

# OLYMPIA INDUSTRIES BERHAD

Registration No.: 198001009242 (63026-U)

**ANNUAL REPORT 2023**

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

Y.A.M. Tunku Naquiyuddin ibni Almarhum Tuanku Jaafar  
*Chairman, Non-Independent Non-Executive Director*

Tan Sri Dato' Yap Yong Seong  
*Group Managing Director*

Dato' Sri Yap Wee Keat  
*Executive Director*

Ng Ju Siong  
*Non-Independent Non-Executive Director*

Wong Siew Si  
*Independent Non-Executive Director*

Dato' Aminudin Zaki bin Hashim  
*Independent Non-Executive Director*

Dato' Mohd Zahir bin Zahur Hussain  
*Independent Non-Executive Director*

## COMPANY SECRETARY

Lim Yoke Si  
MAICSA 0825971 (SSM PC No. 202008000548)

## REGISTERED OFFICE

Level 23, Menara Olympia,  
No. 8, Jalan Raja Chulan  
50200 Kuala Lumpur  
Tel: [603] 20700033  
Fax: [603] 20700011  
E-mail: [olympia@oib.com.my](mailto:olympia@oib.com.my)  
Website: [www.oib.com.my](http://www.oib.com.my)

## SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn Bhd  
[197101000970 (11324-H)]  
Unit 32-01, Level 32, Tower A  
Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Tel: [603] 27839299  
Fax: [603] 27839222  
E-mail: [is.enquiry@my.tricorglobal.com](mailto:is.enquiry@my.tricorglobal.com)  
Website: [www.tricorglobal.com](http://www.tricorglobal.com)

## AUDITORS

Ernst & Young PLT  
202006000003 (LLP0022760-LCA) & AF 0039  
Chartered Accountants  
Level 23A, Menara Milenium,  
Jalan Damanlela, Pusat Bandar Damansara,  
50490 Kuala Lumpur  
Tel: [603] 74958000  
Fax: [603] 20955332  
Website: [www.ey.com](http://www.ey.com)

## PRINCIPAL BANKERS

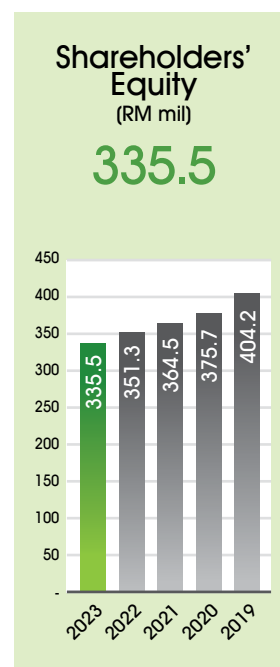
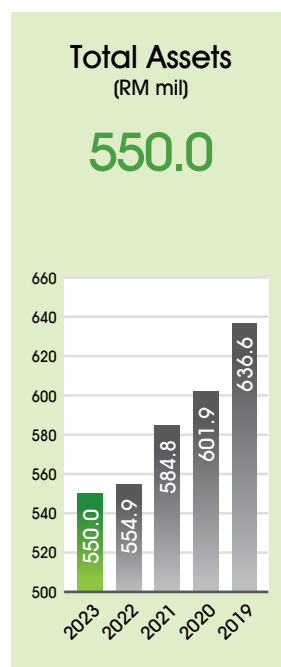
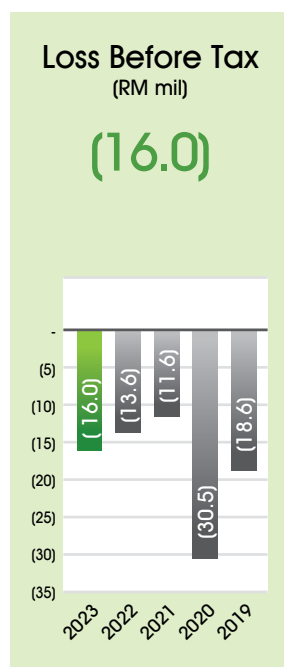
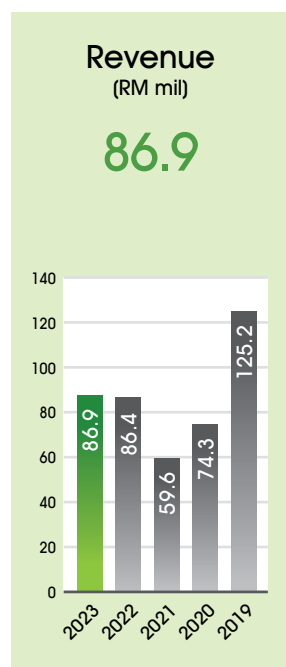
Malayan Banking Berhad  
CIMB Bank Berhad  
United Overseas Bank (Malaysia) Berhad

## STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad  
Listing Date: 12 March 1992  
Stock Name: Olympia  
Stock Code: 3018

# OPERATIONAL & FINANCIAL HIGHLIGHTS

Year Ended December:	2023	2022	2021	2020	2019
<b>STATEMENTS OF COMPREHENSIVE INCOME</b>					
Revenue (RM mil)	86.9	86.4	59.6	74.3	125.2
Loss Before Tax (RM mil)	(16.0)	(13.6)	(11.6)	(30.5)	(18.6)
Loss attributable to owners of the Company (RM mil)	(15.8)	(13.2)	(11.2)	(28.4)	(22.8)
<b>STATEMENTS OF FINANCIAL POSITION</b>					
Share Capital (RM mil)	295.4	295.4	295.4	295.4	295.4
Shareholders' Equity (RM mil)	335.5	351.3	364.5	375.7	404.2
Total Assets (RM mil)	550.0	554.9	584.8	601.9	636.6
<b>FINANCIAL RATIOS</b>					
Return on Average Shareholders' Equity	(4.7%)	(3.8%)	(3.1%)	(7.6%)	(5.6%)
Return on Total Assets	(2.9%)	(2.4%)	(1.9%)	(4.7%)	(3.6%)
Debt / Equity (times)	0.40	0.36	0.42	0.41	0.38
<b>PER SHARE</b>					
Loss per share (sen) *	(1.5)	(1.3)	(1.1)	(2.8)	(2.2)
Net Assets per share (sen)	33	34	36	37	39



\* Based on the weighted average number of shares issued during the year.

# CHAIRMAN'S STATEMENT



On behalf of the Board of Directors ("Board") of Olympia Industries Berhad, I am pleased to present the annual report and the audited financial statements of the Company and its group of companies ("Group") for the financial year ended 31 December 2023 ("FY2023").

Y.A.M Tunku Naquiyuddin ibni  
Almarhum Tuanku Jaafar  
Chairman

## Financial Performance

For FY2023, the Group's continuing operations registered a total revenue of RM86.9 million against RM86.4 million reported in the prior year ended 31 December 2022 ("FY2022"). Total revenue remains stable for the year ended 31 December 2023 despite lower number of gaming draws at 165 as compared to 179 during the corresponding 12 months period in the previous year.

The Group's operations reported an increase in pre-tax loss of RM2.4 million to RM16.0 million for FY2023 (FY2022: RM13.6 million pre-tax loss), largely due to higher payout ratio and lower number of draws for the current year.

## Corporate Developments

There were no outstanding corporate proposals announced but not completed by the year ended 31 December 2023. The Group will continue to intensify its efforts to strengthen its core businesses in gaming and leasing division. In addition, the Group has certain unencumbered assets including certain land 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 borrowings of the Group.

# CHAIRMAN'S STATEMENT (cont'd.)

## Future Outlook and 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. Gaming division will continue to recover albeit at a slower pace in sales performance and profitability while leasing division is expected to remain challenging due to current difficult property market conditions.

The Group is optimistic of the resilience of the Malaysian economy going forward. Based on the above, for the next financial year 2024, the Group's operations is expected to be maintained at current levels.

## Acknowledgement

On behalf of the Board, I would like to acknowledge and appreciate the invaluable contributions of Dato' Syed Sultan bin Mohd Idris who has resigned on 31 December 2023 due to his other commitments and after having served the Board for more than 2 years. I am pleased to welcome the newly appointed Independent Non-Executive Director, Dato' Mohd Zahir bin Zahur Hussain to the Board. We look forward to his guidance and potential contributions to the Group.

I would also like to express my gratitude to our shareholders, stakeholders, and business associates for your continuing support as well as the management and staff for their commitment and dedication to the Group.

To all my fellow Board members, thank you for your valuable contributions and efforts throughout the year.

**Y.A.M Tunku Naquiyuddin ibni Almarhum Tuanku Jaafar**  
Chairman

# MANAGEMENT DISCUSSION & ANALYSIS

## **Overview of Olympia Industries Berhad (“Olympia”) and its group of companies (“Group”) :**

The Group has a diversified portfolio in order to provide stable cash flows and potential for sustainable growth in its net assets to enhance shareholders' value. The Group's core operations are summarised as follows :-

- Gaming: Numbers forecast operator (“NFO”) gaming in Sabah;
- Leasing: Office space leasing of Menara Olympia in Kuala Lumpur; and
- Property Development: Property development activities primarily in the Kenny Heights, Kuala Lumpur area.

## **Gaming Division :**

Lotteries Group (“Lotteries”) commenced its Numbers Forecast Operator (“NFO”) gaming since 1988, and was subsequently acquired by Olympia in 1993. Going under the brand name of ‘Sabah 88’, the games currently offered are Sabah 3D, Sabah 4D, Sabah 4D Jackpot, Sabah Lotto 6/45, Sabah Lotto 5 and Sabah Lotto 6.

The legal NFO operators in Sabah are Berjaya Sports Toto (“BST”), Lotteries and Sandakan Turf Club (“STC”). In comparison, the top largest capitalized legal NFO operators on the Peninsula are BST, Magnum 4D Berhad (“Magnum”) and Pan Malaysian Pools (“PMP”).

Gaming revenue in the year under review (“FY2023”) was RM74.2 million, a marginal increase of 1.1% from RM73.4 million recorded in the previous financial year (“FY2022”). Total number of draws conducted during the year was 165 of which 8 were special draws, compared to 179 draws of which 22 were special draws in FY2022. The point worth noting is that revenue per draw in FY2023 has displayed an increase of 9.8% from RM410 thousand per draw seen in FY2022 to RM450 thousand per draw registered in FY2023. Had the same number of draws been maintained as in FY2022, it would have translated to a recovery rate of 75% in FY2023 compared to the pre-pandemic level of RM105.5 million revenue in FY2019.

However, while revenue performance has remained stable, the unexpected three-time strikes of 4D Jackpot and one-time strike of Lotto 6/45 during the year have caused high level of prize payout, resulting in divisional loss before tax of RM2.3 million for FY2023. In comparison, a RM0.7 million of divisional profit before tax was reported for FY2022.

It was announced during the tabling of Budget 2024 on 13 October 2023 that Sales and Service Tax (SST) rate will be increased from 6% to 8% effective 1 March 2024. As SST is calculated based on gaming revenue net of prizes, taxes and duties, the rate increase will not have a major impact on the division's profitability.

Also as announced in Budget 2024, the implementation timeline of e-invoice under Lembaga Hasil Dalam Negeri (LHDN) was laid out with the first group of Targeted Taxpayers to commence e-invoicing by 1 August 2024. The implementation dateline for the gaming division will be 1 January 2025. Preliminary contacts with service providers in the market have been made while waiting for more LHDN guidelines and information for industry-specific businesses including licensed gaming outlets.

There has been no progress by the gaming industry players in lobbying the Ministry of Finance for approval of gaming via internet and mobile phone apps since reported last year.

# MANAGEMENT DISCUSSION & ANALYSIS (cont'd.)

## **Leasing Division :**

Dairy Maid Resort & Recreation Sdn Bhd ("DMRR"), a wholly-owned subsidiary of Olympia is the owner of the 31-storey Menara Olympia ("MO") office building and accompanying 2 levels of basement car parks, along with contractual rights to operate and manage 4 levels of underground car parks below the surface of a Federal Land, all on Jalan Raja Chulan in Kuala Lumpur. During FY2023, occupancy rates trended slightly lower, ranging from 50% to 53% (FY2022: 53% to 54%), while rental rates have remained relatively stable between RM4.29 to RM4.43 per square feet ("psf") (FY2022: RM4.10 to RM4.36 psf) respectively.

MO continues to grapple with pre-existing property market downturn, current office space market glut, incoming supply of new office space and persistent "new normal" post-pandemic hybrid work trends.

Occupancy rates are expected to remain subdued, accompanied by the loss of potential tenants due to over-supply pressures, hybrid-working new norms and a highly competitive market. Management expects to continue adapting to these challenges via various incentives while continuing to ensure a safe working environment. Management hopes that the country's transition into an endemic phase will translate to better business confidence levels and less hesitancy on the part of potential tenants when looking to lease office spaces.

Boosting existing tenants' retention and attracting potential ones are management's top priorities. Management will continue to undertake several measures: reduce down time on essential building services, stepping up on promotion strategies, offer attractive rent-free renovation period packages, renewal terms and other incentives.

Management will continue its efforts to spruce up the building and improve MO's amenities via renovations and scheduled replacements of machinery/parts to ensure minimal down-time for essential services (e.g. lifts, escalators, M&E, etc.). Heightened staff and property agent alertness and response time via revamped SOPs, improved tenant communications and increased training will continue to help in identifying potential downtime risks to essential services. Management will continue to maintain a safe work environment for all at Menara Olympia at all times.

Moving on into FY2024, management hopes the completion of required physical works and upcoming certification of MO to Malaysia Digital ("MD") status will grant some form of prestige, making the building more attractive to prospective tenants, while providing some upward momentum for its occupancy levels and its rental rates.

## **Property Development Division :**

Apart from residual inventory and land parcels held by several inactive subsidiaries, the division's property development activities are currently centered on a joint-operation ("JO") between Olympia Properties Sdn Bhd ("OPSB"), a wholly-owned Olympia subsidiary, with its sister company KH Estates Sdn Bhd on the Kenny Heights, Kuala Lumpur area. The JO is on a distribution ratio of 42:58 respectively and covers several parcels of land.

The overall property market, although seeing some gradual recovery, still sees some downward pressure in the form of subdued selling prices for both new launches as well as sale of completed property units, save for very niche and prime locations. Rising development costs (materials, utilities & logistics, etc.) continue to plague the industry coupled with protracted high interest rates environment and stricter financiers' criteria. Sentiment remained relatively weak across the property market during FY2023, coupled with the lack of simple answers to home ownership woes and housing for the masses.

# MANAGEMENT DISCUSSION & ANALYSIS (cont'd.)

However, the Group and its joint-operation partner are not currently having any plans for project launches in the immediate future and are thus unaffected while waiting for improved sentiments in the property market and more favourable conditions.

Moving forward, management's strategy is to delay launch of new projects, bidding its time for the turn of the property cycle until the external environment is more conducive.

## **Investment Holding and Others :**

As at 31 December 2023, the Group has net assets of RM336.6 million (FY2022: RM352.4 million) and net current liabilities of RM40.1 million (FY2022: RM28.3 million). For the financial year ended 31 December 2023, the Group and Company incurred a loss after tax of RM15.8 million (FY2022: RM12.9 million) and loss before tax of RM1.1 million (FY2022: profit before tax of RM20.5 million) respectively.

The Group has certain unencumbered assets, including certain land held for property development and inventories of the Group, which will be disposed of as part of the management's plan to gradually reduce the level of borrowings of the Group.

# PROFILE OF DIRECTORS

**Y.A.M. TUNKU NAQUIYUDDIN  
IBNI ALMARHUM TUANKU JAAFAR**  
Chairman, Non-Independent  
Non-Executive Director  
Aged 77, Male, Malaysian

Y.A.M. Tunku Naquiyuddin Ibni Almarhum Tuanku Jaafar was appointed to the Board of Olympia Industries Berhad on 26 November 2008. He has a Bachelor of Science in Economics (Honours) degree from the University of Wales, Aberystwyth, United Kingdom.

Tunku Naquiyuddin is a keen environmentalist and was a Committee Member of the World Wide Fund for Nature (Malaysia) and a Founding Member of the Business Council for Sustainable Development in Geneva. An active businessman, Tunku Naquiyuddin's interest spanned a broad spectrum uniting the Malaysian public companies through the Federation of Public Listed Companies Bhd which he founded; bridging bilateral boundaries through the Malaysia-France Economic and Trade Association which he headed for 8 years; and forging closer cultural ties through the Alliance Francaise which he headed for 18 years. He was nominated by the Minister of Finance to sit on the Committee of Kuala Lumpur Stock Exchange in 1989 for 5 years. He was the Regent of the State of Negeri Sembilan from 1994 until April 1999.

Tunku Naquiyuddin, a former diplomat, is presently the Chairman of Techna-X Berhad and also sits on the Board of Orix Leasing Malaysia Berhad and Syarikat Pendidikan Staffield Berhad.

Tunku Naquiyuddin attended all five Board meetings of the Company held in the financial year 2023.

**TAN SRI DATO' YAP YONG SEONG**  
Group Managing Director  
Aged 82, Male, Malaysian

Tan Sri Dato' Yap Yong Seong was appointed to the Board of Olympia Industries Berhad ("Olympia"/ "Company") on 18 May 1993.

Tan Sri Dato' Yap first ventured into the property business in the early 1970's under the Duta Group which was a pioneer in embarking on a reclamation project at the fore shore lands in Malacca where now stands the famous business centre known as Melaka Raya.

Tan Sri Dato' Yap also sits on the Board of DutaLand Berhad ("DutaLand") as the Group Managing Director and on the Board of several companies within the Olympia and DutaLand Groups. He is the father of Dato' Sri Yap Wee Keat, the Executive Director of the Company. Tan Sri Dato' Yap is a major shareholder of the Company.

Tan Sri Dato' Yap attended all five Board meetings of the Company held in the financial year 2023.

## PROFILE OF DIRECTORS (cont'd.)

**DATO' SRI YAP WEE KEAT**  
**Executive Director**  
**Aged 55, Male, Malaysian**

Dato' Sri Yap Wee Keat was appointed to the Board of Olympia Industries Berhad ("Olympia"/ "Company") on 18 May 1993 and has been responsible for the business operations of Olympia Group. He is a member of the Risk Management Committee.

Dato' Sri Yap is currently a Non-Independent Director of DutaLand Berhad ("DutaLand") and has been instrumental in the property development activities of DutaLand Group. He spearheads the Kenny Heights Project, a development project embarked by DutaLand through the consortium formed with Olympia.

Dato' Sri Yap obtained his LLB (Honours) degree from The London School of Economics and Political Science, United Kingdom in 1989. With the Group's investment in Automobili Lamborghini, he was appointed deputy chairman of Automobili Lamborghini from 1994 to 1998. He is also one of the founding trustees for Malaysian Tsunami Aid Foundation, "Force of Nature Aid Foundation", which was established in 2005 where he sat on the Board of Trustees. He was appointed the Deputy President of Taekwondo Malaysia (WTF) in December 2018.

Dato' Sri Yap is the eldest son of Tan Sri Dato' Yap Yong Seong, the Group Managing Director of Olympia and major shareholder of the Company. He also serves on the Board of several other private companies within Olympia and DutaLand Groups.

Dato' Sri Yap attended all five Board meetings of the Company held in the financial year 2023.

**NG JU SIONG**  
**Non-Independent Non-Executive Director**  
**Aged 56, Male, Malaysian**

Mr Ng Ju Siong was appointed to the Board of Olympia Industries Berhad ("Olympia"/ "Company") on 3 January 2017. He graduated from the University of Kent at Canterbury with a Bachelor of Law (Honours) in 1990.

Mr Ng was admitted to the Honourable Society of Gray's Inn as Utter Barrister in 1992. Thereafter, he was admitted to the High Court of Malaya as an Advocate & Solicitor in 1993. He was practising under Messrs. Zaitoon Othman & Associates in the areas of family law, banking litigation, bankruptcy, company law until June 1994. In July 1994, he joined Messrs. Shahrizat & Tan and ventured into the areas of family law, general conveyancing, banking, drafting of government supplies agreements and etc.

Mr Ng was formerly a Legal Executive in Olympia. He is currently the General Manager of the Legal Department in DutaLand Berhad ("DutaLand") overseeing all legal matters for DutaLand group of companies.

Mr Ng attended four out of five Board meetings of the Company held in the financial year 2023.

# PROFILE OF DIRECTORS (cont'd.)

## WONG SIEW SI

**Independent Non-Executive Director**

**Aged 60, Female, Malaysian**

Miss Wong Siew Si was appointed to the Board of Olympia Industries Berhad on 15 December 2021. She is the Chairperson of the Audit Committee as well the Nomination and Remuneration Committee. She is a member of the Risk Management Committee.

Miss Wong graduated from Stamford College, Singapore with a Diploma in Accounting in 1984. She was admitted as a Member of the Association of Accounting Technicians, United Kingdom in May 1989 and was subsequently awarded a Full Membership in 2022.

Miss Wong was selected by 30% Club Malaysia for the 4th Cohort Board Mentoring Programme & completed in November 2019. She has been a Member of the Institute of Corporate Directors Malaysia (ICDM) since January 2019.

Miss Wong started her career at Hanafiah Raslan Mohammad / Arthur Andersen & Co in 1984 in Audit & moved on to other areas of Corporate Recovery and Management Services till 1993. She joined Sarawak Securities Sdn Bhd in 1993 as a Credit Control Officer & was appointed Head of Credit Control & Retail Investment from 1996 to 1998.

Miss Wong moved on to Hong Leong Bank Berhad, Kuala Lumpur in February 1998 as a Manager in Remedial Management. In an executive capacity, she was Head of Mortgage Credit Control from August 2000 to June 2011. She was appointed Head of Collections Integration Management Office from July 2011 to March 2014. Her last position in Hong Leong Bank Berhad was Head of Retail Credit Operations till February 2016.

Miss Wong served as a Member in the Audit Committee for Jupiter Securities Sdn Bhd (now known as CGS-CIMB Securities Sdn Bhd) from April 2017 to December 2018. She is currently a Marketing Representative for CGS-CIMB Securities Sdn Bhd and CGS-CIMB Wealth Management Sdn Bhd. She is also an Introducer for CGS-CIMB Securities Singapore Pte Ltd.

Miss Wong also sits on the Board of Asteel Group Berhad (formerly known as YKGI Holdings Berhad).

Miss Wong attended all five Board meetings of the Company held in the financial year 2023.

# PROFILE OF DIRECTORS (cont'd.)

**DATO' AMINUDIN ZAKI BIN HASHIM**  
**Independent Non-Executive Director**  
**Aged 53, Male, Malaysian**

Dato' Aminudin Zaki bin Hashim was appointed to the Board of Olympia Industries Berhad on 31 March 2023. He is the Chairman of the Risk Management Committee and a member of the Audit Committee as well as the Nomination and Remuneration Committee.

Dato' Aminudin Hashim is an experienced strategic thinker and transformation leader and was instrumental in the success of many strategic and public policy enterprises throughout his career. He brings with him a solid 30 years of experience in corporate leadership stretching from business management, conceptualization, turnaround and transformation management, research and analysis, management consulting and corporate entrepreneurship drawn from a multitude of Multinationals (MNCs), State Owned Enterprise (SOEs) and Conglomerate working culture.

Dato' Aminudin qualifies as a Chartered Global Management Accountant (CGMA) and an Associate of the Chartered Institute of Management Accountants (ACMA). He was conferred the prestigious Sir Ian Morrow award for the world's best Strategy and Marketing paper for the final examinations of Chartered Institute of Management Accountant (CIMA) in 1996. Prior to that, he graduated from Liverpool John Moores University (UK) with a Bachelor of Accounting and Finance (Honours). Dato' Aminudin has also attended a Leadership in Development Program at Harvard Kennedy School (USA) in 2016.

Dato' Aminudin started his career at Rating Agency Malaysia Berhad in 1995 before joining management consulting practice beginning with UK based PA Consulting Group in 1997, American based Unisys MSC in 1999 and Pricewaterhouse Coopers Consulting in 2002. He has also served in management positions at IBM Business Consulting Services and Multimedia Development Corporation. In 2007, he was appointed as the Associate Director of The iA Group and later in 2009, he was entrusted to kickstart Institut Darul Ridzuan (IDR), a policy and strategy think tank for the State of Perak.

In 2012, he was tasked to reactivate a State-Owned Enterprise, Menteri Besar Incorporated (MB Inc) for the State of Perak and was appointed as the Group Chief Executive Officer and was responsible to revive the sustainable mineral development industry in Perak and to develop new growth corridors for the State. During his stint at MB Inc, he was responsible for many key achievements in record revenue generation for the State, mineral and building construction industry redevelopment and corporate social development. He has also served in various high-level committees for the State between 2009-2018. In 2020, he joined a large family-owned conglomerate with interests in property, infrastructure, healthcare, transportation and hospitality and served as the Group Managing Director until February 2023.

Dato' Aminudin also sits on the board of LBS Bina Group Berhad.

Dato' Aminudin attended four out of five Board meetings of the Company held in financial year 2023 since his appointment to the Board on 31 March 2023.

# PROFILE OF DIRECTORS (cont'd.)

## **DATO' MOHD ZAHIR BIN ZAHUR HUSSAIN** **Independent Non-Executive Director** **Aged 48, Male, Malaysian**

Dato' Mohd Zahir bin Zahur Hussain was appointed to the Board of Olympia Industries Berhad on 15 March 2024. He is a member of the Audit Committee, the Nomination and Remuneration Committee and the Risk Management Committee.

Dato' Mohd Zahir has over 27 years of experience in accounting, finance and asset management. He established his career as an auditor with various accounting firms including PricewaterhouseCoopers and Deloitte & Touche in both of its Malaysia and overseas offices. He was the Chief Financial Officer of Tracoma Holdings Berhad, a company focusing on the manufacturing of automotive components before appointed as the Audit Director for Baker Tilly Monteiro Heng. Dato' Mohd Zahir subsequently held the position of Head of Operation of Principal Asset Management Berhad (formerly known as CIMB-Principal Asset Management Berhad). He then joined Prasarana Malaysia Berhad (Prasarana) as the Group Chief Financial Officer and was promoted to Chief Executive Officer of Prasarana Integrated Development (PRIDE), a wholly-owned subsidiary of Prasarana. He subsequently became the Managing Director of Zahir Irkaz Advisory PLT and then appointed as Managing Director and Group Chief Executive Officer of Destini Berhad.

Dato' Mohd Zahir graduated with a Bachelor of Commerce (Accounting) degree from the University of New South Wales, Australia. He attended Oxford Global CEO Programme at Said Business School, Oxford University, England. He is a Certified Financial Planner, a fellow of the Chartered Accountants Australia & New Zealand and a member of Malaysian Institute of Accountants.

Currently, Dato' Mohd Zahir is the Chairman of Universiti Malaya Medical Centre and the Non-Independent Non-Executive Director and Audit Committee Chairman of Universiti Malaya. He also sits on the Boards of Mycron Steel Berhad and Pharmaniaga Berhad as an Independent Non-Executive Director.

Dato' Mohd Zahir did not attend any Board meetings of the Company held in financial year 2023 for which were held before his appointment.

### Notes:

1. Save for Tan Sri Dato' Yap Yong Seong and Dato' Sri Yap Wee Keat, none of the Directors has family relationship with any Director and/or major shareholder of Olympia Industries Berhad or has any conflict of interest or potential conflict of interest, including interest in any competing business with Olympia Industries Berhad or its subsidiaries.
2. Tan Sri Dato' Yap Yong Seong and Dato' Sri Yap Wee Keat are deemed interested in recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of Olympia Group.
3. None of the Directors has conviction for any offences (other than traffic offences, if any) within the past five years or public sanction or penalty imposed by relevant regulatory bodies during the financial year 2023.

# PROFILE OF KEY SENIOR MANAGEMENT OF THE GROUP

**TAN SRI DATO' YAP YONG SEONG**  
**Group Managing Director**  
**Aged 82, Male, Malaysian**

Please refer to the Profile of Directors in this Annual Report.

**DATO' SRI YAP WEE KEAT**  
**Executive Director**  
**Aged 55, Male, Malaysian**

Please refer to the Profile of Directors in this Annual Report.

**LEE CHEE KAI**  
**General Manager, Group Finance**  
**Aged 66, Male, Malaysian**

Mr Lee Chee Kai was appointed as the General Manager, Group Finance of Olympia Industries Berhad on 1 September 2000. He gained his exposure in audit firms for 7 years, including 3 years with an international accounting firm. Subsequently he joined local conglomerates for more than 7 years as Head of Finance. He joined the Group in April 1994 as General Manager of its then stockbroking subsidiary and was transferred to his current role in 2000.

Mr Lee is a member of both the Institute of Chartered Accountants in England & Wales (ICAEW) and the Malaysian Institute of Accountants.

**JOSEPH LIN KIN CHUNG**  
**General Manager, Lotteries Corporation Sdn Bhd**  
**Aged 64, Male, Malaysian**

Mr Joseph Lin Kin Chung was appointed as General Manager of Lotteries Corporation Sdn Bhd, a wholly-owned subsidiary of Olympia Industries Berhad ("Olympia") on 1 January, 2005.

Mr Joseph Lin graduated from the University of Ottawa with bachelor's degree in Computer Science (Honours) in 1987. He joined the Group in 1989 as a Management Trainee and was promoted to Assistant Commercial Manager in 1994. It was during this time when he was posted to China Lotteries and later, to Cambodia Lotteries to assist in their operations. In 1995, he was promoted to Engineering Manager before being seconded to The Lotto Ltd, PNG, in 1999, to be its Country Manager.

## Notes:

1. Save for Tan Sri Dato' Yap Yong Seong and Dato' Sri Yap Wee Keat, none of the key senior management has family relationship with any Director and/or major shareholder of Olympia Industries Berhad or has any conflict of interest or potential conflict of interest, including interest in any competing business with Olympia Industries Berhad or its subsidiaries.
2. Tan Sri Dato' Yap Yong Seong and Dato' Sri Yap Wee Keat are deemed interested in recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of Olympia Group.
3. None of the key senior management has conviction for any offences (other than traffic offences, if any) within the past five years or public sanction or penalty imposed by relevant regulatory bodies during the financial year 2023.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of Olympia Industries Berhad ("Board") recognises the importance of upholding good corporate governance throughout the Group and is committed to remain guided by the principles as set out in the Malaysian Code on Corporate Governance 2021 ("MCCG").

This statement provides an overview of the Group's application of Practices based on the Principles in the MCCG for the financial year ended 31 December 2023 and it is to be read together with the Corporate Governance report ("CG Report") which is available on the Company's website at [www.oib.com.my](http://www.oib.com.my).

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### Board Responsibilities

The Board acknowledges its pivotal role in stewarding the direction and operations of the Group towards enhancing shareholders' value and ensuring long-term sustainable development and growth of the Group. The Board is responsible for providing strategic direction to the Company, overseeing business performance and ensuring the effectiveness of various processes / systems including financial reporting, risk management, internal controls, compliance and governance.

The Group Managing Director, who is supported by the senior management team in achieving the corporate objectives, remains accountable to the Board for the performance of the Group. In the process of appointing, training and planning for succession, the Group Managing Director together with the Executive Director will ensure that staff appointed to senior management positions are of sufficient calibre.

Board delegates specific responsibilities to Board Committees, namely the Audit Committee, Nomination and Remuneration Committee, and Risk Management Committee, all of which operate within defined terms of reference. Board Committees do not have executive power but report to the Board on all matters considered and the ultimate responsibility for decision making on recommendations presented by the Board Committees lies with the Board. Each Board Committee shall report on its meeting to the Board and the minutes of meetings of all Board Committees will be tabled at Board meetings for notation.

