



Q3 2024 REPORT

FINANCIAL STATEMENTS

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# MANAGEMENT'S RESPONSIBILITY FOR THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

## For the nine months ended September 30, 2024, and September 30, 2023

The accompanying unaudited condensed consolidated interim financial statements and all the data included in this report have been prepared by and are the responsibility of the Board of Directors and management of Olympia Financial Group Inc. ("Olympia").

The unaudited condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards as set out in the Handbook of the Chartered Professional Accountants of Canada and reflect management's best estimates and judgments based on currently available information. In the opinion of management, the unaudited condensed consolidated interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Financial Reporting Standards appropriate in the circumstances.

The Board of Directors has reviewed and approved the accompanying unaudited condensed consolidated interim financial statements for the periods ended September 30, 2024, and September 30, 2023.

The Audit Committee, comprised of non-management directors, acts on behalf of the Board of Directors to ensure that management fulfills its financial reporting and internal control responsibilities. Management maintains appropriate systems of internal control. Policies and procedures are designed to give reasonable assurance that transactions are properly authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of the unaudited condensed consolidated interim financial statements.

Internal controls are further supported by an internal audit function which conducts periodic audits of Olympia's financial reporting and internal controls. The internal audit function reports to the Audit Committee. In performing its duties, the Audit Committee acts only in an oversight capacity and necessarily relies on the work and assurances of Olympia's management.

## NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, Subsection 4.3(3) (a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of Olympia have been prepared by, and are the responsibility of, Olympia's management.

Olympia's independent auditor, PricewaterhouseCoopers LLP, has not performed a review of these financial statements.

*Signed Rick Skauge*

*Signed Jennifer Urscheler*

**Rick Skauge**  
President and Chief Executive Officer

**Jennifer Urscheler, CPA, CA**  
Chief Financial Officer

Calgary, Canada, November 14, 2024

# CONDENSED CONSOLIDATED INTERIM BALANCE SHEETS (unaudited)

(\$)	September 30, 2024	December 31, 2023
<b>ASSETS</b>		
<b>Current assets</b>		
Cash & cash equivalents	\$ 15,722,193	\$ 10,917,732
Trade & other receivables (note 7)	1,553,184	1,891,379
Interest receivable (note 7)	24,121,568	23,750,828
Prepaid expenses	2,822,559	2,253,327
Derivative financial instruments (notes 7 & 11)	739,612	1,196,431
<b>Total current assets</b>	<b>\$ 44,959,116</b>	<b>\$ 40,009,697</b>
<b>Non-current assets</b>		
Interest receivable (note 7)	\$ 3,048,503	\$ -
Equipment & other (note 12)	501,833	583,145
Intangible assets (note 13)	3,803,552	5,185,038
Right-of-use assets (note 14)	392,285	642,108
Financial assets at fair value through profit or loss (note 32)	99,982	89,503
Deferred tax assets (note 19)	1,092,113	762,538
<b>Total non-current assets</b>	<b>\$ 8,938,268</b>	<b>\$ 7,262,332</b>
<b>Total assets</b>	<b>\$ 53,897,384</b>	<b>\$ 47,272,029</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade & other payables (notes 7 & 15)	\$ 2,319,226	\$ 1,460,157
Deferred revenue (note 16)	5,659,263	939,479
Other liabilities & charges (note 7 & 17)	2,708,534	2,313,420
Revolving credit facility (notes 7 & 10)	1,791,834	2,565,889
Lease liabilities (notes 7 & 8)	486,497	506,021
Derivative financial instruments (notes 7 & 11)	381,402	451,205
Income tax liability (note 7)	175,801	3,218,794
<b>Total current liabilities</b>	<b>\$ 13,522,557</b>	<b>\$ 11,454,965</b>
Lease liabilities (notes 7 & 8)	\$ 136,956	\$ 495,434
<b>Total liabilities</b>	<b>\$ 13,659,513</b>	<b>\$ 11,950,399</b>
<b>EQUITY</b>		
Share capital (note 18)	\$ 7,886,989	\$ 7,886,989
Contributed surplus (note 18)	86,373	86,373
Retained earnings	32,264,509	27,348,268
<b>Total equity</b>	<b>\$ 40,237,871</b>	<b>\$ 35,321,630</b>
<b>Total equity &amp; liabilities</b>	<b>\$ 53,897,384</b>	<b>\$ 47,272,029</b>

Contingencies (note 30)

See accompanying notes to the unaudited condensed consolidated interim financial statements

## Approved on behalf of the Board of Directors

Signed Rick Skauge

**Rick Skauge**

Director

November 14, 2024

Signed Brian Newman

**Brian Newman, CPA, CA**

Director

# CONDENSED CONSOLIDATED INTERIM STATEMENTS OF NET EARNINGS AND COMPREHENSIVE INCOME (unaudited)

	NINE MONTHS ENDED		THREE MONTHS ENDED	
	Sept. 30, 2024	Sept. 30, 2023	Sept. 30, 2024	Sept. 30, 2023
<b>Revenues</b>				
Service revenue (note 9)	\$35,528,860	\$35,980,532	\$11,497,931	\$12,067,403
Trust income (note 9)	40,664,977	36,920,293	13,351,623	13,245,362
Interest & other income (note 9)	677,479	1,425,611	335,408	139,831
	<b>\$76,871,316</b>	<b>\$74,326,436</b>	<b>\$25,184,962</b>	<b>\$25,452,596</b>
<b>Expenses</b>				
Direct expenses (notes 9 & 21)	\$ 2,614,770	\$ 2,805,593	\$ 772,863	\$ 929,806
Administrative expenses (notes 9 & 20)	48,577,636	45,712,479	15,858,108	15,561,779
Bad debt expense (notes 9 & 22)	483,678	970,616	(69,100)	199,500
Depreciation & amortization (notes 9, 12, 13 & 14)	1,968,766	1,886,966	684,824	602,350
Other gains, net (notes 9 & 24)	(25,682)	(29,686)	(4,182)	(25,648)
	<b>\$53,619,168</b>	<b>\$51,345,968</b>	<b>\$17,242,513</b>	<b>\$17,267,787</b>
<b>Earnings before income tax</b>	<b>\$23,252,148</b>	<b>\$22,980,468</b>	<b>\$ 7,942,449</b>	<b>\$ 8,184,809</b>
Income tax expense (notes 9 & 19)				
Income tax expense	5,671,269	5,725,259	1,725,090	2,068,862
Deferred tax recovery	(329,576)	(159,039)	(59,626)	(102,920)
<b>Total income tax expense</b>	<b>\$ 5,341,693</b>	<b>\$ 5,566,220</b>	<b>\$ 1,665,464</b>	<b>\$ 1,965,942</b>
<b>Net earnings &amp; comprehensive income for the period</b>	<b>\$17,910,455</b>	<b>\$17,414,248</b>	<b>\$ 6,276,985</b>	<b>\$ 6,218,867</b>
<b>Earnings per share attributable to shareholders of Olympia</b>				
Basic & diluted (note 25)	\$ 7.44	\$ 7.24	\$ 2.61	\$ 2.58

See accompanying notes to the unaudited condensed consolidated interim financial statements

# CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY (unaudited)

## Attributable to owners of Olympia

	Share Capital	Contributed Surplus	Retained Earnings	Total Equity
<b>Balance at January 1, 2023</b>	\$ 7,886,989	\$ 86,373	\$ 17,349,177	\$ 25,322,539
Net earnings & comprehensive income	-	-	17,414,248	17,414,248
Dividends (note 26)	-	-	(9,625,317)	(9,625,317)
<b>Balance at September 30, 2023</b>	\$ 7,886,989	\$ 86,373	\$ 25,138,108	\$ 33,111,470
<b>Balance at January 1, 2024</b>	\$ 7,886,989	\$ 86,373	\$ 27,348,268	\$ 35,321,630
Net earnings & comprehensive income	-	-	17,910,455	17,910,455
Dividends (note 26)	-	-	(12,994,214)	(12,994,214)
<b>Balance at September 30, 2024</b>	<b>\$ 7,886,989</b>	<b>\$ 86,373</b>	<b>\$ 32,264,509</b>	<b>\$ 40,237,871</b>

*See accompanying notes to the unaudited condensed consolidated interim financial statements*

# CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS (unaudited)

NINE MONTHS ENDED SEPTEMBER 30	2024	2023
<b>Cash flows from operating activities</b>		
Net earnings from operations	\$ 17,910,455	\$ 17,414,248
Items not affecting cash		
Depreciation of equipment & other (note 12)	242,875	219,636
Amortization of intangible assets (note 13)	1,476,068	1,416,969
Amortization of right-of-use assets (note 14)	249,823	250,361
(Gain)/loss on disposal of assets	(3,526)	209
Unrealized (gain)/loss on FVPL assets (note 24)	(2,433)	3,435
Deferred income taxes recovery (note 19)	(329,576)	(159,039)
Change in derivative financial instruments	387,016	(246,199)
Changes in non-current interest receivable (note 7)	(3,048,503)	-
Changes in non-cash working capital balances (note 27)	2,346,945	(4,221,225)
Net cash from operating activities	\$ 19,229,144	\$ 14,678,395
<b>Cash flows from investing activities</b>		
Purchase of equipment & other (note 12)	\$ (161,563)	\$ (289,107)
Purchase of intangible assets (note 13)	(94,582)	(214,401)
Proceeds on sale of securities (note 32)	2,131	2,366
Purchase of securities (note 32)	(7,699)	-
Proceeds on sale of equipment & other	1,050	-
Net cash from investing activities	\$ (260,663)	\$ (501,142)
<b>Cash flows from financing activities</b>		
Repayment of revolving credit facility (note 28)	\$ (774,055)	\$ (1,390,861)
Repayment of promissory note receivable (note 5)	-	980,000
Payment of lease liabilities (note 8)	(395,751)	(318,993)
Dividends (note 26)	(12,994,214)	(9,625,317)
Net cash from financing activities	\$ (14,164,020)	\$ (10,355,171)
<b>Net change in cash position</b>	<b>\$ 4,804,461</b>	<b>\$ 3,822,082</b>
<b>Cash, beginning of period</b>	<b>\$ 10,917,732</b>	<b>\$ 8,365,991</b>
<b>Cash, end of period</b>	<b>\$ 15,722,193</b>	<b>\$ 12,188,073</b>
<b>Cash is represented by:</b>		
Cash & cash equivalents	\$ 15,722,193	\$ 12,188,073
<b>Other information for operations</b>		
Interest received	\$ 687,749	\$ 1,661,954
Income taxes paid	\$ 8,987,814	\$ 4,109,843
Interest paid	\$ 197,517	\$ 270,781

See accompanying notes to the unaudited condensed consolidated interim financial statements

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

## 1. NATURE OF BUSINESS

Olympia Financial Group Inc. (“Olympia”) is governed by the *Business Corporations Act* (Alberta). Olympia is a reporting issuer in British Columbia, Alberta, and Ontario, and its common shares are listed on the Toronto Stock Exchange (“TSX”). Olympia’s registered and head office is 4000-520 3 Avenue SW, Calgary, Alberta T2P 0R3.

The majority of Olympia’s business is conducted through its wholly owned subsidiary Olympia Trust Company (“Olympia Trust”), a non-deposit taking trust corporation.

Olympia Trust received its letters patent on September 6, 1995, authorizing the formation of a trust corporation to be registered under the *Loan and Trust Corporations Act* (Alberta). Olympia Trust acts as a trustee for self-directed registered plans and provides corporate and shareholder services. Olympia Trust is licensed to conduct trust activities in Alberta, British Columbia, Saskatchewan, Manitoba, Quebec, Newfoundland and Labrador, Prince Edward Island, New Brunswick, and Nova Scotia.

The Private Health Services Plan division and Exempt Edge division conducts business under Olympia Benefits Inc. (“Olympia Benefits”), a wholly owned subsidiary of Olympia. Olympia Benefits Inc. was incorporated on May 4, 2006, under the *Business Corporations Act* (Alberta).

Olympia Currency and Global Payments Inc. (“OCGP”) was incorporated on December 6, 2022, as a wholly owned subsidiary of Olympia. OCGP began operations on January 1, 2024, when it entered into an asset conveyance agreement with Olympia Trust and took over operations of the Currency and Global Payments (“CGP”) division.

## 2. BASIS OF PREPARATION

These unaudited condensed consolidated interim financial statements (“interim financial statements”) for the nine months ended September 30, 2024, have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”). The unaudited condensed consolidated interim financial statements should be read in conjunction with the audited annual consolidated financial statements for the year ended December 31, 2023, which were prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB. The policies applied in these interim financial statements are consistent with accounting policies and methods of computation used for the audited annual consolidated financial statements for the year ended December 31, 2023. Income taxes on earnings in the periods are accrued using the income tax rate that would be applicable to the expected total annual earnings.

These interim financial statements have been approved and authorized for issuance by the Board of Directors, on November 14, 2024.

Olympia’s interim financial statements are presented in Canadian dollars, Olympia’s primary operating currency. All references to \$ are in Canadian dollars and references to US\$ are in United States dollars.

The preparation of the interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

## 3. CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year.

## 4. FUTURE ACCOUNTING PRONOUNCEMENTS

IFRS 18 will be effective for annual reporting periods beginning on or after 1 January 2027, including for interim financial statements. The key new concepts introduced in IFRS 18 relate to the structure of the statement of profit or loss; the required disclosures in the financial statements for ‘management-defined performance measures’; and enhanced principles on aggregation and disaggregation. Olympia has not early adopted and is currently evaluating the impact, if any, this new standard might have on its financial statements.

## 5. PROMISSORY NOTE RECEIVABLE

On June 5, 2018, Olympia announced the sale to Tarman ATM Inc. (“Tarman”) of the ATM business operated by Olympia ATM Inc., as a going concern, for an amount equal to the then current net book value of all assets used in the ATM business less all assumed liabilities; an amount estimated to be \$1.40 million.

In conjunction with the sale of substantially all the assets of Olympia ATM Inc. to a related party in 2018, the purchase price was paid by the delivery of a secured demand promissory note (“the promissory note”) for \$1.40 million by Tarman. The outstanding principal amount of the promissory note bears interest at prime plus 0.25%. Subject to Canadian Western Bank’s consent, all interest accrued under the promissory note shall be paid on an annual basis on or before the 30th day of June of each calendar year and, commencing June 30, 2020, Tarman is required to repay the outstanding principal amount of the promissory note in annual installments of \$140,000 on or before the 30th day of June of each calendar year, with the outstanding balance of the principal amount to be repaid in full on or before June 30, 2023. As at June 30, 2023, the promissory note, including all interest had been paid.

## 6. FUNDS IN TRUST

### Investment Account Services (“IAS”)

At September 30, 2024, IAS administered self-directed registered plans consisting of private company securities and mortgages with a cost value of \$10.56 billion (December 31, 2023 - \$9.95 billion) plus cash, public securities, term deposits, and outstanding cheques with an estimated fair value of \$1.06 billion (December 31, 2023 - \$1.03 billion). These assets are the property of the account holders and Olympia Trust does not maintain effective control over the assets. Therefore, the assets are not reflected in these interim financial statements. IAS earned trust income from the cash portion of the assets held in trust of \$38.62 million for the nine months ended September 30, 2024 (September 30, 2023 - \$34.96 million).

### Private Health Services Plan division (“Health”)

At September 30, 2024, Health held funds in trust of \$15.27 million (December 31, 2023 - \$15.03 million) on behalf of its self-insured private health clients. These assets are the property of the plan holders and Olympia Benefits does not maintain effective control over the assets. Therefore, the assets are not reflected in these interim financial statements.

### Currency and Global Payments (“CGP”)

At September 30, 2024, CGP held funds in trust of \$1.40 million (December 31, 2023 - \$2.71 million) for clients who have paid margin requirements on forward foreign exchange contracts, and \$13.35 million (December 31, 2023 - \$19.49 million) of outstanding payments. These assets are the property of the contract holders and Olympia does not maintain effective control over the assets. Therefore, the assets are not reflected in these interim financial statements.

### Corporate and Shareholder Services division (“CSS”)

At September 30, 2024, CSS held funds in trust and outstanding cheques of \$53.39 million (December 31, 2023 - \$44.24 million) for clients who have hired Olympia Trust to provide trustee services. This includes \$11.55 million (December 31, 2023 - \$1.07 million) of treasury bills and public securities held in trust. These assets are the property of the trust clients and Olympia Trust does not maintain effective control over the assets. Therefore, the assets are not reflected in these interim financial statements.

