

**OLYMPIA INDUSTRIES BERHAD**  
**(Reg. No. 198001009242 (63026-U))**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 31 MARCH 2023**

(The figures have not been audited)

	CURRENT		PERIOD TO DATE	
	3 Months Ended		3 Months Ended	
	31.3.2023	31.3.2022	31.3.2023	31.3.2022
	RM'000	RM'000	RM'000	RM'000
Revenue	24,043	21,269	24,043	21,269
Operating expenses	(22,478)	(22,081)	(22,478)	(22,081)
Other income	250	402	250	402
Other expenses	(1,556)	(1,812)	(1,556)	(1,812)
Operating profit/(loss)	259	(2,222)	259	(2,222)
Finance costs	(1,756)	(1,873)	(1,756)	(1,873)
Loss before tax	(1,497)	(4,095)	(1,497)	(4,095)
Income tax expense	-	(194)	-	(194)
<b>Loss for the period, representing total comprehensive loss for the period</b>	<b>(1,497)</b>	<b>(4,289)</b>	<b>(1,497)</b>	<b>(4,289)</b>

Attributable to:				
- Owners of the Company :	(1,496)	(4,288)	(1,496)	(4,288)
- Non-controlling interests :	(1)	(1)	(1)	(1)
	<u>(1,497)</u>	<u>(4,289)</u>	<u>(1,497)</u>	<u>(4,289)</u>
	-	-	-	-

**Loss per share attributable to Owners of the Company :**

Basic (Sen) :	<u>(0.1)</u>	<u>(0.4)</u>	<u>(0.1)</u>	<u>(0.4)</u>
Diluted (Sen) :	<u>(0.1)</u>	<u>(0.4)</u>	<u>(0.1)</u>	<u>(0.4)</u>

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.

**OLYMPIA INDUSTRIES BERHAD**  
(Reg. No. 198001009242 (63026-U))

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**AS AT 31 MARCH 2023**

(The figures have not been audited)

	<b>As at 31.3.2023 RM'000 (Unaudited)</b>	<b>As at 31.12.2022 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Plant and equipment	2,253	2,295
Right-of-use assets	3,165	3,379
Land held for property development	221,165	220,907
Investment properties	277,000	277,000
	503,583	503,581
<b>Current assets</b>		
Inventories	14,173	14,116
Trade and other receivables	3,855	4,638
Amounts due from affiliated companies	185	337
Tax refundable	1,555	1,484
Investment securities	4,627	4,626
Cash and bank balances	28,245	26,121
	52,640	51,322
<b>TOTAL ASSETS</b>	<b>556,223</b>	<b>554,903</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	295,384	295,384
Merger deficit	(233,884)	(233,884)
Retained earnings	288,327	289,823
	349,827	351,323
Non-controlling interests	1,108	1,109
<b>Total equity</b>	<b>350,935</b>	<b>352,432</b>
<b>Non-current liabilities</b>		
Borrowings	120,000	120,000
Lease liabilities	2,185	2,314
Deferred tax liabilities	538	538
	122,723	122,852
<b>Current liabilities</b>		
Trade and other payables	30,990	28,890
Amount due to affiliated companies	45,413	44,513
Borrowings	5,000	5,000
Lease liabilities	694	748
Tax payable	468	468
	82,565	79,619
Total liabilities	205,288	202,471
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>556,223</b>	<b>554,903</b>
Net assets per share attributable to owners of the Company (RM)	0.34	0.34

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED 31 MARCH 2023**  
**(The figures have not been audited)**

