

EURO HOLDINGS BERHAD

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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 DECEMBER 2022**

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/12/2022 RM'000	Preceding Year Corresponding Quarter 31/12/2021 RM'000	Current Year To Date 31/12/2022 RM'000	Preceding Year Corresponding Period 31/12/2021 RM'000
Continuing Operations:				
Revenue	14,249	31,219	153,291	79,381
Cost of sales	(15,539)	(42,366)	(151,905)	(90,981)
Gross (loss)/profit	<u>(1,290)</u>	<u>(11,147)</u>	<u>1,386</u>	<u>(11,600)</u>
Other income	189	1,628	459	1,777
Operating expenses	(3,106)	(4,130)	(10,624)	(10,187)
Finance costs	(770)	(834)	(3,466)	(1,976)
Loss before taxation	<u>(4,977)</u>	<u>(14,483)</u>	<u>(12,245)</u>	<u>(21,986)</u>
Taxation	(22)	165	(22)	165
Loss for the period / Total comprehensive loss for the period	<u><u>(4,999)</u></u>	<u><u>(14,318)</u></u>	<u><u>(12,267)</u></u>	<u><u>(21,821)</u></u>
Attributable to:				
Owners of the Company	(4,971)	(14,305)	(12,209)	(21,736)
Non-controlling interest	(28)	(53)	(58)	(85)
	<u><u>(4,999)</u></u>	<u><u>(14,358)</u></u>	<u><u>(12,267)</u></u>	<u><u>(21,821)</u></u>
Earnings per share				
- Earnings per share (sen)	<u><u>(0.564)</u></u>	<u><u>(1.784)</u></u>	<u><u>(1.384)</u></u>	<u><u>(2.711)</u></u>

Notes:

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 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 31 DECEMBER 2022****(The figures have not been audited)**

	As At 31/12/2022 RM'000	As At 31/12/2021 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	37,296	38,576
Right-of-use assets	-	2
	<u>37,296</u>	<u>38,578</u>
Current assets		
Property development cost	25,371	30,573
Inventories	19,680	12,597
Trade receivables	11,111	11,277
Other receivables, deposits and prepayments	8,754	7,069
Tax recoverable	641	397
Fixed deposit	6,410	6,757
Cash and bank balances	118	2,141
	<u>72,085</u>	<u>70,811</u>
TOTAL ASSETS	<u><u>109,381</u></u>	<u><u>109,389</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	58,082	48,402
Fair Value Reserve	1,591	1,591
Accumulated Losses	(17,874)	(5,665)
	<u>41,799</u>	<u>44,328</u>
Non-controlling interest	(847)	(789)
Total equity	<u><u>40,952</u></u>	<u><u>43,539</u></u>
Non-current liabilities		
Term loans and borrowings	6,496	7,769
	<u>6,496</u>	<u>7,769</u>
Current liabilities		
Trade payables	8,358	11,340
Other payables and accruals	18,416	14,901
Amount due to a director	16,125	10,875
Bank overdrafts	11,407	11,737
Bills payable	-	1,509
Term loans and borrowings	7,153	7,192
Lease liabilities	39	3
Tax payable	603	524
	<u>61,933</u>	<u>58,081</u>
Total liabilities	<u><u>68,429</u></u>	<u><u>65,850</u></u>
TOTAL EQUITY AND LIABILITIES	<u><u>109,381</u></u>	<u><u>109,389</u></u>
Net Assets Per Share (RM)	0.0474	0.0553

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 2021 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 31 DECEMBER 2022
(The figures have not been audited)**

	Attributable to Equity Holders of the Company					Total Equity RM'000
	Non-distributable	Distributable	Distributable	Total	Non- Controlling Interest	
	Share Capital	Fair Value Reserve	Retained Earnings/ Accumulated Losses			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2022	48,402	1,591	(5,665)	44,328	(789)	43,539
Issue of shares	9,680	-	-	9,680	-	9,680
Total comprehensive loss for the period	-	-	(12,209)	(12,209)	(58)	(12,267)
At 31 December 2022	58,082	1,591	(17,874)	41,799	(847)	40,952
At 1 January 2021	48,402	-	16,071	64,473	887	65,360
Total comprehensive loss for the period	-	-	(21,736)	(21,736)	(85)	(21,821)
Fair value loss on equity instrument designated at FVOCI shared by non-controlling interest ("NCI")	-	1,591	-	1,591	(1,591)	-
At 31 December 2021	48,402	1,591	(5,665)	44,328	(789)	43,539

Notes:

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 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 31 DECEMBER 2022
(The figures have not been audited)**