## 7. FINANCIAL INSTRUMENTS AND FINANCIAL RISK FACTORS

### Fair value of financial instruments

The fair value of cash and cash equivalents, trade and other receivables, interest receivable, trade and other payables, lease liabilities, and the revolving credit facility approximate their carrying amounts. Derivative financial instruments are measured at fair value through the statements of net earnings and comprehensive income. The fair value of all forward foreign exchange contracts is based on current bid prices for their respective terms to maturity in an active market.

### Risks associated with financial instruments

Olympia is exposed to financial risks arising from normal course business operations and its financial assets and liabilities. The financial risks include liquidity risk and market risk relating to foreign currency exchange rates, interest rates, and credit risk.

#### (i) Liquidity risk

Liquidity risk is the risk that Olympia will encounter difficulties in meeting its financial obligations. Olympia manages its liquidity risk by keeping surplus cash with highly rated financial institutions. This allows Olympia to earn interest on surplus cash while having access to it within a very short time.

Liquidity risk is associated with Olympia’s credit facility. The credit facility is available to finance day-to-day operations to a maximum principal amount of \$15.00 million (December 31, 2023 - \$15.00 million) and bears interest at the Canadian prime rate plus 0.25%. As at September 30, 2024, a balance of \$1.79 million is outstanding (December 31, 2023 - \$2.57 million). Olympia has determined the principal and interest to be current.

Security for the credit facility includes a general security agreement providing a first charge security interest in all present and subsequently acquired property.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

The timing of cash outflows is outlined in the following tables:

At September 30, 2024	Current	31 to 60 days	61 to 90 days	Over 90 days	Total
Trade & other payables	\$ 1,753,137	\$ 519,960	\$ 46,129	\$ -	\$ 2,319,226
Other liabilities & charges	2,708,534	-	-	-	2,708,534
Income tax liability	-	175,801	-	-	175,801
Lease liabilities (current)	43,972	43,972	43,972	364,441	496,357
Lease liabilities (non-current)	-	-	-	137,455	137,455
<b>Total</b>	<b>\$ 4,505,643</b>	<b>\$ 739,733</b>	<b>\$ 90,101</b>	<b>\$ 501,896</b>	<b>\$ 5,837,373</b>
At December 31, 2023					
Trade & other payables	\$ 1,364,609	\$ 42,369	\$ 46,512	\$ 6,667	\$ 1,460,157
Other liabilities & charges	2,313,420	-	-	-	2,313,420
Income tax liability	-	3,218,794	-	-	3,218,794
Lease liabilities (current)	43,972	43,972	43,972	395,750	527,666
Lease liabilities (non-current)	-	-	-	501,897	501,897
<b>Total</b>	<b>\$ 3,722,001</b>	<b>\$ 3,305,135</b>	<b>\$ 90,484</b>	<b>\$ 904,314</b>	<b>\$ 8,021,934</b>

As at September 30, 2024, trade and other payables totaled \$2.32 million (December 31, 2023 – \$1.46 million). Olympia continues to meet all of the obligations associated with its financial liabilities.

Lease liabilities cash outflows exclude \$0.01 million (December 31, 2023 - \$0.03 million) of non-cash financing interest under IFRS 16.

The aging of undiscounted lease payments is outlined in the following table:

At September 30, 2024	Less than one year	One to two years	Two to three years	More than three years	Total undiscounted lease payments
Lease payment	\$ 496,357	\$ 137,455	\$ -	\$ -	\$ 633,812

The liquidity risk relating to derivative financial instruments payable is outlined in the following table:

	September 30, 2024	December 31, 2023
Current	\$ 7,618	\$ 90,432
31 to 60 days	323,368	208,337
61 to 90 days	7,150	33,314
Over 90 days	43,266	119,122
	<b>\$ 381,402</b>	<b>\$ 451,205</b>

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

## **(ii) Market risk**

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market prices and is composed of the following:

### **Foreign currency exchange risk**

Olympia is exposed to changes in foreign exchange rates when, and if, revenues or financial instruments fluctuate because of changing rates. Transactions in the applicable financial market are executed consistent with established risk management policies. Olympia purchases forward contracts whenever it enters into a transaction to buy or sell foreign currency in the future. These contracts are both short term and long term in nature and are in the normal course of business. Management understands that the currency markets are volatile and therefore subject to higher risk.

Olympia applies the following policy to mitigate the currency risk:

- For forward contracts, a margin of 5% is payable on signature of the contract;
- Olympia sets up an off-setting position with its currency supplier; and
- If market rates vary by 4% or more, the client is required to adjust their margin to match the variance by the end of the trading day.

Olympia's CGP division maintains various foreign currency bank accounts, of which Canadian dollar and United States dollar bank accounts are the most significant.

If the Canadian dollar exchange rate at September 30, 2024, were to have increased by \$0.10 relative to other currencies, it is estimated that Olympia's after-tax earnings for the period ended September 30, 2024, based on amounts shown in note 11 of the interim financial statements, would have decreased by approximately \$0.03 million (December 31, 2023 – \$0.06 million). A \$0.10 decrease in the Canadian dollar exchange rate relative to other currencies would have had an equal but opposite effect. Most of the Currency and Global Payments division's trades are Canadian dollars traded for United States dollars and vice versa, although it trades in various other currencies. This sensitivity analysis assumes that all other variables remain constant.

### **Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Olympia is exposed to interest rate risk as the cash flows generated from Olympia's own cash of \$15.72 million (December 31, 2023 - \$10.92 million) and the cash portion of the off-balance

sheet arrangements of \$1.02 billion (December 31, 2023 - \$1.00 billion), from which Olympia Trust earns trust income, are held in interest bearing instruments that fluctuate in response to changes in market interest rates.

If the interest rates were to have increased by 1%, it is estimated that Olympia's after-tax earnings for the nine months ended September 30, 2024, would have increased by approximately \$3.93 million (September 30, 2023 – \$5.46 million). A 1% decrease in interest rates would have had an equal but opposite effect. This sensitivity analysis assumes that all other variables remain constant.

Olympia is exposed to interest rate risk on its established credit facility. The average balance of the facility for the nine months ended September 30, 2024, was \$3.09 million (September 30, 2023 - \$4.60 million). If the interest rates were to have increased by 1%, it is estimated that Olympia's after-tax earnings for the nine months ended September 30, 2024, would have decreased by approximately \$0.02 million (September 30, 2023 - \$0.03 million). A 1% decrease in interest rates would have had an equal but opposite effect. This sensitivity analysis assumes that all other variables remain constant.

### **Credit risk**

Credit risk is the risk that the counterparty to a financial asset will default, resulting in Olympia incurring a financial loss. Before significant transactions begin with a new counterparty, the counterparty's creditworthiness is assessed. The assessment practice considers both quantitative and qualitative factors.

Olympia constantly monitors the exposure to any single customer or counterparty along with the financial position of the customer or counterparty. If it is deemed that a customer or counterparty has become significantly weaker, Olympia will work to reduce the credit exposure and lower the credit limit allocated. Olympia is exposed to credit risk on its cash and cash equivalents, trade and other receivables, interest receivable, and derivative financial instruments receivable. The maximum exposure to credit risk of Olympia at the end of the period is the carrying value of cash and cash equivalents, trade and other receivables, interest receivable, and derivative financial instruments receivable.

Olympia mitigates its exposure to credit risk by maintaining its bank accounts with highly rated financial institutions. Olympia has policies and procedures in place to govern the credit risk it will assume. Trade and other receivables primarily includes trade receivables from clients and interest receivable from cash and cash held in trust placed with financial institutions.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

Trade & other receivables	September 30, 2024	December 31, 2023
Trade receivables	\$ 1,412,063	\$ 1,753,437
Other receivables	141,121	137,942
	<b>\$ 1,553,184</b>	<b>\$ 1,891,379</b>

As of September 30, 2024, impaired trade receivables net of allowances is \$0.64 million (December 31, 2023 – \$0.91 million). The aging of trade receivables is as follows:

Trade receivables	September 30, 2024	December 31, 2023
Current	\$ 553,736	\$ 451,928
31 to 60 days	525	22,325
61 to 90 days	217,659	382,393
Over 90 days	1,726,587	1,936,266
Allowance for doubtful accounts	(1,086,444)	(1,039,475)
	<b>\$ 1,412,063</b>	<b>\$ 1,753,437</b>

Trade receivables over 90 days are considered past due.

