

**EURO HOLDINGS BERHAD**

[Registration No.: 200401008055 (646559-T)]

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 30 JUNE 2021  
(The figures have not been audited)**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 6/30/2021 RM'000	Preceding Year Corresponding Quarter 6/30/2020 RM'000	Current Year To Date 6/30/2021 RM'000	Preceding Year Corresponding Period 6/30/2020 RM'000
<b>Continuing Operations:</b>				
Revenue	18,366	4,928	34,624	14,861
Cost of sales	(21,041)	(4,606)	(34,086)	(13,632)
Gross profit/(loss)	<u>(2,675)</u>	<u>322</u>	<u>538</u>	<u>1,229</u>
Other income	7	102	98	299
Operating expenses	(1,986)	(4,542)	(4,491)	(8,044)
Finance costs	(162)	(274)	(501)	(786)
<b>Loss before taxation</b>	<u>(4,816)</u>	<u>(4,392)</u>	<u>(4,356)</u>	<u>(7,302)</u>
Taxation	-	(59)	-	(208)
<b>Loss for the period</b>	<u>(4,816)</u>	<u>(4,451)</u>	<u>(4,356)</u>	<u>(7,510)</u>
Other comprehensive income ("OCI")	-	-	-	-
<b>Total comprehensive loss for the period</b>	<u><u>(4,816)</u></u>	<u><u>(4,451)</u></u>	<u><u>(4,356)</u></u>	<u><u>(7,510)</u></u>
<b>Attributable to:</b>				
Owners of the Company	(4,786)	(4,431)	(4,303)	(7,493)
Non-controlling interest	(30)	(20)	(53)	(17)
	<u>(4,816)</u>	<u>(4,451)</u>	<u>(4,356)</u>	<u>(7,510)</u>
<b>Earnings per share</b>				
- Earnings per share (sen)	<u><u>(0.60)</u></u>	<u><u>(1.66)</u></u>	<u><u>(0.54)</u></u>	<u><u>(2.80)</u></u>

Notes:

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

**EURO HOLDINGS BERHAD**

[Registration No.: 200401008055 (646559-T)]

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2021**

(The figures have not been audited)

	(Unaudited) As At 6/30/2021 RM'000	As At 12/31/2020 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	39,384	40,232
Right-of-use assets	25	48
	<u>39,409</u>	<u>40,280</u>
<b>Current assets</b>		
Property development cost	32,617	32,943
Inventories	12,624	12,737
Trade receivables	24,910	23,222
Other receivables, deposits and prepayments	10,149	8,938
Tax recoverable	361	35
Fixed deposit	6,985	6,952
Cash and bank balances	159	1,687
	<u>87,805</u>	<u>86,514</u>
<b>TOTAL ASSETS</b>	<u><u>127,214</u></u>	<u><u>126,794</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	48,402	48,402
Retained Earnings	14,438	18,741
	<u>62,840</u>	<u>67,143</u>
Non-controlling interest	834	887
<b>Total equity</b>	<u>63,674</u>	<u>68,030</u>
<b>Non-current liabilities</b>		
Term loans and borrowings	8,153	9,218
Lease liabilities	3	3
Deferred tax liabilities	287	287
	<u>8,443</u>	<u>9,508</u>
<b>Current liabilities</b>		
Trade payables	12,842	13,210
Other payables and accruals	15,497	14,297
Amount due to director	4,219	110
Bills payable	1,996	1,644
Term loans and borrowings	20,133	19,936
Lease liabilities	37	55
Forward exchange contracts	-	4
Provision for taxation	372	-
	<u>55,097</u>	<u>49,256</u>
<b>Total liabilities</b>	<u>63,540</u>	<u>58,764</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>127,214</u></u>	<u><u>126,794</u></u>
Net Assets Per Share (RM)	0.0784	0.2512

## Notes:

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

**EURO HOLDINGS BERHAD**

[Registration No.: 200401008055 (646559-T)]

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 30 JUNE 2021  
(The figures have not been audited)**

	Attributable to Equity Holders of the Company			Non- Controlling Interest	Total Equity
	Non-distributable	Distributable	Total		
	Share Capital	Retained Earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2021</b>	<b>48,402</b>	<b>18,741</b>	<b>67,143</b>	<b>887</b>	<b>68,030</b>
Total comprehensive loss for the period	-	(4,303)	(4,303)	(53)	(4,356)
<b>At 30 June 2021</b>	<b>48,402</b>	<b>14,438</b>	<b>62,840</b>	<b>834</b>	<b>63,674</b>
<b>At 1 January 2020</b>	48,402	13,555	61,957	859	62,816
Total comprehensive loss for the period	-	(7,493)	(7,493)	(17)	(7,510)
<b>At 31 June 2020</b>	<b>48,402</b>	<b>6,062</b>	<b>54,464</b>	<b>842</b>	<b>55,306</b>

Notes:

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

**EURO HOLDINGS BERHAD**

[Registration No.: 200401008055 (646559-T)]

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS****FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

(The figures have not been audited)