	Current Period Ended 31/12/2022 RM'000	Preceding Period Ended 31/12/2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(12,245)	(21,986)
Non-cash items	1,282	2,533
Non-operating items	217	1,531
Operating profit before working capital changes	<u>(10,746)</u>	<u>(17,922)</u>
Inventories	(7,083)	(411)
Trade and other receivables	(1,500)	4,108
Trade and other payables	533	(2,302)
Cash used in operations	<u>(18,796)</u>	<u>(16,527)</u>
Property development costs	5,202	10,591
Tax paid	(435)	(58)
Interest paid	-	(1,234)
NET CASH USED IN OPERATING ACTIVITIES	<u>(14,029)</u>	<u>(7,228)</u>
CASH FLOWS FROM INVESTING ACTIVITY		
Interest received	112	-
NET CASH GENERATED FROM INVESTING ACTIVITY	<u>112</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Fixed deposits pledged	-	195
Interest paid	(39)	-
Repayment of hire purchase payables & lease liabilities	36	(55)
Proceeds from issuance of shares	9,680	-
Advances From A Director	5,250	10,137
Net repayment of term loans and borrowings	(2,703)	(2,123)
NET CASH GENERATED FROM FINANCING ACTIVITIES	<u>12,224</u>	<u>8,154</u>
Net decrease in cash and cash equivalents	(1,693)	926
Cash and cash equivalents at beginning of the financial period	(9,596)	(10,522)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD*	<u>(11,289)</u>	<u>(9,596)</u>

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

Bank overdrafts	(11,407)	(11,737)
Cash and bank balances	118	2,141
Fixed deposits	6,410	6,757
	<u>(4,879)</u>	<u>(2,839)</u>
Less: Fixed deposits pledged to a bank for credit facilities	(6,410)	(6,757)
	<u>(11,289)</u>	<u>(9,596)</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 2021 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 31 DECEMBER 2022

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 2021. 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 2021.

The Board of Directors of the Company had on 27 October 2022 approved the change of the financial year end from 31 December 2022 to 30 June 2023. **The next audited financial statements of the Company shall be for a period of 18 months, made up from 1 January 2022 to 30 June 2023.**

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 2021, except for the adoption of the MFRSs, amendments and interpretations which are effective from the financial period beginning 1 January 2022.

A3. Auditors' Report

The auditors' report on the financial statements for the financial year ended 31 December 2021 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 31 December 2022.

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 31 December 2022 except for the following:-

- a) On 4 August 2022, the Company has allotted and issued 40,000,000 new ordinary shares at an issue price of RM0.124 per share pursuant to the Company's Private Placement.
- b) On 23 August 2022, the Company has allotted and issued 40,000,000 new ordinary shares at an issue price of RM0.118 per share pursuant to the Company's Private Placement.

A8. Dividends Paid

No dividends were paid by the Company in the current quarter ended 31 December 2022.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 31 DECEMBER 2022**A9. Segmental Reporting**

For the financial period ended 31 December 2022, the Group's financial information is analysed by operating segments as follows:

Financial period ended 31 December 2022:

	Manufacturing RM'000	Property RM'000	Investment Holding RM'000	Elimination RM'000	Total RM'000
Revenue					
Local	152,479	(616)	-	(1,067)	150,796
Exports	2,495	-	-	-	2,495
	<u>154,974</u>	<u>(616)</u>	<u>-</u>	<u>(1,067)</u>	<u>153,291</u>
Results					
Segment Results	(10,540)	(2,242)	(3,942)	7,945	(8,779)
Finance costs	(2,690)	-	(2,029)	1,253	(3,466)
Profit/(Loss) before taxation	(13,230)	(2,242)	(5,971)	9,198	(12,245)
Taxation	(22)	-	-	-	(22)
Profit/(Loss) after taxation	<u>(13,252)</u>	<u>(2,242)</u>	<u>(5,971)</u>	<u>9,198</u>	<u>(12,267)</u>
Net Assets as at 31 December 2022	<u>12,297</u>	<u>24,021</u>	<u>28,399</u>	<u>(22,918)</u>	<u>41,799</u>

Financial period ended 31 December 2021:

	Manufacturing RM'000	Property RM'000	Investment Holding RM'000	Elimination RM'000	Total RM'000
Revenue					
Local	89,684	(10,132)	-	(3,057)	76,495
Exports	2,886	-	-	-	2,886
	<u>92,570</u>	<u>(10,132)</u>	<u>-</u>	<u>(3,057)</u>	<u>79,381</u>
Results					
Segment Results	(14,688)	(12,577)	(14,004)	21,259	(20,010)
Finance costs	(1,747)	(46)	(869)	686	(1,976)
Profit/(Loss) before taxation	(16,435)	(12,623)	(14,873)	21,945	(21,986)
Taxation	162	-	3	-	165
Profit/(Loss) after taxation	<u>(16,273)</u>	<u>(12,623)</u>	<u>(14,870)</u>	<u>21,945</u>	<u>(21,821)</u>
Net Assets as at 31 December 2021	<u>19,421</u>	<u>18,991</u>	<u>20,637</u>	<u>(15,509)</u>	<u>43,540</u>

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

The material events announced subsequent to the end of the quarter is as follows:-

- a) On 10 November 2022, the Company announced that its wholly-owned subsidiary, Euro Space Industries (M) Sdn. Bhd. had, on even date, entered into the sale and purchase agreement with Ban Hee Metal Sdn. Bhd. to dispose off a piece of industrial land with 2 storey detached factory annexed with 3 storey office building erected thereon held under Geran 86340, Lot No. 193 Seksyen 19, Bandar Rawang, District of Gombak, 48000 State of Selangor, measuring approximately 7,674 square metres in area for a cash consideration of RM13.80 million.