## Allowance for doubtful accounts

The allowance for doubtful accounts is based on an account portfolio analysis. Movements on Olympia's provision for impairment of trade receivables are as follows:

	September 30, 2024	December 31, 2023
Balance, beginning of period	\$ 1,039,475	\$ 1,415,835
Increase in provision	483,678	764,619
Receivables written off, net	(436,709)	(1,140,979)
Balance, end of period	<b>\$ 1,086,444</b>	<b>\$ 1,039,475</b>

The balance relates to a number of independent clients which Olympia is actively pursuing through its internal collection process. Management considers the outstanding amounts to be recoverable.

The provision for impaired receivables has been included in bad debt expense in the unaudited condensed consolidated interim statements of net earnings and comprehensive income. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

## Provision matrix

Olympia has set up a provision matrix based on its historically observed default rates. Olympia adjusts the matrix for forward-looking estimates. The minimum allowance has been calculated based on the provision matrix, and the expected credit loss is as follows:

- less than 90 days: nominal;
- more than 90 days but less than one year past due: \$0.22 million;
- more than one year but less than two years past due: \$0.32 million;
- more than two years but less than three years past due: \$0.32 million; and
- three or more years past due: \$0.23 million.

Olympia may alter the allowance based on management's knowledge of the accounts, the assets held in the accounts, and current economic conditions.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

Interest receivable	September 30, 2024	December 31, 2023
Current	\$ 2,498,277	\$ 3,251,780
31 to 60 days	6,835,548	4,640,644
61 to 90 days	4,327,247	3,673,123
Over 90 days	10,460,496	12,185,281
	\$ 24,121,568	\$ 23,750,828
Non-current	\$ 3,048,503	\$ -
	\$ 27,170,071	\$ 23,750,828

## Derivative financial instruments receivable

The expected maturity relating to derivative financial instruments receivable and foreign exchange contracts is outlined in the following table:

	September 30, 2024	December 31, 2023
Current	\$ 15,519	\$ 183,840
31 to 60 days	580,811	609,259
61 to 90 days	17,785	49,977
Over 90 days	125,497	353,355
	\$ 739,612	\$ 1,196,431

## (iii) Capital risk management

Olympia's objectives when managing capital are to safeguard Olympia's ability to continue as a going concern in order to provide returns and benefits to shareholders and to maintain an optimal capital structure to reduce the cost of capital and to meet minimum regulatory capital requirements. In order to maintain or adjust the capital structure, Olympia may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or repurchase shares.

Olympia includes shareholders' equity of \$40.24 million (December 31, 2023 – \$35.32 million) in the definition of capital. Shareholders' equity comprises share capital, contributed surplus, and retained earnings.

Olympia's main objectives when managing its capital structure are to:

- Maintain sufficient cash and cash equivalents over the short and medium-term in order to finance its growth and development, including capital expenditures;
- Maintain investor and creditor confidence to sustain future development of the business. Olympia's objective when managing capital is to maintain adequate financial flexibility to preserve its ability to meet financial obligations. In managing capital, Olympia estimates its future dividend payments and capital expenditures, which is compared to planned business growth for purposes of sustainability;

- Maintain regulatory capital for Olympia Trust as required by the *Loan and Trust Corporations Act* (Alberta) (\$2.00 million). Similar regulatory capital is required by legislation in Nova Scotia (\$5.00 million) and Saskatchewan (\$5.00 million). Regulatory capital is defined as share capital and retained earnings. Olympia Trust has maintained these minimum capital requirements throughout the nine months ended September 30, 2024; and
- Maintain compliance with financial covenants. The financial covenants are reviewed quarterly and controls are in place to maintain compliance with the covenants. Olympia complied with its financial covenants for the nine months ended September 30, 2024.

The capital structure of Olympia is managed and adjusted to reflect changes in economic conditions. In support thereof, management reviews the financial position of Olympia on a monthly and cumulative basis. Financing decisions are set based on the timing and extent of expected operating and capital cash outlays. Factors considered when determining capital and the amount of operational cash requirements are weighed against the costs associated with excess cash, its terms and availability and whether to issue equity. Olympia works towards managing its capital objectives to the extent possible while facing the challenges of market conditions. Olympia's capital management objectives have remained substantively unchanged over the periods presented.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

## 8. LEASE LIABILITIES

The movement of the lease liabilities is shown below:

	September 30, 2024	December 31, 2023
Balance, beginning of period	\$ 1,001,455	\$ 1,390,799
Lease repayment	(395,751)	(425,605)
Non-cash interest	17,749	36,261
Balance, end of period	\$ 623,453	\$ 1,001,455

The current portion as at September 30, 2024, is \$0.49 million (December 31, 2023 - \$0.51 million), with the non-current portion being \$0.14 million (December 31, 2023 - \$0.50 million). Included under administrative expenses are interest expenses related to the lease liabilities in the amount of \$0.02 million for the nine months ended September 30, 2024 (September 30, 2023 - \$0.03 million).

## 9. OPERATING SEGMENTS

Olympia has six operating segments or divisions, of which five are business segments and offer different products and services and are managed separately because they require different technology and marketing strategies. The Corporate division is a cost centre and earns incidental revenue. For each of the divisions, Olympia's President, Chief Financial Officer ("CFO"), and other executive management review internal management reports on a monthly basis.

Segment profit or loss is used to measure performance. Olympia's President, CFO, and other executive management believe that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segmental transactions

consist mainly of cost recoveries, which are recognized at cost. In addition, reportable segments are managed on a functional basis through regular reporting to the President, CFO, and other executive management.

Olympia does not disclose a measure of segment assets, because the President, CFO, and other executive management do not use this information to assess performance and allocate resources. Olympia reports net operating results for all operating segments to the President, CFO, and other executive management. All other assets and liabilities are reported on a consolidated basis. Costs are allocated to segments based on usage.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

## Net operations for the nine months ended September 30, 2024

	IAS	Health	CGP	CSS	EE	Corporate	Total
Service revenue <sup>1</sup>	\$20,769,156	\$ 6,878,923	\$ 4,830,322	\$ 1,960,339	\$ 1,090,120	\$ -	\$35,528,860
Trust, interest & other income	38,914,568	759,599	646,146	950,161	5,723	66,259	41,342,456
Direct expenses	(82,208)	(1,316,212)	(1,078,235)	(129,356)	(8,759)	-	(2,614,770)
	59,601,516	6,322,310	4,398,233	2,781,144	1,087,084	66,259	74,256,546
Administrative expenses	(36,225,446)	(3,319,659)	(4,383,082)	(2,838,042)	(1,613,874)	(197,533)	(48,577,636)
Bad debt expense	(416,178)	-	-	(54,000)	(13,500)	-	(483,678)
Depreciation & amortization	(1,534,154)	(40,613)	(66,583)	(48,677)	(278,739)	-	(1,968,766)
Other (losses)/gains, net	(637)	(145)	17,270	776	8	8,410	25,682
Earnings/(loss) before income taxes	21,425,101	2,961,893	(34,162)	(158,799)	(819,021)	(122,864)	23,252,148
Income tax (expense)/recovery <sup>2</sup>	(4,905,718)	(746,638)	4,728	36,360	206,460	63,115	(5,341,693)
Net earnings/(loss)	\$16,519,383	\$ 2,215,255	\$ (29,434)	\$ (122,439)	\$ (612,561)	\$ (59,749)	\$17,910,455

<sup>1</sup> Included in service revenue for the CSS division are fees of \$72,375 for services provided by the EE division to an external client. These services, while provided by the EE division, are invoiced by the CSS division.

<sup>2</sup> No income tax adjustment has been made regarding the elimination of intercompany transactions.

## Net operations for the nine months ended September 30, 2023

	IAS	Health	CGP	CSS	EE	Corporate	Total
Service revenue <sup>1</sup>	\$20,334,049	\$ 6,698,021	\$ 5,974,746	\$ 2,015,810	\$ 957,906	\$ -	\$35,980,532
Trust, interest & other income	35,698,657	708,976	792,229	983,367	10,099	152,576	38,345,904
Direct expenses	(25,265)	(1,329,528)	(1,300,841)	(148,321)	(1,638)	-	(2,805,593)
	56,007,441	6,077,469	5,466,134	2,850,856	966,367	152,576	71,520,843
Administrative expenses	(33,255,323)	(3,451,114)	(4,588,580)	(2,644,360)	(1,495,460)	(277,642)	(45,712,479)
Bad debt expense	(960,000)	-	47,884	(45,000)	(13,500)	-	(970,616)
Depreciation & amortization	(1,538,503)	(31,714)	(96,117)	(44,588)	(176,044)	-	(1,886,966)
Other (losses)/gains, net	(551)	-	34,429	-	-	(4,192)	29,686
Earnings/(loss) before income taxes	20,253,064	2,594,641	863,750	116,908	(718,637)	(129,258)	22,980,468
Income tax (expense)/recovery <sup>2</sup>	(4,850,911)	(669,712)	(206,881)	(28,001)	185,490	3,795	(5,566,220)
Net earnings/(loss)	\$15,402,153	\$ 1,924,929	\$ 656,869	\$ 88,907	\$ (533,147)	\$ (125,463)	\$17,414,248

<sup>1</sup> Included in service revenue for the CSS division are fees of \$74,250 for services provided by the EE division to an external client. These services, while provided by the EE division, are invoiced by the CSS division.

