

EURO HOLDINGS BERHAD

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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 JUNE 2023
(The figures have not been audited)**

	Individual Quarter 3 Months Ended		Cumulative Quarter 18 Months Ended	
	Current Year Quarter 30/06/2023 RM'000	Preceding Year Corresponding Quarter 30/06/2022 RM'000	Current Year To Date 30/06/2023 RM'000	Preceding Year Corresponding Period 30/06/2022 RM'000
Continuing Operations:				
Revenue	33,538	N/A	213,475	N/A
Cost of sales	(47,206)	N/A	(223,506)	N/A
Gross loss	<u>(13,668)</u>	<u>N/A</u>	<u>(10,031)</u>	<u>N/A</u>
Other income	19,080	N/A	19,849	N/A
Operating expenses	(143)	N/A	(13,403)	N/A
Finance costs	(1,997)	N/A	(6,330)	N/A
Loss before taxation	<u>3,272</u>	<u>N/A</u>	<u>(9,915)</u>	<u>N/A</u>
Taxation	(1,588)	N/A	(1,588)	N/A
Profit/(Loss) for the period	<u>1,684</u>	<u>N/A</u>	<u>(11,503)</u>	<u>N/A</u>
Other comprehensive income Item that will not be reclassified subsequently to profit or loss				
Revaluation surplus on property, plant and equipment	<u>13,780</u>	<u>N/A</u>	<u>13,780</u>	<u>N/A</u>
Total comprehensive profit for the period	<u>15,464</u>	<u>N/A</u>	<u>2,277</u>	<u>N/A</u>
Attributable to:				
Owners of the Company	15,560	N/A	2,403	N/A
Non-controlling interest	(96)	N/A	(126)	N/A
	<u>15,464</u>	<u>N/A</u>	<u>2,277</u>	<u>N/A</u>
Earnings per share				
- Earnings per share (sen)	<u>0.149</u>	<u>N/A</u>	<u>(1.094)</u>	<u>N/A</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.

The Group has changed its financial year end from 31 December to 30 June as announced on 27 October 2022. Hence, the comparative figures are not applicable for the current financial period.

EURO HOLDINGS BERHAD

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**AS AT 30 JUNE 2023****(The figures have not been audited)**

	As At 30/06/2023 RM'000	As At 31/12/2021 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	51,346	38,576
Right-of-use assets	14,005	2
	<u>65,351</u>	<u>38,578</u>
Current assets		
Property development cost	-	30,573
Inventories	24,366	12,597
Trade receivables	4,555	11,277
Other receivables, deposits and prepayments	21,614	7,069
Tax recoverable	924	397
Fixed deposit	2,403	6,757
Cash and bank balances	5,320	2,141
	<u>59,182</u>	<u>70,811</u>
TOTAL ASSETS	<u><u>124,533</u></u>	<u><u>109,389</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	78,781	48,402
Fair Value Reserve	1,591	1,591
Accumulated Losses	(3,262)	(5,665)
	<u>77,110</u>	<u>44,328</u>
Non-controlling interest	(915)	(789)
Total equity	<u>76,195</u>	<u>43,539</u>
Non-current liabilities		
Term loans and borrowings	-	7,769
	<u>-</u>	<u>7,769</u>
Current liabilities		
Trade payables	813	11,340
Other payables and accruals	7,495	14,901
Amount due to a director	5,148	10,875
Bank overdrafts	9,344	11,737
Bills payable	-	1,509
Term loans and borrowings	7,341	7,192
Lease liabilities	14,536	3
Tax payable	2,765	524
Deferred tax liabilities	896	-
	<u>48,338</u>	<u>58,081</u>
Total liabilities	<u>48,338</u>	<u>65,850</u>
TOTAL EQUITY AND LIABILITIES	<u><u>124,533</u></u>	<u><u>109,389</u></u>
Net Assets Per Share (RM)	0.0725	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 30 JUNE 2023

(The figures have not been audited)

	Attributable to Equity Holders of the Company			Distributable Retained Earnings/ Accumulated Losses	Total	Non- Controlling Interest	Total Equity
	Non-distributable	Distributable					
	Share Capital	Fair Value Reserve	Revaluation Reserve				
	RM'000	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	30,379	-	-	-	30,379	-	30,379
Gross revaluation increase of property	-	-	15,311	-	15,311	-	15,311
Deferred tax relating to revalued property	-	-	(1,531)	-	(1,531)	-	(1,531)
Total comprehensive loss for the period	-	-	-	(11,377)	(11,377)	(126)	(11,503)
At 30 June 2023 (Unaudited)	78,781	1,591	13,780	(17,042)	77,110	(915)	76,195
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 30 JUNE 2023**

