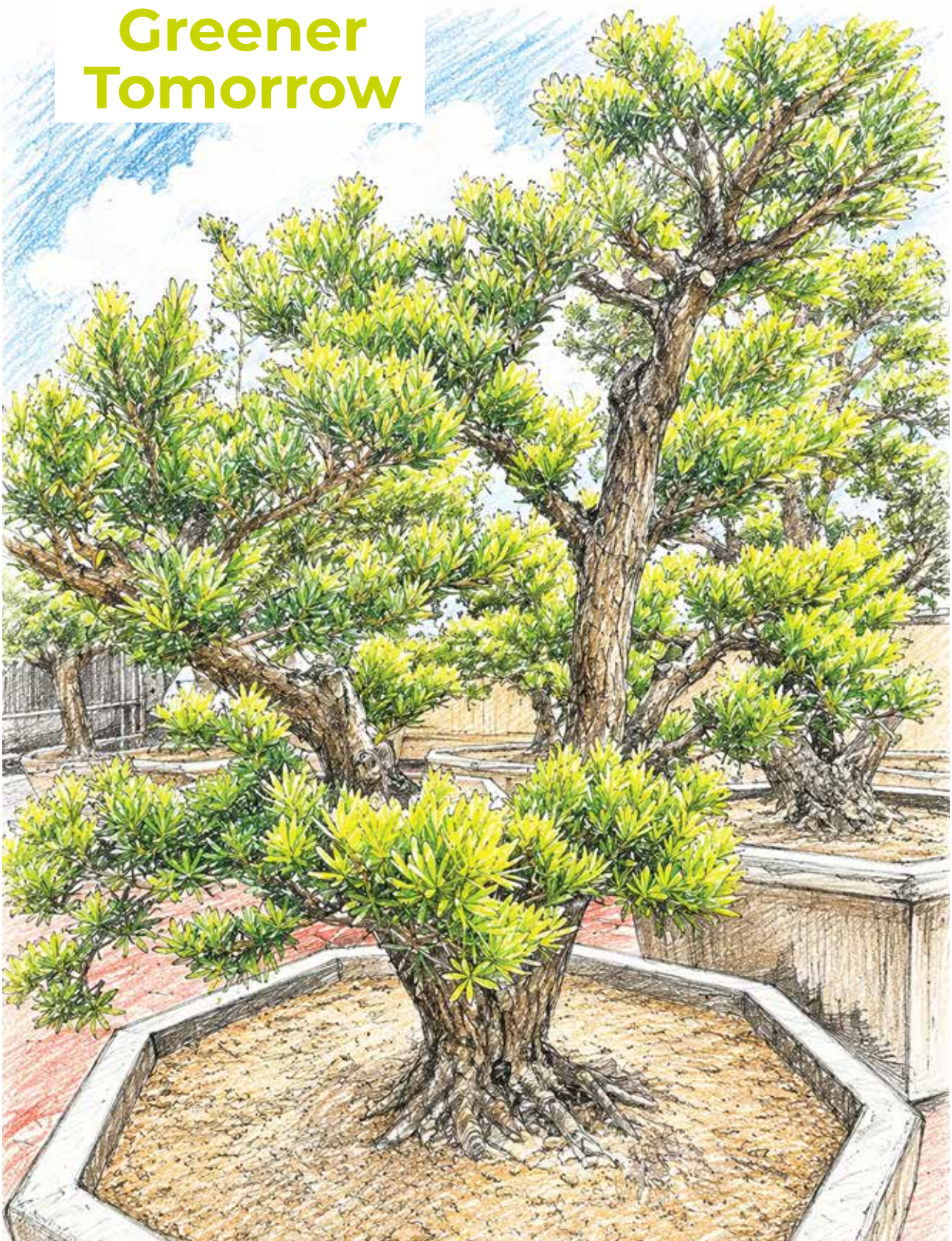
Annual Report 2026

EURO®
inspiration at work

EURO Holdings Berhad
[200401008055 (646559-T)]

Innovating for a Greener Tomorrow



Welcome To
EURO HOLDINGS

A Mission We Strive To Accomplish Everyday

EURO's mission is built on a simple yet powerful principle: to understand the customer's business. By truly comprehending the unique needs and goals of our clients, we aim to deliver genuine customer satisfaction through tailored solutions. This mission has guided the Group since its humble beginnings, shaping its evolution into the brand name "***EURO***", fostering meaningful partnerships grounded in mutual understanding and trust.



CORE VALUES

Quality :

Knowing that in our business, no service or care for our customers is of value if our product is not of top quality.

Service :

Believing that the close of every sale should open the door to the next, which comes from providing great service along with our products.

Partnership :

We are not mere salespeople peddling products; we strive to understand our customers' businesses thoroughly to provide solutions, not just products.



PHILOSOPHY

At the heart of EURO's journey lies a shared philosophy that unites both its employees and partners. This guiding belief encourages everyone within the organization to stay focused on common goals, work collaboratively, and strive to turn aspirations into reality. It reflects EURO's commitment to collective success and continuous growth.



VISION

EURO envisions becoming a strategic business partner to its customers—helping them create workspaces that inspire productivity, innovation, and success. This vision is encapsulated in the Group's enduring belief:

"***Inspiration at work***"

Table Of CONTENTS

Corporate Information	2
Corporate Structure	3
Chairman's Statement	4
Directors' Profiles	5
Key Senior Management	9
Management Discussion and Analysis	10
Group Financial Highlights	24
Sustainability Statement	25
Corporate Governance Overview Statement	47
Audit Committee Report	56
Statement on Risk Management and Internal Control	59
Additional Compliance Information	65
Statement of Directors' Responsibility	68
Financial Statements	69
Disclosure of Financial Data for Shariah Screening	200
Analysis of Shareholdings	202
Group Properties	204
Notice of Twenty-Second General Meeting	205
Form of Proxy	



CORPORATE INFORMATION

BOARD OF DIRECTORS

Lt Gen (R) Dato' Sri Sabri bin Adam
Independent Non-Executive Chairman

Datin Sri Ong Lely
Group Managing Director

Datuk Lim Sze Way
Group Deputy Managing Director

Tan Poh Ling
Non-Independent Non-Executive Director

Chua Yeow Fatt
Independent Non-Executive Director

Datuk Haji Azmi bin Hussain
Independent Non-Executive Director

Yip Kit Weng
Independent Non-Executive Director

Yong Teck Wee
Executive Director
(Resigned w.e.f 22 September 2026)

AUDIT COMMITTEE

Chua Yeow Fatt - Chairman
Datuk Haji Azmi bin Hussain - Member
Yip Kit Weng - Member

NOMINATION AND REMUNERATION COMMITTEE

Datuk Haji Azmi Bin Hussain – Chairman
Yip Kit Weng - Member
Chua Yeow Fatt – Member

RISK MANAGEMENT & ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Yip Kit Weng – Chairman
Datuk Haji Azmi Bin Hussain
Chua Yeow Fatt

COMPANY SECRETARIES

Tan Tong Lang
(MAICSA 7045482/SSM PC NO. 202208000250)
Thien Lee Mee
(LS0010621/SSM PC No. 201908002254)

REGISTERED OFFICE

B-21-1, Level 21, Tower B,
Northpoint Mid Valley City,
No. 1, Medan Syed Putra Utara,
59200 Kuala Lumpur, Wilayah Persekutuan.
Tel : (603) 9770 2200
Fax : (603) 2201 7774
Email : boardroom@boardroom.com.my

HEAD OFFICE

Menara Euro,
Lot 20111, Jalan TTC12,
Kawasan Perindustrian Cheng,
Mukim Cheng, Daerah Melaka Tengah,
75250 Melaka
Tel : (606) 337 6666
Email : corporate@eurochairs.com
Website : www.euroholdings.com.my

AUDITORS

PKF PLT
(AF0911)
Level 33, Menara 1MK, Kompleks 1 Mont Kiara,
No. 1, Jalan Kiara,
Mont Kiara,
50480 Kuala Lumpur,
Wilayah Persekutuan Kuala Lumpur
Tel : (603) 6203 1888
Email : general@pkfmalaysia.com

SHARE REGISTRAR

Aldpro Corporate Services Sdn Bhd
B-21-1, Level 21, Tower B
Northpoint Mid Valley City
No. 1, Medan Syed Putra Utara
59200 Kuala Lumpur, Wilayah Persekutuan
Tel : (603) 9770 2200
Fax : (603) 2201 7774
Email : admin@aldpro.com.my

PRINCIPAL BANKERS

CIMB Bank Berhad
Hong Leong Bank Berhad
Public Bank Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Name : EURO
Stock Code : 7208

CORPORATE STRUCTURE

EURO®
inspiration at work
EURO Holdings Berhad
[200401008055 (646559-T)]



- 100% **ECM**
  Euro Chairs Manufacturer (M) Sdn Bhd
  [198701006250 (164921-X)]
- 100% **ESI**
  Euro Space Industries (M) Sdn Bhd
  [198301010110 (105420-W)]
- 100% **EHM**
  Euro Hartanah (M) Sdn Bhd
  [198401009392 (121935-M)]
- 100% **ESS**
  Euro Space System Sdn Bhd
  [199601005874 (378220-D)]
- 100% **ECSB**
  Euro Chairs (M) Sdn Bhd
  [199001012928 (204498-V)]
- 100% **ESL**
  Eurosteel Line Sdn Bhd
  [201001005669 (890287-M)]
- 100% **ES**
  Eurosteel System Sdn Bhd
  [201001000954 (885526-M)]

CHAIRMAN'S STATEMENT



Lt Gen (R) Dato' Sri Sabri bin Adam

Dear Valued Shareholders:

On behalf of the Board of Directors, I am pleased to present the Annual Report and Audited Financial Statements of Euro Holdings Berhad ("Euro" or "the Group") for the financial year ended 30 June 2026 (FYE2026).

Business Performance and Transformation

FYE2026 marked another important phase in the Group's transformation journey. Despite a challenging operating environment and lower revenue, the Group returned to profitability, supported by improved gross profit performance, higher other income and lower finance costs.

Office furniture and steel trading businesses remain central to the Group's operations and business identity. Our diversification into steel products trading in April 2023 has broadened the Group's revenue base. The steel products segment has become an increasingly important contributor to the Group's overall performance, and we will continue to develop this business alongside our office furniture operations.

Financial Performance

The Group recorded revenue of RM104.88 million for FYE2026, compared to RM115.05 million in the preceding financial year. Despite the lower revenue, gross profit increased from RM5.29 million to RM6.90 million, with the gross profit margin improving from 4.60% to 6.58%, reflecting an improvement in overall gross profit performance.

The Group recorded a profit attributable to owners of the Company of RM0.77 million, compared to a loss of RM4.17 million in FYE2025. This return to profitability was supported by significant other income, including a gain on the disposal of machinery and equipment and the waiver of amounts due to related parties.

Strengthening Our Financial Position

During FYE2026, the Group continued its efforts to strengthen its capital structure through the settlement of approximately RM25.34 million owing to related parties via the issuance of settlement shares. In addition, the Group fully settled its term loans during the financial year, marking further progress in managing its financial obligations.

Subsequent to the financial year end, the Group secured a credit facility of up to RM58.00 million to support its working capital requirements and provide potential financing for the Proposed Acquisition, subject to the relevant terms and conditions. As at the date of this statement, the facility has been partially drawn down for working capital purposes only, with no drawdown made for the Proposed Acquisition, which remains pending.

Prospects and Outlook

The furniture and steel industries continue to present opportunities for business development and expansion. Moving forward, the Group will focus on strengthening its office furniture business and expanding its steel products trading activities.

The Group remains committed to progressing the outstanding Corporate Proposals announced on 6 March 2025, comprising the Proposed Acquisition, Proposed Private Placement and Proposed Rights Issue. Upon successful completion, these proposals are expected to support the Group's strategic objectives and future growth. With a diversified business portfolio and ongoing strategic initiatives, the Board remains optimistic about the Group's prospects.

Appreciation

On behalf of the Board, I would like to express my sincere appreciation to our management team and employees for their dedication, hard work and continued commitment throughout FYE2026. Their collective efforts have played an important role in supporting the Group through its transformation journey.

I would also like to extend my gratitude to my fellow Board members for their guidance and contributions. My sincere thanks go to our valued shareholders, customers, suppliers, business partners and financiers for their continued trust, confidence and support.

Thank you.

Yours faithfully,
Lt Gen (R) Dato' Sri Sabri bin Adam
Chairman
Euro Holdings Berhad

DIRECTORS' PROFILES

LT GEN (R) DATO' SRI SABRI BIN ADAM

Independent and Non-Executive Chairman

• 69 years old • Male • Malaysian

Lt Gen (R) Dato' Sri Sabri bin Adam ("DSSA") joined the Board of Directors on 25 February 2022 and was appointed as the Independent and Non-Executive Chairman of EURO.

DSSA is a graduate of Defence and Strategic Studies from the Chinese People's Liberation Army National Defence University. He also holds a Master of Art Degree in Defence Studies from the National University of Malaysia. In recognition for his outstanding service to the country, DSSA was conferred the Sri Sultan Ahmad Shah Pahang (SSAP) which carries the title Dato' Sri as well as a few other Awards from His Royal Highness the King of Malaysia.

DSSA joined the Malaysian Armed Forces as an Officer Cadet on 27 May 1975 and was commissioned into the Royal Malaysian Air Force as a Second Lieutenant on 11 November 1975.

Throughout his service career, DSSA has held various appointments at the units, Formation HQ, Air Force HQ as well as the Armed Forces HQ. DSSA had served as Flight Commander at the operational flying squadron, Assistant Defence Attache in Ankara, Turkey, Assistant Chief of Staff Operations (J3) at the Malaysian Armed Forces Joint Force Headquarters as well as the Assistant Chief of Staff Defence Planning (J5) at the Malaysian Armed Forces Headquarters. His last appointment prior to his retirement in 2017 was the Chief of Staff at the Malaysian Armed Forces HQ in the Ministry of Defence Kuala Lumpur.

DSSA does not have any other directorships in any public companies. He does not have any conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries and has no conviction for offences (other than traffic offences) within the past 5 years or any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

DATIN SRI ONG LELY

Group Managing Director

• 44 years old • Female • Malaysian

Datin Sri Ong Lely ("Datin Sri Ong") was appointed to the Board of EURO as the Group Managing Director on 1 November 2023.

Datin Sri Ong graduated from Tunku Abdul Rahman College ("TARC") with a Diploma in Competency in Office Management.

After graduating in 2003, Datin Sri Ong joined her family business, which was involved in the wholesale and trading of various building materials and hardware. From 2011 to the present, she has been with the SPA Group of Companies, where she oversees the Group's business administration and management functions.

Datin Sri Ong does not hold any other directorships in public companies.

Datin Sri Ong is the sister-in-law of Datuk Lim Sze Way, who is the Group Deputy Managing Director of EURO, and the spouse of the Dato' Sri Lim Teck Boon, a substantial shareholder of EURO.

Datin Sri Ong is also a director of S.P.A. Furniture (M) Sdn. Bhd., a major shareholder of EURO. Additionally, she is the daughter in-law of Datin Chooi Moi, who is also a director of S.P.A. Furniture (M) Sdn. Bhd.

Save as disclosed above, Datin Sri Ong does not have any conflict of interest or potential conflict of interest, including any interest in a business that is in competition with the Company or its subsidiaries. She has not been convicted of any offences (other than traffic offences) within the past five (5) years, nor has she been subject to any public sanction or penalty imposed by any relevant regulatory authority during the financial year.

DIRECTORS' PROFILES
(cont'd)

DATUK LIM SZE WAY
Group Deputy Managing Director

• 46 years old • Female • Malaysian

Datuk Lim Sze Way ("Datuk Lim") was appointed as the Group Deputy Managing Director of EURO on 27 May 2020. She graduated from Multimedia University with a Bachelor of Accounting.

Datuk Lim began her banking career in 2003 with Malayan Banking Berhad as an Account Officer at Maybank Business Centre, Melaka, where she was responsible for business development, customer engagement and maintain customer relationships.

In 2008, Datuk Lim joined Bank of China, Kuala Lumpur, as Relationship Manager, where her portfolio was expanded to include business development and relationship management for large local and China-based corporate customers.

Datuk Lim is also a Personal Assistant to the Managing Director of a group of private limited companies principally involved in the manufacture and trading of automotive parts and lubricants, as well as property development.

Datuk Lim does not have any other directorships in any public companies.

She is the sister-in-law of Datin Sri Ong Lely, who is the Group Managing Director of EURO. Datuk Lim is also the daughter of Datin Chooi Moi, who is a Director of S.P.A. Furniture (M) Sdn. Bhd., a major shareholder of EURO, and the sibling of the Dato' Seri Lim Teck Boon, the substantial shareholder of EURO.

Save as disclosed above, Datuk Lim does not have any conflict of interest or potential conflict of interest, including any interest in a business that is in competition with the Company or its subsidiaries. She has not been convicted of any offences (other than traffic offences) within the past five (5) years, nor has she been subject to any public sanction or penalty imposed by any relevant regulatory authority during the financial year.

DATUK HAJI AZMI BIN HUSSAIN
Independent and Non-Executive Director

• 66 years old • Male • Malaysian

Chairman of Nomination and Remuneration Committee
Member of Audit Committee
Member of Risk Management & Environmental, Social and Governance Committee

Datuk Haji Azmi bin Hussain ("Datuk Haji Azmi") was appointed to the Board of Euro Holdings Berhad on 11 May 2023.

Datuk Haji Azmi graduated from University Kebangsaan Malaysia with a Degree in Economics. He started his career as an Administrative Officer with Perbadanan Kemajuan Negeri Melaka in September 1985 where he served for 16 years before serving as the Secretary of Majlis Bandaraya Melaka Bersejarah ("**MBMB**") from February 2001 to December 2012.

In December 2012, Datuk Haji Azmi was appointed as the Chief Executive Officer ("**CEO**") of Perbadanan Kemajuan Tanah dan Adat for a one-year term before being appointed as the CEO of Pusat Zakat Melaka for a two (2)-years term in January 2014. In January 2016, he was then appointed as the CEO of Perbadanan Kemajuan Negeri Melaka ("PKNM").

Datuk Haji Azmi was later appointed as the Mayor of MBMB from June 2018 to December 2018. He later assumed the position of CEO of Tabung Amanah Melaka from January 2019 to June 2019.

Datuk Haji Azmi does not have any other directorships in any public companies.

He does not have any family relationship with any Director and/or major shareholder of the Company. He does not have any conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries and has no conviction for offences (other than traffic offences) within the past 5 years or any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

DIRECTORS' PROFILES
(cont'd)

TAN POH LING
Non-Independent and Non-Executive Director

• 56 years old • Female • Malaysian

Madam Tan Poh Ling ("Madam Tan") was appointed as an Independent Non-Executive Director of EURO on 21 January 2009 and redesignated as a Non-Independent Non-Executive Director on 31 May 2023.

Madam Tan obtained her professional qualification from the Malaysian Association of Certified Public Accountant while she was working with an international accounting firm, PriceWaterhouse Coopers Malaysia, from 1990 to 1995. She is registered as a Chartered Accountant with the Malaysian Institute of Accountants and a Certified Public Accountant with the Malaysian Institute of Certified Public Accountants. She is also a Financial Planner with the Financial Planning Association of Malaysia and an associate member of the Chartered Tax Institute of Malaysia.

Madam Tan has more than 30 years of experience in auditing, accounting, taxation, corporate finance costing, financial planning and has worked in a multinational corporation. She is currently the Managing Partner of Total International Associates, an auditing and business advisory firm that she established in 2004. She is an Independent and Non-Executive Director and the Member of Audit Committee of Padini Holdings Berhad.

She does not have any family relationship with any Director and/or major shareholder of the Company. He does not have any conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries and has no conviction for offences (other than traffic offences) within the past 5 years or any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

CHUA YEOW FATT
Independent and Non-Executive Director

• 59 years old • Male • Malaysian

Chairman of Audit Committee
Member of Nomination and Remuneration Committee
Member of Risk Management & Environmental, Social and Governance Committee

Chua Yeow Fatt ("Mr Chua") was appointed as an Independent Non-Executive Director of EURO on 3 June 2022.

Mr. Chua is registered member with the Malaysian Institute Accountants ("MIA") since 1995.

Mr. Chua graduated from University Utara Malaysia in 1991 with Bachelor Accounting Degree (Honours). He holds a Master of Business Administration from Charles Sturt University, Australia in 2002.

Mr Chua has 19 years of working experience which include being a lecturer in several local private institutions. He began his career with international auditing firm KPMG in July 1991 upon graduation. After several years with KPMG, he left and joined several others Multi-National Companies (MNC) at finance managerial and controller level for several years.

He left DHL Cyberjaya as the Head of Project Controller/ Business Controller in 2007. After 2007, Mr Chua set up his own accounting practises which provides services such as corporate secretarial, corporate tax advice, auditing services and other related management service.

Mr. Chua does not have any other directorships in any other public companies.

He does not have any family relationship with any Director and/or major shareholder of the Company. He does not have any conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries and has no conviction for offences (other than traffic offences) within the past 5 years or any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

DIRECTORS' PROFILES
(cont'd)

YIP KIT WENG
Independent and Non-Executive Director

• 55 years old • Male • Malaysian

Chairman of Risk Management & Environmental, Social and Governance Committee
Member of Audit Committee
Member of Nomination and Remuneration Committee

Mr Yip Kit Weng ("**Mr Yip**") was appointed as an Independent Non-Executive Director of EURO on 14 July 2023.

Mr Yip holds a degree in Bachelor of Commerce, majoring in Accounting and Finance from the University of Western Australia in 1993. Mr Yip has approximately over 3 decades of experience in Equity Fundraising, Corporate Finance and Advisory Services, Corporate Banking, Private Debt Securities Issuances and Private Equity Transactions.

He started his career in 1993 with Messrs PriceWaterhouseCoopers before joining Utama Merchant Bank Berhad (formerly known as Utama Wardley Berhad) three years later. He spent a total of eight years as Senior Manager, Corporate Finance with Utama Merchant Bank Berhad and also worked as Executive Director with AFG Global Services Sdn Bhd and AFG Advisory Sdn Bhd from 2004 to 2008. He served as CEO-Asia for Kajo Investments Pty Ltd in 2009 and subsequently as Director of Equity Capital Markets with CIMB Investment Bank Berhad from 2010-2013. He then joined at RHB Investment Bank as Director/Team Head, Corporate and Investment Banking Services. In 2014, Mr Yip joined as Executive Director and Head of Investment Banking at Nomura Securities Malaysia Berhad. From October 2019 to November 2021, he was the Deputy Group Managing Director of Affin Hwang Investment Bank Berhad, where he also served as Non-Independent and Non-Executive Director ("NINED") of Affin Hwang Asset Management Berhad and AIIMAN Asset Management Sdn Bhd.

He currently also serves as a Divisional Council for CPA Australia Malaysia Division effective January 2021 and was elected as President for the calendar year 2025 and 2026. Mr Yip also serves on the Council of the Malaysian Institute of Accountants having been appointed by the Minister of Finance 2 under the Accountants Act, 1967 (Act 94) for the term from 15 February 2025 to 14 February 2027. Mr Yip also serves as a Member of the Faculty of Business Industry Advisory Board, Curtin University Malaysia since 2023.

Mr Yip is currently serving as an Independent Non-Executive Director ("INED") of Esente Capital Berhad, Privasia Technology Berhad (listed on Ace Market of Bursa Malaysia Securities Berhad), Ecofirst Consolidated Berhad (listed on MAIN Market of Bursa Malaysia Securities Berhad), Capital Dynamics Asset Management Sdn Bhd and as Independent Non-Executive Chairman of Terra Group Holdings Berhad. He also serves as Independent Non Executive Chairman of Infocus Group Holdings Limited (formerly known as Frugl Group Limited) which is listed on the Australian Stock Exchange.

He does not have any family relationship with any Director and/or major shareholder of the Company. He does not have any conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries and has no conviction for offences (other than traffic offences) within the past 5 years or any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

KEY SENIOR MANAGEMENT

The Group's senior management team is led by our Group Managing Director, Datin Sri Ong Lely, Group Deputy Managing Director, Datuk Lim Sze Way and Chief Financial Officer, Ms. Lim Sew Yang. Together, they are responsible for the day-to-day management and strategic direction of the Group.

The profile of the Chief Financial Officer, Ms. Lim Sew Yang, is disclosed below, while the full profiles of the Executive Directors are available in the Directors' Profile section of this Annual Report.

LIM SEW YANG, CLARE

Chief Financial Officer

• 57 years old • Female • Malaysian

Ms Lim Sew Yang (Clare) joined EURO on 23 September 2024 as the Chief Financial Officer. She is a graduate of the of Association of Chartered Certified Accountants (ACCA) and is a member of the Malaysian Institute of Accountants (MIA). In addition, she holds a Company Secretary Practicing Certificate issued by the Companies Commission of Malaysia (SSM).

Clare began her career in 1993 at a public accounting firm, where she advanced to the role of Audit Manager over 8 years. Prior to joining EURO, she served as the Group Financial Controller of Toyo Ventures Holdings Berhad from January 2022 to August 2024.

With 30 years of experience across diverse industries - including real estate, education, legal, manufacturing, and trading – she has been extensively involved in property development, project management, and liaising with financial institutions for funding arrangements. Her responsibilities also encompass ensuring compliance with the Housing Development Act (HDA), as well as overseeing corporate administrative and human resource functions.

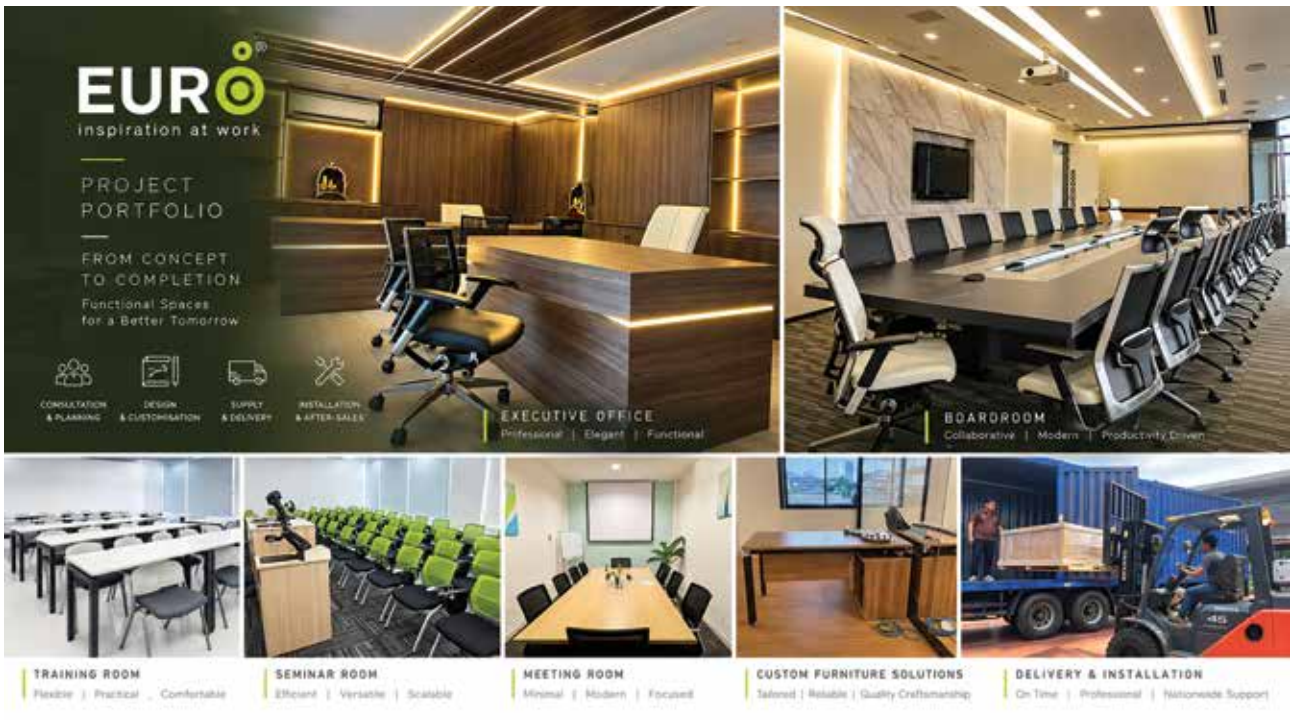
Clare does not hold any directorship positions in public companies.