	---Attributable to Owners of the Company ---				Non-controlling interests RM'000	Equity RM'000
	Share capital RM'000	Non-distributable	Retained earnings RM'000	Total RM'000		
		Merger deficit RM'000				
<b>Balance at 1 January 2023</b>	295,384	(233,884)	289,823	351,323	1,109	352,432
Total comprehensive loss	-	-	(1,496)	(1,496)	(1)	(1,497)
<b>Balance at 31 March 2023</b>	<u>295,384</u>	<u>(233,884)</u>	<u>288,327</u>	<u>349,827</u>	<u>1,108</u>	<u>350,935</u>
<b>Balance at 1 January 2022</b>	295,384	(233,884)	303,029	364,529	763	365,292
Total comprehensive loss	-	-	(4,288)	(4,288)	(1)	(4,289)
<b>Balance at 31 March 2022</b>	<u>295,384</u>	<u>(233,884)</u>	<u>298,741</u>	<u>360,241</u>	<u>762</u>	<u>361,003</u>

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 2022 and the notes to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED 31 MARCH 2023**

**(The figures have not been audited)**

	<b>3 Months Ended 31.3.2023 RM'000</b>	<b>3 Months Ended 31.3.2022 RM'000</b>
<b>Cash flows from operating activities</b>		
Loss before tax	(1,497)	(4,095)
Adjustments for non-cash items:		
Depreciation of plant and equipment	167	171
Depreciation of right-of-use assets	214	346
Amortisation of transaction cost on borrowings	96	66
Plant and equipment written off	1	-
Fair value loss / (gain) on :-		
- investment securities	1	(74)
- other receivables	-	(2)
Dividend income	(2)	(46)
Interest income on fixed deposits	(74)	(62)
Finance costs	1,756	1,873
	2,159	2,272
<b>Operating profit/(loss) before working capital change</b>	662	(1,823)
Changes in receivables	782	297
Changes in inventories	(57)	(148)
Changes in affiliated companies	1,047	1,020
Changes in land held for property development	(258)	-
Changes in payables	1,924	(943)
	3,438	226
<b>Cash flows generated from/(used in) operations</b>	4,100	(1,597)
Tax recovered	(71)	1,318
<b>Net cash generated from/(used in) operating activities</b>	4,029	(279)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED 31 MARCH 2023**  
**(The figures have not been audited)**

	<b>3 Months Ended 31.3.2023 RM'000</b>	<b>3 Months Ended 31.3.2022 RM'000</b>
<b>Cash flows from investing activities</b>		
Dividend received	2	46
Proceeds from disposal of :-		
- investment securities	-	4
Purchase of investment securities	(2)	(8)
Purchase of plant and equipment	(126)	(20)
Interest received	74	62
<b>Net cash (used in)/generated from investing activities</b>	<b>(52)</b>	<b>84</b>
<b>Cash flows from financing activities</b>		
Net movement in securities placed with licensed bank	630	(10)
Withdrawal of fixed deposits with licensed banks	(234)	(96)
Interest paid	(1,852)	(1,939)
<b>Net cash used in financing activities</b>	<b>(1,456)</b>	<b>(2,045)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2,521</b>	<b>(2,240)</b>
<b>Effect of exchange rate changes</b>	<b>-</b>	<b>(8)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>15,517</b>	<b>13,179</b>
<b>Cash and cash equivalents at end of the period</b>	<b>18,038</b>	<b>10,931</b>

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

	<b>3 Months Ended 31.3.2023 RM'000</b>	<b>3 Months Ended 31.3.2022 RM'000</b>
Deposits with financial institutions	10,242	18,087
Cash and bank balances	18,003	10,197
	<b>28,245</b>	<b>28,284</b>
Less: Deposits with licensed banks with maturity periods of more than 3 months	(6,767)	(13,913)
Less: Interest reserve deposits	(3,440)	(3,440)
	<b>18,038</b>	<b>10,931</b>

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the notes to the interim financial statements.

**A1. Basis of preparation**

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 2022.

The interim financial statements have been prepared under historical cost convention on the assumption that the Group is a going concern. As at 31 March 2023, the Group has net assets of RM350,935,000. However, the Group incurred a loss after tax of RM1,497,000 for the financial period ended 31 March 2023. As of that date, the Group's current liabilities exceeded their current assets by RM29,925,000. This net current liability position was mainly due to partial repayments totalling RM25 million for a long term loan funded by internally held cash balances towards the end of the previous financial year. The outstanding balance of the other term loan as at 31 March 2023 is RM5 million.

