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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 39<sup>th</sup> Annual General Meeting (“39<sup>th</sup> 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 Tuesday, 23 June 2020 at 3:00 p.m. The Notice of the 39<sup>th</sup> AGM together with the Form of Proxy and Administrative Guide on 39<sup>th</sup> AGM are available on the Company’s website at [www.oib.com.my](http://www.oib.com.my) or Bursa Malaysia’s website at [www.bursamalaysia.com](http://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 39<sup>th</sup> AGM or at any adjournment thereof. The lodging of Form of Proxy will not preclude you from participating and voting at the 39<sup>th</sup> AGM should you subsequently decide to do so.

Last date and time for lodging the Form of Proxy : Sunday, 21 June 2020 at 3.00 p.m.  
Date and time of the 39<sup>th</sup> AGM : Tuesday, 23 June 2020 at 3.00 p.m.

This Circular is dated 29 May 2020

## 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” - 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:-
- (a) 10% or more of the total number of voting shares in the Company; or
  - (b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company.
- For the purpose of definition, “interest in shares” has the meaning given in section 8 of the Act.
- “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 [ <i>198501004439(136878-U)</i> ]

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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

29 May 2020

## 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")**

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### 1. INTRODUCTION

On 21 May 2020, the Company had announced its intention to seek shareholders' approval at the forthcoming 39<sup>th</sup> 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 39<sup>th</sup> 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 its 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 38<sup>th</sup> AGM of the Company held on 12 June 2019 approved the renewal of the existing mandate for the recurrent related party transactions. The said mandate will expire at the conclusion of the forthcoming 39<sup>th</sup> AGM of the Company to be held on 23 June 2020.

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 39<sup>th</sup> 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 30 April 2019 (RM'000)	* Actual Value from 12 June 2019 (38 <sup>th</sup> AGM) to last practicable date (RM'000)	@ Estimated Value from this AGM to next AGM (RM'000)
1	DMRR <sup>1</sup>	DutaLand Group	Letting of office premises <sup>5</sup> 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 YWC are major shareholders of both DutaLand and Olympia	<u>Interested Directors</u> <sup>2&amp;3</sup> Tan Sri Dato' Yap Yong Seong ("TSDYYS") Dato' Sri Yap Wee Keat ("DSYWK")  <u>Interested Major Shareholders</u> <sup>2, 3 &amp; 4</sup> KHD, DESB, TSDYYS, DSYWK, Puan Sri Datin Leong Li Nar ("PSDLLN"), Yap Wee Chun ("YWC")	1,200	665	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 30 April 2019 (RM'000)	* Actual Value from 12 June 2019 (38 <sup>th</sup> AGM) to last practicable date (RM'000)	@ Estimated Value from this AGM to next AGM (RM'000)
2	DMRR <sup>1</sup>	Sri Aman	Letting of office premises <sup>5</sup> 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> <sup>6</sup> TSDYYS  <u>Interested Major Shareholder</u> <sup>6</sup> TSDYYS  <u>Persons Connected</u> <sup>4</sup> DSYWK PSDLLN YWC	330	99	200
					TOTAL:	1,530	764	1,500

\* Actual value transaction from 12 June 2019 up to 5 May 2020.

@ Estimated value is based on the actual transacted value for the financial year ended 31 December 2019 and the projected transactions of the Group. The actual value of transactions may vary from the estimated values disclosed above.

Notes:

- <sup>1</sup> The principal activities of DMRR are property investment and letting of properties.
- <sup>2</sup> 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 15.14% 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.
- <sup>3</sup> 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 32.04%, 26.71% and 0.01% equity interest respectively in DutaLand.
- <sup>4</sup> PSDLLN is the spouse of TSDYYS and mother to DSYWK and YWC.
- <sup>5</sup> 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.

- <sup>6</sup> 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 2019.



## **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) Review of RRPT forms part of the internal audit plan which is submitted to the Audit Committee prior to tabling to the Board for notation. 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 limits of authority threshold for each transaction and approval of the Audit Committee and of the Board are required for the letting/ rental of office/ retail premises per month of RM200,000 and above.

Transaction below the aforesaid threshold will be reviewed and approved by the Executive Director of the Company.