(The figures have not been audited)

	Current Period Ended 30/6/2023 RM'000	Preceding Period Ended 30/6/2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(9,915)	N/A
Non-cash items	(14,576)	N/A
Non-operating items	(7,398)	N/A
Operating profit before working capital changes	<u>(31,889)</u>	N/A
Inventories	(11,769)	N/A
Trade and other receivables	(7,804)	N/A
Trade and other payables	(17,933)	N/A
Cash used in operations	<u>(69,394)</u>	N/A
Property development costs	30,573	N/A
Tax paid	363	N/A
Interest paid	-	N/A
NET CASH USED IN OPERATING ACTIVITIES	<u>(38,458)</u>	N/A
CASH FLOWS FROM INVESTING ACTIVITY		
Interest received	69	N/A
Gain from disposal of subsidiary	7,310	N/A
NET CASH GENERATED FROM INVESTING ACTIVITY	<u>7,379</u>	N/A
CASH FLOWS FROM FINANCING ACTIVITIES		
Upliftment of fixed deposits pledged	4,354	N/A
Interest paid	149	N/A
Repayment of hire purchase payables & lease liabilities	14,533	N/A
Proceeds from issuance of shares	30,379	N/A
Advances From A Director	(5,727)	N/A
Net repayment of term loans and borrowings	(7,037)	N/A
NET CASH GENERATED FROM FINANCING ACTIVITIES	<u>36,651</u>	N/A
Net increase in cash and cash equivalents	5,572	N/A
Cash and cash equivalents at beginning of the financial period	<u>(9,596)</u>	N/A
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD*	<u>(4,024)</u>	N/A

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

Bank overdrafts	(9,344)	N/A
Cash and bank balances	5,320	N/A
Fixed deposits	2,403	N/A
	<u>(1,621)</u>	N/A
Less: Fixed deposits pledged to a bank for credit facilities	(2,403)	N/A
	<u>(4,024)</u>	N/A

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.

The Group has changed its financial year end from 31 December to 30 June as announced on 27 October 2022. Hence, the comparative figures are not applicable for the current financial period.

EURO HOLDINGS BERHAD

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 30 JUNE 2023**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.

On 27 October 2022, the Group has announced the change of financial year end from 31 December to 30 June, hence, there will be no comparative figures available for the financial period ended 31 March 2023. The next audited financial statements shall be for a period of eighteen (18) months from 1 January 2022 to 30 June 2023 and thereafter the financial year end shall be 30 June for each subsequent year.

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 30 June 2023.

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 2023.

A8. Dividends Paid

No dividends were paid by the Company in the current quarter ended 30 June 2023.

EURO HOLDINGS BERHAD

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 30 JUNE 2023

A9. Segmental Reporting

For the financial period ended 30 June 2023, the Group's financial information is analysed by operating segments as follows:

Financial period ended 30 June 2023:

	Manufacturing RM'000	Property RM'000	Investment Holding RM'000	Elimination RM'000	Total RM'000
Revenue					
Local	214,699	(2,538)	-	(1,181)	210,980
Exports	2,495	-	-	-	2,495
	<u>217,194</u>	<u>(2,538)</u>	<u>-</u>	<u>(1,181)</u>	<u>213,475</u>
Results					
Segment Results	(17,405)	(25)	(19,272)	33,117	(3,585)
Finance costs	(5,566)	(24)	(3,008)	2,268	(6,330)
Loss before taxation	(22,971)	(49)	(22,280)	35,385	(9,915)
Taxation	(1,588)	-	-	-	(1,588)
Loss after taxation	<u>(24,559)</u>	<u>(49)</u>	<u>(22,280)</u>	<u>35,385</u>	<u>(11,503)</u>
Net Assets as at 30 June 2023	<u>20,292</u>	<u>-</u>	<u>35,249</u>	<u>21,572</u>	<u>77,113</u>

Financial period ended 30 June 2022:

	Manufacturing RM'000	Property RM'000	Investment Holding RM'000	Elimination RM'000	Total RM'000
Revenue					
Local	N/A	N/A	N/A	N/A	N/A
Exports	N/A	N/A	N/A	N/A	N/A
	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Results					
Segment Results	N/A	N/A	N/A	N/A	N/A
Finance costs	N/A	N/A	N/A	N/A	N/A
Profit/(Loss) before taxation	N/A	N/A	N/A	N/A	N/A
Taxation	N/A	N/A	N/A	N/A	N/A
Profit/(Loss) after taxation	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Net Assets as at 30 June 2022	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

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

There were no significant events during the financial period and subsequent to the end of the interim period under review.