She does not have any family relationship with any Director and/or major shareholder of the Company. She does not have any conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries and has no conviction for offences (other than traffic offences) within the past 5 years or any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

MANAGEMENT DISCUSSION AND ANALYSIS

I. GENERAL DESCRIPTION OF THE GROUP'S BUSINESS

Our Group is principally engaged in the manufacturing and trading of office furniture. Established in 1976, the Manufacturing Division has grown over the decades to become an established office furniture manufacturer in Malaysia, offering comprehensive workspace solutions to customers in both domestic and international markets.



Workspace Solutions

The Manufacturing Division owns a warehouse facility in Rawang, Selangor, and leases two buildings in Melaka, one of which serves as a manufacturing plant and warehouse, while other operates as a showroom.



Showroom

MANAGEMENT DISCUSSION AND ANALYSIS
(cont'd)

As part of its strategic direction to strengthen financial performance and diversify its business portfolio, EURO expanded its operations into the trading of steel products and related businesses in April 2023. This initiative is intended to broaden the Group's revenue base, diversify its business activities and strengthen its resilience amid changing market conditions.



Steel Storages

ACHIEVEMENTS AND AWARDS

Achievements That Drive Us Forward

In recognition of its brand excellence, Euro Holdings Berhad received **The BrandLaureate Brand of the Year Award 2023 – BestBrands Award** in the **Best Choice – Office Furniture** category.

In May 2025, the Group was also honoured as a recipient of the **Asia Pacific Enterprise Awards (APEA) 2025 Malaysia** under the **Corporate Excellence** category.

MANAGEMENT DISCUSSION AND ANALYSIS
(cont'd)

YEAR 2026 : We Make It Happen Again!

In July 2026, the Group was recognised in the **Asia Pacific Enterprise Awards (APEA) 2026 Regional Edition** under the **Corporate Integrity and Governance Excellence** category. This recognition followed the Group's receipt of the APEA Malaysia award in 2025.





APEA 2026 Award Recipient



MANAGEMENT DISCUSSION AND ANALYSIS
(cont'd)

Together, we make it happen!



II. OBJECTIVES AND STRATEGIES

In April 2023, the Group embarked on a business transformation programme aimed at optimising operational efficiency and streamlining non-core assets. As part of this initiative, the Group relocated its warehouse facility from Rawang, Selangor to Melaka, with the aim of improving resource utilisation, centralising management oversight and enhancing operational efficiency. The relocation has also enabled the Group to focus on a higher-margin product mix.



Multidrawers

MANAGEMENT DISCUSSION AND ANALYSIS
(cont'd)

Building on its established reputation in the steel furniture segment, the Group diversified its business into the trading of steel products, including steel pipes of various dimensions and specifications. These products serve a broad range of applications, from chair and table legs to lockers and building façades, complementing the Group's existing office furniture manufacturing and trading activities.

The Group's key strategies for its steel products trading and related diversified businesses include the following:

(a) **Product Development and Innovation** – Enhance product design and development, assess relevant technologies and broaden the range of steel-related products that complement the Group's existing furniture offerings.

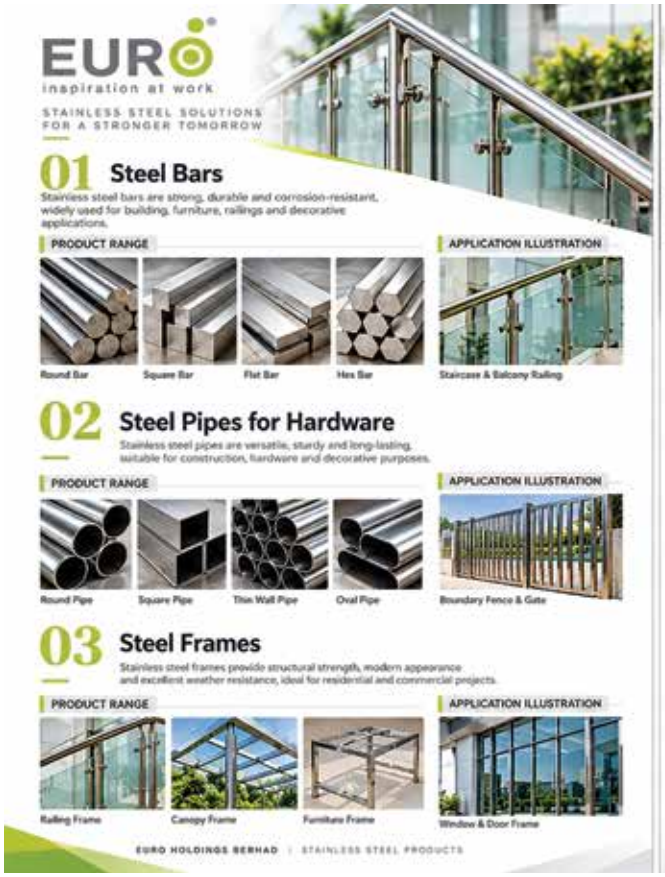
(b) **Market Expansion and Customer Development** – Expand the customer base and sales network through targeted marketing, new sales channels and strategic partnerships across relevant industries, particularly in Asian office furniture and steel trading markets. Participation in trade exhibitions, fairs and seminars will also be considered to increase brand visibility and develop business relationships.





MANAGEMENT DISCUSSION AND ANALYSIS
(cont'd)

As part of its diversification strategy, the Group has expanded its steel trading activities to include steel pipes for construction applications. This broadens the range of steel products offered and provides access to additional customer applications.





Looking ahead, the Group will continue to explore complementary business opportunities, including the potential development of transportation and logistics services to facilitate the delivery of steel products from manufacturers to warehouses or directly to customers.

Through these transformation and diversification initiatives, the Group aims to strengthen its financial position, broaden its revenue base and support sustainable earnings growth over the longer term.

III. FINANCIAL RESULTS AND FINANCIAL CONDITION

REVENUE

For the financial year ended 30 June 2026 (FYE2026), the Group recorded revenue of RM104.88 million, representing a decrease of RM10.17 million, or approximately 8.8% from RM115.05 million for the financial year ended 30 June 2025 (FYE2025).

Despite the decline in revenue, gross profit increased by RM1.62 million, from RM5.28 million in FYE2025 to RM6.90 million in FYE2026. The gross profit margin also improved from 4.6% to 6.6%, mainly attributable to a more favourable sales mix and a higher contribution from products with better profit margins. This improvement reflects stronger gross profitability despite lower revenue.

MANAGEMENT DISCUSSION AND ANALYSIS
(cont'd)

COST AND EXPENSES

Total cost and expenses before finance cost amounted to RM115.23 million in FYE2026, compared with RM123.42 million in FYE2025, representing a decrease of RM8.19 million or approximately 6.6%.

The decrease was primarily attributable to lower cost of sales, which declined by RM11.79 million, or approximately 10.7%, from RM109.77 million in FYE2025 to RM97.98 million in FYE2026. This reduction was partially offset by higher operating expenses of RM3.60 million or 26.4%, from RM13.65 million in FYE 2025 to RM17.25 million in FYE2026.

The increase in operating expenses was mainly attributable to RM3.10 million recognised in connection with the settlement of claims relating to the Kuala Lumpur High Court cases. Under the settlement arrangements, future instalments totalling RM2.78 million remained payable but were not yet due as at 30 June 2026.

OTHER INCOME

Other income increased from RM1.02 million in FYE2025 to RM11.66 million in FYE2026. The increase was mainly attributable to a gain on disposal of machinery and equipment of RM9.40 million and the waiver of amounts due to related parties amounting to RM2.11 million.

FINANCE COST

Finance costs decreased by RM0.50 million, or 65.8%, from RM0.76 million in FYE2025 to RM0.26 million in FYE2026. The reduction was mainly attributable to the full settlement of the Group's term loans in September 2025, which reduced borrowing costs during the financial year.

TAXATION

The Group recorded a tax expense of approximately RM0.28 million for FY2026, compared with a tax credit of approximately RM0.58 million in FY2025. The tax credit in the preceding financial year was mainly attributable to an adjustment arising from the overprovision of income tax in prior years amounting to RM2.46 million.

PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

The Group recorded a profit attributable to owners of the Company of RM0.77 million in FYE2026, compared with a loss of RM4.17 million in FYE2025.

The turnaround was supported by higher gross profit and an improved gross profit margin despite lower revenue, together with substantially higher other income and lower finance costs. However, the gain on disposal of machinery and equipment and the waiver of amounts due to related parties were significant contributors to the improvement in reported results. Accordingly, the Group's reported profit should be assessed in the context of these transaction-specific items and the sustainability of earnings from its ongoing business operations.

EBITDA

The Group's EBITDA increased to RM10.48 million in FYE2026 from approximately RM1.31 million in FYE2025.

In FYE2026, EBITDA of RM10.48 million comprised profit from operations of RM1.31 million, adjusted for amortisation of right-of-use assets of RM5.05 million and depreciation of property, plant and equipment of RM4.11 million.

In FYE2025, EBITDA of RM1.31 million was calculated based on a loss from operations of RM7.35 million, adjusted for amortisation of right-of-use assets of RM4.88 million and depreciation of property, plant and equipment of RM3.78 million.

The improvement in EBITDA reflected the turnaround in operating results, supported by higher gross profit and significantly higher other income during the financial year.

The increase in EBITDA reflected the improvement in reported operating results. Nevertheless, as the Group's operating results benefited significantly from higher other income in FYE2026, the EBITDA improvement should be considered alongside the nature and sustainability of those income items.

MANAGEMENT DISCUSSION AND ANALYSIS
(cont'd)

LIQUIDITY AND CAPITAL RESOURCES

As at 30 June 2026, the Group's cash and cash equivalents stood at approximately RM0.10 million, compared with approximately RM0.05 million as at 30 June 2025.

On 7 April 2026, the Company issued 563,209,911 new ordinary shares at an issue price of RM0.045 per share pursuant to the Proposed Debt Settlement, which formed part of the Corporate Proposals announced on 6 March 2025. The settlement shares were issued to satisfy amounts due to related parties totalling RM25.34 million. After deducting issuance costs of RM0.15 million, the Company's issued and paid-up share capital increased from RM95.51 million to RM120.70 million.

The settlement of related-party balances through the issuance of shares, together with the settlement of the Group's term loans, formed part of the Group's efforts to restructure its financial position. However, the Group's cash and cash equivalents remained low at the financial year end, making effective working capital management and access to funding important to support its ongoing operations.

Subsequent to the financial year end, Eurosteel Line Sdn Bhd, a wholly-owned subsidiary of the Company, entered into a Moneylending Agreement with OSK Capital Sdn Bhd on 15 July 2026 for a credit facility with a maximum aggregate principal amount of RM58.00 million. The facility comprises Tranche 1 of up to RM22.00 million for working capital purposes and Tranche 2 of up to RM36.00 million to part-finance the Proposed Acquisition forming part of the Corporate Proposals.

The facility is subject to the terms and conditions of the Moneylending Agreement and the relevant offer documentation. The Group will continue to monitor its liquidity position and manage its working capital requirements in line with its operational needs and planned corporate initiatives.

GEARING

As at 30 June 2026, the Group recorded a gearing ratio of nil, compared with a 0.01 times as at 30 June 2025, following the full settlement of the Group's term loans in September 2025.

The gearing ratio is calculated based on net borrowings divided by shareholders' equity, with net borrowings defined as total borrowings less fixed deposit, and cash and bank balances. Lease liabilities are excluded from the calculation, consistent with the methodology applied in the preceding financial years.

The nil gearing ratio reflects the settlement of the Group's term loans under the stated calculation methodology. It should, however, be considered together with the Group's lease liabilities, year-end cash position and future funding requirements when assessing its overall financial position.

ASSETS

The Group's total assets increased by RM15.35 million, or approximately 10.1%, from RM151.60 million as at 30 June 2025 to RM166.95 million as at 30 June 2026.

The increase was mainly attributable to the renewal of leases for two existing properties for a further two years, resulting in an increase in right-of-use assets, as well as an increase in trade and non-trade receivables. One of these properties is involved in the Proposed Acquisition.

LIABILITES

The Group's total liabilities decreased by RM10.62 million, from RM50.70 million as at 30 June 2025 to RM40.08 million as at 30 June 2026.

The decrease was mainly attributable to the settlement of amounts due to related parties totalling RM25.34 million through the issuance of settlement shares and the full settlement of term loans during the financial year. These reductions were partially offset by an increase in lease liabilities arising from the renewal of leases for two existing properties for a further two years, as well as liabilities relating to the settlement of the Kuala Lumpur High Court cases.

Although the settlement arrangements relating to the Kuala Lumpur High Court cases were concluded in May 2026, future instalments amounting to RM2.78 million remained payable but were not yet due as at 30 June 2026.

Overall, the reduction in total liabilities reflects the Group's debt settlement and restructuring efforts during FYE2026. The Group will nevertheless need to manage its remaining contractual obligations and liquidity requirements carefully.

MANAGEMENT DISCUSSION AND ANALYSIS
(cont'd)

OPERATING REVIEW

The Group recorded a profit from operations of RM1.31 million in FYE2026, compared with a loss from operations of RM7.35 million in FYE2025.

The improvement was driven principally by the substantial increase in other income, including the gain on disposal of machinery and equipment and the waiver of amounts due to related parties. Higher gross profit and an improved gross profit margin also contributed to the improved results despite lower revenue.

During FYE2026, the Group's business activities were concentrated in the Trading Division, which accounted for the majority of the Group's revenue and results.

The Group will continue to focus on improving the performance of its existing businesses, strengthening cost management and developing its steel products trading activities.

IV. IDENTIFICATION OF RISK

The Group remains committed to identifying, assessing and managing key risks that may affect its operational and financial performance. The principal risks and uncertainties identified during FYE2026, together with the corresponding mitigation measures, are outlined below:

1. Business Risk

As a relatively new participant in the steel trading segment, the Group faces challenges in establishing its market presence and developing a sustainable customer base. There is no assurance that the Group's diversification into the trading of steel products and related businesses will achieve the expected level of business growth or profitability.

Mitigation Measures:

- Continuously monitor market trends, industry developments and customer demand to facilitate timely adjustments to business strategies.
- Strengthen relationships with suppliers and customers to expand market presence and enhance business competitiveness.
- Implement cost control measures and optimise inventory management to improve operational efficiency and protect profit margins

2. Dependence on Key Management Personnel

The Group's business operations and future growth depend on the expertise, leadership and experience of its key management personnel. The unexpected departure of key personnel without timely and suitable replacements, as well as difficulties in attracting and retaining qualified and experienced employees, may disrupt business operations and affect the implementation of the Group's strategic initiatives.

Mitigation Measures:

- Develop succession plans for key management and leadership positions to support business continuity.
- Offer competitive remuneration and benefits to attract, motivate and retain qualified personnel.
- Promote continuous professional development and leadership training to strengthen employees' capabilities and prepare potential successors for key roles.

3. Competition Risk

The steel trading industry is highly competitive, with established market participants benefiting from stronger market recognition, established customer relationships and broader product portfolios. The Group may face challenges in securing new customers, expanding its market share and maintaining competitive pricing while achieving satisfactory profit margins.

Mitigation Measures:

- Differentiate the Group's offerings through reliable product quality, responsive customer service and timely delivery.
- Broaden the range of steel products offered to meet customers' varying requirements and explore opportunities across different market segments.
- Enhance operational efficiency and maintain effective cost management to strengthen the Group's competitive position.

4. Fluctuation in Steel Prices

The Group's steel trading business is exposed to fluctuations in steel prices arising from changes in global supply and demand, raw material costs, trade policies, tariffs, logistics constraints and other market developments. Significant price fluctuations may affect the Group's profit margins, inventory values, working capital requirements and overall financial performance.

Mitigation Measures:

- Monitor steel price movements, market conditions and relevant industry developments to support timely procurement and pricing decisions.
- Maintain flexible procurement arrangements and develop relationships with multiple suppliers.
- Align inventory levels and procurement activities with anticipated customer demand to manage inventory exposure and minimise the potential impact of adverse price movements.

The Group will continue to strengthen its risk management practices to facilitate the timely identification, assessment and management of existing and emerging risks. The Risk Management & Environmental, Social and Governance Committee ("RMESG"), supported by senior management, oversees the Group's risk framework and the implementation of appropriate mitigation measures so that material risks are managed in a manner consistent with the Group's business objectives and long-term strategic direction.

V. PROSPECTS AND INDUSTRY OUTLOOK

Group Prospects

For FYE2026, the Group continued to navigate a challenging operating environment while pursuing initiatives to strengthen operational efficiency, improve cost management and enhance the performance of its steel products segment.

The relocation of the manufacturing plant from Rawang, Selangor to Melaka marked an important milestone in its operational transformation. The relocation was intended to facilitate more centralised management oversight, improve resource utilisation and streamline logistics.

The Trading Division will continue to expand its sales activities and explore new markets, particularly within Asia, to to broaden its customer base and diversify revenue streams. Management will focus on rebuilding revenue momentum, optimising inventory levels and strengthening cost controls to support profitability. The Group will also continue to monitor market demand and adjust its business strategies in response to changing market conditions, while maintaining prudent working capital management.

MANAGEMENT DISCUSSION AND ANALYSIS
(cont'd)

Manufacturing and Furniture Industry in Malaysia

In 2025, Malaysia's manufacturing sector underwent a period of strategic consolidation, with increasing emphasis on higher-value and technology-intensive production. While total approved investments and project numbers moderated compared with the exceptional levels recorded in 2024, the sector continued to focus on advanced manufacturing, automation and sustainable practices.



The manufacturing sector recorded RM131.3 billion in approved investments across 1,354 projects in 2025, accounting for 30.8% of Malaysia's total approved investments of RM426.7 billion. These figures indicate continued investment interest in Malaysia's manufacturing capabilities, supported by government policies and targeted investment incentives.

(Source: Malaysia Investment Performance Report 2025, Malaysian Investment Development Authority)

Malaysia's timber and furniture industry also maintains a significant presence in international markets. According to the Malaysian Timber Council's Annual Report 2025, wooden furniture remained the largest contributor accounting for 43.2% (RM9.28 billion) of total timber exports. Malaysia ranked ninth globally in wooden furniture exports, with the United States accounting for 51.3% of total export value, followed by Singapore, the United Kingdom, Japan, Australia and Canada.

(Source: Annual Report 2025, Malaysian Timber Council)

Key growth drivers for the Malaysian furniture industry include:

- Rising global demand for Malaysian-made furniture, with Malaysia positioned among the world's top 10 furniture exporters;
- Enhanced market access through Free Trade Agreements (FTAs) and other trade facilitation measures that reduce tariffs and streamline customs processes; and
- Growth in e-commerce and omnichannel retailing, allowing furniture businesses to reach customers through online and physical platforms.

Collectively, these factors may support the sector's continued expansion and export competitiveness.

Steel Industry in Malaysia

The outlook for the global steel industry remains influenced by infrastructure development, industrial activity, international trade policies and fluctuations in raw material prices. According to the World Steel Association's Short Range Outlook published in April 2026, global steel demand was projected to grow by 0.3% in 2026, followed by growth of 2.2% in 2027.

(Source: Short Range Outlook April 2026, The World Steel Association)

The global iron and steel market is projected to reach approximately RM10.8 trillion by 2030, supported by several growth drivers, including:

(i) Increasing urbanisation and infrastructure projects;

(ii) Expansion of the electrical and electronics (E&E) and machinery and equipment sectors driven by automation and semiconductor demand; and

(iii) The industry's transition toward energy efficiency and decarbonisation, in line with global sustainability initiatives.

(Source: NIMP 2030 – Metal Industry, Ministry of Investment, Trade and Industry)

MANAGEMENT DISCUSSION AND ANALYSIS
(cont'd)

These developments are consistent with the broader industrial transformation agenda outlined in Malaysia's New Industrial Master Plan 2030 ("NIMP 2030") which emphasises higher value-added activities, technological innovation and decarbonisation initiatives.

In summary, the furniture and steel industries are expected to remain important parts of Malaysia's industrial landscape. Against this backdrop, the Group intends to leverage its existing expertise, diversification initiatives and operating base in Melaka to pursue business opportunities and strengthen resilience. The extent to which these opportunities translate into improved financial performance will depend on market conditions, customer demand, execution and the Group's available financial resources.

VI. FORWARD LOOKING STATEMENT

(a) Group Outlook and Sustainability of Principal Business Segments

The Group remains focused on its core business of manufacturing and trading office furniture while continuing to strengthen its position in the steel products segment, which has become an increasingly important contributor to the Group's overall performance. The Board believes that the continued development of this segment may provide opportunities to broaden the Group's revenue base, enhance business diversification and support long-term growth.

In line with this strategy, the Group will continue to focus on the following initiatives:

- Enhance design and development capabilities by introducing innovative products and technologies within the steel products segment;
- Broaden the product portfolio through complementary steel-related offerings that add value to the Group's existing range of office furniture; and
- Expand market reach within Malaysia and across the broader Asian region through targeted marketing initiatives, while exploring potential joint ventures and strategic alliances to leverage industry expertise, distribution networks and resources where commercially viable.



MANAGEMENT DISCUSSION AND ANALYSIS
(cont'd)

The Group continues to utilise digital platforms and e-commerce channels to market its products regionally, particularly within Asia. These channels provide opportunities to broaden customer reach, complement traditional distribution methods and respond to evolving customer purchasing preferences.



The Manufacturing and Trading Divisions will continue to leverage the Group's established customer relationships while exploring opportunities to expand into new markets. The Group will remain focused on product quality, customer service and effective cost management to maintain competitiveness and support business development.

The Group recognises that fluctuations in raw material prices, supply chain conditions and operating costs may exert pressure on profit margins. Management will therefore continue to focus on improving productivity, streamlining operations and optimising resource utilisation, while maintaining appropriate cost controls to support operational efficiency and financial resilience.

With respect to the Property Development segment, the Group will continue to evaluate potential opportunities, including joint venture arrangements, that may contribute to future earnings. As at the date of this report, the Group has no ongoing or committed property development projects.

The Group will continue to pursue the implementation of the remaining Corporate Proposals announced on 6 March 2025, comprising the Proposed Acquisition, Proposed Private Placement and Proposed Rights Issue, as detailed in the "Additional Compliance Information" section of this Annual Report. Bursa Malaysia Securities Berhad, vide its letter dated 26 May 2026, approved the Company's application for an extension of time until 11 December 2026 to complete the implementation of these proposals. Upon successful completion, the proposals are expected to support the Group's strategic objectives and may strengthen its financial position and provide opportunities for future growth, subject to the relevant terms and conditions and prevailing market circumstances.

The furniture and steel industries continue to present promising opportunities for business expansion and development. The Board will continue to assess these opportunities against the Group's financial resources, risk appetite and strategic priorities. While the Board remains optimistic about the Group's longer-term prospects, future performance will depend on the successful execution of its plans and prevailing market conditions.

MANAGEMENT DISCUSSION AND ANALYSIS
(cont'd)

(b) Dividend policy

The Group does not currently have a formal dividend policy. However, it is the Board's intention to consider future dividend distributions when the Group's financial performance, cash flow and overall financial position permit.

Any declaration and payment of dividends will take into account, among others:

- the Group's profitability and solvency position,
- capital expenditure and reinvestment requirements,
- the Group's overall financial condition, and
- other considerations deemed appropriate by the Board at the relevant time.

For FYE 2026, no dividend has been recommended (FYE2025 : Nil).

Inspiration at Work, Together as One Team for EURO!



GROUP FINANCIAL HIGHLIGHTS

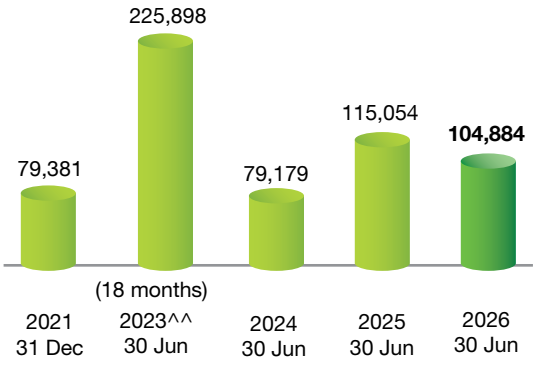
	FYE 31 Dec 2021	FPE 30 Jun 2023^^ (18 months)	FYE 30 Jun 2024	FYE 30 Jun 2025	FYE 30 Jun 2026
Operating Results (RM'000)					
Revenue	79,381	225,898	79,179	115,054	104,884
EBITDA	(18,262)	834	(4,088)	1,305	10,475
(Loss)/Profit before taxation	(21,986)	(12,379)	(16,684)	(8,111)	1,049
(Loss)/Profit after taxation	(21,821)	(12,520)	(20,779)	(7,529)	772
(Loss)/Profit attributable to equity holders	(21,736)	1,385	(20,743)	(4,170)	772
Key Data of Statement on Financial Position (RM'000)					
Total assets	109,389	121,309	156,397	151,603	166,952
Net borrowings	19,312	10,965	3,342	671	-
Shareholders' equity	44,328	75,001	105,078	100,908	126,875
Share Information & Key Financial Ratios					
Return on equity (%)	(49.23)	(16.69)	(19.77)	(7.46)	0.61
Return on total assets (%)	(19.95)	(10.32)	(13.29)	(4.97)	0.46
Gearing ratio (times)	0.44	0.15	0.03	0.01	-
Number of Ordinary Share In Issue ('000)	801,900	1,063,397	1,327,967	1,327,967	1,891,177
PE ratio (times)	(17.89)	61.42	(4.80)	(14.33)	146.98
(Loss)/Earnings per share attributable to equity holders (sen)#	(2.71)	0.13	(1.56)	(0.31)	0.04
Net asset per share (sen)	5.5	7.1	7.9	7.6	6.7
Share price as at financial year end (sen)	48.5	8.0	7.5	4.5	6.0

Notes :

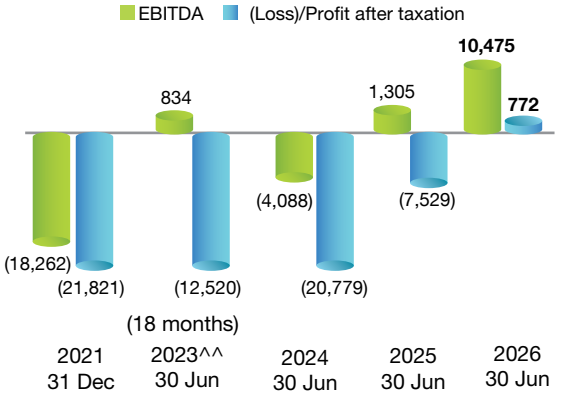
\# The (Loss)/ Earnings Per Share is arrived at by dividing the Group's (loss)/profit attributable to equity holders by the number of ordinary shares in issue during the year.

^^ Change in financial year end from 31 December to 30 June. For FPE ended 30 June 2023, it covers the period from 1 January 2022 to 30 June 2023.

