	(4)
Unrealised loss on foreign exchange	(61)	-	(63)	-
Gain on disposal of investment in subsidiaries	(2,218)	-	20,820	-
Amortisation of transaction costs on borrowings	(123)	655	(490)	411
Gain/(Loss) on fair value changes of investment securities	(9)	110	(138)	157
Impairment loss on receivables	-	(84)	-	(128)
Reversal of impairment loss on receivables	3,208	6,369	3,961	6,369

**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 year ended	
	31.12.2018	31.12.2017	31.12.2018	31.12.2017
Profit/(Loss) attributable to Owners of the Company (RM'000) :-				
- continuing operations	(5,279)	988	9,062	12,595
- discontinued operations	-	168	(120)	695
	(5,279)	1,156	8,942	13,290
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	(0.5)	0.1	0.9	1.2
- discontinued operations	-	0.0	(0.0)	0.1
	(0.5)	0.1	0.9	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

28 February 2019