<sup>2</sup> No income tax adjustment has been made regarding the elimination of intercompany transactions.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

## Service revenue for the nine months ended September 30, 2024

	IAS	Health	CGP	CSS	EE	Total
Account set-up & onboarding fees	\$ 743,400	\$ -	\$ -	\$ -	\$ 116,650	\$ 860,050
Annual administration & health spending account fees	13,597,931	1,780,040	-	1,012,125	-	16,390,096
Monthly & transaction fees	6,382,743	4,697,977	-	948,214	961,275	12,990,209
Trading profits & losses	-	-	4,830,322	-	-	4,830,322
Travel & life insurance brokerage fees	-	391,747	-	-	-	391,747
Other revenue	45,082	9,159	-	-	12,195	66,436
Service revenue	\$20,769,156	\$ 6,878,923	\$ 4,830,322	\$ 1,960,339	\$ 1,090,120	\$35,528,860

No one customer represents more than 10% of a division's total revenue earned for the nine months ended September 30, 2024.

## Service revenue for the nine months ended September 30, 2023

	IAS	Health	CGP	CSS	EE	Total
Account set-up & onboarding fees	\$ 752,150	\$ -	\$ -	\$ 348,065	\$ 85,820	\$ 1,186,035
Annual administration & health spending account fees	13,316,620	1,652,198	-	982,316	-	15,951,134
Monthly & transaction fees	5,985,913	4,633,414	-	685,429	865,493	12,170,249
Trading profits & losses	-	-	5,974,746	-	-	5,974,746
Travel & life insurance brokerage fees	325	399,047	-	-	-	399,372
Other revenue	279,041	13,362	-	-	6,593	298,996
Service revenue	\$20,334,049	\$ 6,698,021	\$ 5,974,746	\$ 2,015,810	\$ 957,906	\$35,980,532

No one customer represents more than 10% of a division's total revenue earned for the nine months ended September 30, 2023.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

## Net operations for the three months ended September 30, 2024

	IAS	Health	CGP	CSS	EE	Corporate	Total
Service revenue <sup>1</sup>	\$ 6,847,801	\$ 2,169,668	\$ 1,484,224	\$ 622,914	\$ 373,324	\$ -	\$ 11,497,931
Trust, interest & other income	12,965,178	235,824	163,263	308,694	1,922	12,150	13,687,031
Direct expenses	(27,608)	(419,055)	(301,970)	(20,774)	(3,456)	-	(772,863)
	19,785,371	1,986,437	1,345,517	910,834	371,790	12,150	24,412,099
Administrative expenses	(11,892,364)	(1,064,798)	(1,400,554)	(912,621)	(520,084)	(67,687)	(15,858,108)
Bad debt expense	91,600	-	-	(18,000)	(4,500)	-	69,100
Depreciation & amortization	(521,729)	(16,270)	(25,635)	(16,995)	(104,195)	-	(684,824)
Other (losses)/gains, net	(818)	(355)	(1,321)	333	(81)	6,424	4,182
Earnings/(loss) before income taxes	7,462,060	905,014	(81,993)	(36,449)	(257,070)	(49,113)	7,942,449
Income tax (expense)/recovery <sup>2</sup>	(1,569,012)	(271,101)	18,270	8,941	108,503	38,935	(1,665,464)
Net earnings/(loss)	\$ 5,893,048	\$ 633,913	\$ (63,723)	\$ (27,508)	\$ (148,567)	\$ (10,178)	\$ 6,276,985

<sup>1</sup> Included in service revenue for the CSS division are fees of \$24,125 for services provided by the EE division to an external client. These services, while provided by the EE division, are invoiced by the CSS division.

<sup>2</sup> No income tax adjustment has been made regarding the elimination of intercompany transactions.

## Net operations for the three months ended September 30, 2023

	IAS	Health	CGP	CSS	EE	Corporate	Total
Service revenue <sup>1</sup>	\$ 6,870,197	\$ 2,099,213	\$ 2,076,465	\$ 682,584	\$ 338,944	\$ -	\$ 12,067,403
Trust, interest & other income	12,604,595	250,389	304,670	183,471	4,315	37,753	13,385,193
Direct expenses	(11,563)	(406,306)	(492,847)	(19,090)	-	-	(929,806)
	19,463,229	1,943,296	1,888,288	846,965	343,259	37,753	24,522,790
Administrative expenses	(11,615,902)	(965,558)	(1,561,742)	(835,683)	(496,835)	(86,059)	(15,561,779)
Bad debt expense	(180,000)	-	-	(15,000)	(4,500)	-	(199,500)
Depreciation & amortization	(484,111)	(11,008)	(32,762)	(15,747)	(58,722)	-	(602,350)
Other gains/(losses), net	357	-	30,322	-	-	(5,031)	25,648
Earnings/(loss) before income taxes	7,183,573	966,730	324,106	(19,465)	(216,798)	(53,337)	8,184,809
Income tax (expense)/recovery <sup>2</sup>	(1,703,327)	(244,259)	(76,916)	4,843	54,335	(618)	(1,965,942)
Net earnings/(loss)	\$ 5,480,246	\$ 722,471	\$ 247,190	\$ (14,622)	\$ (162,463)	\$ (53,955)	\$ 6,218,867

<sup>1</sup> Included in service revenue for the CSS division are fees of \$24,750 for services provided by the EE division to an external client. These services, while provided by the EE division, are invoiced by the CSS division.

<sup>2</sup> No income tax adjustment has been made regarding the elimination of intercompany transactions.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

## Service revenue for the three months ended September 30, 2024

	IAS	Health	CGP	CSS	EE	Total
Account set-up & onboarding fees	\$ 217,050	\$ -	\$ -	\$ -	\$ 41,650	\$ 258,700
Annual administration & health spending account fees	4,594,308	597,091	-	339,362	-	5,530,761
Monthly & transaction fees	2,030,557	1,447,802	-	283,552	328,470	4,090,381
Trading profits & losses	-	-	1,484,224	-	-	1,484,224
Travel & life insurance brokerage fees	-	123,315	-	-	-	123,315
Other revenue	5,886	1,460	-	-	3,204	10,550
Service revenue	\$ 6,847,801	\$ 2,169,668	\$ 1,484,224	\$ 622,914	\$ 373,324	\$11,497,931

No one customer represents more than 10% of a division's total revenue earned for the three months ended September 30, 2024.

## Service revenue for the three months ended September 30, 2023

	IAS	Health	CGP	CSS	EE	Total
Account set-up & onboarding fees	\$ 258,650	\$ -	\$ -	\$ 119,603	\$ 36,100	\$ 414,353
Annual administration & health spending account fees	4,546,553	554,376	-	331,433	-	5,432,362
Monthly & transaction fees	2,018,560	1,417,205	-	231,548	298,973	3,966,286
Trading profits & losses	-	-	2,076,465	-	-	2,076,465
Travel & life insurance brokerage fees	50	125,669	-	-	-	125,719
Other revenue	46,384	1,964	-	-	3,870	52,218
Service revenue	\$ 6,870,197	\$ 2,099,214	\$ 2,076,465	\$ 682,584	\$ 338,943	\$12,067,403

No one customer represents more than 10% of a division's total revenue earned for the three months ended September 30, 2023.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

## 10. REVOLVING CREDIT FACILITY

As at September 30, 2024, Olympia has drawn \$1.79 million (December 31, 2023 – \$2.57 million) on its established credit facility.

The credit facility in place has a maximum amount of \$15.00 million (December 31, 2023 – \$15.00 million) and bears interest at the Canadian prime rate plus 0.25%. The credit facility is subject to quarterly review.

The credit facility is subject to certain covenants and other limitations that, if breached, could cause a default, which might result in a requirement for immediate repayment of all amounts outstanding. The credit facility contains a number of affirmative covenants, including maintaining specific security and maintaining specific financial ratios.

