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OLYMPIA INDUSTRIES BERHAD

[198001009242 (63026-U)]
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

**PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR
RECURRENT RELATED PARTY TRANSACTIONS
OF A REVENUE OR TRADING NATURE**

The above Proposal will be tabled as Special Business at the 40th Annual General Meeting (“40th AGM”) to be conducted entirely through live streaming from the Broadcast Venue at Level 23, Menara Olympia, No. 8, Jalan Raja Chulan, 50200 Kuala Lumpur on Wednesday, 23 June 2021 at 3:00 p.m. The Notice of the 40th AGM together with the Form of Proxy and Administrative Guide on 40th AGM are available on the Company’s website at www.oib.com.my and Bursa Malaysia Berhad’s website at www.bursamalaysia.com.

As a shareholder, in the event you wish to appoint a proxy, please complete, sign and return the Form of Proxy in accordance with the instructions printed thereon. The completed Form of Proxy must be deposited at the office of the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd, at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, alternatively to be submitted via TIIH Online website at <https://tiih.online> not less than 48 hours before the time fixed for holding the 40th AGM or at any adjournment thereof. The lodging of Form of Proxy will not preclude you from participating and voting at the 40th AGM should you subsequently decide to do so.

| | |
|--------------------------------------------------|----------------------------------------|
| Last date and time for lodging the Form of Proxy | : Monday, 21 June 2021 at 3.00 p.m. |
| Date and time of the 40 th AGM | : Wednesday, 23 June 2021 at 3.00 p.m. |

This Circular is dated 24 May 2021

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:-

| | | |
|---------------------------------|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Act” | - | Companies Act, 2016, as amended from time to time and any re-enactment thereof |
| “AGM” | - | Annual General Meeting |
| “Board” or “Board of Directors” | - | Board of Directors of Olympia |
| “Bursa Securities” | - | Bursa Malaysia Securities Berhad [200301033577(635998-W)] |
| “CMSA” | - | Capital Markets and Services Act 2007, as amended from time to time and any re-enactment thereof |
| “Director” | - | Shall have the meaning given in section 2(1) of the CMSA and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a Director or Chief Executive Officer of Olympia (or any other company which is its subsidiary or holding company) |
| “DESB” | - | Duta Equities Sdn Bhd [198901006763(184066-T)] |
| “DMRR” | - | Dairy Maid Resort & Recreation Sdn Bhd [198401006683 (119198-T)] |
| “DutaLand” | - | DutaLand Berhad [196701000326(7296-V)] |
| “DutaLand Group” | - | DutaLand and its subsidiaries, collectively |
| “KHD” | - | Kenny Height Developments Sdn Bhd [196801000168(7799-A)] |
| “Listing Requirements” | - | Main Market Listing Requirements of Bursa Securities including any amendments made from time to time |
| “Major Shareholder” | - | <p>A person who (which includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon) has an interest or interests in one or more voting shares in the Company or any other company which is its subsidiary or holding company and the total number of that share, or aggregate number of those shares is:-</p> <p>(a) 10% or more of the total number of voting shares in the Company; or</p> <p>(b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company.</p> <p>For the purpose of definition, “interest in shares” has the meaning given in section 8 of the Act.</p> |
| “Olympia” or “the Company” | - | Olympia Industries Berhad [198001009242(63026-U)] |
| “Olympia Group” or “the Group” | - | Olympia and its subsidiaries, collectively |
| “OVSB” | - | Olympia Ventures Sdn Bhd [199501032772(361974-T)] |

| | | |
|----------------------------------|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Proposed Shareholders’ Mandate” | - | Proposed shareholders’ mandate for existing recurrent related party transactions of a revenue or trading nature which are necessary for its day-to-day operations and are in the ordinary course of business of the Group |
| “Related Party(ies)” | - | Director(s), Major Shareholder(s) or person(s) connected with such Director(s) or Major Shareholder(s) |
| “Related Party Transaction(s)” | - | Transaction(s) entered into by the Olympia Group which involves the interest, direct or indirect, of Related Party(ies) |
| “RRPT” | - | Related party transactions which are recurrent, of a revenue or trading nature and which are necessary for day-to-day operations and are in the ordinary course of business of Olympia Group |
| “RM and sen” | - | Ringgit Malaysia and sen respectively |
| “Sri Aman” | - | Sri Aman Development Sdn Bhd [198501004439(136878-U)] |

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OLYMPIA INDUSTRIES BERHAD

[198001009242 (63026-U)]
(Incorporated in Malaysia)

