

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

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2024

(The figures have not been audited)

	CURRENT		PERIOD TO DATE	
	3 Months Ended		9 Months Ended	
	30.9.2024	30.9.2023	30.9.2024	30.9.2023
	RM'000	RM'000	RM'000	RM'000
Revenue	21,400	20,771	63,213	65,822
Operating expenses	(21,577)	(22,329)	(64,853)	(67,760)
Other income	333	368	698	1,152
Other expenses	(2,008)	(2,232)	(4,381)	(6,010)
Operating loss	(1,852)	(3,422)	(5,323)	(6,796)
Finance costs	(2,410)	(1,958)	(6,645)	(5,561)
Loss before tax	(4,262)	(5,380)	(11,968)	(12,357)
Income tax expense	(21)	(38)	(57)	(38)
Loss for the period, representing total comprehensive loss for the period	(4,283)	(5,418)	(12,025)	(12,395)

Attributable to:				
- Owners of the Company :	(4,296)	(5,415)	(12,026)	(12,390)
- Non-controlling interests :	13	(3)	1	(5)
	<u>(4,283)</u>	<u>(5,418)</u>	<u>(12,025)</u>	<u>(12,395)</u>
	-	-	-	-

Loss per share attributable to Owners of the Company :

Basic (Sen) :	<u>(0.4)</u>	<u>(0.5)</u>	<u>(1.2)</u>	<u>(1.2)</u>
Diluted (Sen) :	<u>(0.4)</u>	<u>(0.5)</u>	<u>(1.2)</u>	<u>(1.2)</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 2023 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 30 SEPTEMBER 2024

(The figures have not been audited)

	As at 30.9.2024 RM'000 (Unaudited)	As at 31.12.2023 RM'000 (Audited)
ASSETS		
Non-current assets		
Plant and equipment	1,897	2,476
Right-of-use assets	3,708	4,417
Land held for property development	222,718	222,366
Investment properties	277,000	277,000
	505,323	506,259
Current assets		
Inventories	12,251	13,597
Trade and other receivables	6,885	4,973
Amounts due from affiliated companies	24	39
Tax recoverable	706	589
Investment securities	6,893	4,095
Cash and bank balances	20,677	20,419
	47,436	43,712
TOTAL ASSETS	552,759	549,971
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	262,013	274,038
	323,513	335,538
Non-controlling interests	1,093	1,093
Total equity	324,606	336,631
Non-current liabilities		
Borrowings	135,000	126,000
Lease liabilities	2,781	3,402
Deferred tax liabilities	119	119
	137,900	129,521
Current liabilities		
Trade and other payables	28,633	26,575
Amount due to affiliated companies	55,324	50,932
Borrowings	5,000	5,000
Lease liabilities	823	827
Tax payable	473	485
	90,253	83,819
Total liabilities	228,153	213,340
TOTAL EQUITY AND LIABILITIES	552,759	549,971
Net assets per share attributable to owners of the Company (RM)	0.32	0.33

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2024
(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 2024	295,384	(233,884)	274,038	335,538	1,093	336,631
Total comprehensive loss	-	-	(12,025)	(12,025)	-	(12,025)
Balance at 30 Sept 2024	<u>295,384</u>	<u>(233,884)</u>	<u>262,013</u>	<u>323,513</u>	<u>1,093</u>	<u>324,606</u>
Balance at 1 Jan 2023	295,384	(233,884)	289,823	351,323	1,109	352,432
Total comprehensive loss	-	-	(12,390)	(12,390)	(5)	(12,395)
Balance at 30 Sept 2023	<u>295,384</u>	<u>(233,884)</u>	<u>277,433</u>	<u>338,933</u>	<u>1,104</u>	<u>340,037</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 2023 and the notes to the interim financial statements.