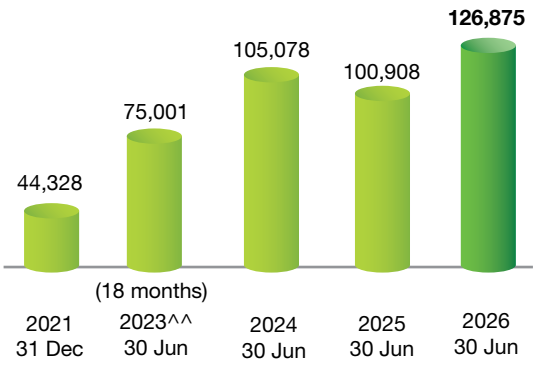
Revenue (RM'000)



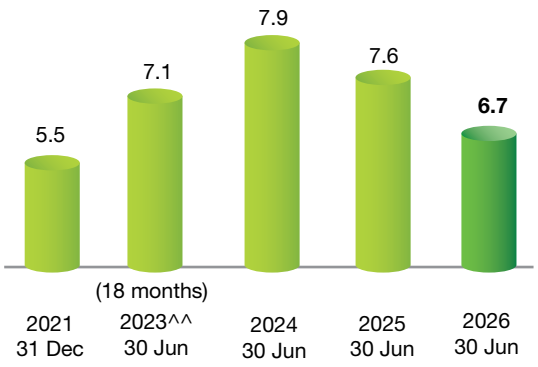
EBITDA & (Loss)/Profit after tax (RM'000)



Shareholders' Equity (RM'000)



Net asset per share (sen)



SUSTAINABILITY *Statement*

ABOUT THIS REPORT

This Sustainability Statement ("Statement") presents the Environmental, Social and Governance ("ESG") performance of Euro Holdings Berhad ("Euro" or "the Company") and its subsidiaries ("the Group") for the financial year ended 30 June 2026 ("FYE2026"), covering the period from 1 July 2025 to 30 June 2026.

The Statement has been prepared in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and with reference to Bursa Malaysia's Sustainability Reporting Guide. It also reflects the Group's transition towards the National Sustainability Reporting Framework ("NSRF") issued by the Securities Commission Malaysia.

As a Main Market issuer with a market capitalisation below RM2 billion, Euro is classified as a Group 2 entity under the NSRF. Accordingly, the transitional IFRS S1 and IFRS S2 disclosure requirements will first apply to the Group for FYE2027, covering the period from 1 July 2026 to 30 June 2027. Full adoption of IFRS S1 and IFRS S2, including Scope 3 greenhouse gas emissions disclosures, will apply from FYE2029.



SUSTAINABILITY STATEMENT
(cont'd)

PRINCIPAL ACTIVITIES OF THE GROUP

Control	Name of Company	Principal Activity
Holding company	Euro Holdings Berhad	Investment Holding Company
Subsidiary – 100%	Euro Chairs Manufacturer (M) Sdn Bhd ("ECM")	Manufacturing and marketing of furniture
Subsidiary – 100%	Euro Hartanah (M) Sdn Bhd ("EHM")	• Trading of furniture, furnishing fabric materials and other furniture components; • Buying, selling, renting and operating of self-owned or leased real estate of non-residential buildings and land
Subsidiary – 100%	Eurosteel Systems Sdn Bhd ("ES")	Trading of storages and steel furniture
Subsidiary – 100%	Euro Space Industries (M) Sdn Bhd ("ESI")	Manufacturing and trading of office furniture, partitions, chairs and panels
Subsidiary – 100%	Euro Space System Sdn Bhd ("ESS")	Trading of office furniture
Subsidiary – 100%	Euro Chairs (M) Sdn Bhd ("ECSB")	Holds the industrial designs and trademarks for "EURO" products
Subsidiary – 100%	Eurosteel Line Sdn Bhd ("ESL")	Trading of steel products

REPORTING BOUNDARY

For FYE2026, the scope of the sustainability data disclosed primarily covers the Group's principal business segment, comprising ESI and ESL, which serve as the main reporting boundary for the initial phase of structured ESG data consolidation. Where relevant and applicable, certain disclosures may also include data from the Group's other operations in Malaysia or at the Group level.

REPORTING FRAMEWORKS AND STANDARDS

This Statement has been prepared with reference to a range of international and local sustainability guidelines and standards, ensuring that our stakeholders receive meaningful and comparable disclosures.

In the preparation of this Statement, we have been guided by the regulatory framework and guidelines as set out below:

- Practice Note 9 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia Securities");
- Sustainability Reporting Guide, 3rd Edition ("SRG") issued by Bursa Malaysia Securities;
- Malaysian Code on Corporate Governance, updated on 28 April 2021 ("MCCG 2021");
- Guidance For Bursa Malaysia Main Market Listing Requirement Transition Period Before the Effective Dates; and
- National Sustainability Reporting Framework (NSRF).

FEEDBACK

Stakeholders are welcome to provide feedback on our Statement and any of the issues discussed herein. Comments, queries and suggestions regarding the content of this Statement may be emailed to corporate@eurochairs.com.

ASSURANCE STATEMENT

The information presented in the Statement has not undergone assurance by our internal audit function or any other independent sustainability assurance provider. The Board of Directors ("Board") of Euro provides ultimate oversight of corporate governance and is collectively accountable for sustainability integration across all business segments.

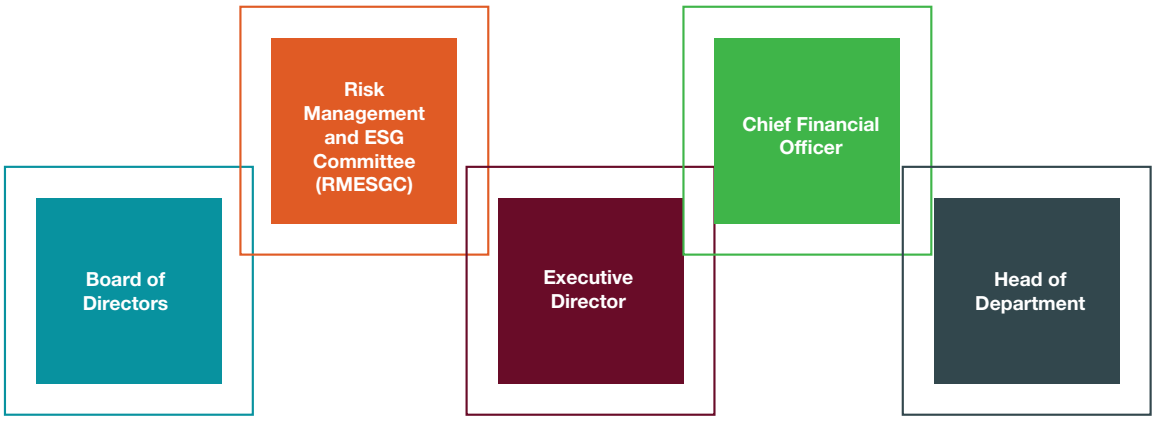
The Board has reviewed and approved the Sustainability Statement for the financial year ended 2026, ensuring that it reflects the Group's sustainability strategy, risks, opportunities, and commitments. The Board has also reviewed the information provided herein and is satisfied that the information is supported with underlying records and arrived at based on management's judgement.

SUSTAINABILITY STATEMENT
(cont'd)

SUSTAINABILITY GOVERNANCE STRUCTURE

The Group's sustainability governance is anchored on the following structure:

Sustainability Governance Structure



We recognise the importance of establishing a robust sustainability governance and leadership framework to effectively drive the sustainability agenda at Euro. Our governance structure has been designed to facilitate the integration of sustainability principles into all aspects of our business operations and decision-making processes. The Board of Directors is ultimately responsible for the Group's strategic direction on sustainability while being supported by the Risk Management & Environmental, Social and Governance Committee ("RMESGC") which consists of the following members:-

Name of Member	Designation in RMESGC	Directorship Status
Yip Kit Weng	Chairman	Independent Non-Executive Director
Datuk Haji Azmi Bin Hussain	Member	Independent Non-Executive Director
Chua Yeow Fatt	Member	Independent Non-Executive Director

Sustainability Governance Structure and Roles and Responsibilities

Parties	Roles and Responsibilities
Board of Directors	• Provide general leadership, strategic direction and oversight of the Group's overall Sustainability Framework. • Provide advice and approve sustainability strategy (review periodically) and ensure all business strategies and major business operations are embedded with sustainability considerations. • Ensures sustainability matters are considered within the Group's respective business segment and progressively embed strong sustainability culture throughout the Group.

SUSTAINABILITY STATEMENT
(cont'd)

Sustainability Governance Structure and Roles and Responsibilities (Cont'd)

Parties	Roles and Responsibilities
Risk Management & Environmental, Social and Governance Committee	• Responsible to review the sustainability strategy and performance; • Ensure smooth coordination and implementation of the Sustainability Strategy. The Sustainability Strategy shall include the sustainability pillars, ie environment, social and governance; • Oversee the processes, standards and strategies designed to manage social and environmental risk, covering: (a) Reviews adoption and effectiveness of all sustainability related policies/standards; (b) Oversee management processes to ensure compliance with policies/standards; (c) Review annual periodic reports from senior management; (d) Review the Sustainability Statement; • Provide oversight and input to Management's implementation, operation and assurance of policies and standards; • Monitor the Sustainability Key Performance Indicators of the Group and their implementation; • Drive engagement on sustainability amongst senior management of the Company, as well as mobilizing the support of the workforce through adoption of a mindset in favour of sustainability
Executive Director	• Implement the integration of sustainability management into the Group's business strategy and goals. • Implement sustainability strategies, sustainability-related policies, initiatives, sustainability risks and opportunities for sustainability practices across all business operations. • Set sustainability performance indicators and perform data gathering, compiling and reporting. • Facilitate the sustainability strategy (review periodically) and ensure all business strategies and major business operations are embedded with sustainability considerations • Determine the adequacy of the response and the current standing and performance of the material sustainability matters of the Group. • Review and ensure adequate resources are made available for the successful implementation of sustainability strategies and initiatives. • Review and report sustainability progress and performance to RMESGC and the Board.
CFO	• Prepare the reports for material sustainability matters, sustainability progress, performance indicators and targets, the performance and annual sustainability disclosures. • Track the targets of sustainability indicators and progress performance indicators.
Head of Departments	• Implement daily management of sustainability matters. • Implement stakeholder engagement efforts.

SUSTAINABILITY STATEMENT
(cont'd)

Sustainability Governance Structure and Roles and Responsibilities (Cont'd)

The Board of Directors strive to continuously equip itself with the necessary knowledge regarding the management of sustainability (including climate-related risks and opportunities) to drive informed decision making by attending training programmes.

Sustainability-related performance is not currently incorporated into the Board of Directors' annual performance evaluation, and the remuneration of the Board of Directors is not linked to sustainability-related performance.

In promoting good corporate governance, the Group also implements policies that strengthen its corporate governance framework and instil business ethics among employees.

These policies further support the Group's core values by fostering unity through a shared mindset grounded by integrity, mindfulness and accountability.

Anti-Bribery and Anti Corruption Policy

Code of Ethics and Conducts

WhistleBlowing Policy

Directors Fit and Proper Policy

STAKEHOLDER ENGAGEMENTS

Our commitment to stakeholder engagement is fundamental to generating sustainable value for the Group. We proactively work with our key stakeholders throughout our business operations, soliciting their insights to inform our strategic decisions and ensure that their needs and expectations are aligned with our business goals. Below is a summary of our interactions with key stakeholders over the year, detailing the platforms used for engagement and communication and the concerns raised.

Stakeholders	Engagement Method/Frequency	Area of concern
Government agencies, regulators and authorities	• As Needed: - Telephone/Email - Government website - Physical consultation	• Compliance with regulations and applicable requirements in Malaysia
Shareholders and Investors	• Annually: - Annual General Meeting - Annual Report • Quarterly: - Financial performance in the Quarterly Report - Announcements to Bursa • As Needed: - Company's website - Media Releases; Circulars	• Financial performance • Corporate governance • Business strategies
Customers	• Occasionally: - Face to face meeting - Email - Phone call • As needed: - Company's website through sales inquiry - Face to face meetings	• Pricing • Product quality and service • Updates on product information • Delivery lead time

SUSTAINABILITY STATEMENT
(cont'd)

Stakeholders	Engagement Method/Frequency	Area of concern
Suppliers	• As Needed: - Supplier visits - Supplier meetings - Supplier feedbacks	• Business continuity • Payment term
Employees	• Annually: - Annual performance review • As Needed: - Employee briefings - Management meetings - Open communication via internal channels such as emails and memo	• Fair remuneration, benefits and welfare • Safe and conducive working environment • Learning and development for career development
Communities	• As needed: - Community investment such as providing donations in the form of monetary and non-monetary - Partnership with organisations to support Corporate Social Responsibility ("CSR")'s activities	• Fund raising and charity events • Community well-being
Financial Institutions and lenders	• Periodically - Review on creditability - Corporate Dinner and Forums	• Financial stability • Payment records • Business strategies and plans

MATERIAL MATTERS

Our materiality assessment process enables us to identify and assess key risks and opportunities to ensure long term sustainable growth. The assessment involves evaluating the significance of each sustainability issue based on its level of impact and influence on the Group.

Materiality Assessment Process



Identification of Sustainability Matters

- Understanding of company's operating context.
- Identification of key stakeholders and understanding of their needs and expectations concerning sustainability areas and impacts.
- Draw out an initial list of sustainability matters.

Prioritisation of Material Matters

- Line up material matters according to their importance based on their impact to three aspects, economic, environmental and social; and their influence on stakeholders' decisions.

Review and Validation of Process and Outcome

- Validate and review the materiality matters and the assessment process used to identify them.
- Review the frequency of assessment of material matters.

SUSTAINABILITY STATEMENT
(cont'd)

Materiality Matrix

Prioritisation of Sustainability Matters

A total of nine (9) material sustainability matters were deliberated and approved by the RMESGC as outlined below:

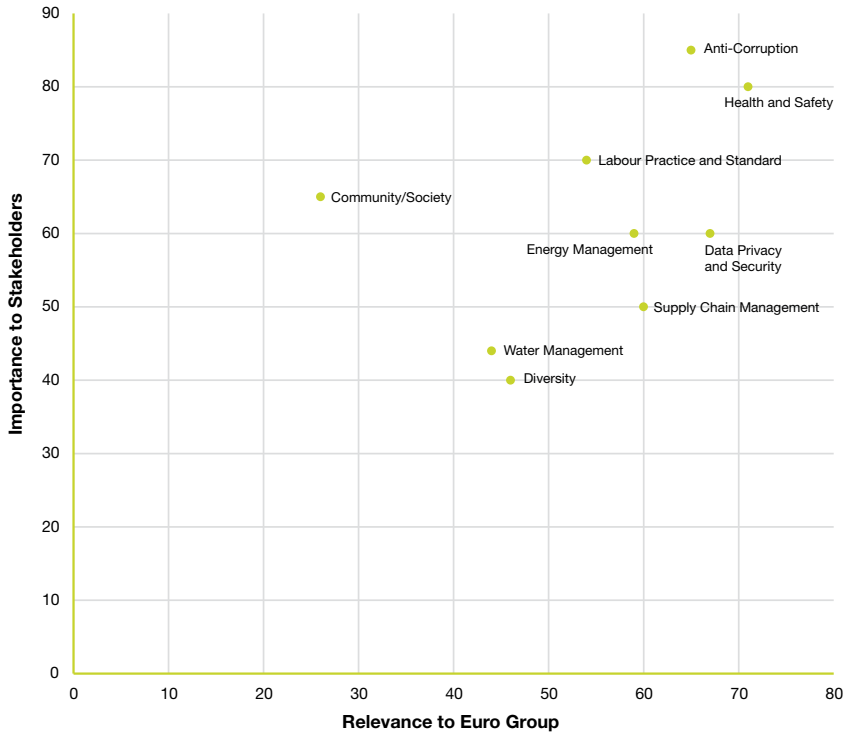


Table of Sustainability Matters

Area	Matter	Material Matter	Level of Priority
Governance	M1	Anti- Corruption	Priority 1
Economy	M2	Supply Chain Management	Priority 1
Environment	M3	Energy Management	Priority 1
Environment	M4	Water Management	Priority 2
Social	M5	Health and Safety	Priority 1
Social	M6	Labour Practices and Standards	Priority 1
Social	M7	Data Privacy and Security	Priority 1
Social	M8	Diversity	Priority 2
Social	M9	Community/Society	Priority 2

SUSTAINABILITY STATEMENT
(cont'd)

RISK MANAGEMENT

Each materiality matter presents both risks and opportunities for the Group. By effectively managing the risks while optimising the opportunities, we believe we can turn these milestones into achievements. This step helps us to attain deeper understanding of the materiality matters and develop proactive strategies that give us a competitive advantage in the industry.

Materiality matters, risks and opportunities associated with them and Management action plan to address the matters.

Material Matters	Risks	Opportunities	Management Action Plan
Anti-Corruption	• Violating the law • Financial Loss	• Trusted business partner • Good Corporate Image	Internal Audit of the Compliance on Anti-Corruption
Supply Chain Management	• Delivery lead time to customers • Quality of materials	• Efficient management of sales and purchase practice • Explore other suppliers	Standard Operating Process for Supply Chain Management
Energy Management	• Contribution to carbon emission • Energy wastage caused increase in operating costs	Savings from energy management will translate into profit	Implement energy savings in the workplace
Water Management	Potential scarcity of water resources	Cost saving through reduced water consumption	Implement water savings in the workplace by displaying signage of water savings
Health and Safety	• Injuries due to non-compliance with health and safety policies and procedures may lead to potential fatalities and serious injuries. • Cost of injuries will directly impact the company expenses	Enhanced staff welfare and properly equipped with basic safety and medical kit to employee	Provide medical kits and safety equipment provided to warehouse worker
Labour Practices and Standards	Risk of non-compliance with Malaysian labour laws and legal actions against the company may result in loss of business	Constant review and monitoring of employee benefits and compliance to labour laws.	Timely submission of employee statutory contribution to government authorities

SUSTAINABILITY STATEMENT
(cont'd)

Materiality matters, risks and opportunities associated with them and Management action plan to address the matters. (Cont'd)

Material Matters	Risks	Opportunities	Management Action Plan
Data Privacy and Security	Cyber threats including breach of customers data may lead to loss of customer trust and reputational harm	Improved data management protects customer data and maintains trust	Upgrade IT Security, Company server and network
Diversity	Reports of discriminative practices on racial discrimination can cause reputational risk	Tap on a diverse range of employee with different ethnicity and background	The group engaged employees for each respective department based on their qualification, past working experience, work knowledge
Community/Society	Complain on environment pollution due from transportation of products	Good image to employee as a reputable company	Training to employees on ethical conduct

Management of Material Issues

Euro adopts a structured approach to managing its material sustainability matters through the implementation of relevant policies, performance measures and monitoring mechanisms. Each identified material matter is supported by specific management strategies to ensure effective oversight and alignment with the Group's sustainability objectives.

GOVERNANCE

M1 - ANTI-CORRUPTION

Business Ethics & Corporate Governance

Our Group is committed to conduct our business activities in ethical, transparent and responsible manner. As such, we have put in place, Anti-Bribery and Corruption Policy, in line with the Malaysian Anti-Corruption Commission Act 2009, that communicates our Group policy against any form of bribery and corruption. We do not tolerate any bribery and corruption practices amongst our employees, as well as external parties such as customers and suppliers.

OUR APPROACH

Prevention of Misconduct and Fraud

To strengthen procedures aimed at preventing and detecting fraud, the Group has implemented a Code of Ethics and Conduct ("Code") for all employees. This Code establishes guidelines and assigns responsibilities to develop effective controls and conduct thorough investigations, fostering a unified and ethical organizational culture.

All employees are expected to perform their duties with integrity and in full compliance with relevant local laws and regulations. The Group rigorously monitors the conduct of its management team to prevent misconduct among the Board, senior leadership, and staff, including prohibiting any benefit transfers when evaluating new clients, and suppliers.

Whistleblowing & Ethical Oversight

Our Group is committed to conduct our business activities in an ethical, transparent and responsible manner. As such we have put in place a Whistle Blowing Policy which is in line with the Whistleblower Protection Act 2010 and it was published on the Company's website. Euro is committed to a high standard of integrity, openness and accountability in the conduct of the businesses and operations in an ethical, responsible and transparent manner. In line with this commitment, all Euro's employees and members of the public are provided with an avenue to raise genuine concerns and disclose any improper conduct at the earlier opportunity and in an appropriate manner.

SUSTAINABILITY STATEMENT
(cont'd)

OUR PERFORMANCE

Sustainability Indicator	Measurement Unit	FYE 2024	FYE 2025	FYE 2026
Corruption case reported and action taken	Number	Nil	Nil	Nil
Percentage of operations assessed for corruption-related risks	Percentage (%)	Nil	Nil	Nil
Percentage of employees who received training on anti-corruption by category: 1) Directors 2) Management	 Percentage (%) Percentage (%)	 Nil Nil	 Nil Nil	 38.00% 64.00%

ECONOMY

M2 - SUPPLY CHAIN MANAGEMENT

Supply chain management is vital for Euro, as it directly influences operational efficiency, cost-effectiveness, and timely product delivery. By prioritizing ethical sourcing and compliance with sustainability standards, the company not only reduces potential risks and regulatory issues but also strengthens its reputation and build trust with stakeholders.

OUR APPROACH

The group's approach to supply chain management focuses primarily on maintaining relationships with existing customers. For new customers, it is recommended to conduct thorough trade checks and credit assessments using CTOS to evaluate their financial reliability and mitigate potential risks. This ensures a more secure and stable supply chain while fostering trust and reliability with new business partners.

OUR PERFORMANCE

Local Suppliers

In FYE 2026, the company spent a total of RM98,252,576 (2025 : RM98,504,363) on procurement, with 100% of this amount directed to local suppliers.

Sustainability Indicator	Measurement	FYE 2024	FYE 2025	FYE 2026
Proportion of spending on local suppliers	Percentage (%)	100.00%	100.00%	100.00%

ENVIRONMENT

M3 - ENERGY MANAGEMENT

The Group acknowledges that our energy consumption and greenhouse gas (GHG) emissions contribute to climate change. As a responsible corporate citizen, we recognize our duty to reduce our carbon footprint while embracing the opportunities that come with the transition to a low-carbon economy.

Effective energy management is essential in today's business environment, not only for cost efficiency but also for environmental sustainability. By optimizing energy use, we can reduce our carbon footprint, align with global sustainability goals, and strengthen our reputation with stakeholders. Furthermore, as energy costs increase and emission regulations tighten, strong energy management practices provide a crucial competitive advantage.

OUR APPROACH

The Group is taking steps to improve its energy management practices, including monitoring monthly energy bills and upgrading to energy-saving light bulbs. Moving forward, the Group plans to explore further improvements, such as installing insulation, applying reflective roof coatings, and upgrading heating, ventilation, and air conditioning (HVAC) systems to optimize energy performance.

OUR APPROACH (CONT'D)

In addition, the Group is considering more comprehensive activities, such as preparing financial projections for the implementation of renewable energy solutions and exploring other measures to promote cleaner energy consumption and reduce energy costs in coming years.

M4 - WATER MANAGEMENT

Water resources are vital for preserving natural ecosystems and maintaining biodiversity. Proper management of these resources and improvements in water quality control are essential for ensuring the sustainable development of regional economies and supporting societal stability. Changes in water levels or pollution can negatively impact aquatic life, disrupting these ecosystems and threatening biodiversity.

OUR APPROACH

The Group is uncompromising in ensuring the hazardous contents do not affect the public water system and has plan to build an industrial effluent treatment system ("IETS") at its new factory in Melaka, if need be, to facilitate its metal sheet surface treatment process. The IETS is designed to treat such wastewater and ensure the water discharged after treatment is maintained at a safe level, which also complies with the discharge standards set by the Department of Environment ("DOE").

OUR PERFORMANCE

Environmental Performance Highlights

Sustainability Indicator	Measurement	FYE 2024	FYE 2025	FYE 2026
Electricity Consumption	Kilowatt-hour (kWh)	305,183	167,486	101,738
Water Consumption	Cubic meter (m3)	21,006	10,954	3, 366

SOCIAL

M5 - HEALTH & SAFETY

In the Group's manufacturing segment, employees may be required to perform tasks which may pose certain occupational health and safety risks. For example, exposure to fumes generated during welding process may cause nausea, dizziness, eyes, nose and throat irritation. Prolonged exposure may also increase the risk of cancer. Similarly, employees operating machinery, equipment or handling sharp tools face a higher risk of physical injuries, such as cuts or crush injuries.

OUR APPROACH

The Group considers employees' safety and health a key business priority and has implemented stringent processes and controls to manage these risks. The Group aims not to have any serious injury or fatality, as an objective of the management of its occupational safety and health risk.

Guided by international standards of the ISO 45001:2018 – Occupational Health and Safety Management Systems, the Group conducts and periodically reviews its Hazard Identification and Risk Assessment (HIRA) to identify high risk areas pertaining to health and safety in its operations.

Accordingly, controls are put in place, or enhanced where required, and embedded in the Standard Operating Procedures ("SOP") to guide employees in carrying out their duties safely. Employees exposed to health and safety hazards, including welders and those operating machinery, equipment and handling sharp tools, are provided with personal protection equipment ("PPE") at Group's expense. Such equipment includes respirators, face shields, safety shoes, and safety gloves. In addition, PPE trainings are also provided to employees to ensure effective protection.

The Group ensures safety stoppers and emergency stop buttons are properly maintained and functioning effectively in case of any emergency. Employees are also trained to use fire extinguishers to enable them to respond appropriately to fire emergencies.

SUSTAINABILITY STATEMENT
(cont'd)

OUR PERFORMANCE

Work Related Injuries

Sustainability Indicator	Measurement	FYE 2024	FYE 2025	FYE 2026
Total Hours Worked	No. of Hours	2,137	2,114	2,232
Number of Fatalities	No. of Fatalities	Nil	Nil	Nil
Number of Lost Time Injuries	No. of Reported Injuries	Nil	Nil	Nil
Lost Time Incident Rate ("LTIR")	Rate	Nil	Nil	Nil
Number of employees trained on health and safety standards	Number	Nil	Nil	1

We are delighted to confirm that there were no cases of non-compliance to Occupational Health and Safety regulations for FYE 2026. We are determined to maintain this record for years to come.

M6 - LABOUR PRACTICES & STANDARDS

Euro recognizes that labour practices are fundamental to the success of any business, as they directly impact employee well-being, productivity, and the overall health of the organization. Ensuring fair, ethical, and compliant labour practices, in line with both local and international standards, is essential to fostering a positive workplace culture and maintaining a strong reputation.

The Group acknowledges its responsibility to protect employees' rights and welfare, ensuring they are treated fairly. The Group is dedicated to creating a work environment that is respectful, engaging, and collaborative. As a responsible employer, the Group is committed to upholding the welfare of foreign workers and supporting employees' rights to freedom of association and collective bargaining. To further support our employees, we organize engagement activities that promote a healthy work-life balance, enhance team communication and collaboration, and boost morale and productivity.

OUR APPROACH

Our Group understands that our employees are our key assets who are vital to our business operations and the success of our Group and as such we are committed to maintain a safe and conducive workplace for our employees. This involves putting in place initiatives to ensure our employees physical and mental wellbeing.

Our strategies for addressing social sustainability issues are as follows: -

(a) Training and development

We are cognisant of the need to continuously train and develop our employees to nurture them. We provide on-the-job training to our employees to keep them up to date with the skills and knowledge required to enhance their competencies.

We also allocate training budget and plan training courses for our employees' development based on their training needs. Further, our Group has also established a training requisition form should our employees request for participation in additional training programme to improve on their skill sets.

(b) Employee wellbeing

The Group believes that it is important to foster a positive workplace that leads to healthy and motivated employees as it helps them thrive and further contribute to our Group.

The accommodation provided to our local and foreign workers in Malaysia are in compliance with minimum requirements as set out under the relevant regulations.

We also organise activities such as celebration lunches and dinners during festive occasions to reward our employees.

SUSTAINABILITY STATEMENT
(cont'd)

OUR PERFORMANCE

We will intensify our efforts to manage human rights in order to achieve the target of zero substantiated complaints regarding human rights violations.