Registered Office

Level 23, Menara Olympia
No. 8, Jalan Raja Chulan
50200 Kuala Lumpur

24 May 2021

Board of Directors

Y.A.M. Tunku Naquiyuddin ibni Almarhum Tuanku Jaafar (*Chairman, Independent Non-Executive Director*)
Tan Sri Dato' Yap Yong Seong (*Group Managing Director*)
Dato' Sri Yap Wee Keat (*Executive Director*)
Tan Sri Dato' Nik Hashim bin Nik Ab. Rahman (*Senior Independent Non-Executive Director*)
Ng Ju Siong (*Non-Independent Non-Executive Director*)
Izaddeen bin Daud (*Independent Non-Executive Director*)

To: **The Shareholders of Olympia Industries Berhad**

Dear Sir/Madam,

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")

1. INTRODUCTION

On 4 May 2021, the Company had announced its intention to seek shareholders' approval at the forthcoming 40th AGM for the Proposed Shareholders' Mandate.

The purpose of this Circular is to set out details of the Proposed Shareholders' Mandate and to seek shareholders' approval for the resolution relating to the aforesaid proposal to be tabled at the 40th AGM of the Company.

2. PROPOSED SHAREHOLDERS' MANDATE

2.1 Details of the Proposed Shareholders' Mandate

Pursuant to Paragraph 10.09 of the Listing Requirements, a listed issuer may seek a shareholders' mandate in respect of related party transactions which are recurrent, of a revenue or trading nature and which are necessary for the day-to-day operations of a listed issuer or its subsidiaries, subject to the following:-

- i) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Party than those generally available to the public;
- ii) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where; -
 - (i) the consideration, value of the assets, capital outlay or costs of the aggregate transactions is RM1 million or more; or
 - (ii) the percentage ratio of the such aggregated transactions is 1% or more,whichever is the higher;
- iii) the issuance of a circular to shareholders for the shareholders' mandate shall include information as may be prescribed by Bursa Securities;
- iv) in a meeting to obtain a shareholders' mandate, the interested Director(s), interested Major Shareholder(s) or interested person(s) connected with a Director or Major Shareholder and where it involves the interest of an interested person connected with a Director or Major Shareholder, such Director or Major Shareholder must not vote on the resolution to approve the transactions. An interested Director or interested Major Shareholder must also ensure that persons connected with him abstain from voting on the resolution approving the transactions; and
- v) the listed issuer immediately announces to Bursa Securities when the actual value of the recurrent related party transactions entered into by the listed issuer or its subsidiaries, exceeds the estimated value of the recurrent related party transaction disclosed in the circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

Olympia shareholders had, at the 39th AGM of the Company held on 23 June 2020 approved the renewal of the existing mandate for the recurrent related party transactions. The said mandate will expire at the conclusion of the forthcoming 40th AGM of the Company to be held on 23 June 2021.

Olympia and/or its subsidiaries, in their ordinary course of business, will enter into related party transactions which are recurrent and of a revenue or trading nature which are necessary for the Group day-to-day operations.

In view of the frequent nature of such transactions and pursuant to Paragraph 10.09 and Practice Note ("PN") 12 of the Listing Requirements, Olympia now proposes to seek shareholders' approval for the renewal of the existing shareholders' mandate for RRPTs. The Proposed Shareholders' Mandate shall apply in respect of the RRPTs to be entered into from the passing of the ordinary resolution at the forthcoming 40th AGM of the Company or at any adjournment thereof until :-

- i) the conclusion of the next AGM of the Company following the general meeting at which this mandate is passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- ii) 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 Act but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act; or
- iii) revoked or varied by resolution passed by shareholders of the Company in general meeting,

whichever is earlier.

Thereafter, approval from shareholders for the renewal of the Proposed Shareholders' Mandate will be sought at each subsequent AGM or extraordinary general meeting held immediately after the conclusion of the AGM of the Company.

Disclosures will be made in the annual report of the Company in accordance with Section 3.1.5 of PN12 of the Listing Requirements which requires a breakdown of the aggregate value of the RRPTs made during the financial year pursuant to the Proposed Shareholders' Mandate, amongst others, based on the following information:

- (a) type of the RRPT made; and
- (b) names of the Related Parties involved in each type of the RRPT and their relationship with the Company.

2.2 Principal Activities of Olympia Group

The principal activity of Olympia is investment holding. It also engages in the business of provision of management services to its subsidiaries. Its subsidiaries are principally engaged in property investment/development and gaming.