OLYMPIA INDUSTRIES BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 SEPTEMBER 2024
(The figures have not been audited)

	9 Months Ended 30.9.2024 RM'000	9 Months Ended 30.9.2023 RM'000
Cash flows from operating activities		
Loss before tax	(11,968)	(12,357)
Adjustments for non-cash items:		
Depreciation of plant and equipment	498	493
Depreciation of right-of-use assets	701	561
Amortisation of transaction cost on borrowings	228	226
Bad debts written off	16	-
Plant and equipment written off	-	1
Gain on disposal of plant and equipment	(18)	-
Fair value loss / (gain) on :-		
- investment securities	133	122
Allowance for impairment of :-		
- other receivables	-	101
Reversal of allowances for impairment of :-		
- investment securities	(1)	(5)
- other receivables	(30)	-
Unrealised loss on foreign exchange	166	109
Dividend income	(68)	(50)
Interest income on fixed deposits	(298)	(323)
Finance costs	6,645	5,561
	<u>7,972</u>	<u>6,796</u>
Operating loss before working capital changes	(3,996)	(5,561)
Changes in receivables	(1,899)	(460)
Changes in inventories	1,346	(123)
Changes in affiliated companies	4,801	4,870
Changes in land held for property development	(351)	(1,286)
Changes in payables	(4,381)	(4,028)
	(484)	(1,027)
Cash flows used in operations	(4,480)	(6,588)
Tax recovered	(187)	790
Net cash used in operating activities	(4,667)	(5,798)

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 SEPTEMBER 2024
(The figures have not been audited)

	9 Months Ended 30.9.2024 RM'000	9 Months Ended 30.9.2023 RM'000
Cash flows from investing activities		
Dividend received	68	50
Proceeds from disposal of :-		
- investment securities	2,026	2,685
- plant and equipment	19	-
Purchase of investment securities	(5,022)	(2,007)
Purchase of plant and equipment	(303)	(407)
Interest received	298	323
Net cash (used in)/generated from investing activities	(2,914)	644
Cash flows from financing activities		
Proceeds from drawdown of borrowings	14,000	7,000
Repayments of borrowings	(5,000)	(5,000)
Net movement in securities placed with licensed bank	196	525
Withdrawal of fixed deposits with licensed banks	(149)	(294)
Interest paid	(6,867)	(5,735)
Net cash generated from/(used in) financing activities	2,180	(3,504)
Net decrease in cash and cash equivalents	(5,401)	(8,658)
Effect of exchange rate changes	66	(59)
Cash and cash equivalents at beginning of the period	15,517	15,517
Cash and cash equivalents at end of the period	10,182	6,800

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

	9 Months Ended 30.9.2024 RM'000	9 Months Ended 30.9.2023 RM'000
Deposits with financial institutions	10,496	10,444
Cash and bank balances	10,181	6,728
	20,677	17,172
Less: Deposits with licensed banks with maturity periods of more than 3 months	(7,083)	(6,827)
Less: Interest reserve deposits	(3,412)	(3,545)
	10,182	6,800

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2023 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 2023.

The interim financial statements have been prepared under historical cost convention on the assumption that the Group is a going concern. As at 30 September 2024, the Group had net assets of RM324,606,000. However, the Group incurred a loss after tax of RM12,025,000 for the financial year ended 30 September 2024. As of that date, the Group's current liabilities exceeded their current assets by RM42,817,000.

As at 30 September 2024, the Group has a secured term loan of RM115 million (2023: RM115 million) which is due for partial repayments in August 2024 (RM5 million) and August 2025 (RM5 million), and the remaining amount in August 2026 (RM105 million). The Group has been granted temporary indulgence from the remediation of 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 is 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 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 principal activities of the Company are investment holding and the provision of management services to its subsidiaries. Thus, the ability of the Company to continue as a going concerns are dependent amongst others, the ability of the subsidiaries of the Group to achieve profitable operations.

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 going concerns.

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 the subsidiaries of the Group to achieve profitable operations, which are dependent on the positive effects of the resumption and increase in revenues from 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, and continued support from the Group's and Company's creditors and lenders.