The financial ratios are a quarterly cash flow coverage ratio of not less than 1.50:1, and a debt to tangible net worth of

not more than 2.00:1. At September 30, 2024, Olympia's cash flow coverage ratio under the terms of the credit facility was calculated to be 5.68:1 (December 31, 2023 – 7.18:1). At September 30, 2024, Olympia's debt to tangible net worth ratio under the terms of the credit facility was calculated to be 0.17:1 (December 31, 2023 – 0.28:1). Throughout 2024 and for the nine months ended September 30, 2024, Olympia was in compliance with all covenants.

Security for the credit facility includes a general security agreement providing a first security charge over all present and after acquired property.

Olympia also holds a demand credit facility with a US\$6 million limit. This demand credit facility is only to be used to enter into spot, forward, or foreign exchange transactions with the issuing financial institution.

<b>Credit facility</b>	<b>September 30, 2024</b>	<b>December 31, 2023</b>
Maximum limit of line of credit	\$ 15,000,000	\$ 15,000,000
Drawn	(1,791,834)	(2,565,889)
Available, end of period	\$ 13,208,166	\$ 12,434,111

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

## 11. DERIVATIVE FINANCIAL INSTRUMENTS

	Fair value as at September 30, 2024	Notional amount as at September 30, 2024	Fair value as at December 31, 2023	Notional amount as at December 31, 2023
Current assets	\$ 739,612	\$ 106,810,283	\$ 1,196,431	\$ 85,010,579
Current liabilities	\$ 381,402	\$ 52,404,930	\$ 451,205	\$ 82,227,702

Olympia Trust has entered into foreign exchange contracts with its customers and currency suppliers. The expiry dates of the above derivatives vary between October 1, 2024, and August 29, 2025. Foreign exchange contracts with an expiration greater than one year remaining as at the reporting period, if any, would be classified as non-current.

Forward foreign exchange contracts are measured at fair value through profit or loss based on contractual maturities and are presented at their fair value on the balance sheet. Changes in fair values of forward foreign exchange contracts are recorded in other losses/(gains), net (notes 9 and 24) in the unaudited condensed consolidated interim statements of net earnings and comprehensive income. The fair value of all forward foreign exchange contracts is based on current bid prices for their respective remaining terms to maturity in an active market. As at September 30, 2024, Olympia has margins held in Canadian dollars of \$1.40 million (December 31, 2023 – \$2.71 million).

For the period ended September 30, 2024, there were no transfers between Level 1 and Level 2 fair value measurements and no transfers into or out of Level 3 fair value measurements.

The three levels of fair value hierarchy, with respect to derivative financial instruments, are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities

Level 2 – Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly

Level 3 – Inputs that are not based on observable market data

The following table presents Olympia's derivative financial assets and liabilities measured at fair value and categorized by level according to the significance of the inputs used in making these measurements:

### Recurring measurements

	September 30, 2024	Level 1	Level 2	Level 3
Financial assets – derivative financial instruments	\$ 739,612	\$ -	\$ 739,612	\$ -
Financial liabilities – derivative financial instruments	(381,402)	-	(381,402)	-
	\$ 358,210	\$ -	\$ 358,210	\$ -

	December 31, 2023	Level 1	Level 2	Level 3
Financial assets – derivative financial instruments	\$ 1,196,431	\$ -	\$ 1,196,431	\$ -
Financial liabilities – derivative financial instruments	(451,205)	-	(451,205)	-
	\$ 745,226	\$ -	\$ 745,226	\$ -

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

## 12. EQUIPMENT AND OTHER

September 30, 2024	Leasehold improvements	Computers & equipment	Furniture & fixtures	Total
<b>Cost</b>				
Balance, beginning of period	\$ 359,374	\$ 1,188,011	\$ 369,602	\$ 1,916,987
Additions	2,800	117,781	40,982	161,563
<b>Balance, end of period</b>	<b>\$ 362,174</b>	<b>\$ 1,305,792</b>	<b>\$ 410,584</b>	<b>\$ 2,078,550</b>
<b>Accumulated depreciation</b>				
Balance, beginning of period	\$ 195,247	\$ 833,386	\$ 305,209	\$ 1,333,842
Depreciation charge for the period	69,044	144,394	29,437	242,875
<b>Balance, end of period</b>	<b>\$ 264,291</b>	<b>\$ 977,780</b>	<b>\$ 334,646</b>	<b>\$ 1,576,717</b>
<b>Closing net book value</b>	<b>\$ 97,883</b>	<b>\$ 328,012</b>	<b>\$ 75,938</b>	<b>\$ 501,833</b>

December 31, 2023	Leasehold improvements	Computers & equipment	Furniture & fixtures	Total
<b>Cost</b>				
Balance, beginning of period	\$ 341,250	\$ 879,980	\$ 347,541	\$ 1,568,771
Additions	18,124	308,031	25,060	351,215
Disposals	-	-	(2,999)	(2,999)
<b>Balance, end of period</b>	<b>\$ 359,374</b>	<b>\$ 1,188,011</b>	<b>\$ 369,602</b>	<b>\$ 1,916,987</b>
<b>Accumulated depreciation</b>				
Balance, beginning of period	\$ 108,493	\$ 666,529	\$ 264,783	\$ 1,039,805
Disposals	-	-	(2,999)	(2,999)
Depreciation charge for the period	86,754	166,857	43,425	297,036
<b>Balance, end of period</b>	<b>\$ 195,247</b>	<b>\$ 833,386</b>	<b>\$ 305,209</b>	<b>\$ 1,333,842</b>
<b>Closing net book value</b>	<b>\$ 164,127</b>	<b>\$ 354,625</b>	<b>\$ 64,393</b>	<b>\$ 583,145</b>

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

## 13. INTANGIBLE ASSETS

September 30, 2024	Internally generated software	Computer software	Client list	Other	Total
<b>Cost</b>					
Balance, beginning of period	\$ 3,168,036	\$ 1,821,192	\$ 7,119,205	\$ 27,305	\$12,135,738
Additions	94,582	-	-	-	94,582
Disposals	(61,284)	-	-	-	(61,284)
<b>Balance, end of period</b>	<b>\$ 3,201,334</b>	<b>\$ 1,821,192</b>	<b>\$ 7,119,205</b>	<b>\$ 27,305</b>	<b>\$12,169,036</b>
<b>Accumulated amortization</b>					
Balance, beginning of period	\$ 2,352,847	\$ 1,664,116	\$ 2,906,432	\$ 27,305	\$ 6,950,700
Amortization charge for the period	287,756	120,431	1,067,881	-	1,476,068
Disposals	(61,284)	-	-	-	(61,284)
<b>Balance, end of period</b>	<b>\$ 2,579,319</b>	<b>\$ 1,784,547</b>	<b>\$ 3,974,313</b>	<b>\$ 27,305</b>	<b>\$ 8,365,484</b>
<b>Closing net book value</b>	<b>\$ 622,015</b>	<b>\$ 36,645</b>	<b>\$ 3,144,892</b>	<b>\$ -</b>	<b>\$ 3,803,552</b>

December 31, 2023	Internally generated software	Computer software	Client list	Other	Total
<b>Cost</b>					
Balance, beginning of period	\$ 3,006,844	\$ 1,725,163	\$ 7,119,205	\$ 27,305	\$11,878,517
Additions	161,192	96,029	-	-	257,221
<b>Balance, end of period</b>	<b>\$ 3,168,036</b>	<b>\$ 1,821,192</b>	<b>\$ 7,119,205</b>	<b>\$ 27,305</b>	<b>\$12,135,738</b>
<b>Accumulated amortization</b>					
Balance, beginning of period	\$ 2,008,757	\$ 1,569,999	\$ 1,482,591	\$ 27,305	\$ 5,088,652
Amortization charge for the period	344,090	94,117	1,423,841	-	1,862,048
<b>Balance, end of period</b>	<b>\$ 2,352,847</b>	<b>\$ 1,664,116</b>	<b>\$ 2,906,432</b>	<b>\$ 27,305</b>	<b>\$ 6,950,700</b>
<b>Closing net book value</b>	<b>\$ 815,189</b>	<b>\$ 157,076</b>	<b>\$ 4,212,773</b>	<b>\$ -</b>	<b>\$ 5,185,038</b>

### Additions

The capital additions of \$0.09 million (September 30, 2023 - \$0.26 million) relate to the development of the Exempt Edge division's applications.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

## 14. RIGHT-OF-USE ASSETS

	September 30, 2024	December 31, 2023
Balance, beginning of period	\$ 642,108	\$ 975,719
Depreciation	(249,823)	(333,611)
Balance, end of period	\$ 392,285	\$ 642,108

The right-of-use assets pertain to lease properties under IFRS 16. These lease properties include the Calgary head office and the Vancouver office.