Apart from the above, a tranche of RM5 million (out of a total RM120 million) of another secured term loan of the Group is due to expire on 30 August 2023. The balance portion of this secured term loan amounting to RM115 million which is included in non-current liabilities is due for partial repayments commencing from August 2024 and full repayment in August 2026. The Group has been granted temporary indulgence from the remediation of certain security maintenance margin and interest service coverage ratio requirements until 1 January 2024. In the event that further indulgence is not granted, the ability of the Group to comply with these term loan covenants subsequent to 1 January 2024 are dependent on amongst others, the improvement in the market conditions for the leasing of office space and the management's efforts to improve the tenancy rates of the investment property which includes obtaining Malaysia Digital ("MD") status for the investment property to achieve profitable operations.

The Group has certain unencumbered assets including certain land held for development and inventories of the Group, which will be disposed of as part of the management's plans to gradually reduce the level of the borrowings of the Group. However, due to the uncertain outlook for the property market, the Group may not be able to liquidate these assets to realise their full values within a short period should the need arise.

These conditions indicate the existence of material uncertainties which may cast significant doubt about the ability of the Group and of the Company to continue as a going concern.

Nevertheless, the financial statements of the Group and of the Company have been prepared on a going concern basis. The ability of the Group and of the Company to continue as going concerns is dependent on, amongst others, the ability of its subsidiaries to achieve profitable operations, which are dependent on the positive effects of the resumption of the gaming operations, improvement in the market conditions for the leasing of office space and the management's efforts to improve the tenancy rates of the investment property which includes obtaining MD-status for the investment property.

**A1. Basis of preparation (cont'd.)**

After considering all pertinent information, including the forecasted cash flow requirements of the Group and the availability and value of assets of the Group which may be liquidated or used as additional collateral if required, the Directors have concluded the going concern assumption remains appropriate for the Group and the Company.

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 subsidiaries (hereinafter referred to as the “Group”) since the financial year ended 31 December 2022.

**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 2022 except as follows :-

**(i) Standards, Amendments and Annual Improvements to Standards effective for financial periods beginning on or after 1 January 2023**

On 1 January 2023 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 2023 :

<b>Description</b>		<b>Effective for annual periods beginning on or after</b>
MFRS 17	Insurance Contracts	1 January 2023
Amendment to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current and Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

The adoption of the above standards and interpretations did not have any significant impact on the interim financial statements of the Group.

**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 financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective:

<b>Description</b>		<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101	Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The adoption of the above standards, amended standards and interpretation will not have material impact on the financial statements of the Group and of the Company in the period of initial application.

**A3. Auditors' report on preceding annual financial statements**

The Company's external auditors, Messrs. Ernst & Young PLT had expressed an unqualified opinion with a paragraph on material uncertainty related to going concern in respect of the financial statements of the Group and the Company for the financial year ended 31 December 2022.

**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 period to-date.



**A : EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134**

**A9. Revenue**

Set out below is the disaggregation of the Group's revenue from contract customers:

Property Development		Gaming		Leasing		Investment Holding & Others		Total 3 months	
31.3.2023	31.3.2022	31.3.2023	31.3.2022	31.3.2023	31.3.2022	31.3.2023	31.3.2022	31.3.2023	31.3.2022
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000

Type of goods or service:

Sale of lottery tickets	-	-	20,841	17,981	-	-	-	-	20,841	17,981
Rental income from investment properties:										
- office building	-	-	-	-	3,202	3,288	-	-	3,202	3,288
	-	-	20,841	17,981	3,202	3,288	-	-	24,043	21,269

Geographical markets:

Sabah	-	-	20,841	17,981	-	-	-	-	20,841	17,981
Kuala Lumpur	-	-	-	-	3,202	3,288	-	-	3,202	3,288
	-	-	20,841	17,981	3,202	3,288	-	-	24,043	21,269

Timing of revenue recognition:

Goods transferred at a point in time	-	-	20,841	17,981	-	-	-	-	20,841	17,981
Services transferred over time	-	-	-	-	3,202	3,288	-	-	3,202	3,288
	-	-	20,841	17,981	3,202	3,288	-	-	24,043	21,269

Set out below is the reconciliation of the Group's revenue from contract customers with the amounts disclosed in the segment information

Property Development		Gaming		Leasing		Investment Holding & Others		Total 3 months	
31.3.2023	31.3.2022	31.3.2023	31.3.2022	31.3.2023	31.3.2022	31.3.2023	31.3.2022	31.3.2023	31.3.2022
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000

Revenue:

External customer	-	-	20,841	17,981	3,202	3,288	-	-	24,043	21,269
Total revenue from from contracts with customers	-	-	20,841	17,981	3,202	3,288	-	-	24,043	21,269

**OLYMPIA INDUSTRIES BERHAD**

(Reg. No. 198001009242 (63026-U))

**A : EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134****A10. Segmental information**

Results for 3 months ended 31 March 2023 :

	<b>Property Development RM'000</b>	<b>Gaming RM'000</b>	<b>Leasing RM'000</b>	<b>Investment Holding &amp; Others RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>					
External customers :					
- at a point in time	-	20,841	-	-	20,841
- over time	-	-	3,202	-	3,202
<b>Total revenue</b>	<b>-</b>	<b>20,841</b>	<b>3,202</b>	<b>-</b>	<b>24,043</b>
<b>Results</b>					
Segment results	(1,195)	1,224	537	(307)	259
Finance costs	-	(30)	(1,645)	(81)	(1,756)
(Loss)/profit before tax	(1,195)	1,194	(1,108)	(388)	(1,497)
Income tax expense	-	-	-	-	-
(Loss)/profit for the period	(1,195)	1,194	(1,108)	(388)	(1,497)

Comparative results for 3 months ended 31 March 2022 :

	<b>Property Development RM'000</b>	<b>Gaming RM'000</b>	<b>Leasing RM'000</b>	<b>Investment Holding &amp; Others RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>					
External customers :					
- at a point in time	-	17,981	-	-	17,981
- over time	-	-	3,288	-	3,288
<b>Total revenue</b>	<b>-</b>	<b>17,981</b>	<b>3,288</b>	<b>-</b>	<b>21,269</b>
<b>Results</b>					
Segment results	(1,637)	187	504	(1,276)	(2,222)
Finance costs	-	(36)	(1,140)	(697)	(1,873)
(Loss)/profit before tax	(1,637)	151	(636)	(1,973)	(4,095)
Income tax expense	-	(194)	-	-	(194)
Loss for the period	(1,637)	(43)	(636)	(1,973)	(4,289)

## OLYMPIA INDUSTRIES BERHAD

(Reg. No. 198001009242 (63026-U))

### A : EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

#### A11. Valuation of investment properties

During the previous financial year, Menara Olympia and its adjoining leased car park ("Menara Olympia") of Dairy Maid Resort & Recreation Sdn Bhd ("DMRR"), a wholly-owned subsidiary of the Company was reflected at fair value in accordance with Malaysian Financial Reporting Standards ("MFRS") 140: Investment Properties.

The fair value of this property was RM277.0 million as at 31 December 2022. The valuation was carried out by an independent firm of professional valuer, Knight Frank Malaysia Sdn Bhd using the investment method.

The Board of Directors has assessed and concluded that there is no change in the fair value of this property as at 31 March 2023, considering relevant information and market conditions prevailing as at 31 March 2023.

#### A12. Valuation of inventories

During the previous financial year, the Group's portfolio of completed residential property units which includes a unit of 4-storey town villa in Kenny Heights owned by a certain subsidiary of the Company was reflected at the lower of cost or net realisable value in accordance with MFRS 102: Inventories.

The Board of Directors has assessed and concluded that there is no change in the net realisable value of this property as at 31 March 2023, considering relevant information and market conditions prevailing as at 31 March 2023.