After considering all pertinent information, including the forecasted cash flow requirements of the Group and of the Company 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.

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A : EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134**A1. Basis of preparation (cont'd.)**

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 2023.

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 2023 except as follows :-

(i) Standards, Amendments and Annual Improvements to Standards effective for financial periods beginning on or after 1 January 2024

On 1 January 2024, the Group adopted the following amended standards which are mandatory for annual financial periods beginning on or after 1 January 2024 :

Description	Effective for annual periods beginning on or after
Amendments to MFRS 16	1 January 2024
Leases (Lease Liability in a Sale and Leaseback)	
Amendments to MFRS 101	1 January 2024
Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Non-Current Liabilities with Covenants	
Amendments to MFRS 107 and MFRS 7	1 January 2024
Statement of Cash Flows and Financial Instruments: Disclosure (Supplier Finance Arrangements)	

The adoption of the abovementioned amended standards did not have any material impact to the financial statements of the Group.

(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 these interim financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective:

Description	Effective for annual periods beginning on or after
Amendments to MFRS 121	1 January 2025
The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability)	
Amendments to MFRS 7	1 January 2026
Amendments to the Classification and Measurement of Financial Instruments	

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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 (cont'd.)**

The standards and interpretations that are issued but not yet effective up to the date of issuance of these interim financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective: (cont'd.)

Description	Effective for annual periods beginning on or after
Amendments to MFRS 9	Amendments to the Classification and Measurement of Financial Instruments 1 January 2026
Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107	Annual Improvements to MFRS Accounting Standards—Volume 11 1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements 1 January 2027
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture Deferred

The Group is expected to adopt the abovementioned standards and amended standards when the amended date become effective. The initial application of the abovementioned standards and amended standards is not expected to have any material impacts to the financial statements of the Group.

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 2023.

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.

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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 9 months	
	30.9.24	30.9.23	30.9.24	30.9.23	30.9.24	30.9.23	30.9.24	30.9.23	30.9.24	30.9.23

Type of goods or service:

Sale of lottery tickets	-	-	53,758	56,235	-	-	-	-	53,758	56,235
Rental income from investment properties:										
- office building	-	-	-	-	7,229	9,587	-	-	7,229	9,587
	2,226	-	53,758	56,235	7,229	9,587	-	-	63,213	65,822

Geographical markets:

Sabah	-	-	53,758	56,235	-	-	-	-	53,758	56,235
Kuala Lumpur	2,226	-	-	-	7,229	9,587	-	-	9,455	9,587
	2,226	-	53,758	56,235	7,229	9,587	-	-	63,213	65,822

Timing of revenue recognition:

Goods transferred at a point in time	2,226	-	53,758	56,235	-	-	-	-	55,984	56,235
Services transferred over time	-	-	-	-	7,229	9,587	-	-	7,229	9,587
	2,226	-	53,758	56,235	7,229	9,587	-	-	63,213	65,822

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 9 months	
	30.9.24	30.9.23	30.9.24	30.9.23	30.9.24	30.9.23	30.9.24	30.9.23	30.9.24	30.9.23

Revenue:

External customers, representing total revenue from contracts with customers	2,226	-	53,758	56,235	7,229	9,587	-	-	63,213	65,822
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OLYMPIA INDUSTRIES BERHAD

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A : EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

A10. Segmental information

Results for 9 months ended 30 September 2024 :

<i>RM'000</i>	Property Development	Gaming	Leasing	Investment Holding & Others	Consolidated
Revenue					
External customers :					
- at a point in time	-	53,758	-	-	53,758
- over time	2,226	-	7,229	-	9,455
Total revenue	2,226	53,758	7,229	-	63,213
Results					
Segment results	(3,044)	862	(300)	(2,841)	(5,323)
Finance costs	-	(137)	(5,023)	(1,485)	(6,645)
(Loss)/profit before tax	(3,044)	725	(5,323)	(4,326)	(11,968)
Income tax expense	-	(57)	-	-	(57)
(Loss)/profit for the period	(3,044)	668	(5,323)	(4,326)	(12,025)