On 9 January 2023, the Company submitted an application to Bursa Securities seeking approval for an extension of time for the Company to submit the draft circular which was approved vide its letter dated 19 January 2023. The Company has not heard from the latter yet and are taking pro-active action to ensure completion.

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.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 31 DECEMBER 2022**A12. Capital Commitments**

	As at 31/12/2022 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:

	Group As at 31/12/2022 RM'000	Company As at 31/12/2022 RM'000
(a) Guarantees		
Corporate guarantees given to:		
- financial institutions for credit facilities granted to subsidiary companies	17,506	17,506
- third parties for credit facilities granted to main contractor	2,583	2,446
	<u>20,089</u>	<u>19,952</u>

PART B : ADDITIONAL INFORMATION REQUIRED BY APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**B1. Review of Performance**

	Current Quarter Ended 31/12/2022 RM'Million	Preceding Year Corresponding Quarter Ended 31/12/2021 RM'Million	Current Period Ended 31/12/2022 RM'Million	Preceding Period Ended 31/12/2021 RM'Million
Revenue				
- Manufacturing	15.8	13.4	153.9	89.6
- Property	(1.5)	0.1	(0.6)	(10.1)
	<u>14.2</u>	<u>31.2</u>	<u>153.3</u>	<u>79.4</u>
Loss before taxation	(5.0)	(14.3)	(12.2)	(21.8)

Manufacturing Division

The revenue of Q4 2022 recorded at RM15.8 million, an increase of RM2.4 million as compared to RM13.4 million of the corresponding quarter in preceding year mainly due to the continuous increase in demand in local market for steel related products.

Property Division

The revenue of Q4 2022 recorded a decrease of RM1.5 million as compared to the corresponding quarter in preceding year due to provision of Liquidated Ascertained Damages ('LAD') due to a delay in issuance of Certificate of Completion and Compliance ('CCC').

The Group's loss before tax of current quarter was recorded at RM5.0 million as compared to a loss before tax of RM14.3 million of the corresponding quarter in preceding year due to the factors mentioned above.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 31 DECEMBER 2022**B2. Variation of Results Against Preceding Quarter**

	Current Quarter ended 31/12/2022 RM'Million	Preceding Quarter ended 30/09/2022 RM'Million
Revenue		
- Manufacturing	15.8	34.2
- Property	(1.5)	(2.8)
	<u>14.2</u>	<u>31.4</u>
Loss before taxation	(5.0)	(7.1)

Revenue for current quarter was recorded at RM15.8 million, a decrease of RM18.4 million as compared to RM34.2 million of the preceding quarter, mainly due to non taking of further orders and completing of orders on hand for the manufacturing segment.

The is a temporary of non taking of further orders to facilitate the moving of the manufacturing plants from Rawang to Melaka.

The Group's loss before tax of current quarter was RM5.0 million as compared to loss before tax of RM7.1 million reported in the preceding quarter mainly due to provision of Liquidated Ascertained Damages ('LAD') on the property segment due to a delay in issuance of Certificate of Completion and Compliance ("CCC").

B3. Variance of Actual and Forecast Profit

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

B4. Profit/(Loss) for the Quarter/Period

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

	Current Quarter Ended 31/12/2022 RM'000	Preceding Year Corresponding Quarter Ended 31/12/2021 RM'000	Current Period Ended 31/12/2022 RM'000	Preceding Period Ended 31/12/2021 RM'000
Interest Income	(46)	(4)	(220)	(153)
Interest expense	745	679	3,394	1,976
Depreciation & amortisation	298	281	1,288	1,702
Foreign exchange (gain)/loss	(91)	126	56	29
Rental Income	(144)	-	(240)	-

B5. Current Year Prospects

The Group is seeking to realign its business through strategic relocation of its current manufacturing plant in Rawang to Melaka. This move will consolidate its current scattered manufacturing plant in Rawang into one common area in Melaka which enable better controls and improving the operation processes.

The Trading Division will be focusing on growth markets not only within the Asean but other regions as well and to increase revenue via the E-commerce initiatives other forms of inquiries from potential customers.

In regards to Property Division, Damai Vista Condominium Project's Certificate of Completion and Compliance ("CCC") was obtained on 10 January 2023 and the Approval to proceed with issuance of Vacant Possession ("VP") without strata title was obtained on 3 February 2023 from the relevant local authority. The Company is currently in the midst of preparing for the VP and this will be done after disbursement of the remaining of funds being obtained.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 31 DECEMBER 2022**B6. Taxation**

	Current Quarter Ended 31/12/2022 RM'000	Preceding Year Corresponding Quarter Ended 31/12/2021 RM'000	Current Period Ended 31/12/2022 RM'000	Preceding Period Ended 31/12/2021 RM'000
<u>Current taxation</u>				
-current year	-	(53)	-	(53)
-prior year	22	37	22	37
	22	(16)	22	(16)
Deferred taxation	-	(149)	-	(149)
	22	(165)	22	(165)

The effective tax rate for the quarter ended 31 December 2022 was lower than the statutory income tax rate mainly due to carry forward losses of subsidiary in prior year.