The senior management is responsible for developing and implementing strategies, business plans and budgets, regularly identifying and managing risks that could have a material impact on the businesses and ensuring that sufficient and updated information on the performance, financial condition, operating results and prospect are provided on a timely basis to the Board and the Board Committees to fulfill their governance responsibilities.

For the financial year ended 31 December 2023, the Board had, amongst others, reviewed the performance of the Group's businesses, considered strategies to increase revenue of operating subsidiaries and explored divestment proposals of non-core assets. Various risks affecting the Group have been identified, and appropriate mitigation measures have been put in place.

The Company has a systematic method for regularly assessing the impact of sustainability-related risks and opportunities. One area of focus is ensuring that each business unit conducts annual assessments to evaluate the probability and impact of sustainability-related risks, encompassing social, climate-related, and environmental factors.

The Board acknowledges the importance of advancing the long-term interests of shareholders through responsible stakeholder engagement. It also recognises its duty to exercise prudent business judgment in the best interests of the Company and its shareholders to foster sustainable value creation. Under the guidance of the Board, senior management leads the Company's sustainability initiatives, including ongoing strategic planning to address material sustainability concerns.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd.)

## *Board Charter, Code of Conduct, Whistleblowing Policy and Anti-Bribery & Corruption Policy*

The Board is guided by a Board Charter which amongst others, provides Directors with greater clarity regarding the role and responsibilities of the Board, Board Committees, individual Directors and Senior Independent Director. Matters reserved for the Board are set out in the Board Charter. The Board Charter will be reviewed and updated as and when necessary.

The Code of Conduct of Directors continues to govern the standards of business conduct and to assist the Directors in defining ethical standards in the performance and execution of their duties and responsibilities for the Company.

The Whistle-Blowing Policy is in place with the aim to encourage reporting by employees in good faith, of any suspected and/or known instances of misconduct, wrongdoings, corruption, fraud, waste and/or abuse involving the resources of the Group. Employees making such reports will be protected from reprisal.

The Anti-Bribery and Corruption Policy is aimed at providing information and guidance to the Directors, employees and business associates on anti-bribery and corruption, to which they must adhere, in discharging their duties. All employees are also required to follow the standard operating procedures of their respective business units in the performance of their job responsibilities.

Details of the Board Charter, Code of Conduct of Directors, Whistle-Blowing Policy and Anti-Bribery and Corruption Policy are accessible through the Company's website at [www.oib.com.my](http://www.oib.com.my).

## **Board Composition**

The Board currently consists of seven (7) members with a Non-Independent Non-Executive Chairman, a Group Managing Director, an Executive Director, a Non-Independent Non-Executive Director and three (3) Independent Non-Executive Directors, where 1 of them is a female Director. Independent Directors made up 43% of the Board composition.

Subsequent to the financial year 2023, there was a change in Board composition involving the resignation and appointment of Independent Non-Executive Director. The Board currently does not have a Senior Independent Non-Executive Director. The Board has a balanced mix of executive and non-executive members, and it brings with it a broad range of business, finance, economic, technical, law and public service background.

The Board views that its composition in terms of size, diversity in skills, experience, age, background and gender are well balanced to facilitate effective decision making. This balance enables the Board to provide clear and effective leadership to the Group and bring informed and independent judgement to many aspects of the Group's strategy and performance.

## *Chairman and Group Managing Director*

The position of the Chairman and the Group Managing Director are held by different individuals. Their roles are distinct and separate to ensure balance of power and authority.

The Chairman is responsible for instilling good corporate governance practices and providing leadership in ensuring effectiveness of the Board. He is also responsible for the orderly conduct of meetings and facilitates matters between the Company and its investors.

The Group Managing Director is responsible for developing and implementing policies/strategies approved by the Board and managing the daily operations of the Group. He is also responsible for ensuring the integrity and effectiveness of the corporate governance process of the Board. The Group Managing Director acts as the official spokesperson of the Group.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd.)

The respective duties and responsibilities of the Chairman and the Group Managing Director are specified in the Board Charter

## *Board meetings / Supply of Information*

A list of the scheduled Board and Board Committee meetings for the following year is circulated to all Board members before the end of the current calendar year. Board meetings are usually held five (5) times in a year with additional meetings being convened when necessary.

Five (5) Board meetings were held during the financial year ended 31 December 2023. The attendance of each Director is tabulated below:

Directors	Number of meetings attended
Y.A.M. Tunku Naquiyuddin ibni Almarhum Tuanku Jaafar	5/5
Tan Sri Dato' Yap Yong Seong	5/5
Dato' Sri Yap Wee Keat	5/5
Mr Ng Ju Siong	4/5
Miss Wong Siew Si	5/5
Dato' Aminudin Zaki bin Hashim ( <i>appointed on 31 March 2023</i> )	4/5 <sup>#</sup>
Dato' Syed Sultan bin Mohd Idris ( <i>resigned on 31 December 2023</i> )	5/5
Dato' Mohd Zahir bin Zahur Hussain ( <i>appointed on 15 March 2024</i> )	n/a <sup>*</sup>

<sup>#</sup> Not applicable on 1 meeting held earlier in the year as it was prior to Board appointment

<sup>\*</sup> Not applicable as appointment is subsequent to financial year 2023

The Board is confident that the Directors will continue to devote sufficient time and commitment towards fulfilling their roles and responsibilities as Directors of the Company.

Meeting materials based on the agenda of the meeting, are distributed to the Directors within a reasonable period prior to the meeting to ensure that Directors have sufficient time to evaluate the matters and be prepared for discussion at the meetings.

External consultants or advisors are also invited to attend Board and Board Committee meetings whenever necessary to explain matters within their expertise, knowledge and provide clarity on the agenda being discussed. This process enables the Board and Board Committees to make informed decisions.

The Directors are notified of the restriction in dealing with the securities of the Company prior to the announcement of quarterly financial results. All announcements released to Bursa Securities will be circulated to the Directors for reference.

In the intervals between Board meetings, any matters requiring the Board's approval will be sought via circular resolutions which must be supported with the relevant information and explanation therein. Minutes of meetings are circulated and confirmed by the Board and Board Committees at their subsequent respective meetings. The Directors have access to all information within the Company in the discharge of their duties.

Senior management personnel usually attend Board meetings for the purpose of briefing the Board on matters submitted for consideration. More details affecting the operation of business units, strategies and performances are usually presented and discussed at the management executive committee meetings held prior to Board meetings.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd.)

## Directors' Training

All Directors have attended the Mandatory Accreditation Programme ("MAP") Part I while 1 Director had attended MAP Part II in 2023.

All Directors have also attended and participated in the following training programmes during the financial year to enhance their knowledge to enable them to effectively discharge their duties:

Director	Topics
Y.A.M. Tunku Naquiyuddin ibni Almarhum Tuanku Jaafar	<ul style="list-style-type: none"> <li>Corporate Comms Connect</li> <li>Environment, Social and Governance – Bursa Malaysia's enhanced sustainability reporting requirements</li> <li>Mergers &amp; Acquisitions Conference 2023</li> <li>Management of Cyber Risk Programme</li> </ul>
Tan Sri Dato' Yap Yong Seong	<ul style="list-style-type: none"> <li>Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers</li> </ul>
Dato' Sri Yap Wee Keat	<ul style="list-style-type: none"> <li>Board of Director Leadership – Effective Climate Governance</li> </ul>
Mr Ng Ju Siong	<ul style="list-style-type: none"> <li>Environment, Social and Governance – Bursa Malaysia's enhanced sustainability reporting requirements</li> <li>Directors' Interest in Contract and Conflict of Interest</li> </ul>
Dato' Syed Sultan bin Mohd Idris (resigned on 31 December 2023)	<ul style="list-style-type: none"> <li>Environment, Social and Governance IFRS S1 and S2: Beyond Compliance</li> </ul>
Miss Wong Siew Si	<ul style="list-style-type: none"> <li>Contemporary Issues in AMLA &amp; Anti-Terrorism Financing</li> <li>Sustainability Series- (Re) Building the Board for Innovation</li> <li>CGS China-Asean Business Leaders' Summit</li> <li>Chat GBT 2023</li> <li>The 11th QED Changemaker Forum: Leading Corporate Sustainability from Ideas to Action</li> <li>ESG, Green Banking &amp; Wealth Management FBAC Dialogue &amp; Networking</li> <li>Select the right industry to invest in the right time</li> <li>Environment, Social and Governance – Bursa Malaysia's enhanced sustainability reporting requirements</li> <li>Identifying growth company</li> <li>Beating business &amp; stock market cycle</li> <li>Fundamentals of Corporate Finance</li> <li>BNRC Dialogue and Networking</li> <li>What is ETF &amp; how to invest in ETF?</li> <li>Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers</li> <li>Geopolitics &amp; global issues influencing the Capital market</li> <li>National Climate Governance Summit 2023</li> <li>The Cooler Earth Sustainability Summit 2023</li> <li>Environment, Social and Governance IFRS S1 and S2: Beyond Compliance</li> </ul>
Dato' Amimudin Zaki bin Hashim	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme ("MAP")</li> <li>MAP Part II: Leading for Impact (LIP)</li> <li>Environment, Social and Governance IFRS S1 and S2: Beyond Compliance</li> <li>Budget 2024</li> </ul>

# CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd.)

## *Board Appointment Process*

The Board merged the Nomination Committee ("NC") and Remuneration Committee ("RC") into a single committee known as the Nomination and Remuneration Committee ("NRC") on 15 March 2024. The rationale for the merger is to streamline the functions of these committees and enhance the efficiency and effectiveness of the NRC in discharging its duties and responsibilities.

The NRC is currently made up of the following three (3) Independent Non-Executive Directors:

1. Miss Wong Siew Si (Chairperson)
2. Dato' Aminudin Zaki bin Hashim (Member)
3. Dato' Mohd Zahir bin Zahur Hussain (Member)

The Terms of Reference of the NRC and Remuneration Policy and Procedures are available on the Company's website at [www.oib.com.my](http://www.oib.com.my). The NRC met twice during the financial year to review the nomination and remuneration matters.

On nomination matters, the NRC is responsible among others, to determine, maintain and review the criteria to be used in the assessment of potential candidate for Board appointment and re-election or re-appointment of Directors at general meetings, which includes the application of the Directors' Fit and Proper policy.

The NRC, in making recommendations for the appointment of Directors will also consider the skills, knowledge, expertise and potential contribution of the candidates and selection is not based on gender. The NRC is open to referrals from external sources besides recommendations from its existing Board members and major shareholders.

The Company currently does not have a gender diversity policy for the Board and senior management. The Board believes in providing equal opportunity to candidates and adheres to the practice of non-discrimination of any form whether based on age, race or gender throughout the Group.

## *Re-election of Directors*

The NRC is responsible for making recommendations to the Board on the retirement of Directors by rotation at each annual general meeting. Under the Constitution of the Company, one third (1/3) of the Directors shall retire by rotation at each annual general meeting. All Directors shall retire from office at least once in every three (3) years. The retiring Directors shall be eligible for re-election. A Director appointed either to fill a casual vacancy or as an addition to the existing Directors shall hold office until the next annual general meeting and shall then be eligible for re-election.

Tan Sri Dato' Yap Yong Seong and Miss Wong Siew Si are due to retire by rotation at the forthcoming 43<sup>rd</sup> AGM and being eligible, have offered themselves for re-election to the Board. The NRC has assessed the said Directors based on the Fit and Proper criteria. The assessment of the Fit and Proper criteria for re-election of Directors was also captured in the annual evaluation on the performance/contribution of Directors.

Dato' Mohd Zahir bin Zahur Hussain who was appointed after the financial year is also subject to retirement at the 43<sup>rd</sup> AGM and being eligible, has offered himself for re-election. The NRC had earlier reviewed and assessed Dato' Mohd Zahir bin Zahur Hussain based on amongst others, the Fit and Proper criteria prior to his Board appointment. The Board is confident that he will further strengthen the Board composition and dynamics.

The retiring Directors have abstained from Board deliberations and decisions in recommending to shareholders on their re-election to the Board. The Board has accepted the recommendation of the NRC on the re-election of the above-named Directors at the forthcoming 43<sup>rd</sup> Annual General Meeting of the Company ("43<sup>rd</sup> AGM").

The profiles of the Directors seeking re-election to the Board at the 43<sup>rd</sup> AGM are disclosed in the Profile of Directors of this Annual Report.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd.)

## *Annual Evaluation*

The NRC conducted annual evaluations through the completion of questionnaires on the effectiveness of the Board as a whole, Board Committees, individual Directors of the Company and assessed the independence of the Independent Directors during the financial year under review.

The Board and Board Committees were evaluated in the areas of board/board committee mix and composition, quality of information and decision making, boardroom/board committee activities, board relationship with management and board sustainability. The evaluation of individual Directors was focused on fit & proper criteria, contribution & performance, calibre & personality and sustainability.

On Peer Assessment, the evaluation was in the areas of knowledge (corporate governance, leadership and stakeholder relations, strategy and finance), skills (strategic thinking, analysis and use of information, decision-making, communication, leadership and influencing) and mind-set (ethical, professional, performance oriented, independent and confident). Independent Directors were assessed based on criteria defined in the Listing Requirements of Bursa Securities, their ability to exercise independent judgement and their contribution to the effective functioning of the Board.

The findings/outcome from the above evaluations/assessments and recommendations of the NRC were tabled to the Board for discussions, notation and where applicable, to recommend to shareholders on the re-election of Directors retiring at the 43<sup>rd</sup> AGM.

Based on the evaluations conducted, the Board is satisfied with the level of performance and effectiveness of the Board, Board Committees and individual Directors of the Company. The Board is also satisfied with the level of independence demonstrated by all Independent Directors and their ability to act in the best interest of the Company. The Board and Board Committees have generally fulfilled their primary responsibilities and obligations and each Director has the experience, competence, integrity and character in discharging their respective roles as Board members.

Below is a summary of the activities undertaken by NRC for the financial year 2023:

- 1) Conducted annual evaluation of the Board, Board Committees and individual Directors;
- 2) Conducted annual evaluation of the Audit Committee;
- 3) Assessed the independence of the Independent Non-Executive Directors of the Company;
- 4) Reviewed and recommended the re-election of Directors retiring by rotation and retiring under casual vacancy in accordance with the Company's Constitution; and
- 5) Reviewed training programmes attended by all Directors.

On remuneration matters, the NRC is responsible for reviewing and, where appropriate, recommending to the Board for approval of remuneration, salary revision, bonus and benefits of the Executive Directors or senior management.

The NRC also reviews and recommends the payment of Directors' fees and benefits to Non-Executive Directors, subject to approval by the shareholders at the annual general meeting of the Company.

Directors' fees recommended for the Non-Executive Directors are reflective of their responsibilities while the remuneration of the Executive Directors is based on individual performance as well as the performance of the Group. The NRC had also discussed and recommended to the Board the proposed payment of Directors' fees and benefits to the Non-Executive Directors of the Company.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## (cont'd.)

Details of the Directors' remuneration comprising remuneration received/receivable from the Company and the Group for the financial year ended 31 December 2023 are as follows:

### COMPANY

	Fee	Salary	Bonus	RM Other Emoluments	<sup>2</sup> Benefits in kind	Total
<b>Executive</b>						
Tan Sri Dato' Yap Yong Seong	-	256,500	-	743	-	257,243
Dato' Sri Yap Wee Keat	-	430,116	71,686	61,385	43,070	606,257
<b>Non-Executive</b>						
Y.A.M. Tunku Naquiyuddin ibni Almarhum Tuanku Jaafar	48,000	-	-	1,400	35,000	84,400
Ng Ju Siong	24,000	-	-	1,000	-	25,000
Izaddeen bin Daud	9,000	-	-	-	-	9,000
Dato' Syed Sultan bin Mohd Idris	36,000	-	-	2,700	-	38,700
Wong Siew Si	36,000	-	-	6,200	-	42,200
Dato' Aminudin Zaki bin Hashim	27,000	-	-	2,200	-	29,200
<b>Total</b>	180,000	686,616	71,686	75,628	78,070	1,092,000

### GROUP

	Fee	Salary	Bonus	RM Other Emoluments	<sup>2</sup> Benefits in kind	Total
<b>Executive</b>						
Tan Sri Dato' Yap Yong Seong	-	738,720	-	218,229	477	957,426
Dato' Sri Yap Wee Keat	-	1,141,140	190,190	164,602	43,070	1,539,002
<b>Non-Executive</b>						
Y.A.M. Tunku Naquiyuddin ibni Almarhum Tuanku Jaafar	48,000	-	-	1,400	35,000	84,400
Ng Ju Siong	24,000	-	-	37,000	-	61,000
Izaddeen bin Daud	9,000	-	-	-	-	9,000
<sup>3</sup> Dato' Syed Sultan bin Mohd Idris	36,000	-	-	2,700	-	38,700
Wong Siew Si	36,000	-	-	6,200	-	42,200
Dato' Aminudin Zaki bin Hashim	27,000	-	-	2,200	-	29,200
<b>Total</b>	180,000	1,879,860	190,190	432,331	78,547	2,760,928

Notes:

- 1 Other emoluments include statutory contributions, allowances and attendance fees.
- 2 Benefits in kind paid to certain Directors include company car, company driver, petrol, club membership and leave passage.
- 3 In addition to the above, also received consultancy fee totaling RM60,000 from a subsidiary of the Group during current financial year (2022: RM70,000).

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## (cont'd.)

The top key senior management whose total remuneration (including benefits in-kind and other emoluments) under each band of RM50,000 is set out below:

Total remuneration in bands of RM50,000	Number of Key Senior Management
RM150,000 – RM200,000	1
RM251,000 – RM300,000	1

The remuneration of the key senior management is on an aggregated basis as the Board is of the view that it would not be in the best interest of the Company to make detailed disclosure of each key senior management personnel in view of the competitiveness in the employment market and the Company's efforts in attracting and retaining executive talents.

### *Company Secretary*

The Company Secretary is a qualified Chartered Secretary and supports the Board in carrying out their roles and responsibilities as Directors. The Company Secretary updates the Board on any regulatory changes and developments in corporate governance and the Listing Requirements of Bursa Securities as well as any other rules and regulations relevant to the Company. In addition, the Company Secretary ensures that the Company complies with all applicable statutory and regulatory requirements.

## **PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT**

### **Audit Committee**

The Audit Committee oversees amongst others, the financial reporting process of the Group with the aim in providing an assurance that the financial statements are prepared and drawn up in accordance with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 2016.

The Audit Committee consists of the following Independent Non-Executive Directors:

1. Miss Wong Siew Si (Chairperson)
2. Dato' Aminudin Zaki bin Hashim (Member)
3. Dato' Mohd Zahir bin Zahur Hussain (Member)

The Board, through its Audit Committee, maintains a formal and transparent relationship with the external auditors, Messrs. Ernst & Young PLT. The Audit Committee meets with the external auditors to review the scope and adequacy of the audit process, audit findings and the annual audited financial statements.

The Audit Committee also meets with the external auditors prior to Audit Committee meetings to enable the auditors to highlight certain issues/findings in the absence of the management. For this purpose, the Audit Committee and the external auditors met twice for the financial year ended 31 December 2023.

The Board has in place an Assessment Policy for External Auditors, which sets out the guidelines and procedures for the Audit Committee to assess, among others, the suitability, objectivity and independence of the external auditors. It also specifies cooling period required for the proposed appointment of a former key audit partner as a member of the Audit Committee.

The Audit Committee had carried out an annual evaluation on the performance and independence of the external auditors' and the evaluation covered the areas of calibre of the audit firm, quality processes/performance, audit team, independence and objectivity, audit scope and planning, audit fees and audit communications. The Audit Committee concluded that the performance and independence of Messrs. Ernst & Young PLT were satisfactory.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd.)

The Board through the NRC had carried out an annual evaluation on the effectiveness of the Audit Committee and concluded that it had fulfilled its fundamental responsibilities in overseeing financial reporting, assessing the risks and control environment, evaluating the internal and external audit process and reviewing related party transactions.

Details of the Audit Committee and its activities are set out in the Audit Committee Report on pages 28 to 31 of this Annual Report.

## **Risk Management and Internal Control Framework**

The Board maintains a sound risk management framework and system of internal control to safeguard the Group's assets, shareholders' investments as well as the interests of customers, employees and other stakeholders.

The Risk Management Committee has been established to assist the Board in their responsibilities to identify, assess and monitor key business risks of the Group. It comprises the following members with a majority of Independent Non-Executive Directors:

1. Dato' Aminudin Zaki bin Hashim (Chairman)
2. Dato' Sri Yap Wee Keat (Member)
3. Miss Wong Siew Si (Member)
4. Dato' Mohd Zahir bin Zahur Hussain (Member)

The Risk Management Committee meets on a half-yearly basis to review and evaluate the adequacy of risk management activities, as well as to recommend measures to be adopted to mitigate the business risk exposures. The Enterprise Risk Management Framework is in place to provide guidance for coordinating the application of risk management within the Group.

The Statement on Risk Management and Internal Control is set out on pages 25 to 27 of this Annual Report.

## *Internal Audit Function*

The Board has established an internal audit function within the Company, which is led by the Head of the Internal Audit Department who reports directly to the Audit Committee.

The Group's Internal Audit department is responsible for conducting reviews on the systems of internal control, reporting on the state of the system of internal control and provide recommendations for improvement. All internal audit reports were tabled and reviewed by the Audit Committee in the Audit Committee meetings. A follow-up audit would be performed to ascertain the extent of implementation/rectification of the recommended corrective actions for improvement.

The Audit Committee had carried out an evaluation of Internal Audit function for year 2023 and concluded that the internal auditors had performed their functions effectively in meeting their objectives.

Details of the Company's internal audit function are set out in the Audit Committee Report on page 30 of this Annual Report.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd.)

## PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

### Communication with stakeholders

The Board recognises the importance of communication with shareholders and investors regarding the Group's business and corporate developments. The Board ensures timely release of financial results on a quarterly basis, annual reports and any announcements to Bursa Securities on material corporate exercises, which are the primary modes of disseminating information on the Group's business activities and financial performance.

The Company has established a website [www.oib.com.my](http://www.oib.com.my) for shareholders and the public to assess corporate information and announcements related to the Group. All queries may be directed to the Company through the email provided on the said website.

The Company may conduct briefings / dialogue with investors on the performance of the Group. The Group Managing Director is available for such an arrangement and enquiries on issues relating to the Group may be conveyed to him.

### Conduct of General Meetings

The Annual General Meeting ("AGM") of the Company is the principal forum for dialogue with the shareholders. The Board encourages shareholders to participate in a Question-and-Answer session on the financial performance and operations of the Group. The Chairman and all other Board members together with senior management as well as the external auditors of the Company are present to respond and provide explanations on matters raised at the meeting.

The Company has leveraged on technology since 2020 to facilitate virtual AGMs through live streaming and remote online participation by using Remote Participation and Voting Facilities ("RPV"). The Notice of the 42<sup>nd</sup> AGM was sent to shareholders 28 days prior to the meeting. The Company will continue to observe the notice period of 28-days for the forthcoming 43<sup>rd</sup> AGM.

Shareholders were able to raise questions at the 42<sup>nd</sup> AGM in real time by transmitting questions via the Query Box and voted remotely at the AGM via RPV. The Board responded to all relevant questions submitted before and during the 42<sup>nd</sup> AGM.

The Company will issue a notification to its shareholders via electronic mails and by post (for those without email addresses) informing them of the 43<sup>rd</sup> AGM and that the Company's Annual Report ("AR"), Circular to Shareholders ("Circular"), Corporate Governance Report, Notice of 43<sup>rd</sup> AGM, Form of Proxy, Administrative Guide for the 43<sup>rd</sup> AGM and request form for AR/Circular are available on the Company's website. The Company will continue to explore ways to leverage on technology to enhance the quality of engagement with its shareholders and further participation by shareholders at general meetings.

This Corporate Governance Overview Statement has been approved by the Board of Directors on 23 April 2024.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

This Statement on Risk Management and Internal Control by the Board of Directors ("Board") of Olympia Industries Berhad ("Olympia"/"Company") is made in respect of the financial year ended 31 December 2023 pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers issued by the Taskforce on Internal Control with the support and endorsement of Bursa Securities.

## Board's Responsibilities

The Board of Olympia acknowledges its overall responsibility in maintaining a sound system of internal controls and risk management framework of Olympia and its subsidiaries ("Group") and for reviewing the adequacy and integrity of the system periodically to safeguard the interest of the Company's shareholders and the Group's assets.

The risk management and internal control system is designed to manage rather than eliminate the risk of failure in achieving the Group's corporate objectives and can only provide reasonable but not absolute assurance against any material misstatement or loss.

## Risk Management Process

The Board has formally endorsed an ongoing risk management and internal control framework which includes the following key elements:

- the guiding principles of the risk management framework;
- the underlying approach to risk management;
- the roles and responsibilities of the Board and the management;
- the underlying approach in reviewing and monitoring any significant risks; and
- regular review on the effectiveness and efficiency of internal control procedures and processes.

The risk management and internal control framework is applied continuously throughout the financial year to determine, evaluate and manage the significant risks of the Group. This is further assured by the implementation of an internal control and risk management system that has been integrated in the Group's operations and working culture. Therefore, any significant risks arising from factors within the Group and from changes in the business environment can be addressed on a timely basis.

The Risk Management Committee which comprises a majority of independent Directors shall assist the Board to identify, assess and monitor key business risks of the Group to safeguard shareholders' investments and the Group's assets.

The key aspects of the risk management process include the following:

- Risks are identified by each key business unit assessing the likelihood and impacts of the occurrence of risks which are evaluated and rated as 'Low', 'Medium-Low', 'Medium', 'High-Medium' or 'High'. The level of residual risk is determined after identifying and evaluating the effectiveness of existing controls or mitigating measures.
- Heads of the respective business units undertake to update their risk profiles on a half yearly basis.
- The risk profiles, control procedures and status of the action plans are reviewed on a regular basis by the respective Heads of business unit.
- Heads of business unit are provided with reports to enable them to review, discuss and monitor the risk profiles and implementation of action plans.
- Risk management report summarising the significant risks and/or the status of action plans of the respective business units is presented to the Risk Management Committee for its review, deliberation and recommendation for the endorsement or approval of the Board.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd.)

## Internal Audit Function

The Audit Committee evaluates the internal audit function to assess its effectiveness in the discharge of its responsibilities. Observations from these audits, especially on areas where material internal control deficiencies or lapses have been noted, are presented together with management's proposed action plans and implementation timelines, to the Audit Committee for its review. The internal audit function also follows up and reports to the Audit Committee on the status of implementation of the action plans by management. Further details of the activities of the Internal Audit function are set out in the Audit Committee Report included in this Annual Report.

## Internal Control Process

Other key features of the Group's internal control system include the following:

- Board / Board Committees

Board Committees (comprising Audit Committee, Remuneration Committee, Nomination Committee and Risk Management Committee) have been established to carry out their duties and responsibilities delegated by the Board and are governed by the respective written terms of references.

The Audit Committee regularly reviews and scrutinises the audit reports prepared by the Internal Audit Department ("IA") and conducts annual assessment on the adequacy of the IA's scope of work and resources.

Risk Management Committee meeting is held half-yearly to review and evaluate the adequacy of risk management activities, as well as to recommend measures to be adopted to mitigate the business risk exposures.

The Board and the Audit Committee meet quarterly and have set a schedule of matters which is required to be brought to the attention of the Board and/or the Audit Committee for discussion to ensure full and effective supervision over appropriate controls. In addition, the Group Managing Director provides explanation to the Board on pertinent issues. The Board is kept updated on the Group's activities and its operations on a regular basis.

- Organisation Structure and Authorisation Procedure

An organisation structure with the defined lines of responsibility and appropriate reporting structure including proper approval and authorisation limits for approving the capital expenditure and expenses within the Group.

- Policy and Procedure

Internal policies and procedures are documented through a series of manuals for all major operations of the Group. The authorisation procedures for key processes are stated in the Group's policies and procedures.

- Annual Budget

Strategic planning and annual budgeting are undertaken for the key business units and consolidated at Group level. Senior management closely monitors the key performance indicators and financial and operating results against budget to identify and where appropriate, to address the significant variances.

- Human Resource Policy

Guidelines on human resource management are in place to ensure that the Group is able to operate in an effective and efficient manner. This involves employing and retaining adequate competent employees with necessary knowledge, skill and experience in carrying out their duties and responsibilities.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd.)

## Monitoring Process

Given the Group Managing Director and Executive Director are directly involved in daily operations of the Group, they will conduct regular reviews of operational and financial data.

The Audit Committee has full and direct access to the Head of IA and receives reports on all internal audits performed. The IA continues to independently and objectively monitor the compliance with regards to policies and procedures, and the effectiveness of the internal control system. Significant findings and recommendations for improvement are highlighted to the Audit Committee and management, with periodic follow-up of the implementation of action plans. The management is responsible for ensuring that corrective actions are implemented accordingly.

Based on the IA reports for the financial year ended 31 December 2023, some weaknesses in the internal controls were identified and measures have been or are being taken to address these weaknesses. None of these weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Company's Annual Report.

## Conclusion

The risk management and internal control system of the Group comprising the respective frameworks, procedures, management processes, monitoring processes described in this statement are considered appropriate. While the Board acknowledges that the risk management and internal control system does not eliminate the possibility of collusion or deliberate circumvention of procedures by employees, human errors and/or other unforeseen circumstances that might result in poor judgment, an assurance was received from the Group Managing Director and the General Manager, Group Finance that the risk management and internal control system is operating adequately and effectively.

The Group continues to take measures to enhance and strengthen the risk management and internal controls environment.

## Review of the Statement by External Auditors

As required by Paragraph 15.23 of the MMLR of Bursa Securities, the external auditors have reviewed this Statement on Risk Management and Internal Control. The external auditors' limited assurance review was performed in accordance with the Audit and Assurance Practice Guide ("AAPG") 3 issued by the Malaysian Institute of Accountants. The AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

This Statement on Risk Management and Internal Control has been approved by the Board of Directors on 23 April 2024.

# AUDIT COMMITTEE REPORT

The Audit Committee of Olympia Industries Berhad ("Olympia"/ "Company") was established on 20 June 1994 to assist the Board of Directors of Olympia ("Board") in discharging its duties pertaining to internal controls, financial and accounting records and policies as well as financial reporting practices of the Company and its subsidiaries ("Group"). The Terms of Reference of the Audit Committee are available on the Company's website at [www.oib.com.my](http://www.oib.com.my).

The Board is pleased to present the Audit Committee report for the financial year ended 31 December 2023.

## AUDIT COMMITTEE COMPOSITION AND ATTENDANCE OF MEETINGS

The Audit Committee currently consists of three (3) Independent Non-Executive Directors and all of them have fulfilled the qualification requirements under paragraph 15.09(1)(c) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Dato' Mohd Zahir bin Zahur Hussain is a member of the Malaysian Institute of Accountants ("MIA").

