

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

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

(The figures have not been audited)

	CURRENT		YEAR TO DATE	
	3 Months Ended		12 Months Ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Revenue	21,052	22,732	86,874	86,396
Operating expenses	(22,446)	(21,791)	(90,206)	(84,213)
Other income	1,217	1,902	2,369	3,466
Other expenses	(1,242)	(5,374)	(7,252)	(10,875)
Operating loss	(1,419)	(2,531)	(8,215)	(5,226)
Finance costs	(2,195)	(1,930)	(7,756)	(8,343)
Loss before tax	(3,614)	(4,461)	(15,971)	(13,569)
Income tax (expense)/credit	(340)	1,003	(378)	709
Loss for the year, representing total comprehensive loss for the year	(3,954)	(3,458)	(16,349)	(12,860)

Attributable to:				
- Owners of the Company :	(3,948)	(3,787)	(16,338)	(13,206)
- Non-controlling interests :	(6)	329	(11)	346
	<u>(3,954)</u>	<u>(3,458)</u>	<u>(16,349)</u>	<u>(12,860)</u>

Loss per share attributable to Owners of the Company :

Basic (Sen) :	<u>(0.4)</u>	<u>(0.4)</u>	<u>(1.6)</u>	<u>(1.3)</u>
Diluted (Sen) :	<u>(0.4)</u>	<u>(0.4)</u>	<u>(1.6)</u>	<u>(1.3)</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 DECEMBER 2023

(The figures have not been audited)

	As at 31.12.2023 RM'000 (Unaudited)	As at 31.12.2022 RM'000 (Audited)
ASSETS		
Non-current assets		
Plant and equipment	2,476	2,295
Right-of-use assets	4,417	3,379
Land held for property development	222,366	220,907
Investment properties	277,000	277,000
	506,259	503,581
Current assets		
Inventories	13,597	14,116
Trade and other receivables	5,286	4,638
Amounts due from affiliated companies	39	337
Tax recoverable	631	1,484
Investment securities	4,095	4,626
Cash and bank balances	20,419	26,121
	44,067	51,322
TOTAL ASSETS	550,326	554,903
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	295,384	295,384
Merger deficit	(233,884)	(233,884)
Retained earnings	273,485	289,823
	334,985	351,323
Non-controlling interests	1,098	1,109
Total equity	336,083	352,432
Non-current liabilities		
Borrowings	126,000	120,000
Lease liabilities	3,402	2,314
Deferred tax liabilities	749	538
	130,151	122,852
Current liabilities		
Trade and other payables	26,850	28,890
Amount due to affiliated companies	50,941	44,513
Borrowings	5,000	5,000
Lease liabilities	827	748
Tax payable	474	468
	84,092	79,619
Total liabilities	214,243	202,471
TOTAL EQUITY AND LIABILITIES	550,326	554,903
Net assets per share attributable to owners of the Company (RM)	0.33	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 DECEMBER 2023
(The figures have not been audited)

	---Attributable to Owners of the Company ---			Total RM'000	Non- controlling interests RM'000	Equity RM'000
	Share capital RM'000	Non- distributable Merger deficit RM'000	Retained earnings RM'000			
Balance at 1 Jan 2023	295,384	(233,884)	289,823	351,323	1,109	352,432
Total comprehensive loss	-	-	(16,338)	(16,338)	(11)	(16,349)
Balance at 31 Dec 2023	<u>295,384</u>	<u>(233,884)</u>	<u>273,485</u>	<u>334,985</u>	<u>1,098</u>	<u>336,083</u>
Balance at 1 Jan 2022	295,384	(233,884)	303,029	364,529	763	365,292
Total comprehensive loss	-	-	(13,206)	(13,206)	346	(12,860)
Balance at 31 Dec 2022	<u>295,384</u>	<u>(233,884)</u>	<u>289,823</u>	<u>351,323</u>	<u>1,109</u>	<u>352,432</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.