B7. Corporate Proposal

The status of Corporate Proposals announced but not completed for the current financial period under review are as follows:-

a) Proposed 20% Private Placement

On 24 June 2022, the Company had announced to undertake a Proposed 20% Private Placement. The additional listing application in relation to the Proposed 20% Private Placement has been submitted to Bursa Securities on 30 June 2022 and approved the listing and issuance for the Proposed 20% Private Placement vide its letter dated 8 June 2022.

The Private Placement is deemed completed on 31 December 2022.

b) Proposed Disposal By Euro Space Industries (M) Sdn. Bhd. a piece of Industrial Land with Building

On 10 November 2022, the Company announced that its wholly-owned subsidiary, Euro Space Industries (M) Sdn. Bhd. had, on even date, entered into the sale and purchase agreement with Ban Hee Metal Sdn. Bhd. to dispose off a piece of industrial land with 2 storey detached factory annexed with 3 storey office building erected thereon held under Geran 86340, Lot No. 193 Seksyen 19, Bandar Rawang, District of Gombak, 48000 State of Selangor, measuring approximately 7,674 square metres in area for a cash consideration of RM13.80 million.

On 9 January 2023, the Company submitted an application to Bursa Securities seeking approval for an extension of time for the Company to submit the draft circular which was approved vide its letter dated 19 January 2023. The Company has not heard from the latter yet and are taking pro-active action to ensure completion.

c) i) Proposed Debt Settlement; ii) Proposed Private Placement; and iii) Proposed Diversification

On 9 February 2023, on behalf of the Board of Directors of Euro, TA Securities Holdings Berhad had announced that the Company was proposing to undertake i) Proposed Debt Settlement, ii) Proposed Private Placement, iii) Proposed Diversification.

On the same date, the Company announced that an additional listing application in relation to the Proposed Debt Settlement and the Proposed Private Placement has been submitted to Bursa Securities.

B8. Group Borrowings and Debt Securities

The Group's borrowings as at 31 December 2022 are as follows:

	Short Term RM'000	Long Term RM'000	Total RM'000
<u>Secured</u>			
Overdrafts	11,407	-	11,407
Term loans and borrowings	7,153	6,496	13,649
Lease payables	39	-	39
	18,599	6,496	25,095

All borrowings of the Group are denominated in Ringgit Malaysia.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 31 DECEMBER 2022**B9. Dividend**

No dividend has been proposed or declared for the financial period ended 31 December 2022 (31 December 2021: 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.

There is no outstanding position as at 31 December 2022.

B11. Earnings Per Share

The earnings per share for the quarter ended 31 December 2022 is computed as follows:-

	Current Quarter Ended 31/12/2022	Preceding Year Corresponding Quarter Ended 31/12/2021	Current Period Ended 31/12/2022	Preceding Period Ended 31/12/2021
Profit for the quarter/period, attributable to ordinary shareholders of the Company (RM'000)	(4,971)	(14,305)	(12,209)	(21,736)
Weighted average number of shares ('000)	881,900	801,900	881,900	801,900
Basic Earnings Per Share (sen)	(0.564)	(1.784)	(1.384)	(2.711)

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 31 December 2022.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 31 DECEMBER 2022

B12. Material Litigation

As at 23 February 2023, there was no material litigation since the last annual balance sheet date except for the following:-

1) Kuala Lumpur High Court ("High Court") Case No. WA-22NCVC-340-05/2019. Chia Wooi Chiew ("CWC") v. Euroland & Development Sdn. Bhd. ("ELD")

Putrajaya Court of Appeal Case No. W-02(IM)(NCVC)-1345-09/2020. ELD v. CWC

Putrajaya Federal Court Case No. 08(i)-422-09/2021(W). CWC v. ELD

On 10 May 2019, ELD had been served with a sealed Writ and Statement of Claim dated 2 May 2019 and 29 April respectively by CWC for, amongst others, specific performance of alleged Sale and Purchase Agreements involving four (4) units of residential property to be developed by ELD and/or a total sum of RM2,800,000 as damages in lieu of specific performance.

ELD has on 15 August 2019 filed an amended Statement of Defence averring that there is no record of the alleged sale and purchase agreements and sales of the said four (4) units. On 18 November 2019, the Court granted CWC application for the legal suit set out in paragraph 2 below to be consolidated into this case. CWC has subsequently on 27 August 2019 filed the amended Reply to Defence dated 27 August 2019.

ELD has on 22 July 2020 filed an application to amend the Statement of Defence but such application was dismissed by the High Court on 22 September 2020. ELD has on 22 September 2020 filed a Notice of Appeal to appeal against the decision of the Court for dismissing the application to amend the Statement of Defence. The Court of Appeal has via an order dated 23 August 2021 set aside the decision of the High Court which dismissed ELD application to amend the Statement of Defence. ELD filed an Amended Statement of Defence and Counterclaim on 3 September 2021 pursuant to the order of the Court of Appeal dated 23 August 2021. CWC then filed an Amended Reply and defence to the Amended Statement of Defence and Counterclaim on 20 September 2021.

On 22 September 2021, CWC had filed the Notice of Motion to apply for leave to appeal to the Federal Court against the Court of Appeal's decision on 23 August 2021. The application for leave to appeal has been dismissed by the Court on 8 December 2021.