Sustainability Indicator	Measurement	FYE 2024	FYE 2025	FYE 2026
Overall Employee Turnover Rate	Percentage (%)	23.81	1.47	0.54
Number of employee turnover by employee category: - Director - Management	Number	 1 4	 - 4	 - -
Proportion of contract/temporary staff	Percentage (%)	Nil	Nil	Nil
Number of substantiated complaints concerning human rights violations	Number	Nil	Nil	Nil
Training hours by employee category: - Director - Management - Executive - Assistant and Operation	Hours	 60 - - -	 104 - 56 8	 226 41 107.5 12
Average training hours per employee	Hours	2.86	9.33	24.28
Amount spent for training and development	RM	14,915.00	31,010.00	49,550.00

M7 - DATA PRIVACY & SECURITY

In today's digital era, prioritizing data privacy and cybersecurity is essential for businesses, as the impact of cyberattacks and data breaches can be both financially damaging and harmful to a company's reputation. Complying with robust data protection regulations is not only a legal necessity but also provides a competitive edge. As customers become more aware of privacy concerns, Euro's dedication to protecting sensitive information strengthens stakeholder confidence, ensures operational continuity, and supports long-term growth in the digital environment.

OUR APPROACH

The group's approach to managing data privacy and cybersecurity involves implementing well-defined policies and leveraging outsourced IT management services to handle critical infrastructure like server management. By outsourcing IT services, Euro ensures that experienced professionals manage their servers, providing expert monitoring, maintenance, and security. This strategic move not only optimizes operational efficiency but also reinforces data protection efforts by relying on specialized service providers who stay updated on the latest cybersecurity threats and best practices. Such an approach helps the group maintain compliance with data protection regulations while mitigating risks related to cyberattacks and breaches.

OUR PERFORMANCE

As of FYE 2026, there were zero substantiated complaints concerning breaches in customer privacy or data loss.

Sustainability Indicator	Measurement	FYE 2024	FYE 2025	FYE 2026
Number of substantiated complaints concerning breaches in customer privacy or data loss	Number	Nil	Nil	Nil

M8 - DIVERSITY

Diversity, equal opportunity, and non-discrimination are core principles that fuel innovation, cultivate a positive workplace culture, and demonstrate a company's dedication to social responsibility. By embracing these values, the company benefits from a wider range of perspectives, which promotes creativity and boosts employee morale. Additionally, it establishes the company as an inclusive, progressive organization, making it more attractive to a diverse pool of talent and a broader customer base.

SUSTAINABILITY STATEMENT
(cont'd)

OUR APPROACH

Our approach to diversity, equal opportunity, and non-discrimination is both strategic and values-driven. We actively seek to create a workforce that reflects the diverse communities in which we operate. Recruitment processes are designed to be unbiased, focusing on skills and potential rather than background or identity. Training programs emphasize the importance of an inclusive workplace, educating employees about unconscious biases and promoting a culture of respect. We also set clear policies against any form of discrimination, ensuring a safe environment for all employees. Regular reviews and feedback mechanisms are in place to assess our progress and address any concerns. By championing these principles, we aim to be industry leaders in inclusivity, ensuring that every individual feels valued, heard, and empowered to contribute to our collective success.

We pledge to embrace diversity and provide equal opportunity to everyone irrespective of their gender, age, and ethnicity to uphold our standard as a non-discriminative employer. Diversity enhances expansion of ideas and sustenance of continued talents, skills, and experience.

OUR PERFORMANCE

Board of Directors Composition by Gender

Gender	Number of Directors	Percentage
Male	5	62.50%
Female	3	37.50%
Total	**8**	**100.00%**

Board of Directors Composition By Age

Age	Number of Directors	Percentage
40-49	2	25.00%
50-59	3	37.50%
60-69	3	37.50%
Total	**8**	**100.00%**

Employee Composition by Gender

Gender	Management	Executive	Assistant and Operation	Total
Male	2 (11.76%)	2 (11.76%)	4 (23.53%)	**8 (47.06%)**
Female	3 (17.65%)	5 (29.41%)	1 (5.88%)	**9 (52.94%)**
Total	**5 (29.41%)**	**7 (41.18%)**	**5 (29.41%)**	**17 (100.00%)**

Employee Composition by Age

Age	Management	Executive	Assistant and Operation	Total
30 and below	0 (0.00%)	0 (0.00%)	1 (5.88%)	**1 (5.88%)**
31 to 49	2 (11.76%)	6 (35.29%)	3 (17.65%)	**11 (64.71%)**
50 and above	3 (17.65%)	1 (5.88%)	1 (5.88%)	**5 (29.41%)**
Total	**5 (29.41%)**	**7 (41.18%)**	**5 (29.41%)**	**17 (100.00%)**

M9 - COMMUNITY/SOCIETY

Community investment is essential for a company as it fosters goodwill, strengthens stakeholder relationships, and contributes to the sustainable development of the regions in which the company operates. Engaging in community investment not only reflects corporate social responsibility but also can lead to long-term business benefits by creating a positive brand image, fostering loyalty, and facilitating smoother operations through community support.

OUR APPROACH

In the realm of community investment, our approach is holistic and collaborative. We actively engage with local communities to understand their needs and challenges, with initiatives ranging from school sponsorships to community development programmes.

OUR PERFORMANCE

Community Investment Performance Data

Sustainability Indicator	Measurement	FYE 2024	FYE 2025	FYE 2026
Total community investments	RM	Nil	20,000.00	Nil
Total number of beneficiaries of the investments in community	Number of beneficiaries body	Nil	2	Nil

LOOKING AHEAD

Looking ahead, our mission remains focused on integrating Environmental, Social, and Governance (ESG) principles into every aspect of our furniture manufacturing and steel trading operations. We are committed to sourcing sustainable materials, minimising our carbon footprint, and upholding ethical labour practices across our supply chain. By leveraging innovative technologies and adopting eco-friendly production methods, we aim to create products that are not only durable and aesthetically appealing but also environmentally responsible.

As we embark on this journey, we are driven by a sense of purpose to deliver value to our customers while contributing to the well-being of the communities we serve. With the continued support of our stakeholders, employees, and partners, we are confident that our efforts will result in a more sustainable and responsible future for the furniture industry, ensuring long-term success for both our business and the environment.



The performance data table from Bursa Malaysia's ESG Reporting Platform is presented below:

EURO HOLDINGS BERHAD
BMLR Transition Period

Date & Time: 2026-10-30_11:19:01
Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Bursa (Anti-Corruption)	Bursa C1 (a) Percentage of employees who have received training on anti-corruption by employee category: Directors	Percentage (%)	0.00	38.00	0	No assurance
Bursa (Anti-Corruption)	Bursa C1 (a) Percentage of employees who have received training on anti-corruption by employee category: Management/Executive	Percentage (%)	0.00	64.00	0	No assurance
Bursa (Anti-Corruption)	Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage (%)	0.00	0.00	0	No assurance
Bursa (Anti-Corruption)	Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0	No assurance
Bursa (Community/Society)	Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	20,000.00	0	0	No assurance
Bursa (Community/Society)	Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	2	0	0	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category: Management 30 and below	Percentage (%)	0.00	0.00	0	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category: Management 31-49	Percentage (%)	20.00	11.76	0	No assurance

The performance data table from Bursa Malaysia's ESG Reporting Platform is presented below: (Cont'd)

EURO HOLDINGS BERHAD
BMLR Transition Period

Date & Time: 2026-10-30_11:19:01
Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category: Management 50 and above	Percentage (%)	20.00	17.65	0	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category: Executive 30 and below	Percentage (%)	0.00	0.00	0	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category: Executive 31-49	Percentage (%)	20.00	35.29	0	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category: Executive 50 and above	Percentage (%)	6.67	5.88	0	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category: Assistant and Operation 30 and below	Percentage (%)	6.67	5.88	0	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category: Assistant and Operation 31-49	Percentage (%)	20.00	17.65	0	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category: Assistant and Operation 50 and above	Percentage (%)	6.67	5.88	0	No assurance

The performance data table from Bursa Malaysia's ESG Reporting Platform is presented below: (Cont'd)

EURO HOLDINGS BERHAD
BMLR Transition Period

Date & Time: 2026-10-30_11:19:01
Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category: Management Male	Percentage (%)	13.33	11.76	0	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category: Management Female	Percentage (%)	26.67	17.65	0	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category: Executive Male	Percentage (%)	6.67	11.76	0	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category: Executive Female	Percentage (%)	20.00	29.41	0	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category: Assistant and Operation Male	Percentage (%)	26.67	23.53	0	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category: Assistant and Operation Female	Percentage (%)	6.67	5.88	0	No assurance
Bursa (Diversity)	Bursa C3(b) Percentage of directors by gender and age group: Male	Percentage (%)	62.50	62.50	0	No assurance
Bursa (Diversity)	Bursa C3(b) Percentage of directors by gender and age group: Female	Percentage (%)	37.50	37.50	0	No assurance

The performance data table from Bursa Malaysia's ESG Reporting Platform is presented below: (Cont'd)

EURO HOLDINGS BERHAD
BMLR Transition Period

Date & Time: 2026-10-30_11:19:01
Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Bursa (Diversity)	Bursa C3(b) Percentage of directors by gender and age group: Age between 40-49	Percentage (%)	25.00	25.00	0	No assurance
Bursa (Diversity)	Bursa C3(b) Percentage of directors by gender and age group: Age between 50-59	Percentage (%)	37.50	37.50	0	No assurance
Bursa (Diversity)	Bursa C3(b) Percentage of directors by gender and age group: Age between 60-69	Percentage (%)	37.50	37.50	0	No assurance
Bursa (Energy management)	Bursa C4(a) Total energy consumption	Kilowatt-hour (kWh)	167,486	101,738	0	No assurance
Bursa (Health and safety)	Bursa C5(a) Number of work-related fatalities	Number	0	0	0	No assurance
Bursa (Health and safety)	Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0	0	0	No assurance
Bursa (Health and safety)	Bursa C5(c) Number of employees trained on health and safety standards	Number	0	1	0	No assurance
Bursa (Labour practices and standards)	Bursa C6(a) Total hours of training by employee category: Directors	Hours	104	226	0	No assurance
Bursa (Labour practices and standards)	Bursa C6(a) Total hours of training by employee category: Management	Hours	0	41	0	No assurance
Bursa (Labour practices and standards)	Bursa C6(a) Total hours of training by employee category: Executive	Hours	56	107.50	0	No assurance
Bursa (Labour practices and standards)	Bursa C6(a) Total hours of training by employee category: Assistant and Operation	Hours	8	12	0	No assurance

The performance data table from Bursa Malaysia's ESG Reporting Platform is presented below: (Cont'd)

EURO HOLDINGS BERHAD
BMLR Transition Period

Date & Time: 2026-10-30_11:19:01
Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Bursa (Labour practices and standards)	Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage (%)	0.00	0.00	0	No assurance
Bursa (Labour practices and standards)	Bursa C6(c) Total number of employee turnover by employee category: Management	Number	4	0	0	No assurance
Bursa (Labour practices and standards)	Bursa C6(c) Total number of employee turnover by employee category: Director	Number	0	0	0	No assurance
Bursa (Labour practices and standards)	Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0	No assurance
Bursa (Supply chain management)	Bursa C7(a) Proportion of spending on local suppliers	Percentage (%)	100.00	100.00	0	No assurance
Bursa (Data privacy and security)	Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0	No assurance
Bursa (Water)	Bursa C9(a) Total volume of water used	Cubic meter (m^3)	10,954	3,366	0	No assurance
Bursa (Waste management)	Bursa C10(a) Total waste generated	Metric tonnes	0	0	0	No assurance
Bursa (Waste management)	Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	0	0	0	No assurance
Bursa (Waste management)	Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	0	0	0	No assurance
Bursa (Emissions management)	Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes of carbon dioxide equivalents (tCO2e)	0	0	0	No assurance

The performance data table from Bursa Malaysia's ESG Reporting Platform is presented below: (Cont'd)

EURO HOLDINGS BERHAD
BMLR Transition Period

Date & Time: 2026-10-30_11:19:01
Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Bursa (Emissions management)	Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes of carbon dioxide equivalents (tCO2e)	97.97931	59.51673	0	No assurance
Bursa (Emissions management)	Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes of carbon dioxide equivalents (tCO2e)	0	0	0	No assurance

The performance data table from Bursa Malaysia's ESG Reporting Platform is presented below: (Cont'd)

EURO HOLDINGS BERHAD
IFRS S2

Date & Time: 2026-10-30_11:19:01
Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
GHG emissions	Scope 2 Location-based	Metric tonnes of carbon dioxide equivalents (tCO2e)	97.97931	59.51673	0	No assurance

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("**the Board**") of Euro Holdings Berhad ("**EURO**" or "**the Company**") is committed towards ensuring good corporate governance practices are implemented and maintained throughout the Company and its subsidiaries ("**the Group**") as a fundamental part of discharging its duties to enhance shareholders' values consistent with the broad principles, intended outcomes, guidance and recommendations for good corporate governance and best practices for listed companies as set out in the Malaysian Code on Corporate Governance ("**MCCG**") and the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**").

Pursuant to Paragraph 15.25(1) and Practice Note 9 of the MMLR of Bursa Securities, the Board is pleased to present this Corporate Governance Overview Statement, which provides a summary of the Company's corporate governance practices during the financial year ended 30 June 2026 ("**FYE 2026**") with reference to the following three (3) key corporate governance principles as advocated in the MCCG:

Principle A : Board Leadership and Effectiveness;
Principle B : Effective Audit and Risk Management; and
Principle C : Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

Shareholders are encouraged to review this CG Statement together with the Corporate Governance Report ("CG Report"), which provides detailed disclosures on the application of each practice. Both the CG Statement and CG Report is available on our Group's website at www.euroholdings.com.my as well as via an announcement on the website of Bursa Securities.

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS

Board Responsibilities

The Board is collectively responsible for overseeing and ensuring that the conduct of the businesses of the Group complies with relevant laws, policies, standards and guidelines applicable to the Group. The key responsibilities include the primary responsibilities prescribed under the MCCG. These cover a review of the strategic direction for the Group, overseeing the business operations of the Group and evaluating whether these are being properly managed.

Duties and Responsibilities of the Board

The Board retains full and effective control over the affairs of the Group and the Company. This includes responsibility for determining the Group's and the Company's development and overall strategies direction, which are as follows:

- reviewing and providing guidance on the Company's and Group's corporate strategy and adopting a strategic plan for the Company through the development of risk policy, annual budgets and long-term business plans, reviewing major capital expenditures, acquisitions and disposals;
- monitoring corporate performance and the conduct of the Group's business and ensuring compliance to best practices and principles of corporate governance;
- identifying and implementing appropriate systems to manage principal risks. The Board undertakes this responsibility through the Audit Committee and the Risk Management & Environment, Social and Governance Committee;
- ensuring and reviewing the adequacy and soundness of the Group's financial system, internal control systems, and management information system are in compliance with the applicable standards, laws and regulations;
- ensuring a transparent Board nomination and remuneration process, including management, ensuring the skills and experiences of the Directors are adequate for discharging their responsibilities whilst the calibre of the Non-Executive Directors bring an independent judgment in the decision-making process;
- ensuring a proper succession plan is in place;
- ensuring the compliances of the sustainability related obligation of the Group and its disclosures as required by the relevant authorities;
- monitoring material litigations (if any);
- approving all financial reports to be published and related stock exchange announcements;
- monitoring other material reporting and external communications by the Group;
- approving the dividend policy and payment of dividends;
- appointing external auditors; and
- evaluating and reviewing the social, ethical and environmental impact of the Group's activities and determining, monitoring and reviewing standards and policies to guide the Group in this regard.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(cont'd)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Board Charter

The Company has a Board Charter that sets out a list of specific roles and functions reserved for the Board and other matters important for good corporate governance. The Charter also states that the Board shall observe the Directors' Code of Best Practice.

The Board Charter is reviewed as and when necessary. It is accessible through the Company's website at www.euroholdings.com.my.

Code of Conduct and Ethics

The Board, in discharging its oversight role, conducts its business in observation with the Company's Code of Conduct and Ethics for Directors. A summary of the Code of Conduct and Ethics is available on the Company's website at www.euroholdings.com.my.

The Code of Conduct and Ethics is formulated to enhance the standard of corporate governance and corporate behaviour to achieve the following objectives:

- To establish a standard of conduct and ethical behaviour for Directors based on trustworthiness and value that can be accepted and upheld by the Directors;
- To uphold the spirit of responsibility and social responsibility in line with the legislation, regulations and guidelines for administering a company; and
- To manage conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is updated periodically to reflect changes to the Board's practices and amendments to the relevant rules, requirements, and regulations.

The Board last reviewed the Code of Conduct and Ethics on 24 October 2024.

Strategies promoting sustainability

The Board practices good corporate governance in applying sustainability practices throughout the Company, the benefits of which are believed to translate into better corporate performance and value creation for its shareholders.

On 27 May 2024, the Board established the Risk Management & Environmental, Social and Governance Committee ("RMESG") and the composition of RMESG is as follows:

Chairman – Yip Kit Weng, Independent Non-Executive Director
Member - Datuk Haji Azmi Bin Hussain, Independent Non-Executive Director
Member - Chua Yeow Fatt, Independent Non-Executive Director

The Company continued to carry out activities that demonstrated its commitment to creating a better environmental, social, and sustainability agenda during FYE 2026, as reported in the Sustainability Statement on pages 25 to 46 of this Annual Report 2026.

Whistle-blowing Policy

The Board allows employees and associates to report suspected and/or known misconduct, wrongdoings, corruption, fraud, waste and/or abuse involving resources of the Company. The Whistle-blowing Policy reviewed by the Board on 24 October 2024 provides and facilitates a mechanism for any employee and associate to report concerns about any suspected and/or known misconduct, wrongdoings, corruption, fraud, waste and/or abuse.

The Whistle-blowing Policy is accessible through the Company's website at www.euroholdings.com.my.

There is no whistleblowing report has been received during FYE 2026.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(cont'd)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Board Responsibilities (Cont'd)

Anti-bribery and Corruption Policy

The Board established and approved the Anti-bribery and Corruption Policy ("the ABC Policy") to uphold the Group's effort and commitment to ensure adequate and standardised application of the Policy consistently throughout the Group by the employees and business operations within the Group and strict adherence to it.

The ABC Policy is accessible through the Company's website at www.euroholdings.com.my.

Directors' Fit & Proper Policy

The Board established the Directors' Fit & Proper Policy to ensure that any person to be appointed or elected/re-elected as a Director of the Group shall possess the necessary quality and character as well as integrity, competency and commitment to enable the discharging of their responsibilities in the most effective manner. The said Directors' Fit & Proper Policy is also outreach and applied to the appointment the Company's Chief Executive Officer, Chief Financial Officer and Chief Operating Officer.

The said Fit & Proper Policy is accessible via the Company's website at www.euroholdings.com.my.

Composition and Balance

The Board currently has seven (7) members, one (1) Independent Non-Executive Chairman, one (1) Group Managing Director, one (1) Group Deputy Managing Director, one (1) Non-Independent Non-Executive Director and three (3) Independent Non-Executive Directors.

The current board composition complies with Paragraph 15.02 of the MMLR of Bursa Securities and Practice 5.2 of the MCCG, which recommends that at least 50% of the board consists of independent non-executive directors to ensure balanced decision-making and effective oversight.

Additionally, the Board has met the requirement of Practice 5.9 of the MCCG, which stipulates that at least 30% of the directors should be women. Presently, the Board has three (3) women directors, representing 42.86% of the total board composition.

The Board believes its current composition and size are sufficient to effectively discharge its duties and responsibilities. The Board members bring diverse professional and entrepreneurial backgrounds and a range of skills and experiences. The Independent Non-Executive Directors contribute essential checks and balances, ensuring an objective and independent evaluation of the Board's decision-making process.

The Board recognises the importance of maintaining a clear division of roles and responsibilities at the top of the Group to ensure a proper balance of power and authority. The Independent Non-Executive Chairman is primarily responsible for the orderly conduct and effective functioning of the Board. Meanwhile, the Executive Directors are focused on setting the business direction, overseeing the development of the operating units, and ensuring organisational effectiveness. They are also tasked with implementing the Board's policies and decisions, while the management team manages the Group's day-to-day operations.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(cont'd)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Time Commitments

The Board is primarily responsible for the strategic directions of the Group and is scheduled and committed to meet at least four (4) times a year. However, additional meetings may be convened as and when deemed necessary as determined by the members of the Board.

During the financial year under review, a total of seven (7) board meetings were held and the details of each Directors' attendance are set out as follows:

Name of Directors	Attendance	Percentage
LT Gen (R) Dato' Sri Sabri bin Adam	7/7	100%
Datin Sri Ong Lely	7/7	100%
Datuk Lim Sze Way	7/7	100%
Mr Yong Teck Wee *	7/7	100%
Madam Tan Poh Ling	7/7	100%
Mr Chua Yeow Fatt	7/7	100%
Datuk Haji Azmi bin Hussain	6/7	85.71%
Mr Yip Kit Weng	7/7	100%

* *Resigned w.e.f 22 September 2026*

The Board is satisfied with the level of commitment given by the Directors toward fulfilling their roles and responsibilities. This is demonstrated by among others, the satisfactory attendance and time spent by the Directors at the Board and Board Committees meetings during the financial year. Currently, all Directors of the Company held less than five (5) directorships in other public listed companies.

Supply of Information

All Directors are provided with adequate and timely information ahead of each Board meeting, along with an agenda and a comprehensive set of Board papers. These papers include but not limited to details on financial, operational, and corporate matters. The Board papers are circulated in advance, allowing the Directors to seek further clarification, if necessary, to ensure they are adequately briefed before the meeting.

All Directors, whether acting as an entire Board or in their individual capacity, have access to the advice and support of the Company Secretaries and management staff. When deemed necessary, the Board may also engage the services of Independent Professional Advisors on specialised matters to assist them in carrying out their duties effectively.

Appointment of Directors

The Nomination and Remuneration Committee ("NRC") is responsible for recommending suitable candidates to the Board for appointment as new Directors. In making these recommendations, the NRC considers factors such as the mix of skills, experience, expertise, and the candidate's potential contribution to the Company. These factors are carefully evaluated before any recommendation for appointment is submitted to the Board for consideration and approval.

Save for the resignation of Mr Yong Teck Wee on 22 September 2026, there were no changes in the composition of the Board during the FYE 2026.

Re-election of Directors

In accordance with the Constitution and in compliance with the MMLR, all Directors are required to retire from office at least once every three (3) years and are eligible for re-election. The Constitution also requires that at least one-third (1/3) of the Board of Directors retire at each Annual General Meeting and may offer themselves for re-election.

Based on the result of the assessment, the NRC has recommended to the Board the re-election of the following Directors who are retiring at the Company's forthcoming 22nd AGM pursuant to the Constitution of the Company:

a) Datuk Haji Azmi Bin Hussein pursuant to Clause 105(1) of the Company's Constitution;
b) Yip Kit Weng pursuant to Clause 105(1) of the Company's Constitution; and
c) Datin Sri Ong Lely pursuant to Clause 105(1) of the Company's Constitution.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(cont'd)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Re-election of Directors (Cont'd)

The NRC collectively agree that they met the criteria of character, experience, integrity, competence and time to effectively discharge their respective roles as Directors. The NRC had also conducted the fit and proper assessment on the abovementioned Directors and was satisfied with the outcome of the assessments.

The resolution for the re-election of each Director is voted separately at the forthcoming 22nd AGM.

Continuing Education Programme

All Directors have attended the Directors' Mandatory Accreditation Programme ("MAP") and MAP Part II are aware of the requirements of the Continuing Education Programme prescribed by the MMLR of Bursa Securities.

All the Directors have attended the MAP and MAP Part II as prescribed by Bursa Securities for directors of public listed companies in relation to sustainability and the roles of a Director in accordance with the MMLR. The Directors will continue to undergo other relevant training sessions to further enhance their knowledge in the latest statutory and regulatory developments as well as to keep abreast with development in the business environment to enable them to discharge their responsibilities efficiently.

The Directors have attended the following trainings during the FYE 2026:

Name of Director	Date of training	Trainings
Yip Kit Weng	29 July 2025	Sustainability Workshop for MIA Council Members and MIA Management Committee
	14 October 2025	Highlights from Budget 2026
	16 October 2025	CPA Australia Virtual Congress
	5 November 2025	CPA Australia Regional Congress - KL
	12 January 2026	Training Workshop on Roadmap to Green Manufacturing Transformation
	13 January 2026	MIA Member Technical Updates and Networking (JB)
	5 February 2026	MIA Sustanaibility, Digital and Reporting Updates - Town Hall Session 2
	19 March 2026	Personal Tax Essentials for Employees and Business Owners 2026
	6 April 2026	MIA CFO Conference
	15 April 2026	CPA Australia WA Division Connection Walks 2026 - April
	20 April 2026	Doing business in HK - A stepping stone for global expansion
	28 April 2026	AI and the Future of Accounting Profession : Session 1
	5 Mei 2026	Voices of Influence: Leading the Profession Through Change
	20 May 2026	Updates On Regulatory Requirements For Public Listed Companies In Malaysia 2026
	2 Jun 2026	Doing Difficult Things: Lessons in Ambition, Resilience and Growth from thw World's Wildest Places
	9 Jun 2026	MIA International Accountants Conference 2026
	24 Jun 2026	Voices of Influence : Securing the Digital Future - Leadership Strategies for Cyber Resilience
	3 October 2026	Connect & Celebrate : Fireside Chat with the Australian High Commissioner (KL)
	18 to 19 December 2025	Roadmap To Green Manufacturing Transformation One-Day Strategic Workshop

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(cont'd)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Continuing Education Programme (Cont'd)

Name of Director	Date of training	Trainings
Chua Yeow Fatt	20 May 2026	Updates On Regulatory Requirements For Public Listed Companies In Malaysia 2026
	18 to 19 December 2025	Roadmap To Green Manufacturing Transformation One-Day Strategic Workshop
Lt. Gen (R) Dato' Sri Sabri Bin Adam	20 May 2026	Updates On Regulatory Requirements For Public Listed Companies In Malaysia 2026
	18 to 19 December 2025	Roadmap To Green Manufacturing Transformation One-Day Strategic Workshop
Datuk Haji Azmi Bin Hussain	20 May 2026	Updates On Regulatory Requirements For Public Listed Companies In Malaysia 2026
	18 to 19 December 2025	Roadmap To Green Manufacturing Transformation One-Day Strategic Workshop
Tan Poh Ling	20 May 2026	Updates On Regulatory Requirements For Public Listed Companies In Malaysia 2026
	18 to 19 December 2025	Roadmap To Green Manufacturing Transformation One-Day Strategic Workshop
Datin Sri Ong Lely	5 August 2025	Online - Latest Update In Sales And Service Tax (SST) & Its Implications
	18 November 2025	Webinar Enhanced Sustainability Disclosures
	18 to 19 December 2025	Roadmap To Green Manufacturing Transformation One-Day Strategic Workshop
	12 May 2026	AMLA Protect Your Organisation By Raising STR
	20 May 2026	Updates On Regulatory Requirements For Public Listed Companies In Malaysia 2026
Datuk Kenix Lim Sze Way	5 August 2025	Online - Latest Update In Sales And Service Tax (SST) & Its Implications
	18 November 2025	Webinar Enhanced Sustainability Disclosures
	18 to 19 December 2025	Roadmap To Green Manufacturing Transformation One-Day Strategic Workshop
	12 May 2026	AMLA Protect Your Organisation By Raising STR
	20 May 2026	Updates On Regulatory Requirements For Public Listed Companies In Malaysia 2026

Tenure of Independent Directors

Practice 5.3 of the MCCG states that the tenure of an Independent Director should not exceed a cumulative term limit of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board as a Non-Independent Director. If the Board intends to retain an Independent Director beyond nine (9) years in the same capacity, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

Pursuant to the definitions in the MMLR of Bursa Securities, an Independent Director shall not have served as an Independent Director in the Company or any of the companies in the Group for a cumulative period of twelve (12) years from the date of his/her first appointment as an independent director.

During the FYE 2026, none of the Independent Directors served the Board exceeding the tenure of nine (9) years.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(cont'd)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Nomination and Remuneration Committee

The Nomination Committee ("NC") and Remuneration Committee ("RC") were established in February 2005. On 27 May 2024, the Board approved the merger of the NC and the RC into a new Board Committee known as the Nomination and Remuneration Committee ("NRC"), which aimed to improve the efficiency and effectiveness of the Board in discharging its duties.