Comparative results for 9 months ended 30 September 2023 :

<i>RM'000</i>	Property Development	Gaming	Leasing	Investment Holding & Others	Consolidated
Revenue					
External customers :					
- at a point in time	-	56,235	-	-	56,235
- over time	-	-	9,587	-	9,587
Total revenue	-	56,235	9,587	-	65,822
Results					
Segment results	(4,840)	(2,636)	1,624	(944)	(6,796)
Finance costs	-	(82)	(5,084)	(395)	(5,561)
Loss before tax	(4,840)	(2,718)	(3,460)	(1,339)	(12,357)
Income tax expense	-	(38)	-	-	(38)
Loss for the period	(4,840)	(2,756)	(3,460)	(1,339)	(12,395)

**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 2023. 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 30 September 2024, considering relevant information and market conditions prevailing as at 30 September 2024.

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 30 September 2024, considering relevant information and market conditions prevailing as at 30 September 2024.

A13. Subsequent events

There were no material events subsequent to the end of the period to-date ended 30 September 2024.

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 30 September 2024.

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 2023.

A : EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

A16. Capital commitments

	Group	
	30.9.2024	31.12.2023
	RM'000	RM'000
Capital expenditure approved and contracted for upgrading works	455	455

Save as disclosed above, there were no capital commitments contracted but not provided for in the interim financial statements as at 30 September 2024.

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.

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

	Individual Period (3rd Quarter)				Cumulative Period (9 mths period-to-date)			
	Current year 30.9.2024	Preceding year 30.9.2023	+ / -		Current year 30.9.2024	Preceding year 30.9.2023	+ / -	
<i>RM'000</i>								
Revenue	21,400	20,771	629	3%	63,213	65,822	(2,609)	-4%
Operating loss {EBITDA}	(1,455)	(3,101)	1,646	53%	(4,124)	(5,742)	1,618	28%
Operating loss before interest & tax {EBIT}	(1,852)	(3,422)	1,570	46%	(5,323)	(6,796)	1,473	22%
Loss before tax	(4,262)	(5,380)	1,118	21%	(11,968)	(12,357)	389	3%
Loss after tax	(4,283)	(5,418)	1,135	21%	(12,025)	(12,395)	370	3%
Loss attributable to Owners of the Company	(4,296)	(5,415)	1,119	21%	(12,026)	(12,390)	364	3%

*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 RM21.4 million for the current quarter under review as compared to RM20.8 million in the previous corresponding quarter of last year, an increase of 3.0% or RM0.6 million in the Group's revenue. The gaming division continued to be the main contributor to the Group, contributing 79.9% or RM17.1 million of the total revenue of the Group for the current quarter.

The Group reported a lower loss before tax of RM4.3 million for the current quarter compared to RM5.4 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—lower loss incurred due to reversal of accrued costs no longer needed in the current quarter, and none in the corresponding quarter last year.
- ii) Gaming division—higher profit in the current quarter due to a lower payout ratio of 62.7% during the current quarter, down from 72.7% in the corresponding quarter last year.
- iii) Leasing division—higher loss due to lower occupancy rates at Menara Olympia during the current quarter.

YTD (9 months) Q3 FY2024 vs YTD (9 months) Q3 FY2023

The Group reported a slightly lower loss before tax of RM12.0 million during the 9 months period ended 30 September 2024 compared to a RM12.4 million loss before tax in the corresponding 9 months period last

The variance is a combination of the following:

- i) Gaming division—recorded higher profit due to higher contribution from higher number of draws at 83, compared to last year's corresponding 9 months period of 81 draws.
- ii) Leasing segment—higher loss due to lower occupancy rates during the current 9 months period.