	<b>Current Period Ended 30/6/2021 RM'000</b>	Preceding Period Ended 30/6/2020 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(4,356)	(7,302)
Non-cash items	870	1,124
Non-operating items	(58)	706
Operating profit/(loss) before working capital changes	<u>(3,544)</u>	<u>(5,472)</u>
Inventories	113	(2,063)
Trade and other receivables	(2,880)	(1,481)
Trade and other payables	833	6,675
Cash used in operations	<u>(5,478)</u>	<u>(2,341)</u>
Property development costs	326	2,094
Tax paid	46	(96)
Interest paid	-	-
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<u><b>(5,106)</b></u>	<u><b>(343)</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	-	(86)
Interest received	39	88
<b>NET CASH GENERATED FROM INVESTING ACTIVITIES</b>	<u><b>39</b></u>	<u><b>2</b></u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Fixed deposits pledged	(33)	(80)
Interest paid	(681)	(759)
Repayment of hire purchase payables & lease liabilities	(19)	(24)
Advances From A Director	4,109	-
Net drawdown/(repayment) of term loans and borrowings	(12,695)	762
<b>NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES</b>	<u><b>(9,318)</b></u>	<u><b>(101)</b></u>
Net (decrease) in cash and cash equivalents	(14,386)	(442)
Cash and cash equivalents at beginning of the financial period	1,687	(8,312)
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD*</b>	<u><b>(12,699)</b></u>	<u><b>(8,754)</b></u>

**\*Cash and cash equivalents at the end of the financial period comprised the following:**

Bank overdrafts	(12,859)	(11,012)
Cash and bank balances	159	2,258
Fixed deposits	6,985	7,064
Short term funds	-	-
	<u>(5,714)</u>	<u>(1,690)</u>
Less: Fixed deposits pledged to a bank for credit facilities	(6,985)	(7,064)
	<u><b>(12,699)</b></u>	<u><b>(8,754)</b></u>

Notes:

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the annual financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

## **EURO HOLDINGS BERHAD**

[Registration No.: 200401008055 (646559-T)]

### **NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 30 JUNE 2021**

#### **A1. Basis of preparation**

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of Paragraph 9.22 of the Main Listing Requirements ("Main LR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting. The condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2020. The condensed consolidated interim financial statements and notes thereon however do not include all of the information required for a full set of financial statements prepared in accordance with MFRSs and should be read in conjunction with the annual consolidated financial statements of the Company for the financial year ended 31 December 2020.

#### **A2. Significant Accounting Policies**

The significant accounting policies, methods of computation and basis of consolidation applied in the unaudited condensed consolidated interim financial statements are consistent with those adopted in the annual audited financial statements of the Group for the financial year ended 31 December 2020, except for the adoption of the MFRSs, amendments and interpretations which are effective from the financial period beginning 1 January 2021.

The adoption of the MFRSs, amendments and interpretations did not have any significant impact to the financial statements of the Group.

#### **A3. Auditors' Report**

The auditors' report on the financial statements for the financial year ended 31 December 2020 was not qualified.

#### **A4. Seasonal and Cyclical Factors**

The Group's operations were not materially affected by seasonal or cyclical factors during the financial period under review.

#### **A5. Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter ended 30 June 2021.

#### **A6. Material Changes in Estimates of Amounts Reported**

There were no material changes in accounting estimates that have a material effect in the current quarter under review and financial period to date.

#### **A7. Changes in Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayment of debts and equity securities for the current quarter ended 30 June 2021.

#### **A8. Dividends Paid**

No dividends were paid by the Company in the current quarter ended 30 June 2021.

**EURO HOLDINGS BERHAD**

[Registration No.: 200401008055 (646559-T)]

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 30 JUNE 2021****A9. Segmental Reporting**

For the financial period ended 30 June 2021, the Group's financial information is analysed by operating segments as follows:

**Financial period ended 30 June 2021:**

	<b>Manufacturing RM'000</b>	<b>Property RM'000</b>	<b>Investment Holding RM'000</b>	<b>Elimination RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>					
Local	31,230	2,170	-	-	33,400
Exports	1,225	-	-	-	1,225
	<u>32,454</u>	<u>2,170</u>	<u>-</u>	<u>-</u>	<u>34,624</u>
<b>Results</b>					
Segment Results	(5,008)	1,435	(141)	(141)	(3,855)
Finance costs	(723)	-	81	141	(501)
Profit/(Loss) before taxation	<u>(5,731)</u>	<u>1,435</u>	<u>(60)</u>	<u>-</u>	<u>(4,356)</u>
Taxation	-	-	-	-	-
Profit/(Loss) after taxation	<u>(5,731)</u>	<u>1,435</u>	<u>(60)</u>	<u>-</u>	<u>(4,356)</u>
<b>Net Assets as at 30 June 2021</b>					
	<u>52,088</u>	<u>38,216</u>	<u>49,650</u>	<u>(76,280)</u>	<u>63,674</u>

**Financial period ended 30 June 2020:**

	<b>Manufacturing RM'000</b>	<b>Property RM'000</b>	<b>Investment Holding RM'000</b>	<b>Elimination RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>					
Local	4,820	3,080	-	-	7,900
Exports	6,961	-	-	-	6,961
	<u>11,781</u>	<u>3,080</u>	<u>-</u>	<u>-</u>	<u>14,861</u>
<b>Results</b>					
Segment Results	(3,838)	(2,475)	774	(977)	(6,516)
Finance costs	(899)	-	(143)	256	(786)
Profit/(Loss) before taxation	<u>(4,737)</u>	<u>(2,475)</u>	<u>631</u>	<u>(721)</u>	<u>(7,302)</u>
Taxation	-	-	(208)	-	(208)
Profit/(Loss) after taxation	<u>(4,737)</u>	<u>(2,475)</u>	<u>423</u>	<u>(721)</u>	<u>(7,510)</u>
<b>Net Assets as at 30 June 2020</b>					
	<u>48,740</u>	<u>(16,785)</u>	<u>32,944</u>	<u>(9,593)</u>	<u>55,306</u>

**A10. Material Events Subsequent to the End of the Financial Period**

There were no material events between the end of the financial period and the date of this report that have not been reflected in the financial statements for the financial period.