2.3 Details, Class and Nature of RRPT

- 2.3.1 The recurrent related party transactions of a revenue or trading nature between the Olympia Group and the classes of related parties and nature of transactions are as follows :-

| Item No. | Olympia and/or its subsidiaries transacting with the related party | Related Party | Nature of Transactions | Relationship | Interested Directors, Interested Major Shareholders and Persons Connected | Previous Estimated Value as disclosed in the circular to shareholders dated 29 May 2020 (RM'000) | * Actual Value from 23 June 2020 (39 th AGM) to last practicable date (RM'000) | @ Estimated Value from this AGM to next AGM (RM'000) |
|----------|--------------------------------------------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|------------------------------------------------------|
| 1 | DMRR ¹ | DutaLand Group | Letting of office premises ⁵ inclusive of parking space at basement parking in Menara Olympia by DMRR to DutaLand Group and rental is payable on a monthly basis | DMRR is a wholly-owned subsidiary of Olympia TSDYYS and DSYWK are Directors and major shareholders of DutaLand and Olympia KHD, DESB, PSDLLN and DYWC are major shareholders of both DutaLand and Olympia | <u>Interested Directors</u> ^{2&3} Tan Sri Dato' Yap Yong Seong ("TSDYYS") Dato' Sri Yap Wee Keat ("DSYWK") <u>Interested Major Shareholders</u> ^{2, 3 & 4} KHD, DESB, TSDYYS DSYWK Puan Sri Datin Leong Li Nar ("PSDLLN") Datuk Yap Wee Chun ("DYWC") | 1,300 | 669 | 1,300 |

| Item No. | Olympia and/or its subsidiaries transacting with the related party | Related Party | Nature of Transactions | Relationship | Interested Directors, Interested Major Shareholders and Persons Connected | Previous Estimated Value as disclosed in the circular to shareholders dated 29 May 2020 (RM'000) | * Actual Value from 23 June 2020 (39 th AGM) to last practicable date (RM'000) | @ Estimated Value from this AGM to next AGM (RM'000) |
|----------|--------------------------------------------------------------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|------------------------------------------------------|
| 2 | DMRR ¹ | Sri Aman | Letting of office premises ⁵ inclusive of parking space at basement parking in Menara Olympia by DMRR to Sri Aman and rental is payable on a monthly basis | DMRR is a wholly-owned subsidiary of Olympia TSDYYS is a major shareholder of Olympia and has 75% indirect interest in Sri Aman | <u>Interested Director</u> ⁶ TSDYYS <u>Interested Major Shareholder</u> ⁶ TSDYYS <u>Persons Connected</u> ⁴ DSYWK PSDLLN DYWC | 200 | 93 | 200 |
| | | | | | TOTAL: | 1,500 | 762 | 1,500 |

* Actual value transaction from 23 June 2020 up to 30 April 2021.

@ Estimated value is based on the actual transacted value for the financial year ended 31 December 2020 and the projected transactions of the Group. The actual value of transactions may vary from the estimated values disclosed above.

Notes:

¹ The principal activities of DMRR are property investment and letting of properties.

² TSDYYS and DSYWK are Directors and interested major shareholders of Olympia by virtue of their direct and indirect interest through KHD and DESB which own 17.59% and 15.24% equity interest respectively in Olympia as set out in Section 5 of this Circular. Both TSDYYS and PSDLLN have direct interests of 50% each or 1,101,500 shares each in KHD. TSDYYS and PSDLLN have direct interest of 8,000,100 shares or 89% and 1,000,020 shares or 11% interest respectively in DESB.

³ TSDYYS and DSYWK are Directors and interested major shareholders of DutaLand by virtue of their direct and indirect interest through KHD, DESB and Olympia which own 32.27%, 26.91% and 0.01% equity interest respectively in DutaLand.

⁴ PSDLLN is the spouse of TSDYYS and mother to DSYWK and DYWC.

⁵ The rental of office premises which is payable on a monthly basis at Menara Olympia, No. 8, Jalan Raja Chulan, 50200 Kuala Lumpur are as follows :-

| <u>Company</u> | <u>Office Premises</u> | <u>Spaces (in square feet)</u> |
|----------------|------------------------|--------------------------------|
| DutaLand Group | - Level 23 | 7,090.50 sq. ft. |
| | - Level 24 | 6,908.04 sq. ft. |
| Sri Aman | - Level 24 | 2,278 sq. ft. |

⁶ TSDYYS has 75% indirect equity interest comprising 750,000 shares held by his son, Yap Wee Sean in Sri Aman.