On 17 February 2022, ELD applied for a Discovery Application to obtain necessary documents from CWC because the requested documents are in the possession, custody, and/or control of CWC and are necessary for a fair and just disposal of the present action but was dismissed by the High Court on 27 May 2022. Subsequently, ELD filed a Notice of Appeal on 27 May 2022 to the Court of Appeal against the High Court's decision.

On 15 July 2022, the Stay Application applied by ELD on 27 May 2022 to stay the proceedings in the High Court pending the disposal of the Discovery Application appeal was granted by the Court of Appeal.

The initial hearing date for the appeal has been fixed on 31 January 2023 but is adjourned and the new date is yet to be confirmed. The case management has been fixed on 3 March 2023.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 31 DECEMBER 2022

2 Kuala Lumpur High Court ("High Court") Case No. WA-22NCVC-288-05/2019. Goh Bee Ling ("GBL") v. Euroland & Development Sdn. Bhd. ("ELD")

Putrajaya Court of Appeal Case No. W-02(IM) (NCVC)-1341-09/2020. ELD v. GBL

Putrajaya Federal Court Case No. 08(j)-422-09/2021(W). GBL v. ELD

On 30 May 2019, ELD had been served with a sealed Writ and Statement of Claim dated 21 May 2019 and 20 May 2019 respectively, by GBL for, amongst others, specific performance of alleged Sale and Purchase Agreements involving four (4) units of residential property to be developed by ELD and/or a total sum of RM2,800,000 as damages in lieu of specific performance.

ELD has filed a Statement of Defence averring that there is no record of the alleged sale and purchase agreements and sales of the said four (4) units to the plaintiff. On 18 November 2019, the Court granted GBL application to consolidate this case with the legal suit set out in paragraph (1) above. The plaintiff has subsequently filed the Reply to Defence dated 26 July 2019.

ELD has on 22 July 2020 filed an application to amend the Statement of Defence but such application was dismissed by the Court on 22 September 2020. ELD has on 22 September 2020 filed a notice of appeal to appeal against the decision of the Court for dismissing the application to amend the Statement of Defence. The Court of Appeal has via an order dated 23 August 2021 set aside the decision of the High Court which dismissed ELD application to amend the Statement of Defence. ELD filed an amended Statement of Defence and Counterclaim on 3 September 2021 pursuant to the order of the Court of Appeal dated 23 August 2021. The plaintiff then filed an Amended Reply and Defence to the Amended Statement of Defence and Counterclaim on 20 September 2021.

On 22 September 2021, GBL had filed the Notice of Motion to apply for leave to appeal to the Federal Court against the Court of Appeal's decision on 23 August 2021. The application for leave to appeal has been dismissed by the Court on 8 December 2021.

On 16 February 2022, ELD applied for a Discovery Application but was dismissed by the High Court on 27 May 2022. Subsequently, ELD filed a Notice of Appeal on 27 May 2022 to the Court of Appeal against the High Court's decision.

On 15 July 2022, the Stay Application applied by ELD on 27 May 2022 to stay the proceedings in the High Court pending the disposal of the Discovery Application appeal was granted by the Court of Appeal.

The initial hearing date for the appeal has been fixed on 31 January 2023 but is adjourned and the new date is yet to be confirmed. The case management has been fixed on 3 March 2023.

3 Kuala Lumpur High Court Case No. WA-22NCVC-890-12/2019. Tan Kim Swat ("TKS") v. Euroland & Development Sdn. Bhd. ("ELD"), Choong Yueng Keong @ Tong Yuen Keong ("CYK"), Tong Yun Mong ("TYM"), Tong Kah Hoe ("TKH"), Ong Kar Voi, Alex Boon Thai Woo, Chin Jing Shen, Veronica a/p Steevan and Messrs K.V. Ong, Chua & Partners ("& 8 Others")

Putrajaya Court of Appeal Case No. W-02(IM)(NCVC)-1217-06/2021. ELD v. Tan Kim Swat ("TKS")

ELD had been served with a sealed Writ and Statement of Claim both dated 14 January 2020 and subsequently with an amended Statement of Claim dated 12 August 2020, by TKS for, amongst others, a total sum of RM1,552,118 as damages of alleged sale and purchase agreements involving two (2) units of residential property to be developed by ELD and/or general damages.

ELD has filed the Statement of Defence and Counterclaim dated 10 February 2020 to counter claim against TKS and TKH for conspiracy to defraud.

TKS has subsequently filed the Reply to Defence and Counterclaim dated 27 February 2020.

ELD has on 1 February 2021 filed a Notice of Application to amend its Statement of Defence and The Court of Appeal allowed ELD's appeal on 24 August 2022.

The trial has been fixed on 1 June 2023, 2 June 2023, 8 June 2023, 9 June 2023 and 15 June 2023 respectively.

4 Kuala Lumpur High Court Case No. WA-22NCC-632-12/2020 (previously known as BA-B52NCC-133-07/2020) ADY Marketing Sdn Bhd ("ADY") v. All Ways Builder Sdn Bhd (1st Defendant), Euro Holdings Berhad ("EHB" or 2nd Defendant), Wong Kin Sing (3rd Defendant) and Chia Chiu Hoon (4th Defendant)

EHB has been served with a sealed Writ dated 1 July 2020 and a sealed amended Statement of Claim dated 6 July 2020 for, amongst others, a principal sum of RM493,634.03 and late payment interest of RM137,746.74 owing and accumulated by All Ways Builder where EHB acts as guarantor for full repayment of the overdue debt owing by All Ways Builder to ADY.