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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 30.9.2024	Immediate preceding quarter 30.6.2024	+ / -	
Revenue	21,400	19,294	2,106	11%
Operating loss {EBITDA}	(1,455)	(385)	(1,070)	-278%
Operating loss before interest & tax {EBIT}	(1,852)	(768)	(1,084)	-141%
Loss before tax	(4,262)	(2,930)	(1,332)	-45%
Loss after tax	(4,283)	(2,931)	(1,352)	-46%
Loss attributable to Owners of the Company	(4,296)	(2,918)	(1,378)	-47%

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

The Group reported a higher loss before tax of RM4.3 million for the current quarter compared to RM2.9 million loss before tax in the immediate preceding quarter. This is due to the following items:

- i) Property Development segment—lower losses in the current quarter due to reversal of accrued costs no longer needed during the current quarter, and none in the immediate preceding quarter.
- ii) Gaming division—higher gross losses due to higher payout ratio, despite higher average sales per draw in the current quarter.
- iii) Leasing segment—higher losses during the current quarter compared to the immediate preceding quarter mainly due to lower occupancy rates in the current quarter.

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 report a lower level of performance for the rest of the current 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 rest of the 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 period 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 30.9.2024	Cumulative period-to-date 9 Months 30.9.2024
Current tax : Malaysian	(20)	(57)
Prior year tax : Malaysian	(1)	-
	<u>(21)</u>	<u>(57)</u>

The Group's effective tax rate is not equal to the statutory tax rate of 24% (2023: 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 20 November 2024, being 7 days from the date of issuance of these interim financial statements.

B7. Borrowings and debt securities

RM'000	As at 30.9.2024			As at 31.12.2023		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Current:						
Term loan 2	5,000	-	5,000	5,000	-	5,000
Lease liabilities	823	-	823	827	-	827
	<u>5,823</u>	<u>-</u>	<u>5,823</u>	<u>5,827</u>	<u>-</u>	<u>5,827</u>
Non-current:						
Term loan 1	5,000	-	5,000	5,000	-	5,000
Term loan 2	105,000	-	105,000	110,000	-	110,000
Term loan 3	25,000	-	25,000	11,000	-	11,000
Lease liabilities	2,781	-	2,781	3,402	-	3,402
	<u>137,781</u>	<u>-</u>	<u>137,781</u>	<u>129,402</u>	<u>-</u>	<u>129,402</u>
	<u>143,604</u>	<u>-</u>	<u>143,604</u>	<u>135,229</u>	<u>-</u>	<u>135,229</u>

All borrowings are denominated in Ringgit Malaysia.

Included in borrowings above is a secured term loan facility of RM110.0 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.

**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 2023.

B12. Notes to the condensed consolidated statement of comprehensive income

The following amount have been credited/(charged) in arriving at profit/(loss) before tax:

	Quarter ended		Financial period ended	
	30.9.2024	30.9.2023	30.9.2024	30.9.2023
<i>RM'000</i>				
Interest income	298	74	298	74
Interest expense	(6,645)	(1,756)	(6,645)	(1,756)
Dividend income	68	2	68	2
Depreciation on property, plant and equipment	(498)	(167)	(498)	(167)
Property, plant and equipment written off	-	(1)	-	(1)
Unrealised loss on foreign exchange	(166)	-	(166)	-
Amortisation of transaction costs on borrowings	(228)	(96)	(228)	(96)
(Loss)/gain on fair value changes of investment securities	(133)	(1)	(133)	(1)
Reversal of impairment loss on receivables	30	-	30	-

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	
	30.9.2024	30.9.2023	30.9.2024	30.9.2023
Loss after tax attributable to owners of the Company (RM'000)	(4,296)	(5,415)	(12,026)	(12,390)
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)	(0.5)	(1.2)	(1.2)

b) Diluted

As there are no potential dilutive ordinary shares outstanding at reporting date, the diluted earnings per share is the same as the basic earnings per share.

On behalf of the Board
OLYMPIA INDUSTRIES BERHAD

Lim Yoke Si
Company Secretary

Kuala Lumpur
27 November 2024