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

	12 Months Ended 31.12.2023 RM'000	12 Months Ended 31.12.2022 RM'000
Cash flows from operating activities		
Loss before tax	(15,971)	(13,569)
Adjustments for non-cash items:		
Depreciation of plant and equipment	654	679
Depreciation of right-of-use assets	973	1,066
Amortisation of transaction cost on borrowings	286	563
Bad debts written off	-	409
Plant and equipment written off	1	-
Gain on disposal of plant and equipment	-	(2)
Fair value loss / (gain) on :-		
- investment securities	(74)	(186)
- investment properties	-	3,000
Inventories written off	-	5
Allowance for impairment of :-		
- other receivables	144	68
Reversal of allowances for impairment of :-		
- investment securities	(56)	(3)
- other receivables	-	(461)
Unrealised loss on foreign exchange	116	66
Dividend income	(55)	(266)
Interest income on fixed deposits	(450)	(506)
Finance costs	7,756	8,343
	9,295	12,775
Operating loss before working capital changes	(6,676)	(794)
Changes in receivables	(793)	(38)
Changes in inventories	519	(468)
Changes in affiliated companies	6,721	4,969
Changes in land held for property development	(1,459)	(2,094)
Changes in payables	(994)	3,771
	3,994	6,140
Cash flows (used in)/generated from operations	(2,682)	5,346
Tax recovered	692	1,049
Net cash (used in)/generated from operating activities	(1,990)	6,395

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

	12 Months Ended 31.12.2023 RM'000	12 Months Ended 31.12.2022 RM'000
Cash flows from investing activities		
Dividend received	55	266
Proceeds from disposal of :-		
- investment securities	3,689	25,091
- plant and equipment	-	2
Purchase of investment securities	(3,015)	(1,417)
Purchase of plant and equipment	(2,847)	(1,176)
Interest received	450	506
Net cash (used in)/generated from investing activities	(1,668)	23,272
Cash flows from financing activities		
Proceeds from drawdown of borrowings	11,000	-
Repayments of borrowings	(5,000)	(25,000)
Net movement in securities placed with licensed bank	463	(640)
Withdrawal of fixed deposits with licensed banks	(294)	7,283
Interest paid	(8,029)	(8,906)
Net cash used in financing activities	(1,860)	(27,263)
Net (decrease)/increase in cash and cash equivalents	(5,518)	2,404
Effect of exchange rate changes	(14)	(66)
Cash and cash equivalents at beginning of the year	15,517	13,179
Cash and cash equivalents at end of the year	9,985	15,517

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

	12 Months Ended 31.12.2023 RM'000	12 Months Ended 31.12.2022 RM'000
Deposits with financial institutions	10,508	10,638
Cash and bank balances	9,911	15,483
	20,419	26,121
Less: Deposits with licensed banks with maturity periods of more than 3 months	(6,827)	(6,534)
Less: Interest reserve deposits	(3,607)	(4,070)
	9,985	15,517

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.

A : EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

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 December 2023, the Group had net assets of RM336,083,000. However, the Group incurred a loss after tax of RM16,349,000 for the financial year ended 31 December 2023. As of that date, the Group's current liabilities exceeded their current assets by RM40,025,000. This net current liability position was mainly due to partial repayments totalling RM25.0 million for a long term loan ("Term loan 1") funded by internally held cash balances towards the end of the previous financial year. The outstanding balance of Term loan 1 as at 31 December 2023 was RM5.0 million (refer to Note B7).

Apart from the above, a tranche of RM5.0 million (out of the original RM120.0 million) of another secured term loan of the Group ("Term loan 2") was repaid in end-August 2023, while another tranche of RM5.0 million is due to expire on 30 August 2024 (refer to Note B7). The balance portion of Term loan 2 amounting to RM110.0 million which is included in non-current liabilities is due for partial repayments commencing from August 2025 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 2025. 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 2025 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.

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.

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A : EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

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 :

Description	Effective for annual periods beginning on or after	
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.

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

Description		Effective for annual periods beginning on or after
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 107 and MFRS 7	Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 112	International Tax Reform — Pillar Two Model Rules	Refer paragraph 98M of MFRS 112
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 year to-date.

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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:

<i>RM'000</i>	Property Development		Gaming		Leasing		Investment Holding & Others		Total 12 months	
	31.12.23	31.12.22	31.12.23	31.12.22	31.12.23	31.12.22	31.12.23	31.12.22	31.12.23	31.12.22

Type of goods or service:

Sale of lottery tickets	-	-	74,210	73,393	-	-	-	-	74,210	73,393
Rental income from investment properties:										
- office building	-	-	-	-	12,664	13,003	-	-	12,664	13,003
	-	-	74,210	73,393	12,664	13,003	-	-	86,874	86,396

Geographical markets:

Sabah	-	-	74,210	73,393	-	-	-	-	74,210	73,393
Kuala Lumpur	-	-	-	-	12,664	13,003	-	-	12,664	13,003
	-	-	74,210	73,393	12,664	13,003	-	-	86,874	86,396