## **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 39<sup>th</sup> AGM of the Company.

## **4. FINANCIAL EFFECT**

The Proposed Shareholders' Mandate is not expected to have any effect on the issued share capital, substantial shareholders' shareholding 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 15 May 2020 are as follows:

<b>Directors</b>	<b>Direct Interest</b>		<b>Indirect Interest</b>	
	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
Y.A.M. Tunku Naquiyiddin ibni Almarhum Tuanku Jaafar	20,000	0.001	-	-
Tan Sri Dato' Yap Yong Seong	55,668	0.005	334,999,183*	32.73
Dato' Sri Yap Wee Keat	44,500	0.004	334,999,183*	32.73
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 15 May 2020 are as follows :-

<b>Interested Directors, Major Shareholders And Person Connected</b>	<b>Direct Interest</b>		<b>Indirect Interest</b>	
	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
Tan Sri Dato' Yap Yong Seong ("TSDYYS") <sup>aa ^</sup>	55,668	0.005	334,999,183*	32.73
Dato' Sri Yap Wee Keat ("DSYWK") <sup>bb ^</sup>	44,500	0.004	334,999,183*	32.73
Yap Wee Chun ("YWC") <sup>cc</sup>	-	-	334,999,183*	32.73
Puan Sri Datin Leong Li Nar ("PSDLLN") <sup>dd</sup>	-	-	334,999,183*	32.73

<b>Interested, Major Shareholders And Person Connected</b>	<b>Direct Interest</b>		<b>Indirect Interest</b>	
	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
Kenny Height Developments Sdn Bhd ("KHD")	180,000,000	17.59	-	-
Duta Equities Sdn Bhd ("DESB")	154,999,183	15.14	-	-

\* Deemed interest through shares held by KHD and DESB

<sup>aa</sup> 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

<sup>bb</sup> 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

<sup>cc</sup> 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

<sup>dd</sup> 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

<sup>^</sup> 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 32.04%, 26.71% 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 10 pertaining to the Proposed Shareholders' Mandate at the forthcoming 39<sup>th</sup> AGM.

The interested Major Shareholders and persons connected as mentioned hereinabove will abstain from voting on Ordinary Resolution 10 pertaining to the Proposed Shareholders' Mandate at the forthcoming 39<sup>th</sup> 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 10.

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 39<sup>th</sup> AGM.

## 7. 39<sup>TH</sup> ANNUAL GENERAL MEETING

The 39<sup>th</sup> AGM of the Company, the Notice of which is enclosed in the Annual Report 2019, will be held at the Broadcast Venue at Level 23, Menara Olympia, No. 8, Jalan Raja Chulan, 50200 Kuala Lumpur on Tuesday, 23 June 2020 at 3.00 p.m. or any adjournment thereof for the purpose of considering and if thought fit, passing, amongst others, Ordinary Resolution 10 pertaining to the Proposed Shareholders' Mandate under Special Business of the Agenda as set out in the Notice of 39<sup>th</sup> 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 39<sup>th</sup> AGM or at any adjournment thereof. The lodging of Form of Proxy will not preclude you from participating and voting at the 39<sup>th</sup> 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

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## FURTHER INFORMATION

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### 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) Property Settlement Agreement dated 14 June 2018 between Olympia Properties Sdn Bhd ("OPSB"), KH Estates Sdn Bhd ("KHE") and United Malaysian Properties Sdn Bhd ("UMP") for the settlement of RM57.48 million owing by OPSB to KHE partially in cash and partially by way of transfer and delivery of vacant or legal possession of 12 units of condominiums together with 39 car park bays as accessory parcels located at 9 Madge, Jalan Madge, Taman U-Thant, 55000 Kuala Lumpur equivalent to RM45.4 million from UMP to KHE.
- 2) Sale and Purchase cum Settlement Agreement dated 8 March 2019 between Sri Aman Development Sdn Bhd ("SADSB"), City Properties Sdn Bhd ("CPSB"), Olympia Industries Berhad ("the Company") and United Malaysian Properties Sdn Bhd ("UMP") for the purchase of a corner four (4) storey link bungalow bearing a postal address at Unit No. D-1, KH Villa Hartamas, No. 9, Jalan Sri Hartamas, Taman Sri Hartamas, 50480 Kuala Lumpur for a purchase price of RM5,500,000.00 ("Purchase Price") by UMP from SADSB and the Purchase Price shall be set-off against the debts owed by CPSB to the Company.
- 3) Sale and Purchase Agreement dated 20 March 2019 between Olympia Ventures Sdn Bhd and Wings Holdings Limited (formerly known as Global Mobility Investments Limited) for the disposal of the balance 30% of the issued and paid-up share capital consisting of 360,000 ordinary shares in Olympia Travels & Tours (Singapore) Pte Ltd for a total cash consideration of S\$360,000.00.