Five (5) Audit Committee meetings were held during the financial year ended 31 December 2023 and the attendance of each Audit Committee member is tabulated below:

Audit Committee	Directorship	Meeting Attendance
Wong Siew Si (Chairperson)	Independent Non-Executive Director	5/5
Dato' Aminudin Zaki bin Hashim (Member) (appointed on 31 March 2023)	Independent Non-Executive Director	4/5 <sup>#</sup>
Dato' Syed Sultan bin Mohd Idris (Member) (resigned on 31 December 2023)	Independent Non-Executive Director	5/5
Dato' Mohd Zahir bin Zahur Hussain (Member) (appointed on 15 March 2024)	Independent Non-Executive Director	n/a <sup>*</sup>

<sup>#</sup> Not applicable on 1 meeting held earlier in the year as it was prior to Board appointment

<sup>\*</sup> Not applicable as appointment is subsequent to financial year 2023

The Head of Finance and the Head of Internal Audit attend the Audit Committee meetings to brief on the financial results, internal audit reports and related matters as well as to provide further clarifications/explanations thereat. The external auditors also attend certain Audit Committee meetings to brief on audit matters and provide a review of the Group's financial position.

The Audit Committee had two (2) private sessions with the external auditors during the financial year without the presence of management to discuss certain key audit issues/ findings.

# AUDIT COMMITTEE REPORT (cont'd.)

## SUMMARY OF WORKS PERFORMED BY THE AUDIT COMMITTEE

During the financial year ended 31 December 2023, the Audit Committee had performed the following works in the discharge of its functions and duties:

### Financial Reporting

- Reviewed and recommended the quarterly financial results and annual audited financial statements of the Company and the Group to the Board for approval. The focus was particularly on the changes in or implementation of major accounting policy, significant matters highlighted including financial reporting issues, significant judgements made by management, significant and unusual events or transactions, and how these matters were addressed; and compliance with accounting standards and other legal requirements.

### External Audit

- Reviewed and deliberated with the external auditors on the results of the annual audited financial statements of the Company and the Group and the Auditors' report thereon;
- Discussed and reviewed the external auditors' annual audit plan including their services, independence, area of audit emphasis, audit timeline, terms of engagement for the statutory audit, proposed audit fees, and updates on the Financial Reporting Developments in Malaysia;
- Carried out an evaluation on the performance and independence of the external auditors prior to their re-appointment.

### Internal Audit

- Reviewed and approved the risk-based annual Internal Audit plan presented by the Head of Internal Audit;
- Reviewed internal audit reports which highlighted the audit findings, audit recommendations and management's response to the recommendations;
- Reviewed the reports on the status of Internal Audit and Manpower Analysis;
- Monitored the corrective actions taken on the outstanding audit issues to ensure all key risks and control lapses have been addressed; and
- Assessed the performance of Internal Audit Function including that of the Head of Internal Audit and reviewed its effectiveness of the audit process and assessed the overall performance of the Internal Audit department.

### Related Party Transactions

- Reviewed related party transactions and recurrent related party transactions of the Company and the Group;

### Others

- With the exception of Dato' Mohd Zahir bin Zahur Hussain, all other Audit Committee members had attended various training programmes during the financial year under review and the details of which are set in the Corporate Governance Overview Statement in this Annual Report.

# AUDIT COMMITTEE REPORT (cont'd.)

## INTERNAL AUDIT FUNCTION

The Audit Committee is supported by the Internal Audit department in discharging its duties and responsibilities. The Internal Audit department reports directly to the Audit Committee and conducts independent assessments of the Group's internal controls, risk management and governance processes.

The objective, authority and responsibility of the Internal Audit department as well as the nature of consultancy activities provided by the function are set out in the Internal Audit Charter, endorsed by the Audit Committee and approved by the Board. The Internal Audit Charter ensures the appropriate structure, scope of activities, access and reporting arrangements are in place as well as an independent and objective assurance on internal controls and governance procedures within the Company and the Group.

The Internal Audit team functions independently of the activities it audits and carries out its work according to the standards set by professional bodies, primarily consistent with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors.

The Internal Audit department adopts a risk-based auditing approach, focussing on risk areas and past audit findings of audit assignments. The prime objective of the internal audit function is to ensure a sound internal control system is in place and functioning adequately. This is achieved through regular and systematic reviews of internal control systems and management information systems to ensure the reliability and integrity of information in complying with applicable policies, plans, procedures and regulations.

The Audit Committee reviews and approves the annual audit plan and manpower requirements, prior to the commencement of audits, at the first Audit Committee meeting of the financial year. The audit approach is to focus on high risk business processes and to assess the effectiveness of internal controls thereof.

The Internal Audit scope of coverage for the financial year under review encompassed the audit of key processes and operations of all active subsidiaries as identified in the annual audit plan. Audit activities are aimed to ensure the risk management procedures are in adherence with and principal risks are identified by the management as well as appropriate controls are in place to manage these risks.

The Internal Audit will conduct periodical risk assessments for corruption to identify, assess and mitigate any corruption risks that the Group may expose to. A corruption risk assessment forms the basis of the Company's anti-corruption effort in protecting the Company from relevant threats arising from the weakness in the internal control system.

The Internal Audit department receives appropriate support, training and resources. This has benefited the audits and audit coverage and increased leverage through knowledge and best practices. All auditors have audit background. The Internal Audit department incurred costs of RM233,648 during the financial year ended 31 December 2023 (2022: RM126,738).

# AUDIT COMMITTEE REPORT (cont'd.)

## SUMMARY OF WORKS OF INTERNAL AUDIT

A summary of the work of the Internal Audit department carried out during the financial year under review encompasses the following:

- (i) Completed the audit assignments covering the Gaming and Leasing divisions.
- (ii) Played an active advisory role in the review and improvement of the existing system of internal controls of the Group.
- (iii) Audits covered mainly on the review of the following:
  - effectiveness and efficiency of operations;
  - adequacy of internal control systems;
  - compliance with internal policies, procedures, rules and regulation; and
- (iv) Ad hoc consulting and reviews.

The Internal Audit department also reported on the audit findings, implementation of control plans to mitigate risks identified and recommended corrective actions as discussed with senior management. The relevant timeline is set for implementation of action plans which were agreed upon to ensure strict adherence and a sound internal control system is in place and functioning adequately. All the corresponding audit reports with action plans and implementation status were presented to the Audit Committee for its review.

This Audit Committee Report has been approved by the Board of Directors on 23 April 2024.

# ADDITIONAL COMPLIANCE INFORMATION

## a) Utilisation of Proceeds

The Company did not carry out any corporate exercise to raise funds during the financial year.

## b) Audit Fees and Non-Audit Fees

The audit fees and non-audit fees paid or payable to the external auditors for the financial year ended 31 December 2023 are as follows:

Type	Company (RM)	Group (RM)
Audit Fees	174,000	455,000
Non-Audit Fees	11,000	11,000

## c) Share Options Scheme (ESOS)

The Company does not have any ESOS.

## d) Material Contracts

Save as disclosed below, there were no material contracts entered into between the Company or Olympia and its subsidiaries involving the Directors and major shareholders' interests still subsisting at the end of the financial year ended 31 December 2023 :-

- (i) Consortium agreement dated 14 February 2003 entered into between Olympia Properties Sdn Bhd ("OPSB"), a wholly-owned subsidiary of the Company and KH Estates Sdn Bhd ("KHE"), a wholly-owned subsidiary of DutaLand Berhad ("DutaLand") for the proposed development of four (4) parcels and six (6) parcels of land measuring approximately 32.3 and 41.14 acres in Mukim Batu, District of Kuala Lumpur, State of Wilayah Persekutuan acquired by the Company and DutaLand respectively from Kenny Height Developments Sdn Bhd ("KHD").

The common interested Directors in both Olympia and DutaLand are Tan Sri Dato' Yap Yong Seong and Dato' Sri Yap Wee Keat and the common interested major shareholders in the said companies are Tan Sri Dato' Yap Yong Seong, Dato' Sri Yap Wee Keat and Datuk Yap Wee Chun.

## ADDITIONAL COMPLIANCE INFORMATION (cont'd.)

**e) Recurrent Related Party Transactions of a Revenue or Trading Nature conducted pursuant to the Shareholders' Mandate approved at the 42nd Annual General Meeting held on 31 May 2023.**

Related Parties involved with Olympia Industries Berhad and/or its subsidiaries	Nature of Transaction	Relationship	Aggregate Value for financial year ended 31 December 2023 (RM'000)
DutaLand Berhad ("DutaLand") and its subsidiaries ("DutaLand Group")	Letting of office premises inclusive of parking space at basement parking in Menara Olympia	Tan Sri Dato' Yap Yong Seong ("TSDYYS") and Dato' Sri Yap Wee Keat ("DSYWK") are directors and major shareholders of DutaLand and Olympia Industries Berhad	807
Sri Aman Development Sdn Bhd ("Sri Aman")	Letting of office premises inclusive of parking space at basement parking in Menara Olympia	TSDYYS has 75% indirect interest in Sri Aman	109

# SUSTAINABILITY STATEMENT

## ABOUT THIS SUSTAINABILITY STATEMENT

Olympia Industries Berhad (“Olympia or “the Company”) is pleased to present its Sustainability Statement for the year 2023. This statement underscores Olympia and its subsidiaries (“the Group”) unwavering commitment to environmental responsibility and social impact through robust governance. Embracing a holistic approach, the Group strives to integrate sustainable practices into every facet of operations, from conscientious resource management in daily practices to engaging with the local community through various initiatives. Olympia minimises its ecological footprint and contributes positively to society.

Reporting Scope and Boundaries	<p>Unless otherwise stated, this Sustainability Statement discloses the sustainability performance for Olympia's two main revenue streams:</p> <ul style="list-style-type: none"> <li>• The Gaming Division: a wholly-owned subsidiary company operated by Lotteries Corporation Sdn Bhd (“LCSB”), with 40 outlets in 15 districts in Sabah</li> <li>• The Leasing Division: operated by a wholly-owned subsidiary, Dairy Maid Resort &amp; Recreation Sdn Bhd (“DMRR”), covering the office premises and car parks within Menara Olympia, Kuala Lumpur</li> </ul> <p>Olympia omitted the Property Development Division from this statement as operations had minimal development and impact.</p>
Reporting Period	Financial Year 2023 (“FY2023”), which is from 1 January to 31 December 2023
Reporting Cycle	Annually
Reporting Principles and Guidelines	<p><b>Principle Guideline:</b></p> <ul style="list-style-type: none"> <li>• Global Reporting Initiative (GRI) Universal Standards</li> </ul> <p><b>Additional Guidelines:</b></p> <ul style="list-style-type: none"> <li>• Bursa Malaysia's Sustainability Reporting Guide, including the Enhanced Sustainability Reporting Framework</li> <li>• United Nations Sustainable Development Goals (UNSDGs)</li> <li>• International Organization for Standardisation (ISO) 26000:2010 Guidance on Social Responsibility</li> </ul>
Relevance of Information Reported	<p>This comprehensive Sustainability Statement outlines the sustainability performance of Olympia's strategic businesses, focusing on crucial aspects of Environmental, Social and Governance (“ESG”) relevant to the Group. Olympia identified these areas during its materiality assessment, considering their potential impact on the Group and its day-to-day operations.</p>

# SUSTAINABILITY STATEMENT (cont'd.)

Reliability of Information Disclosed	<p>The Sustainability Working Group has assessed the content of this statement before obtaining approval from the Board. This multi-layered review process underscores commitment to transparency, accountability, and the credibility of the information presented in this sustainability disclosure.</p> <p>Olympia's Internal Auditor has reviewed five categories of the common indicators mandated by Bursa Malaysia for accuracy. They are: Anti Corruption, Diversity, Health and Safety, Labour Practices and Standards as well as Water.</p>
Feedback	<p>Olympia encourages stakeholders to provide support and offer feedback on its sustainability endeavours for continuous improvement. Please address any queries or share your comments to: <a href="mailto:olympia@oib.com.my">olympia@oib.com.my</a>. Your input is valuable in our ongoing commitment to enhance our sustainability efforts.</p>

## SUSTAINABILITY AT OLYMPIA

Our sustainability commitment surpasses compliance, focusing on integrating environmental, social and governance (ESG) factors into our core business strategies. Prioritising effective ESG risk management ensures long-term business resilience, actively seeks innovation and growth opportunities, and creates lasting stakeholder value.

### Components of Olympia's Sustainability

#### ESG Integration

Integrating ESG factors into decision-making is at the heart of our sustainability efforts. Addressing environmental challenges, fostering social responsibility and maintaining robust governance practices are integral to our success and contribute to the overall sustainability of business operations.

#### Risk Management

We prioritise proactive risk management by identifying and mitigating potential environmental and social risks to safeguard the long-term viability of operations and protect stakeholders' interests.

#### Opportunity Exploration

We actively seek ways to leverage sustainability as a driver of innovation, efficiency and growth.

#### Resilience and Long-term Perspective

Embracing sustainable practices safeguards us against short-term shocks, positioning us for long-term success.

#### Positive Contribution to Society and Environment

We design our sustainability initiatives beyond mere compliance as we strive to be a responsible corporate citizen.

#### Stakeholder Engagement

Sustainability is a collaborative effort, and engaging with stakeholders is fundamental to our approach.

# SUSTAINABILITY STATEMENT (cont'd.)

## Our Commitment

### For Our Customers

Tenants and gaming customers

- We create great customer value and experiences through quality development and services and a safe gaming experience.

### For Our Shareholders

Investors, including business partners

- We prioritise proactive risk management by identifying and mitigating potential environmental and social risks to safeguard the long-term viability of operations and protect stakeholders' interests.

### For Our People

Employees

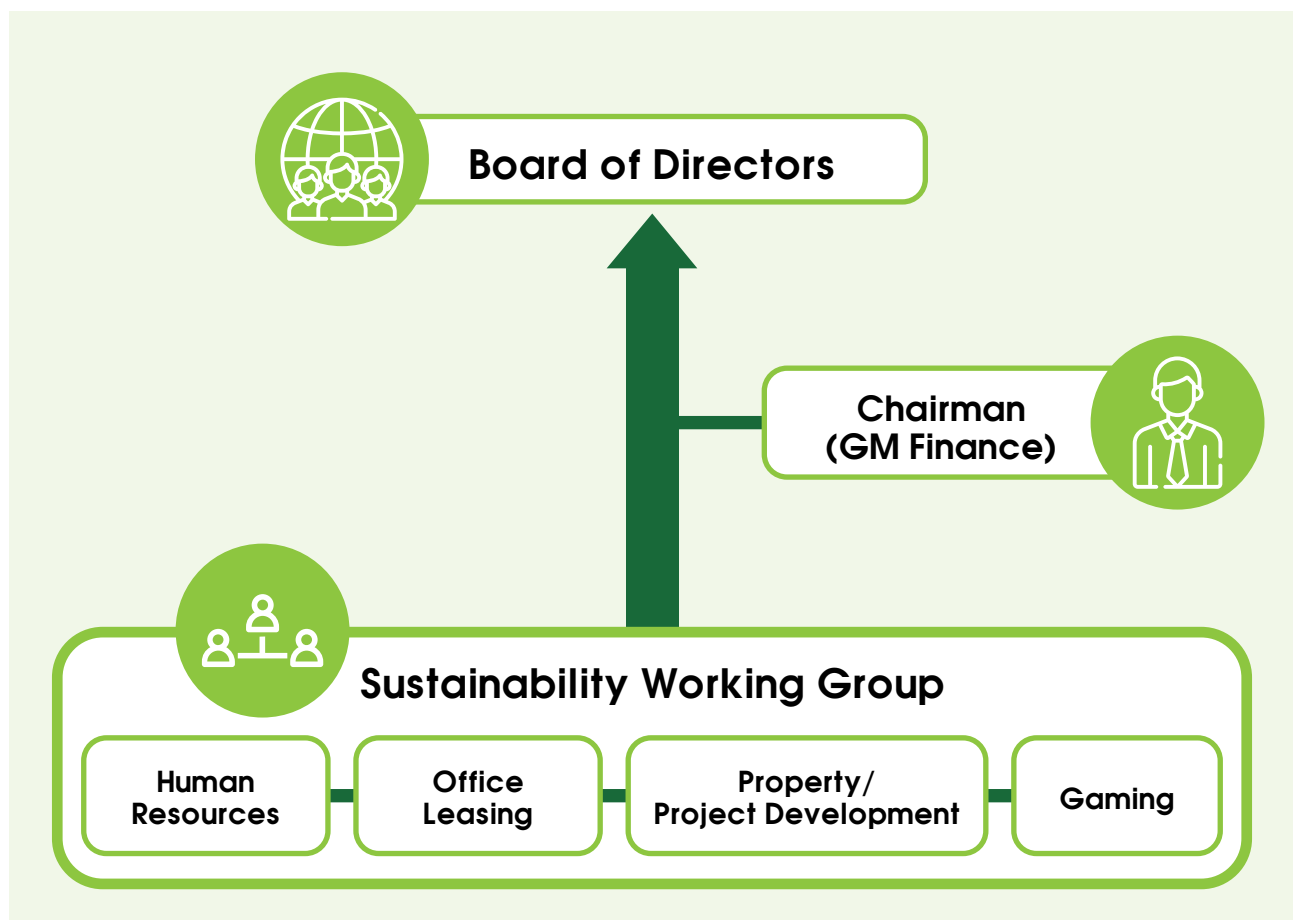
- We develop high-performing people and teams through rewarding opportunities.

### For Our Communities

The general public, the environment, suppliers, contractors and the local community

- We care for and contribute to the economic, environmental and social development of communities.

## SUSTAINABILITY STRUCTURE AND GOVERNANCE



# SUSTAINABILITY STATEMENT (cont'd.)

Olympia's Board of Directors ("Board") is the highest authority overseeing our sustainability initiatives. The Sustainability Working Group, under the leadership of the General Manager of Group Finance, is responsible for managing and implementing sustainability programmes and developing and executing our sustainability strategy.

The Sustainability Working Group comprises representatives from critical functions, including Group Human Resources, Office Leasing, Project Development and Gaming. The Board and senior management personnel are primary drivers within their respective fields of expertise, collectively and individually responsible for formulating and implementing the sustainability measures relevant to their areas.

The Sustainability Working Group plays a pivotal role in ensuring business consistency by:

- Implementing and overseeing sustainability strategies, goals, targets, and reporting processes
- Strengthening relationships with internal and external stakeholders
- Ensuring overall accountability; and
- Overseeing the progress of Board-approved initiatives and strategies during the implementation

## EXPLORING STAKEHOLDER DYNAMICS

Olympia recognises the critical role of stakeholder interactions in line with its commitment to sustainable value creation. Stakeholder engagement is essential for identifying areas of improvement and establishing robust sustainability expectations. Recognising the dynamic nature of our relationships with stakeholders, we prioritise continuous dialogue and collaboration. This approach ensures we address immediate concerns and proactively adapt to evolving needs and expectations. Olympia remains steadfast in fostering transparent and mutually beneficial engagement with stakeholders, aligning its efforts with sustainable practices, and contributing to the business's and local communities' enduring success.

### Engagement Mechanisms For Each Stakeholder Group

Stakeholder Groups	Their Expectations	Our Commitment	Methods of Engagement	Frequency of Engagements
Employees	<ul style="list-style-type: none"> <li>• Fair remuneration</li> <li>• Career development and progression opportunities</li> <li>• Work-life balance</li> <li>• Safe and conducive workplace</li> </ul>	<ul style="list-style-type: none"> <li>• A culture of respect, trust and mutual understanding fostered through open and positive relationships</li> </ul>	Performance appraisal	Annually
			Training programmes	Ad-hoc training when needed or changes to regulatory frameworks, standards and laws
		<ul style="list-style-type: none"> <li>• Learning and career development opportunities</li> <li>• Remuneration structures that provide fair rewards for contributions made</li> <li>• Recognition for excellence in individual and team performance</li> <li>• A safe, healthy and productive work environment</li> </ul>	Announcements of safety measures such as fire drills	Ad-hoc safety announcements
			Round-the-clock building security team and CCTV systems	24 hours daily

# SUSTAINABILITY STATEMENT (cont'd.)

## EXPLORING STAKEHOLDER DYNAMICS (cont'd.)

### Engagement Mechanisms For Each Stakeholder Group (cont'd.)

Stakeholder Groups	Their Expectations	Our Commitment	Methods of Engagement	Frequency of Engagements
<b>Senior management and Board of Directors</b>	<ul style="list-style-type: none"> <li>Stable and sustainable income distribution</li> <li>Solid financial performance</li> </ul>	<ul style="list-style-type: none"> <li>Balanced and fair senior management and board composition</li> <li>Guided by the principles set out in the Malaysian Code on Corporate Governance ("MCCG")</li> </ul>	EXCO & BOD meetings	The Board meets at least four times each year. The Board met five times in FY2023.
			Board Committee meetings	The respective Board Committees convened meetings between one and five times in FY2023.
			Internal department meetings	Ad-hoc
<b>Customers</b>	<ul style="list-style-type: none"> <li>Safety and security of premises</li> <li>Transparency</li> </ul>	Prioritising interests of customers across operations	Round-the-clock building security team & CCTV systems, clean and brightly lit outlets, walkways and hallways, and clear of obstructions	24 hours daily
<b>Government and Regulatory Authorities</b>	<ul style="list-style-type: none"> <li>Regulatory compliance</li> </ul> <p>Keeping up-to-date with policy and regulatory changes</p>	<ul style="list-style-type: none"> <li>Compliance with all relevant laws and regulations</li> <li>Contributing to the advancement of the industry and nation</li> </ul>	Direct dialogue to understand and address issues and changes to regulations and requirements	Ad-hoc
			Policy briefings	As and when necessary
			Consultation sessions and conferences	As and when necessary: Directors and senior management attended events held by regulatory or professional bodies.

# SUSTAINABILITY STATEMENT (cont'd.)

## EXPLORING STAKEHOLDER DYNAMICS (cont'd.)

### Engagement Mechanisms For Each Stakeholder Group (cont'd.)

Stakeholder Groups	Their Expectations	Our Commitment	Methods of Engagement	Frequency of Engagements
<b>Insurers</b>	• Solid financial performance	• Provision of transparent financial standing and outlook information	Annual report	Annually
	• Being updated on any changes to the circumstances of insured parties or assets	• A solid financial performance that guarantees the timely payment of insurance premiums	Renewal process	Upon insurance renewal
	• Timely payment of insurance premiums		Direct dialogue (claims, additions and exclusions)	Ad-hoc
<b>Creditors, contractors and suppliers</b>	• Fair treatment	• Long-term, mutually beneficial relationships	Review meetings	Periodically
	• Transparent procurement processes	• Impartial business decisions free from conflicts of interest		Direct dialogue
	• Prompt payment	• Transfer of experience and knowledge for mutual benefit		
<b>Shareholders and Investors</b>	• Stable and sustainable income distribution	• Continuous effort to maintain long-term stability and growth in shareholder value and return on investment	Annual general meetings ("AGM")	Annually
	• Solid financial performance	• Build and preserve the value of our capabilities and relationships	Extraordinary general meetings ("EGM") where applicable	The frequency of EGMs varies depending on Olympia's corporate exercises. There was no EGM held in FY2023.
	• Timely and transparent reporting	• Responsible management of investment and business risks		
	• Prudent risk management			
<b>Communities and Public</b>	• Creating a positive impact on the surrounding community	• Support long-term development in serving communities	CSR activities, festive celebrations and other community engagement	Once or twice a year
	• Responsible corporate citizen giving back to the community	• Active engagement in community activities		
		• Contribution to the development of social, economic and environmental community needs where operations are based		

# SUSTAINABILITY STATEMENT (cont'd.)

## EXPLORING STAKEHOLDER DYNAMICS (cont'd.)

### Engagement Mechanisms For Each Stakeholder Group (cont'd.)

Stakeholder Groups	Their Expectations	Our Commitment	Methods of Engagement	Frequency of Engagements
<b>Lenders and Financiers</b>	• Solid financial performance	• Sustainable financial position to maintain trust in the financial sector	Annual report submission	Annually
	• Compliance with loan covenants		Periodic bank covenant review process	Periodically
	• Timely loan principal and interest repayments, as agreed		Direct dialogue to address any concerns	Ad-hoc

## MATERIALITY MATTERS

Olympia strongly emphasises its materiality assessment, prioritising and addressing critical issues impacting stakeholders and the business. Meticulously evaluating the repercussions on various stakeholders and the Group enhances transparency throughout our operations. This systematic process ensures that Olympia precisely tailors its sustainability initiatives to address the most pressing concerns, aligning efforts with the paramount aspects of the business and societal impact. Employing this methodical approach fosters transparency and helps the Group make informed decisions that contribute significantly to the long-term success and sustainability of Olympia.

### THE METHODOLOGY

Olympia conducted a materiality assessment during the fourth quarter of FY2023. Engaging a third-party consultant ensured the confidentiality of respondents. Olympia administered a survey to all stakeholders to ascertain the relevance and importance they place on 19 areas of sustainability.

The respondents used a 5-point Likert Symmetric Scale, ranging from “very unimportant” (1) to “very important” (5), with a midpoint of (3) denoting neutrality. The Board and Senior Management Team actively participated in a similar survey, contributing valuable insights to Olympia’s comprehensive understanding.

# SUSTAINABILITY STATEMENT (cont'd.)

## Stakeholder Groups Involved in Olympia Materiality Study 2023



The Group ensures its sustainability practices contribute to local stakeholders and broader goals. The following table maps each material matter against the GRI and corresponding UNSDGs.













## Description of Materiality Study Topics

Topic	What We Do	Corresponding GRI	Corresponding UNSDGs
<b>Economic</b>			
Strategic Direction	Clear conviction of purpose/direction from the top, together with a unified chain of command	<ul style="list-style-type: none"> <li>Economic Performance</li> <li>Market Presence</li> </ul>	
Supply Chain Management	Integrating environmentally and socially viable practices into the complete supply chain lifecycle	<ul style="list-style-type: none"> <li>Procurement</li> </ul>	
Business Continuity & Sustainability	Integrating sustainability into business strategy and operations, supported by sound underlying fundamentals/financials	<ul style="list-style-type: none"> <li>Economic Performance</li> <li>Indirect Economic Impacts</li> <li>Market Presence</li> </ul>	
Economic Performance	Strategically optimising economic performance as part of the Company's commitment to long-term value creation	<ul style="list-style-type: none"> <li>Economic Performance</li> </ul>	

# SUSTAINABILITY STATEMENT (cont'd.)

## MATERIALITY MATTERS (cont'd.)



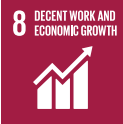


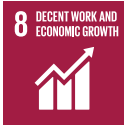






### Description of Materiality Study Topics (cont'd.)

Topic	What We Do	Corresponding GRI	Corresponding UNSDGs
<b>Integrity, Governance &amp; Risk Management</b>	Strict adherence to a robust framework aligned with regulatory requirements, cultivating a culture characterised by transparency, accountability and ethical business practices	<ul style="list-style-type: none"> <li>• Anti-corruption</li> <li>• Anti-competitive behaviour</li> </ul>	 
<b>Environment</b>			
Resource Efficiency	Environmental stewardship, focusing on water and energy efficiency across all business divisions	<ul style="list-style-type: none"> <li>• Materials</li> <li>• Energy</li> <li>• Water and Effluents</li> </ul>	 
Waste Management	Minimising food waste, packaging and other types of waste and recycling whenever possible	<ul style="list-style-type: none"> <li>• Water and Effluents</li> </ul>	
Climate Change Management	Addressing climate change effectively by implementing initiatives that mitigate environmental impact and reduce emissions	<ul style="list-style-type: none"> <li>• Energy</li> <li>• Emissions</li> </ul>	
Environmental Programmes	Implementing environmental initiatives through collaborative efforts with employees and various other stakeholders to raise awareness and skill levels	<ul style="list-style-type: none"> <li>• Energy</li> <li>• Water and Effluents</li> <li>• Waste</li> <li>• Biodiversity</li> </ul>	   
<b>Social</b>			
Diversity, Inclusion & Non-discrimination	Promoting diversity and equal opportunities and eliminating all forms of discrimination in the workplace	<ul style="list-style-type: none"> <li>• Employment</li> <li>• Diversity and Equal Opportunity</li> <li>• Non-discrimination</li> </ul>	 

# SUSTAINABILITY STATEMENT (cont'd.)

## MATERIALITY MATTERS (cont'd.)







### Description of Materiality Study Topics (cont'd.)

Topic	What We Do	Corresponding GRI	Corresponding UNSDGs
Community Engagement	Supporting local communities through charity contributions and Corporate Social Responsibility initiatives	<ul style="list-style-type: none"> <li>Local Communities</li> </ul>	
Human Rights	Ensuring the protection of all dimensions of human rights, encompassing the prevention of child and forced labour, promoting fair treatment, and establishing reasonable work hours	<ul style="list-style-type: none"> <li>Non-discrimination</li> <li>Freedom of Association and Collective Bargaining</li> <li>Child Labour</li> <li>Forced or Compulsory Labour</li> </ul>	  
Career Growth & Talent Development	Providing training and education to employees to expand their knowledge base for career development	<ul style="list-style-type: none"> <li>Employment</li> <li>Training and Education</li> </ul>	 
Occupational Health & Safety	Keeping all workers safe and free from injury	<ul style="list-style-type: none"> <li>Occupational Health and Safety</li> </ul>	
Public Safety	Ensuring a secure environment for customers, tenants, residents and the public at our properties, assets, outlets and buildings	<ul style="list-style-type: none"> <li>Customer Health and Safety</li> </ul>	 
Elevated Value-added Offerings & Infrastructure Excellence	Ensuring the highest standards of infrastructure development at our properties and assets for optimal satisfaction among residents and tenants by delivering top-notch facilities and services	<ul style="list-style-type: none"> <li>Customer Health and Safety</li> </ul>	
Customers Satisfaction	Ensuring high levels of satisfaction through continuous monitoring and active engagement	<ul style="list-style-type: none"> <li>Customer Health and Safety</li> </ul>	 

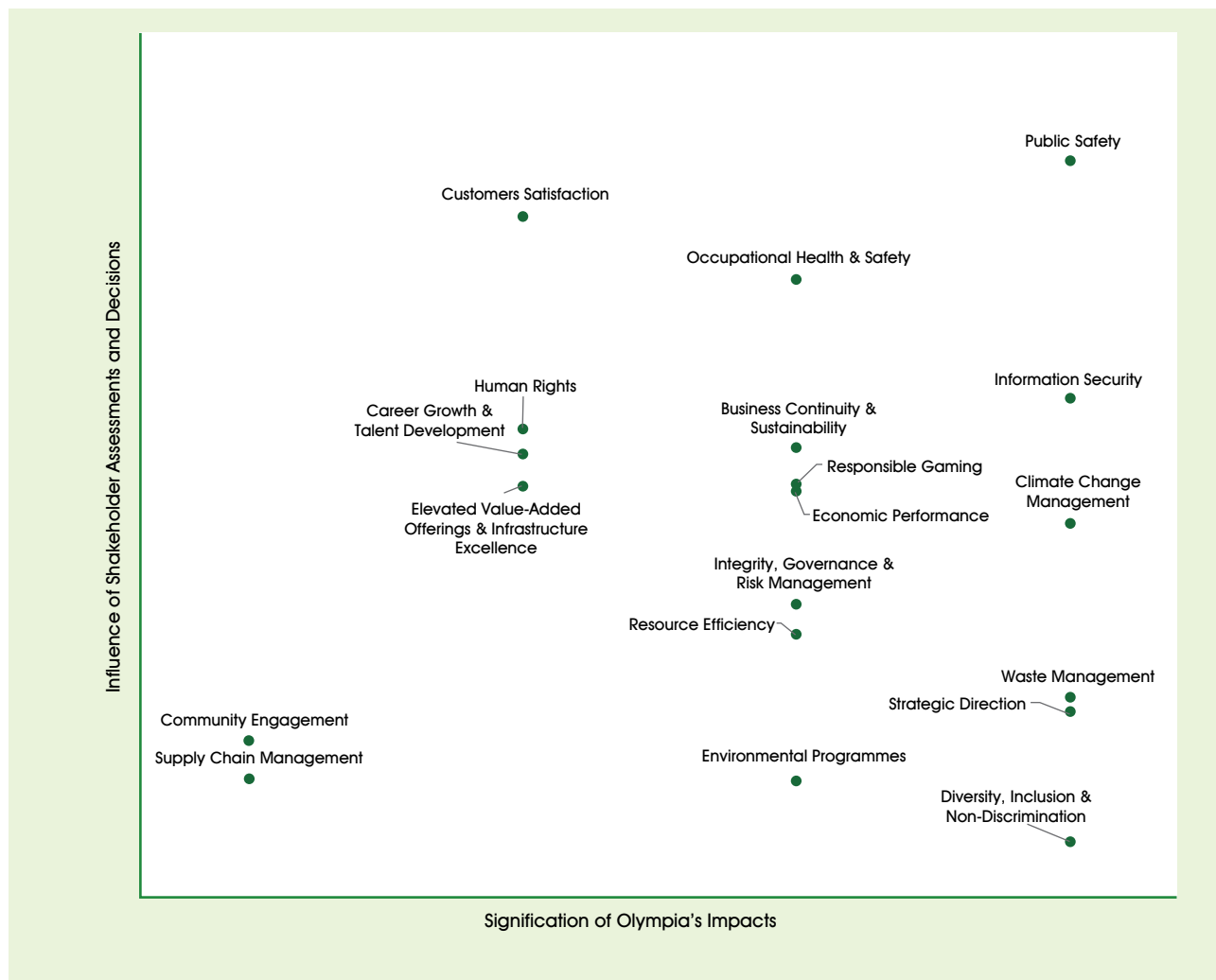
# SUSTAINABILITY STATEMENT (cont'd.)