Timing of revenue recognition:

Goods transferred at a point in time	-	-	74,210	73,393	-	-	-	-	74,210	73,393
Services transferred over time	-	-	-	-	12,664	13,003	-	-	12,664	13,003
	-	-	74,210	73,393	12,664	13,003	-	-	86,874	86,396

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

<i>RM'000</i>	Property Development		Gaming		Leasing		Investment Holding & Others		Total 12 months	
	31.12.23	31.12.22	31.12.23	31.12.22	31.12.23	31.12.22	31.12.23	31.12.22	31.12.23	31.12.22

Revenue:

External customers, representing total revenue from contracts with customers	-	-	74,210	73,393	12,664	13,003	-	-	86,874	86,396
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A : EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

A10. Segmental information

Results for 12 months ended 31 December 2023 :

<i>RM'000</i>	Property Development	Gaming	Leasing	Investment Holding & Others	Consolidated
Revenue					
External customers :					
- at a point in time	-	74,210	-	-	74,210
- over time	-	-	12,664	-	12,664
Total revenue	-	74,210	12,664	-	86,874
Results					
Segment results	(7,383)	(1,902)	2,204	(1,134)	(8,215)
Finance costs	-	(186)	(6,794)	(776)	(7,756)
Loss before tax	(7,383)	(2,088)	(4,590)	(1,910)	(15,971)
Income tax expense	-	(377)	(1)	-	(378)
Loss for the year	(7,383)	(2,465)	(4,591)	(1,910)	(16,349)

Comparative results for 12 months ended 31 December 2022 :

<i>RM'000</i>	Property Development	Gaming	Leasing	Investment Holding & Others	Consolidated
Revenue					
External customers :					
- at a point in time	-	73,393	-	-	73,393
- over time	-	-	13,003	-	13,003
Total revenue	-	73,393	13,003	-	86,396
Results					
Segment results	(5,310)	1,034	(933)	(17)	(5,226)
Finance costs	-	(146)	(5,860)	(2,337)	(8,343)
(Loss)/profit before tax	(5,310)	888	(6,793)	(2,354)	(13,569)
Income tax (expense)/credit	-	(314)	1,023	-	709
(Loss)/profit for the year	(5,310)	574	(5,770)	(2,354)	(12,860)

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

A11. Valuation of investment properties

During the current 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 2023. The valuation was carried out by an independent firm of professional valuer, Knight Frank Malaysia Sdn Bhd using the investment method.

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 December 2023, considering relevant information and market conditions prevailing as at 31 December 2023.

A13. Subsequent events

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

A14. Changes in composition of the Group

There were no changes in the composition of the Group during the quarter and year to-date ended 31 December 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.

A : EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

A16. Capital commitments

	Group	
	31.12.2023	31.12.2022
	RM'000	RM'000
Capital expenditure approved and contracted for upgrading works	455	448

Save as disclosed above, there were no capital commitments contracted but not provided for in the interim financial statements as at 31 December 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 year to-date.

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

B1. Performance review

	Individual Period (4th Quarter)				Cumulative Year (12 mths year-to-date)			
	Current year 31.12.2023	Preceding year 31.12.2022	+ / -		Current year 31.12.2023	Preceding year 31.12.2022	+ / -	
<i>RM'000</i>								
Revenue	21,052	22,732	(1,680)	-7%	86,874	86,396	478	1%
Operating loss {EBITDA}	(846)	(1,743)	897	51%	(6,588)	(3,481)	(3,107)	-89%
Operating loss before interest & tax {EBIT}	(1,419)	(2,531)	1,112	44%	(8,215)	(5,226)	(2,989)	-57%
Loss before tax	(3,614)	(4,461)	847	19%	(15,971)	(13,569)	(2,402)	-18%
Loss after tax	(3,954)	(3,458)	(496)	-14%	(16,349)	(12,860)	(3,489)	-27%
Loss attributable to Owners of the Company	(3,948)	(3,787)	(161)	-4%	(16,338)	(13,206)	(3,132)	-24%

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 RM21.1 million for the current quarter under review as compared to RM22.7 million in the previous corresponding quarter of last year, a decline of 7.4% or RM1.7 million in the Group's revenue. The gaming division continued to be the main contributor to the Group, contributing 85.4% or RM18.0 million of the total revenue of the Group for the current quarter.

The Group reported a lower loss before tax of RM3.6 million for the current quarter compared to RM4.5 million loss before tax in the previous corresponding quarter last year.