## 15. TRADE AND OTHER PAYABLES

	September 30, 2024	December 31, 2023
Government taxes payable	\$ 1,002,232	\$ 569,778
Trade payables	959,427	385,680
Amounts due to related parties (note 31)	187,280	315,124
Agents & commissions payable	170,287	189,575
	\$ 2,319,226	\$ 1,460,157

Government taxes payable includes amounts relating primarily to GST/HST and other indirect taxes specific to Olympia's business.

## 16. DEFERRED REVENUE

	September 30, 2024	December 31, 2023
Annual registered plan services administration fees	\$ 4,574,572	\$ -
Annual health spending account fees	847,937	763,133
Annual corporate & shareholder services retainer fees	220,462	168,054
Annual EdgeLink service fees	16,292	8,292
	\$ 5,659,263	\$ 939,479

At September 30, 2024, deferred revenue totaled \$5.66 million compared to \$0.94 million as at December 31, 2023. This is comprised of annual fees that have been received by the IAS division, the Health division, the CSS division, and the EE division. The unearned portion of these annual fees is recognized as deferred revenue at the time of billing and revenue is recognized on a straight-line basis in relation to Olympia rendering these services.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

## 17. OTHER LIABILITIES AND CHARGES

	September 30, 2024	December 31, 2023
Bonuses payable	\$ 1,213,319	\$ 932,128
Professional fees accrual	581,987	537,454
General accruals	468,597	478,371
Vacation payable	329,541	277,484
Legal fees accrual	70,000	50,000
Long term service award accrual	45,090	-
Other payables	-	37,983
	<b>\$ 2,708,534</b>	<b>\$ 2,313,420</b>

Professional fees includes amounts relating to services provided for audit, tax, and other engagements from financial service firms.

## 18. SHARE CAPITAL AND CONTRIBUTED SURPLUS

	Number of common shares	Share capital	Contributed surplus	Total
Balance at September 30, 2024 & December 31, 2023	2,406,336	\$ 7,886,989	\$ 86,373	\$ 7,973,362

Olympia is authorized to issue an unlimited number of common shares without nominal or par value. (December 31, 2023 – unlimited common shares). All issued shares are fully paid.

## 19. INCOME TAXES

a) The significant components which give rise to deferred income tax assets and liabilities are as follows:

	September 30, 2024	December 31, 2023
Bad debts provision & other	\$ 218,441	\$ 208,664
Deferred revenue	251,269	217,630
Carrying amount of equipment above tax basis	622,898	335,280
Unrecognized capital (losses)/gains	(495)	964
	<b>\$ 1,092,113</b>	<b>\$ 762,538</b>

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

b) Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The average annual rate used for the period ended September 30, 2024 was 24.0% (September 30, 2023 – 24.0%).

	September 30, 2024	September 30, 2023
Earnings before income tax	\$ 23,252,148	\$ 22,980,468
Anticipated income tax expense	5,557,807	5,493,628
Non-deductible expenses	34,016	26,018
Adjustment in respect of prior years	(171)	46,574
Refund from prior year tax	(249,959)	-
	\$ 5,341,693	\$ 5,566,220
Income tax expense	\$ 5,671,269	\$ 5,725,259
Deferred tax recovery	(329,576)	(159,039)
Total	\$ 5,341,693	\$ 5,566,220

## 20. ADMINISTRATIVE EXPENSES

	September 30, 2024	September 30, 2023
Salaries & bonuses	\$ 27,175,328	\$ 26,412,135
General administration expenses	10,562,748	8,803,168
Management fees	7,457,180	7,547,111
Rent expense	1,084,045	983,775
Employee benefit expense (note 23)	2,298,335	1,966,290
	\$ 48,577,636	\$ 45,712,479

The increase in administrative expenses relates primarily to the increase in salaries and bonuses and an increase in general administration expenses, specifically legal fees and risk support services wages.

## 21. DIRECT EXPENSES

	September 30, 2024	September 30, 2023
Commission expense	\$ 1,256,298	\$ 1,481,860
Health trailer commissions	874,255	876,800
Service costs paid	484,217	446,933
	\$ 2,614,770	\$ 2,805,593

Commission expense decreased \$0.23 million for the nine months ended September 30, 2024, when compared with the nine months ended September 30, 2023. This decrease is primarily the result of lower trading volumes within the CGP division.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

## 22. BAD DEBT EXPENSE

	September 30, 2024	September 30, 2023
Bad debt expense	\$ 483,678	\$ 970,616

During the nine months ended September 30, 2024, Olympia recorded \$0.48 million in bad debt expense (September 30, 2023 - \$0.97 million). Olympia records bad debts as incurred against allowance for doubtful accounts and recognizes bad debt expense based on its calculation of expected credit losses. For the nine months ended September 30, 2024, actual write-offs, net of recoveries, were \$0.44 million (September 30, 2023 - \$1.15 million).

## 23. EMPLOYEE BENEFITS EXPENSE

	September 30, 2024	September 30, 2023
Medical benefits	\$ 915,937	\$ 720,615
Parking & other benefits	765,187	640,998
Share ownership assistance	512,573	439,268
Long-term service awards & education assistance	104,638	165,409
	\$ 2,298,335	\$ 1,966,290

The increase in employee benefits expense relates to employees utilizing their benefits.

## 24. OTHER GAINS, NET

	September 30, 2024	September 30, 2023
Unrealized foreign exchange gain	\$ (20,781)	\$ (34,429)
(Gain)/loss on disposal of assets & other	(2,468)	1,308
Unrealized (gain)/loss on FVPL assets	(2,433)	3,435
	\$ (25,682)	\$ (29,686)

## 25. EARNINGS PER SHARE

### Basic and diluted

Basic earnings per share is calculated by dividing the profit attributable to equity holders of Olympia by the weighted average number of common shares in issue during the period.

Nine months ended	September 30, 2024	September 30, 2023
Total net earnings	\$ 17,910,455	\$ 17,414,248
Weighted average number of shares (basic & diluted)	2,406,336	2,406,336
Basic & diluted earnings per share	\$ 7.44	\$ 7.24

Three months ended	September 30, 2024	September 30, 2023
Total net earnings	\$ 6,276,985	\$ 6,218,867
Weighted average number of shares (basic & diluted)	2,406,336	2,406,336
Basic & diluted earnings per share	\$ 2.61	\$ 2.58

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

## 26. DIVIDENDS

The aggregate dividends declared and paid for the nine months amounted to \$12.99 million (September 30, 2023 – \$9.63 million).

## 27. CHANGES IN NON-CASH WORKING CAPITAL

	September 30, 2024	September 30, 2023
Interest receivable	(370,740)	\$ (13,891,160)
Trade & other receivables	338,195	1,343,723
Prepaid expenses	(569,232)	291,540
Trade & other payables	859,068	823,799
Deferred revenue	4,719,784	4,729,305
Other liabilities & charges	395,114	1,172,038
Lease liability interest	17,749	28,409
Current tax liability	(3,042,993)	1,281,121
	<b>\$ 2,346,945</b>	<b>\$ (4,221,225)</b>

## 28. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	December 31, 2023	Cash flows	September 30, 2024
Revolving credit facility	\$ 2,565,889	\$ (774,055)	\$ 1,791,834

## 29. COMMITMENTS

Olympia leases various offices under lease agreements. The initial lease terms are between twelve months and eighty-four months and the majority of lease agreements are renewable

at market rates when the lease period ends. Future aggregate minimum lease payments under leases are listed in the table below:

	September 30, 2024
2024	\$ 150,527
2025	502,385
2026	2,053,764
2027	2,029,440
2028	2,029,440
	<b>\$ 6,765,556</b>

Excluded from lease commitments is the non-cash financing interest of \$1.97 million implicit in the lease liability.

## 30. CONTINGENCIES

Olympia is not a money lender nor does it guarantee or participate in loans or mortgages of any type, except in its capacity as trustee of conventional and syndicated mortgages.