EHB subsequently on 14 August 2020 filed the Statement of Defence and Counterclaim dated 14 August 2020, where EHB has counterclaimed against ADY for, inter alia, the following:-

- 1) a declaration that ADY has conspired with the conspirators vide unlawful means to cheat and/or to deceive EHB which caused EHB to suffer losses;
- 2) a declaration that ADY has conspired with the conspirators with the intention or purpose to insure and/or affect EHB and/or to cause EHB to suffer losses; and
- 3) damages to be assessed by the Court for the losses suffered by EHB based on the conspiracy actions of ADY and the conspirators against EHB.

ADY has on 27 August 2020 filed the Reply and Defence to the Counterclaim dated 27 August 2020. ADY filed a Notice of Application for Summary Judgement against EHB on 27 August 2020 and the Application for Summary Judgement has been dismissed on 3 November 2020. The matter has been consolidated with WA-22NCC-246-06/2020 and WA-22NCC-137-03/2021 (previously known as WA-B52NCC-41-01/2021) as disclosed in Note 4 and 7 respectively.

The trial has been fixed on 17 April 2023 to 20 April 2023 respectively.

5 Kuala Lumpur High Court Case No. WA-22NCC-246-06/2020. ADY Marketing Sdn. Bhd. v. Euroland & Development Sdn. Bhd. ("ELD") v. Euro Holdings Berhad ("EHB")

ELD and EHB have been served with a sealed Writ dated 17 June 2020 and a sealed amended Statement of Claim dated 18 August 2020 for, amongst others, a principal sum of RM1,416,753.60 owing and accumulated by ELD, where EHB acts as guarantor for full repayment of the overdue debt owing by ELD to ADY. ADY has further claimed against ELD for the remaining sum of RM120,329.69 which exceeded the limit guaranteed by EHB together with the outstanding late payment interest of RM479,688.07 incurred.

EHB has subsequently on 3 September 2020 filed the amended Statement of Defence and Counter claim dated 26 August 2020, where EHB has counterclaimed against ADY for, inter alia, the following:-

- 1) a declaration that ADY has conspired with the conspirators vide unlawful means to cheat and/or to deceive EHB and ELD which caused them to suffer losses; and
- 2) damages to be assessed by the Court for the losses suffered by EHB and ELD based on the conspiracy action of ADY and the conspirators against them.

ADY has on 1 September 2020 filed the Reply and Defence to Counterclaim dated 28 August 2020.

ADY has also on 26 August 2020 filed a Notice of Application for Summary Judgement against EHB and ELD and the said application has been withdrawn on 15 October 2020.

ADY has filed a Notice of Application to strike out EHB and ELD counterclaims and the said application has been withdrawn.

The matter had been consolidated with WA-22NCC-137-03/2021 (previously known as WA-B52NCC-41-01/2021) and WA-22NCC-632-12/2020 (previously known as BAB52NCC-133-07/2020) as disclosed in Note 4 and 7 respectively.

The trial has been fixed on 17 April 2023 to 20 April 2023 respectively.

6 Kuala Lumpur High Court Case No. WA-22NCVC-856-12/2020. Yap Yih Tze ("YYT") v. Euroland & Development Sdn. Bhd. ("ELD")

ELD has been served with a Writ and Statement of Claim both dated 29 December 2020, by YYT for, amongst others, an order for specific performance whereby ELD shall register two (2) units of the residential property to be developed by ELD onto YYT name and/or an alternative, an order that ELD shall repay the full payment of RM600,000.00 made by YYT to ELD for the said two (2) units and/or general damages.

ELD has filed the Statement of Defence and Counterclaim on 4 February 2021 to counter claim against YYT for conspiracy to defraud and YYT has filed the Reply to Defence on 19 February 2021.

On 9 February 2022, ELD filed a Notice of Application to amend the Statement of Defence and Counterclaim but it was dismissed by the High Court on 10 February 2022. ELD subsequently filed a Notice of Appeal on 18 February 2022 to the Court of Appeal against the High Court's decision.

On 8 April 2022, the Court of Appeal allowed ELD's application to stay the High Court's proceedings pending the disposal of the appeal against the High Court's decision.

The hearing of appeal has been fixed on 4 April 2023 and the trial has been fixed on 2 October 2023 and 3 October 2023 respectively.

7 Kuala Lumpur Sessions Court Case no. WA-B52NCC-41-01/2021. M South Marketing Sdn Bhd ("M South") v. All Ways builder Sdn Bhd ("All Ways" or 1st Defendant) and Euro Holdings Berhad ("EHB" or 2nd Defendant)

EHB had been served with a Writ and Statement of Claim both dated 20 January 2021, by M South where M South alleged that they has supplied goods to All Ways Builder and EHB has guaranteed the payment for the goods supplied to All Ways Builder.