2.4 Amount Due and Owing under RRPT

There are no amount due and owing by the Related Parties arising from RRPT which has exceeded the credit term for the financial year ended 31 December 2020.

2.5 Rationale and Benefits for the Proposed Shareholders' Mandate

The rationale for and benefits of the Proposed Shareholders' Mandate to the Olympia Group are as follows:-

- (a) The RRPTs to be entered into by the Group are all in the ordinary course of business and the recurring transactions are likely to occur with some degree of frequency and may arise at any time and from time to time and may be impractical to seek shareholders' approval for each RRPT.
- (b) The granting of the Proposed Shareholders' Mandate will benefit and bring about synergies within the Olympia Group in achieving efficiencies and business objectives of the Group as well as meeting customers' demand as these transactions are normal operations carried out in an expeditious manner and on normal commercial terms to meet the business and operational needs of all parties concerned.
- (c) The granting of the Proposed Shareholders' Mandate will substantially reduce the expenses associated with convening general meetings on ad-hoc basis, avoid undue inconvenience to shareholders, improve administrative efficiency and allow human resources and time to be channelled towards attaining corporate objectives of the Olympia Group.
- (d) The benefits of transacting with related parties will increase the contribution of earnings to the Olympia Group.

2.6 Review Procedures and Guidelines for RRPT

The Olympia Group has established procedures and guidelines to ensure that RRPTs are undertaken at arm's length and on normal commercial terms and on transaction prices that are not more favourable to the Related Party than those normally available to the public and are not to the detriment of the minority shareholders.

The review procedures that were implemented to monitor the RRPTs include the following:

- (a) All companies within the Olympia Group are duly informed and made well aware of the Related Party/ies and existing transactions. They must ensure that such RRPTs are made on arms-length basis and on terms not more favourable to the Related Party/ies than those generally available to the public and not to the detriment of the minority shareholders. In addition, prompt notifications and movements involving the RRPT are required from the respective business units to monitor regularly the cumulative value of RRPT against mandated amount.
- (b) RRPT which forms part of the internal audit plan is submitted to the Audit Committee for review. The Audit Committee will review these transactions to determine whether established guidelines and procedures have been adhered to and if there is a need for further review or to improve the procedures. Members of the Audit Committee and Board who are directly or indirectly interested in any RRPT shall have declared their interests in the RRPT and abstain from deliberations and voting in respect of such RRPT.
- (c) The transaction prices and terms shall be determined based on current prevailing market prices applicable to similar commercial transactions with unrelated third parties. At least 2 other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/by the Related Party/ies are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities.

In the event that quotations or comparative pricing from unrelated third parties cannot be obtained for the proposed transactions, the Audit Committee and the Board will rely on the Group's usual business practices taking into account the efficiency, quality and type of support services to be provided to ensure that the RRPTs are not detrimental to the Olympia Group.

The guidelines involve the following principles:

- i) The letting/rental of properties must be at prevailing market rates for similar properties located in the same vicinity and shall be on normal commercial terms.
- ii) The requirement for Internal Audit to review all RRPTs and Related Party Transactions and to submit to the Audit Committee the status update and progress on a half-yearly basis.

In addition, the Audit Committee with the assistance of Internal Audit department will carry out review of the procedures and guidelines to ensure that the Proposed Shareholders' Mandate are applied and that the transactions are at normal arm's length on commercial terms that are not detrimental to the minority shareholders.

The RRPTs are subject to the limits of authority threshold for each transaction. Approvals of the Audit Committee and the Board are required for the letting/rental of office/retail premises per month of RM200,000 and above.

2.7 **Statement by Audit Committee**

The Audit Committee has reviewed the procedures mentioned in Section 2.6 above and is of the view that the said procedures are sufficient to ensure that RRPTs are fair and reasonable, made at arm's length and on terms that are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders.

The Olympia Group has in place adequate procedures and processes to monitor, track and identify recurrent related party transactions in a timely and orderly manner and shall review these procedures and processes on a half-yearly basis.

3. **APPROVAL REQUIRED**

The Proposed Shareholders' Mandate is subject to the approval of the shareholders of the Company at the forthcoming 40th AGM of the Company.

4. **FINANCIAL EFFECT**

The Proposed Shareholders' Mandate is not expected to have any effect on the share capital, shareholding of substantial shareholders of the Company, earnings and net assets per share and gearing of the Group.