#### A13. Subsequent events

There were no material events subsequent to the end of the period to-date ended 31 March 2023.

#### A14. Changes in composition of the Group

There were no changes in the composition of the Group during the quarter and period to-date ended 31 March 2023.

#### A15. 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 2022.

#### A16. Capital commitments

	Group	
	31.3.2023	31.12.2022
	RM'000	RM'000
Capital expenditure approved and contracted for:		
Upgrading works	448	448

Save as disclosed above, there were no capital commitments contracted but not provided for in the interim financial statements as at 31 March 2023.

**A17. Fair values of financial instruments**

Financial instruments that are not carried at fair value

The following are classes of financial instruments at amortised cost whose carrying amounts are reasonable approximation of fair value:

Amounts due from/(to) affiliated companies  
Trade and other receivables  
Cash and bank balances  
Loans and borrowings  
Lease liabilities  
Trade and other payables

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The fair values of borrowings are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending and borrowings at the reporting date.

Financial instruments carried at fair value

Investment securities

The investment securities are classified as Level 1 within the fair value hierarchy. Fair value is determined directly by reference to their published market bid price at the reporting date.

There has been no transfer of financial instruments between the levels of fair value hierarchy during the period to-date.

**OLYMPIA INDUSTRIES BERHAD**

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**B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B1. Performance review**

RM'000	Individual Period (1st Quarter)				Cumulative Period (3 mths period-to-date)			
	Current year 31.3.2023	Preceding year 31.3.2022	+ / -		Current year 31.3.2023	Preceding year 31.3.2022	+ / -	
Revenue	24,043	21,269	2,774	13%	24,043	21,269	2,774	13%
Operating profit/(loss) {EBITDA}	640	(1,704)	2,344	138%	640	(1,704)	2,344	138%
Operating profit/(loss) before interest & tax {EBIT}	259	(2,222)	2,481	112%	259	(2,222)	2,481	112%
Loss before tax	(1,497)	(4,095)	2,598	63%	(1,497)	(4,095)	2,598	63%
Loss after tax	(1,497)	(4,289)	2,792	65%	(1,497)	(4,289)	2,792	65%
Loss attributable to Owners of the Company	(1,496)	(4,288)	2,792	65%	(1,496)	(4,288)	2,792	65%

*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 RM24.0 million for the current quarter under review as compared to RM21.3 million in the previous corresponding quarter of last year, an increase of 13.0% or RM2.8 million in the Group's revenue. The gaming division continued to be the main contributor to the Group, contributing 86.7% or RM20.8 million of the total revenue of the Group for the current quarter.

The Group reported a lower loss before tax of RM1.5 million for the current quarter compared to RM4.1 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 profits in the current quarter due to lower payout ratio of 57.6% during the current quarter, down from 66.4% in the corresponding quarter last year.
- ii) Leasing division—higher loss due to lower average occupancy rates during the current quarter despite having higher average rental rates, compared to the corresponding quarter last year.

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

**B2. Comparison with immediate preceding quarter's results**

	Current quarter 31.3.2023	Immediate preceding quarter 31.12.2022	+ / -	
RM'000				
Revenue	24,043	22,732	1,311	6%
Operating profit/(loss)	640	(1,743)	2,383	137%
Operating profit/(loss) before	259	(2,531)	2,790	110%
Loss before tax	(1,497)	(4,461)	2,964	66%
Loss after tax	(1,497)	(3,458)	1,961	57%
Loss attributable to Owners of the Company	(1,496)	(3,787)	2,291	60%

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

The Group reported a lower loss before tax of RM1.5 million for the current quarter compared to RM4.5 million loss before tax in the immediate preceding quarter. This is due to a combination of the following items:

- i) Gaming division—higher gross profit due to lower payout ratio at 57.6% (Q4 Dec22: 60.8%) and higher average sales per draw recorded despite lower number of draws at 41, compared to the 48 draws in the immediate preceding quarter.
- ii) Leasing segment—lower losses during the current quarter compared to the immediate preceding quarter mainly due to fair value losses on valuation of Menara Olympia in the immediate preceding quarter, and none in the current quarter under review.