**A11. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the current quarter and financial period under review.

**EURO HOLDINGS BERHAD**

[Registration No.: 200401008055 (646559-T)]

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 30 JUNE 2021****A12. Capital Commitments****As at  
6/30/2021  
RM'000**

Property, plant and machinery

Contracted but not provided for

-**A13. Contingent Liabilities and Contingent Assets**

Contingent Liabilities of the Group and of the Company of a material nature are as follows:

	<b>Group As at 6/30/2021 RM'000</b>	<b>Company As at 6/30/2021 RM'000</b>
<b><u>(a) Guarantees</u></b>		
Corporate guarantees given to:		
- financial institutions for credit facilities granted to subsidiary companies	38,978	38,978
- third parties for credit facilities granted to subsidiary companies	200	200
- third parties for credit facilities granted to main contractor	3,583	2,446
	<u>42,761</u>	<u>41,624</u>

**EURO HOLDINGS BERHAD**

[Registration No.: 200401008055 (646559-T)]

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 30 JUNE 2021****PART B : ADDITIONAL INFORMATION REQUIRED BY APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B1. Review of Performance**

	Current Quarter Ended 6/30/2021 RM'Million	Preceding Year Corresponding Quarter Ended 6/30/2020 RM'Million	Current Period Ended 6/30/2021 RM'Million	Preceding Period Ended 6/30/2020 RM'Million
<b>Revenue</b>				
- Manufacturing	18.3	4.4	32.5	11.8
- Property	0.1	0.5	2.2	3.1
	<b>18.4</b>	<b>4.9</b>	<b>34.6</b>	<b>14.9</b>
<b>Profit/(Loss) before taxation</b>	<b>(4.8)</b>	<b>(4.4)</b>	<b>(4.4)</b>	<b>(7.3)</b>

Manufacturing Division

The revenue of Q2 2021 was recorded at RM18.3 million, an increase of RM13.9 million as compared to RM4.4 million of the corresponding quarter in preceding year. This was mainly due to increase in trading of steel related activity.

Despite a surge in revenue, the financial performance of the Group in the second quarter of 2021 was negatively impacted by slower work orders and the reimposition of the Movement Control Order ("MCO") by the Government of Malaysia to contain the spread of COVID-19.

Nevertheless, we expect that the economic activities would gradually return to normal once the vaccine inoculation programme is substantially rolled out throughout the country by the Malaysian government.

Property Division

The revenue of Q2 2021 was RM0.1 million, a decrease of RM0.4 million as compared to RM0.5 million of the corresponding quarter in preceding year due to lower percentage of completion for the property development project.

The Group's loss before tax of current quarter was recorded at RM4.8 million as compared to a loss before tax of RM4.4 million of the corresponding quarter in preceding.



**EURO HOLDINGS BERHAD**

[Registration No.: 200401008055 (646559-T)]

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 30 JUNE 2021****B2. Variation of Results Against Preceding Quarter**

	Current Quarter ended 6/30/2021 RM'Million	Preceding Quarter ended 3/31/2021 RM'Million
<b>Revenue</b>		
- Manufacturing	18.3	14.1
- Property	0.1	2.2
	18.4	16.3
<b>Profit/(Loss) before taxation</b>	(4.8)	0.5

Revenue for current quarter was recorded at RM18.4 million, an increase of RM2.1 million as compared to RM16.3 million of the preceding quarter, mainly due to increase in trading of steel related activities.

The Group's loss before tax of current quarter was RM4.8 million as compared to profit before tax of RM0.5 million reported in the preceding quarter mainly due to maintenance of fixed costs whereas the county is in the reimposition of the Movement Control Order ("MCO").

**B3. Variance of Actual and Forecast Profit**

Not applicable as there is no profit forecast or profit guarantee issued.

**B4. Loss for the Quarter/Period**

Loss for the quarter/period is arrived at after charging/(crediting) :-

	Current Quarter Ended 6/30/2021 RM'000	Preceding Year Corresponding Quarter Ended 6/30/2020 RM'000	Current Period Ended 6/30/2021 RM'000	Preceding Period Ended 6/30/2020 RM'000
Interest Income	(7)	(34)	(98)	(88)
Interest expense	162	265	501	759
Depreciation & amortisation	430	548	870	1,124
Foreign exchange (gain)/loss	(4)	83	95	(32)
Gain on derivatives	-	42	-	40
Provision for late delivery	-	1,562	-	1,562

**EURO HOLDINGS BERHAD**

[Registration No.: 200401008055 (646559-T)]

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 30 JUNE 2021****B5. Current Year Prospects**

The operating environment amid the Covid-19 pandemic continues to be challenging. The Group will manage these challenges by constantly reviewing its financial performance and exercising prudence in its decisions. The Group will continue to implement strategies to increase revenue and adopt continuous cost saving initiatives to grow in the Group's business sustainably to mitigate the impact caused by the pandemic.

The Manufacturing Division will continue to leverage on its strong base of export clientele and explore new countries to diversify its market base as a growth strategy and managing its business risk. Its extensive range of high quality products will ensure the long-term sustainability growth of the business. The Group will be focusing on growth markets within the Asean and Asia regions. The Division is also working to increase revenue via the E-commerce initiative.