Olympia is defendant and plaintiff in a number of legal actions that arise in the normal course of business, the losses or gains from which, if any, are not anticipated to have a significant effect on the period financial statements.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

## 31. RELATED PARTY TRANSACTIONS

Olympia's President and CEO owns and controls 29.61% of Olympia's shares. During the period Olympia entered into transactions with the following related parties:

- Companies controlled by the President and CEO of Olympia;

- Companies controlled by directors of Olympia Trust;
- Family members of the President, management and directors; and
- Key management and directors.

The following transactions with related parties were measured at the exchange amount, which is the amount of consideration agreed to by the parties:

<b>Service revenue</b>	<b>September 30, 2024</b>	September 30, 2023
Companies controlled by the President & CEO	\$ -	\$ 1,317

Service revenue from related parties totaled \$nil for the nine months ended September 30, 2024 (September 30, 2023 – \$1,317). This consisted mainly of revenue from legal services provided by Olympia's in-house general counsel to Tarman, a company controlled by the President and CEO.

<b>Interest income</b>	<b>September 30, 2024</b>	September 30, 2023
Companies controlled by the President & CEO	\$ -	\$ 22,231

Interest revenue from related parties totaled \$nil for the nine months ended September 30, 2024 (September 30, 2023 – \$22,231), and consisted of interest earned from the promissory note receivable.

<b>Administrative expenses</b>	<b>September 30, 2024</b>	September 30, 2023
Companies controlled by the President & CEO (management fee)	\$ 7,457,180	\$ 7,547,111
Olympia Charitable Foundation	175,958	121,097
Companies controlled by directors of Olympia	21,965	-
Companies controlled by the President & CEO	6,974	-
	<b>\$ 7,662,077</b>	<b>\$ 7,668,208</b>

Administrative expenses paid to related parties totaled \$7.66 million for the nine months ended September 30, 2024 (September 30, 2023 – \$7.67 million), and consisted of the following:

- Management fees are paid to Tarman based on a percentage of pre-tax profits of Olympia's divisions, except for the Health division, where the management fee is based on a percentage of health claims administered. These fees are for services provided as President and CEO of Olympia. For the nine months ended September 30, 2024, this amounted to \$7,457,180 (September 30, 2023 - \$7,547,111).

- The Olympia Charitable Foundation is funded by Olympia and the employees of Olympia. Olympia's matched donation totaled \$175,958 for the nine months ended September 30, 2024 (September 30, 2023 – \$121,097).
- Consulting fees were paid to a company controlled by a director of Olympia. For the period ended September 30, 2024, this amounted to \$21,965 (December 31, 2023 - \$nil).
- Fees paid to Apple Creek Golf Course a company controlled by Olympia's President and CEO, of \$6,974 (September 30, 2023 - \$nil) for an employee appreciation golf tournament.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

<b>Trade &amp; other receivables include amounts receivable from related parties</b>	<b>September 30, 2024</b>	<b>December 31, 2023</b>
Companies controlled by the President & CEO	\$ 35,309	\$ 55,690
	<b>\$ 35,309</b>	<b>\$ 55,690</b>

Receivables from related parties totaled \$0.04 million as at September 30, 2024 (December 31, 2023 – \$0.06 million), and consisted mainly of the following:

- A receivable in the amount of \$34,386 (December 31, 2023 – \$53,995) from Tarman, a company controlled by Olympia's President and CEO, for expense recoveries relating to accounting and other administrative services provided.
- A receivable in the amount of \$923 (December 31, 2023 – \$1,695) from Olympia ATM Ltd., a company controlled by the President and CEO, for expense recoveries relating to accounting and other administrative services provided.

<b>Trade &amp; other payables and provision for other liabilities &amp; charges include amounts payable to related parties</b>	<b>September 30, 2024</b>	<b>December 31, 2023</b>
Companies controlled by the President & CEO	\$ 192,141	\$ 435,460
Family members of the President & CEO	164,101	262,151
Directors' fees	138,388	149,505
Companies controlled by directors of Olympia	15,000	4,650
	<b>\$ 509,630</b>	<b>\$ 851,766</b>

Payables to related parties totaled \$0.51 million as at September 30, 2024 (December 31, 2023 – \$0.85 million), and consisted mainly of the following:

- A payable in the amount of \$41,917 (December 31, 2023 – \$51,093) to Tarman, a company controlled by the President and CEO of Olympia, for commissions related to the sale of health plans offered by Olympia Benefits.
- A management fee payable in the amount of \$143,249 (December 31, 2023 – \$384,367) to Tarman, a company controlled by the President and CEO of Olympia, based on a percentage of pre-tax profits of Olympia's divisions.
- A payable in the amount of \$6,974 (December 31, 2023 - \$nil) to Apple Creek Golf Course Inc., a company controlled by the President and CEO of Olympia for an employee appreciation golf tournament.
- An amount payable to the Executive Vice President, a party related to the President and CEO, for bonuses earned of \$164,101 (December 31, 2023 - \$262,151).
- A payable for directors' fees of \$138,388 (December 31, 2023 – \$134,150).
- A payable to a company controlled by a director of Olympia of \$15,000 (December 31, 2023 - \$4,650).

These payables are all current.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

## 32. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Olympia classifies the following financial assets as fair value through profit or loss (FVPL):

- Equity investments that are held for trading; and

- Equity investments for which Olympia has not elected to recognize fair value gains and losses through other comprehensive income.

	September 30, 2024	December 31, 2023
Canadian Equity securities	\$ 99,982	\$ 89,503

The following table represents transfers between levels for the nine months ended September 30, 2024:

	Level 1	Level 2	Level 3	Total
Opening balance	\$ -	\$ -	\$ 89,503	\$ 89,503
Purchases	-	-	7,699	7,699
Sales	-	-	(2,131)	(2,131)
Net gains recognized in other gains	-	-	4,911	4,911
Total financial assets at fair value through profit and loss	\$ -	\$ -	\$ 99,982	\$ 99,982

The following table represents transfers between levels for the year ended December 31, 2023:

	Level 1	Level 2	Level 3	Total
Opening balance	\$ -	\$ -	\$ 96,472	\$ 96,472
Sales	-	-	(3,578)	(3,578)
Net losses recognized in other gains	-	-	(3,391)	(3,391)
Total financial assets at fair value through profit and loss	\$ -	\$ -	\$ 89,503	\$ 89,503

There were no transfers between Level 1, Level 2, and Level 3.

## 33. COMPARATIVE FIGURES

Certain of the prior period figures have been reclassified where necessary to conform to the current period's interim consolidated financial statement presentation.

## 34. SUBSEQUENT EVENT

Effective October 7, 2024, Kenneth Fry ceased to be the President of Olympia Benefits Inc. On an interim basis Craig Skauge, Executive-Vice President of Olympia, assumed day-to-day leadership of OBI.



# CORPORATE INFORMATION

## Directors

Rick Skauge

Craig Skauge

Brian Newman<sup>1 2 3 4 5 6</sup>

Gerard Janssen<sup>1 2 3 4 5 6</sup>

Paul Kelly<sup>1 2 3 4 5 6</sup>

Tony Balasubramanian<sup>5 6</sup>

Tony Lanzl

## Board Committees

<sup>1</sup> Audit Committee

<sup>2</sup> Corporate Governance Committee

<sup>3</sup> Executive Compensation Committee

<sup>4</sup> Investment Committee

<sup>5</sup> Risk Management Committee

<sup>6</sup> Compliance Committee

## Head Office

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## Transfer Agent

Olympia Trust Company

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Tel: 587-774-2340

Fax: 403-668-8307

## Auditors

PricewaterhouseCoopers LLP

Chartered Professional Accountants

3100-111 5 Ave SW

Calgary, Alberta T2P 5L3

# THE EXECUTIVE TEAM



**RICK SKAUGE**

President and Chief Executive Officer



**CRAIG SKAUGE**

Executive Vice President  
President, Olympia Trust Company  
President, Exempt Edge



**JENNIFER URSCHELER**

Chief Financial Officer



**NEIL MCCULLAGH**

President, Olympia Currency and Global Payments Inc.



**ANDREA GILLIS**

Executive Vice President,  
Securities Investment Account Services



**KELLY REVOL**

Executive Vice President,  
Mortgages Investment Account Services



**DEAN NAUGLER**

Executive Vice President,  
Corporate and Shareholder Services



**STEPHEN PRESTON**

Executive Vice President,  
Exempt Edge



**JONATHAN BAHNUIK**

General Counsel



**RYAN MCKENNA**

Chief Information Officer





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