## MATERIALITY MATTERS (cont'd.)

### Description of Materiality Study Topics (cont'd.)

Topic	What We Do	Corresponding GRI	Corresponding UNSDGs
Responsible Gaming	Promoting a safe gaming experience while actively combating illegal gaming activities	<ul style="list-style-type: none"> <li>Customer Health and Safety</li> </ul>	  
Information Security	Protecting all information, including confidential business data, employee information and customers' data privacy	<ul style="list-style-type: none"> <li>Customer Privacy</li> </ul>	  

### Materiality Matrix



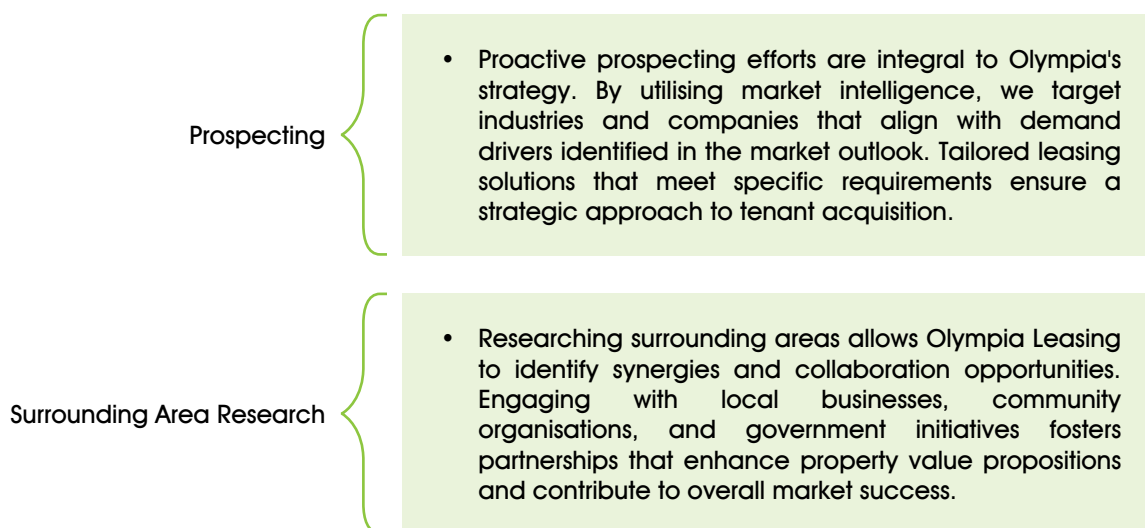
# SUSTAINABILITY STATEMENT (cont'd.)

## ECONOMIC SUSTAINABILITY

Olympia champions economic sustainability by contributing to the nation and leasing and gaming industries. The Group fosters growth and competitiveness through innovative leasing solutions and cutting-edge gaming enterprise. Our commitment to responsible business practices enhances our reputation, adding stakeholder value. The dual commitment to industry excellence and national progress ensures Olympia has a lasting impact, providing tangible economic benefits to stakeholders while contributing to overall sustainability.

### FUTURE-FORWARD LEASING: NAVIGATING OPPORTUNITIES IN THE EVOLVING OFFICE MARKET

The Klang Valley office market is poised for stability and gradual recovery, driven by sustained demand from sectors such as technology, finance and professional services. Olympia recognises the significance of aligning its leasing strategy with market dynamics to optimise building occupancy rates and leverage emerging opportunities.



Integrating leasing strategies informed by the market outlook helps Olympia effectively position its assets to capitalise on emerging trends, attract high-quality tenants and optimise building occupancy rates for sustained success in the Klang Valley office market.

New government initiatives to attract venture capital and foster startup incubation, combined with the increasing presence of major multinational corporations in the Klang Valley, are expected to generate additional interest and activity in the office market.

# SUSTAINABILITY STATEMENT (cont'd.)

## ECONOMIC SUSTAINABILITY (cont'd.)

### NAVIGATING POLICY CHANGES: IMPACTS ON OPERATIONS AND SUSTAINABILITY

The government introduced several new policies that pose imminent challenges for businesses, including:

- Amendments to the Employment Act
- Increased service taxes
- Mandatory compliance with the Anti-Money Laundering Act ("AMLA")
- Implementing e-invoicing

Olympia expects these changes to elevate operational costs for companies in the upcoming financial year and beyond. Adapting to and mitigating the impact of these policy shifts becomes crucial in sustainability. Sustainable business practices involve environmental considerations and economic and social dimensions.

As we navigate these policy changes, incorporating sustainability measures can increase resilience, reduce overall impact, and contribute to long-term economic and social well-being.

## SUSTAINABLE SUPPLY CHAIN

Olympia emphasises a sustainable and responsible supply chain, embodying ethical values, fair labour practices and environmental awareness. The Group's commitment extends throughout the extended supply chain by promoting social responsibility, fair treatment and transparent collaboration with suppliers and tenants. Olympia strategically manages supply chain risks within its sectors.

Olympia's thorough tenant vetting process in its leasing division only leases office premises to legitimate business owners registered with the Companies Commission of Malaysia ("SSM"). These stringent checks mitigate risks related to tenant credibility and financial stability.

Regulatory changes and technological advancements can impact operations in the gaming sector. Olympia stays vigilant, regularly updating its strategies to adapt to evolving industry dynamics. Proactive risk assessment and continuous monitoring help Olympia effectively navigate potential challenges, safeguard operations and maintain a resilient supply chain.

## SUPPLIER DIVERSITY

Olympia places a strong emphasis on nurturing a vibrant local supply chain ecosystem. Our commitment to local suppliers and tenants is integral to sustaining regional economic growth. We prioritise sourcing goods and services locally whenever feasible. This approach not only bolsters the resilience of the local economy but also fosters stronger community connections. Prioritising local tenancy creates a dynamic and mutually beneficial environment, ensuring that spaces serve as vibrant hubs for local enterprise and contribute positively to the community's overall well-being.

In 2023, the leasing and property development divisions spent 100% of their expenditure locally. Our headquarters also spent 100% on local vendors.

During the year, the Gaming division spent 93.8% of its revenue and channelled the remaining 6.2% to spending on foreign suppliers. We directed the latter to a gaming developer in Australia to maintain the gaming system. This developer also examines all software-related modifications, enhancements and other value-added solutions.

# SUSTAINABILITY STATEMENT (cont'd.)

## ECONOMIC SUSTAINABILITY (cont'd.)

### SUSTAINABLE SUPPLY CHAIN (cont'd.)

#### SUSTAINABILITY DEMANDS ON SUPPLIERS

Promoting sustainability across operations is a top priority. All suppliers must comply with our sustainability requirements in their operations, including environmental and social work demands.

Close collaboration with suppliers and aligning their practices with our sustainability standards fosters a responsible supply chain. Long-term partnerships are pivotal in shaping Olympia's sustainable supply chain strategy.

Engaging with suppliers facilitates exchanging ideas and collectively addresses industry-wide environmental and social issues. During regular engagement, we raise awareness of environmental consciousness and workplace safety, urging suppliers to operate sustainably and prioritise the well-being of their employees.

#### ENVIRONMENTAL SUPPLY CHAIN

The Group is committed to its supplier sourcing assessment processes, which include social and environmental elements such as reducing greenhouse gas emissions, energy and water conservation within the value chain and compliance with the applicable environmental laws and regulations.

We invite suppliers to join us on our green journey and encourage them to monitor, record, report and share their environmental performance and impact reduction. We also encourage them to minimise their impact on biodiversity and pollution and practise resource waste reduction.

#### SOCIAL SUPPLY CHAIN

Social responsibility in a supply chain concerns suppliers protecting and fairly treating those working indirectly. Major supply chain partners must adhere to all social standards stipulated by Malaysian Labour Law and the International Labour Organisation ("ILO").

## ETHICS AND INTEGRITY

We adhere to the highest ethical business standards and have established a comprehensive ethics and compliance framework to navigate increasingly intricate regulatory requirements. Fostering a culture of integrity ensures Olympia's staff conduct remains beyond reproach, actively contributing to a corruption-free working environment.

### Governance

- Our Code of Business Conduct and Ethics is at the core of our ethical practices. Conducting an annual exercise ensures that all personnel are familiar with, understand, and subscribe to our Code.
- Olympia's Anti-Corruption and Bribery Policy is a comprehensive framework that delineates the management approaches and measures implemented to prevent, identify and address issues related to bribery and corruption within the organisation. The policy is a strategic guide for maintaining the highest integrity and ethical conduct standards.

# SUSTAINABILITY STATEMENT (cont'd.)

## ECONOMIC SUSTAINABILITY (cont'd.)

### ETHICS AND INTEGRITY (cont'd.)

#### Preventive Measures

- Stringent vetting processes for business partners and vendors ensure they adhere to our ethical standards. The policy also establishes clear guidelines on gifts, hospitality and conflicts of interest to eliminate situations that may encourage corrupt practices.

#### Identification Mechanisms

- Regular risk assessments and audits help detect potential red flags or irregularities in business transactions. A confidential reporting mechanism encourages employees to report any suspected corrupt activities without fear of reprisal.

#### Incidents Management

- Handling procedures encompass a thorough investigation process for reported incidents. Involving legal and compliance experts ensures fair and just outcomes. Olympia may take disciplinary actions, including termination and legal proceedings, against individuals guilty of corrupt practices.

#### Awareness

- Awareness initiatives are crucial components of Olympia's strategy. The Group conducts communication to educate employees about the nuances of anti-corruption policies, emphasising the importance of ethical behaviour in all business dealings.

## WHISTLEBLOWING

Olympia's dedicated whistleblowing channel facilitates reporting any breaches of the Code of Conduct. We encourage individuals to report such breaches directly to the Chairman of the Audit Committee. This reporting mechanism ensures transparency and accountability in upholding our ethical standards. Reports submitted are automatically forwarded to the Group Managing Director and the Company Secretary, ensuring a swift and comprehensive response.

Confidentiality is a top priority; we maintain a stringent policy against retaliation for reports made in good faith.

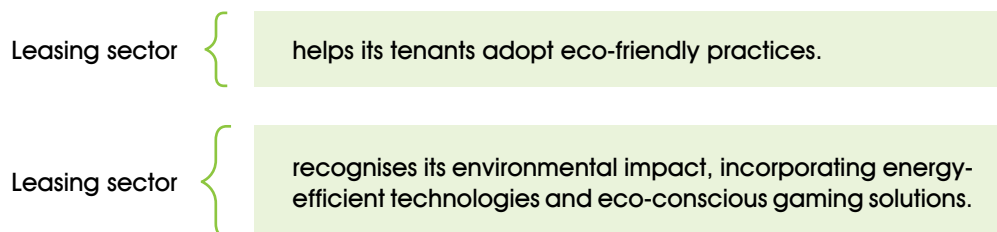
The Group diligently undertakes, reviews, and, if necessary, investigates alleged violations or misconduct. Maintaining this robust whistleblowing framework allows Olympia to continually strengthen ethical practices and foster a culture of integrity within the organisation.

# SUSTAINABILITY STATEMENT (cont'd.)

## ENVIRONMENTAL SUSTAINABILITY

Olympia demonstrates a steadfast commitment to environmental sustainability by seamlessly integrating eco-friendly practices throughout operations. The Group minimises its ecological footprint by embracing energy-efficient practices, implementing waste reduction initiatives and promoting responsible resource management.

Cultivating environmental consciousness across its diverse business sectors contributes to a healthier planet aligned with evolving consumer expectations and global sustainability goals.



## ECO-FRIENDLY SUPPLY CHAIN

Integrating sustainable practices within the supply chain mitigates the detrimental environmental and social impacts of business activities. This commitment involves a strategic approach to sourcing, focusing on procuring recycled products and materials from sustainable and responsible suppliers whenever available. Incorporating sustainability into every facet of our supply chain helps us contribute positively to the environment and society, aligning business practices with a long-term commitment to ecological responsibility.

## ENERGY AND EMISSIONS MANAGEMENT

Efficient energy management promotes sustainability and mitigates environmental impact. Menara Olympia minimises its carbon footprint and operational costs by adopting energy-efficient practices.

Incorporating energy-efficient devices and smart building technologies underscores our ongoing commitment to a more environmentally friendly future. Real-time monitoring and analysis of energy consumption patterns facilitate informed decision-making, ensuring cautious use of resources. Cultivating a culture of energy awareness among tenants and stakeholders encourages collective responsibility. Implementing innovative energy management strategies helps Olympia align its environmental stewardship with financial efficiency.

Menara Olympia's age, spanning several decades, and architectural characteristics potentially contribute to significant global greenhouse gas emissions and climate change if managed improperly.

Pursuing avenues to improve energy and resource efficiency in day-to-day operations demonstrates steadfast dedication to sustainability. We are committed to implementing proactive measures to mitigate the environmental impact associated with ageing structures. For example, we consistently address two main contributors to greenhouse gas emissions, electricity and diesel usage, by:

- Assessing the building's management systems and processes
- Working closely with tenants to identify energy conservation initiatives

# SUSTAINABILITY STATEMENT (cont'd.)

## ENVIRONMENTAL SUSTAINABILITY (cont'd.)

### ENERGY AND EMISSIONS MANAGEMENT (cont'd.)

#### Ongoing Energy Efficiency Activities



Lighting upgrades



Maintaining air-conditioning systems at our leasing properties and gaming outlets



Optimising ventilation systems



Prioritising investments in more efficient equipment and behavioural change programme

The company, headquartered in Menara Olympia, has transitioned to using LED lighting, ensuring that all lighting replacements within the premises are energy-efficient LEDs.

Our Leasing division is working on the following initiatives:

- Implementing chilled water reset with cascading control
- Scheduling chiller operations in 15-minute intervals
- Scheduling Air Handling Units (AHUs) linked to Energy Saving Mode 7 (ESM7)
- Adjusting AHU return temperature linked to the Building Automation System (BAS) upgrade
- Optimising AHU operations with the existing Variable Speed Drive (VSD) setting adjusted to 42.5 Hz
- Installing motion sensors/lux sensors for low-traffic areas
- Application of Variable Speed Drives (VSDs) on cooling tower fans.
- Implementing VSDs on pumping systems (Chilled Water Pump & Condenser Water Pump)
- Upgrading to a High-Efficiency (HE) chiller plant
- Converting Water Cooled Package Units (WCPUs) to Air Handling Units (AHUs)

Olympia's Board plays a pivotal role in sustainability governance, is monitoring and addressing significant ESG risks, with particular attention to those associated with climate change. This proactive approach involves ongoing assessments, strategic planning, and adaptation to ensure Olympia remains resilient to environmental challenges.

# SUSTAINABILITY STATEMENT (cont'd.)

## ENVIRONMENTAL SUSTAINABILITY (cont'd.)

### SCOPE 3: EMPLOYEES COMMUTING

Significant CO<sub>2</sub> emissions result from employees travelling to and from the office. In FY2023, Olympia began estimating the total annual emissions produced by the entire workforce's daily commute. Olympia will track these emissions annually.

Olympia launched a survey to estimate the:

- Travel methods, such as bicycle, LRT and own vehicle
- Approximate total daily distance travelled each day to work and back
- The type, age, engine size and type of fuel used if employees used their vehicles

The survey was conducted online by an external consultant. All employees were encouraged to respond.

Olympia calculated the emissions for each respondent using the emission factors from cross-sector tools by the GHG Protocol. Employees work an estimated average of 242 days annually and Olympia used this information to estimate its annual emissions.

Method of Transport	Employees distribution by travel methods	Estimated Total Annual Distance (km) Of Commuting	Total Yearly Emissions (tCO <sub>2</sub> e) of Olympia
Own Vehicle	138	655,424	155.64
LRT	14	53,504	5.44
Total	152	708,928	161.08

In 2023, Olympia employees travelled an estimated 708,928 km to and from work. The total yearly CO<sub>2</sub> emissions for employees commuting in 2023 was 161 tonnes.

## HEALTHY BUILDING

Our building can significantly impact employees' health, well-being and the environment. Olympia prioritises sustainable equipment and furnishings, ergonomic workstations and features that optimise natural lighting. Improving indoor air quality, natural light and thermal comfort while addressing lighting and acoustics maximises the employees' overall comfort. Regular tenant surveys and assessments allow us to monitor and maintain indoor environmental metrics.

## WASTE MANAGEMENT

Olympia responsibly manages operational waste generated and integrates waste management strategies into its environmental management system.

# SUSTAINABILITY STATEMENT (cont'd.)

## ENVIRONMENTAL SUSTAINABILITY (cont'd.)

### WASTE MANAGEMENT (cont'd.)

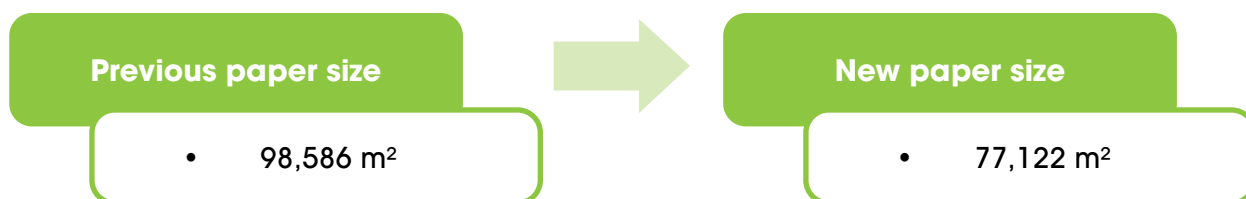
#### Primary Waste Types Generated by Divisions



Tenants and the general public are responsible for most of our leasing division's waste. Actively engaging with these stakeholders through various channels promotes waste reduction and recycling.

Our Gaming division faces challenges posed by using thermal paper as lottery tickets. Thermal paper printing uses heat instead of ink, similar to many receipts, printing lottery tickets almost instantly. Barcode scan ability, high-temperature stability, and moisture resistance offered by thermal papers are the factors that contribute to its high traction in the gaming industry.

Our Gaming Division has successfully reduced waste production by implementing changes to the size and spacing of tickets. In 2023, we used 5,702 rolls of the old type ticket-roll, covering 7.38 square meters each, compared to 12,396 rolls in 2022. Additionally, we utilised 8,218 rolls of the new type ticket-roll, covering 4.26 square meters each, a significant increase from 1,666 rolls in 2022. This represents a phased reduction of 54% in the usage of old type rolls and an impressive 393% increase in the usage of new type rolls. Consequently, despite a 1% increase in sales, our overall thermal paper use decreased by 22%.



Olympia has implemented a change where lottery results are no longer printed by default. Instead, individuals can access them through our website or request to view results boards at our stores. Additionally, during this financial year, the Group has commenced the installation of new ticket-issuing terminals equipped with updated ticket rolls.

### WATER MANAGEMENT

As a leasing and gaming industry operator, Olympia's water usage is minimal, primarily for daily necessities such as cleaning and flushing. Operations are not in water-stressed areas; however, our water management approach prioritises responsible resource usage. Regularly monitoring water consumption helps us to identify and address potential leaks promptly.

We have implemented water-saving solutions at Menara Olympia and other operational sites to fortify water conservation. We actively reduce our reliance on potable water, continually formulating strategies to minimise our freshwater consumption.

# SUSTAINABILITY STATEMENT (cont'd.)

## SOCIAL SUSTAINABILITY: OUR PEOPLE

Olympia does not confine sustainability to basic eco-friendly measures; it represents our unwavering commitment to cultivating a dynamic, multifaceted workplace. We promote diversity, talent management, safety and inclusion. A moderately sized workforce works to our advantage, allowing us to prioritise each employee's effective management and development meticulously. This approach fosters an environment that celebrates diversity, recognising and nurturing individual talents. Prioritising safety and ensuring everyone feels included contributes to the overall sustainability and vibrancy of the workplace.

## INCLUSION AT THE HEART OF OLYMPIA'S CULTURE

Maintaining a team with differing perspectives is crucial as we engage with diverse tenants, customers and communities. Celebrating employees' distinctive backgrounds, perspectives, and talents creates a workplace where everyone feels valued. Embracing diversity, we weave a rich tapestry of experiences, ideas and innovation. Inclusion is an objective and fundamental principle that ensures we hear every voice. Each individual contributes to our success, fostering a vibrant and inclusive community at Olympia.

## COMPETITIVE COMPENSATION, WORK-LIFE BALANCE

Olympia fairly compensates its employees, regardless of gender, race or ethnicity. We routinely recognise outstanding performance and offer compensation programmes that attract and retain talent. Employees receive competitive remuneration packages with various benefits and opportunities for advancement.

During the previous year 2022, we have revamped our benefits and compensation packages to include dental, optical and fitness claims. Olympia offers excellent flexibility to meet personal and family needs and work diligently to comply with all applicable labour and employment laws.

## EQUAL OPPORTUNITIES

Our Employee Handbook explicitly outlines our commitment to equal opportunity. Every staff member is treated with the utmost respect and dignity, ensuring equal opportunities for employment, training, and career advancement. Conducting a structured annual performance and development review helps to maintain an objective approach.

We carefully design our remuneration and promotion packages to guarantee fair and equitable rewards for all employees. Reviewing employment terms and conditions regularly and comparing them with industry peers will enable us to remain competitive and inclusive in our workplace practices.

# SUSTAINABILITY STATEMENT (cont'd.)

## SOCIAL SUSTAINABILITY: OUR PEOPLE (cont'd.)

### TALENT MANAGEMENT

The Group prioritises the comprehensive career development of its employees through a blend of internal and external training opportunities. We actively encourage and support continuous upskilling, providing avenues for certifications, qualifications, and personal development.

Our commitment extends beyond traditional pathways, fostering a dynamic learning environment that empowers employees to expand their skills and knowledge. Whether through in-house programmes or external collaborations, we create a robust platform for professional growth. This holistic approach equips employees to thrive in their roles, contributing to personal and organisational success in the ever-evolving landscape of our industries.

Examples of training programmes attended by employees in 2023 include:

- Managing and Processing Payroll in Malaysia
- Mind Mapping for Professionals
- Basic Python for Data Analytics
- Board of Director Leadership Effective Climate Governance
- Revitalising Governance towards Sustainability
- Budget 2024's Impact on Business
- Sustainability and Climate Change Disclosure Requirements

### HEALTH AND SAFETY

Olympia places paramount importance on health and safety, demonstrating an unwavering commitment to establishing a secure and safe environment for work and visits. Comprehensive measures prioritise the well-being of employees, tenants and visitors.

Our Occupational Safety and Health Policy delineates comprehensive safety and health standards in the workplace, encompassing job hazard analysis, safe working procedures, safety training and accident prevention. Aligning these policies with relevant occupational health and safety laws and regulations delivers a holistic and compliant approach to health and safety across all operations. These policies apply to our workforce and extend to suppliers and vendors where appropriate.

Before appointing contractors, we communicate our expectations to contractors and third-party workers operating at our sites. Each contractor must possess a valid Permit to Work (PTW), mandating compliance with pertinent laws such as the Occupational Safety and Health Act 1994, Factories and Machinery Act 1967, and other relevant government agency regulations.

We deliver several safety training programmes to raise employee awareness and reduce workplace accidents, prioritising individual responsibilities and safety roles. Previous sessions included collaborative safety training with the Fire and Rescue Department of Malaysia (BOMBA), fire evacuation drills, and table talks.

Building maintenance is vital, given our role in the leasing industry. We meticulously verify the validity of our building certifications and licenses, which include the Certificate for Occupation, DBKL Building Inspection Certification, and certificates from BOMBA for generator sets, escalators and lifts. Our commitment extends to regular audits, ensuring compliance with all requirements for each aspect of our operations.

# SUSTAINABILITY STATEMENT (cont'd.)

## SOCIAL SUSTAINABILITY: OUR PEOPLE (cont'd.)

### HEALTH AND SAFETY (cont'd.)

#### WELFARE AND WELLNESS INITIATIVES

The Group's safety and health commitment also promotes a healthy mind. Olympia prioritises the wellness and well-being of its employees by enhancing its benefits package, including health and wellness benefits, such as incentives for enrolling in exercise classes and sponsoring gym memberships. Staying active boosts the mental and physical well-being of our staff. The Group's recently introduced Employee Wellness Plan that covers all employees' outpatient medical, dental, optical and fitness plans.

Olympia organised several employee welfare and engagement activities to foster a healthy working environment, such as company dinners, luncheons, festive celebrations, gatherings and regional meetings.

## RESPECTING HUMAN RIGHTS

Olympia respects people's fundamental dignity and human rights when doing business. The Group's values, supplier code, code of business conduct, ethics and underlying policies support this commitment. The Group aligned its human rights practices with the following international standards:

- The International Bill of Human Rights
- The Universal Declaration of Human Rights
- The Declaration on Fundamental Principles and Rights at Work of the International Labour Organisation (ILO)
- The United Nations (UN) Guiding Principles on Business and Human Rights

The Code of Conduct and Ethics summarises Olympia's human rights practices. The Group requires suppliers to adhere to these high standards.

### Our Human Rights Standards, Policies, Principles and Commitment Statement

Health, safety and well-being	Olympia prioritises health and safety first and delivers specific workplace safety programmes for all employees. Establishing employee healthcare programmes also provides healthcare and well-being assistance to employees and their families.
Non-discrimination	Olympia respects cultural and individual diversity and promotes inclusiveness. People are treated fairly, based on the principle of non-discrimination, without distinction according to race, colour, gender, sexual orientation, religion, nationality or social origin, age, disability and other defining factors — The employment, reward and promotion in Olympia is based on the principle of equal opportunity.
No harassment or violence	Olympia does not tolerate physical, verbal, sexual or psychological harassment, bullying, abuse or threats.

# SUSTAINABILITY STATEMENT (cont'd.)

## SOCIAL SUSTAINABILITY: OUR PEOPLE (cont'd.)

### Our Human Rights Standards, Policies, Principles and Commitment Statement (cont'd.)

Child protection	The Group adheres to the Employment Act 1955 on the minimum age for admission to employment.
Freedom of association and the right to collective bargaining	Olympia adheres to the local law on freedom of association and collective bargaining. The Group acknowledges employees' freedom of choice to be legally represented by a labour union without fear of retaliation.
No forced labour	All employees must work freely, be familiar with the terms and conditions of their work, and receive regular and timely salaries as agreed upon.
Fair Pay and Remuneration	Olympia adheres to local laws on minimum wage and commits to paying above the minimum living wage. The Group upholds 'equal pay for equal work' whereby the principle of equal remuneration for work of equal value must be respected when setting different minimum wages.
Rest and Leisure	The Group recognises the right to rest and leisure and will always comply with local laws and regulations on reducing working hours and overtime and ensuring adequate rest.

## SOCIAL SUSTAINABILITY: OUR COMMUNITY

Olympia takes pride in fostering a meaningful relationship with society, actively giving back by engaging in community services and addressing the unique needs of local communities. Leveraging our strength and resources through initiatives such as donations, sponsorships, and corporate volunteer services promotes positive impacts locally. We aim to contribute meaningfully to the well-being and development of the communities we serve.

We welcome our stakeholders to join us on our community-giving journey. As part of our ongoing commitment, we strategically placed 40 donation boxes in gaming outlets across Sabah, raising a total of RM5,102 in 2023. The funds supported Special Olympics Sabah and Red Crescent Sabah.

This year, the Gaming Division also embarked on charity and donation visits to various locations, including:

- San Damiano Covent Hostel at Kiulu (RM3,975) which provides residential care for some 70 underprivileged children
- St. Theresa Hostel at Kota Marudu (RM3,975), which accommodates 54 children from the rural area seeking refuge and care
- Monfort Youth Training Centre at Kinarut (RM5,000), which provides soft skill training for the youth students

These institutions face resource shortages and primarily depend on donations from churches and the public. Olympia's comprehensive contributions comprised food items, kitchen utensils, equipment, ceiling fans and financial aid donations. Providing material and monetary assistance alleviated some challenges these institutions encounter, improving the well-being of those they serve.

# SUSTAINABILITY STATEMENT (cont'd.)

## RESPONSIBLE OPERATIONS

Responsible operations are the cornerstone of a sustainable business. Ultimately, our objective is clear: to deliver value that exceeds the expectations of our shareholders, tenants and customers, enriching their overall experience with us. Committed to compliance, we adhere to laws and regulations, upholding ethical standards. Focusing on delivering unparalleled value ensures satisfaction, fostering enduring relationships built on trust and integrity within the Olympia community.

## CYBERSECURITY AND DATA PRIVACY

Navigating the realms of leasing and gaming in this digital age, Olympia recognises the importance of cybersecurity and data privacy. In addition to adhering to the Personal Data Protection Act (PDPA), this year we implemented Multi-Factor Authentication (MFA) to provide an additional layer of security for email logins. MFA mandates users to provide two or more forms of authentication before accessing their email accounts, combining something they know (like a password) with something they possess (such as a mobile device or security token). This strategic implementation bolsters email security, reducing the risks associated with unauthorised access, credential theft and phishing attacks.

Recently, we renewed the acquisition of an endpoint security solution, a comprehensive cybersecurity tool that shields various endpoints like desktops, laptops, mobile devices, and servers from diverse security threats. This solution protects against malware, ransomware, phishing attacks and other malicious activities. Advanced features comprise real-time threat detection, application control, device control, data encryption and remote management capabilities. The Group renewed this acquisition to fortify its overall cybersecurity stance, reinforcing protection for network endpoints and safeguarding sensitive data from potential breaches and unauthorised access.

Fortifying cloud security for backup data with robust measures such as implementing encryption, stringent access controls and regular audits improved data storage. These initiatives effectively mitigate risks, uphold data integrity and maintain confidentiality standards.

Olympia regularly reminds employees of cyber risks through various awareness programmes. These initiatives educate them about cybersecurity best practices, emphasising recognising and responding to potential threats, such as phishing attacks and social engineering tactics.