A11. Changes in the Composition of the Group

Save as disclosed below, there were no changes in the composition of the Group;

- On 30 May 2023, the Company entered into a Share Sale Agreement with Big Feed Sdn. Bhd. to dispose 100% equity interest of 500,000 ordinary shares in Euroland & Development Sdn. Bhd. for a total cash consideration of RM2,000,000.

EURO HOLDINGS BERHAD

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 30 JUNE 2023

A12. Valuation of Property, Plant and Equipment

The Group has carried out a valuation exercise on its freehold land and building classified under Property, Plant and Equipment ("PPE") during the financial quarter and 18 months year ended 30 June 2023. The valuation exercise was carried out to ascertain the current market value of the PPE for accounting purposes. The valuation is performed by an independent professional valuer using the open market value basis.

Gain on revaluation of PPE

	Carrying Amount RM'000	Market Value RM'000	Gain RM'000
Property, plant and equipment			
Land	2,071	11,000	8,929
Building	2,618	9,000	6,382
Total	4,689	20,000	15,311

Effect on net assets per share

The net revaluation surplus amounting to RM13.78 million would result in the Group's consolidated net assets per share to increase by approximate 1.30 sen. The Company has recorded net assets per share of 7.25 sen based on the unaudited financial results of the Group for the six (6th) quarter ended 30 June 2023.

	Unaudited before revaluation	Effect of revaluation, net of deferred tax	After revaluation
Equity attributable to owners of the parent (RM'000)	63,333	13,780	77,113
Number of ordinary shares in issue ('000)	1,063,397	1,063,397	1,063,397
Net assets per share (RM)	0.0596	0.0130	0.0725

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 30/06/2023 RM'000	Company As at 30/06/2023 RM'000
(a) Guarantees		
Corporate guarantees given to:		
- financial institutions for credit facilities granted to subsidiary companies	13,468	13,468
- third parties for credit facilities granted to main contractor	2,446	2,446
	<u>15,914</u>	<u>15,914</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 30/06/2023 RM'Million	Preceding Year Corresponding Quarter Ended 30/06/2022 RM'Million	Current Period Ended 30/06/2023 RM'Million	Preceding Period Ended 30/06/2022 RM'Million
Revenue				
- Manufacturing	33.1	N/A	216.0	N/A
- Property	0.4	N/A	(2.5)	N/A
	<u>33.5</u>	<u>N/A</u>	<u>213.5</u>	<u>N/A</u>
Profit/(Loss) before taxation	3.3	N/A	(9.9)	N/A

Manufacturing Division

The revenue of Q2 2023 recorded at RM33.1 million, mainly due to the continuous in demand in local market for steel related products.

Property Division

The revenue of Q2 2023 recorded a RM0.4 million due to reversal of provision of Liquidated Ascertained Damages ('LAD')

The Group's profit before tax of current quarter was at RM3.2 million due to the disposal of a piece of Industrial Land with Building and divestment of its property development segment.

EURO HOLDINGS BERHAD

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 30 JUNE 2023**B2. Variation of Results Against Preceding Quarter**

	Current Quarter ended 30/06/2023 RM'Million	Preceding Quarter ended 31/03/2023 RM'Million
Revenue		
- Manufacturing	33.1	29.0
- Property	0.4	(2.3)
	<u>33.5</u>	<u>26.7</u>
Profit/(Loss) before taxation	3.3	(0.9)

Revenue for current quarter was recorded at RM33.1 million, an increase of RM4.1 million as compared to RM29.0 million of the preceding quarter, mainly due to continuous in demand for steel related products.

Currently, acceptance of orders has been limited to stock availability to facilitate the still on going moving of the manufacturing plants from Rawang to Melaka.

The Group's profit before tax of current quarter was RM3.2 million as compared to loss before tax of RM0.9 million reported in the preceding quarter. This is mainly due to disposal of a piece of Industrial Land with Building and divestment of its property development segment.

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 30/06/2023 RM'000	Preceding Year Corresponding Quarter Ended 30/06/2022 RM'000	Current Period Ended 30/06/2023 RM'000	Preceding Period Ended 30/06/2022 RM'000
Interest Income	(212)	N/A	(597)	N/A
Interest expense	1,974	N/A	6,229	N/A
Depreciation & amortisation	5,557	N/A	7,138	N/A
Foreign exchange (gain)/loss	168	N/A	122	N/A
Rental Income	(144)	N/A	(528)	N/A

B5. Current Year Prospects

The Group is in its final stage of realigning its business through strategic relocation of its current manufacturing plant in Rawang to Melaka. There were some delays in the relocation mainly due to various logistic issues. However, the situation has been rectified and upon completion of this exercise, this will enable the Company to have a better controls and improving the operation processes. The Group will re-focus and re-emphasize on its growth in furniture and steel related businesses.