The NRC is responsible for recommending suitable candidates to the Board for appointment as new Directors. In making these recommendations, the NRC considers factors such as the mix of skills, experience, expertise, and the candidate's potential contribution to the Company. These factors are carefully evaluated before any recommendation for appointment is submitted to the Board for consideration and approval.

Composition and Meeting Attendance

The NRC comprises three (3) members, all of whom are Non-Executive Directors and the majority of whom are Independent Directors, which complies with the requirements of the MMLR of Bursa Securities. The composition of the NRC is as follows:

	Name of NRC	**Designation**
Chairman	Datuk Haji Azmi Bin Hussain	Independent Non-Executive Director
Member	Yip Kit Weng	Independent Non-Executive Director
Member	Chua Yeow Fatt	Independent Non-Executive Director

The NRC has met on 24 October 2025, which was attended by the Chairman and Members of NRC. The Group Managing Director, Deputy Group Managing Director and Executive Directors were invited to attend the NRC meeting to facilitate discussions and provide appropriate information and advice on relevant matters for the NRC.

All proceedings of the NRC meeting is duly recorded in the minutes and are properly kept by the Company Secretary.

The NRC's Terms of Reference ("TOR") were adopted by the Board on 24 October 2024, and the said TOR can be viewed at the Company's website at www.euroholdings.com.my.

A summary of the activities carried out by the NRC during the FYE 2026 are as follows:

a) Reviewed and assessed the Board structure, size, composition and diversity as well as the Board's and individual Directors' required mix of skills, experience and other qualities.

b) Reviewed and assessed the effectiveness of the Board, Committees of the Board and the contribution of each individual Director.

c) Reviewed and assessed the Directors' standing for re-election and re-appointment and recommended the same to the Board for consideration.

d) Reviewed the term of office and performance of the Audit Committee and its members and was satisfied that the Audit Committee had carried out its duties in accordance with its Terms of Reference.

e) Reviewed and recommended to the Board for approval on the fees and meeting allowances of the Non-Executive Directors.

The NRC has implemented a formal and transparent selection process for the identification of new Directors. The process includes assessing the ideal composition of the Board and the suitability of the candidate to meet the needs of the Board and the Company.

Similarly, the appointment of Directors to the board committees would be made under a similar formal and transparent process, taking into account the Director's competencies, commitment and ability to contribute effectively.

The Board acknowledges that gender diversity is one of the key attributes to an effective and balanced board. The Board has three (3) women directors out of seven (7) Board members, i.e., 42.86% female Board representation. The Board is of the opinion that the current composition is balanced and effective, with a good mix of skills and experience from the different backgrounds of both Executive and Non-Executive Directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(cont'd)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Board and Board Committee Evaluation

The Directors are required to complete a board evaluation and self-assessment performance evaluation form annually, and the NRC carries out the annual evaluation to determine the effectiveness of its board, board committees and individual directors by way of self and peer evaluation. The criteria used, amongst others:

a) the annual assessment of individual Directors includes an assessment of their roles, duties, responsibilities, competency and contribution, and any conflict arises (if any);

b) the board and board committees including composition, structure, accountability, responsibilities, compliance, and governance.

For the assessment for FYE 2026, the NRC reviewed the results of the annual evaluation on the board and its committees, and each individual Directors. The NRC was satisfied with the outcome of the evaluations, and the Board has noted the results through the reports from the Chairman of the NRC. The Board considered the annual evaluation is adequate to determine the overall effectiveness of the Board and individual directors.

Generally, the Directors were satisfied with the Board's performance as a whole. The Directors' reviews indicated that all Directors were of the view that each of them had performed their respective roles and functions effectively and responsibly during FYE 2026. Each member was satisfied with each other's contribution in sharing their insights and active participation in Board and Board Committee discussions. All the Board Committees were assessed to be effective in discharging their roles and responsibilities as per the terms of reference.

III. REMUNERATION

The NRC was authorised by the Board to establish a formal and transparent procedure for developing remuneration policy and fixing the remuneration packages of individual Directors and senior management. The Remuneration Policy is accessible through the Company's website at www.euroholdings.com.my.

The Company has remuneration policies and procedures to determine the remuneration of Directors and Senior Management. The Executive Directors' remunerations are designed to link rewards to the Company's and individual's performances, while the remunerations of the Non-Executive Directors are determined in accordance with their experience and the level of responsibilities assumed. The Directors' remunerations are in line with market expectations and competition to retain and attract talent.

The Executive Directors do not participate in the decision on their own remuneration. Likewise, the remuneration of the Non-Executive Directors is a matter for the Board as a whole, with individual Director abstaining from the discussion of their own remuneration.

The Corporate Governance Report discloses a breakdown of detailed Directors' Fees and other benefits paid during FYE 2026. The Report is accessible to the public for reference at the Company's website, www.euroholdings.com.my.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit Committee

The Audit Committee ("AC") comprises three (3) Independent Non-Executive Directors. The Chairman, Mr Chua Yeow Fatt, is a member of the Malaysian Institute of Accountants. The other members are Datuk Haji Azmi bin Hussain and Mr Yip Kit Weng.

The composition and details of activities carried out by the AC during the FYE 2026 are set out in the Audit Committee Report of this Annual Report 2026.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(cont'd)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

External Auditors

The Board has established a transparent relationship with the External Auditors through AC, which has been accorded the authority to communicate directly with the external auditors. The External Auditors, in turn, are able to highlight matters which require the attention of the Board to the AC in terms of compliance with the accounting standards and other related regulatory requirements.

The AC undertakes an annual assessment of the suitability and independence of the External Auditors. The factors considered by the AC in its assessment include the adequacy of the staff's professionalism and experience, the External Auditors' resources, the fees, and the independence of the level of non-audit services rendered to the Group.

The Company had on 13 April 2026 received the notice in writing from Messrs. Kreston John & Gan ("Kreston") on their resignation as Auditors of the Company with immediate effect. The resignation of Kreston was on a voluntarily basis due to the limitation of staff resources to provide audit services.

Upon the departure of Kreston as the external auditors of the Company, the AC and the Company have been actively sourcing for new external auditors. On 7 May 2026, the Company announced the appointment of Messrs. PKF PLT ("PKF") to fill the casual vacancy arising from the resignation of Kreston.

On 26 October 2026, the AC assessed the suitability and independence of the new External Auditors. Based on their assessment, the AC was satisfied with PKF's competency, experience, and independence. The Board, based on the AC's recommendation, will table the re-appointment of Messrs. PKF PLT as the company's External Auditors at the forthcoming 22nd AGM.

Risk Management and Internal Control

The Statement on Risk Management and Internal Control, which is available on pages 59 to 64 of this Annual Report 2026, provides information concerning the Group's risk management strategies and internal controls.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Investor Relations and Shareholder Communication

The Board acknowledges the importance of transparency and timely communication with shareholders and other stakeholders. To ensure that all important issues and developments are communicated effectively, the Company provides information through several key documents:

- Annual Report
- Disclosures and announcements to Bursa Securities are also published on the Company's website. These include Quarterly Reports and Annual Financial Statements. Shareholders can access the Company's latest announcements via the Bursa Securities website at www.bursamalaysia.com and the Company's website at www.euroholdings.com.my.
- Circulars to Shareholders

Shareholders' Participation at General Meetings

In adherence to the Guidelines and FAQs on the Conduct of General Meetings for Listed Issuers issued by Securities Commission Malaysia, the 21st AGM held on 18 December 2025 and the Extraordinary General Meeting ("EGM") held on 31 December 2025 of the Company was conducted physically at Level 1, Room 3 of the Supreme Hotel Melaka at 25, Jalan Kota Laksamana 2/15, Taman Kota Laksamana, 75200 Melaka.

All the Directors had attended the 21st Annual General Meetings. Shareholders were allowed to participate in the questions and answers session, during which they may raise questions regarding the proposed resolutions at the meetings and on matters relating to the Group's business and affairs. All the resolutions tabled were approved and passed by shareholders.

COMPLIANCE STATEMENT

The Board has reviewed and approved this statement, believing it provides shareholders with the necessary information to evaluate how the MCCG has been implemented. The Board is confident that the Group has complied with the MCCG, the MMLR, and all relevant laws and regulations throughout the FYE 2026.

This statement is made in accordance with a resolution of the Board of Directors dated 30 October 2026.

AUDIT COMMITTEE REPORT

The Board of Directors of EURO Holdings Berhad is pleased to present the Audit Committee ("AC") Report of the Company for the financial year ended 30 June 2026 ("FYE 2026").

COMPOSITION

The AC comprises three (3) members, all of whom are Independent Non-Executive Directors. The current composition of the AC is as follows:

Chairman – Mr Chua Yeow Fatt, Independent Non-Executive Director
Member – Mr Yip Kit Weng, Independent Non-Executive Director
Member – Datuk Haji Azmi bin Hussain, Independent Non-Executive Director

Mr Chua Yeow Fatt is a member of the Malaysian Institute of Accountants ("MIA") and meets the requirement of Paragraph 15.09(1)(c)(i) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), as he is a member of MIA. All members of the Audit Committee ("AC") are not alternate directors.

The Chairman of the AC is not a Chairman of the Board. The AC comprises solely of independent Directors pursuant to Step Up Practice 9.4.

MEETINGS AND ATTENDANCE

A total of six (6) meetings were held during FYE 2026. The attendance records of the meetings are as follows:

Name	Attendance	Percentage
Chua Yeow Fatt	6/6	100%
Datuk Haji Azmi bin Hussain	5/6	83.33%
Yip Kit Weng	6/6	100%

The meetings were conducted openly and constructively, encouraging focused discussions, questioning, and expressions of differing opinions. The Group Managing Director, Group Deputy Managing Director, Chief Financial Officer ("CFO"), and Senior Management, if required, were invited to attend all meetings, and the Company Secretary recorded the minutes.

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

The following activities undertaken by the AC during FYE 2026 were as follows:

a) Reviewed four (4) quarterly Interim Financial Reports presented by Management to ensure compliance with disclosure requirements of approved Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards, the Companies Act 2016, the Listing Requirements, and other statutory and regulatory requirements. The AC then recommended the reports to the Board for consideration, approval, and subsequent announcement to Bursa Securities. The AC also sought clarifications from Management on the Group's performance as needed.

b) Reviewed annual Audited Financial Statements presented by Management in the presence of the External Auditors to ensure compliance with disclosure requirements of MFRSs, IFRS Accounting Standards, the Companies Act 2016, Listing Requirements, and other statutory and regulatory requirements. The AC also resolved any contentious issues before recommending the Audited Financial Statements to the Board for consideration, approval, and subsequent announcement to Bursa Securities and distribution to shareholders.

c) Reviewed and recommended for the Board's approval the Statement on Risk Management and Internal Control and AC Report for inclusion in the Annual Report 2026.

d) Reviewed the recurrent related party transactions entered by the Group and ensured that the transactions under the shareholders' mandate were within the threshold as set and in accordance with the mandate obtained from the shareholders.

e) Reviewed the Circular to Shareholders in relation to the Proposed Renewal of the Existing Shareholders' Mandate for Recurrent Related Party Transactions of a revenue or trading nature.

AUDIT COMMITTEE REPORT
(cont'd)

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE (CONT'D)

f) Reviewed the Circular to Shareholders in relation to the Proposed Renewal of Share Buy-Back of up to ten percent of total number of issued shares of the Company.

g) Discussed and reviewed the audit fees of the External Auditors and made recommendations for approval to the Board.

h) Reviewed and discussed with the External Auditors the AC Report for the financial year ended 30 June 2026 and the Audit Review Memorandum for the financial year ended 30 June 2026 and recommended the same for the Board's notation.

i) The assessment of the External Auditors was conducted by completing the evaluation form as guided by the Corporate Governance Guide on Evaluation of External Auditors Performance. The AC had, with the assistance from the Management, assessed the performance, suitability and independence of External Auditors and recommended that the External Auditors be re-appointed as the External Auditors of the Company;

j) Discussed and reviewed the candidates for the appointment of External Auditors to fill in casual vacancy of External Auditor's office.

k) Reviewed and discussed with the Internal Auditors, the Internal Audit Report on the review of Procurement and Operation (Production), including the management action plans based on the recommendation highlighted by the Internal Auditors before updating the Board.

l) Assessed the Internal Auditors' performance. The AC was satisfied with their performance, adequacy of the scope, functions, competency, and resources, and that they have the necessary authority to carry out their work.

INTERNAL AUDIT FUNCTION

The Internal Audit function plays a vital role within the Group's assurance framework. It conducts independent and systematic reviews of the internal control system to provide reasonable assurance regarding the adequacy, integrity, and effectiveness of the Group's overall controls, risk management, and governance processes.

The AC is supported by an outsourced internal audit function in discharging its duties and responsibilities. SocialGreen Governance Sdn. Bhd. ("SocialGreen"), a corporate member of the Institute of Internal Auditors, Malaysia, served as the Group's outsourced internal audit function for FYE 2026, operating independently of Management and reporting directly to the AC.

The AC reviewed the adequacy and effectiveness of SocialGreen, encompassing its scope, functions, competency, and resources, prior to recommending SocialGreen's continuing serving as the Group's Internal Auditors for FYE 2026.

In assessing SocialGreen's independence and performance, the AC was satisfied with its competency, independence, and the quality of its Internal Audit Reports. The AC was satisfied that SocialGreen should continue serving as the Group's Internal Auditors for FYE 2026, and the Board concurred.

AUDIT COMMITTEE REPORT
(cont'd)

SUMMARY OF INTERNAL AUDIT ACTIVITIES

For the FYE 2026, the Internal Auditors conducted the following activities:

- developed and presented the Internal Audit Plan for review and approval by the AC. This plan guided the execution of internal audit activities throughout the financial year;
- conducted internal audits based on the approved plan, assessing the effectiveness of internal controls of critical business processes and assessed the efficacy and adequacy of the existing state of internal control of the subsidiaries, identified risks and internal control gaps, and recommended possible improvements to the internal control process;
- performed follow-up reviews on previously identified issues, ensuring that management addressed outstanding recommendations;
- issued comprehensive Internal Audit Report to the AC. These reports detailed audit findings, weaknesses identified in systems and controls, and corresponding management responses; and
- presented the Internal Audit Report to the AC for review and discussion. Internal Audit Reports were reviewed and adopted by the AC.

The total cost incurred by the Group in respect of the internal audit function for FYE 2026 was RM28,000 (2025: RM28,000).

RELATED PARTY TRANSACTIONS AND CONFLICT-OF-INTEREST

The AC annually reviews procedures for identifying, monitoring, reporting, and reviewing related party transactions ("RPTs"), recurrent RPTs ("RRPTs"), and potential conflict- of-interest ("COI") situations. On a quarterly basis, the AC reviews RPTs that occurred within the Company and the Group during the financial year, including revenue and trading-related RRPTs. It also assessed potential COI situations.

The AC is satisfied that:

- procedures are sufficient to ensure RPTs are conducted at arm's length, on terms no more favourable to related parties than those available to the public, and not detrimental to minority shareholders;
- the Group has adequate procedures for timely and orderly identification, monitoring, tracking, and reporting of RPTs and RRPTs;
- no COI situations arose, persisted, or may have arisen during the financial year that required resolution, elimination, or mitigation measures; and
- the Directors and Senior Management have given declarations to the Company that they are not involved in any COI situations, actual and potential, during the financial year.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("the Board") of Euro Holdings Berhad ("the Group") recognises its overall responsibility for maintaining a sound system of risk management and internal control in accordance with Paragraph 15.26(b) of the Bursa Malaysia Securities Berhad Main Market Listing Requirements ("MMLR") and the Practice Note 9 of the MMLR. This responsibility extends to reviewing the adequacy and effectiveness of the Group's risk management and internal control system to safeguard shareholders' value and the interests of other stakeholders. The system, however, is designed to manage risks within tolerable parameters rather than eliminate them entirely, and therefore provides only reasonable, and not absolute, assurance against material misstatement, financial loss, or fraud.

RESPONSIBILITY OF THE BOARD

Throughout the financial year ended 30 June 2026 and up to the date of this statement, the Group's risk management and internal control system continued to operate effectively. Oversight of risk management is delegated by the Board to the Risk Management and Environmental, Social and Governance Committee ("RMESGC"), which meets on a quarterly basis to review key risk issues and reports directly to the Board. The Board, however, retains ultimate accountability for ensuring that risk management is embedded within the Group's culture, strategy, and operations. The Board has defined and communicated the Group's risk appetite, and receives assurance from the Group Managing Director, Group Deputy Managing Director, Executive Director, and Chief Financial Officer that the Group's risk management and internal control system are operating adequately and effectively, in all material aspects.

RESPONSIBILITY OF THE RMESGC

The Risk Management and Environmental, Social and Governance Committee ("Committee") of Euro Holdings Berhad is governed by its Terms of Reference ("TOR") and assists the Board in overseeing the Group's risk management and sustainability governance. The Committee oversees the Group's risk management framework and policies, identifies, assesses and monitors key business risks, and recommends the Group's risk tolerance for the Board's determination. It evaluates Management's review of principal business risks and the adequacy of mechanisms to identify, prevent and minimise these risks, and recommends appropriate controls and remedial actions to the Board. The Committee also reviews the Group's sustainability strategy and performance, oversees the implementation and effectiveness of sustainability-related policies and standards, monitors sustainability key performance indicators, and reviews the Sustainability Statement before publication. Under its TOR, the Committee is required to meet at least four (4) times a year, with additional meetings convened when necessary. The Committee reports to the Board through its Chairperson, who presents the Committee's activities and key matters for the Board's consideration. The minutes of each Committee meeting are also tabled to the Board for notation. The RMESGC held five (5) meetings during the financial year ended 30 June 2026.

RESPONSIBILITY OF THE MANAGEMENT

Management is responsible for implementing the approved business plans in accordance with the frameworks, policies and guidelines that underpin the Group's risk management and internal control system ("System"). Management monitors and evaluates the adequacy and effectiveness of the System in supporting the achievement of the Group's objectives. Its responsibilities include identifying, assessing and managing risks, implementing appropriate mitigation measures and monitoring their effectiveness, while promoting proactive risk management and a risk-aware culture throughout the Group.

RISK APPETITE

The Group adopts a cautious approach to risk management, accepting calculated risks that support innovation and growth while maintaining very low or zero tolerance for regulatory non-compliance, health and safety breaches, fraud and reputational damage. The Board's approach to developing and validating the Group's risk appetite is informed by deliberations of the Risk Management and Environmental, Social and Governance Committee ("RMESGC"). Stakeholder feedback obtained through surveys conducted as part of the sustainability reporting assessment provides additional input into the consideration of sustainability-related concerns. The implementation of risk management controls is supported by the Group's ISO Integrated Management System, which underwent its first surveillance audit on 31 July 2026. The Group continues to strengthen the integration of its risk appetite into operational decisions and monitoring processes.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
(cont'd)

KEY FEATURES OF RISK MANAGEMENT AND INTERNAL CONTROL

The Group's risk management framework is embedded in its organisational processes and is designed to support effective decision-making. This framework incorporates formal codes of conduct, clearly documented policies and procedures, and Board Charters that define the responsibilities of the Board, its committees, and individual Directors. Authority and accountability are delegated through an organisational structure that is aligned to business requirements, with clearly defined roles and responsibilities at every level. The Board works closely with Management to determine and communicate risk appetite and tolerance, to monitor whether risks are managed within acceptable ranges, and to ensure that appropriate actions are taken when risks exceed these thresholds.

Over the past year, the establishment of the RMESGC and the implementation of structured risk identification and reporting processes have enhanced the overall framework. Risk assessments are carried out in a systematic and comprehensive manner, covering strategic, financial, operational, compliance, and emerging risks such as ESG and cybersecurity.

Residual risks are documented in the Risk Register and reported to the Board, while significant risks trigger specific and documented action plans.

The Group's system of internal control is designed to support the achievement of its business objectives. The internal control environment includes an organisation structure that is aligned to operational needs, with internal control mechanisms embedded into work processes at appropriate levels. An independent internal audit function, outsourced to a professional consulting firm, provides objective assurance to the Audit Committee and the RMESGC on the effectiveness of the internal control system. Governance and oversight are further strengthened by the direct involvement of the Board and Audit Committee and the RMESGC. Control responsibilities and authorities are defined and assigned through the organisation's structure and are formally documented in job descriptions. Policies, the Code of Conduct, and human resource practices are aligned with the Group's objectives and risk appetite. Business continuity and disaster recovery arrangements are documented and periodically tested. Compliance with laws, regulations, and Bursa requirements is ensured through established policies, regular training, and the support of independent advisers, including the Company Secretary, Share Registrar, Internal Auditors, Principal Advisers, and Legal Advisers. Internal control weaknesses are documented and promptly addressed, while controls are adapted as necessary to manage new risks such as cybersecurity threats, ESG requirements, and supply chain challenges.

The Group's risk management and internal control processes are supported by its Integrated Management System, certified to ISO 9001, ISO 14001 and ISO 45001. These standards provide structured approaches to identifying and addressing risks relating to quality, environmental management, and occupational health and safety within the relevant operations. The Integrated Management System complements the Group's broader risk identification, assessment, monitoring and reporting processes under the oversight of the Audit Committee and the RMESGC and the Board.

KEY RISK AREAS EVALUATED

Some of the key risks presented to the Board were as follows:

(a) Operational Risks

(i) Supply Chain Disruptions

- Nature and Extent: The Group is exposed to operational risks including delays in raw material supply and constraints in production due to machinery breakdown or labour shortages.
- Acceptable Risk Level: Limited disruptions are expected, but long-term shortages are not tolerated.
- Likelihood of Occurrence: Medium — Supplier reliability and local market fluctuations present ongoing risk.
- Mitigation Measures: Multiple sourcing and buffer stocks are used.
- Cost vs. Benefit of Controls: Buffer stocks and sourcing strategies incur cost but protect production continuity.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
(cont'd)

KEY RISK AREAS EVALUATED (CONT'D)

(a) Operational Risks (Cont'd)

(ii) Inadequate Pre-Procurement Procedures with Suppliers

- Nature and Extent: Absence of proper pre-procurement steps with suppliers may lead to poor vendor selection, inflated pricing, delays, and quality issues.
- Acceptable Risk Level: Low.
- Likelihood of Occurrence: Medium.
- Mitigation Measures: Implement structured pre-procurement procedures including supplier pre-qualification, market sourcing, quotation comparison, and due diligence checks.
- Cost vs. Benefit of Controls: Strengthening pre-procurement improves cost efficiency, vendor reliability, and compliance.

(b) Information Technology ("IT") Risk

Data Loss and Recovery Issues

- Nature and Extent: Loss of financial, customer, or design data can affect operations and compliance.
- Acceptable Risk Level: Low.
- Likelihood of Occurrence: Medium to High.
- Mitigation Measures: Automated backups, upgraded servers, off-site disaster recovery.
- Cost vs. Benefit of Controls: Recovery solutions protect intellectual property and continuity, and data for audit.

(c) Economic/Market Risk

Fluctuations in Market Demand and Volatility in Steel Prices

- Nature and Extent: The Group is exposed to changes in consumer demand and steel price fluctuations, which could affect revenue and margins.
- Acceptable Risk Level: Moderate.
- Likelihood of Occurrence: Medium to High.
- Mitigation Measures: The Group monitors market trends closely, adjusts pricing strategies, and diversifies products to manage exposure.
- Cost vs. Benefit of Controls: Risk mitigation protects profitability and planning.

(d) Environmental / Regulatory Risk

(i) Compliance with Environmental, Health, and Safety Regulations

- Nature and Extent: Waste, noise, or emissions are subject to local environmental and occupational safety regulations. Factory operations carry injury risks from machinery, lifting, and handling.
- Acceptable Risk Level: Low – Non-compliance could result in fines, shutdowns, or reputational damage.
- Likelihood of Occurrence: Medium to High – Risk increases with untrained workers.
- Mitigation Measures: Standard Operating Procedures, worker safety training, and licensed disposal vendors.
- Cost vs. Benefit of Controls: Ensures valid license and renewal, and community goodwill. Safety investments reduce incident costs and regulatory fines.

(ii) Foreign Worker Regulation Compliance

- Nature and Extent: Non-compliance with recruitment, permit, levy, or accommodation regulations can lead to fines, permit revocations, operational disruption, and reputational damage.
- Acceptable Risk Level: Low
- Likelihood of Occurrence: Medium – As the number of foreign workers is not large, but risks exist due to manual tracking and reliance on agencies.
- Mitigation Measures: SOPs for recruitment and permit renewals, a central register with alerts, periodic compliance checks, agency vetting, and a responsible officer.
- Cost vs. Benefit of Controls: Proper systems minimise legal and operational risks, ensure business continuity, and maintain good regulatory standing.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
(cont'd)

KEY RISK AREAS EVALUATED (CONT'D)

(e) Reputational / Product Quality Risk

Product Defects or Warranty Claims

- Nature and Extent: Faulty or substandard products may lead to customer complaints, loss of repeat business, or damage to brand reputation.
- Acceptable Risk Level: Low – The Group holds a low tolerance for quality issues that could compromise customer trust.
- Likelihood of Occurrence: Medium – quality issues may arise from materials, workmanship, or design flaws.
- Mitigation Measures: Quality control inspections and pre-delivery checks.
- Cost vs. Benefit of Controls: Quality assurance processes incur costs, but they ensure brand integrity and reduces costs of rework and warranty claims.

No new key risks or material changes to the existing key risks were identified during the financial year. The Group's scenario-planning process considers both physical and transition risks arising from climate change, including their potential implications for the Group's operations and business resilience.

INTERNAL AUDIT

The Group's internal audit function was performed by an outsourced professional firm of consultants that is independent of the activities it audits. The outsourced internal auditors had reviewed the Group's system of internal controls to identify and address related internal control weaknesses. The internal audit team independently reviewed the risk identification procedures and control processes implemented by the Management. Any significant weaknesses identified during the reviews together with the improvement measures to strengthen the internal controls were reported to the Audit Committee and the RMESGC. Internal audit also tested the effectiveness of the internal control on the basis of an internal audit strategy and a detailed annual internal audit plan was presented to the Audit Committee and the RMESGC for approval. All the subsidiaries were audited based on critical risk areas. It should be annotated that the internal audit was performed based on samples selection and did not engage any strategy to detect fraud during the performance of the audit.

The internal audit also reports on the activities performed and key strategic and control issues observed to the Audit Committee in order to preserve its independence. The Audit Committee reviews and approves the internal audit's annual budget and audit plan. Internal audit adopts the International Standards for The Professional Practice of Internal Auditing of The Institute of Internal Auditors (IIA), the definition of Internal Auditing and Code of Ethics, Practices and Framework in order to ensure standardisation and consistency in providing assurance on the adequacy, integrity and effectiveness of the Group's overall system of internal controls, risk management and governance. Internal audit continues to adopt the risk-based audit plan to ensure the programmes carried out are prioritised based on the Group's key risks and core/ priority areas.

In 2026, the Internal Auditor reviewed and reported on the followings :-

Reported on	Company	Audited Area
June 2026	Eurosteel Line Sdn Bhd	Procurement
June 2026	Eurosteel Line Sdn Bhd	Operation (Production)

Report from the internal audit review carried out was submitted and presented to the Audit Committee with the feedback and agreed corrective actions to be undertaken by the Management. Subsequently, the progress of these corrective actions will be monitored and verified by the internal audit and reported to the Audit Committee. Management implemented a combination of process improvements, policy updates, and staff training to address these weaknesses. Other than this, no significant control failings or weaknesses that would materially affect the Group's operations were identified. The Group also did not experience any unexpected incidents of fraud, major disruptions, or regulatory penalties.

The cost incurred for the internal audit during the financial year ended 30 June 2026 was RM 28,000.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
(cont'd)

INFORMATION, COMMUNICATION AND MONITORING

The Board is provided with timely information on risks and performance through Key Performance Indicators and Key Risk Indicators. Management communicates risk and control responsibilities to employees through regular training programmes, meetings, and internal communications to ensure awareness and accountability at all levels. The Group has also established an independent whistleblowing mechanism and has adequate information systems in place to support risk monitoring and reporting.