Our Gaming Division refrains from retaining the personal information of lottery winners unless they claim their winnings via cheque. Nevertheless, in compliance with Bank Negara Malaysia regulations, we must report substantial, repeated or recurring wins. Olympia treats lottery winners' details confidentially and stores them securely at its headquarters.

## RESPONSIBLE GAMING

Operating within the gaming division presents significant challenges as we face scrutiny from authorities and the community. Despite this, we unwaveringly adhere to our principle of promoting responsible legal gaming entertainment by combatting illegal gaming activities.

This dedication also protects vulnerable groups within the gaming community, reflecting ongoing efforts to maintain integrity, foster responsible practices, and contribute positively to the broader gaming landscape.

# SUSTAINABILITY STATEMENT (cont'd.)

## RESPONSIBLE OPERATIONS (cont'd.)

### RESPONSIBLE GAMING (cont'd.)

Our approach to responsible gaming includes:

- Adhering to legal labelling requirements
- Collaborating with regulators to combat illegal gaming
- Actively engaging in industry discussions that tackle illegal gaming issues

All games include:

- Clear labelling that indicates the age restrictions of customers
- Information on the applicable regulatory authority
- Informational material and guides

## ENSURING SATISFACTION

Customer satisfaction is a multifaceted concept encompassing customers' overall experience and contentment with a product, service or business. In the leasing sector, Olympia's commitment extends beyond basic requirements, focusing on meeting expectations, delivering value and fostering positive emotions. Key elements include ensuring high quality on building and maintenance, efficient service delivery, transparent communication, responsive issue resolution and leaving a positive overall impression.

Our commitment to ethical principles and responsible actions further enhances the safety and security of our premises, garnering positive feedback from tenants who appreciate our long-term partnerships.

Gaming sector operations mirror this holistic approach with responsible practices and player well-being contributing to a satisfying gaming experience.

### Leasing Division

- Our innovative 'Walk management' approach involves routine inspections by management representatives to gauge service performance. Regular consultations and open communication with tenants are integral to our strategy, ensuring a proactive response to their needs and concerns. Building solid relationships creates an environment that promotes goodwill, encouraging tenants to commit to longer leases and contributing to a resilient tenant network.

### Gaming Division

- Frontline gaming staff serve as brand ambassadors, embodying corporate values within the Gaming Division. As the initial point of contact for our customers, we ensure that these frontline workers are engaged and well-versed in responsible gaming. Their readiness to assist reflects our commitment to providing our customers with a positive and responsible gaming experience.

# SUSTAINABILITY STATEMENT (cont'd.)

## MOVING FORWARD

Olympia embraces sustainability amidst challenging economic conditions, rising expectations from customers and investors, and evolving regulations. Our unwavering commitment to sustainable development remains pivotal, concurrently delivering sustainable returns to shareholders. Harnessing enduring relationships with suppliers, tenants, and customers propels collective progress towards sustainability targets. This collaborative approach strengthens partnerships while positioning us for heightened success.

As we navigate the dynamic landscape of leasing and gaming, we remain dedicated to focusing on economic resilience and sustainable practices.

This Sustainability Statement has been approved by the Board of Directors on 23 April 2024.

# SUSTAINABILITY STATEMENT (cont'd.)

## GROUP SUSTAINABILITY PERFORMANCE DATA TABLE

Olympia meets the minimum data disclosure requirements set by Bursa Malaysia while continually enhancing its disclosure practices. As part of this commitment, we provide a comprehensive performance data table alongside the mandatory table prescribed by Bursa Malaysia.

Indicator	Unit	FY2021	FY2022	FY2023
<b>Economic</b>				
<b>Anti-Corruption</b>				
<b>Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category</b>				
Senior Management	No. (%)	0 (0.00%)	0 (0.00%)	0 (0.00%)
Management	No. (%)	0 (0.00%)	0 (0.00%)	0 (0.00%)
Executives	No. (%)	0 (0.00%)	0 (0.00%)	0 (0.00%)
Non-executives/Technical Staff	No. (%)	0 (0.00%)	0 (0.00%)	0 (0.00%)
Bursa C1(b) Percentage of operations assessed for corruption-related risks	%	100%	0%	0%
Bursa C1(c) Confirmed incidents of corruption and action taken	No.	0	0	0
Staff disciplined or dismissed due to non-compliance with anti-corruption	No.	0	0	0
Cost of fines, penalties or settlements concerning corruption	RM	0	0	0
<b>Supply Chain</b>				
Proportion of local suppliers	%	99.35%	99.41%	99.72%
Bursa C7(a) Proportion of spending on local suppliers	%	99.22%	99.57%	99.70%
Number of suppliers assessed for social and environmental impacts	No.	0	0	0
<b>Environment</b>				
<b>Energy</b>				
Electricity	MWh	4,107	4,578	4,320
Electricity *	GJ	14,785	16,479	15,553
Diesel (litres)	Litres	0	1,000	2,000
Diesel *	GJ	0	39	77
Diesel **	MWh	0	11	21
Total operational energy	GJ	14,785	16,518	15,631
Bursa C4(a) Total energy consumption	Megawatt	4,107	4,589	4,341
* Conversion coefficients for electricity and diesel to Joules are derived from the Malaysia Energy Commission 2016 Report.				
** Conversion coefficients for CDP Technical Note: Conversion of fuel data to MWh.				
<b>Water</b>				
Bursa C9(a) Total volume of water used*	Megalitres	45.419	55.999	50.091
* Data only covers Menara Olympia.				
<b>Materials</b>				
Thermal paper consumption	m <sup>2</sup>	58,208	98,586	77,122
<b>Waste</b>				
Bursa C10(a) Total waste generated	Metric tonnes	600	399	447
Total waste recycled	Metric tonnes	0	0	0

# SUSTAINABILITY STATEMENT (cont'd.)

## GROUP SUSTAINABILITY PERFORMANCE DATA TABLE (cont'd.)

Indicator	Unit	FY2021	FY2022	FY2023
<b>Environment (cont'd.)</b>				
<b>GHG Emissions</b>				
Bursa C11(a) Scope 1 emissions in tonnes of CO <sub>2</sub> e*	Metric tonnes	0	3	5
Bursa C11(b) Scope 2 emissions in tonnes of CO <sub>2</sub> e**	Metric tonnes	3,171	3,397	3,195
Scope 3: Business travel (air) ***	tCO <sub>2</sub> e	NA	2	5
Scope 3: Employee commuting ****	tCO <sub>2</sub> e	NA	NA	161
Bursa C11(c) Scope 3 emissions in tonnes of CO <sub>2</sub> e (at least for the categories of business travel and employee commuting)	Metric tonnes	0	2	166
* Scope 1 emissions factor derived from the IPCC 2006 Guidelines for National Greenhouse Gas Inventories.				
** Scope 2 emission derived grid Emission Factor 2021 for Peninsular and Sabah is calculated by the Malaysian Energy Commission Grid Emission Factor 2021.				
*** Olympia uses online tools derived from the WRI Greenhouse Gas Protocol to calculate the CO <sub>2</sub> emissions from air travel.				
**** Olympia uses services its CO <sub>2</sub> from employee commuting using emission factors from cross-sector tools by the GHG Protocol.				
<b>Social</b>				
<b>Diversity</b>				
Total headcount	No.	135	137	152
New Hires	No.	19	16	36
<u>Workforce breakdown by Gender:</u>				
Female	No. (%)	92 (68.15%)	93 (67.88%)	107 (70.39%)
Male	No. (%)	43 (31.85%)	44 (32.12%)	45 (29.61%)
<u>Workforce breakdown by Category:</u>				
Senior Management	No. (%)	3 (2.22%)	3 (2.19%)	3 (1.97%)
Management	No. (%)	13 (9.63%)	13 (9.49%)	14 (9.21%)
Executives	No. (%)	24 (17.78%)	24 (17.52%)	24 (15.79%)
Non-executives/Technical Staff	No. (%)	95 (70.37%)	97 (70.80%)	111 (73.03%)
<u>Workforce breakdown by Age Group:</u>				
< 30 years old	No. (%)	19 (14.07%)	14 (10.22%)	18 (11.84%)
30 – 40 years old	No. (%)	34 (25.19%)	36 (26.28%)	38 (25.00%)
41-50 years old	No. (%)	48 (35.56%)	49 (35.77%)	56 (36.84%)
>50 years old	No. (%)	34 (25.19%)	38 (27.74%)	40 (26.32%)
<b>Bursa C3(a) Percentage of employees by gender and age group, for each employee category</b>				
<u>Senior Management</u>				
Female	No. (%)	0 (0.00%)	0 (0.00%)	0 (0.00%)
Male	No. (%)	3 (100.00%)	3 (100.00%)	3 (100.00%)
< 30 years old	No. (%)	0 (0.00%)	0 (0.00%)	0 (0.00%)
30 – 40 years old	No. (%)	0 (0.00%)	0 (0.00%)	0 (0.00%)
41-50 years old	No. (%)	1 (33.33%)	1 (33.33%)	1 (33.33%)
>50 years old	No. (%)	2 (66.67%)	2 (66.67%)	2 (66.67%)
<u>Management</u>				
Female	No. (%)	6 (46.15%)	6 (46.15%)	8 (57.14%)
Male	No. (%)	7 (53.85%)	7 (53.85%)	6 (42.86%)
< 30 years old	No. (%)	0 (0.00%)	0 (0.00%)	0 (0.00%)
30 – 40 years old	No. (%)	0 (0.00%)	0 (0.00%)	1 (7.14%)
41-50 years old	No. (%)	2 (15.38%)	3 (23.08%)	4 (28.57%)
>50 years old	No. (%)	11 (84.62%)	10 (76.92%)	9 (64.29%)

# SUSTAINABILITY STATEMENT (cont'd.)

## GROUP SUSTAINABILITY PERFORMANCE DATA TABLE (cont'd.)

Indicator	Unit	FY2021	FY2022	FY2023
<b>Social (cont'd.)</b>				
<u>Executives</u>				
Female	No. (%)	10 (41.67%)	10 (41.67%)	11 (45.83%)
Male	No. (%)	14 (58.33%)	14 (58.33%)	13 (54.17%)
< 30 years old	No. (%)	1 (4.17%)	1 (4.17%)	1 (4.17%)
30 – 40 years old	No. (%)	2 (8.33%)	2 (8.33%)	1 (4.17%)
41-50 years old	No. (%)	15 (62.50%)	13 (54.17%)	15 (62.50%)
>50 years old	No. (%)	6 (25.00%)	8 (33.33%)	7 (29.17%)
<u>Non-executives/Technical Staff</u>				
Female	No. (%)	76 (80.00%)	77 (79.38%)	88 (79.28%)
Male	No. (%)	19 (20.00%)	20 (20.62%)	23 (20.72%)
< 30 years old	No. (%)	18 (18.95%)	13 (13.40%)	17 (7.66%)
30 – 40 years old	No. (%)	32 (33.68%)	34 (35.05%)	36 (16.22%)
41-50 years old	No. (%)	30 (31.58%)	32 (32.99%)	36 (16.22%)
>50 years old	No. (%)	15 (15.79%)	18 (18.56%)	22 (9.91%)
<u>Workforce breakdown by Nationality:</u>				
Malaysian	No. (%)	135 (100.00%)	137 (100.00%)	152 (100.00%)
Foreginer	No. (%)	0 (0.00%)	0 (0.00%)	0 (0.00%)
<u>Workforce breakdown by Ethnicity:</u>				
Malay	No. (%)	8 (5.93%)	9 (6.57%)	11 (7.24%)
Chinese	No. (%)	40 (29.63%)	38 (27.74%)	44 (28.95%)
Indian	No. (%)	2 (1.48%)	3 (2.19%)	2 (1.32%)
Others	No. (%)	85 (62.96%)	87 (63.50%)	95 (62.50%)
<u>Workforce Breakdown by Disability:</u>				
Disabled staff	No. (%)	0 (0.00%)	0 (0.00%)	0 (0.00%)
Non-disabled staff	No. (%)	135 (100.00%)	137 (100.00%)	152 (100.00%)
<u>Workforce Breakdown by Employment Type:</u>				
Permanent	No. (%)	49 (36.30%)	50 (36.50%)	50 (32.89%)
Contract/temporary	No. (%)	86 (63.70%)	87 (63.50%)	102 (67.11%)
<u>Employee Turnover by Gender, Age and Employment Category:</u>				
Total turnover (number):	No. (rate)	14 (10.65%)	13 (9.56%)	19 (13.15%)
Total Turnover full time staff voluntary	No. (rate)	14 (10.65%)	13 (9.56%)	19 (13.15%)
Total Turnover full time staff involuntary	No. (rate)	0 (0.00%)	0 (0.00%)	0 (0.00%)
Female	No. (rate)	9 (10.29%)	11 (11.89%)	11 (11.00%)
Male	No. (rate)	5 (11.36%)	2 (4.60%)	8 (17.98%)
< 30 years old	No. (rate)	3 (17.14%)	7 (42.42%)	3 (18.75%)
30 – 40 years old	No. (rate)	2 (5.80%)	4 (11.43%)	5 (13.51%)
41-50 years old	No. (rate)	5 (10.75%)	0 (0.00%)	6 (11.43%)
>50 years old	No. (rate)	4 (12.12%)	2 (5.56%)	5 (12.82%)
Senior Management	No. (rate)	0 (0.00%)	0 (0.00%)	0 (0.00%)
Management	No. (rate)	2 (16.67%)	2 (15.38%)	1 (7.41%)
Executives	No. (rate)	3 (12.00%)	1 (4.17%)	5 (20.83%)
Non-executives/Technical Staff	No. (rate)	9 (9.84%)	10 (10.42%)	13 (12.50%)
<u>Female Representation in Management</u>				
Female in decision-making roles	No. (%)	6 (46.15%)	6 (46.15%)	9 (64.29%)

# SUSTAINABILITY STATEMENT (cont'd.)

## GROUP SUSTAINABILITY PERFORMANCE DATA TABLE (cont'd.)

Indicator	Unit	FY2021	FY2022	FY2023
<b>Social (cont'd.)</b>				
<b>Boardroom Diversity</b>				
Male	No. (%)	6 (85.71%)	6 (85.71%)	6 (85.71%)
Female	No. (%)	1 (14.29%)	1 (14.29%)	1 (14.29%)
30 – 40 years old	No. (%)	0 (0.00%)	0 (0.00%)	0 (0.00%)
41-50 years old	No. (%)	0 (0.00%)	0 (0.00%)	0 (0.00%)
>50 years old	No. (%)	7 (100.00%)	7 (100.00%)	7 (100.00%)
Malay	No. (%)	3 (42.86%)	3 (42.86%)	3 (42.86%)
Chinese	No. (%)	4 (57.14%)	4 (57.14%)	4 (57.14%)
Indian	No. (%)	0 (0.00%)	0 (0.00%)	0 (0.00%)
Others	No. (%)	0 (0.00%)	0 (0.00%)	0 (0.00%)
<b>Training</b>				
Average training hours per year per employee	Hours	1	1	4
Total Training	Hours	108	91	598
Total Investment in Training	RM	1,250	6,272	30,015
<b>Bursa C6(a) Total hours of training by employee category</b>				
Senior Management	Hours	0	4	7
Management	Hours	92	75	87
Executives	Hours	16	12	56
Non-executives/Technical Staff	Hours	0	0	448
<b>Average training by category:</b>				
Senior Management	Hours	4	3	4
Management	Hours	9	12	2
Executive	Hours	2	1	6
Non-executive	Hours	0	0	2
<b>Safety</b>				
Bursa C5(a) Number of work-related fatalities	No.	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate *	0	0	0
Bursa C5(c) Number of employees trained on health and safety standards	No.	0	0	0
* Number of lost time injuries in the reporting period / Total number of hours worked * 200,000				
<b>Community</b>				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	3,540	26,398	18,052
Bursa C2(b) Total number of beneficiaries of the investment in communities	No.	2	5	5
<b>Human Rights</b>				
Substantiated complaints concerning human rights violations	No.	0	0	0
<b>Data privacy and security</b>				
Substantiated complaints concerning breaches of customer privacy and losses of customer data	No.	0	0	0

# SUSTAINABILITY STATEMENT (cont'd.)

## BURSA ESG PERFORMANCE DATA TABLE

The following data table was generated from Bursa Malaysia's ESG Reporting Platform, in compliance with the enhanced sustainability reporting requirements outlined in Bursa Malaysia's Main Market Listing Requirements.

Indicator	Measurement Unit	2023
<b>Bursa (Anti-corruption)</b>		
<b>Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category</b>		
Senior Management	Percentage	0.00
Management	Percentage	0.00
Executives	Percentage	0.00
Non-executives/Technical Staff	Percentage	0.00
<b>Bursa C1(b) Percentage of operations assessed for corruption-related risks</b>	Percentage	0.00
<b>Bursa C1(c) Confirmed incidents of corruption and action taken</b>	Number	0
<b>Bursa (Supply chain management)</b>		
<b>Bursa C7(a) Proportion of spending on local suppliers</b>	Percentage	99.70
<b>Bursa (Energy management)</b>		
<b>Bursa C4(a) Total energy consumption</b>	Megawatt	4,341.84
<b>Bursa (Water)</b>		
<b>Bursa C9(a) Total volume of water used</b>	Megalitres	50.091000
<b>Bursa (Diversity)</b>		
<b>Bursa C3(a) Percentage of employees by gender and age group, for each employee category</b>		
<b>Age Group by Employee Category</b>		
Senior Management Under 30	Percentage	0.00
Senior Management Between 30-40	Percentage	0.00
Senior Management Between 41-50	Percentage	33.33
Senior Management Above 50	Percentage	66.67
Management Under 30	Percentage	0.00
Management Between 30-40	Percentage	7.14
Management Between 41-50	Percentage	28.57
Management Above 50	Percentage	64.29
Executives Under 30	Percentage	4.17
Executives Between 30-40	Percentage	4.17
Executives Between 41-50	Percentage	62.50
Executives Above 50	Percentage	29.17
Non-executives/Technical Staff Under 30	Percentage	7.66
Non-executives/Technical Staff Between 30-40	Percentage	16.22
Non-executives/Technical Staff Between 41-50	Percentage	16.22
Non-executives/Technical Staff Above 50	Percentage	9.91
<b>Gender Group by Employee Category</b>		
Senior Management Male	Percentage	100.00
Senior Management Female	Percentage	0.00
Management Male	Percentage	42.86
Management Female	Percentage	57.14
Executives Male	Percentage	54.17
Executives Female	Percentage	45.83
Non-executives/Technical Staff Male	Percentage	20.72
Non-executives/Technical Staff Female	Percentage	79.28

# SUSTAINABILITY STATEMENT (cont'd.)

## BURSA ESG PERFORMANCE DATA TABLE (cont'd.)

Indicator	Measurement Unit	2023
<b>Bursa C3(b) Percentage of directors by gender and age group</b>		
Male	Percentage	85.71
Female	Percentage	14.29
Under 30	Percentage	0.00
Between 30-40	Percentage	0.00
Between 41-50	Percentage	0.00
Above 50	Percentage	100.00
<b>Bursa (Health and safety)</b>		
<b>Bursa C5(a) Number of work-related fatalities</b>	Number	0
<b>Bursa C5(b) Lost time incident rate ("LTIR")</b>	Rate	0.00
<b>Bursa C5(c) Number of employees trained on health and safety standards</b>	Number	0
<b>Bursa (Community/Society)</b>		
<b>Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer</b>	MYR	18,052.00
<b>Bursa C2(b) Total number of beneficiaries of the investment in communities</b>	Number	5
<b>Bursa (Labour practices and standards)</b>		
<b>Bursa C6(a) Total hours of training by employee category</b>		
Senior Management	Hours	7
Management	Hours	87
Executives	Hours	56
Non-executives/Technical Staff	Hours	448
<b>Bursa C6(b) Percentage of employees that are contractors or temporary staff</b>	Percentage	67.11
<b>Bursa C6(c) Total number of employee turnover by employee category</b>		
Senior Management	Number	0
Management	Number	1
Executives	Number	5
Non-executives/Technical Staff	Number	13
<b>Bursa C6(d) Number of substantiated complaints concerning human rights violations</b>	Number	0
<b>Bursa (Data privacy and security)</b>		
<b>Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data</b>	Number	0

# SUSTAINABILITY STATEMENT (cont'd.)

## Statement of Internal Assurance

In strengthening the credibility of the Sustainability Statement, selected aspects of this Sustainability Statement have been subjected to an internal review by the company's internal auditors and has been approved by Olympia Industries Berhad's Audit Committee.

## Subject Matter

The subject matters covered by the internal review are listed as follows:

No.	Subject matter	Indicator
1	Anti-corruption	(i) Percentage of employees who have received training on anti-corruption by employee category (%) (ii) Percentage of operations assessed for corruption-related risks (iii) Confirmed incidents of corruption and action taken
2	Diversity	(i) Percentage of employees by gender and age group, for each employee category (ii) Percentage of directors by gender and age group
3	Health and safety	(i) Number of work-related fatalities (ii) Lost time incident rate (iii) Number of employees trained on health and safety standards
4	Labour practices and standards	(i) Total hours of training by employee category (ii) Percentage of employees that are contractors or temporary staff (iii) Total number of employee turnover by employee category (iv) Number of substantiated complaints concerning human rights violations
5	Water	Total volume of water used

## Scope

The review covered the following companies in the Group:

- a) Olympia Industries Berhad
- b) Dairy Maid Resorts and Recreation Sdn Bhd
- c) Lotteries Corporation Sdn Bhd

For the subject matter 'water', only the water utilization at Menara Olympia has been measured.

## Conclusion

Based on the work performed and evidence obtained, nothing has come to our attention that would cause us to believe that the indicators of the subject matter are not correctly presented or with omission, in any material aspect.

Group Internal Audit  
23 April 2024

# DIRECTORS' RESPONSIBILITY STATEMENT

## For preparing Annual Audited Financial Statements

The Directors are required under the Companies Act, 2016 ("Act") to prepare financial statements for each financial year which give a true and fair view of the financial position of the Company and the Group and of their financial performance and cash flows for the financial year then ended. As required by the Act and the Listing Requirements of Bursa Malaysia Securities Berhad, the financial statements have been prepared in accordance with the Malaysian Financial Reporting Standards and the provisions of the Act in Malaysia.

The Directors consider that, in preparing the financial statements for the year ended 31 December 2023, the Group and the Company have used appropriate accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent. The Directors also ensure that all applicable approved accounting standards have been followed.

The Directors are responsible and have ensured that proper accounting records are kept under the Act, that disclose with reasonable accuracy, the financial positions and results of the Company and the Group. The Directors are also responsible for taking necessary and reasonable steps to safeguard the assets of the Company and the Group as well as to prevent and detect fraud and other irregularities.

# DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS

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# DIRECTORS' REPORT

The directors hereby present their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2023.

## Principal activities

The principal activities of the Company are investment holding and the provision of management services to the subsidiaries.

The principal activities of the subsidiaries are disclosed in Note 36 to the financial statements.

## Results

	Group RM'000	Company RM'000
Loss for the financial year	(15,801)	(1,136)
Attributable to:		
- equity holders of the Company	(15,785)	(1,136)
- non-controlling interests	(16)	-
	(15,801)	(1,136)

There were no material transfers to or from reserves or provisions during the financial year.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

## Dividend

No dividend has been declared or paid by the Company since the end of the previous financial year. The directors do not recommend any payment of dividend in respect of the current financial year.

## Directors

The names of the directors of the Company in office since the beginning of the financial year to the date of this report are:

Y.A.M. Tunku Naquiyuddin ibni Almarhum Tuanku Jaafar

Tan Sri Dato' Yap Yong Seong \*

Dato' Sri Yap Wee Keat \*

Ng Ju Siong \*

Wong Siew Si

Dato' Aminudin Zaki bin Hashim (appointed on 31 March 2023)

Izaddeen bin Daud (resigned on 31 March 2023)

Dato' Syed Sultan bin Mohd Idris (resigned on 31 December 2023)

Dato' Mohd Zahir bin Zahur Hussain (appointed on 15 March 2024)

\* These directors are also the directors of the Company's subsidiaries.

# DIRECTORS' REPORT

## (cont'd.)

### Directors (cont'd.)

The names of the directors of the Company's subsidiaries in office since the beginning of the financial year to the date of this report (excluding those directors listed above) are:

Yap Wee Sean  
Lee Chee Kai  
Cho Kah Hing  
Yap Cheng Moot  
Ainuddin bin Tun Abdul Hamid

### Directors' benefits

Neither at the end of the financial year, nor at any time during that financial year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive benefits (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company as shown in below) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member, or with a company in which the directors have substantial financial interest.

	Group RM'000	Company RM'000
Salaries and other emoluments	2,578	774
Fees	180	180
Defined contribution plan	187	60
Benefits-in-kind	104	78
	3,049	1,092

No indemnity was given to or insurance premium paid for any directors of the Company and its subsidiaries during or since the end of the financial year.

# DIRECTORS' REPORT

## (cont'd.)

### Directors' interests

The interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares			
	1.1.2023	Acquired	Disposed	31.12.2023
<b>The Company</b>				
<b>Direct interest:</b>				
Y.A.M. Tunku Naquiyuddin ibni Almarhum Tuanku Jaafar	20,000	-	-	20,000
Tan Sri Dato' Yap Yong Seong	55,668	-	-	55,668
Dato' Sri Yap Wee Keat	44,500	-	-	44,500
<b>Indirect interest:</b>				
Tan Sri Dato' Yap Yong Seong *	540,941,669	-	-	540,941,669
Dato' Sri Yap Wee Keat *	540,941,669	-	-	540,941,669
<b>Subsidiaries of the Company</b>				
<b>Olympia Leisure Sdn. Bhd.</b>				
<b>Direct interest:</b>				
Dato' Sri Yap Wee Keat	60,000	-	-	60,000
<b>JetFM Sdn. Bhd.</b>				
<b>Indirect interest:</b>				
Dato' Sri Yap Wee Keat **	188,784	-	-	188,784

\* Deemed interest held through Duta Equities Sdn. Bhd.

\*\* Deemed interest held through Ample Paramount Sdn. Bhd.

Tan Sri Dato' Yap Yong Seong and Dato' Sri Yap Wee Keat by virtue of their interests in shares in the Company are also deemed to have interests in shares of the subsidiaries to the extent the Company has an interest.

None of the other directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

# DIRECTORS' REPORT

## (cont'd.)

### Other statutory information

- (a) Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts and that adequate provision had been made for doubtful debts; and
  - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
- (i) it necessary to write-off any bad debts or the amount of the provision for doubtful debts inadequate in the financial statements of the Group and of the Company inadequate to any substantial extent; and
  - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
  - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors, save as disclosed in Note 2.1 to the financial statements:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due; and
  - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

# DIRECTORS' REPORT

(cont'd.)

## Auditors

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

Auditors' remuneration is as follows:

Ernst & Young PLT

- statutory audit
- other service

Other auditor

Group RM'000	Company RM'000
439	174
11	11
16	-
466	185

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit for an unspecified amount. No payment has been made to indemnify Ernst & Young PLT for the financial year ended 31 December 2023.

Signed on behalf of the Board in accordance with a resolution of the directors dated 29 April 2024.

**Dato' Sri Yap Wee Keat**

**Tan Sri Dato' Yap Yong Seong**

# STATEMENT BY DIRECTORS

## Pursuant to Section 251(2) of the Companies Act 2016

We, Dato' Sri Yap Wee Keat and Tan Sri Dato' Yap Yong Seong, being two of the directors of Olympia Industries Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 80 to 144 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023 and of their financial performance and their cash flows for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 29 April 2024.

**Dato' Sri Yap Wee Keat**

**Tan Sri Dato' Yap Yong Seong**

# STATUTORY DECLARATION

## Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Lee Chee Kai, being the officer primarily responsible for the financial management of Olympia Industries Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 80 to 144 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by  
the abovenamed Lee Chee Kai  
at Kuala Lumpur in Federal Territory  
on 29 April 2024

Lee Chee Kai  
MIA CA 3429

Before me,

Ramathilagam A/P T Ramasamy  
No. W671  
Commissioner for Oaths

# INDEPENDENT AUDITORS' REPORT

## to the members of Olympia Industries Berhad (Incorporated in Malaysia)

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Olympia Industries Berhad, which comprise the statements of financial position as at 31 December 2023 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 80 to 144.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

#### Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Material uncertainty related to going concern

We draw attention to Note 2.1 to the financial statements, which discloses the following:

- As at 31 December 2023, the Group and the Company have net assets of RM336,631,000 and RM365,545,000 respectively. However, the Group and the Company incurred a loss after tax of RM15,801,000 and RM1,136,000 respectively. The Group and the Company suffered negative net operating cash flows of RM3,431,000 and RM9,653,000 respectively for the financial year ended 31 December 2023. As of that date, the Group's current liabilities exceeded its current assets by RM40,107,000.
- As at 31 December 2023, the Group has a secured term loan of RM115 million which is due for partial repayments in 2024 (RM5 million) and 2025 (RM5 million) and the remaining amount in August 2026 (RM105 million). The Group has been granted temporary indulgence from remediation of the 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 Group and of the Company to continue as 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 that 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 are dependent on the successful implementation of the management's plans and continued support from the Group's and Company's creditors and lenders as disclosed in Note 2.1 to the financial statements.

Our opinion is not modified in respect of this matter.

# INDEPENDENT AUDITORS' REPORT (cont'd.)

## to the members of Olympia Industries Berhad

(Incorporated in Malaysia)

### ***Independence and other ethical responsibilities***

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### ***Key audit matters***

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. We have determined that there are no key audit matters to communicate in our report on the financial statements of the Company. In addition to the matter described in the Material Uncertainty Related to Going Concern section, the key audit matters for the audit of the financial statements of the Group are described below. These matters were addressed in the context of our audit of the financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

### ***Valuation of investment property***

As disclosed in Note 15 to the financial statements, the carrying amount of the Group's investment property amounted to RM277 million, representing approximately 50% of the Group's total assets as at 31 December 2023. The Group adopts fair value model for its investment property. When estimating the fair value of a property, the objective is to estimate the price that would be received from the sale of the investment property in an orderly transaction between market participants at the reporting date under the current market conditions. In addition, the fair value should reflect, amongst others, rental income from current leases and other assumptions that market participants would use when pricing the investment property under the current market conditions, which are highly judgemental. Accordingly, we consider this to be an area of audit focus.

Our audit procedures focused on the valuation performed by the independent valuer, included, amongst others, the following procedures:

- We considered the competence, capabilities and objectivity of the independent valuer;
- We obtained an understanding of the methodology adopted by the independent valuer in estimating the fair value of investment property and assessed whether such methodology is consistent with those used in the industry;
- We had discussions with the independent valuer to obtain an understanding of the property related data used as input to the valuation model;
- We tested the accuracy of rental income data applied in the valuation by comparing them with lease agreements and challenged the revisionary rental rate, capitalisation and void rate by comparing them with available industry data, taking into consideration comparability and market factors;
- We engaged our own internal valuation specialist to evaluate the methodology and key assumptions used in estimating the fair value of the investment property;

# INDEPENDENT AUDITORS' REPORT (cont'd.) to the members of Olympia Industries Berhad (Incorporated in Malaysia)

## **Key audit matters (cont'd.)**

### **Valuation of investment property (cont'd.)**

Our audit procedures focused on the valuation performed by the independent valuer, included, amongst others, the following procedures: (cont'd.)