In regards to Property Division, Damai Vista Condominium Project is striving to achieved the Certificate of Completion and Compliance ("CCC") in 2021. The Division will adopt suitable marketing strategies for the sale of unsold completed units.

**B6. Taxation**

	<b>Current Quarter Ended 6/30/2021 RM'000</b>	<b>Preceding Year Corresponding Quarter Ended 6/30/2020 RM'000</b>	<b>Current Period Ended 6/30/2021 RM'000</b>	<b>Preceding Period Ended 6/30/2020 RM'000</b>
<u>Current taxation</u>				
-current year	-	59	-	208
-prior year	-	-	-	-
	-	59	-	208
Deferred taxation	-	-	-	-
	-	59	-	208

The effective tax rate for the quarter ended 30 June 2021 was lower than the statutory income tax rate mainly due carry forward losses of subsidiary on the prior year.

**EURO HOLDINGS BERHAD**

[Registration No.: 200401008055 (646559-T)]

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 30 JUNE 2021****B7. Corporate Proposal**

There was no corporate proposals announced as at 24 September 2021, being a date not earlier than seven (7) days from the date of this report, saved as disclosed below.

**Proposed bonus issue of 3,207,000,000 new ordinary shares in Euro (“Bonus Shares”) on the basis of four (4) Bonus Shares for every one (1) existing ordinary share in Euro (“Euro Share(s)” or “Share(s)”) (“Proposed Bonus Issue”).**

On 24 March 2021, on behalf of the Board of Directors of Euro, AmInvestment Bank Berhad (“AmInvestment Bank”) had announced that the Company was proposing to undertake a bonus issue of 3,207,000,000 new Euro shares on the basis of two (4) Bonus Shares for every one (1) existing Euro share.

The proposed bonus issue was subsequently terminated on 17 June 2021.

**B8. Group Borrowings and Debt Securities**

The Group's borrowings as at 30 June 2021 are as follows:

	<b>Short Term</b>	<b>Long Term</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>Secured</u></b>			
Overdrafts	12,859	-	12,859
Bills payables	1,996	-	1,996
Term loans and borrowings	7,275	8,153	15,428
Lease payables	37	3	39
	<u>22,167</u>	<u>8,155</u>	<u>30,322</u>

All borrowings of the Group are denominated in Ringgit Malaysia.

**B9. Dividend**

No dividend has been proposed or declared for the financial period ended 30 June 2021 (30 June 2020: Nil).

**B10. Derivative Financial Instruments**

The Group used forward exchange contracts to hedge the Group's sales denominated in USD, EURO, GBP and SGD. Financial derivatives were recognised on their respective contract dates.

The currency forward contracts were transacted with the Group's bankers. Credit risk for non-performance by the counterparties in these instruments was low.

**EURO HOLDINGS BERHAD**

[Registration No.: 200401008055 (646559-T)]

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 30 JUNE 2021****B11. Earnings Per Share**

The earnings per share for the quarter ended 30 June 2021 is computed as follows:-

	<b>Current Quarter Ended 6/30/2021</b>	<b>Preceding Year Corresponding Quarter Ended 6/30/2020</b>	<b>Current Period Ended 6/30/2021</b>	<b>Preceding Period Ended 6/30/2020</b>
Loss for the quarter/period, attributable to ordinary shareholders of the Company (RM'000)	<b>(4,786)</b>	(4,431)	<b>(4,303)</b>	(7,493)
Weighted average number of shares ('000)	<b>801,900</b>	267,300	<b>801,900</b>	267,300
Basic Earnings Per Share (sen)	<b>(0.60)</b>	(1.66)	<b>(0.54)</b>	(2.80)

There is no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the financial period ended 30 June 2021.

**B12. Material Litigation**

As at 24 September 2021, there were no material litigation since the last annual balance sheet date except for the following:-

**(1) Putrajaya Court of Appeal Civil Suit No. W-02(NCVC)(W)-1248-09/2020. Euroland & Development Sdn. Bhd. (“the Plaintiff”) v Supreme Code Land Sdn. Bhd. (“the Defendant”)**

On 14 March 2019, Euroland & Development Sdn. Bhd. (“EDSB”) a wholly owned subsidiary of the Company had been served with a sealed Writ and Statement of Claim both dated 7 March 2019 by Supreme Code Land Sdn. Bhd. (“SCL”) for, amongst others, specific performance of alleged Sale and Purchase Agreements involving four (4) units of residential properties to be developed by EDSB and/or a total sum of RM3,062,284 as damages in lieu of specific performance. (Kuala Lumpur High Court Civil Suit No. WA-22NCVC-127-03/2019. Supreme Code Land Sdn. Bhd. (“the Plaintiff”) v. Euroland & Development Sdn. Bhd. (“the Defendant”))

The Kuala Lumpur High Court had, on 10 August 2020, gave the following orders:

1. An order for the sum of RM1,200,000 to be paid by EDSB to SSCL.
2. An order for costs of RM35,000 to be paid by EDSB to SCL.

EDSB has filed an appeal in the Court of Appeal against the decision of the High Court (Court of Appeal case number:W-02(IM)(NCvC)-1248-09/2020). Hearing date for the appeal has been fixed on 6.10.2021.

EDSB filed a stay application to all Court of Appeal proceeding until the disposal of WA-22NCVC-340-05/2019 & WA-22NCVC-288-05/2019. Hearing date for the application has been fixed on 1.10.2021.

