Olympia Industries Berhad ("Olympia" or "Company")
- **Unqualified Opinion with Material Uncertainties related to Going Concern in the Audited Financial Statements for the financial year ended 31 December 2025**

Pursuant to Paragraph 9.19(37) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Board of Directors of Olympia wishes to announce that the Company's external Auditors, Messrs. Ernst & Young PLT had expressed the following unqualified opinion with material uncertainties related to going concern in the Company's Audited Financial Statements for the financial year ended 31 December 2025.

Extract of the Auditors' Report:

Opinion
We have audited the financial statements of Olympia Industries Berhad, which comprise the statements of financial position as at 31 December 2025 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 year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 15 to 99.

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 2025, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards, IFRS Accounting 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 uncertainties related to going concern

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

- Included in the net current liabilities of the Group is a secured term loan of RM105 million which is due for full repayment in August 2026. The Group had previously obtained a temporary indulgence from the compliance of the Interest Service Coverage Ratio ("ISCR") until 1 January 2026. The Group has not obtained any further indulgence from the compliance of this ratio subsequent to 1 January 2026.

- As at 31 December 2025, the Group and the Company have net assets of RM304,828,000 and RM343,756,000 respectively. However, the Group and the Company incurred losses after tax of RM18,225,000 and RM8,137,000 respectively. The Group has been consistently making losses over the years mainly contributed by the decline in the occupancy rate for Menara Olympia following the non-renewal of the leases for certain tenants. As of 31 December 2025, the Group and the Company recorded net current liabilities of RM173,359,000 and RM9,015,000 respectively.

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. Accordingly, the Group and the Company may be unable to realise its assets and discharge its liabilities in the normal course of business and at amounts which could differ significantly from those currently recorded in the statements of financial position.

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.

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 Uncertainties Related to Going Concern* section of our report, 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 51% of the Group's total assets as at 31 December 2025. 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;

- 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.

Steps taken or proposed to be taken to address those matters that relate to the material uncertainties related to going concern as mentioned in the Auditor’s Report and timeline:

The Group has continued to take the following mitigation steps :-

1) The Group continues to undertake several measures to support our key tenants and suppliers :-
    i) Upgrading and improvements of amenities by conducting renovations and replacements of machinery/parts for essential services (e.g. lifts, escalators, M&E, etc.) as part of the refurbishment plans for Menara Olympia;
    ii) Step up promotion strategies, offering attractive rent-free renovation period packages, renewal terms & other incentives to retain existing valued tenants and potential new ones;
    iii) Renewed continuing focus on cost-cutting measures in respect of utilities, manpower and non-essential items; and
    iv) Moving forward to the year 2026, the Gaming division will continue its efforts to

solicit approvals from the authorities for new games and to promote the brand name of “Sabah 88”.

2) The Group has been granted temporary indulgence from the remediation of the security maintenance margin and interest service coverage ratio requirements on the secured term loan of RM105 million until 1 January 2026. The Group will continue to engage with the bank to obtain further indulgence from the compliance of this ratio subsequent to 1 January 2026, in tandem with the ongoing discussions on the restructuring and the extension of the said term loan.

In addition, the Group has certain unencumbered assets including certain land held for development and completed inventories, which will be disposed of as part of the management’s plans to gradually reduce the level of the borrowings of the Group. This will depend on a suitable pricing being reached, and management takes cognisance of the current soft property market situation.

The Board and the management have identified that the Group must improve its revenue, manage operational costs efficiently, strengthening its cash flows through better collections and disposing some of its non-core assets in order to focus on its core business activities to ensure its sustainability.

Timeline for steps referred above

Barring any unforeseen circumstances, the Group expects a timeline of 12 months from the date of this announcement in addressing the uncertainties on going concern issue of the Group.

This announcement is dated 30 April 2026.