- We assessed whether the discount rate used to determine the present value of the cash flows reflects the return that investors would require if they were to choose an investment that would generate cash flows of amounts, timing and risk profile equivalent to those that the entity expects to derive; and
- We assessed the adequacy of the disclosures on those assumptions to which the outcome of the valuation is most sensitive. The Group's disclosures on the valuation sensitivity and significant assumptions are included in Note 15 to the financial statements.

### **Information other than the financial statements and auditors' report thereon**

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the directors for the financial statements**

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

# INDEPENDENT AUDITORS' REPORT (cont'd.)

## to the members of Olympia Industries Berhad

(Incorporated in Malaysia)

### ***Auditors' responsibilities for the audit of the financial statements (cont'd.)***

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

# INDEPENDENT AUDITORS' REPORT (cont'd.) to the members of Olympia Industries Berhad (Incorporated in Malaysia)

## Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 36 to the financial statements.

## Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT  
202006000003 (LLP0022760-LCA) & AF 0039  
Chartered Accountants

Kuala Lumpur, Malaysia  
29 April 2024

Chuan Yee Yang  
03489/03/2026 J  
Chartered Accountant

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## For the financial year ended 31 December 2023

	Note	2023 RM'000	2022 RM'000
Revenue	4	86,874	86,396
Other income	5	2,319	3,556
Raw materials, consumables and other direct expenses		(11,532)	(10,252)
Gaming prizes, commissions and related tax and duties		(63,906)	(59,774)
Employee benefits expenses	6	(13,140)	(12,408)
Other expenses		(8,860)	(12,744)
<b>Operating loss</b>		<b>(8,245)</b>	<b>(5,226)</b>
Finance costs	8	(7,756)	(8,343)
<b>Loss before tax</b>	9	<b>(16,001)</b>	<b>(13,569)</b>
Income tax credit	10	200	709
<b>Loss for the financial year, representing total comprehensive loss for the financial year</b>		<b>(15,801)</b>	<b>(12,860)</b>
<b>Loss for the financial year, attributable to:</b>			
- equity holders of the Company		(15,785)	(13,206)
- non-controlling interests		(16)	346
		<b>(15,801)</b>	<b>(12,860)</b>
<b>Loss per share attributable to equity holders of the Company (sen)</b>			
Basic/Diluted	11	(1.5)	(1.3)

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

# STATEMENT OF COMPREHENSIVE INCOME

## For the financial year ended 31 December 2023

	Note	2023 RM'000	2022 RM'000
Revenue	4	3,500	3,500
Other income	5	2,400	28,085
Employee benefits expenses	6	(3,549)	(2,902)
Other expenses		(2,696)	(5,800)
<b>Operating profit</b>		(345)	22,883
Finance cost	8	(791)	(2,381)
<b>(Loss)/Profit before tax</b>	9	(1,136)	20,502
Income tax expense	10	-	-
<b>(Loss)/Profit for the financial year, representing total comprehensive (loss)/income for the financial year</b>		(1,136)	20,502

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## As at 31 December 2023

	Note	2023 RM'000	2022 RM'000
<b>Assets</b>			
<b>Non-current assets</b>			
Plant and equipment	12	2,476	2,295
Right-of-use assets	13	4,417	3,379
Land held for property development	14(a)	222,366	220,907
Investment property	15	277,000	277,000
Investments in associates	17	-	-
		506,259	503,581
<b>Current assets</b>			
Inventories	14(b)	13,597	14,116
Trade and other receivables	18	4,973	4,638
Amounts due from affiliated companies	20	39	337
Tax recoverable		589	1,484
Investment securities	21	4,095	4,626
Cash and bank balances	22	20,419	26,121
		43,712	51,322
<b>Total assets</b>		549,971	554,903
<b>Equity and liabilities</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital	23	295,384	295,384
Merger deficit	24	(233,884)	(233,884)
Retained earnings		274,038	289,823
		335,538	351,323
Non-controlling interests		1,093	1,109
<b>Total equity</b>		336,631	352,432
<b>Non-current liabilities</b>			
Borrowings	26	126,000	120,000
Lease liabilities	27	3,402	2,314
Deferred tax liabilities	29	119	538
		129,521	122,852

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## As at 31 December 2023 (cont'd.)

	Note	2023 RM'000	2022 RM'000
<b>Equity and liabilities (cont'd.)</b>			
<b>Current liabilities</b>			
Trade and other payables	28	26,575	28,890
Amounts due to affiliated companies	20	50,932	44,513
Borrowing	26	5,000	5,000
Lease liabilities	27	827	748
Tax payable		485	468
		83,819	79,619
<b>Total liabilities</b>		213,340	202,471
<b>Total equity and liabilities</b>		549,971	554,903

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

# STATEMENT OF FINANCIAL POSITION

## As at 31 December 2023

	Note	2023 RM'000	2022 RM'000
<b>Assets</b>			
<b>Non-current assets</b>			
Plant and equipment	12	69	54
Right-of-use assets	13	1,028	350
Investments in subsidiaries	16	242,290	242,290
Amount due from a subsidiary	19	134,683	134,683
		378,070	377,377
<b>Current assets</b>			
Trade and other receivables	18	313	444
Amounts due from subsidiaries	19	17,602	11,043
Amounts due from affiliated companies	20	33	36
Investment securities	21	25	25
Cash and bank balances	22	2,073	1,921
		20,046	13,469
<b>Total assets</b>		398,116	390,846
<b>Equity and liabilities</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital	23	295,384	295,384
Retained earnings	25	70,161	71,297
<b>Total equity</b>		365,545	366,681
<b>Non-current liability</b>			
Borrowings	26	16,000	5,000
Lease liabilities	27	716	-
		16,716	5,000
<b>Current liabilities</b>			
Amounts due to subsidiaries	19	14,866	18,100
Other payables	28	669	680
Lease liabilities	27	312	377
Tax payable		8	8
		15,855	19,165
<b>Total liabilities</b>		32,571	24,165
<b>Total equity and liabilities</b>		398,116	390,846

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## For the financial year ended 31 December 2023

← Attributable to equity holders of the Company →  
 ← Non-distributable → Distributable

	Share capital RM'000 (Note 23)	Merger deficit RM'000 (Note 24)	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
<b>At 1 January 2023</b>	295,384	(233,884)	289,823	351,323	1,109	352,432
Total comprehensive loss	-	-	(15,785)	(15,785)	(16)	(15,801)
<b>At 31 December 2023</b>	295,384	(233,884)	274,038	335,538	1,093	336,631
<b>At 1 January 2022</b>	295,384	(233,884)	303,029	364,529	763	365,292
Total comprehensive (loss)/income	-	-	(13,206)	(13,206)	346	(12,860)
<b>At 31 December 2022</b>	295,384	(233,884)	289,823	351,323	1,109	352,432

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

# STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2023

	Share capital RM'000 (Note 23)	Distributable Retained earnings RM'000 (Note 25)	Total equity RM'000
<b>At 1 January 2023</b>	295,384	71,297	366,681
Total comprehensive loss	-	(1,136)	(1,136)
<b>At 31 December 2023</b>	295,384	70,161	365,545
<b>At 1 January 2022</b>	295,384	50,795	346,179
Total comprehensive income	-	20,502	20,502
<b>At 31 December 2022</b>	295,384	71,297	366,681

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

## For the financial year ended 31 December 2023

	Note	2023 RM'000	2022 RM'000
<b>Cash flows from operating activities</b>			
Loss before tax		(16,001)	(13,569)
Adjustments for:			
Government grant income	5	-	(233)
Depreciation of plant and equipment	9	656	679
Depreciation of right-of-use assets	9	973	1,066
Bad debts written off	9	-	409
Inventories written off	9	-	5
Gain on disposal of plant and equipment	5	-	(2)
Fair value (gain)/loss on:			
- investment securities	5	(130)	(375)
- investment property	9	-	3,000
Impairment loss on:			
- trade receivables	9	25	-
- other receivables	9	119	68
Unrealised loss/(gain) on foreign exchange	9	3	(90)
Reversal of impairment loss on:			
- trade receivables	5	-	(38)
- other receivables	5	-	(207)
Dividend income	5	(55)	(266)
Interest income	5	(450)	(507)
Finance costs	8	7,756	8,343
Operating loss before working capital changes		(7,104)	(1,717)
Changes in receivables		(479)	(255)
Changes in inventories		519	(469)
Changes in land held for development		(1,459)	(2,094)
Changes in affiliated companies		6,717	4,962
Changes in payables		(2,318)	3,910
Cash (used in)/generated from operations		(4,124)	4,337
Net income tax refunded		693	1,049
Government grant received		-	233
Net cash flows (used in)/generated from operating activities		(3,431)	5,619

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2023 (cont'd.)

	2023 RM'000	2022 RM'000
<b>Cash flows from investing activities</b>		
Dividend received	55	266
Proceeds from disposal of:		
- plant and equipment	-	2
- investment securities	661	23,883
Purchase of plant and equipment	(837)	(356)
Interest received	450	507
Net cash flows generated from investing activities	329	24,302
<b>Cash flows from financing activities</b>		
Proceeds from drawdown of borrowings	11,000	-
Withdrawal/(Placement) of interest reserve deposits	463	(640)
(Placement)/Withdrawal of fixed deposits placed with licensed banks	(333)	7,978
Repayments of borrowings	(5,000)	(25,000)
Repayments of principal on lease liabilities	(844)	(883)
Interests paid on:		
- borrowings	(7,559)	(8,184)
- lease liabilities	(197)	(159)
Net cash flows used in financing activities	(2,470)	(26,888)
<b>Net changes in cash and cash equivalents</b>	(5,572)	3,033
<b>Cash and cash equivalents at beginning of the financial year</b>	15,483	12,450
<b>Cash and cash equivalents at end of the financial year (Note 22)</b>	9,911	15,483

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

# STATEMENT OF CASH FLOWS

## For the financial year ended 31 December 2023

	Note	2023 RM'000	2022 RM'000
<b>Cash flows from operating activities</b>			
(Loss)/Profit before tax		(1,136)	20,502
Adjustments for:			
Depreciation of plant and equipment	9	12	12
Depreciation of right-of-use assets	9	350	350
Bad debts written off	9	-	25
Impairment loss on:-			
- investments in subsidiaries	9	-	607
Fair value gain on investment securities	9	-	(4)
Gain on disposal of plant and equipment	5	-	(2)
Reversal of impairment loss on amounts due from subsidiaries	5	(1,394)	(27,916)
Finance costs	8	791	2,381
Operating loss before working capital changes		(1,377)	(4,045)
Changes in receivables		131	-
Changes in payables		(11)	(1,916)
Changes in subsidiaries		(8,399)	33,029
Changes in affiliated companies		3	(4)
Net cash flows (used in)/generated from operating activities		(9,653)	27,064
<b>Cash flows from investing activities</b>			
Purchase of plant and equipment		(27)	(11)
Proceeds from disposal of plant and equipment		-	2
Net cash flows used in investing activities		(27)	(9)
<b>Cash flows from financing activities</b>			
Repayments of principal on lease liabilities		(377)	(349)
Withdrawal of interest reserve deposits		525	-
Drawdown of borrowings		11,000	-
Repayments of borrowings		-	(25,000)
Interest paid on:			
- borrowings		(775)	(2,337)
- lease liabilities		(16)	(44)
Net cash flows generated from/(used in) financing activities		10,357	(27,730)
<b>Net changes in cash and cash equivalents</b>		677	(675)
<b>Cash and cash equivalents at beginning of the financial year</b>		1,191	1,866
<b>Cash and cash equivalents at end of the financial year (Note 22)</b>		1,868	1,191

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023

### 1. Corporate information

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at Level 23, Menara Olympia, No. 8, Jalan Raja Chulan, 50200 Kuala Lumpur. The principal place of business of the Company is located at Level 24, Menara Olympia, No. 8, Jalan Raja Chulan, 50200 Kuala Lumpur.

The principal activities of the Company are investment holding and the provision of management services to the subsidiaries. The principal activities of the subsidiaries are disclosed in Note 36.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 29 April 2024.

### 2. Accounting policies

#### 2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements have been prepared on the historical cost basis. The financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand (RM'000).

As at 31 December 2023, the Group and the Company have net assets of RM336,631,000 (2022: RM352,432,000) and RM365,545,000 (2022: RM366,681,000) respectively. However, the Group and the Company incurred a loss after tax of RM15,801,000 (2022: RM12,860,000) and RM1,136,000 (2022: Profit after tax of RM20,502,000) respectively. The Group and the Company suffered negative net operating cash flows of RM3,431,000 (2022: positive net operating cash flows of RM5,619,000) and RM9,653,000 (2022: positive net operating cash flows of RM27,064,000) respectively for the financial year ended 31 December 2023. As of that date, the Group's current liabilities exceeded its current assets by RM40,107,000 (2022: RM28,297,000).

As at 31 December 2023, the Group has a secured term loan of RM115 million (2022: RM120 million) which is due for partial repayments in 2024 (RM5 million) and 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 concern is 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.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 2. Accounting policies (cont'd.)

#### 2.1 Basis of preparation (cont'd.)

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.

#### 2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows. On 1 January 2023, the Group and the Company adopted the following standard and amended standards which are mandatory for annual 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	Insurance Contracts (Initial Application of MFRS 17 and MFRS 9 - Comparative Information)	1 January 2023
Amendments to MFRS 101	Presentation of Financial Statements and MFRS Practice Statement 2 (Disclosure of Accounting Policies)	1 January 2023
Amendments to MFRS 108	Accounting policies, Changes in Accounting Estimates and Errors (Definition of Accounting Estimates)	1 January 2023
Amendments to MFRS 112	Income Taxes (Deferred Tax related to Assets and Liabilities arising from a Single Transaction)	1 January 2023
Amendments to MFRS 112	Income Taxes (International Tax Reform (Pillar Two Model Rules))	1 January 2023

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

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 2. Accounting policies (cont'd.)

#### 2.3 Standards and interpretations issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and the Company's 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	Leases (Lease Liability in a Sale and Leaseback)	1 January 2024
Amendments to MFRS 101	Presentation of Financial Statements (Classification of Liabilities as Current or Non-current)	1 January 2024
Amendments to MFRS 101	Presentation of Financial Statements (Non-Current Liabilities with Covenants)	1 January 2024
Amendments to MFRS 107 and MFRS 7	Statement of Cash Flows and Financial Instruments: Disclosure (Supplier Finance Arrangements)	1 January 2024
Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability)	1 January 2025
Amendments to MFRS 10	Consolidated Financial Statements: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 128	Investment in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

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

#### 2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (collectively the "Group") at the reporting date. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Company controls an investee if, and only if, the Company has all of the following:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) Exposure, or rights, to variable returns from its investment with the investee; and
- (iii) The ability to use its power over the investee to affect its returns.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 2. Accounting policies (cont'd.)

#### 2.4 Basis of consolidation (cont'd.)

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting rights or similar rights of an investee, the Group considers all facts and circumstances in assessing whether the Group's voting rights in the investee are sufficient to give it power over the investee, including:

- (i) The contractual arrangement with the other vote holders of the investee;
- (ii) Rights arising from other contractual arrangements; and
- (iii) The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the financial year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the assets and liabilities, non-controlling interests and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

#### 2.5 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at fair value during the acquisition date and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed in profit or loss as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 9 Financial Instruments, is measured at fair value with changes in fair value recognised in either in profit or loss or as a change to other comprehensive income ("OCI"). If the contingent consideration is not within the scope of MFRS 9, it is measured at fair value at each reporting date with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 2. Accounting policies (cont'd.)

#### 2.5 Business combinations and goodwill (cont'd.)

If the business combination is achieved in stages, any previously held equity interest is remeasured at fair value during the acquisition date and any resulting gain or loss is recognised in profit or loss. It is then considered in the determination of goodwill.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

#### 2.6 Subsidiaries

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. On disposal of such investments, the differences between the net disposal proceeds and their carrying amounts are included in profit or loss.

#### 2.7 Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

An associate is equity accounted for from the date on which the investee becomes an associate.

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The statement of comprehensive income reflects the Group's share of the result of operations of the associate. Any change in OCI of the investee is presented as part of the Group's OCI. In addition, when there is a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the investment in the associate.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 2. Accounting policies (cont'd.)

#### 2.7 Associates (cont'd.)

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of comprehensive income outside operating profit and represents profit or loss after tax.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in an associate. The Group determines at each reporting date whether there is any objective evidence that investment in an associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value. Impairment loss is recognised in profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

In the Company's separate financial statements, investment in an associate is stated at cost less impairment loss. On disposal of such investment, the difference between net disposal proceeds and its carrying amount is recognised in profit or loss.

#### 2.8 Joint operation

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group as joint operator recognises in relation to their interests in joint operations:

- (i) their assets, including their shares of any assets held jointly;
- (ii) their liabilities, including their shares of any liabilities incurred jointly;
- (iii) their revenue from the sale of their shares of the output arising from the joint operations;
- (iv) their shares of the revenue from the sale of the output by the joint operations; and
- (v) their expenses, including their shares of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in joint operations in accordance with applicable MFRSs.

Profits and losses resulting from transactions between the Group and its joint operation are recognised in the Group's consolidated financial statements only to the extent of unrelated investors' interests in the joint operation.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 2. Accounting policies (cont'd.)

#### 2.9 Plant and equipment

All items of plant and equipment are initially recorded at cost. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment loss, if any. When significant parts of plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively.

Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets, at the following annual rates:

Plant, machinery and equipment	10% - 40%
Computer equipment	10% - 20%
Other assets	10% - 20%

Other assets consist of office equipment, furniture, fixtures, fittings, motor vehicles and renovation.

The carrying amount of plant and equipment is reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the financial year the asset is derecognised.

#### 2.10 Investment property

Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is stated at fair value, which reflects the market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment property are included in profit or loss in the period in which they arise, including the corresponding tax effect. Fair values are determined based on an annual valuation performed by an accredited external independent valuer applying the valuation models recommended by the International Valuation Standards Committee.

A property interest under an operating lease is classified and accounted for as an investment property, carried at fair value, on a property-by-property basis when the Group holds it to earn rentals or for capital appreciation or both.

Investment property is derecognised either when they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 2. Accounting policies (cont'd.)

#### 2.10 Investment property (cont'd.)

The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under plant and equipment up to the date of change in use.

#### 2.11 Inventories

Inventories are stated at the lower of cost or net realisable value.

##### (a) Land held for property development

Land held for property development (classified within non-current assets) comprise land banks which are in the process of being prepared for development but have not been launched, or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets.

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

##### (b) Completed properties

Costs comprise costs of acquisition of land including all related costs incurred to prepare the land for its intended use, related development costs to projects and direct building costs.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

#### 2.12 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 2. Accounting policies (cont'd.)

#### 2.12 Impairment of non-financial assets (cont'd.)

In assessing value in use, the estimated future cash flows are discounted to its present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the units or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss. An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss. Impairment loss on goodwill is not reversed in a subsequent period.

#### 2.13 Financial assets

##### Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Group determines the classification of its financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss and financial assets at amortised cost.

##### (a) Financial assets at amortised cost

Financial assets at amortised cost are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the financial assets at amortised cost are derecognised or impaired, and through the amortisation process.

Financial assets at amortised cost are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

##### (b) Financial assets at fair value through profit or loss ("FVTPL")

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition or financial assets mandatorily required to be amortised at fair value. Financial assets held for trading are financial assets acquired principally for the purpose of selling in the near term.

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 2. Accounting policies (cont'd.)

#### 2.13 Financial assets (cont'd.)

##### Initial recognition and measurement (cont'd.)

##### (b) Financial assets at fair value through profit or loss ("FVTPL") (cont'd.)

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in profit or loss as part of other losses or other income.

Financial assets at fair value through profit or loss could be represented as current or non-current. Financial assets that are held primarily for trading purposes are presented as current whereas financial assets that are not held primarily for trading purposes are presented as current or non-current based on the settlement date.

##### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (such as removed from the consolidated statement of financial position) when:

- (a) the rights to receive cash flows from the asset have expired;
- (b) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - (i) the Group has transferred substantially all the risks and rewards of the asset, or
  - (ii) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company would be required to repay.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 2. Accounting policies (cont'd.)

#### 2.14 Impairment of financial assets at amortised cost

The Group assesses at the end of the reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss except for receivables, where the carrying amount is reduced through the use of an allowance account. When a receivable becomes uncollectible, it is written off against the allowance account.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.

If in subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

#### 2.15 Financial liabilities

Financial liabilities are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference between the derecognition of the original liability and the recognition of a new liability is recognised in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 2. Accounting policies (cont'd.)

#### 2.16 Leases

##### **Group as a lessee**

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### *Rights-of-use assets*

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date of the underlying asset is available for use). Right-of-use assets are measured at cost less accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentive received.

Right-of use assets are depreciated on a straight-line basis over the shorter of lease term and the estimated useful lives of the assets are as follows:

Shop lots and office spaces	3 to 8 years
Motor vehicles	8 years
Machinery	10 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The carrying amount of right-of-use is reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

##### *Lease liabilities*

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, or a change in the lease term, or a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 2. Accounting policies (cont'd.)

#### 2.16 Leases (cont'd.)

##### Group as a lessee (cont'd.)

###### *Short-term leases and leases of low value assets*

The Group applies the short-term leases recognition exemption to its short term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. The Group recognises the lease payments associated with these short-term leases and leases of low-value assets as expenses on a straight-line basis over the lease term.

##### Group as a lessor

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Rental income is recognised on a straight-line basis over the lease term of the relevant lease and is included in profit or loss. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

#### 2.17 Revenue recognition

##### (a) Sale of lottery tickets

Revenue from organising and managing the sales of numbers forecast pools and public lotteries is recognised, at point in time, upon ticket sales in respect of draw days within the financial year, and is stated net of state sales tax.

##### (b) Rental income

Rental income is recognised over time on a straight-line basis based on the term of the lease. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight-line basis.

##### (c) Dividend income

Dividend income is recognised at point in time when the Group's right to receive payment is established.

##### (d) Interest income

Interest income is recognised over time on an accrual basis using the effective interest method.

##### (e) Management fees

Management fees are recognised over time when services are rendered.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 2. Accounting policies (cont'd.)

#### 2.18 Income tax

##### (a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current tax is recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

##### (b) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not be reversed in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the financial year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 2. Accounting policies (cont'd.)

#### 2.18 Income tax (cont'd.)

##### (b) Deferred tax (cont'd.)

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### 2.19 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability; or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (a) Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- (b) Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- (c) Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 3. Significant accounting judgements and estimates

The preparation of the Group's and of the Company's financial statements require management to make judgement, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates result in outcomes that could require a material adjustment to the carrying amount of the asset and liability affected in the future.

#### 3.1 Judgements made in applying accounting policies

There were no significant judgements made in applying the accounting policies of the Group and of the Company which may have significant effects on the amounts recognised in the financial statements.

#### 3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### Fair value of investment property

The Group carries its investment property at fair value, with changes in fair value recognised in profit or loss. Significant judgement is required in determining the fair value which may be derived based on different valuation methods. In making the judgement, the Group engaged its independent valuation specialist to assess the fair value of investment property at the reporting date. The valuation sensitivity and significant assumptions used to determine the fair value of the investment property are disclosed in Note 15.

### 4. Revenue

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Sale of lottery tickets	74,210	73,393	-	-
Rental income from investment property (Note 15)	12,664	13,003	-	-
Management fees	-	-	3,500	3,500
	86,874	86,396	3,500	3,500
<b>Timing of revenue recognition:</b>				
At a point in time	74,210	73,393	-	-
Over time	12,664	13,003	3,500	3,500
	86,874	86,396	3,500	3,500

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 5. Other income

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Dividend income	55	266	-	-
Interest income	450	507	-	-
Fair value gain on investment securities	130	375	-	4
Reversal of impairment loss on:				
- amounts due from subsidiaries	-	-	1,394	27,916
- trade receivables	-	38	-	-
- other receivables	-	207	-	-
Gain on disposal of plant and equipment	-	2	-	2
Maintenance income	160	145	-	-
Government grant income (Wages subsidies)	-	233	-	-
Unrealised gain on foreign exchange	-	90	-	-
Miscellaneous income	1,524	1,693	1,006	163
	2,319	3,556	2,400	28,085

### 6. Employee benefits expenses

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Salaries, wages and allowances	7,933	6,996	1,961	1,550
Executive directors' remuneration (Note 7)	2,784	2,547	863	773
Defined contribution plan	818	721	168	136
Other benefits	1,605	2,144	557	443
	13,140	12,408	3,549	2,902

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 7. Directors' remuneration

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Executive directors:</b>				
Salaries and other emoluments	2,528	2,336	760	688
Defined contribution plan	187	163	60	52
Benefits-in-kind	69	48	43	33
	2,784	2,547	863	773
<b>Non-executive directors:</b>				
Fees	180	180	180	180
Other emoluments	50	50	14	14
Benefits-in-kind	35	35	35	35
	265	265	229	229
<b>Total directors' remuneration</b>	<b>3,049</b>	<b>2,812</b>	<b>1,092</b>	<b>1,002</b>

The number of directors of the Company whose total remuneration during the financial year fall within the following bands is analysed below:

	Number of director	
	2023	2022
<b>Executive directors:</b>		
Below RM500,000	1	2
RM500,001 - RM1,000,000	1	-
<b>Non-executive directors:</b>		
Below RM50,000	5	4
RM50,001 - RM100,000	1	1

### 8. Finance costs

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Interest expenses on:				
- borrowings	7,559	8,184	775	2,337
- lease liabilities	197	159	16	44
	7,756	8,343	791	2,381

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 9. (Loss)/Profit before tax

The following items have been included in arriving at (loss)/profit before tax:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Auditors' remuneration:				
- Ernst & Young PLT				
- statutory audit	439	439	174	174
- other service	11	11	11	11
- other auditor				
- statutory audit	16	19	-	-
Depreciation of plant and equipment	656	679	12	12
Depreciation of right-of-use assets	973	1,066	350	350
Non-executive directors' remuneration (Note 7)	265	265	229	229
Impairment loss on:				
- trade receivables	25	-	-	-
- other receivables	119	68	-	-
- investments in subsidiaries	-	-	-	607
Fair value loss on investment property	-	3,000	-	-
Unrealised loss on foreign exchange	3	-	-	-
Direct operating expenses attributable to income generating investment property (Note 15)	7,070	7,703	-	-
Bad debts written off	-	409	-	25
Inventories written off	-	5	-	-

### 10. Income tax (credit)/expense

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Malaysian income tax:				
- current income tax	218	331	-	-
- over provision in prior financial year	1	-	-	-
	219	331	-	-
Deferred tax: (Note 29)				
- relating to origination/(reversal) of temporary differences	(419)	(748)	-	-
- over provision in prior financial year	-	(292)	-	-
	(419)	(1,040)	-	-
Income tax (credit)/expense recognised in profit or loss	(200)	(709)	-	-

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 10. Income tax (credit)/expense (cont'd.)

Reconciliations of income tax (credit)/expense applicable to (loss)/profit before tax at the statutory income tax rate to income tax (credit)/expense at the effective income tax rate of the Group and of the Company are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
(Loss)/Profit before tax	(16,001)	(13,569)	(1,136)	20,502
Tax at Malaysian statutory tax rate of 24% (2022: 24%)	(3,840)	(3,257)	(273)	4,920
Differential tax rate on Real Property Gains Tax	-	420	-	-
Non-deductible expenses	3,412	2,096	920	1,814
Non-taxable income	(268)	(998)	(681)	(6,700)
Deferred tax assets not recognised	583	1,774	34	-
Utilisation of previously unrecognised deferred tax assets	(88)	(452)	-	(34)
Over provision of income tax in prior financial year	1	-	-	-
Over provision of deferred tax in prior financial year	-	(292)	-	-
	(200)	(709)	-	-

At the reporting date, the deferred tax assets that have not been recognised in the financial statements due to uncertainty of their realisation, are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Unused tax losses	186,864	184,863	19,256	19,102
Unabsorbed capital allowances	1,438	1,506	0	13
Others	50,424	50,294	5,114	5,114
	238,726	236,663	24,370	24,229

The utilisation periods of deferred tax assets not recognised of the Group and of the Company that are available for offsetting against future taxable profit of the Group and of the Company are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Utilisation periods</b>				
Indefinite	51,862	51,800	5,114	5,127
Expiring from 2029 to 2033	186,864	184,863	19,256	19,102
	238,726	236,663	24,370	24,229

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 11. Loss per share

#### (a) Basic

Basic loss per share is calculated by dividing the Group's loss for the financial year, net of tax, attributable to equity holders of the Company by the weighted average number of ordinary shares during the financial year.

	Group	
	2023 RM'000	2022 RM'000
Loss for the financial year, net of tax, attributable to equity holders of the Company	(15,785)	(13,206)
	'000	'000
Weighted average number of ordinary shares	1,023,432	1,023,432
	Sen	Sen
Basic loss per share	(1.5)	(1.3)

#### (b) Diluted

The Group does not have any potential dilutive ordinary shares at the reporting date.

There have been no other transactions involving ordinary shares or potential dilutive ordinary shares between the reporting date and the date of authorisation of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 12. Plant and equipment

Group	Plant, machinery and equipment RM'000	Computer equipment RM'000	Other assets RM'000	Total RM'000
<b>31 December 2023</b>				
<b>Cost</b>				
At 1 January 2023	1,677	1,759	29,524	32,960
Additions	9	53	775	837
Write-off	(8)	-	(31)	(39)
At 31 December 2023	1,678	1,812	30,268	33,758
<b>Accumulated depreciation</b>				
At 1 January 2023	1,638	1,678	27,349	30,665
Charge for the financial year	9	27	620	656
Write-off	(8)	-	(31)	(39)
At 31 December 2023	1,639	1,705	27,938	31,282
<b>Net carrying amount</b>				
At 31 December 2023	39	107	2,330	2,476
<b>31 December 2022</b>				
<b>Cost</b>				
At 1 January 2022	1,676	1,729	29,201	32,606
Additions	1	30	325	356
Disposal	-	-	(2)	(2)
At 31 December 2022	1,677	1,759	29,524	32,960
<b>Accumulated depreciation</b>				
At 1 January 2022	1,627	1,656	26,705	29,988
Charge for the financial year	11	22	646	679
Disposal	-	-	(2)	(2)
At 31 December 2022	1,638	1,678	27,349	30,665
<b>Net carrying amount</b>				
At 31 December 2022	39	81	2,175	2,295

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 12. Plant and equipment (cont'd.)