On a quarterly basis, Management updates the Board on the Group's actual financial performance. Specific transactions and project opportunities are also discussed with the Board as and when required. This allows the Board to raise potential new risks that could arise and request Management to mitigate them accordingly.

The Key Management Staff and Heads of Departments ("HODs") are delegated with the responsibility of identifying and managing risks related to their respective functions and departments. During periodic Management meetings, such risks identified and related internal controls are communicated to the Senior Management. In addition, significant risks identified are escalated to the Board during their scheduled meetings.

Ongoing monitoring processes are a key element of the Group's assurance framework. Management provides quarterly updates on the Risk Register to the Board. Internal Audit independently reviews risk identification procedures and control processes implemented by Management, and reports significant findings directly to the Audit Committee. Risk owners are accountable for managing and mitigating risks within their areas and are required to report on their status in the Risk Register. Internal audits are carried out twice a year and cover operational as well as compliance risks. Corrective actions are tracked until closure, and audit findings, together with external audit observations and regulatory feedback, are incorporated into the Group's risk management and internal control reviews.

ANNUAL REVIEW AND PERIODIC TESTING

The annual review of the Group's overall risk management and internal control framework was incorporated into the fourth quarterly review conducted during the financial year. The review considered the adequacy and effectiveness of the overall framework and identified areas for further enhancement. No changes to the framework, policies or controls were made as a result of the review during the financial year.

SUSTAINABILITY REPORTING

The Group is committed to strengthening its sustainability practices and progressively aligning its disclosures with the National Sustainability Reporting Framework, IFRS Sustainability Disclosure Standards, Bursa Malaysia's sustainability reporting requirements and guidance, and other relevant international frameworks. Further details of the Group's sustainability initiatives and progress are set out in the Sustainability Statement for FY2026 included in this Annual Report.

ADEQUACY AND EFFECTIVENESS — ASSURANCE TO THE BOARD

The Board ensures that the SORMIC statement remains accurate, meaningful, and not boilerplate. The statement has been reviewed by the Group's outsourced internal auditors, who are independent of the operations they review, and further validated by the external auditors, who provide an additional layer of independent assurance on the adequacy and effectiveness of the disclosures.

Based on the foregoing, the Board is satisfied that the Group's risk management and internal control system has been adequate and effective throughout the financial year ended 30 June 2026 and up to the date of this statement. The Board remains committed to strengthening the Group's risk management capabilities and internal controls on a continuous basis, in line with evolving business needs, regulatory requirements, and stakeholder expectations.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
(cont'd)

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement for inclusion in the Annual Report of the Company for the financial year ended 30 June 2026, pursuant to the scope set out in Audit and Assurance Practice Guide 3 ("AAPG 3"), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report as issued by the Malaysian Institute of Accountants and reported to the Board that nothing has come to their attention that caused them to believe that the Statement intended to be included in the Annual Report of the Company, in all material respect:

- has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out; or

- is factually inaccurate. AAPG 3 does not require the External Auditors to consider whether this Statement covers all risks and controls or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system, including the assessment and opinion by the Directors and management thereon. The External Auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will, in fact, remedy those problems.

CONCLUSION

On the whole, the Board is satisfied that the process of identifying, evaluating and managing significant risks that may affect achievement of the Group's business objectives is in place to provide reasonable assurance to that effect. It is the Group's positive attitude towards striving for better that drives its desire to ensure that the system of internal control will be enhanced on a regular basis as the Group progresses to the next level. The Board and the Management will seek regular assurance on the effectiveness and soundness of the internal control system through appraisals by the internal as well as external auditors.

ADDITIONAL COMPLIANCE INFORMATION

The following information is provided in accordance with Chapter 9.25 of the MMLR of Bursa Securities as set out in Appendix 9C thereto:

1. STATUS OF CORPORATE PROPOSALS

Save as disclosed below, there were no new corporate proposals announced during the current financial year under review.

The corporate proposals that were previously announced on 6 March 2025 by TA Securities Holdings Berhad, on behalf of the Board of Directors of the Company, are as follows:

(i) proposed acquisition by Eurosteel Line Sdn Bhd ("**ELSB**"), a wholly-owned subsidiary of the Company, of a parcel of leasehold industrial land held under PN 65466, Lot 20111, Mukim of Cheng, District of Melaka Tengah, State of Melaka, together with 4 blocks of industrial buildings erected thereon ("**Subject Property**") from Supreme Power Auto Sdn Bhd ("**SPASB**" or the "**Vendor**") for a purchase consideration of RM56.00 million to be satisfied via a combination of cash of RM38.00 million and issuance of 400,000,000 new ordinary shares in the Company ("**Shares**") ("**Consideration Shares**") at an issue price of RM0.045 per Consideration Share ("**Proposed Acquisition**");

(ii) proposed settlement of debts owing to Dato' Sri Lim Teck Boon ("**Dato' Sri Lim**"), Imponotive Auto Sdn Bhd ("**IASB**"), SPASB and Supreme Power Performance (M) Sdn Bhd ("**SPPSB**") (collectively, the "**Lenders**") amounting to RM25,344,446 ("**Debts**") to be satisfied entirely via the issuance of 563,209,911 new Shares ("**Settlement Shares**") at an issue price of RM0.045 per Settlement Share ("**Proposed Debt Settlement**");

(iii) proposed private placement of up to 331,991,700 new Shares ("**Placement Shares**"), representing up to 25% of the total number of issued Shares (excluding treasury shares, if any) at an issue price to be determined later ("**Proposed Private Placement**");

(iv) proposed renounceable rights issue of up to 2,623,168,711 new Shares ("**Rights Shares**") on the basis of 1 Rights Share for every 1 existing Share held on an entitlement date ("**Entitlement Date**") and at an issue price to be determined later ("**Proposed Rights Issue**");

(v) proposed exemption to Dato' Sri Lim and the persons acting in concert ("**PACs**") with him from the obligation to undertake a mandatory take-over offer for the remaining Shares not already owned by them ("**Mandatory Offer**") upon completion of the Proposed Acquisition pursuant to subparagraph 4.08(1)(a) of the Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the Securities Commission Malaysia ("**Rules**") ("**Proposed Exemption 1**");

(vi) proposed exemption to Dato' Sri Lim and his PACs from the obligation to undertake a Mandatory Offer upon completion of the Proposed Debt Settlement pursuant to subparagraph 4.08(1)(b) of the Rules ("**Proposed Exemption 2**"); and

(vii) proposed exemption to Dato' Sri Lim and his PACs from the obligation to undertake a Mandatory Offer upon completion of the Proposed Rights Issue pursuant to subparagraph 4.08(1)(b) of the Rules ("**Proposed Exemption 3**").

The Proposed Exemption 1, Proposed Exemption 2 and Proposed Exemption 3 are collectively referred to as the "**Proposed Exemptions**".

The Proposed Acquisition, Proposed Debt Settlement, Proposed Private Placement, Proposed Rights Issue, and the Proposed Exemptions are collectively referred to as the "**Proposals**".

On 5 May 2025, the Company submitted the application for Additional Listing to Bursa Malaysia Securities Berhad ("**Bursa Securities**") for the Proposed Acquisition, Proposed Debt Settlement, Proposed Private Placement and Proposed Rights Issue. Bursa Securities granted its approval for the listing of and quotation for the Consideration Shares, Settlement Shares, Placement Shares and Rights Shares on the Main Market vide its letter dated 12 December 2025, subject to the conditions stipulated therein.

The Proposals were approved by the shareholders of the Company at the Extraordinary General Meeting held on 31 December 2025.

ADDITIONAL COMPLIANCE INFORMATION
(cont'd)

The Securities Commission Malaysia ("**SC**") approved the Proposed Exemptions under subparagraphs 4.08(1)(a) and 4.08(1)(b) of the Rules vide its letter dated 19 January 2026. In view that the Settlement Agreement in relation to the Proposed Debt Settlement had become unconditional on 19 January 2026 and the Proposed Acquisition is still pending fulfilment of certain conditions precedent set out in the Sale and Purchase Agreement ("**SPA**"), the Company proceeded with the completion of the Proposed Debt Settlement.

Accordingly, the Proposed Debt Settlement has been completed following the listing of and quotation for 563,209,911 Settlement Shares on the Main Market of Bursa Securities on 7 April 2026.

Subsequently, Bursa Securities vide its letter dated 26 May 2026, approved the Company's application and granted an extension of time until 11 December 2026 to complete the implementation of the Acquisition, Private Placement and Rights Issue.

Thereafter, the SC vide its letter dated 7 July 2026, approved the Company's application and granted an extension of time until 18 January 2027 to complete the implementation of the Acquisition and Rights Issue to which the Exemption 1 and Exemption 3 relate.

On 30 June 2026, all the conditions precedent as stipulated in the SPA have been fulfilled and the SPA has become unconditional.

Save for the Proposed Debt Settlement, the Corporate Proposals remain pending completion as at the date of this report.

2. AUDIT AND NON-AUDIT FEES

During the financial year ended 30 June 2026 ("**FYE 2026**"), the amount of audit and non-audit fees paid and payable to the external auditors by the Group and the Company respectively were as follows:

	Company (RM)	Group (RM)
Audit Services Rendered	75,000	230,000
Non-Audit Services Rendered - Review of Statement on Risk Management and Internal Control	10,000	10,000
Total	**85,000**	**240,000**

3. MATERIAL CONTRACTS

There was no material contract entered into by the Group involving the Directors and major shareholders during FYE 2026.

4. CONTRACTS RELATING TO LOANS BY THE COMPANY

There was no contract relating to loans entered by the Group during FYE 2026 involving Directors, Chief Executive Officer and major shareholders.

ADDITIONAL COMPLIANCE INFORMATION
(cont'd)

5. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("RRPT")

The existing shareholders' mandate for the Group to enter into recurrent related party transactions of a revenue or trading nature ("Shareholders' Mandate") which is necessary for its day-to-day operations shall expire at the conclusion of the forthcoming 22nd Annual General Meeting and is subject to renewal by the shareholders at the said AGM.

The aggregate value of transactions conducted pursuant to the Shareholders' Mandate during the FYE 2026 are as follows:

Transacting Parties in Euro Group	Nature of Transaction	Nature of relationship	Mandated Related Party	Value of Transaction in FYE 2026
Euro Group (Recipient)	Rental of four (4) forklifts Rental of 2 reach trucks	Datin Sri Ong Lely, the Group Managing Director, is also a major shareholder of Euro via her indirect shareholdings of 56.78% in Euro. She is the spouse of Dato' Sri Lim. Dato' Sri Lim is a director and shareholder of SPPSB with a shareholding of 95%.	Supreme Power Performance (M) Sdn Bhd ("SPPSB") (Provider)	RM161,100
Euro Group (Tenant)	Rental of 1 single-storey detached commercial building with a mezzanine floor on part of land held under PN 54145, Lot 19403 Mukim Cheng Melaka bearing postal address Lot 19403-1, Jalan TTC 1, Kawasan Mukim Cheng, Melaka	Datin Sri Ong Lely, the Group Managing Director, is also a major shareholder of Euro via her indirect shareholdings of 56.78% in Euro. She is the spouse of Dato' Sri Lim. Dato' Sri Lim is a director and shareholder of IASB with shareholding of 99% and the remaining 1% held by his father, Dato' Lim Chaw Teng.	Imponotive Auto Sdn Bhd ("IASB") (Landlord)	RM2,877,840
Euro Group (Tenant)	Rental of 1 block of single-storey factory and 3 blocks of single-storey warehouse on part of that piece of land held under PN 65466, Lot No. 20111, Mukim of Cheng, District of Melaka Tengah, State of Melaka bearing the postal address of Lot No. 19400-1, Jalan TTC 12, Taman Teknologi Cheng 75250 Cheng, Melaka	Datin Sri Ong Lely, the Group Managing Director, is also a major shareholder of Euro via her indirect shareholdings of 56.78% in Euro. She is the spouse of Dato' Sri Lim. Dato' Sri Lim is a director and shareholder of SPASB holding 100% shares in SPASB.	Supreme Power Auto Sdn. Bhd ("SPASB") (Landlord)	RM3,006,391

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE AUDITED FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 to prepare financial statements for each financial year which have been made out in accordance with the applicable approved accounting standards and the provisions of the Companies Act 2016. The Board is responsible for taking reasonable steps to ensure that the financial statements give a true and fair view of the state of affairs of the Group and the Company and of their results and cash flows for the financial year ended 30 June 2026. In preparing the financial statements of the Group and of the Company for the financial year ended 30 June 2026, the Board has:

- adopted suitable accounting policies and applied them consistently;
- where applicable, made judgments and estimates that are reasonable and prudent;
- ensured that applicable approved accounting standards have been followed; and
- prepared the annual financial statement on a going concern basis.

The Directors have ensured that the Group and Company keep proper accounting and other records that will disclose with reasonable accuracy at any time the financial position of the Group and the Company, and which enable them to ensure that the financial statements comply with the Companies Act 2016 and the applicable approved accounting standards.

The Directors are also responsible for taking reasonable steps to safeguard the assets of the Group and the Company to prevent fraud and irregularities.

This Statement was approved by the Board of Directors on 30 October 2026.

Financial STATEMENTS

Directors' Report	**70**
Statement by Directors	**76**
Statutory Declaration	**77**
Independent Auditors' Report	**78**
Statements of Profit or Loss and Other Comprehensive Income	**87**
Statements of Financial Position	**89**
Statements of Changes in Equity	**91**
Statements of Cash Flows	**94**
Notes to the Financial Statements	**99**



DIRECTORS' REPORT

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2026.

Principal activities

The Company is principally involved in investment holding.

The principal activities of the subsidiaries are as stated in Note 13 to the financial statements.

Results

	Group RM	Company RM
Profit/(Loss) for the financial year attributable to:		
Owners of the Company	771,731	(14,280,398)

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year.

Dividends

No dividend has been paid or declared since the end of the previous financial year. The Directors do not recommend any dividends for the current financial year ended 30 June 2026.

Directors

The Directors of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Datin Sri Ong Lely*	
Datuk Lim Sze Way	
Tan Poh Ling	
Lt Gen (R) Dato' Sri Sabri Bin Adam	
Datuk Haji Azmi Bin Hussain	
Chua Yeow Fatt	
Yip Kit Weng	
Yong Teck Wee	Resigned on 22 September 2026

* Being a Director of one or more subsidiaries

Other than as stated above, the name of the Director of the subsidiaries of the Company in office during the financial year and during the period from the end of the financial year to the date of this report is:

Datin Chooi Moi

Directors' interests in shares

The shareholdings in the ordinary shares of the Company of those who were Directors at the end of the financial year as recorded in the Register of Directors' Shareholdings kept under Section 59 of the Companies Act, 2016 in Malaysia are as follows:

	Number of ordinary shares			
	Balance as at 1.7.2025	**Bought**	**Sold**	**Balance as at 30.6.2026**
Shares in the Company				
Direct interest				
Yong Teck Wee	1,296,000	-	-	1,296,000
Indirect interest				
Datin Sri Ong Lely*	1,783,500	563,209,911	-	564,993,411
Shares in PH Performance (M) Sdn. Bhd.				
Indirect interest				
Datin Sri Ong Lely**	285,000	-	-	285,000
Datuk Lim Sze Way**	285,000	-	-	285,000
Shares in S.P.A. Furniture (M) Sdn. Bhd.				
Indirect interest				
Datin Sri Ong Lely***	508,559,200	-	-	508,559,200

* Deemed interest by virtue of the shareholding held by her spouse, namely Dato' Sri Lim Teck Boon, pursuant to Section 59(11)(c) of the Companies Act, 2016.

** Deemed interest by virtue of the shareholding in a related party, PH Performance (M) Sdn. Bhd. pursuant to Section 8 of the Companies Act, 2016.

*** Deemed interest by virtue of her shareholding in S.P.A. Furniture (M) Sdn. Bhd. pursuant to Section 8 of the Companies Act, 2016.

DIRECTORS' REPORT
(cont'd)

Directors' interests in shares (continued)

None of the other Directors in office at the end of the financial year had any interest in shares of the Company and its related companies during the financial year.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Directors or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than as disclosed in Note 28 to the financial statements.

There were no arrangements during or at the end of the financial year, which had the object of enabling the Directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

Directors' remuneration and fee

Directors' remuneration of the Group and of the Company amounted to RM500,306 and RM56,248 respectively as disclosed in Note 5 to the financial statements.

Directors' fee of the Group and of the Company amounted to RM150,000 as disclosed in Note 5 to the financial statements.

Indemnity and insurance for Directors, Officers and auditor

Subsequent to the financial year end, the Group and the Company obtained a Directors' and Officers' Liability Insurance policy with Chubb Insurance Malaysia Berhad for the period from 18 September 2026 to 17 September 2027. The policy provides a limit of liability of RM10,000,000 in aggregate and covers the Directors and Officers of the Group and of the Company against liabilities incurred in the discharge of their duties, subject to the terms and conditions of the policy. The total premium payable amounted to RM31,330, inclusive of service tax and stamp duty.

There was no indemnity given to or insurance effected for the auditor of the Group and of the Company.

Issue of shares and debentures

During the financial year, the Group and the Company increased issued and paid-up ordinary shares from 1,327,967,100 units to 1,891,177,011 units by way of the following:

On 6 April 2026, the Group and the Company settled debts owing to Dato' Sri Lim Teck Boon, Imponotive Auto Sdn. Bhd., Supreme Power Auto Sdn. Bhd. and Supreme Power Performance (M) Sdn. Bhd. through issuance of 563,209,911 new ordinary shares to Dato' Sri Lim Teck Boon at an issue price of RM0.045 per share, pursuant to a debt capitalisation arrangement.

The issuance of shares represented a non-cash transaction whereby amounts due to the above related parties were capitalised and settled through the issuance of ordinary shares.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company.

There were no debentures issued during the financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

(i) proper action had been taken in relation to the writing-off of bad debts and the making of provision for doubtful debts and have satisfied themselves that no known bad debts and that adequate provision had been made for doubtful debts; and

(ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

(i) which would necessitate the writing-off of bad debts or render the amount of the provision for doubtful debts inadequate to any substantial extent; or

(ii) which would render the value attributed to current assets in the financial statements of the Group and of the Company misleading; or

(iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

DIRECTORS' REPORT
(cont'd)

Other statutory information (continued)

At the date of this report, the Directors are not aware of any circumstances: (continued)

(iv) not otherwise dealt with in this report or the financial statements, which would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

(i) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, other than those disclosed in Note 35 to the financial statements; or

(ii) any contingent liability in respect of the Group and of the Company that has arisen since the end of the financial year, other than those disclosed in Note 34 to the financial statements.

No contingent liability or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performances of the Group and of the Company for the financial year ended 30 June 2026 were not substantially affected by any item, transaction or event of a material and unusual nature other than those disclosed in Note 4, gain on disposal of property, plant and equipment and waiver of debts to related parties and Note 6, impairment losses on amount due from subsidiaries to the financial statements. There has not arisen in the interval between the end of the financial year and the date of this report any other item, transaction or event of a material and unusual nature likely to affect substantially the financial performances of the Group and of the Company for the current financial year ended 30 June 2026.

Subsequent events

Details of subsequent events are disclosed in Note 35 to the financial statements.

Auditors

The auditors, Messrs PKF PLT, have indicated their willingness to continue in office.

The auditors' remuneration of the Group and of the Company for the financial year ended 30 June 2026 amounted to RM240,000 and RM85,000 respectively.

Signed on behalf of the Directors
in accordance with a resolution of the Board,

DATIN SRI ONG LELY

DATUK LIM SZE WAY

Kuala Lumpur

30 October 2026

STATEMENT BY DIRECTORS
PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT, 2016 IN MALAYSIA

In the opinion of the Directors, the accompanying financial statements as set out on pages 87 to 199 are drawn up in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia, so as to give a true and fair view of financial position of the Group and of the Company as at 30 June 2026 and of their financial performances and their cash flows for the financial year ended on that date.

Signed on behalf of the Directors
in accordance with a resolution of the Board,

DATIN SRI ONG LELY

DATUK LIM SZE WAY

Kuala Lumpur

30 October 2026

STATUTORY DECLARATION
PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT, 2016 IN MALAYSIA

I, LIM SEW YANG, being the Officer primarily responsible for the financial management of EURO HOLDINGS BERHAD, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements as set out on pages 87 to 199 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960 in Malaysia.

Subscribed and solemnly declared by the above-named at Kuala Lumpur in Wilayah Persekutuan on)
)
)

LIM SEW YANG
(MIA No.: 12146)

Before me,

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF EURO HOLDINGS BERHAD (INCORPORATED IN MALAYSIA, REGISTRATION NO. 200401008055 (646559-T))

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of EURO HOLDINGS BERHAD, which comprise the statements of financial position as at 30 June 2026 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policies, as set out on pages 87 to 199.

In our opinion, the accompanying financial statements give a true and fair view of the financial positions of the Group and of the Company as at 30 June 2026, and of their financial performances and their cash flows for the financial year then ended in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

Independence and Other Ethical responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(i) Impairment Assessment of Property, Plant and Equipment and Right-of-use Assets

(Refer to Notes 1(d)(viii), 2(e), 2(f), 2(g), 11 and 12 to the financial statements)

As at 30 June 2026, the Group recorded significant carrying amounts in respect of property, plant and equipment amounting to RM94.5 million and right-of-use assets amounting to RM11.6 million.

During the financial year, management assessed the recoverable amount of the property, plant and equipment as the Group recorded negative cash flows from operating activities, experienced an 8.8% decline in revenue and incurred operating losses before recognising a gain of approximately RM9.4 million on the disposal of property, plant and equipment to third parties.

The impairment assessments performed by management involved significant judgement in determining the recoverable amounts of the respective cash generating units, including the estimation of future cash flows, determination of appropriate growth rates, discount rates and terminal values. Small changes in key assumptions could result in a material impact on the recoverable amounts and, accordingly, on the Group's financial statements.

Due to the materiality of these balances and the significant judgement involved in the impairment assessments, we considered this matter to be a key audit matter.

Our audit procedures included:

(i) reviewed the indication of impairment;
(ii) enquired and evaluated the basis of impairment assessment made by management, which included review on cash flow projections and of the financial performance and financial position of the relevant cash-generating units, to ascertain if the impairment adjustment is necessary;
(iii) evaluate the appropriateness of the valuation model used.
(iv) challenge the key assumption used in cash flow projections

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF EURO HOLDINGS BERHAD (cont'd)
(INCORPORATED IN MALAYSIA, REGISTRATION NO. 200401008055 (646559-T))

Key Audit Matters (continued)

(i) Impairment Assessment of Property, Plant and Equipment and Right-of-use Assets (continued)
(Refer to Notes 1(d)(viii), 2(e), 2(f), 2(g), 11 and 12 to the financial statements) (continued)

Our audit procedures included: (continued)

(v) considered the valuation reports obtained in the previous financial year for the freehold land and factory building, and assessed whether there were indicators that the fair values had declined significantly since the valuation date, to corroborate the recoverable amount assessment;
(vi) assessed and challenged the reasonableness of the assumptions used in the valuation and judgements made;
(vii) considered the qualification and competence of the independent external valuer and assessed the scope of work of the external valuer to determine whether the valuation was appropriate to be applied for financial reporting purposes, which included consideration of their qualification and experience;
(viii) assessed the scope and purpose of the valuation by reading the terms of engagement to assess whether there are any matters that might have affected their objectivity or limited the scope of their work; and
(ix) reviewed and assessed the appropriateness and adequacy of the disclosures in the financial statements.

(ii) Going concern assessment
(Refer to Note 1(c), 16 and 35 to the financial statements)

The Group and the Company have prepared their financial statements on a going concern basis, notwithstanding the following:

- The Group's reported positive shareholders' funds of RM126.9 million are sustained largely by a RM34.8 million revaluation reserve and the Group cash position is critically low, of which the holding company alone has only RM37,694.
- Certain subsidiaries recorded negative shareholder funds and incurred losses during the financial year end. These components did not generate revenue during the financial year.
- The Group is dependent on advances from related parties, amounting to RM12.7 million. (Note 25) These advances are classified as current liabilities and are repayable on demand.

Key Audit Matters (continued)

(ii) Going concern assessment (continued)
(Refer to Note 1(c), 16 and 35 to the financial statements) (continued)

The Group and the Company have prepared their financial statements on a going concern basis, notwithstanding the following: (continued)

- On 5 May 2026, the Company had agreed a settlement of RM3.1 million as full and final settlement of all claims arising from the High Court Cases. The settlement sum is payable in eighteen (18) monthly instalments, commencing from May 2026. (Note 34)

The above conditions give rise to concerns about whether the Group and the Company have sufficient cash flows to meet their obligations as and when they fall due.

In the preparation of financial statements of the Group and of the Company, the management has made an assessment on its working capital sufficiency and with the support of cash flow forecasts covering a period of not less than twelve (12) months from the end of the reporting period. The management has taken into consideration of the following:

- On 15 July 2026, the Group, entered into a loan agreement with a financial institution for a facility of up to RM58 million, of which Tranche 1 is up to RM22 million. On 27 August 2026, RM5 million of Tranche 1 has been drawn down, and the remaining RM17 million may be drawn down within six months from the date of the agreement as when the Group deemed required. The loan bears interest at 12% per annum, payable monthly, with the principal repayable in February 2027. The proceeds provide additional liquidity to the Group.
- The Group disposed off moulds and machineries and recognised a gain on disposal of RM9.4 million. The agreed collection of the disposal proceeds is expected to result in cash inflows to the Group within the forecast period, which will further strengthen the Group's cash position.

The management has concluded that the Group and the Company will have sufficient working capital to finance their operations and to meet their financial obligations as and when they fall due. Accordingly, the Directors believe that there is no material uncertainty that exists, and the preparation of the financial statements of the Group and of the Company on the going concern basis is appropriate.

This is a key audit matter due to the degree of judgement involved in our evaluation of the appropriateness of the going concern basis for the preparation of the financial statements of the Group and of the Company.

Key Audit Matters (continued)

(ii) Going concern assessment (continued)
(Refer to Note 1(c), 16 and 35 to the financial statements) (continued)

Our procedures included:

(a) obtained an understanding of the management's plans for future action;
(b) requested written representations from management regarding their plans for future action and the feasibility of these plans;
(c) reviewed the forecast prepared by management and evaluated the reliability of the underlying data generated to prepare the forecast and determine whether there were adequate justifications and rationales for the assumptions underlying the forecast;
(d) assessed whether the Group will have sufficient liquidity to meet its obligations as they fall due;
(e) obtained the loan agreement, agreed the key terms to the cash flow forecast, and agreed the loan drawdown to the bank statement;
(f) review the term of repayment of sale proceed on the disposal of assets during the year and obtain subsequent collection to the date of this report; and
(g) evaluated the adequacy and appropriateness of the disclosures in the financial statements.

(iii) Recoverability on amount due from subsidiaries
(Refer to Note 1(d)(vii) and Note 17 to the financial statements)

Included in the Company as at 30 June 2026 is an amount of RM23,807,319 amount due from subsidiaries, against which accumulated impairment of RM10,822,884 has been recognised during the year. The Company's exposure to amount due from subsidiaries is significant and is subject to credit risk.

We identified this as a key audit matter because the recoverability assessment involves significant management judgement in evaluating the subsidiaries' financial position, liquidity, ability to settle outstanding balances and the estimation of expected credit losses.

Our procedures included:

(a) assessed whether the amount due from subsidiaries is recoverable by evaluating the reasonableness of management's assumptions relating to probability of default, loss given default, available liquid assets and the recoverability of balances from the financial position of the subsidiaries;

Key Audit Matters (continued)

(iii) Recoverability on amount due from subsidiaries (continued)
(Refer to Note 1(d)(vii) and Note 17 to the financial statements) (continued)

Our procedures included: (continued)

(b) assessed whether subsequent settlements or other evidences after the reporting date supported the recoverability of the amounts due; and
(c) assessed whether financial statements disclosures are adequate and appropriately reflect the Company's exposure to credit risk, arising from subsidiaries.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors are responsible for the other information. The other information comprises the Directors' Report and the information included in the Annual Report but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.
In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF EURO HOLDINGS BERHAD (cont'd)
(INCORPORATED IN MALAYSIA, REGISTRATION NO. 200401008055 (646559-T))

Responsibilities of the Directors for the Financial Statements (continued)

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

The Directors of the Group and of the Company are responsible for overseeing the Group's and the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (continued)

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF EURO HOLDINGS BERHAD (cont'd)
(INCORPORATED IN MALAYSIA, REGISTRATION NO. 200401008055 (646559-T))

Other Matters

(i) This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the contents of this report.