## EURO HOLDINGS BERHAD

[Registration No.: 200401008055 (646559-T)]

### NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 30 JUNE 2021

#### **(2) Kuala Lumpur High Court Civil Suit No. WA-22NCVC-340-05/2019. Chia Wooi Chiew (“the Plaintiff”) v Euroland & Development Sdn. Bhd. (“the Defendant”)**

On 10 May 2019, Euroland & Development Sdn. Bhd. (“EDSB”) a wholly owned subsidiary of the Company had been served with a sealed Writ and Statement of Claim dated 2 May 2019 and 29 April 2019 respectively, by Chia Wooi Chiew (“CWC”) for, amongst others, specific performance of alleged Sale and Purchase Agreements involving four (4) units of residential properties to be developed by EDSB and/or a total sum of RM2,800,000 as damages in lieu of specific performance.

EDSB has filed a defence averring that there is no record of the alleged Sale and Purchase Agreements and sales of the said 4 units to CWC. On 18 Nov 2019, the Court granted Plaintiff’s application for Suit 340 as mentioned in item three (3) below to be consolidated into this case. The consolidated case were on trial from 28th to 30th Sep 2020 and continue trial were vacated due to Conditional Movement Control Order. However, the Court has fixed a further case management date on 8 Dec 2020 to enable the parties to fix further trial dates.

The High Court has allowed the Plaintiff’s application to set aside the subpoena with costs of RM2,000.00 to be paid by EDSB to Plaintiff. EDSB has filed its appeal against the High Court decision on 8.3.2021 and the Court directed to update the Court on 22.6.2021 in regards to the status of the appeal.

EDSB has filed amended Statement of Defence and Counterclaim pursuant to the Court of Appeal Order dated 23.8.2021. The Respondent has filed Reply and Defence to the Amended Statement of Defence and Counterclaim on 20.9.2021.

#### **(3) Putrajaya Court of Appeal Civil Suit No. W-02(IM)(NCVC)-1345-09/2020. Euroland & Development Sdn. Bhd. (“the Plaintiff”) v Chia Wooi Chiew (“the Defendant”)**

EDSB has filed an application to stay the proceedings of the High Court, namely, to stay the trial in the High Court from proceeding further pending disposal of our appeal in the Court of Appeal against the High Court’s decision to dismiss EDSB’s amendment application. The Court of Appeal has allowed EDSB’s Stay Application on 10.3.2021.

The Court of Appeal has allowed the EDSB’s application to amend Statement of Defence with costs of RM5,000.00 to be paid by the Respondent to EDSB. Order dated 20.9.2020 in High Court has been set aside.

#### **(4) Kuala Lumpur High Court Civil Suit No. WA-22NCVC-288-05/2019. Goh Bee Ling (“the Plaintiff”) v Euroland & Development Sdn. Bhd. (“the Defendant”)**

On 30 May 2019, Euroland & Development Sdn. Bhd. (“EDSB”) a wholly owned subsidiary of the Company, had been served with a sealed Writ and Statement of Claim dated 21 May 2019 and 20 May 2019 respectively, by Goh Bee Ling (“GBL”) for, amongst others, specific performance of alleged Sale and Purchase Agreements involving four (4) units of residential properties to be developed by EDSB and/or a total sum of RM2,800,000 as damages in lieu of specific performance.

EDSB had filed a defence averring that there is no record of the alleged Sale and Purchase Agreements and sales of the said 4 units to GBL. On 18 Nov 2019, the Court granted Plaintiff’s application to consolidate this case with Suit 288 as mentioned in item five (5) below.

EDSB has filed its appeal against the High Court decision on 8.3.2021 and the Court directed to update the Court on 22.6.2021 in regards to the status of the appeal.

EDSB has filed amended Statement of Defence and Counterclaim pursuant to the Court of Appeal Order dated 23.8.2021. The Respondent has filed Reply and Defence to the Amended Statement of Defence and Counterclaim on 20.9.2021.

**(5) Putrajaya Court of Appeal Civil Suit No. W-02(IM)(NCVC)-1341-09/2020. Euroland & Development Sdn. Bhd. (“the Plaintiff”) v Goh Bee Ling (“the Defendant”)**

Euroland & Development Sdn. Bhd. (“EDSB”) has filed an application to stay the proceedings of the High Court, namely, to stay the trial in the High Court from proceeding further pending disposal of our appeal in the Court of Appeal against the High Court’s decision to dismiss EDSB’s amendment application. EDSB has filed its appeal against the High Court decision on 8.3.2021 and the Court directed to update the Court on 22.6.2021 in regards to the status of the appeal.

The Court of Appeal has allowed the EDSB’s application to amend Statement of Defence with costs of RM5,000.00 to be paid by the Respondent to EDSB. Order dated 20.9.2020 in High Court has been set aside.

**(6) Kuala Lumpur Session Court Civil Suit No. WA-B52NCC-102-03/2019. Bina-Pile industries Sdn. Bhd. (“the Plaintiff”) v All Ways Builder Sdn Bhd (“1st Defendant” or “AWB”) and Euroland & Development Sdn. Bhd. (“2nd Defendant” or “EDSB”)**

The Plaintiff claimed for RM996,205.51 against the debts due and owing by the AWB where EDSB act as corporate guarantor. AWB is the main contractor of a project to be developed by EDSB and EDSB has provided corporate guarantee to the Plaintiff for material supplied to AWB for the said project.

The plaintiff has obtained a judgement in default against AWB. A summary judgement application filed by the Plaintiff against EDSB was dismissed by the court on 20.6.2019, where the parties have been directed to proceed with the full trial. The trial of the case was concluded and the Court has dismissed the Plaintiff’s claim against EDSB (2nd Defendant) with the cost of RM10,000.00.