Company	Computer equipment RM'000	Other assets RM'000	Total RM'000
<b>31 December 2023</b>			
<b>Cost</b>			
At 1 January 2023	1,207	559	1,766
Additions	23	4	27
At 31 December 2023	1,230	563	1,793
<b>Accumulated depreciation</b>			
At 1 January 2023	1,166	546	1,712
Charge for the financial year	10	2	12
At 31 December 2023	1,176	548	1,724
<b>Net carrying amount</b>			
At 31 December 2023	54	15	69
<b>31 December 2022</b>			
<b>Cost</b>			
At 1 January 2022	1,197	558	1,755
Additions	10	1	11
At 31 December 2022	1,207	559	1,766
<b>Accumulated depreciation</b>			
At 1 January 2022	1,156	544	1,700
Charge for the financial year	10	2	12
At 31 December 2022	1,166	546	1,712
<b>Net carrying amount</b>			
At 31 December 2022	41	13	54

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 13. Right-of-use assets

The carrying amounts of right-of-use assets and the movements during the financial year are as follows:

Group	Shop lots and office spaces RM'000	Motor vehicles RM'000	Machinery RM'000	Total RM'000
<b>31 December 2023</b>				
At 1 January 2023	2,712	7	660	3,379
Addition (Note 27)	2,011	-	-	2,011
Charge for the financial year	(847)	(6)	(120)	(973)
At 31 December 2023	3,876	1	540	4,417
<b>31 December 2022</b>				
At 1 January 2022	2,920	84	780	3,784
Addition (Note 27)	418	-	-	418
Lease modification	243	-	-	243
Charge for the financial year	(869)	(77)	(120)	(1,066)
At 31 December 2022	2,712	7	660	3,379

Company	Office spaces	
	2023 RM'000	2022 RM'000
At 1 January	350	700
Addition (Note 27)	1,028	-
Charge for the financial year	(350)	(350)
At 31 December	1,028	350

The following have been recognised in profit or loss in respect of the right-of-use assets:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Depreciation of right-of-use assets	973	1,066	350	350

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 14. Inventories

#### (a) Land held for property development

	Development costs RM'000	Leasehold lands RM'000	Freehold lands RM'000	Total RM'000
<b>Group</b>				
<b>31 December 2023</b>				
<b>At cost:</b>				
At 1 January 2023	24,291	56,251	140,365	220,907
Additions	505	954	-	1,459
At 31 December 2023	24,796	57,205	140,365	222,366
<b>31 December 2022</b>				
<b>At cost:</b>				
At 1 January 2022	22,197	56,251	140,365	218,813
Additions	2,094	-	-	2,094
At 31 December 2022	24,291	56,251	140,365	220,907

Included in the net carrying amount of land held for property development are:

- a parcel of freehold land which overall carrying amount is RM23,700,000 (2022: RM23,700,000) has been pledged to a financial institution as security for term loan as disclosed in Note 26(a); and
- fourteen (14) parcels of leasehold lands which overall carrying amount are RM54,900,000 (2022: RM Nil) have been pledged as security for term loan as disclosed in Note 26(c).

#### (b) Completed properties and consumables

	<b>Group</b>	
	<b>2023 RM'000</b>	<b>2022 RM'000</b>
<b>At cost:</b>		
Completed condominiums	8,970	8,970
On-line betting supplies and consumable stores	627	1,146
	9,597	10,116
<b>At net realisable value:</b>		
Completed condominiums	4,000	4,000
	13,597	14,116

During the financial year, the amount of inventories recognised as an expense by the Group is RM138,679 (2022: RM197,198).

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 15. Investment property

	Group	
	2023 RM'000	2022 RM'000
<b>Office building on leasehold land</b>		
At beginning of the financial year	277,000	280,000
Recognised in profit or loss (Note 9)	-	(3,000)
At end of the financial year	277,000	277,000

The investment property has been pledged to a financial institution as security for Term loan 2 as disclosed in Note 26(b).

Investment property is stated at fair value, which has been determined based on the valuation performed by accredited independent valuer at the reporting date. The fair value of the investment property has been determined based on the investment method depending on the nature of the investment property.

The following have been recognised in profit or loss in respect of the investment property:

	2023 RM'000	2022 RM'000
Rental income (Note 4)	12,664	13,003
Direct operating expenses attributable to income generating investment property (Note 9)	(7,070)	(7,703)
Profit arising from investment property	5,594	5,300
Direct operating expenses that did not generate rental income	(56)	(34)

The Group has no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.

Fair value hierarchy disclosure for the investment property is disclosed in Note 32.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 15. Investment property (cont'd.)

Description of valuation techniques used and key inputs to the valuation of the investment property are as follows:

Investment property	Valuation method	Significant unobservable inputs	Range (weighted average)
Office building on long term leasehold land	Investment method	Estimated rental value per sq. ft. per month	Term: RM4.14 per sq. ft. (2022: RM4.13 per sq. ft.)
			Reversion: RM5.01 per sq. ft. (2022: RM5.01 per sq. ft.)
		Void rate	5.00% - 10.00% (2022: 5.00% - 10.00%)
		Capitalisation rate	6.00% - 6.50% (2022: 6.00% - 6.50%)

The investment method entails determining the net annual income by deducting the annual outgoings from the gross annual income and capitalising the net income by suitable rate of return consistent with the type and quality of the investment to arrive at the market value of the subject property.

The following table demonstrates the sensitivity of the fair value measurement to the changes in capitalisation rate and void rate and its corresponding sensitivity as a result of a higher or lower fair value measurement:

	Fair value Increase/(Decrease)	
	2023 RM'000	2022 RM'000
<b>Capitalisation rate</b>		
- 1%	46,453	46,496
+ 1%	(35,744)	(36,161)
<b>Void rate</b>		
- 1%	4,184	3,883
+ 1%	(4,437)	(4,660)

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 16. Investments in subsidiaries

	Company	
	2023 RM'000	2022 RM'000
Unquoted shares, at cost	1,014,229	1,014,229
Less: Accumulated impairment loss	(771,939)	(771,939)
	242,290	242,290

The details of the subsidiaries are disclosed in Note 36.

Movement in accumulated impairment loss is as follows:

	Company	
	2023 RM'000	2022 RM'000
At beginning of the financial year	771,939	771,332
Recognised in profit or loss (Note 9)	-	607
At end of the financial year	771,939	771,939

Summarised financial information for non-controlling interests have not been disclosed as the carrying amount of these non-controlling interests is not material to the Group's consolidated statement of financial position.

### 17. Investments in associates

	Group	
	2023 RM'000	2022 RM'000
Unquoted shares, at cost	7,223	7,223
Share of post-acquisition profits	287	287
	7,510	7,510
Less: Accumulated impairment losses	(7,510)	(7,510)
	-	-

At the reporting date, the Group has not recognised losses relating to all of the associates, where the share of their losses exceed the Group's interests in those associates. The Group's cumulative share of unrecognised losses was RM147,000 (2022: RM147,000). The Group has no obligation in respect of these losses.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 17. Investments in associates (cont'd.)

Details of the associates, which are not material to the Group, are as follows:

Name	Country of incorporation	Proportion of ownership		Principal activities
		2023 %	2022 %	
Suff Marine (Malaysia) Sdn. Bhd. *	Malaysia	49	49	Ceased operations
International Lottery Corporation Ltd. #	Cambodia	49	49	Dormant
Kenny Heights Central Sdn. Bhd. #	Malaysia	42	42	Dormant

\* Audited by a firm of auditors other than Ernst & Young PLT.

# Unaudited.

### 18. Trade and other receivables

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Trade receivables (Note a)</b>				
Third parties	19,213	19,736	-	-
Less: Allowance for impairment	(17,936)	(17,911)	-	-
	1,277	1,825	-	-
<b>Other receivables</b>				
Sundry receivables	6,994	6,505	4,961	5,120
Deposits	1,743	1,492	313	312
Prepayments	1,264	1,029	84	84
Amount due from CPSB (Note b)	75	48	75	48
	10,076	9,074	5,433	5,564
Less: Allowance for impairment	(6,380)	(6,261)	(5,120)	(5,120)
	3,696	2,813	313	444
<b>Total trade and other receivables</b>	<b>4,973</b>	<b>4,638</b>	<b>313</b>	<b>444</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 18. Trade and other receivables (cont'd.)

#### (a) Trade receivables

The Group's normal trade credit terms are ranging from 1 to 30 days (2022: 1 to 30 days). Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original invoice amounts which represent their fair value on initial recognition.

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors. Further details on related party transactions are disclosed in Note 30.

#### Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	Group	
	2023 RM'000	2022 RM'000
Neither past due nor impaired	1,277	1,637
1 to 90 days past due not impaired	-	4
More than 91 days past due not impaired	-	184
	1,277	1,825
Impaired	17,936	17,911
	19,213	19,736

#### Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

#### Receivables that are past due but not impaired

The trade receivables that are past due but not impaired are unsecured. However, the directors are of the opinion that these debts should be realised in full without material losses in the ordinary course of business.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 18. Trade and other receivables (cont'd.)

(a) Trade receivables (cont'd.)

Trade receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Group	
	2023 RM'000	2022 RM'000
At beginning of the financial year	17,911	17,949
Impairment/(Reversal) during the year (Note 5)	25	(38)
At end of the financial year	17,936	17,911

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

- (b) The amount due from City Properties Sdn. Bhd. ("CPSB"), a company of which Tan Sri Dato' Yap Yong Seong and Dato' Sri Yap Wee Keat, the directors of the Company have interest is unsecured, non-interest bearing and repayable on demand.

Other receivables that are impaired

The Group's and the Company's other receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
At beginning of financial year	6,261	6,400	5,120	5,120
Impairment recognised (Note 9)	119	68	-	-
Reversal during the financial year (Note 5)	-	(207)	-	-
At end of financial year	6,380	6,261	5,120	5,120

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 19. Amounts due from/(to) subsidiaries

	Company	
	2023 RM'000	2022 RM'000
<b>Non-current asset</b>		
Amount due from a subsidiary (Note a)	134,683	134,683
<b>Current asset</b>		
Amounts due from subsidiaries (Note b)	112,711	107,546
Less: Allowance for impairment	(95,109)	(96,503)
	17,602	11,043
<b>Current liability</b>		
Amounts due to subsidiaries (Note b)	(14,866)	(18,100)

- (a) The amount due from a subsidiary, Olympia Properties Sdn. Bhd. ("OPSB"), is non-trade in nature, unsecured, non-interest bearing and is repayable on demand. However, the Company has no intention to recall the advance from OPSB within the next 12 months.
- (b) The amounts due from/(to) subsidiaries are non-trade in nature, unsecured, non-interest bearing and are repayable on demand. The movement of the allowance accounts used to record the impairment is as follows:

	Company	
	2023 RM'000	2022 RM'000
At beginning of the financial year	96,503	124,419
Reversal during the year (Note 5)	(1,394)	(27,916)
At end of the financial year	95,109	96,503

As at 31 December 2023 and 31 December 2022, no demand for repayment has been made for these balances. Considering the nature of these balances, none of these balances are assessed as being past due and no separate aging analysis has been presented.

### 20. Amounts due from/(to) affiliated companies

The Group treats the DutaLand Berhad ("Dutaland") and its subsidiaries as affiliated companies. DutaLand is a corporation in which certain directors of the Company are also directors of DutaLand and have interest in.

The amounts due from/(to) affiliated companies are non-trade in nature, unsecured, non-interest bearing and are repayable on demand.

As at 31 December 2023 and 31 December 2022, no demand for repayment has been made for these balances. Considering the nature of these balances, none of these balances are assessed as being past due and no separate aging analysis has been presented.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 21. Investment securities

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Financial assets at fair value through profit or loss:</b>				
Quoted shares in Malaysia	25	81	25	25
Unit trust in Malaysia	2,022	2,675	-	-
Quoted shares outside Malaysia	1,043	882	-	-
Malaysian Government Securities ("MGS") and Government Investment Issues ("GII")	1,005	988	-	-
	<b>4,095</b>	<b>4,626</b>	<b>25</b>	<b>25</b>

MGS and GII relate to investment in government securities by a wholly owned subsidiary, Dirivan Corporation Sdn Bhd. The subsidiary has granted a Power of Attorney to the Ministry of Finance to realise these securities for payment of prize monies in dispute or amounts due to prize winners in conformity with paragraph 5 of the conditions contained in the License granted under Section 5 of the Pools Betting Act 1967, dated 31 December 2016.

### 22. Cash and bank balances

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash at banks and on hand	9,503	15,080	1,868	1,191
Housing development accounts	408	403	-	-
Deposits with licensed banks	6,901	6,568	-	-
Interest reserve deposits	3,607	4,070	205	730
Cash and bank balances	<b>20,419</b>	<b>26,121</b>	<b>2,073</b>	<b>1,921</b>
Less: Deposits with licensed banks with maturity periods of more than 3 months	(6,901)	(6,568)	-	-
Less: Interest reserve deposits	(3,607)	(4,070)	(205)	(730)
Cash and cash equivalents	<b>9,911</b>	<b>15,483</b>	<b>1,868</b>	<b>1,191</b>

The housing development accounts are maintained pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 and are restricted from use in other operations.

Deposits held under interest reserve deposits accounts are for term loans as disclosed in Note 26.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 22. Cash and bank balances (cont'd.)

The range of effective interest rate and maturity of deposits with licensed banks at the reporting date are as follows:

	Group	
	2023	2022
Effective interest rate (%)	1.82 to 2.65	1.82 to 2.65
Maturity (days)	180 - 365	180 - 365

### 23. Share capital

	Number of shares		Amount	
	2023 '000	2022 '000	2023 RM'000	2022 RM'000
<b>Issued and fully paid up:</b>				
At beginning/end of the financial year	1,023,432	1,023,432	295,384	295,384

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

### 24. Merger deficit

Merger deficit arose from the acquisition of a subsidiary in prior financial year. Merger deficit represents the difference between the nominal value of the shares issued by the Company as consideration and the nominal value of shares of the subsidiary acquired.

### 25. Retained earnings

The Company may distribute dividends out of its entire retained earnings as at 31 December 2023 and 31 December 2022 under the single-tier system.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 26. Borrowings

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Non-current</b>				
Secured:				
Term loan 1 (Note a)	5,000	5,000	5,000	5,000
Term loan 2 (Note b)	110,000	115,000	-	-
Term loan 3 (Note c)	11,000	-	11,000	-
	126,000	120,000	16,000	5,000
<b>Current</b>				
Secured:				
Term loan 2 (Note b)	5,000	5,000	-	-
Total borrowings	131,000	125,000	16,000	5,000

At the reporting date, the remaining maturities of borrowings are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Due within one year	5,000	5,000	-	-
More than 1 year and less than 2 years	10,000	5,000	5,000	-
More than 2 years and less than 5 years	116,000	115,000	11,000	5,000
	131,000	125,000	16,000	5,000

#### (a) Term loan 1

The maturity of Term loan 1 is on 3 April 2025. Term loan 1 bears an effective interest rate of 10.25% (2022: 9.00%) per annum. The total loan is repayable in full on the maturity date.

Term loan 1 is secured by a parcel of freehold land held for property development as disclosed in Note 14(a), and personal guarantee by a director of the Company, Tan Sri Dato' Yap Yong Seong.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 26. Borrowings (cont'd.)

#### (b) Term loan 2

Term loan 2 bears an effective interest rate of 5.87% (2022: 5.56%) per annum. Term loan 2 is repayable via three instalments amounted to RM5 million each financial year, commencing from 30 August 2023, 30 August 2024 and 29 August 2025, respectively. The final instalment of RM105 million shall be paid on 28 August 2026.

In previous financial year, the Group has been granted temporary indulgence from the remediation of security maintenance margin and interest service coverage ratio requirements until 1 January 2024. The Group has obtained further indulgence until 1 January 2025. The Group has also obtained clarification from the bank that the Group continues to have an unconditional right to make repayments of the principal and interest based on the existing repayment schedule as at 31 December 2023.

Term loan 2 is secured by the office building on long term leasehold land held under the investment property of the Group as disclosed in Note 15, and a personal guarantee by a director of the Company, Tan Sri Dato' Yap Yong Seong.

#### (c) Term loan 3

Term loan 3 bears an effective interest rate of 9.00% (2022: NIL) per annum. The maturity of Term loan 3 is based on the 36th month from the date of each disbursement.

The Term loan 3 is repayable via:

- 35 monthly instalment payment in respect of interest only; and
- 1 final monthly instalment repayment and payment in respect of principal and last month interest.

Term loan 3 is secured by:

- Lien-holder's caveats over fourteen (14) parcels of leasehold lands as disclosed in Note 14(a)(ii);
- 3rd party 1st legal charges over the 14 parcels of leasehold lands; and
- Charge over all shares of a wholly-owned subsidiary of the Company.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 26. Borrowings (cont'd.)

#### Reconciliation of liabilities arising from financing activities

The changes in the Group's and Company's liabilities arising from financing activities, including both cash and non-cash changes are as follows:

	At beginning of the financial year RM'000	Drawdown RM'000	Repayments of borrowings RM'000	Others RM'000	At end of the financial year RM'000
<b>Group</b>					
<b>31 December 2023</b>					
Term loan 1	5,000	-	-	-	5,000
Term loan 2	120,000	-	(5,000)	-	115,000
Term loan 3	-	11,000	-	-	11,000
	125,000	11,000	(5,000)	-	131,000
<b>31 December 2022</b>					
Term loan 1	30,000	-	(25,000)	-	5,000
Term loan 2	120,000	-	-	-	120,000
	150,000	-	(25,000)	-	125,000
<b>Company</b>					
<b>31 December 2023</b>					
Term loan 1	5,000	-	-	-	5,000
Term loan 3	-	11,000	-	-	11,000
	5,000	11,000	-	-	16,000
<b>31 December 2022</b>					
Term loan 1	30,000	-	(25,000)	-	5,000

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 27. Lease liabilities

The carrying amounts of lease liabilities and the movements during the financial year are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
At 1 January	3,062	3,284	377	726
Addition (Note 13)	2,011	418	1,028	-
Lease modification	-	243	-	-
Interest expense	197	159	16	44
Payments made during the financial year	(1,041)	(1,042)	(393)	(393)
At 31 December	4,229	3,062	1,028	377

Lease liabilities are analysed as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Current	827	748	312	377
Non-current	3,402	2,314	716	-
	4,229	3,062	1,028	377

At the reporting date, the remaining maturities of the lease liabilities is as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Less than 1 year	827	748	312	377
More than 1 year and less than 2 years	872	659	342	-
More than 2 years and less than 5 years	1,652	1,414	374	-
More than 5 years	878	241	-	-
	4,229	3,062	1,028	377

The expenses relating to payments not included in the measurement of the lease liability during the financial year are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Expenses relating to short-term leases and leases of low-value assets	-	114	-	-

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 28. Trade and other payables

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Trade payables</b>				
Third parties (Note a)	4,663	3,977	-	-
Retention sum	324	204	-	-
	4,987	4,181	-	-
<b>Other payables</b>				
Sundry payables	10,407	15,648	290	227
Deposits received (Note b)	3,411	3,622	-	-
Accruals	7,770	5,439	379	453
	21,588	24,709	669	680
<b>Total trade and other payables</b>	<b>26,575</b>	<b>28,890</b>	<b>669</b>	<b>680</b>

#### (a) Trade payables

The normal trade credit terms granted to the Group range from 30 days to 90 days (2022: 30 days to 90 days).

#### (b) Deposits received

Deposits received are in respect of refundable deposits received from tenants for tenancy agreements, which are unsecured, interest free and are repayable upon the termination/expiry of the tenancy agreement.

### 29. Deferred tax liabilities/(assets)

	Group	
	2023 RM'000	2022 RM'000
At beginning of the financial year	538	1,578
Recognised in profit or loss (Note 10)	(419)	(1,040)
At end of the financial year	119	538

Deferred tax liabilities/(assets) provided in financial statements are in respect of the following temporary differences.

	Group	
	2023 RM'000	2022 RM'000
Investment property	1,163	1,163
Others	(414)	(625)
	749	538

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 30. Significant related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered related if they are subject to common control or common significant influence. Related parties may be individuals including close members of the individuals, or corporate entities.

In addition to the transactions and outstanding balances disclosed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year.

The directors are of the opinion that the following arrangements and transactions have been entered into in the normal course of business and have been established under negotiated terms and conditions.

#### (a) Joint operation

On 14 February 2003, a wholly owned subsidiary of the Company, Olympia Properties Sdn. Bhd. ("OPSB"), entered into a Consortium Agreement ("the Consortium Agreement") with KH Estates Sdn. Bhd. ("KHE"), a wholly owned subsidiary of Dutaland Berhad ("Dutaland") to form a joint operation to jointly develop a piece of land ("Project Land") into a proposed township called Bandar Sri Duta ("the Project"). Tan Sri Dato' Yap Yong Seong and Dato' Sri Yap Wee Keat, the directors of the Company, have interest in KHE and Dutaland, respectively. The joint operation between OPSB and KHE is on a ratio of 42% and 58% respectively.

The salient terms of the Consortium Agreement are as follows:

- (i) The Project Land will be transferred to a trustee who in turn shall hold the beneficial interest in favour of OPSB and KHE respectively;
- (ii) The trustee shall make the necessary application to the relevant authorities for the purposes of amalgamation and sub-division of the Project Land;
- (iii) OPSB and KHE have agreed to appoint KH Land Sdn. Bhd., ("KHL"), a wholly owned subsidiary of KHE as the developer of the Project;
- (iv) The respective share of assets, liabilities, income and expenses, contribution to working funds and disbursements and liabilities and all obligation whatsoever in connection with the execution of the Consortium Agreement shall be 42% and 58% for OPSB and KHE respectively; and
- (v) OPSB and KHE have mutually agreed that any proceeds derived from the Project shall first be utilised and applied towards redemption of the existing charges created on the Project Land.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 30. Significant related party transactions (cont'd.)

#### (a) Joint operation (cont'd.)

The Group's share in amounts of assets, liabilities and profit or loss of the joint operation are as follows:

##### Assets and liabilities:

	Group	
	2023 RM'000	2022 RM'000
Current assets	10,115	9,522
Non-current assets	165,630	164,069
<b>Total assets</b>	<b>175,745</b>	<b>173,591</b>
Current liabilities	191,844	169,675
Non-current liabilities	170	221
<b>Total liabilities</b>	<b>192,014</b>	<b>169,896</b>
<b>Income and expenses:</b>		
Income	132	106
Expenses	(5,456)	(3,331)

#### (b) Other significant related party transactions

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Transactions with affiliated companies</b>				
Rental income	789	785	-	-
<b>Transactions with a related party</b>				
Rental income	109	109	-	-
<b>Transactions with subsidiaries</b>				
Rental expense	-	-	(404)	(404)
Management fees	-	-	3,500	3,500

#### (c) Compensation of key management personnel

The Company defined the directors of the Company and its subsidiaries as key management personnel. The remunerations of key management personnel are disclosed in Note 7.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 31. Classification of financial instruments

The following table analysed the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis.

Group	Note	Fair value through profit or loss RM'000	Amortised cost RM'000	Total RM'000
<b>31 December 2023</b>				
<b>Assets</b>				
Trade and other receivables (exclude prepayments)	18	-	3,709	3,709
Amounts due from affiliated companies	20	-	39	39
Investment securities	21	4,095	-	4,095
Cash and bank balances	22	-	20,419	20,419
<b>Total financial assets</b>		<b>4,095</b>	<b>24,167</b>	<b>28,262</b>
<b>Liabilities</b>				
Amounts due to affiliated companies	20	-	50,932	50,932
Borrowings	26	-	131,000	131,000
Lease liabilities	27	-	4,229	4,229
Trade and other payables	28	-	26,575	26,575
<b>Total financial liabilities</b>		<b>-</b>	<b>212,736</b>	<b>212,736</b>
<b>31 December 2022</b>				
<b>Assets</b>				
Trade and other receivables (exclude prepayments)	18	-	3,609	3,609
Amounts due from affiliated companies	20	-	337	337
Investment securities	21	4,626	-	4,626
Cash and bank balances	22	-	26,121	26,121
<b>Total financial assets</b>		<b>4,626</b>	<b>30,067</b>	<b>34,693</b>
<b>Liabilities</b>				
Amounts due to affiliated companies	20	-	44,513	44,513
Borrowings	26	-	125,000	125,000
Lease liabilities	27	-	3,062	3,062
Trade and other payables	28	-	28,890	28,890
<b>Total financial liabilities</b>		<b>-</b>	<b>201,465</b>	<b>201,465</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 31. Classification of financial instruments (cont'd.)

Company	Note	Fair value through profit or loss RM'000	Amortised cost RM'000	Total RM'000
<b>31 December 2023</b>				
<b>Assets</b>				
Trade and other receivables (exclude prepayments)	18	-	229	229
Amounts due from subsidiaries	19	-	152,285	152,285
Amounts due from affiliated companies	20	-	33	33
Investment securities	21	25	-	25
Cash and bank balances	22	-	2,073	2,073
<b>Total financial assets</b>		<b>25</b>	<b>154,620</b>	<b>154,645</b>
<b>Liabilities</b>				
Amounts due to subsidiaries	19	-	14,866	14,866
Borrowings	26	-	16,000	16,000
Other payables	28	-	669	669
<b>Total financial liabilities</b>		<b>-</b>	<b>31,535</b>	<b>31,535</b>
<b>31 December 2022</b>				
<b>Assets</b>				
Trade and other receivables (exclude prepayments)	18	-	360	360
Amounts due from subsidiaries	19	-	145,726	145,726
Amounts due from affiliated companies	20	-	36	36
Investment securities	21	25	-	25
Cash and bank balances	22	-	1,921	1,921
<b>Total financial assets</b>		<b>25</b>	<b>148,043</b>	<b>148,068</b>
<b>Liabilities</b>				
Amounts due to subsidiaries	19	-	18,100	18,100
Borrowing	26	-	5,000	5,000
Lease liabilities	27	-	377	377
Other payables	28	-	680	680
<b>Total financial liabilities</b>		<b>-</b>	<b>24,157</b>	<b>24,157</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 32. Fair value of financial instruments

#### Determination of fair value

##### Financial instruments that are not carried at fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables	18
Amounts due from/(to) subsidiaries	19
Amounts due from/(to) affiliated companies	20
Cash and bank balances	22
Borrowings	26
Trade and other payables	28

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.

##### Investment securities

Fair value is determined directly by reference to their published market bid price at the reporting date.

##### Fair value hierarchy

At the reporting date, the Group and the Company held the following assets and liabilities carried at fair values on the statements of financial position:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
<b>Group</b>			
<b>2023</b>			
Investment property	-	-	277,000
Investment securities	1,068	3,027	-
<b>2022</b>			
Investment property	-	-	277,000
Investment securities	963	3,663	-

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 32. Fair value of financial instruments (cont'd.)

#### Determination of fair value (cont'd.)

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
<b>Company</b>			
<b>2023</b>			
Investment securities	25	-	-
<b>2022</b>			
Investment securities	25	-	-

There were no transfer between Level 1, Level 2 and Level 3 during the financial year.

### 33. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include interest rate risk, liquidity risk and credit risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks. The audit committee provides independent oversight to the effectiveness of the risk management process.

It is, and has been throughout the current financial year and previous financial year, the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Group and the Company do not apply hedge accounting.

#### (a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises primarily from its borrowings. The Group's and Company's manage its interest rate exposure by maintaining floating rate borrowings. The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets. This strategy allows it to capitalise on cheaper funding in competitive interest rate environment.

During the financial year, if interest rates had been 25 basis point lower/higher, with all other variables held constant, the Group's profit for the year would have been RM340,000 (2022: RM251,255) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 33. Financial risk management objectives and policies (cont'd.)

#### (b) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group's and the Company's liquidity risk management policy is by maintaining sufficient level of cash and banking facilities such as working capital lines deemed to be adequate by the management to ensure it will have sufficient liquidity to meet its working capital requirement.

#### Analysis of financial liabilities by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on the contractual undiscounted repayment obligations.

Group	Due within one year RM'000	One to five years RM'000	More than five years RM'000	Total RM'000
<b>31 December 2023</b>				
<b>Financial liabilities:</b>				
Trade and other payables	26,575	-	-	26,575
Borrowings	5,198	146,374	-	151,572
Lease liabilities	897	3,057	961	4,915
Amounts due to affiliated companies	50,932	-	-	50,932
<b>Total undiscounted financial liabilities</b>	<b>83,602</b>	<b>149,431</b>	<b>961</b>	<b>233,994</b>
<b>31 December 2022</b>				
<b>Financial liabilities:</b>				
Trade and other payables	28,890	-	-	28,890
Borrowings	5,184	143,619	-	148,803
Lease liabilities	967	2,369	325	3,661
Amounts due to affiliated companies	44,513	-	-	44,513
<b>Total undiscounted financial liabilities</b>	<b>79,554</b>	<b>145,988</b>	<b>325</b>	<b>225,867</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 33. Financial risk management objectives and policies (cont'd.)

#### (b) Liquidity risk (cont'd.)

Company	Due within one year RM'000	One to five years RM'000	More than five years RM'000	Total RM'000
<b>31 December 2023</b>				
<b>Financial liabilities:</b>				
Trade and other payables	669	-	-	669
Borrowing	-	19,259	-	19,259
Lease liabilities	343	788	-	1,131
Amounts due to subsidiaries	14,866	-	-	14,866
<b>Total undiscounted financial liabilities</b>	<b>15,878</b>	<b>20,047</b>	<b>-</b>	<b>35,925</b>
<b>31 December 2022</b>				
<b>Financial liabilities:</b>				
Trade and other payables	680	-	-	680
Borrowing	-	6,129	-	6,129
Lease liabilities	409	-	-	409
Amounts due to subsidiaries	18,100	-	-	18,100
<b>Total undiscounted financial liabilities</b>	<b>19,189</b>	<b>6,129</b>	<b>-</b>	<b>25,318</b>

#### (c) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arises primarily from trade and other receivables and intercompany balances. For other financial assets (including investment securities, cash and bank balances and derivatives), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

#### Exposure to credit risk

At the reporting date, the Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 33. Financial risk management objectives and policies (cont'd.)

#### (c) Credit risk (cont'd.)

##### Credit risk concentration profile

The Group determines concentration of credit risk by monitoring the industry sector profile of its trade receivables, other receivables, amount due from associates and amount due from affiliates on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the reporting date is as follows:

Group	2023		2022	
	RM'000	% of total	RM'000	% of total
Property development	1,934	10%	1,933	10%
Gaming	-	0%	466	2%
Leasing	2,957	15%	3,015	15%
Investment holding and others	14,322	75%	14,322	73%
	19,213	100%	19,736	100%

### 34. Capital management

The primary objective of the Group's and the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximises shareholder value. The Group and the Company manage its capital structure by ensuring financial commitments are met as they fall due, and through the divestment of non-core assets.

The Group and the Company monitor capital using a gearing ratio, which is net debt divided by total capital. Net debt includes borrowings, trade and other payables less cash and bank balances. Capital is the equity attributable to the equity holders of the Company.

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Trade and other payables	28	26,575	28,890	669	680
Borrowings	26	131,000	125,000	16,000	5,000
Less: Cash and bank balances	22	(20,419)	(26,121)	(2,073)	(1,921)
Net debt		137,156	127,769	14,596	3,759
Equity attributable to equity holders of the Company		335,538	351,323	365,545	366,681
Total capital and net debt		472,694	479,092	380,141	370,440
Gearing ratio		41%	36%	4%	1%

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 35. Segment information

#### (a) Business segments:

The Group and the Company are organised into business units based on their products and services. The Group's reportable segments are as follows:

- (i) Leasing - Rental of office and retail spaces and other related activities.
- (ii) Property development - Development of residential and commercial properties;
- (iii) Gaming - Organizing, managing and sales of numbers forecast pools and public lotteries; and
- (iv) Investment holding and dormant - Investment holding and other business units include trading and retailing business.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise corporate assets, liabilities and expenses. The directors are of the opinion that all inter-segment transactions have been entered into a normal course of business. Segment revenue, expenses and results include transactions between business segments. These transactions are eliminated on consolidation.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 35. Segment information (cont'd.)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segment:

	Property development RM'000	Gaming RM'000	Leasing RM'000	Investment holding and others RM'000	Elimination RM'000	Consolidated RM'000
<b>31 December 2023</b>						
<b>Revenue</b>						
Revenue as reported	-	74,210	12,664	-	-	86,874
Inter-segment sales	-	2,968	5,744	3,500	(12,212)	-
<b>Total revenue</b>	-	77,178	18,408	3,500	(12,212)	86,874
<b>Results</b>						
Interest income	6	397	47	-	-	450
Interest expenses:						
- lease liabilities	(7)	(186)	(647)	(16)	659	(197)
- borrowings	-	-	(6,783)	(776)	-	(7,559)
Depreciation of:						
- plant and equipment	(16)	(254)	(372)	(14)	-	(656)
- right-of-use assets	(54)	(847)	(126)	(350)	404	(973)
Fair value gain on investment securities	-	-	-	130	-	130
Impairment loss on:						
- trade receivables	-	-	(25)	-	-	(25)
- other receivables	(101)	(242)	-	-	224	(119)
Reversal of impairment loss on other receivables	-	-	-	1,394	(1,394)	-
Income tax (expense)/ credit	(41)	(388)	629	-	-	200
Other significant non-cash items	(86)	-	-	83	-	(3)
<b>Segment (loss)/profit</b>	<b>(7,489)</b>	<b>(2,604)</b>	<b>(3,478)</b>	<b>(1,045)</b>	<b>(1,185)</b>	<b>(15,801)</b>
<b>Assets</b>						
Segment assets	263,187	43,505	312,901	404,301	(473,923)	549,971
<b>Liabilities</b>						
Segment liabilities	215,673	52,153	163,996	139,455	(357,937)	213,340

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 35. Segment information (cont'd.)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segment: (cont'd.)