5. **INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED**

The direct and indirect interest of Directors in Olympia as at 30 April 2021 are as follows:

| Directors | Direct Interest | | Indirect Interest | |
|------------------------------------------------------|-----------------|-------|-------------------|-------|
| | No. | % | No. | % |
| Y.A.M. Tunku Naquiyiddin ibni Almarhum Tuanku Jaafar | 20,000 | 0.001 | - | - |
| Tan Sri Dato' Yap Yong Seong | 55,668 | 0.005 | 335,947,183* | 32.83 |
| Dato' Sri Yap Wee Keat | 44,500 | 0.004 | 335,947,183* | 32.83 |
| Tan Sri Dato' Nik Hashim bin Nik Ab. Rahman | - | - | - | - |
| Ng Ju Siong | - | - | - | - |
| Izaddeen bin Daud | - | - | - | - |

The direct and indirect interest of interested Directors, interested Major Shareholders and persons connected in Olympia as at 30 April 2021 are as follows :-

| Interested Directors, Major Shareholders And Person Connected | Direct Interest | | Indirect Interest | |
|--------------------------------------------------------------------------|------------------------|----------|--------------------------|----------|
| | No. | % | No. | % |
| Tan Sri Dato' Yap Yong Seong ("TSDYYS") ^{aa ^} | 55,668 | 0.005 | 335,947,183* | 32.83 |
| Dato' Sri Yap Wee Keat ("DSYWK") ^{bb ^} | 44,500 | 0.004 | 335,947,183* | 32.83 |
| Datuk Yap Wee Chun ("DYWC") ^{cc} | - | - | 335,947,183* | 32.83 |
| Puan Sri Datin Leong Li Nar ("PSDLLN") ^{dd} | - | - | 335,947,183* | 32.83 |

| Interested, Major Shareholders And Person Connected | Direct Interest | | Indirect Interest | |
|----------------------------------------------------------------|------------------------|----------|--------------------------|----------|
| | No. | % | No. | % |
| Kenny Height Developments Sdn Bhd ("KHD") | 180,000,000 | 17.59 | - | - |
| Duta Equities Sdn Bhd ("DESB") | 155,947,183 | 15.24 | - | - |

* Deemed interest through shares held by KHD and DESB

^{aa} Holds a direct interest of 1,101,500 and 8,000,100 ordinary shares or 50% and 89% interest in KHD and DESB respectively and deemed interested in Olympia through his spouse, PSDLLN's 11% interest in DESB and 50% interest in KHD

^{bb} Deemed interested in Olympia through his father, TSDYYS's 89% and his mother, PSDLLN's 11% interest in DESB and TSDYYS's 50% and PSDLLN's 50% interest in KHD

^{cc} Deemed interested in Olympia through his father, TSDYYS's 89% and his mother, PSDLLN's 11% interest in DESB and TSDYYS's 50% and PSDLLN's 50% interest in KHD

^{dd} Holds a direct interest of 1,000,020 ordinary shares or 11% interest in DESB and 1,101,500 ordinary shares or 50% interest in KHD

[^] TSDYYS and DSYWK are Directors and interested major shareholders of DutaLand by virtue of their direct and indirect interest through KHD, DESB and Olympia which own 32.27%, 26.91% and 0.01% equity interest respectively

Tan Sri Dato' Yap Yong Seong and Dato' Sri Yap Wee Keat being the interested Directors have abstained and will continue to abstain from Board deliberations and voting and will also abstain from voting on Ordinary Resolution 9 pertaining to the Proposed Shareholders' Mandate at the forthcoming 40th AGM.

The interested Major Shareholders and persons connected as mentioned hereinabove will abstain from voting on Ordinary Resolution 9 pertaining to the Proposed Shareholders' Mandate at the forthcoming 40th AGM.

The interested Directors and interested Major Shareholders will ensure that persons connected with them as in Section 2.3.1 of this Circular will also abstain from voting on Ordinary Resolution 9.

Save as disclosed above, none of the other Directors and/or Major Shareholders of the Company or persons connected to them, has any interest, direct or indirect, in the Proposed Shareholders' Mandate.

6. DIRECTORS' RECOMMENDATION

The Board of Directors (except for Tan Sri Dato' Yap Yong Seong and Dato' Sri Yap Wee Keat) is of the opinion that the Proposed Shareholders' Mandate is in the best interest of the Company and its shareholders and accordingly recommends that you vote in favour of the resolution pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming 40th AGM.