### 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") commenced legal action at the KLHC under petition no: D7-26-89-2006 and served the petition together with the affidavit in support dated 12 December 2006 on Mascon Rinota Sdn Bhd ("MRSB"), Mascon Sdn Bhd ("Mascon"), Yeoh Sek Phin, Olympia Industries Berhad ("OIB"), Dato Yap Yong Seong and Yap Wee Keat claiming, amongst others, for an order that MRCB and Mascon purchase the shares owned by the Petitioner in MRSB at such price and terms determined by the Court, an order that Mascon and OIB pay, or cause its subsidiaries or associated companies to pay MRSB all debts owed to it by Mascon and OIB or its subsidiaries or associated companies in connection to the lease agreement and loans extended to the fellow subsidiaries and an order that a certified accountant be appointed to inspect the accounts of MRSB. The petition is grounded on the facts that the Respondents derived substantial monetary benefit from the Petitioner to the detriment of the Petitioner. The Respondents had filed their affidavit in reply on 22 May 2007 opposing the petition and it is the Respondents defence that there was no oppressive conduct against the Petitioner. The Petitioner filed a Summons in Chambers Ex-Parte dated 24 July 2007 for an injunction order to restrain the Respondents and or its agents from taking any steps to complete the disposal of the share sale agreement representing, OIB's disposal of its 71% equity interest in Mascon or take any action to dispose off OIB's 14,200,000 ordinary shares in Mascon until after the Court has given its judgment on the Petition.

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**FURTHER INFORMATION (continued)**