	Property development RM'000	Gaming RM'000	Leasing RM'000	Investment holding and others RM'000	Elimination RM'000	Consolidated RM'000
<b>31 December 2022</b>						
<b>Revenue</b>						
Revenue as reported	-	73,393	13,003	-	-	86,396
Inter-segment sales	-	2,936	5,743	3,500	(12,179)	-
Total revenue	-	76,329	18,746	3,500	(12,179)	86,396
<b>Results</b>						
Interest income	17	445	45	-	-	507
Interest expenses:						
- lease liabilities	(7)	(146)	(902)	(44)	940	(159)
- borrowings	-	-	(5,847)	(2,337)	-	(8,184)
Depreciation of:						
- plant and equipment	(11)	(287)	(369)	(12)	-	(679)
- right-of-use assets	(53)	(867)	(197)	(350)	403	(1,064)
Fair value gain/(loss) on:						
- investment securities	-	185	-	190	-	375
- investment property	-	-	(3,000)	-	-	(3,000)
Bad debts written off	-	-	-	(409)	-	(409)
Impairment loss on other receivables	(68)	-	-	-	-	(68)
Reversal of impairment loss on:						
- trade receivables	-	-	-	38	-	38
- other receivables	173	-	-	34	-	207
Income tax (expense)/ credit	-	(314)	1,023	-	-	709
Other significant non- cash items	66	-	-	843	(819)	90
Segment (loss)/profit	(5,385)	358	(5,255)	22,443	(25,021)	(12,860)
<b>Assets</b>						
Segment assets	263,393	47,562	317,950	396,763	(470,765)	554,903
<b>Liabilities</b>						
Segment liabilities	208,399	53,585	165,567	130,873	(355,953)	202,471

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 35. Segment information (cont'd.)

#### (a) Business segments (cont'd.):

(i) Additions to non-current assets consist of:

	Note	2023 RM'000	2022 RM'000
Plant and equipment	12	837	356

(ii) The following item is added to segment assets to arrive at total assets reported in the consolidated statement of financial position:

	2023 RM'000	2022 RM'000
Tax recoverable	589	1,484

(iii) The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

	Note	2023 RM'000	2022 RM'000
Deferred tax liabilities	29	119	538
Income tax payable		485	468
		604	1,006

#### (b) Geographical information

The following table provides an analysis of the Group's revenue, segment assets and capital expenditure by geographical segment:

	Revenue		Segment assets		Capital expenditure	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Sabah	74,210	73,393	43,505	47,562	449	275
Kuala Lumpur	12,664	13,003	449,261	450,136	388	81
Negeri Sembilan	-	-	57,205	57,205	-	-
Malaysia	86,874	86,396	549,971	554,903	837	356

#### (c) Information about major customers

No information on major customers is presented as there are no single/groups of significant major customers contributing to the Group's revenue.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 36. Subsidiaries

The details of the subsidiaries which are incorporated and operate in Malaysia (unless stated otherwise) are as follows:

Name of subsidiary	Proportion of ownership		Principal activities
	2023 %	2022 %	
Subsidiaries of the Company			
Lotteries Corporation Sdn. Bhd.	100	100	Organising, managing numbers forecast pools and public lotteries
United Malaysian Properties Sdn. Bhd.	100	100	Dormant
Diriwan Corporation Sdn. Bhd.	100	100	Sale of numbers forecast pools and public lotteries
City Land Sdn. Bhd. *	100	100	Ceased operations
Regal Unity Sdn. Bhd.	100	100	Trading, retailing, food and beverage business
Jupiter Options and Financial Futures Sdn. Bhd.	70	70	Other financial and commodity futures brokers and dealers
Jupiter Asset Management Sdn. Bhd. *	70	70	Ceased operations
Dairy Maid Resort & Recreation Sdn. Bhd.	100	100	Property investment and letting of properties
Olympia Ventures Sdn. Bhd.	100	100	Investment holding
Jupiter Capital Sdn. Bhd. *	100	100	Ceased operations
Sierra Aspects Sdn. Bhd. *	100	100	Ceased operations
JetFM Sdn. Bhd. *	51	51	Ceased operations
Olympia Engineering Sdn. Bhd.	100	100	Investment holding
Olympia Properties Sdn. Bhd.	100	100	Property development
Olympia Leisure Sdn. Bhd. *	60	60	Ceased operations
Avenia Leisure Sdn. Bhd. *	100	100	Ceased operations
Citrus Cafe Sdn. Bhd. *	100	100	Ceased operations

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 36. Subsidiaries (cont'd.)

The details of the subsidiaries which are incorporated and operate in Malaysia (unless stated otherwise) are as follows: (cont'd.)

Name of subsidiary	Proportion of ownership		Principal activities
	2023 %	2022 %	
Subsidiaries of the Company (cont'd.)			
KL Landmark Estate Services Sdn. Bhd. *	100	100	Ceased operations
KL Landmark Sdn. Bhd.	100	100	Property development
MA Realty Sdn. Bhd.	100	100	Property investment holding
Naturelle Sdn. Bhd. **	100	100	Property development
Subsidiary of Lotteries Corporation Sdn. Bhd.			
LC (BVI) Ltd. ^ #	100	100	Ceased operations
Subsidiary of United Malaysian Properties Sdn. Bhd.			
UMP Management Sdn. Bhd.	100	100	Building maintenance
Subsidiary of Dirivan Corporation Sdn. Bhd.			
Dirivan Management Sdn. Bhd.	100	100	Provision of management services
Subsidiary of Dairy Maid Resort & Recreation Sdn. Bhd.			
Dairy Maid Resort & Recreation Property Services Sdn. Bhd.	100	100	Property management services
Subsidiaries of Olympia Ventures Sdn. Bhd.			
Scalini's Asia Sdn. Bhd. *	100	100	Ceased operations
Miles & Miles Asia Ltd. ^ #	100	100	Dormant

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2023 (cont'd.)

### 36. Subsidiaries (cont'd.)

The details of the subsidiaries which are incorporated and operate in Malaysia (unless stated otherwise) are as follows: (cont'd.)

Name of subsidiary	Proportion of ownership		Principal activities
	2023 %	2022 %	
Subsidiaries of Olympia Engineering Sdn. Bhd.			
Suff Marine International Sdn. Bhd. *	70	70	Dormant
Subsidiary of JetFM Sdn. Bhd.			
JetMobile Sdn. Bhd. * ^ ^	100	100	Ceased operations

\* Audited by firms of auditors other than Ernst & Young PLT.

# This subsidiary, Miles & Miles Asia Ltd. is incorporated and operate in Hong Kong.

# This subsidiary, LC (BVI) Ltd. is incorporated and operate in British Virgin Islands.

^ Unaudited.

^ ^ In the process of striking off.

\*\* The equity interest of this subsidiary has been pledged as security for term loan as disclosed in Note 26(c).

# PROPERTIES HELD BY THE GROUP

## As at 31 December 2023

Properties	Description/ Existing Use	Tenure	Land Area (acres)	Built-up area (sq ft)	Carrying Value 31.12.2023 (RM'000)	Date of revaluation
DAIRY MAID RESORT & RECREATION SDN BHD Menara Olympia No 8, Jalan Raja Chulan 50200 Kuala Lumpur	31 storey commercial building	Leasehold for 99 years expiring on 1/3/2088 (29 years old)	1.16	690,553	277,000	31/12/2023
NATURELLE SDN BHD PT 632, 642, 646 to 888, 891, 893 to 907, 909 to 914, 918 to 924, 983 to 1022, 1027 to 1030, 1639 & 1640 Mukim of Kenaboi District of Jelebu Negeri Sembilan Darul Khusus	Mixed development land	Leasehold for 99 years expiring on 26/6/2091	1,371	-	57,205 *	31/12/2023

\* MFRS102: Inventories are carried at lower of cost and net realisable value.

# ANALYSIS OF SHAREHOLDINGS

## As at 1 April 2024

Total number of Issued Shares	1,023,431,958 shares
Class of shares	Ordinary shares
Voting rights	One (1) vote per ordinary share
Number of shareholders	23,935

### DISTRIBUTION OF SHAREHOLDINGS

Size of Holdings	No. of Holders	%	No. of Shares	%
Less than 100	1,545	6.45	45,390	0.01
100 to 1,000	16,256	67.92	4,867,551	0.48
1,001 to 10,000	3,322	13.88	14,435,638	1.41
10,001 to 100,000	2,243	9.37	88,062,062	8.60
100,001 to less than 5% of issued shares	568	2.37	374,909,048	36.63
5% and above of issued shares	1	0.01	541,112,269	52.87
<b>TOTAL</b>	<b>23,935</b>	<b>100.00</b>	<b>1,023,431,958</b>	<b>100.00</b>

### SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholders	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
1. Duta Equities Sdn Bhd	541,262,269	52.89	-	-
2. Tan Sri Dato' Yap Yong Seong	55,668	0.005	541,262,269	* 52.89
3. Dato' Sri Yap Wee Keat	44,500	0.004	541,262,269	* 52.89
4. Datuk Yap Wee Chun	-	-	541,262,269	* 52.89

\* Deemed interest through shares held by Duta Equities Sdn Bhd.

# ANALYSIS OF SHAREHOLDINGS

## As at 1 April 2024 (cont'd.)

### DIRECTORS' INTERESTS IN SHARES IN THE COMPANY AND RELATED COMPANIES

Olympia Industries Berhad		Direct Interest		Deemed Interest	
		No. of Shares	%	No. of Shares	%
1.	Y.A.M Tunku Naquiyuddin ibni Almarhum Tuanku Jaafar	20,000	0.001	-	-
2.	Tan Sri Dato' Yap Yong Seong	55,668	0.005	541,262,269	* 52.89
3.	Dato' Sri Yap Wee Keat	44,500	0.004	541,262,269	* 52.89
4.	Ng Ju Siong	-	-	-	-
5.	Wong Siew Si	-	-	-	-
6.	Dato' Aminudin Zaki bin Hashim	-	-	-	-
7.	Dato' Mohd Zahir bin Zahur Hussain	-	-	-	-

Related Companies		Direct Interest		Deemed Interest	
		No. of Shares	%	No. of Shares	%
<b>Olympia Leisure Sdn Bhd</b>					
Dato' Sri Yap Wee Keat		60,000	40.00	90,000 ^	60.00
<b>JetFM Sdn Bhd</b>					
Dato' Sri Yap Wee Keat		-	-	188,784**	38.00

\* Deemed interest through shares held by Duta Equities Sdn Bhd.

^ By virtue of his interest through Olympia Industries Berhad in accordance with Section 8 of the Companies Act, 2016.

\*\* Deemed interest through Ample Paramount Sdn Bhd which owns 37.76% equity interest in JetFM Sdn Bhd.

# ANALYSIS OF SHAREHOLDINGS

## As at 1 April 2024 (cont'd.)

### TOP 30 SECURITIES ACCOUNT HOLDERS

No.	Name of Shareholders	No. of Shares	%
1.	Duta Equities Sdn Bhd	541,262,269	52.89
2.	MP Factors Sdn Bhd	34,603,560	3.38
3.	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB for Azizan bin Abd Rahman (PB)	29,395,270	2.87
4.	Pacific Element Sdn Bhd	19,966,600	1.95
5.	Pacific Element Sdn Bhd	13,493,000	1.32
6.	Ng Eng Siong	7,370,000	0.72
7.	Lim Pay Kaon	7,000,000	0.68
8.	Lim Pei Tiam @ Liam Ahat Kiat	7,000,000	0.68
9.	Wong Ah Wah	6,500,000	0.64
10.	Kenanga Nominees (Tempatan) Sdn Bhd Chin Kiam Hsung	5,496,000	0.54
11.	Teng Siew Kean	5,470,900	0.53
12.	Tye Lim Huat	4,000,000	0.39
13.	Teo Kwee Hock	3,810,000	0.37
14.	Ng Soo Yong	3,013,000	0.29
15.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chan Kam Fut	3,000,000	0.29
16.	Ng Eng Siong	2,890,000	0.28
17.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for J.V. Avenue Sdn Bhd	2,881,500	0.28
18.	Low Ngok Ming	2,865,000	0.28
19.	Chin Sin Lin	2,838,100	0.28
20.	Public Nominees (Asing) Sdn Bhd Pledged Securities Account for Veronica Bong (E-SPG)	2,595,000	0.25
21.	Tan Yee Ming	2,563,700	0.25
22.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chin Kiam Hsung	2,500,000	0.24

# ANALYSIS OF SHAREHOLDINGS

## As at 1 April 2024 (cont'd.)

### TOP 30 SECURITIES ACCOUNT HOLDERS (cont'd.)

No.	Name of Shareholders	No. of Shares	%
23.	Heng Sze Siang	2,420,000	0.24
24.	Cheng Sau Peng	2,364,900	0.23
25.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chin Kiam Hsung	2,200,000	0.21
26.	Chey Jiun Loong	2,194,000	0.21
27.	Yap Lee Su	2,150,000	0.21
28.	Cheong Peng Hong	2,061,000	0.20
29.	CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account for Ng Chai Hock (MY0972)	2,058,400	0.20
30.	Lee Lai Heng	2,000,000	0.20
<b>Total</b>		<b>727,962,199</b>	<b>71.10</b>

# NOTICE OF 43<sup>RD</sup> ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Forty-Third Annual General Meeting ("43<sup>rd</sup> AGM") of Olympia Industries Berhad ("the Company") will be conducted fully virtual through the online meeting platform at <https://tjih.online> (registered with MYNIC Berhad in the domain name <https://tjih.com.my> under the registration number D1A282781) on Thursday, 30 May 2024 at 3.00 p.m. to transact the following businesses:

## AGENDA

### AS ORDINARY BUSINESS

- |    |   |                                    |
|----|---|------------------------------------|
| 1. | To receive the Audited Financial Statements for the financial year ended 31 December 2023 together with the Reports of the Directors and Auditors thereon                                 | Please refer to Explanatory Note 1 |
| 2. | To approve the payment of Directors' fees of RM180,000 for the financial year ended 31 December 2023  | Ordinary Resolution 1              |
| 3. | To approve the payment of Directors' fees of up to RM250,000 for the period from 1 January 2024 until the next Annual General Meeting of the Company.                                     | Ordinary Resolution 2              |
| 4. | To approve the payment of Directors' benefits to Non-Executive Directors up to an amount of RM100,000 from the 43 <sup>rd</sup> AGM until the next Annual General Meeting of the Company. | Ordinary Resolution 3              |
| 5. | To re-elect the following Directors who are retiring by rotation in accordance with Clause 91 of the Company's Constitution, and being eligible, offer themselves for re-election:        |                                    |
|    | (i) Tan Sri Dato' Yap Yong Seong  | Ordinary Resolution 4              |
|    | (ii) Miss Wong Siew Si  | Ordinary Resolution 5              |
| 6. | To re-elect Dato' Mohd Zahir bin Zahur Hussain who is retiring in accordance with Clause 98 of the Company's Constitution, and being eligible, offers himself for re-election             | Ordinary Resolution 6              |
| 7. | To re-appoint Messrs. Ernst & Young PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration       | Ordinary Resolution 7              |

### AS SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modifications, the following Ordinary Resolutions:

- |    |  |                       |
|----|--|-----------------------|
| 8. | <b>AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016</b> | Ordinary Resolution 8 |
|----|--|-----------------------|

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"THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 and subject to the approval of the relevant regulatory authorities, the Directors of the Company be and are hereby authorised to issue and allot shares in the Company, at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this Resolution does not exceed 10% of the total number of issued shares of the Company for the time being AND THAT the Directors of the Company be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

# NOTICE OF 43<sup>RD</sup> ANNUAL GENERAL MEETING (cont'd.)

AND FURTHER THAT in connection with the above, pursuant to Section 85 of the Companies Act, 2016 to be read together with Clause 58 of the Constitution of the Company, the shareholders of the Company do hereby waive their pre-emptive rights over all new shares to be issued pursuant to Sections 75 and 76 of the Companies Act, 2016 and that such new shares when issued, to rank pari passu with the existing issued shares in the Company."

9. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

Ordinary Resolution 9

"THAT pursuant to Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company and/or its subsidiaries ("Olympia Group") to enter into and give effect to the categories of recurrent related party transactions with the related parties as specified in Section 2.3.1 of the Circular to Shareholders dated 30 April 2024, which are necessary for the Olympia Group's day-to-day operations in the ordinary course of business made on an arm's length basis and on normal commercial terms and on terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company (hereinafter referred to as "the Mandate") and the Mandate shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time the Mandate will lapse, unless by a resolution passed at a general meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act, 2016 ("the Act") (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is earlier.

AND THAT the Directors of the Company and/or its subsidiaries be and are hereby authorised to complete and do all such acts and things including executing all such documents as they may consider necessary or expedient to give effect to the Mandate."

10. To transact any other business of which due notice shall have been given.

## BY ORDER OF THE BOARD

**Lim Yoke Si (MAICSA 0825971) / SSM PC No. 202008000548**  
Company Secretary

Kuala Lumpur  
30 April 2024

# NOTICE OF 43<sup>RD</sup> ANNUAL GENERAL MEETING (cont'd.)

## Notes

1. The 43<sup>rd</sup> AGM of the Company will be conducted pursuant to Guidance Notes issued by the Securities Commission Malaysia and Section 327(2) of the Companies Act 2016.
2. Shareholders or proxies/corporate representatives/attorneys appointed/authorised are advised to follow the procedures provided in the Administrative Guide for the 43<sup>rd</sup> AGM in order to register, participate and vote remotely.
3. Shareholders are to attend (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely in the 43<sup>rd</sup> AGM via Remote Participation and Voting facilities ("RPV") provided by Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") via its TIIH Online website at <https://tiih.online>. Please follow the procedures for RPV in the Administrative Guide for the 43<sup>rd</sup> AGM.
4. A member shall not be entitled to appoint more than two (2) proxies to participate in the 43<sup>rd</sup> AGM via RPV.
5. Where a member is an authorised nominee, it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
7. Where a member or authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
8. If the appointor is a corporation, the Form of Proxy must be executed under its Common Seal or under the hand of its attorney.
9. The appointment of a proxy may be made in a hard copy form or by electronic means as follows:

### (a) In hard copy form

The Form of Proxy or the Power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited at the office of Share Registrar of the Company, Tricor, at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, not less than 48 hours before the time for holding the 43<sup>rd</sup> AGM or no later than 3.00 p.m. on 28 May 2024.

### (b) By Tricor Online System (TIIH Online)

The Form of Proxy can be electronically submitted to Tricor via TIIH Online at <https://tiih.online>. Kindly refer to the Administrative Guide for the 43<sup>rd</sup> AGM on the procedures for electronic lodgement of proxy form via TIIH Online.

10. In respect of deposited securities, only members whose names appear in the Record of Depositors on 23 May 2024 shall be entitled to participate in the 43<sup>rd</sup> AGM via RPV.
11. In compliance with the Main Market Listing Requirement of Bursa Malaysia Securities Berhad, all resolutions as set herein will be put to vote by way of poll.

## PERSONAL DATA PROTECTION STATEMENT

By submitting an instrument appointing a proxy(ies) and/or representatives(s) to attend and to vote at the Annual General Meeting ("AGM") of the Company and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

# NOTICE OF 43<sup>RD</sup> ANNUAL GENERAL MEETING (cont'd.)

## EXPLANATORY NOTES:

1. **Audited Financial Statements for the financial year ended 31 December 2023 together with the Reports of the Directors and Auditors thereon ("AFS")**

Agenda 1 is for presentation of the AFS to shareholders for discussion only as the provision of Section 340(1)(a) of the Companies Act, 2016 does not require approval from shareholders of the Company. Hence, it is not put forward for voting.

2. **Ordinary Resolutions 1 and 2 - Payment of Director' Fees**

The proposed Ordinary Resolution 1 is for payment of fees to Non-Executive Directors of the Company who have served during the financial year 2023. The proposed fees are as follows:

Non-Executive Chairman	RM48,000 per annum
Independent Non-Executive Director	RM36,000 per annum
Non-Independent Non-Executive Director	RM24,000 per annum

For any Non-Executive Director who has resigned or appointed during the year, the proposed fee shall be calculated until his/her resignation date as Director or from the date of his/her appointment to the Board.

The proposed Ordinary Resolution 2 is to facilitate payment of fees to Non-Executive Directors of the Company for the period from 1 January 2024 until the next AGM of the Company to be held in year 2025 (17 months). The total Directors' fees of up to RM250,000/- is calculated based on the current Board size and assuming that all Directors shall hold office until the next AGM. The proposed payment of fee to each Non-Executive Director shall remain unchanged as in the financial year 2023 and shall be paid on a half yearly basis.

The Board has endorsed the recommendations of the Nomination and Remuneration Committee on the proposed payment of Directors' fees to Non-Executive Directors of the Company.

3. **Ordinary Resolution 3 - Payment of Benefits to Non-Executive Directors**

The Directors' benefits for Non-Executive Directors comprise meeting allowances of RM65,000 including other claimable benefits that may arise during the period concerned and leave passage of RM35,000. Meeting allowances are calculated based on the number of scheduled Board, Board Committee and general meetings from the 43<sup>rd</sup> AGM until the next Annual General Meeting of the Company.

The Board has endorsed the recommendation of the Nomination and Remuneration Committee on the proposed payment of Directors' benefits to Non-Executive Directors of the Company.

4. **Ordinary Resolutions 4 and 5 - Re-election of Directors (retirement by rotation)**

Clause 91 of the Company's Constitution states that at each Annual General Meeting ("AGM") of the Company, one-third (1/3<sup>rd</sup>) of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office. All Directors shall retire from office at least once in three (3) years and shall be eligible for re-election.

Tan Sri Dato' Yap Yong Seong and Miss Wong Siew Si are due to retire by rotation at the 43<sup>rd</sup> AGM and being eligible, have offered themselves for re-election.

The Board through the Nomination and Remuneration Committee had assessed the retiring Directors based on the Fit and Proper criteria and is satisfied that they have the experience, competence, integrity and character in their respective roles as Board members. The Board recommends the re-election of Tan Sri Dato' Yap Yong Seong and Miss Wong Siew Si as Directors at the 43<sup>rd</sup> AGM.

# NOTICE OF 43<sup>RD</sup> ANNUAL GENERAL MEETING (cont'd.)

## 5. Ordinary Resolution 6 – Re-election of Director (casual vacancy)

Clause 98 of the Company's Constitution summarises that any person appointed as a Director, either to fill a casual vacancy or as an addition to the existing Directors, shall hold office only until the next annual general meeting, and shall then be eligible for re-election.

Dato' Mohd Zahir bin Zahur Hussain who was appointed on 15 March 2024, is due to retire at the 43<sup>rd</sup> AGM and being eligible, has offered himself for re-election. The Nomination and Remuneration Committee had earlier reviewed and assessed Dato' Mohd Zahir bin Zahur Hussain based on amongst others, the Fit and Proper criteria prior to his Board appointment. The Board recommends the re-election of Dato' Mohd Zahir bin Zahur Hussain as Director at the 43<sup>rd</sup> AGM.

## 6. Ordinary Resolution 7 – Re-appointment of Auditors

Based on the annual evaluation carried out on the external auditors, the Board has endorsed the recommendation of the Audit Committee to re-appoint Messrs. Ernst & Young PLT as Auditors of the Company at the 43<sup>rd</sup> AGM.

## 7. Ordinary Resolution 8 – Authority to Issue and Allot Shares

The proposed resolution, if passed, will renew the mandate obtained at the last AGM and authorise the Directors to issue and allot up to 10% of the total number of issued shares of the Company for the time being, for purposes of any fundraising activities including but not limited to, placement of shares, funding future investments and/or working capital. The general mandate will provide flexibility and expediency for issuance of new shares and waive shareholders' pre-emptive rights over new shares in connection with Section 85 of the Companies Act, 2016 to be read together with Clause 58 of the Constitution of the Company.

As at the date of this Notice of 43<sup>rd</sup> AGM and based on the mandate obtained at the 42<sup>nd</sup> AGM, no new shares were issued and hence, no proceeds were raised.

## 8. Ordinary Resolution 9 – Renewal of Shareholders' Mandate for Recurrent Related Party Transactions

The proposed resolution, if passed, will renew the shareholders' mandate obtained at the last AGM and will enable the Olympia Group to enter into recurrent related party transactions of a revenue or trading nature as detailed in the Circular to Shareholders dated 30 April 2024.

# STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

[Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”)]

## 1. Details of individual who is standing for election as Director

No individual is seeking election as a Director at the Forty-Third Annual General Meeting (“43<sup>rd</sup> AGM”) of the Company.

## 2. General mandate for issue of securities in accordance with 6.03(3) of MMLR of Bursa Securities

The shareholders' approval for renewal of general mandate on issuance of shares pursuant to Sections 75 & 76 of the Companies Act, 2016 (“the Act”) will be sought at the 43<sup>rd</sup> AGM of the Company.

The said general mandate, if renewed, will provide flexibility to the Company for issuance of new shares for any possible fundraising activities, including but not limited to placement of shares, funding future investments and/or working capital.

No proceeds were raised from the previous mandate as the Company did not issue any new shares under the general mandate which was approved at the 42<sup>nd</sup> AGM of the Company held on 31 May 2023.

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# OLYMPIA INDUSTRIES BERHAD

[198001009242 (63026-U)]

## Form of Proxy

CDS Account No.	No. of Shares held

\*I/We \_\_\_\_\_

\*NRIC/Passport/Company No.: \_\_\_\_\_ Mobile Phone No.: \_\_\_\_\_

Address: \_\_\_\_\_

being a member of **OLYMPIA INDUSTRIES BERHAD** ("the Company"), hereby appoint :-

1. Name of proxy	NRIC/ Passport No.	Proportion of shareholdings and % represented by proxy	
		No. of Shares	%
Address			

and

2. Name of proxy	NRIC/ Passport No.	Proportion of shareholdings and % represented by proxy	
		No. of Shares	%
Address			

or failing \*him/her, the Chairman of the meeting as \*my/our proxy to vote for \*my/our behalf at the 43<sup>rd</sup> Annual General Meeting ("AGM") of the Company which will be conducted fully virtual through the online meeting platform at <https://tjih.online> (registered with MYNIC Berhad in the domain name <https://tjih.com.my> under the registration number D1A282781) on Thursday, 30 May 2024 at 3.00 p.m., or at any adjournment thereof.

Ordinary Resolutions	Ordinary Business	For	Against
1	Payment of Directors' fees to Non-Executive Directors for the financial year ended 31 December 2023		
2	Payment of Directors' fees to Non-Executive Directors for the period from 1 January 2024 until the next AGM in year 2025		
3	Payment of Directors' benefits to Non-Executive Directors		
4	Re-election of Tan Sri Dato' Yap Yong Seong as Director		
5	Re-election of Miss Wong Siew Si as Director		
6	Re-election of Dato' Mohd Zahir bin Zahur Hussain as Director		
7	Re-appointment of Messrs. Ernst & Young PLT as Auditors and authority to the Directors to fix the Auditors' remuneration		
	<b>Special Business</b>		
8	Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016		
9	Proposed renewal of Shareholders' Mandate for recurrent related party transactions of a revenue or trading nature		

(Please indicate the manner in which you wish your vote to be cast with an "X" in the appropriate space above. If no instruction is given, this form will be taken to authorise the proxy to vote at his/her discretion)

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Signature / Common Seal of Shareholder

\* Delete where inapplicable

### Notes

- The 43<sup>rd</sup> AGM will be conducted pursuant to Guidance Notes issued by the Securities Commission Malaysia and Section 327(2) of the Companies Act 2016.
- Shareholders or proxies / corporate representatives / attorneys appointed/authorised are advised to follow the procedures provided in the Administrative Guide for the 43<sup>rd</sup> AGM in order to register, participate and vote remotely.
- Shareholders are to attend (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely in the 43<sup>rd</sup> AGM via Remote Participation and Voting facilities ("RPV") provided by Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") via its TIH Online website at <https://tjih.online>. Please follow the procedures for RPV in the Administrative Guide for the 43<sup>rd</sup> AGM.
- A member shall not be entitled to appoint more than two (2) proxies to participate in the 43<sup>rd</sup> AGM via RPV.
- Where a member is an authorised nominee, it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- Where a member or authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.

- If the appointor is a corporation, the Form of Proxy must be executed under its Common Seal or under the hand of its attorney.
- The appointment of a proxy may be made in a hard copy form or by electronic means as follows:
  - In hard copy form**  
The Form of Proxy or the Power of Attorney or other authority, if any, under which it is signed or a notorially certified copy of that power or authority, must be deposited at the office of Share Registrar of the Company, Tricor, at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, not less than 48 hours before the time for holding the 43<sup>rd</sup> AGM or no later than 3.00 p.m. on 28 May 2024.
  - By Tricor Online System (TIH Online)**  
The Form of Proxy can be electronically submitted to Tricor via TIH Online at <https://tjih.online>. Kindly refer to the Administrative Guide for the 43<sup>rd</sup> AGM on the procedures for electronic lodgement of proxy form via TIH Online.
- In respect of deposited securities, only members whose names appear in the Record of Depositors on 23 May 2024 shall be entitled to participate in the 43<sup>rd</sup> AGM via RPV.
- In compliance with the Main Market Listing Requirement of Bursa Malaysia Securities Berhad, all resolutions as set herein will be put to vote by way of poll.

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THE REGISTRAR OF  
OLYMPIA INDUSTRIES BERHAD  
[198001009242 (63026-U)]

AFFIX  
STAMP

The Share Registrar  
**Tricor Investor & Issuing House Services Sdn Bhd**  
[197101000970 (11324-H)]  
Unit 32-01, Level 32, Tower A  
Vertical Business Suite, Avenue 3  
Bangsar South, No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Malaysia

fold here

# **OLYMPIA INDUSTRIES BERHAD**

Registration No.: 198001009242 (63026-U)

Level 23, Menara Olympia, No. 8, Jalan Raja Chulan, 50200 Kuala Lumpur

**T** +603 2070 0033   **F** +603 2070 0011   **E** [olympia@oib.com.my](mailto:olympia@oib.com.my)

**[www.oib.com.my](http://www.oib.com.my)**