M South has claimed for, amongst others, a total principal sum of RM315,880.27, late payment interest of RM121,076.52 as at 31 December 2020 and the interest on the principal sum at the rate of 1.5% per annum from 1 January 2021 until full settlement.

EHB has filed the Statement of Defence and Counterclaim on 1 March 2021 to counter claim against M South for conspiracy to defraud and M South has filed the Reply to Defence and Counterclaim on 12 March 2021.

The matter has been consolidated with WA-22NCC-246-06/2020 and WA-22NCC-632-12/2020 (previously known as BAB52NCC-133-07/2020) as disclosed in Note 4 and 5 respectively.

The trial has been fixed on 17 to 20 April 2023.

8 Shah Alam Sessions Court ("Sessions Court") Case no. BA-22NCVC-447-10/2020. Tan Chee Who, Phan Work Kei and Bestphone Trading ("the Plaintiffs") v. Tong Kah Hoe, Tong Yun Mong ("TYM") and Euroland & Development Sdn. Bhd. ("ELD" or 3rd Defendant)

ELD had been served with a Writ and Statement of Claim both dated 28 October 2020, by the plaintiffs for, amongst others, an order for specific performance of the alleged sale and purchase agreements involving twelve (12) units of residential property to be developed by ELD and/or a total sum of RM2,500,000.00 as damages in lieu of the specific performance.

ELD has filed the Statement of Defence and Counterclaim on 18 January 2020 against the plaintiffs and TYM. The plaintiff has filed the Reply to Defence and Counterclaim on 8 February 2021 and TYM has filed the Reply to Counterclaim on 15 February 2021.

The trial has been fixed on 6 to 9 May 2024.

9 Kuala Lumpur High Court Case No. WA-22NCVC-127-03/2019. Supreme Code Land Sdn. Bhd. ("SCL" or plaintiff) v. Euroland & Development Sdn. Bhd. ("ELD" or Defendant)

Putrajaya Court of Appeal ("Court of Appeal") Case No. W-02(NCVC)(W)-1248-09/2020. Euroland & Development Sdn. Bhd. ("ELD") v. Supreme Code Land Sdn. Bhd. ("SCL")

On 14 March 2019, ELD had been served with a sealed Writ and Statement of Claim both dated 7 March 2019 by SCL for, amongst others, specific performance of alleged sale and purchase agreements involving four (4) units of residential property to be developed by ELD and/or a total sum of RM3,062,284 as damages in lieu of specific performance.

ELD has filed a defence averring that there is no record of the alleged sales and purchase agreements and sales of the said units to SCL. ELD had on 10 May 2019 filed the amended Statement of Defence dated 9 May 2019 and SCL has subsequently on 14 May 2019 filed the amended Reply to Defence dated 13 May 2019.

The Kuala Lumpur High Court, on 10 August 2020, granted:-

- 1) An order for the judgement sum of RM1,200,000 to be paid by ELD to SCL; and
- 2) An order for costs of RM35,000 to be paid by ELD to SCL.

ELD had on 9 September 2020 filed a Notice of Appeal to appeal against the decision of the High court. The Court of Appeal had on 1 October 2021 granted a stay order wherein the current appeal proceeding will be stayed pending the disposal of the legal suit WA-22NCVC-288-05/2019 and WA-22NCVC-340-05/2019 as disclosed under Note 1 and 2 respectively.

Due to the adjournment of the pending cases, the next case management has been fixed on 8 May 2023.

10 Kuala Lumpur High Court ("High Court") Case No. WA-22NCVC-55-02/2021. Lim Yeow Hon & 3 Others ("LYH") v. Euroland & Development Sdn. Bhd. ("ELD" or 1st Defendant) & 11 Others ("Defendants")

ELD had been served with a Writ and Statement of Claim both dated 1 February 2021, by LYH for, amongst others, specific damages of RM1,200,000.00, loss of profit of RM1,520,000.00 and exemplary damages for the alleged sale and purchase agreements entered into between LYH and ELD in relation to five (5) units of residential property to be developed by ELD.

ELD has filed their statement of Defence and Counterclaim on 3 May 2021 and LYH in return filed the Reply to Defence and Counterclaim on 23 July 2021.

The trial has been fixed on 22 April 2024 to 26 April 2024 and 29 April 2024 to 30 April 2024.

11 Shah Alam Sessions Court ("Sessions Court") Case No. BA-B52NCVC-113-04/2021. Loh Teck Wah ("LTW") v. Euroland & Development Sdn. Bhd. ("ELD")

Shah Alam High Court ("High Court") Case No. BA-28NCC-476-08/2022. LTW v. ELD (Winding-Up Petition).

ELD had been served with a Writ and Statement of Claim both dated 16 April 2021, by LTW for, amongst others, judgement sum of RM500,000.00 where LTW alleged that LTW and ELD had entered into a friendly loan agreement where ELD has failed to repay the sum of RM500,000.00 to LTW pursuant to the friendly loan agreement. ELD had on 19 May 2021 filed its Statement of Defence and Counterclaim.

ELD has been served with a winding-up petition dated 25 August 2022 by LTW on 30 August 2022. LTW has, on 8 July 2022, obtained a judgement for, inter alia, the sum of RM500,000.00 with interest of 5% per annum from 9 October 2020 against ELD in the legal suit BA-22NCVC-341-09/2021.