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On 26 July 2007, the Judge has granted the Petitioner a 21 days ex-parte injunction and on 11 December 2007, the Court had granted the Petitioner an interim injunction. Mascon has decided not to appeal against the decision in granting the injunction but to proceed with the hearing of the petition. On 21 October 2007 the Petitioner filed an application to amend the petition to add Mascon Construction Sdn Bhd ("MCSB") as the 7th Respondent to the above petition and on 21 February 2008 the Court granted the order to amend the petition. Mascon, the 2nd Respondent has been wound up on 25 March 2008. The 5th and 6th Respondents filed an application to strike out the petition which application was dismissed by the judge with cost on 26 November 2008. The Petitioner's application for disclosure was allowed with cost on 26 November 2008. The hearing date of the petition initially fixed on 24 April 2009 was subsequently fixed for Mediation on 16 November 2011. The Mediation was unsuccessful in resolving the matter for the Petitioner and certain Respondents who attended the said Mediation. The matter has proceeded with full trial on 5 to 9 December 2011, 10 and 31 January 2012, and 5 to 7 March 2012 and the Petitioner had also withdrawn their claim against Yeoh Sek Phin the 3rd Respondent. The matter was fixed for Decision on 28 June 2012 but was adjourned by the Court to 31 July 2012 and further adjourned to 29 August 2012. The Court has on 29 August 2012 has ordered OIB and the Respondents to buy out the Petitioner's shareholding in MRSB, OIB to pay to MRSB all debts owed to it out of a lease agreement and loans and a certified public accountant be appointed to inspect the accounts of MRSB and to file a report to the Court of the results of the inspection. On 27 September 2012, OIB and the Respondents have filed their Appeal at the Court of Appeal against the decision of the High Court. The Court has fixed 1 October 2012, 31 October 2012 and 7 November 2012 for the parties to revert to the Court on the issue of costs and the appointment of a common public accountant. On 7 November 2012, the Court has decided on the issue of costs and granted the Petitioner costs of RM214,372.37. The matter has been fixed for hearing of the Petitioner's Application for an agreement on the appointment of a certified public accountant on 20 September 2013. On 29 August 2013, the Court of Appeal has fixed the Respondents' Appeal for hearing on 14 February 2014. However, the Court on its own motion has vacated 14 February 2014 and rescheduled the hearing to 12 May 2014. The Court on 20 September 2013 had appointed BDO Governance Advisory Sdn Bhd ("BDO") as the Certified Public Accountant to inspect the accounts of Mascon Rinota Sdn Bhd from June 1995 until 29 August 2012. Pursuant to the Court Order dated 29 August 2012, BDO will have 6 months from 20 September 2013 to prepare the Accountants report for the Court to decide on the value of the buy-out of Rinota Construction Sdn Bhd's shareholding in Mascon Rinota Sdn Bhd. MRSB is a 60% owned subsidiary of Mascon which has been wound up. On 12 May 2014, the case was set for Hearing and the Appellate Court has allowed the Respondents appeal with RM100,000.00 costs. The Court of Appeal Judges had set aside the decision in the High Court and ordered the Petitioner to return costs paid by the Respondents. The Judges also made an order that the accountant fees to be shared equally between parties. Subsequently, the Petitioner has filed a Notice of Motion for Leave to appeal to the Federal Court against the decision of the Court of Appeal pending the Court fixing a date for Hearing of the Leave Application. The Federal Court has fixed 22 September 2014 for Case Management. On 22 September 2014, the Federal Court has fixed 26 November 2014 for further Case Management. On 26 November 2014, the Federal Court has fixed a Hearing Date for the Motion on 23 March 2015. On 27 February 2015, our solicitors was informed vide a letter from the Federal Court notifying the parties that the Motion that was fixed for hearing on 23 March 2015 has been vacated and directed the parties to attend court for case management on 23 March 2015 to fix a new hearing date. On 23 March 2015 which was fixed for case management, the court then fixed the matter for Hearing of the Applicant's Motion on 01 July 2015. On 24 June 2015, our solicitor informed us that the Hearing of the matter was vacated but Court directed parties to attend for Case Management on 1 July 2015 to fix a new hearing date. On 1 July 2015, Court fixed the Hearing of the Applicant's Motion on 9 September 2015. On 4 August 2015 our solicitor received notification from Federal Court that the date for Hearing has now been fixed to 5 October 2015. On 5 October 2015, our solicitor attended Federal Court for the Hearing but was informed that the matter has been adjourned to a date to be fixed. On 29 October 2015, our solicitor was informed by Federal Court that the application was fixed for Case Management before Registrar on 17 November 2015. On 17 November 2015, Federal Court fixed the application for further Case Management on 20 January 2016 pending grounds from the Court of Appeal. The Court has further adjourned the matter to 18 April 2016 for Case Management. On 18 April 2016, Court has directed the parties that Applicant is to file their Affidavit on or before 20 May 2016, Respondent is to file their reply to Applicant's Affidavit on or before 3 June 2016, and parties were also directed to file their Written Submission on or before 7 June 2016. The Court then fixed the matter for Hearing on 21 June 2016. On 17 August 2016 which was fixed for Case Management before Puan Nor Kamilah Binti Aziz, Court has instructed

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**FURTHER INFORMATION (continued)**