(ii) The financial statements of the Group and of the Company for the financial year ended 30 June 2025 were audited by another auditor who expressed an unmodified opinion on these statements on 31 October 2025.

PKF PLT
202206000012 (LLP0030836-LCA) & AF0911
CHARTERED ACCOUNTANTS

NGU SIOW PING
03033/11/2027 J
CHARTERED ACCOUNTANT

Kuala Lumpur

30 October 2026

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

		Group		Company	
		2026	2025	2026	2025
	Note	RM	RM	RM	RM
Revenue	3	104,883,766	115,053,946	-	-
Cost of sales		(97,979,321)	(109,766,022)	-	-
Gross profit		6,904,445	5,287,924	-	-
Other income	4	11,655,604	818,814	-	4,480
Other operating expenses		(13,302,449)	(9,197,363)	(3,481,341)	(3,846)
General and administrative expenses		(3,840,197)	(4,348,757)	(779,741)	(752,604)
Selling and distribution expenses		(112,620)	(113,676)	-	-
Net gain/(loss) on:					
- impairment of financial assets	6	6,449	199,027	(10,019,316)	(803,568)
- impairment of non-financial assets	6	-	-	-	2,034,574
Profit/(Loss) from operations	7	1,311,232	(7,354,031)	(14,280,398)	479,036
Finance costs	8	(262,147)	(756,907)	-	-
Profit/(Loss) before tax		1,049,085	(8,110,938)	(14,280,398)	479,036
Tax (expense)/income	9	(277,354)	581,998	-	(9,858)
Profit/(Loss) for the financial year		771,731	(7,528,940)	(14,280,398)	469,178

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026 (cont'd)

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Other comprehensive income:					
Items that will not be reclassified subsequently to profit or loss					
Revaluation of property, plant and equipment, net of deferred tax		-	2,087,500	-	-
Reversal of deferred tax upon disposal of revalued asset		-	1,271,581	-	-
Total other comprehensive income		-	3,359,081	-	-
Profit/(Loss) and other comprehensive income/(loss) for the financial year		771,731	(4,169,859)	(14,280,398)	469,178
Profit/(Loss), representing total comprehensive income/(loss) for the financial year attributable to:					
Owners of the Company		771,731	(4,169,859)	(14,280,398)	469,178
Basic earnings/(loss) per share (sen)	10	0.05	(0.31)		
Diluted earnings/(loss) per share (sen)	10	0.02	(0.31)		

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
ASSETS					
Non-current assets					
Property, plant and equipment	11	94,451,183	99,159,296	2,424	3,116
Right-of-use assets	12	11,579,981	4,639,745	-	-
Investment in subsidiaries	13	-	-	61,040,959	60,040,959
		106,031,164	103,799,041	61,043,383	60,044,075
Current assets					
Inventories	14	14,338,454	14,065,199	-	-
Trade receivables	15	31,068,910	24,397,346	-	-
Non-trade receivables, deposits and prepayments	16	15,171,177	8,933,897	2,101,202	7,446,736
Amount due from subsidiaries	17	-	-	12,984,435	161,159
Tax recoverable		240,010	356,182	215,398	311,284
Cash and bank balances		101,963	51,675	37,694	4,730
		60,920,514	47,804,299	15,338,729	7,923,909
TOTAL ASSETS		166,951,678	151,603,340	76,382,112	67,967,984

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2026 (cont'd)

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	18	120,703,592	95,508,076	120,703,592	95,508,076
Revaluation reserve	19	34,778,167	35,258,430	-	-
Accumulated losses		(28,606,563)	(29,858,557)	(51,243,737)	(36,963,339)
Total equity		126,875,196	100,907,949	69,459,855	58,544,737
Non-current liabilities					
Lease liabilities	20	5,694,593	87,538	-	-
Deferred tax liabilities	21	7,433,723	7,533,180	840	840
		13,128,316	7,620,718	840	840
Current liabilities					
Trade payables	22	665,256	541,939	-	-
Non-trade payables, accruals and deposits received	23	6,417,694	3,744,240	3,661,392	1,196,114
Contract liabilities	24	225,778	373,440	-	-
Amount due to subsidiaries	17	-	-	3,134,248	8,164,573
Amount due to related parties	25	12,704,549	31,602,044	118,840	53,625
Amount due to Directors	26	389,299	220,223	6,937	8,095
Loans and borrowings	27	-	723,103	-	-
Lease liabilities	20	5,920,241	5,280,876	-	-
Tax payable		625,349	588,808	-	-
		26,948,166	43,074,673	6,921,417	9,422,407
Total liabilities		40,076,482	50,695,391	6,922,257	9,423,247
TOTAL EQUITY AND LIABILITIES		166,951,678	151,603,340	76,382,112	67,967,984

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Note	Non-distributable Share capital RM	Non-distributable Revaluation reserve RM	Distributable Accumulated losses RM	Total equity RM
Group					
At 1 July 2025		95,508,076	35,258,430	(29,858,557)	100,907,949
Profit, representing total comprehensive income for the financial year		-	-	771,731	771,731
Transfer between reserves:					
Crystallisation of revaluation reserve	19	-	(480,263)	480,263	-
Transactions with owners of the Company:					
Issuance of ordinary shares	18	25,195,516	-	-	25,195,516
At 30 June 2026		120,703,592	34,778,167	(28,606,563)	126,875,196

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026 (cont'd)

	Note	Non-distributable Share capital RM	Non-distributable Revaluation reserve RM	Distributable Accumulated losses RM	Total equity RM
Group					
At 1 July 2024		95,508,076	47,391,129	(37,821,397)	105,077,808
Loss for the financial year		-	-	(7,528,940)	(7,528,940)
Other comprehensive income:					
Revaluation of property, plant and equipment, net of deferred tax	19	-	2,087,500	-	2,087,500
Reversal of deferred tax upon disposal of revalued asset	21	-	-	1,271,581	1,271,581
Loss, representing total comprehensive loss for the financial year		-	2,087,500	(6,257,359)	(4,169,859)
Transfer between reserves:					
Crystallisation of revaluation reserve	19	-	(440,680)	440,680	-
Reversal of revaluation reserve upon disposal of revalued asset	19	-	(13,779,519)	13,779,519	-
		-	(14,220,199)	14,220,199	-
At 30 June 2025		95,508,076	35,258,430	(29,858,557)	100,907,949

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026 (cont'd)

	Note	Share capital RM	Accumulated losses RM	Total equity RM
Company				
At 1 July 2024		95,508,076	(37,432,517)	58,075,559
Profit, representing total comprehensive income for the financial year		-	469,178	469,178
At 30 June 2025		95,508,076	(36,963,339)	58,544,737
Loss, representing total comprehensive loss for the financial year		-	(14,280,398)	(14,280,398)
Issuance of ordinary shares	18	25,195,516	-	25,195,516
At 30 June 2026		120,703,592	(51,243,737)	69,459,855

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Cash flows from operating activities					
Profit/(Loss) before tax		1,049,085	(8,110,938)	(14,280,398)	479,036
Adjustments for:					
Depreciation of:					
- property, plant and equipment		4,108,180	3,782,007	692	3,846
- right-of-use assets		5,056,011	4,876,656	-	-
Forfeiture of deposits received		-	(12,408)	-	-
Gain on disposal of:					
- inventories		-	(201,947)	-	-
- property, plant and equipment		(9,400,067)	(56,799)	-	-
Gain on termination of right-of-use assets		-	(36,818)	-	-
Impairment losses on amount due from subsidiaries		-	-	10,019,316	803,568
Interest expense		262,147	756,907	-	-
Inventories written back		-	(1,446,985)	-	-
Net unrealised gain on foreign exchange		(33,413)	(29,334)	-	-
Property, plant and equipment written off		-	42,509	-	-
Reversal of impairment losses on:					
- investment in subsidiaries		-	-	-	(2,034,574)
- trade receivables		(6,449)	(188,314)	-	-
- non-trade receivables		-	(10,713)	-	-
Waiver of debts due to:					
- trade payables		-	(2,403)	-	-
- non-trade payables		-	(16,154)	-	-
- related parties		(2,113,460)	-	-	-
Operating loss before changes in working capital		(1,077,966)	(654,734)	(4,260,390)	(748,124)

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026 (cont'd)

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Cash flows from operating activities					
Operating loss before changes in working capital		(1,077,966)	(654,734)	(4,260,390)	(748,124)
(Increase)/ Decrease in inventories		(273,255)	22,442,955	-	-
Increase in trade receivables		(6,671,564)	(24,376,883)	-	-
Decrease/ (Increase) in non-trade receivables, deposits and prepayments		4,973,790	(6,838,243)	6,556,604	(7,203,710)
Decrease in trade payables		(24,345)	(3,312,992)	-	-
Increase/ (Decrease) in non-trade payables, accruals and deposits received		2,385,045	(1,765,542)	2,465,278	800,127
Decrease in contract liabilities		-	(56,731)	-	-
Cash (used in)/generated from operations		(688,295)	(14,562,170)	4,761,492	(7,151,707)
Interest paid		(120)	(9,519)	-	-
Tax refunded		116,172	29,752	95,886	10,711
Tax paid		(11,999)	(432,472)	-	(106,256)
Net cash (used in)/from operating activities		(584,242)	(14,974,409)	4,857,378	(7,247,252)

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026 (cont'd)

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Cash flows from investing activities					
Acquisition of:					
- investment in subsidiaries		-	-	(1,000,000)	-
- property, plant and equipment		-	(9,501,063)	-	(3,462)
Advances to subsidiaries		-	-	(1,916,554)	(964,727)
Proceeds from disposal of:					
- assets classified as held for sale		-	17,300,000	-	-
- property, plant and equipment		-	56,800	-	-
Repayment from related parties		-	1,054,506	-	-
Withdrawal of fixed deposits with licensed banks		-	5,954	-	-
Net cash from/(used in) investing activities		-	8,916,197	(2,916,554)	(968,189)
Cash flows from financing activities					
Interest paid		(262,027)	(747,388)	-	-
Advances from/ (Repayment to):					
- subsidiaries	(ii)	-	-	(1,973,917)	8,164,573
- related parties	(ii)	7,200,411	15,751,288	67,215	53,625
- Directors	(ii)	169,076	213,973	(1,158)	1,845
Repayment of loans and borrowings					
- term loans	(ii)	(723,101)	(3,256,537)	-	-
- lease liabilities	(ii)	(5,749,827)	(5,275,999)	-	-
Net cash from/(used in) financing activities		634,532	6,685,337	(1,907,860)	8,220,043

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026 (cont'd)

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Net increase in cash and cash equivalents		50,290	627,125	32,964	4,602
Cash and cash equivalents at 1 July 2025/2024		51,673	(575,452)	4,730	128
Cash and cash equivalents at 30 June	(i)	101,963	51,673	37,694	4,730

Notes:

(i) *Cash and cash equivalents included in the statements of cash flows comprise the following amounts:*

	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Cash and bank balances	101,963	51,675	37,694	4,730
Less: Bank overdrafts	-	(2)	-	-
	101,963	51,673	37,694	4,730

(ii) Reconciliation of liabilities arising from financing activities:

	1 July 2025 RM	Cash flows RM	Non-cash changes RM	30 June RM
Group				
2026				
Amount due to related parties	31,602,044	7,200,411	(26,097,906)	12,704,549
Amount due to Directors	220,223	169,076	-	389,299
Loans and borrowings:				
- term loans	723,101	(723,101)	-	-
Lease liabilities	5,368,414	(5,749,827)	11,996,247	11,614,834
	37,913,782	896,559	(14,101,659)	24,708,682

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026 (cont'd)

Notes: (continued)

(ii) Reconciliation of liabilities arising from financing activities: (continued)

	1 July 2025/2024 RM	Cash flows RM	Non-cash changes RM	30 June RM
Group				
2025				
Amount due to related parties	15,850,756	15,751,288	-	31,602,044
Amount due to Directors	6,250	213,973	-	220,223
Loans and borrowings:				
- term loans	3,979,638	(3,256,537)	-	723,101
Lease liabilities	10,458,357	(5,275,999)	186,056	5,368,414
	30,295,001	7,432,725	186,056	37,913,782
Company				
2026				
Amount due to subsidiaries	8,164,573	(1,973,917)	(3,056,408)	3,134,248
Amount due to related parties	53,625	67,215	(2,000)	118,840
Amount due to Directors	8,095	(1,158)	-	6,937
	8,226,293	(1,907,860)	(3,058,408)	3,260,025
2025				
Amount due to subsidiaries	-	8,164,573	-	8,164,573
Amount due to related parties	-	53,625	-	53,625
Amount due to Directors	6,250	1,845	-	8,095
	6,250	8,220,043	-	8,226,293

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
AS AT 30 JUNE 2026

1. Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia.

The accompanying financial statements have been prepared assuming that the Group and the Company will continue as going concerns which contemplates the realisation of assets and settlement of liabilities in the normal course of business.

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's and the Company's functional and presentation currency.

(a) Standards issued and effective

On 1 July 2025, the Group and the Company adopted the following accounting standards, amendments and interpretations which are mandatory for annual financial periods beginning on or after 1 January 2025:

Description
- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates*: *Lack of Exchangeability*

The adoption of the amendment above has no impact on the financial statements of the Group and of the Company.

(b) Standards issued but not yet effective

At the date of authorisation of these financial statements, the following pronouncements have been issued by the MASB, will become effective in future financial periods and have not been adopted by the Group and the Company:

Effective for financial periods beginning on or after 1 January 2026:
- Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107: *Annual Improvements to MFRS Accounting Standards – Volume 11*
- Amendments to MFRS 9: *Financial Instruments and MFRS 7: Financial Instruments Disclosures – Amendments to the Classification and Measurement of Financial Instruments*
- Amendments to MFRS 9: *Financial Instruments and MFRS 7: Financial Instruments Disclosure – Contracts Referencing Nature-dependent Electricity*

NOTES TO THE FINANCIAL STATEMENTS
AS AT 30 JUNE 2026 (cont'd)

1. Basis of preparation (continued)

(b) Standards issued but not yet effective (continued)

Effective for financial periods beginning on or after 1 January 2027:

- Amendments to MFRS 121 – *Translation to a Hyperinflationary Presentation Currency*
- MFRS 18: *Presentation and Disclosure in Financial Statements*

  MFRS 18 will replace MFRS 101 'Presentation of Financial Statements'. This is the new standard on presentation and disclosures in financial statements with a focus on updates to the statement of profit or loss. The key new concepts introduced in MFRS 18 relate to:

  - The structure of the statement of profit or loss– Requiring defined categories (i.e. operating, investing and financing) and subtotals in the statement of profit or loss;

  - Required disclosures in the financial statements for certain profit or loss performance measures that are reported outside a company's financial statements (i.e. management-defined performance measures); and

  - Enhanced principles on aggregation and disaggregation of information which apply to the primary financial statements and notes in general.

Effective date yet to be determined:

- Amendments to MFRS 10: *Consolidated Financial Statements and MFRS 128: Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Deferred)*

(c) Basis of measurement

The financial statements have been prepared on the historical cost basis, except for certain property, plant and equipment, namely freehold land and factory building, which are measured at their revalued amounts, as disclosed in Note 11, and as otherwise indicated in the material accounting policies.

As at 30 June 2026, the Group's reported positive shareholders' funds of RM126,875,196 are sustained largely by a RM34,778,167 revaluation reserve and the Group cash position is critically low, of which the Company alone has only RM37,694. Certain subsidiaries recorded negative shareholder funds and incurred losses during the financial year end. These components did not generate revenue during the financial year.

1. Basis of preparation (continued)

(c) Basis of measurement (continued)

The Group's is dependent on advances from related parties, amounting to RM12.7 million. These advances are classified as current liabilities and are repayable on demand.

On 5 May 2026, the Company agreed a settlement of RM3.1 million as full and final settlement of all claims arising from the High Court Cases. The settlement sum is payable in eighteen (18) monthly instalments, commencing from May 2026, as disclosed in Note 34 to the financial statements.

The Directors have assessed the Group's ability to continue as a going concern and are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future.

In making this assessment, the Directors have considered the Group's financial position, cash flow forecasts and business plans covering a period of at least twelve (12) months from the date of approval of these financial statements. The principal factors considered include the following:

(a) the projected cash inflows from future sales and the collection of outstanding trade receivables, which are expected to support the Group's operating and working capital requirements;

(b) the forecast gross profit margins adopted in the cash flow projections, taking into consideration the Group's historical trading performance and recent operating results;

(c) the availability of existing financing facilities and the Group's ability to obtain additional funding, where required, to support its ongoing operations and working capital requirements. the Group, accepted a facility of up to RM58 million from a financial institution, of which Tranche 1 is up to RM22 million. As at 27 August 2026, RM5 million has been drawn down, and the remaining Tranche 1 amount of RM17 million may be drawn down as the Group deem required, and within six months from the date of the Letter of Offer, dated 26 May 2026. The facility bears interest at 12% per annum, payable monthly, with the principal repayable in February 2027;

1. Basis of preparation (continued)

(c) Basis of measurement (continued)

(d) the cash inflows expected from the disposal of moulds and machineries. the Group disposed of moulds and machineries and recognised a gain on disposal of RM9.4 million. The agreed collection of the disposal proceeds is expected to result in cash inflows to the Group within the forecast period and will further strengthen the Group's cash position; and

(e) the Group's net current assets position of approximately RM34 million as at 30 June 2026, which provides additional financial flexibility in managing its short-term obligations.

Based on the above assessment, the Directors have not identified any material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern for at least twelve (12) months from the date of approval of these financial statements.

(d) Significant accounting estimates and judgements

Estimates and judgements are continually evaluated by the Directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's and of the Company's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below:

(i) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on their understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the year in which such determination is made.

1. Basis of preparation (continued)

(d) Significant accounting estimates and judgements (continued)

(ii) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The Group and the Company anticipate that the residual values of their property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(iii) Valuation of freehold land and factory building

The Group's freehold land and factory building are carried at their revalued amount of RM66,666,667 as disclosed in Note 11. The revaluation is based on an independent professional valuation and involves significant judgement and estimation.

The valuation is sensitive to key assumptions applied by the valuer, including market evidence of comparable properties, location, condition of the property, market yields, replacement costs, depreciation factors and other market-related inputs. Changes in these assumptions may result in material changes to the carrying amount of the freehold land and factory building.

The Directors review the appropriateness of the valuation methodology and key assumptions adopted by the independent valuer and are satisfied that the carrying amount of the freehold land and factory building is reasonable as at the reporting date.

1. Basis of preparation (continued)

(d) Significant accounting estimates and judgements (continued)

(iv) Lease Term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

(v) Incremental Borrowing Rate of Leases

In determining the incremental borrowing rate, the Group uses recent third-party financing received by the Group as a starting point and make adjustments specific to the lease, e.g. term and security.

(vi) Provision for Expected Credit Losses ("ECL") of Receivables

The Group uses a provision matrix to calculate ECLs for receivables. The provision rates are based on the payment profiles of sales over a period of 36 months before the end of the reporting year and the corresponding historical credit losses experienced within this period. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The historical observed default rates are updated and changes in the forward-looking estimates are analysed at every end of the reporting year.

(vii) Provision for Expected Credit Losses ("ECL") of Amount due from Subsidiaries

The recoverability of amounts due from subsidiaries is assessed periodically by management. The assessment involves significant judgement regarding the subsidiaries' ability to generate sufficient future cash flows to settle the outstanding balances and whether there has been a significant increase in credit risk or objective evidence of impairment.

1. Basis of preparation (continued)

(d) Significant accounting estimates and judgements (continued)

(vii) Provision for Expected Credit Losses ("ECL") of Amount due from Subsidiaries (continued)

Management evaluates factors such as the subsidiaries' financial performance, net asset position, business prospects, expected future cash flows and other available supporting evidence in determining the appropriate level of ECL allowance. Due to the inherent uncertainty involved in forecasting future business performance and cash flows, the actual outcome may differ from management's estimates.

During the financial year, the Company recognised an impairment loss on amounts due from subsidiaries of RM10,019,316. Accordingly, the recoverability assessment of amounts due from subsidiaries is considered a key source of estimation uncertainty.

(viii) Impairment of Non-financial Assets

When the recoverable amount of an asset is determined based on the estimate of the value in use of the cash-generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

(ix) Deferred Tax Assets and Liabilities

Deferred tax implications arising from the changes in corporate income tax rates are measured with reference to the estimated realisation and settlement of temporary differences in the future years in which the tax rates are expected to apply, based on the tax rates enacted or substantively enacted at the reporting date. While management's estimates on the realisation and settlement of temporary differences are based on the available information at the reporting date, changes in business strategy, future operating performance and other factors could potentially impact on the actual timing and amount of temporary differences realised and settled. Any difference between the actual amount and the estimated amount would be recognised in profit or loss in the year in which actual realisation and settlement occurs.

1. Basis of preparation (continued)

(d) Significant accounting estimates and judgements (continued)

(x) Recognition of Deferred Tax Assets

The recognition of deferred tax assets requires management to assess the probability that future taxable profits will be available against which deductible temporary differences, unabsorbed capital allowances and unutilised tax losses can be utilised.

Significant judgement is involved in estimating future taxable profits, including consideration of historical operating results, business plans, future market conditions and the expected timing of reversal of existing taxable temporary differences.

At the reporting date, the Group has recognised a deferred tax asset of RM546,772 in respect of unabsorbed capital allowances. Management is satisfied that sufficient future taxable profits and taxable temporary differences will be available for the utilisation of the recognised deferred tax asset. However, deferred tax assets arising from certain unutilised tax losses have not been recognised as recovery of these tax benefits is not considered probable within the foreseeable future.

Changes in assumptions relating to future taxable profits and the timing of reversal of temporary differences could result in material adjustments to the carrying amount of deferred tax assets recognised in future financial periods.

(xi) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

2. Material accounting policies

The material accounting policies adopted by the Group and the Company are consistent with those in the previous financial year unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing the control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's returns.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

(ii) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

In the previous years, if the Group retained any interest in the previous subsidiary, such interest was measured at the carrying amount at the date that control was lost and their carrying amount would be regarded as cost on initial measurement of the investment.

2. Material accounting policies (continued)

(a) Basis of consolidation (continued)

(iii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity accounted associates are eliminated against the investment to the extent of the Group's interest in the associates and jointly controlled entities. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currencies

(i) Functional and presentation currency

The individual financial statement of the Group is measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statement is presented in Ringgit Malaysia ("RM"), which is the Group's functional currency.

(ii) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Group and its subsidiaries are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

2. Material accounting policies (continued)

(b) Foreign currencies (continued)

(ii) Foreign currency transactions (continued)

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

The principal exchange rate used in the translation of each unit of foreign currency at reporting date is as follows:

	2026 RM	2025 RM
1 Singapore Dollars ("SGD")	3.1495	3.4783
1 US Dollars ("USD")	4.0775	4.6700

(c) Revenue

Revenue from contracts with customers

The Group is in the business of manufacturing and trading of office furniture as well as trading of steel.

Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The Group recognises revenue when (or as) it transfers control over a product or service to a customer. An asset is transferred when (or as) the customer obtains control of the asset.

2. Material accounting policies (continued)

(c) Revenue (continued)

Revenue from contracts with customers (continued)

Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or service promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

The following describes the performance obligation in contracts with customers:

Manufacturing of furniture and trading of steel and furniture

For the manufacturing of furniture and trading of steel, the contracts with customers are bundled and consist of obligations for the sales of furniture and steel and delivery of the said furniture and steel to its customers.

Contracts for bundled services comprise multiple performance obligations (PO) and are capable of being distinct and separately identifiable. However, the management has assessed that the delivery obligation is primarily a value-added fulfilment service and is not considered to be a significant distinct PO. Accordingly, the contract with customers is considered as a single PO and is satisfied at a point in time basis.

Revenue from the sale of furniture and trading of steel is recognised when the control of the goods has been transferred to the customers (i.e. delivery of goods or cash and carry basis), net of sales and service tax and discounts.

(d) Tax expenses

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

2. Material accounting policies (continued)

(d) Tax expenses (continued)

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiary companies, associated companies and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiary companies, associated companies and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2. Material accounting policies (continued)

(d) Tax expenses (continued)

(ii) Deferred tax (continued)

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax liabilities and deferred tax assets shall reflect the tax consequences that would follow from the manner in which the entity expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

(e) Impairment of non-financial assets

The carrying amounts of the Group's and of the Company's non-financial assets, other than investment properties, inventories, deferred tax assets and non-current assets (or disposal groups) held for sale, are reviewed at each reporting date to determine whether there is an indication of impairment. If any indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the Cash Generating Unit ("CGU") to which the asset belongs.

2. Material accounting policies (continued)

(e) Impairment of non-financial assets (continued)

An asset's recoverable amount is the higher of an asset's or CGU's fair value less cost of disposal ("FVLCD") and its value in use ("VIU"). In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

An impairment loss is recognised in profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for as a revaluation decrease to the extent that the impairment loss does not exceed the amount held in the revaluation reserve for the same asset.

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at a revalued amount, in which case, such reversal is treated as a revaluation increase.

(f) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably.

Subsequent to recognition, freehold land and factory building are measured using the revaluation model, whilst all other classes of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

2. Material accounting policies (continued)

(f) Property, plant and equipment (continued)

When significant parts of property, plant and equipment are required to be replaced at intervals, the Group and the Company recognise such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Freehold land has an unlimited useful life and is therefore not depreciated.

Machinery in progress is not depreciated until they are ready for use.

Depreciation of property, plant and equipment is computed on a straight-line basis over the estimated useful lives of the assets at the following annual rates:

Factory building	3%
Office equipment and computers	10% to 20%
Electrical installation, signboard, furniture and fittings	10% to 15%
Motor vehicles	20%
Moulds, plant and machinery	10% to 20%

The carrying amount of property, plant and equipment is reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

Freehold land and factory building

Freehold land and factory building are stated at revalued amounts, being their fair values at the date of revaluation less any subsequent accumulated depreciation and accumulated impairment losses.

2. Material accounting policies (continued)

(f) Property, plant and equipment (continued)

Freehold land and factory building (continued)

Revaluations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the assets at the reporting date. Independent professional valuers with appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued are engaged to perform the valuations.

Any revaluation increase arising on revaluation is recognised in other comprehensive income and accumulated in equity under the revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss.

A revaluation decrease is recognised in profit or loss to the extent that it exceeds any balance existing in the revaluation reserve relating to that asset. Any excess is recognised in other comprehensive income and debited against the revaluation reserve.

Upon disposal or derecognition of a revalued asset, the attributable revaluation reserve is transferred directly to retained earnings (or accumulated losses, where applicable) and is not reclassified to profit or loss.

(g) Right-of-use assets

Right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Warehouse	50%
Office	50%

Lease payments associated with short-term leases is recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

2. Material accounting policies (continued)

(h) Inventories

Inventories comprise finished goods and trading goods. Inventories are stated at the lower of cost and net realisable value.

Cost is determined using the weighted average basis. Costs of finished goods comprise the costs of raw materials, direct labour and an appropriate proportion of production overheads. Costs of trading goods comprise the cost of purchase plus the cost of bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

(i) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the entity becomes party to the contractual provisions of the instruments.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Group and the Company commit to purchase or sell the asset.

The classification of financial assets at initial recognition depends on:

(a) the financial asset's contractual cash flow characteristics; and

(b) the Group's and the Company's business model for managing them.

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

2. Material accounting policies (continued)

(i) Financial instruments (continued)

(i) Financial assets (continued)

Initial recognition and measurement (continued)

Classification of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Group and the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model. Such changes are expected to be very infrequent.