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

In regards to Property Division, the Company has divested its interest on 30 May 2023 to a third party. The Group will constantly evaluate the various opportunities in respect of property development sector.

EURO HOLDINGS BERHAD

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 30 JUNE 2023**B6. Taxation**

	Current Quarter Ended 30/06/2023 RM'000	Preceding Year Corresponding Quarter Ended 30/06/2022 RM'000	Current Period Ended 30/06/2023 RM'000	Preceding Period Ended 30/06/2022 RM'000
<u>Current taxation</u>				
-current year	-	N/A	-	N/A
-prior year	692	N/A	692	N/A
	692	N/A	692	N/A
Deferred taxation	896	N/A	896	N/A
	1,588	N/A	1,588	N/A

The effective tax rate for the quarter ended 30 June 2023 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 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. A circular was issued to the shareholders on 13 April 2023 with regards to the proposed disposal and on 28 April 2023, the shareholders via its Extraordinary General Meeting ("EGM") has passed the said resolution. The Company expect this transaction to be completed by end September 2023.

b) 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 27 February 2023 the said proposal was withdrawn and subsequently has been resubmitted on the same day concurrently with the submission of the draft Independent advice letter by the independent adviser.

On 6 April 2023, Bursa Securities has approved the said proposals. A circular was issued to the shareholders on 13 April 2023 with regards to the proposal and the said resolutions were duly passed by the shareholders on 28 April 2023 via its EGM. On 8 May 2023, the i) Proposed Debt Settlement was satisfied with the issuance of 181,497,100 Settlement Shares being allotted and issued to S.P.A. Furniture (M) Sdn. Bhd..

The Company expect ii) Proposed Private Placement to be completed within the next three (3) months.

B8. Group Borrowings and Debt Securities

The Group's borrowings as at 30 June 2023 are as follows:

	Short Term RM'000	Long Term RM'000	Total RM'000
<u>Secured</u>			
Overdrafts	9,344	-	9,344
Term loans and borrowings	7,341	-	7,341
Lease payables	14,536	-	14,536
	31,221	-	31,221

All borrowings of the Group are denominated in Ringgit Malaysia.

EURO HOLDINGS BERHAD

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 30 JUNE 2023**B9. Dividend**

No dividend has been proposed or declared for the financial period ended 30 June 2023 (30 June 2022: N/A).

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 30 June 2023.

B11. Earnings Per Share

The earnings per share for the quarter ended 30 June 2023 is computed as follows:-

	Current Quarter Ended 30/06/2023	Preceding Year Corresponding Quarter Ended 30/06/2022	Current Period Ended 30/06/2023	Preceding Period Ended 30/06/2022
Profit for the quarter/period, attributable to ordinary shareholders of the Company (RM'000)	1,588	N/A	(11,629)	N/A
Weighted average number of shares ('000)	1,063,397	N/A	1,063,397	N/A
Basic Earnings Per Share (sen)	0.149	N/A	(1.094)	N/A

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 2023.

EURO HOLDINGS BERHAD

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 30 JUNE 2023

B12. Material Litigation

As at 30 August 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 trial has been fixed on 6 November 2023 to 8 November 2023.

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 trial has been fixed on 6 November 2023 to 8 November 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 is to be continued on 30 August 2023.

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 19 September 2023, 21 November to 24 November 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 19 September 2023, 21 November to 24 November 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.

On 4 April 2023, the Court of Appeal allowed ELD's appeal with no order as to cost, and with leave to file the relevant cause papers accordingly. 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 19 September 2023, 21 November to 24 November 2023 respectively.

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 May 2024 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.

The Court Of Appeal had on 9 August 2023 fixed further case management on 16 November 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.

The case has been transferred to the Shah Alam High Court on 3 September 2023. The High Court has allowed LTW's Notice of Application for a summary judgement against ELD on 8 July 2022. Thereafter, ELD has filed a stay of execution on 12 August 2022 and an appeal against the High Court's decision on the summary judgement application by LTW in the Court of Appeal. The High Court has granted the stay of execution on 14 February 2023 pending the decision of the appeal against the High Court's decision on the summary judgement application.

The trial dates has been fixed on 16 October 2023 to 18 October 2023 and 23 October 2023 to 24 October 2023 respectively.

EURO HOLDINGS BERHAD

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 30 JUNE 2023

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.

The trial has been fixed on 19 September 2023, 21 November to 24 November 2023 respectively.

B13. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors on 30 August 2023.