The plaintiff has appealed against the decision in the High Court (High court case: WA-12BNCC-16-07/2020), the case management of the appeal was fixed on 9 Mar 2021. The High Court has delivered its decision on 26.4.2021 which the following transpired: The Sessions Court dated 22.7.2020 is set aside. Order is given against the Respondent / 2nd Defendant as per the Writ of Summons and paragraph 17 the Statement of Claim, both dated 1.3.2019.

EDSB has filed an appeal on 4.5.2021 in the Court of Appeal against the High Court decision vide W-04(NCC)(W)-225-05/2021. Hearing on the appeal set on 19.1.2022.

**(7) Kuala Lumpur High Court Civil Suit No. WA-22NCVC-890-12/2019. Tan Kim Swat (“the Plaintiff”) v Euroland & Development Sdn. Bhd. & 8 Others (“the Defendant”)**

Euroland & Development Sdn. Bhd. (“EDSB”), a wholly owned subsidiary of the Company, had been served with a amended sealed Writ and amended Statement of Claim dated 14 Jan, by Tan Kim Suat for, amongst others, a total sum of RM1,552,118 as damages of alleged Sale and Purchase Agreements involving two (2) units of residential properties to be developed by EDSB and/or general damages.

EDSB brought a counter claim against Tan Kim Suat and Tong Kah Hoe for conspiracy to defraud. The Court has fixed the case for trial from 7th to 10th Feb 2022.

The High Court has delivered its decision on 18.6.2021 setting aside EDSB’s amendment application in Enclosure 99 with cost of RM5,000.00 to be paid by EDSB to the Plaintiff. EDSB has filed an appeal on 21.6.2021 in the Court of Appeal against the High Court decision.

**EURO HOLDINGS BERHAD**

[Registration No.: 200401008055 (646559-T)]

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 30 JUNE 2021**

**(8) Kuala Lumpur High Court Civil Suit No. WA-22NCC-22NCC-246-06/2020. ADY Marketing Sdn Bhd (“the Plaintiff”) v Euroland & Development Sdn. Bhd. & Another (“the Defendants”)**

Euro Holdings Berhad ("EHB") has been served with a Writ of Summons and Statement of Claim both dated 17 June 2020 as the Second Defendant ("the Second Defendant") and to Euroland & Development Sdn Bhd ("EDSB"), a wholly-owned subsidiary, as the First Defendant ("the First Defendant") on 22 June 2020. The Plaintiff has claimed a total sum of RM1,896,441.67 against the Defendants in this matter for alleged goods delivered to First Defendant and alleged corporate guarantee given by the Second Defendant.

The Defendants have filed a counterclaim against the Plaintiff and the previous directors of Defendants on the basis that they have conspired to injure the Defendants and with the intention to siphon monies out of Defendants. Suit no. WA-22NCC-632-12/2020 and WA-22NCC-137-03/2021 (previously known as WA-B52NCC-41-01/2021) are directed to be heard together with the present suit herein. Thus, the direction given will simultaneously be reflected on the aforesaid suits.

The 2nd and 3rd Defendants in the Counterclaim in Suit no. WA-22NCC-137-03/2021 have informed the court of their filing of Discovery application against EHB and EDSB.

The 2nd and 3rd Defendants in the Counterclaim in WA-22NCC-137-03/2021 have also informed the Court to file their Defence/counterclaim on/before 27.4.2021

The High Court has delivered its judgement on 30.7.2021, dismissing EHB application (Consolidation & Consequential Directions – Enclosure 64) with cost in the cause and dismissing 2nd and 3rd Defendants in the Counterclaim's Discovery Application with cost of RM1,000.00 payable by them to EHB and EDSB.

EDSB has filed Discovery Application (Encl.101) against 2nd and 3rd Defendants on 13.7.2021 and the hearing has been completed on 9.9.2021.

The Court has dismissed the application with cost in the cause on 24.9.2021. The Court has given the pre-trial case management direction where The Court to be updated on 24.11.2021.

**EURO HOLDINGS BERHAD**

[Registration No.: 200401008055 (646559-T)]

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 30 JUNE 2021**

**(9) Kuala Lumpur High Court Civil Suit no. WA-22NCC-632-12/2020 (previously known as BA-B52NCC-133-07/2020). ADY Marketing Sdn Bhd (“Plaintiff”) v All Ways Builder Sdn Bhd, Euro Holdings Berhad, Wong Kin Sing & Chia Chiu Hoon (“Defendants”)**

Euro Holdings Berhad has been served with a Writ of Summons and Statement of Claim on 17 July 2020 as the Second Defendant (“the 2nd Defendant”) for jointly and severally, amongst others, outstanding principal sum of RM493,634.03 and late payment interest as agreed in the sum of RM137,746.74 as at 16.9.2019, for alleged goods delivered to First Defendant and alleged corporate guarantee given by the 2nd Defendant.

The 2nd Defendant has filed a counterclaim against the Plaintiff, the previous directors of 2nd Defendant and the 1st Defendant on the basis that they have conspired to injure the 2nd Defendant and with the intention to siphon monies out of 2nd Defendant. Suit no. WA-22NCC-632-12/2020 and WA-22NCC-137-03/2021 (previously known as WA-B52NCC-41-01/2021) are directed to be heard together with the present suit herein. Thus, the direction given will simultaneously be reflected on the aforesaid suits.