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parties to file their respective Written Submissions on or before 10 November 2016 and fixed the Hearing date on 24 November 2016. On 24 November 2016, the case was vacated therefore Court had re-fixed the Hearing date on 21 February 2017. On 6 February 2017, Federal Court informed our solicitor that the Hearing date which was fixed earlier on 21 February 2017 was vacated and fixed for Case Management on 8 February 2017. On 8 February 2017, the matter was fixed for Case Management before Deputy Registrar Puan Jumirah binti Marjuki, Court has instructed parties to file their respective Submission in Reply on or before 8 May 2017, and Court had also fixed the appeal for Hearing on 22 May 2017. During the said hearing, the Federal Court set aside the order of the Court of Appeal and reinstated the order of the High Court, including the order of costs. Therefore all monies paid as costs has to be returned together with an additional payment of RM100,000 at the Federal Court level. The matter was fixed for further case management on 23 February 2018 before the Judge, both parties are to file separate application for appointment of the accountant. However, on 8 February 2018, Court has sent notice to inform our solicitor that the 23 February 2018 case management has been vacated and fixed a new date on 26 February 2018. On 22 February 2018 Court has sent notice to inform our solicitor that the 26 February 2018 case management has been vacated, a new date was fixed on 13 March 2018 and a further date has been fixed on 3 May 2018. On 3 May 2018, the case was fixed for Case Management before YA Dato Has Zanah binti Mehat, Court has now fixed the matter for Hearing on Enclosure 82 on 26 June 2018. On 26 June 2018, Court has allowed the Petitioner's application for extension to re-appoint BDO Governance Advisory Sdn Bhd as the Court appointer auditor. On 1 October 2018, Court called for Case Management to update Court on the Accountant's report progress, Court has also fixed for next Case Management date on 2 November 2018 to update Court on further progress. On 2 November 2018, Court has fixed for further Case Management for the progress of Accountant's report on 3 January 2019. On 3 January 2019, Court has fixed for further Case Management on 17 January 2019 for further directions on Accountant's Report. On 17 January 2019, Court was informed by Petitioner that they would file notice to appoint new Auditor as the earlier Auditor failed to complete the account within the given time frame. Court has directed for Petitioner to file the notice on or before 31 January 2019. Court also fixed the above matter for Case Management on 31 January 2019. On 31 January 2019, Petitioner filed an application vide Enclosure 83 to appoint a new Auditor, Ferrier Hodgson MH Sdn Bhd, to prepare an expert report to advise the Court on the fair price of the shares. The Court fixed the matter for Decision on 22 April 2019. On 22 April 2019, the Court had adjourned the matter to 29 April 2019 for parties to make oral submission and this date has been adjourned to 10 June 2019. On 23 July 2019, the Court dismissed the Enclosure 83 application. On 6 August 2019, the Petitioner filed an appeal against the High Court's decision dismissing Enclosure 83. The grounds of the High Court's judgement dismissing Enclosure 83 were 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:- (i) hearing on 7 July 2020; and (ii) case management on 23 June 2020 for the parties to update the Court of Appeal on the status of filing of the records of appeal and written submissions.

The Board upon advice of the solicitors is of view that the Respondents have reasonable prospects of succeeding in the appeal.

- 2) On 21 May 2019, a Joint Management Body under the name of Badan Pengurusan Bersama Avenue K and K-Residence ("Plaintiff") had served a copy of the Writ of Summons and Statements of Claims dated 9 May 2019 ("Summons") on KL Landmark Sdn Bhd ("KLL"), a wholly-owned subsidiary of the Company. The Plaintiffs had also named 7 others as defendants. The Plaintiff has disputed, amongst others, certain contra adjustments in the affected audited accounts for maintenance charges and sinking fund totalling RM3,048,913.61. The Plaintiff claimed that KLL had wrongly adjusted from the maintenance fund amount owed by KLL and certain defendants from utility charges including electricity consumption, ventilation, usage of chilled water and waste disposal system paid in advance by the landowner of Avenue K and K-Residence. The Solicitors have filed Memorandum of Appearance and Defence. The hearing of striking out for 5 defendants including directors and auditors of KLL is fixed on 22 November 2019. The Court has earlier fixed 29 April 2020 to deliver its decision on applications filed by certain defendants but has now postponed the same to 8 July 2020.

The Board is of the opinion that the chances are fair and will be clearer as the matter progresses.

**FURTHER INFORMATION (continued)**

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**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 39<sup>th</sup> AGM: -

- (i) the Constitution of the Company;
- (ii) the Audited financial statements of the Company for the financial years ended 31 December 2017 and 31 December 2018;
- (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.



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**FULL TEXT OF ORDINARY RESOLUTION 10  
EXTRACTED FROM THE NOTICE OF 39<sup>TH</sup> AGM DATED 29 MAY 2020**

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**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 29 May 2020, 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.”