7. 40TH ANNUAL GENERAL MEETING

The 40th AGM of the Company, the Notice of which is enclosed in the Annual Report 2020, will be held at the Broadcast Venue at Level 23, Menara Olympia, No. 8, Jalan Raja Chulan, 50200 Kuala Lumpur on Wednesday, 23 June 2021 at 3.00 p.m. or any adjournment thereof for the purpose of considering and if thought fit, passing, amongst others, Ordinary Resolution 9 pertaining to the Proposed Shareholders' Mandate under Special Business of the Agenda as set out in the Notice of 40th AGM of the Company.

As a shareholder, in the event you wish to appoint a proxy, please complete, sign and return the Form of Proxy in accordance with the instructions printed thereon. The completed Form of Proxy must be deposited at the office of the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd, at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, alternatively to be submitted via TIIH Online website at <https://tiih.online> not less than 48 hours before the time fixed for holding the 40th AGM or at any adjournment thereof. The lodging of Form of Proxy will not preclude you from participating and voting at the 40th AGM should you subsequently decide to do so.

8. FURTHER INFORMATION

Shareholders are advised to refer to Appendix I for further information.

Yours faithfully,
For and on behalf of the Board of
OLYMPIA INDUSTRIES BERHAD

Tan Sri Dato' Nik Hashim bin Nik Ab. Rahman
Senior Independent Non-Executive Director

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Directors of the Company who collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which, would make any statement herein misleading.

2. MATERIAL CONTRACTS

Save as disclosed below, neither the Company nor any of its subsidiary companies has entered into any material contracts outside the ordinary course of business within the two (2) years preceding the date of this Circular:-

- 1) Sale and Purchase Agreement dated 30 July 2020 between United Malaysian Properties Sdn Bhd and KH Estates Sdn Bhd for the sale of a condominium unit bearing postal address at Unit No. 1-3, 9 Madge, No. 9, Jalan Madge, 55000 Kuala Lumpur measuring approximately 3,240 square feet for a cash consideration of RM3,100,000.00.
- 2) Sale and Purchase Agreement dated 16 March 2021 between Lotteries Corporation Sdn Bhd and KH Estates Sdn Bhd for the disposal of a unit of 4-storey town villa bearing postal address at Unit No. A-1, KH Villa, No. 9, Jalan Sri Hartamas 17, Taman Sri Hartamas, 50480 Kuala Lumpur measuring approximately 608.4 square metres for a cash consideration of RM4,250,000.00.
- 3) Sale and Purchase Agreement dated 16 March 2021 between Lotteries Corporation Sdn Bhd and KH Estates Sdn Bhd for the disposal of a unit of 4-storey town villa bearing postal address at Unit No. C-8, KH Villa, No. 9, Jalan Sri Hartamas 17, Taman Sri Hartamas, 50480 Kuala Lumpur measuring approximately 518.8 square metres for a cash consideration of RM3,650,000.00.
- 4) Sale and Purchase Agreement dated 16 March 2021 between KL Landmark Sdn Bhd and KH Estates Sdn Bhd for the disposal of a unit of 4-storey town villa bearing postal address at Unit No. B-1, KH Villa, No. 9, Jalan Sri Hartamas 17, Taman Sri Hartamas, 50480 Kuala Lumpur measuring approximately 560.0 square metres for a cash consideration of RM4,100,000.00.
- 5) Sale and Purchase Agreement dated 16 March 2021 between Diriwan Corporation Sdn Bhd and KH Estates Sdn Bhd for the disposal of a unit of 4-storey town villa bearing postal address at Unit No. A-7, KH Villa, No. 9, Jalan Sri Hartamas 17, Taman Sri Hartamas, 50480 Kuala Lumpur measuring approximately 532.0 square metres for a cash consideration of RM3,700,000.00.

3. MATERIAL LITIGATIONS

Save as disclosed below, the Company and its subsidiary companies are not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Directors of the Company have no knowledge of any proceedings pending or threatened against the Company and/or its subsidiary companies or of any facts likely to give rise to any proceedings which may materially and adversely affect the position and/or business of the Company and its subsidiary companies: -

- 1) On 13 December 2006, Rinota Construction Sdn Bhd ("Petitioner") filed an action against Mascon Rinota Sdn Bhd ("MRSB"), Mascon Sdn Bhd ("MSB"), Olympia Industries Berhad ("OIB") and others (collectively, "Respondents") at the Kuala Lumpur High Court ("KLHC") by virtue of an alleged oppression under Section 181 of the then Companies Act 1965 ("Original Petition"). The Petitioner sought damages of approximately RM8.0 million. On 21 October 2007, the Petitioner filed an application to amend the Original Petition by adding Mascon Construction Sdn Bhd ("MCSB"), a subsidiary of DutaLand, as another respondent and such application was subsequently allowed by KLHC. MSB, a subsidiary of OIB, was wound up on 25 March 2008. On 29 August 2012, KLHC ruled in favour of the