The 3rd and 4th Defendants in the Counterclaim in WA-22NCC-137-03/2021 have also informed the Court to file their Defence/counterclaim on/before 27.4.2021

The High Court has delivered its judgement on 30.7.2021:

- i. dismissing Euro’s application (Consolidation & Consequential Directions – Enclosure 64) with cost in the cause;
- ii. dismissing 2nd and 3rd Defendants in the Counterclaim’s Discovery Application with cost of Rm1,000.00 payable by them to Euro.

EDSB has filed Discovery Application (Encl.101) against 2nd and 3rd Defendants on 13.7.2021 and the hearing has been completed on 9.9.2021.

The Court has dismissed the application with cost in the cause on 24.9.2021. The Court has given the pre-trial case management direction where The Court to be updated on 24.11.2021.

**(10) Kuala Lumpur High Court Civil Suit No. WA-22NCVC-856-12/2020. Yap Yih Tze (“the Plaintiff”) v Euroland & Development Sdn. Bhd. (“the Defendants”)**

Euroland & Development Sdn. Bhd. a wholly owned subsidiary of the Company has been served with a Writ and Statement of Claim dated 29 Dec 2020, by Yap Yih Tze (“YYT”) for, amongst others, specific performance of alleged Sale and Purchase Agreements involving two (2) units of residential properties to be developed by EDSB and/or a total sum of RM600,000 as damages in lieu of specific performance.

The Defendant denies the aforementioned claims and the Plaintiff is put to strict proof. Next case management date is fixed on 10.2.2022. The trial has been fixed on 11 April 2022 and 12 April 2022.

**(11) Shah Alam Sessions Court Civil Suit no. BA-A52NCVC-25-01/2021. Ban Hee Metal Sdn Bhd (“the Plaintiff”) v All Ways Builder Sdn Bhd, Euroland & Development Sdn. Bhd. (“the Defendants”)**

Euroland & Development Sdn. Bhd. a wholly owned subsidiary of the Company has been served with a Writ of Summons and Statement of Claim on 13 Jan 2021. The Plaintiff has claimed a total sum of RM90,284.46 and late payment interest as agreed in the sum of RM50,655.38 as at 30.11.2019, for alleged goods delivered to First Defendant and alleged corporate guarantee given by the 2nd Defendant.

The Defendant denies the aforementioned claims and the Plaintiff is put to strict proof. Decision postponed to 18.6.2021 pending Plaintiff’s reply submission to Defendant 1 & Defendant 2.

Next case management dates is fixed on 7.10.2021.



**EURO HOLDINGS BERHAD**

[Registration No.: 200401008055 (646559-T)]

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 30 JUNE 2021**

**(12) Kuala Lumpur Sessions Court Civil Suit no. WA-22NCC-137-03/2021 (previously known as WA-B52NCC-41-01/2021). M South Marketing Sdn Bhd (“the Plaintiff”) v All Ways Builder Sdn Bhd, Euro Holdings Berhad (“the Defendants”)**

Euro Holdings Berhad has been served with a Writ of Summons and Statement of Claim on 20 Jan 2021. The Plaintiff has claimed a total sum of RM315,880.27 and late payment interest as agreed in the sum of RM121,076.52 as at 31.12.2020, for alleged goods delivered to First Defendant and alleged corporate guarantee given by the 2nd Defendant.

The 2nd Defendant denies the aforementioned claims and the Plaintiff is put to strict proof.

The 2nd Defendant has filed a counterclaim against the Plaintiff and the previous directors of Defendants on the basis that they have conspired to injure the 2nd Defendant and with the intention to siphon monies out of Defendants. Suit no. WA-22NCC-632-12/2020 and WA-22NCC-137-03/2021 (previously known as WA-B52NCC-41-01/2021) are directed to be heard together with the present suit herein. Thus, the direction given will simultaneously be reflected on the aforesaid suits.

The 3rd and 4th Defendants in the Counterclaim in Suit no. WA-22NCC-137-03/2021 have informed the court of their filing of Discovery application against Euro.

The 3rd and 4th Defendants in the Counterclaim in WA-22NCC-137-03/2021 have also informed the Court to file their Defence/counterclaim on/before 27.4.2021

The High Court has delivered its judgement on 30.7.2021:

- i. dismissing Euro’s application (Consolidation & Consequential Directions – Enclosure 64) with cost in the cause;
- ii. dismissing 2nd and 3rd Defendants in the Counterclaim’s Discovery Application with cost of Rm1,000.00 payable by them to Euro.

Euroland has filed Discovery Application (Encl.101) against 2nd and 3rd Defendants on 13.7.2021 and the hearing has been completed on 9.9.2021.

The Court has dismissed the application with cost in the cause on 24.9.2021. The Court has given the pre-trial case management direction where The Court to be updated on 24.11.2021

**(13) Shah Alam Sessions Court Civil Suit no. BA-22NCVC-447-10/2020. Tan Chee Who & 2 Others ("the Plaintiff") v Tong Kah Hoe, Tong Yun Mong and Euroland & Development Sdn Bhd. ("EDSB") ("the Defendants")**

Euroland & Development Sdn Bhd ("EDSB") has been served with a Writ of Summons and Statement of Claim on 20 Jan 2021. The Plaintiff has claimed a total sum of RM315,880.27 and late payment interest as agreed in the sum of RM121,076.52 as at 31.12.2020, for alleged goods delivered to First Defendant and alleged corporate guarantee given by the 2nd Defendant.

The Defendant denies the aforementioned claims and the Plaintiff is put to strict proof. The Company is seeking the necessary legal advice on this matter. Next case management on 8 Mar 2021.