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

- i) Property Development segment—higher loss incurred due to higher share of development costs in the current quarter compared to the corresponding quarter last year.
- ii) Gaming division—higher profit in the current quarter due to higher average sales per draw, despite higher payout ratio of 65.2% during the current quarter, up from 60.8% in the corresponding quarter last year.
- ii) Leasing division—higher profit due to fair value losses on valuation of Menara Olympia in the corresponding quarter last year, and none in the current quarter.

YTD (12 months) Q4 FY 2023 vs YTD (12 months) Q4 FY 2022

The Group reported a higher loss before tax of RM16.0 million during the 12 months period ended 31 December 2023 compared to a RM13.6 million loss before tax in the corresponding 12 months period last

The variance is a combination of the following:

- i) Gaming division—recorded higher sales per draw but lower profit during the current 12 months period contributed by higher payout ratio and lower number of draws at 165, compared to last year's corresponding 12 months period of 179 draws.
- ii) Leasing segment—higher profit due to fair value losses on valuation of Menara Olympia in the corresponding 12 months last year, and none in the current year.

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B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**B2. Comparison with immediate preceding quarter's results**

<i>RM'000</i>	Current quarter 31.12.2023	Immediate preceding quarter 30.9.2023	+ / -	
Revenue	21,052	21,008	44	0%
Operating loss {EBITDA}	(846)	(3,312)	2,466	74%
Operating loss before interest	(1,419)	(3,633)	2,214	61%
Loss before tax	(3,614)	(5,480)	1,866	34%
Loss after tax	(3,954)	(5,480)	1,526	28%
Loss attributable to Owners of the Company	(3,948)	(5,479)	1,531	28%

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

The Group reported a lower loss before tax of RM3.6 million for the current quarter compared to RM5.5 million loss before tax in the immediate preceding quarter. This is due to the following items:

- i) Property Development segment—higher losses in the current quarter due to higher development expenditure charged out to Income Statement during the current quarter, compared to the immediate preceding quarter.
- ii) Gaming division—higher gross profits due to lower payout ratio and higher average sales per draw in the current quarter. Number of draws remain unchanged at 42.

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 coming financial year 2024. 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 next financial year 2024, 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 year to-date under review.

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B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURS MALAYSIA SECURITIES BERHAD**B5. Taxation**

	RM'000	
	Current quarter 3 Months 31.12.2023	Cumulative year-to-date 12 Months 31.12.2023
Current tax : Malaysian	(186)	(222)
Prior year tax : Malaysian	57	55
Deferred tax : Malaysian	(211)	(211)
	(340)	(378)

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 19 February 2024, being 7 days from the date of issuance of these interim financial statements.

B7. Borrowings and debt securities

	As at 31.12.2023			As at 31.12.2022		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Short term:						
Term loan 2	5,000	-	5,000	5,000	-	5,000
Lease liabilities	827	-	827	748	-	748
	5,827	-	5,827	5,748	-	5,748
Long term:						
Term loan 1	5,000	-	5,000	5,000	-	5,000
Term loan 2	110,000	-	110,000	115,000	-	115,000
Term loan 3	11,000	-	11,000	-	-	-
Lease liabilities	3,402	-	3,402	2,314	-	2,314
	129,402	-	129,402	122,314	-	122,314
	135,229	-	135,229	128,062	-	128,062

All borrowings are denominated in Ringgit Malaysia.

Included in borrowings above is a secured term loan facility of RM120.0 million ("Term loan 2"). 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 2025.

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.

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**B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURS
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 year ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	<i>RM'000</i>			
Interest income	127	250	450	506
Interest expense	(2,195)	(1,930)	(7,756)	(8,343)
Dividend income	5	28	55	266
Depreciation on property, plant and equipment	(161)	(166)	(654)	(679)
Property, plant and equipment written off	-	-	(1)	-
Gain on disposal of property, plant and equipment	-	-	-	2
Unrealised loss on foreign exchange	(7)	47	(116)	(66)
Amortisation of transaction costs on borrowings	(60)	(66)	(286)	(563)
(Loss)/gain on fair value changes of investment securities	196	181	74	186
Impairment loss on receivables	(43)	(68)	(144)	(68)
Reversal of impairment loss on receivables	-	122	-	461

B13. Loss per share**a) Basic**

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

	Quarter ended		Financial year ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Loss after tax attributable to owners of the Company (RM'000)	(3,948)	(3,787)	(16,338)	(13,206)
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)	(0.4)	(0.4)	(1.6)	(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
26 February 2024