FURTHER INFORMATION (continued)

Petitioner with an order for MCSB and others to buy out the Petitioner's shareholding in MRSB which is a subsidiary of MSB. On 27 September 2012, MCSB and the others appealed against this decision, which appeal was allowed by the Court of Appeal with costs of RM100,000.00. The Petitioner filed an application for leave to appeal to the Federal Court ("the Court") which was granted on 21 June 2016.

The appeal proper was heard on 22 May 2017 and dismissed with cost of RM100,000. The Federal Court reinstated the order of the High Court which ordered that all the respondents purchase the shares owned by the Petitioner in MRSB and that a certified public accountant be appointed to inspect the accounts of MRSB and file a report to the High Court of the results of the inspection to determine the value of the shares, together with payment of RM100,000 being costs to the Petitioner for the hearing in the Federal Court and the Court of Appeal. The High Court had fixed the case for further case management before the judge on 3 May 2018 for the appointment of the certified public accountant. The Court had allowed the Petitioner's application for extension to re-appoint BDO Governance Advisory Sdn Bhd ("BDO") as the Court appointer auditor. Pursuant to the court order dated 26 June 2018, BDO had 6 months from 26 June 2018 to prepare the accountant's report.

On 17 January 2019, the Court was informed by the Petitioner that they would file a notice to appoint a new Auditor as the earlier Auditor failed to complete the accounts within the given time frame. The Court had directed for the Petitioner to file the notice on or before 31 January 2019. On 31 January 2019, the Petitioner informed the Court that they have appoint a new Auditor, Ferrier Hodgson MH Sdn Bhd ("FHMH"), and the Court had fixed the matter for decision on 22 April 2019. On 23 July 2019, the Court dismissed the order sought by the Petitioner to appoint FHMH to prepare an accountant's report to advise the Court on the fair price of the shares. On 6 August 2019, the Petitioner filed an appeal against the High Court's decision to dismiss the order sought by the Petitioner. The ground of High Court's judgement was published on 15 November 2019. The Court of Appeal fixed the appeal for case management on 10 March 2020.

On 10 March 2020, the Court of Appeal fixed the appeal for hearing on 7 July 2020. On 7 July 2020, the Court of Appeal allowed the Petitioner's appeal to appoint FHMH in replacement of BDO, with costs of RM15,000.00 payable to the Petitioner ("COA Order dated 7 July 2020"). Case Management was fixed on 17 August 2020 before the High Court for further directions on the appointment of FHMH. On 5 August 2020, the Respondents filed for leave to appeal against the COA Order dated 7 July 2020 to the Federal Court ("FC Leave Application"). The FC Leave Application was fixed for case management on 7 September 2020.

On 17 August 2020, the Petitioner informed the Court that FHMH has been appointed pursuant to the COA Order dated 7 July 2020 to prepare an accountant's report to advise the High Court on the fair buy-out price of the Petitioner's shares in Mascon Rinota Sdn Bhd. The Petitioner is required to produce the said report within 4 months from the COA Order dated 7 July 2020 i.e. by 7 November 2020. The Learned Judge directed both parties to submit their accountant's reports by 30 September 2020 and has fixed case management on 1 October 2020.

On 1 October 2020, the matter was called up for case management before the High Court. Parties informed the High Court that they have nominated their respective Auditor. Meanwhile, parties jointly applied for an extension of time to file and exchange their accountant's reports given that parties in the midst of retrieving the requisite documents to enable their Auditor to finalise their Accountant's reports. The High Court took note of the same and fixed the matter for further case management on 30 November 2020 for parties to update the High Court on the status of the parties' accountant reports. However, due to the extension of the Conditional Movement Control Order till 9 December 2020, the High Court rescheduled the matter for case management to 11 February 2021.

On 11 November 2020, the FC Leave Application was called up for case management. In light of the extension of the Conditional Movement Control Order till 9 December 2020, parties have agreed to proceed with FC Leave Application by way of an online hearing on 25 November 2020. On 25 November 2020, the Federal Court allowed the Respondents' Notice of Motion for leave to appeal. On 25 November 2020, the Federal Court allowed the FC Leave Application for leave to appeal ("FC Leave Order").