**B3. Commentary of prospects**

Given the current negative sentiments and uncertainties surrounding the real estate market for the immediate term, the Group's property division's joint venture is unlikely to unveil new products until the economy and the external environment becomes more conducive. The leasing division is expected to remain steady and maintain its present level of performance for the rest of the current financial year. Gaming division is expected to continue its post-pandemic recovery trajectory via improvements in its sales performance and profitability.

The Group is optimistic of the resilience of the Malaysian economy going forward. Based on the above, for the rest of the current financial year 2023, the recovery of the Group's operations will be maintained at current levels.

**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.

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

**B5. Taxation**

Current quarter 3 Months 31.3.2023 RM'000	Cumulative period-to-date 3 Months 31.3.2023 RM'000
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Current tax : Malaysian	-	-
Deferred tax : Malaysian	-	-
<b>TOTAL :</b>	<b>-</b>	<b>-</b>

The Group's effective tax rate is not equal to the statutory tax rate of 24% (2022: 24%) due to lack of chargeable income across most subsidiaries of the Group during the current quarter under review.

**B6. Corporate proposals**

There were no outstanding corporate proposals announced but not completed as at 18 May 2023, being 7 days from the date of issuance of these interim financial statements.

**B7. Borrowings and debt securities**

	As at 31.3.2023			As at 31.12.2022		
	Secured RM'000	Unsecured RM'000	Total RM'000	Secured RM'000	Unsecured RM'000	Total RM'000
<b>Group borrowings</b>						
Short term:						
Term loans	5,000	-	5,000	5,000	-	5,000
Lease liabilities	694	-	694	748	-	748
	5,694	-	5,694	5,748	-	5,748
Long term:						
Term loans	120,000	-	120,000	120,000	-	120,000
Lease liabilities	2,185	-	2,185	2,314	-	2,314
	122,185	-	122,185	122,314	-	122,314
	127,879	-	127,879	128,062	-	128,062

All borrowings are denominated in Ringgit Malaysia.

Included in term loans is a secured term loan of RM120.0 million. Based on the facility agreement, the aggregate borrowings from this financial institution which are outstanding shall not exceed a certain percentage of the value of the investment property which is used as security for this facility. In the event of any shortfall, the Group is required to provide additional collateral acceptable to the financial institution within 30 days of such demand by the financial institution. No such demand has been made as at the current date. The Group has been granted temporary indulgence from the remediation of certain security maintenance margin and interest service coverage ratio requirements until 1 January 2024.

**B8. Derivative financial instrument**

The Group has no outstanding derivative financial instruments.

**B9. Changes in material litigation**

The list of material litigation is announced to Bursa Malaysia together with these interim financial statements. 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.

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

**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 previous financial year ended 31 December 2022.

**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	
	31.3.2023	31.3.2022	31.3.2023	31.3.2022
	RM'000	RM'000	RM'000	RM'000
Interest income	74	62	74	62
Interest expense	(1,756)	(1,873)	(1,756)	(1,873)
Dividend income	2	46	2	46
Depreciation on property, plant and equipment	(167)	(171)	(167)	(171)
Property, plant and equipment written off	(1)	-	(1)	-
Amortisation of transaction costs on borrowings	(96)	(66)	(96)	(66)
Loss on fair value changes of investment securities	(1)	74	(1)	74
Reversal of impairment loss on receivables	-	2	-	2

**B13. Loss per share**

**a) Basic**

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

	Quarter ended		Financial period ended	
	31.3.2023	31.3.2022	31.3.2023	31.3.2022
Loss after tax attributable to owners of the Company (RM'000)	(1,496)	(4,288)	(1,496)	(4,288)
Weighted average number of ordinary shares in issue ('000)	1,023,432	1,023,432	1,023,432	1,023,432
Loss per share (Sen)	(0.1)	(0.4)	(0.1)	(0.4)

**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  
25 May 2023