Subsequently, ELD had on 13 October 2022 filed a striking out application.

The hearing for the striking out has been fixed on 30 January 2023 and it has been postponed to 8 March 2023 for the decision.

12 Kuala Lumpur High Court ("High Court") Case No. WA-22NCC-355-08/2021. All Ways Builder Sdn. Bhd. ("AWB") v. Euroland & Development Sdn. Bhd. ("ELD") & Euro Holdings Berhad ("EHB")

ELD and EHB had been served with a Writ and Statement of Claim both dated 13 August 2021, by AWB for, amongst others, to jointly and severally pay a sum of RM8,767,031.97 with interest to AWB as the outstanding sum owed. AWB claimed that it is the main contractor of ELD for the projected to be developed and it has completed the project with the "Conditional Certificate of Practical Completion".

ELD and EHB have on 6 October 2021 filed their Defence and Counterclaim against AWB, Chia Chiew Hoon, Wong Kin Sing, Choong Yuen Keong @ Tong Yuen Keong, Tong Yun Mong and Tong Kah Hoe to counterclaim for, amongst others, conspiring in causing ELD and EHB funds to be channeled out through the project. AWB has then filed its Reply to Defence and Defence to the Counterclaim on 27 October 2021.

ELD and EHB had subsequently on 11 October 2021 filed a Notice of Application to strike out AWB's claim or alternatively transfer this legal suit to be heard together with the legal suits WA-22NCC-246-06/2020, WA-22NCC-137-03/2021 (previously known as WA-B52NCC-41-01/2021) and WA-22NCC-632-12/2020 (previously known as BAB52NCC-133-07/2020) as disclosed in Note 4, 5 and 7 respectively.

Trial dates have been fixed on 17 April 2023 to 20 April 2023 respectively.

13 Shah Alam High Court ("High Court") Case No. BA-22NCvC-210-05/2021. Chow Ye An & 21 Others ("CYA") v. Euroland & Development Sdn. Bhd. ("ELD")

ELD had been served with a Writ and Statement of Claim both dated 17 May 2021, by a representative action of 22 plaintiffs ("CYA") for, amongst others, a declaration that ELD is responsible to pay RM10,235,977.18 as special damages and specific performance for ELD to be liable to pay all amounts of interest that have accrued and will accrue under the financing facility provided by CYA financiers to CYA for the purchase of the properties to be developed by ELD pursuant to multiple alleged sale and purchase agreements respectively entered into between CYA and ELD.

ELD has filed the Statement of Defence on 2 November 2021 and amended Statement of Defence on 16 November 2021. Euroland has further commenced a third party proceeding against All Ways Builder Sdn. Bhd. ("AWB:") by filing a Third Party Notice on 2 November 2021 and a Notice for Third Party Directions on 25 November 2021 claiming for full indemnity by AWB against CYA claims. The said application has been allowed by the Court on 20 December 2021.

AWB has on 30 December 2021 filed a transfer application for the legal suit BA-22NCV-388-10/2021 as disclosed in Note 14 to be heard together with this legal suit. The High Court has on 9 February 2022 allowed the said application. The next case management has yet to be advised by The High Court.

Trial dates have been fixed on 21 to 22 November 2022, 28 to 30 November 2022, 5 to 6 November 2023 and 9 November 2023 and 5 December 2023 respectively.

14 Shah Alam High Court ("High Court") Case No. BA-22BCvC-388-10/2021. Lam Pheng Pheng & Others ("LPP") v. Euroland & Development Sdn. Bhd. ("ELD")

ELD had been served with a Writ and Statement of Claim both dated 4 October 2021, by LPP for, amongst others, a declaration that ELD is responsible to pay RM1,797,925.00 as special damages and specific performance for ELD to be liable to pay all amounts of interest that have accrued and will accrue under the financing facility provided by LPP financiers to LPP for the purchase of the properties to be developed by ELD pursuant to multiple alleged sale and purchase agreements respectively entered into between LPP and ELD.

ELD has filed their Statement of Defence on 3 November 2021 and LPP in return have filed the Reply to Defence on 24 November 2021. ELD has further commenced a third party proceeding against AWB by filing a Third Party Notice on 3 November 2021 and a Notice for Third Party Directions on 18 November 2021 claiming for full indemnity by AWB against LPP. AWB has on 30 December 2021 filed a transfer application for the legal suit BA-22NCVC-210-05/2021 as disclosed in Note 15 to be heard together with this legal suit. The High Court has on 9 February 2022 allowed the said application.

On 15 September 2022, the High Court allowed LPP's Notice of Application to strike out ELD's Third Party Notice. ELD subsequently filed a Notice of Appeal on 3 October 2022 against the High Court's decision. Further, on 3 October 2022, ELD filed a Notice of Application to stay the proceedings in the High Court pending the disposal of the appeal. However, the High Court dismissed ELD's stay application on 17 November 2022.

The hearing for the appeal has been fixed on 5 April 2023. The Trial dates has been fixed on 21 to 22 November 2022, 28 to 30 November 2022, 5 to 6 November 2023 and 5 December 2023 respectively.

B13. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors on 23 February 2023.