FURTHER INFORMATION (continued)

On 8 December 2020, the Petitioner filed a motion to discharge the FC Leave Order. At the hearing of the motion on 8 February 2021, the Federal Court allowed the Petitioner's Motion to Discharge the FC Leave Order with costs of RM 40,000.00.

At the Case Management before the High Court on 9 February 2021, the Court directed both parties to file and exchange their respective accountant's reports on or before 10 May 2021 and respective rebuttal reports on or before 10 June 2021. The matter is now fixed for Case Management on 18 June 2021 for parties to update the status of accountant's reports.

The Board upon advice of the solicitors is of the view that the outcome of the assessment on the fair value of the shares will be dependent on the respective parties' accountant reports.

- 2) On 14 November 2018, thirty seven owners of units in K Residence ("Plaintiffs") commenced proceedings against KL Landmark Sdn Bhd ("KLL"), a wholly owned subsidiary of the Company, and three others ("collectively Defendants"), where the Plaintiffs are claiming, among others, unquantified damages for alleged loss and damage from diminution in value of their units due to various purported transgressions by the Defendants. On 23 December 2019, the High Court struck out the suit, and awarded costs to the Defendants. The Plaintiffs have filed an appeal against the High Court decision to the Court of Appeal. The Plaintiffs' appeal is fixed for case management on 27 May 2021 pending the Grounds of Judgment being obtained from the High Court.

Upon advice of the solicitors, the Board is cautiously optimistic that the appeal will similarly be disallowed given that the suit was struck out by the High Court.

- 3) On 9 May 2019, Badan Pengurusan Bersama Avenue K dan K Residence ("JMB") commenced proceedings against KL Landmark Sdn Bhd ("KLL"), a wholly-owned subsidiary of the Company, and seven others (collectively "Defendants") in the Kuala Lumpur High Court Civil Suit No. WA-22NCvC-310-05/2019 ("Suit 310") where JMB is claiming, among others, a declaration that all contra payments made by KLL through various "contra adjustments" for the maintenance charges payable by KLL to JMB are null and void and must be refunded by KLL to JMB. The matter is fixed for case management on 28 May 2021 and trial on 28 June 2021 to 1 July 2021. Suit 310 is now consolidated with the suit referred to in paragraph 4 below.

The Board upon advice of the solicitors is of the view that KLL has reasonable good prospects of succeeding in this matter.

- 4) On 6 November 2020, KL Landmark Sdn Bhd ("KLL"), a wholly-owned subsidiary of the Company and with seven others (collectively "Plaintiffs") commenced proceedings against Badan Pengurusan Bersama Avenue K dan K Residence ("JMB") and seven individuals who are the past and present JMB committee members as well as City Properties Sdn Bhd (collectively "Defendants") in the Kuala Lumpur High Court Civil Suit No. WA-22NCvC-724-11/2020 ("Suit 724") where KLL is claiming, among others, a declaration that JMB's reversals of the contra adjustments as between the Plaintiffs as parcel owners, KLL who undertook the development of K Residence and City Properties Sdn Bhd are illegal and void. On 18 February 2021, JMB and seven individual Defendants have filed an application to consolidate Suit 724 with Suit 310 ("Consolidation Application"). On 8 April 2021, the High Court allowed the Consolidation Application with costs in the cause ("Consolidated Suits"). In light of this, the trial dates initially fixed on 28 June 2021 to 1 July 2021 for Suit 310 have been vacated. On 27 April 2021, the High Court has fixed the Consolidated Suits for case management on 16 June 2022 and trial from 8 August 2022 to 12 August 2022.

The Board upon advice of the solicitors is of the view that there is a reasonably good chance of success in this matter.

FURTHER INFORMATION (continued)

4. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection during normal office hours from Mondays to Fridays (except public holidays) at the registered office of the Company at Level 23, Menara Olympia, No. 8, Jalan Raja Chulan, 50200 Kuala Lumpur, from the date of this Circular up to and including the date of the 40th AGM: -

- (i) the Constitution of the Company;
- (ii) the Audited financial statements of the Company for the financial years ended 31 December 2018 and 31 December 2019;
- (iii) the material contracts referred to in Section 2 above; and
- (iv) the relevant cause papers in respect of material litigations referred to in Section 3 above.

**FULL TEXT OF ORDINARY RESOLUTION 9
EXTRACTED FROM THE NOTICE OF 40TH AGM DATED 24 MAY 2021**

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY
TRANSACTIONS OF A REVENUE OR TRADING NATURE**

“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 24 May 2021, 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.”

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