The Plaintiff has alleged that Euroland & Development Sdn Bhd has entered into an agreement with the Plaintiffs that EDSB has agreed to the loan sum of RM2,500,000.00 to Tong Kah Hoe.

On 20.9.2018, the Plaintiffs have executed 12 sale and purchase agreements and deed of mutual covenant for the 12 units of condominium; and

EDSB has also issued two letters dated 20.9.2018 which is signed by Tong Kah Hoe to the 1st Plaintiff and the 3rd Plaintiff to verify the purchase of 12 units of condominium.

EDSB has filed a Defence and Counterclaim against the Plaintiffs, Tong Kah Hoe and Tong Yun Mong on the basis, inter alia, that they have conspired with the intention to injure and/or to defraud Euroland & Development Sdn Bhd in this matter.

The Court has directed parties to file Pre-trial case management documents within 2 months from 4.5.2021 and the trial has been fixed on 15-18 March 2022 (subject to the numbers of witnesses)

Next case management dates is fixed on 24.9.2021 to update the court with the pre-trial management documents.

Trial dates: 15,16,17,18 March 2022.

**(14) Kuala Lumpur High Court Civil Suit no. WA-22NCVC-55-02/2021. Lim Yeow Hon & 3 Others ("the Plaintiff") v Euroland & Development Sdn. Bhd (1st Defendant). & 11 Others (Defendants)**

Euroland & Development Sdn Bhd, a wholly-owned subsidiary of the Company, & 11 others had been served with a Writ and Statement of Claim dated 1 February 2021 on 30 March 2021. The Plaintiffs claimed to have entered into Sales and Purchase Agreements with the First Defendant in relation to the 5 units of condominium under the Damai Vista project developed by the First Defendant. However, it appears to have been the case that the 5 units of the condominium have been rightfully owned by other third parties.

The case management has been fixed on 15.7.2021 and the date of close of pleading falls in 28.6.2021.

EDSB has filed Substituted Service against Tong Kah Hoe (4th Defendant) on 10.9.2021 and the case management has been fixed on 22.9.2021. Further direction will be set down by the court during the case management on 9.12.2021.

## **EURO HOLDINGS BERHAD**

[Registration No.: 200401008055 (646559-T)]

### **NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 30 JUNE 2021**

#### **(15) Shah Alam Sessions Court Civil Suit no. BA-B52NCVC-113-04/2021. Loh Teck Wah ("the Plaintiff") v Euroland & Development Sdn Bhd. ("the Defendant")**

Euroland & Development Sdn Bhd, a wholly-owned subsidiary of the Company, had been served with a Writ and Statement of Claim both dated 16 April 2021 on 21 April 2021. The Plaintiff alleged that the Plaintiff and Defendant had entered into a Friendly Loan Agreement, where the Defendant had agreed to borrow from the Plaintiff and the Plaintiff had agreed to lend to the Defendant.

However, the Defendant failed to repay the sum of RM500,000.00 to the Plaintiff pursuant to the Friendly Loan Agreement. The Plaintiff claimed to have suffered loss and damages due to the Defendant's failure of repayment and breached of the Friendly Loan Agreement.

The case has been transferred to High Court on 2.9.2021. Pending the registration of the case in the High Court to further obtain direction from court.

#### **(16) Kuala Lumpur High Court Civil Suit No. WA-22NCC-355-08/2021. All Ways Builder Sdn. Bhd. ("the Plaintiff") v Euroland & Development Sdn Bhd. & Euro Holdings Berhad ("the Defendants")**

Euroland & Development Sdn Bhd, a wholly-owned subsidiary of the Company, had been served with a Writ and Statement of Claim both dated 13 August 2021 on 23 August 2021. The Plaintiff alleged that being appointment by the 1st Defendant as Main Contractor for its development project, "Cadangan Membina 1 Blok Pangsapuri 26 Tingkat di atas Lot 2223, Damai Perdana, Cheras, Daerah Hulu Langat, Selangor Darul Ehsan". The Plaintiff is claiming for the outstanding amount of RM8,767,031.97 from the Defendants as the Plaintiff claimed that it has completed the development project and has achieved the "Conditional Certificate of Practical Completion".

Statement of Claim has been filed by the Plaintiff on 13.8.2021.

Euro is required to file their Defence on/before 29.9.2021

#### **(17) Shah Alam High Court Civil Suit No. BA-22NCVC-210-05/202. Chow Ye An & 21 Others (" the Plaintiffs") v Euroland & Development Sdn. Bhd. ("the Defendant")**

Euroland & Development Sdn Bhd, ("EDSB") a wholly-owned subsidiary of the Company, had been served with a Writ and Statement of Claim both dated 17 May 2021 on 24 May 2021. The Plaintiffs alleged that the Plaintiffs and Defendant had entered into multiple Sale and Purchase Agreements for the purchase of the housing units in Damai Vista Housing Development Project, where the Defendant had failed to deliver vacant possession of the respective units and common property to the Plaintiffs within the time stipulated under the Sale and Purchase Agreement.

The Plaintiffs had through their solicitors issued Notice of Termination to the Defendant due to the Defendant's alleged breached of terms and conditions in the Sale and Purchase Agreement. The Plaintiffs claimed to have suffered loss and damages due to the Defendant's breached of the Sale and Purchase Agreement.

EDSB is required to file their Defence on/before 1.10.2021

### **B13. Authorisation for Issue**

The interim financial report was authorised for issue by the Board of Directors on 24 September 2021.