With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Company has applied the practical expedient, the Group and the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Trade receivables that do not contain a significant financing component or if the period between performance and payment is 1 year or less under practical expedient of MFRS 15: Revenue, are measured at the transaction price determined under MFRS 15.

Subsequent measurement

Subsequent measurement of financial assets depends on its classification. The classification of financial assets are described below:

Amortised cost

This category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise to cash flows on specified dates that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

2. Material accounting policies (continued)

(i) Financial instruments (continued)

(i) Financial assets (continued)

Subsequent measurement (continued)

Subsequent to initial recognition, the amortised cost of a financial asset is the amount at initial recognition minus principal repayments plus cumulative amortisation using the effective interest method and reduced by any impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

(i) The contractual rights to receive cash flows from the asset have expired; or

(ii) The Group and the Company has transferred its rights to receive the cash flows from the assets and has transferred substantially all risks and rewards related to the asset; or

(iii) The Group and the Company has transferred its rights to receive the cash flows from the assets and has not retained control of the assets; or

(iv) The Group and the Company has assumed an obligation to pay the cash flows from the asset in full without material delay to a third party under a 'pass-through' arrangement.

When the Group and the Company has transferred its rights to receive cash flows from an asset or has entered into a 'pass-through' arrangement, but is not able to derecognise the asset, the Group and the Company has to continue recognising the transferred asset to the extent of its continuing involvement and to recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

2. Material accounting policies (continued)

(i) Financial instruments (continued)

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the entity becomes party to the contractual provisions of the instruments.

Financial liabilities are classified, at initial recognition, as financial liabilities at amortised cost or financial liabilities at fair value through profit or loss.

The Group and the Company initially measure a financial liability at its fair value minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability.

Subsequent measurement

The Group and the Company measure the financial liabilities depending on their classification, as described below:

Amortised cost

Financial liabilities are measured at amortised cost using the effective interest method, which allocates interest expenses at a constant rate over the term of the financial liabilities. The effective interest rate is calculated at initial recognition and is the rate that exactly discounts the estimated future cash flows (including all fees and points paid that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability to the amortised cost of a financial liability.

Subsequent to initial recognition, the amortised cost of a financial liability is the amount at initial recognition minus repayments, plus the cumulative amortisation using the effective interest method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

2. Material accounting policies (continued)

(i) Financial instruments (continued)

(ii) Financial liabilities (continued)

Derecognition

A financial liability is derecognised when the obligation under the liability expires, or is discharged or cancelled. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such a replacement or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(j) Impairment of financial assets

The Group and the Company recognise loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost, debt investments measured at fair value through other comprehensive income, contract assets and lease receivables.

ECLs are the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are part of the contractual terms.

ECLs are recognised in two stages. For credit exposures where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

2. Material accounting policies (continued)

(j) Impairment of financial assets (continued)

For trade receivables and contract assets, the Group and the Company apply the simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

For debt instruments at fair value through other comprehensive income, the Group and the Company apply the low credit risk simplification. At every reporting date, the Group and the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group and the Company reassesses the internal credit rating of the debt instrument. In addition, the Group and the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group and the Company recognise impairment loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at fair value through other comprehensive income, for which the loss allowance is recognised in profit or loss and accumulated in the fair value reserve.

A financial asset is considered to be in default when contractual payments are more than 120 days past due. The Group and the Company may also consider a financial asset to be in default where internal or external information indicates that the debtor is unlikely to pay its creditors, including the Group and the Company, in full before taking into account any credit enhancements held.

In assessing whether a financial asset is credit-impaired, the Group and the Company consider available reasonable and supportable information, including evidence of significant financial difficulty of the debtor, breach of contract, restructuring of amounts due on terms that would not otherwise be considered, the probability that the debtor will enter bankruptcy or other financial reorganisation, or the disappearance of an active market for the financial asset due to financial difficulties.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows either in full or in part.

2. Material accounting policies (continued)

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, deposits with financial institution with original maturities of less than 3 months, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

(l) Leases

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group, and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense in profit or loss in the statement of profit or loss, on a straight-line basis over the lease term.

2. Material accounting policies (continued)

(m) Operating segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Inter-segment sales are transacted on negotiated terms and conditions that approximate those available in comparable transactions with third parties. Inter-segment sales are eliminated on consolidation.

(n) Fair value measurements

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market which must be accessible by the Group and the Company.

For a non-financial asset, the fair value measurement considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group and the Company use observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

2. Material accounting policies (continued)

(n) Fair value measurements (continued)

The Group and the Company recognise transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfer.

3. Revenue

The revenue of the Group consists of income generated from trading of steel and furniture and manufacturing of furniture.

The revenue is recognised as follows:

	Group	
	2026	**2025**
	RM	**RM**
Revenue from contracts with customers		
At a point in time		
Trading of steel and furniture	104,838,229	114,996,127
Manufacturing of furniture	45,537	57,819
	104,883,766	115,053,946

In the following table, revenue from trading of steel and furniture and manufacturing of furniture is disaggregated by primary geographical market.

	Group	
	2026	**2025**
	RM	**RM**
Geographical markets		
Malaysia	104,883,766	115,053,946

4. Other income

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Deposits forfeited during the financial year	-	12,408	-	-
Gain on disposal of:				
- inventories	-	201,947	-	-
- property, plant and equipment	9,400,067	56,799	-	-
Gain on termination of right-of-use assets	-	36,818		
Lease income	-	360,000	-	-
Discount received	48,880	-	-	-
Sundry income	-	20,217	-	-
Utilities income	12,025	54,867	-	-
Waiver of debts due to:				
- trade payables	-	2,403	-	-
- non-trade payables	-	16,154	-	-
- related parties	2,113,460	-	-	-
Unrealised gain on foreign exchange	39,862	29,334	-	-
Realised gain on foreign exchange	-	306	-	-
Other income	41,310	27,561	-	4,480
	11,655,604	818,814	-	4,480

NOTES TO THE FINANCIAL STATEMENTS
AS AT 30 JUNE 2026 (cont'd)

5. Employee benefits expenses

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
(i) Staff costs				
Salaries, allowances and overtime	1,671,239	1,718,590	-	-
Contribution to defined contribution plan	138,574	148,003	-	-
Social security contribution	12,839	11,954	-	-
Other staff benefits	117,542	23,199	2,374	3,528
	1,940,194	1,901,746	2,374	3,528
(ii) Directors' remuneration				
Salaries, allowances and overtime	443,000	440,500	53,000	50,500
Contribution to defined contribution plan	46,800	50,720	-	-
Social security contribution	1,393	1,817	-	-
Other Directors' benefits	9,113	26,249	3,248	26,249
	500,306	519,286	56,248	76,749
Directors' fee	150,000	150,000	150,000	150,000
	650,306	669,286	206,248	226,749
Total employee benefits expenses	2,590,500	2,571,032	208,622	230,277

The total number of employees inclusive of Directors of the Group and of the Company at the end of the financial year was 21 and 8 (2025: 20 and 8).

6. Net (loss)/gain on impairment of financial assets and non-financial assets

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Financial assets:				
Impairment losses on:				
- amount due from subsidiaries	-	-	(10,019,316)	(803,568)
	-	-	(10,019,316)	(803,568)
Reversal of impairment losses on:				
- trade receivables	6,449	188,314	-	-
- non-trade receivables	-	10,713	-	-
	6,449	199,027	-	-
Net gain/(loss) on impairment of financial assets	6,449	199,027	(10,019,316)	(803,568)
Non-financial assets:				
Reversal of impairment losses on:				
- investment in subsidiaries	-	-	-	2,034,574
	6,449	199,027	(10,019,316)	1,231,006

NOTES TO THE FINANCIAL STATEMENTS
AS AT 30 JUNE 2026 (cont'd)

7. Profit/(Loss) from operations

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Profit/(Loss) before tax is arrived at after charging:				
Auditors' remunerations	240,000	223,000	85,000	80,000
Corporate exercise expenses	191,101	-	191,101	-
Depreciation of:				
- property, plant and equipment	4,108,180	3,782,007	692	3,846
- right-of-use assets	5,056,011	4,876,656	-	-
Lease of low-value assets, photostat machine	9,360	9,540	-	-
Litigation claims	3,100,000	-	3,100,000	-
Property, plant and equipment written off	-	42,509	-	-
Short-term leases:				
- forklift	214,800	221,800	-	-
Unrealised loss on foreign exchange	6,449	-	-	-
Realised loss on foreign exchange	-	38	-	-

8. Finance costs

	Group	
	2026 RM	2025 RM
Interest expenses on:		
- term loans	7,907	190,945
- bank overdrafts	-	9,519
- late payment	735	3,956
- lease liabilities	253,505	552,487
	262,147	756,907

9. Tax expense/(income)

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Current tax:				
- current year	-	323,391	-	-
- under/ (over)provision in prior financial year	48,540	(2,463,826)	-	9,858
	48,540	(2,140,435)	-	9,858
Deferred tax (Note 21):				
- current year	505,207	(99,460)	-	-
- underprovision in prior year	(604,664)	21,384	-	-
	(99,457)	(78,076)	-	-
Real property gain tax:				
- current year	328,271	693,500	-	-
- underprovision in prior year	-	943,013	-	-
	328,271	1,636,513	-	-
	277,354	(581,998)	-	9,858

NOTES TO THE FINANCIAL STATEMENTS
AS AT 30 JUNE 2026 (cont'd)

9. Tax expense/(income) (continued)

Reconciliation of effective tax expense

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Profit/(Loss) before tax	1,049,085	(8,110,938)	(14,280,398)	479,036
Tax calculated using statutory tax rate at 24%	251,780	(1,946,625)	(3,427,296)	114,969
Non-deductible expenses	1,050,960	290,668	3,427,296	373,564
Non-taxable income	(1,569)	(17,890)	-	(489,373)
(Utilisation of deferred tax assets previously not recognised)/ Deferred tax assets not recognised	(644,302)	2,036,940	-	840
Crystallisation of revaluation reserve	(151,662)	(139,162)	-	-
Change in real property gain tax rate on freehold land and factory building	328,271	693,500	-	-
	833,478	917,431	-	-
Under/ (Over)provision of current tax in prior year	48,540	(2,463,826)	-	9,858
(Over)/ Underprovision of deferred tax in prior year	(604,664)	21,384	-	-
Underprovision of real property gain tax in prior year	-	943,013		
	277,354	(581,998)	-	9,858

9. Tax expense/(income) (continued)

The Group has unutilised tax losses, unabsorbed capital allowances and unabsorbed reinvestment allowance amounting to RM29,193,850, RM10,124,609 and RMNil (2025: RM28,853,315, RM6,390,623 and RM9,510,081) respectively available for offsetting against future taxable profits.

Unutilised tax losses can be carried forward for a period of 10 years of assessment ("YA") to set off against future taxable profits as follows:

Group	RM	Utilisable up to
YA 2018	157,812	YA 2028
YA 2019	3,202,355	YA 2029
YA 2020	248,034	YA 2030
YA 2021	5,653,611	YA 2031
YA 2022	3,941,048	YA 2032
YA 2023	6,742,366	YA 2033
YA 2024	3,286,003	YA 2034
YA 2025	5,622,086	YA 2035
YA 2026	340,535	YA 2036
	29,193,850	

10. Basic and diluted earnings/(loss) per share (sen)

Basic earnings/(loss) per share is calculated by dividing profit/(loss) for the financial year, net of tax, attributable to owners of the Company by the weighted average number of shares in issue during the financial year.

	Group	
	2026	2025
Profit/(Loss) for the financial year, attributable to owners of the Company (RM)	771,731	(4,169,859)
Weighted average number of ordinary shares in issue (units)	1,460,668,613	1,327,967,100
Basic earnings/(loss) per share (sen)	0.05	(0.31)

10. Basic and diluted earnings/(loss) per share (sen) (continued)

Diluted earnings/(loss) per share is calculated by adjusting the weighted average number of ordinary shares outstanding for the effects of dilutive potential ordinary shares arising from:

- the proposed issuance of 400,000,000 consideration shares pursuant to the proposed acquisition;
- up to 331,991,700 placement shares pursuant to the proposed private placement; and
- up to 2,623,168,711 rights shares pursuant to the proposed rights issue.

The proposed corporate exercises remained uncompleted as at 30 June 2026.

	Group	
	2026	**2025**
Profit/(Loss) for the financial year, attributable to owners of the Company (RM)	771,731	(4,169,859)
Weighted average number of ordinary shares for diluted earnings/(loss) per share (units)	4,815,829,024	1,327,967,100
Diluted earnings/(loss) per share (sen)	0.02	(0.31)

11. Property, plant and equipment

	Freehold land RM	Factory building RM	Office equipment and computers RM	Electrical installation, signboard, furniture and fittings RM	Motor vehicles RM	Moulds, plant and machinery RM	Machinery in progress RM	Total RM
Group								
2026								
Cost/Valuation								
At 1 July 2025	28,000,000	40,000,000	211,720	55,990	1,707,535	12,672,440	24,837,000	107,484,685
Reclassification	-	-	-	-	-	24,837,000	(24,837,000)	-
Disposal	-	-	-	-	-	(4,682,000)	-	(4,682,000)
At 30 June	28,000,000	40,000,000	211,720	55,990	1,707,535	32,827,440	-	102,802,685
Accumulated depreciation								
At 1 July 2025	-	-	52,639	36,071	1,707,526	6,529,153	-	8,325,389
Charge for the financial year	-	1,333,333	42,094	2,914	-	2,729,839	-	4,108,180
Disposal	-	-	-	-	-	(4,082,067)	-	(4,082,067)
At 30 June	-	1,333,333	94,733	38,985	1,707,526	5,176,925	-	8,351,502

NOTES TO THE FINANCIAL STATEMENTS
AS AT 30 JUNE 2026 (cont'd)

11. Property, plant and equipment (continued)

	Freehold land RM	Factory building RM	Office equipment and computers RM	Electrical installation, signboard, furniture and fittings RM	Motor vehicles RM	Moulds, plant and machinery RM	Machinery in progress RM	Total RM
Group								
2026								
Carrying amount								
At 30 June	28,000,000	38,666,667	116,987	17,005	9	27,650,515	-	94,451,183
Representing:								
At cost	-	-	116,987	17,005	9	27,650,515	-	27,784,516
At valuation	28,000,000	38,666,667	-	-	-	-	-	66,666,667
	28,000,000	38,666,667	116,987	17,005	9	27,650,515	-	94,451,183

11. Property, plant and equipment (continued)

	Freehold land RM	Factory building RM	Office equipment and computers RM	Electrical installation, signboard, furniture and fittings RM	Motor vehicles RM	Moulds, plant and machinery RM	Machinery in progress RM	Total RM
Group								
2025								
Cost/Valuation								
At 1 July 2024	27,000,000	41,000,000	790,130	168,867	1,816,953	35,142,726	17,412,000	123,330,676
Revaluation	1,000,000	1,562,500	-	-	-	-	-	2,562,500
Additions	-	-	65,546	16,310	-	1,994,207	7,425,000	9,501,063
Elimination of accumulated depreciation on revaluation	-	(2,562,500)	-	-	-	-	-	(2,562,500)
Disposal	-	-	-	-	(109,418)	-	-	(109,418)
Written off	-	-	(643,956)	(129,187)	-	(24,464,493)	-	(25,237,636)
At 30 June	28,000,000	40,000,000	211,720	55,990	1,707,535	12,672,440	24,837,000	107,484,685

NOTES TO THE FINANCIAL STATEMENTS
AS AT 30 JUNE 2026 (cont'd)

NOTES TO THE FINANCIAL STATEMENTS
AS AT 30 JUNE 2026 (cont'd)

11. Property, plant and equipment (continued)

	Freehold land RM	Factory building RM	Office equipment and computers RM	Electrical installation, signboard, furniture and fittings RM	Motor vehicles RM	Moulds, plant and machinery RM	Machinery in progress RM	Total RM
Group								
2025								
Accumulated depreciation								
At 1 July 2024	-	1,281,250	609,879	138,115	1,816,943	28,564,239	-	32,410,426
Charge for the financial year	-	1,281,250	57,649	21,263	-	2,421,845	-	3,782,007
Elimination of accumulated depreciation on revaluation	-	(2,562,500)	-	-	-	-	-	(2,562,500)
Disposal	-	-	-	-	(109,417)	-	-	(109,417)
Written off	-	-	(614,889)	(123,307)	-	(24,456,931)	-	(25,195,127)
At 30 June	-	-	52,639	36,071	1,707,526	6,529,153	-	8,325,389

11. Property, plant and equipment (continued)

	Freehold land RM	Factory building RM	Office equipment and computers RM	Electrical installation, signboard, furniture and fittings RM	Motor vehicles RM	Moulds, plant and machinery RM	Machinery in progress RM	Total RM
Group								
2025								
Carrying amount								
At 30 June	28,000,000	40,000,000	159,081	19,919	9	6,143,287	24,837,000	99,159,296
Representing:								
At cost	-	-	159,081	19,919	9	6,143,287	24,837,000	31,159,296
At valuation	28,000,000	40,000,000	-	-	-	-	-	68,000,000
	28,000,000	40,000,000	159,081	19,919	9	6,143,287	24,837,000	99,159,296

11. Property, plant and equipment (continued)

	Signboard RM	Computers RM	Total RM
Company			
2026			
Cost			
At 1 July 2025/30 June	35,000	3,462	38,462
Accumulated depreciation			
At 1 July 2025	35,000	346	35,346
Charge for the financial year	-	692	692
At 30 June	35,000	1,038	36,038
Carrying amount			
At 30 June	-	2,424	2,424
2025			
Cost			
At 1 July 2024	35,000	-	35,000
Addition	-	3,462	3,462
At 30 June	35,000	3,462	38,462
Accumulated depreciation			
At 1 July 2024	31,500	-	31,500
Charge for the financial year	3,500	346	3,846
At 30 June	35,000	346	35,346
Carrying amount			
At 30 June	-	3,116	3,116

At the reporting date, the cost of fully depreciated property, plant and equipment still in use was as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Signboard	35,000	35,000	35,000	35,000
Motor vehicles	1,707,535	1,707,535	-	-
	1,742,535	1,742,535	35,000	35,000

11. Property, plant and equipment (continued)

(i) Revaluation of freehold land and factory building

The freehold land and factory building are carried at revalued amounts. The latest valuation was performed by an independent professional valuer, VPC Alliance (PJ) Sdn. Bhd., on 25 June 2025 based on market value. The valuation was determined using the comparison method for the land component and the cost method for the building component. Under the comparison method, the land value was determined by reference to comparable industrial land transactions adjusted for differences in location, size and other relevant characteristics. Under the cost method, the building value was determined based on the estimated current replacement cost of the building after allowing for physical depreciation. The valuation assumes the property is valued with vacant possession and free from encumbrances.

The fair value of the freehold land and factory building as determined by the valuer was RM68,000,000, comprising land value of RM28,000,000 and building value of RM40,000,000.

As at 30 June 2026, the carrying amount of the freehold land and factory building amounted to RM66,666,667 after charging depreciation on the revalued building.

The revaluation reserve relating to the freehold land and factory building amounted to RM34,778,167 as at 30 June 2026 (2025: RM35,258,430).

The carrying amount of the freehold land and factory building that would have been recognised had the assets been carried under the cost model amounted to RM13,505,750 as at 30 June 2026 (2025: RM13,593,076).

(ii) Impairment assessment

The Group assesses assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverable amount is the higher of fair value less costs of disposal ("FVLCD") and value in use ("VIU"), and is determined at the level of the cash-generating unit ("CGU") where an asset does not generate cash inflows largely independent of other assets.

11. Property, plant and equipment (continued)

(ii) Impairment assessment (continued)

Impairment testing of the property, plant and equipment

During the financial year, management assessed the recoverable amount of the property, plant and equipment as the Group recorded negative cash flows from operating activities, experienced an 8.8% decline in revenue and incurred operating losses before recognising a gain of approximately RM9.4 million on the disposal of property, plant and equipment to third parties.

The recoverable amount was determined using the value in use approach based on cash flow forecasts approved by management covering a five-year period, with no growth assumed thereafter. The key assumptions applied in the impairment assessment include the following:

(i) Projected revenue growth and gross profit margin; and
(ii) Pre-tax discount rate that reflects the time value of money and the risks specific to the underlying assets

The recoverable amount of the freehold and factory building are based on the independent valuation report in determine its fair value less cost to sales.

Based on the impairment assessment performed, no impairment loss was recognised, as the recoverable amount exceeded the carrying amount of the related assets. Management has further assessed that no reasonably possible change in any of the key assumptions would cause the carrying amount of the assets to materially exceed their recoverable amount.

12. Right-of-use assets

	Warehouse RM	Office RM	Total RM
Group			
2026			
Cost			
At 1 July 2025	19,395,186	222,874	19,618,060
Additions	11,996,247	-	11,996,247
Expiry	(19,395,186)	-	(19,395,186)
At 30 June	11,996,247	222,874	12,219,121
Accumulated depreciation			
At 1 July 2025	14,950,456	27,859	14,978,315
Charge for the financial year	4,944,574	111,437	5,056,011
Expiry	(19,395,186)	-	(19,395,186)
At 30 June	499,844	139,296	639,140
Carrying amount			
At 30 June	11,496,403	83,578	11,579,981
2025			
Cost			
At 1 July 2024	19,395,186	-	19,395,186
Additions	-	222,874	222,874
At 30 June	19,395,186	222,874	19,618,060
Accumulated depreciation			
At 1 July 2024	10,101,659	-	10,101,659
Charge for the financial year	4,848,797	27,859	4,876,656
At 30 June	14,950,456	27,859	14,978,315
Carrying amount			
At 30 June	4,444,730	195,015	4,639,745

The Group leases its warehouse and office for 2 years with an option to renew for a further 2 years (2025: 2 years).

12. Right-of-use assets (continued)

Impairment assessment

The Group assesses assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverable amount is the higher of fair value less costs of disposal ("FVLCD") and value in use ("VIU"), and is determined at the level of the cash-generating unit ("CGU") where an asset does not generate cash inflows largely independent of other assets.

Impairment testing of the right-of-use assets of ESL and ESI

During the financial year, management assessed the recoverable amount of the property, plant and equipment as the Group recorded negative cash flows from operating activities, experienced an 8.8% decline in revenue and incurred operating losses before recognising a gain of approximately RM9.4 million on the disposal of property, plant and equipment to third parties.

The recoverable amount was determined using the value in use approach based on cash flow forecasts approved by management covering a five-year period, with no growth assumed thereafter. The key assumptions applied in the impairment assessment include the following:

(i) Projected revenue growth and gross profit margin; and and
(ii) Pre-tax discount rate that reflects the time value of money and the risks specific to the underlying assets

Based on the impairment assessment performed, no impairment loss was recognised, as the recoverable amount exceeded the carrying amount of the related assets. Management has further assessed that no reasonably possible change in any of the key assumptions would cause the carrying amount of the assets to materially exceed their recoverable amount.

13. Investment in subsidiaries

	Company	
	2026 RM	2025 RM
Unquoted shares, at cost:		
At 1 July 2025/2024	24,048,012	24,048,012
Additions	1,000,000	-
	25,048,012	24,048,012
Loans that are part of net investment	54,229,858	54,229,858
	79,277,870	78,277,870
Less: Accumulated impairment losses		
At 1 July 2025/2024	(18,236,911)	(20,271,485)
Reversal	-	2,034,574
	(18,236,911)	(18,236,911)
At 30 June	61,040,959	60,040,959

Loans that are part of net investment represent amount owing by subsidiaries which are non-trade in nature, unsecured and non-interest bearing. The settlement of the amount is neither planned nor likely to occur in the foreseeable future as it is the intention of the Company to treat this amount as a long-term source of capital to the subsidiaries. As these amounts are, in substance, a part of the Company's net investment in the subsidiaries, it is stated at cost less accumulated impairment loss.

During the financial year, the Company subscribed for additional ordinary shares in Eurosteel Line Sdn. Bhd., a wholly-owned subsidiary, for a total cash consideration of RM1,000,000. The proceeds were utilised by the subsidiary for working capital purposes. The subscription did not result in any change in the Company's effective equity interest in the subsidiary.

Details of the subsidiaries are as follows:

Name of companies	Country of incorporation	Proportion of ownership interest/voting rights 2026 %	2025 %	Principal activities
Held by the Company				
Euro Chairs Manufacturer (M) Sdn. Bhd. ("ECM")	Malaysia	100	100	Manufacturing and marketing of furniture

NOTES TO THE FINANCIAL STATEMENTS
AS AT 30 JUNE 2026 (cont'd)

13. Investment in subsidiaries (continued)

Details of the subsidiaries are as follows: (continued)

Name of companies	Country of incorporation	Proportion of ownership interest/voting rights 2026 %	2025 %	Principal activities
Held by the Company				
Euro Hartanah (M) Sdn. Bhd. ("EHM")	Malaysia	100	100	Trading of furniture, furnishing fabric materials and other furniture components; Buying, selling, renting and operating of self-owned or leased real estate of non-residential buildings and land
Eurosteel System Sdn. Bhd. ("ES")	Malaysia	100	100	Trading of storages and steel furniture
Euro Space Industries (M) Sdn. Bhd. ("ESI")	Malaysia	100	100	Manufacturing and trading of office furniture, partitions, chairs and panels
Euro Space System Sdn. Bhd. ("ESS")	Malaysia	100	100	Trading of office furniture
Eurosteel Line Sdn. Bhd. ("ESL")	Malaysia	100	100	Trading of steel products
Euro Chairs (M) Sdn. Bhd. ("ECSB")	Malaysia	100	100	Holds the industrial designs and trademarks of the Group

14. Inventories

	Group	
	2026 RM	2025 RM
At cost:		
- Finished goods	586,081	-
- Trading goods	13,752,373	14,065,199
	14,338,454	14,065,199
Less: Inventories written down		
At 1 July 2025/2024	-	(1,446,985)
Reversal	-	1,446,985
At 30 June	-	-
	14,338,454	14,065,199
Recognised in profit or loss		
Inventories recognised as cost of sales	97,979,321	109,862,764

The reversal of inventories previously written down to net realisable value amounting to RM1,446,985 recognised in the previous financial year arose from the disposal of the affected inventories pursuant to the tripartite agreements dated 27 June 2025. Accordingly, the inventories were realised at amounts exceeding their previously estimated net realisable values and the previous write-down was no longer required.

15. Trade receivables

	Group	
	2026 RM	2025 RM
Trade receivables	33,497,370	26,832,255
Less: Accumulated impairment losses		
At 1 July 2025/2024	(2,434,909)	(2,623,223)
Reversal	6,449	188,314
At 30 June	(2,428,460)	(2,434,909)
	31,068,910	24,397,346

NOTES TO THE FINANCIAL STATEMENTS
AS AT 30 JUNE 2026 (cont'd)

15. Trade receivables (continued)

The normal credit terms of trade receivables of the Group range from 30 to 90 days (2025: 30 to 90 days). For selected customers, extended credit terms of up to 180 days have been granted on a case-by-case basis after consideration of factors such as business relationship, creditworthiness, transactions volume and repayment history. A significant portion of the trade receivables balance as at 30 June 2026 relates to customers with approved 180-day credit terms.

16. Non-trade receivables

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Non-trade receivables	11,617,495	6,881,889	1,518,890	6,679,000
Less: Accumulated impairment losses				
At 1 July 2025/2024	(98,605)	(109,318)	-	-
Reversal	-	10,713	-	-
At 30 June	(98,605)	(98,605)	-	-
	11,518,890	6,783,284	1,518,890	6,679,000
Deposits	1,386,499	1,379,448	-	-
Prepayments	2,265,788	771,165	582,312	767,736
	15,171,177	8,933,897	2,101,202	7,446,736

Included in the Group's non-trade receivables is an amount of RM10,000,000 (2025: RMNil) receivable from sale proceed arising from the disposal of moulds and plant and machinery. Pursuant to the respective disposal agreements dated 29 June 2026 and 23 June 2026, the outstanding consideration is payable within twelve (12) months from the respective completion dates i.e. 30 June 2026. No fixed instalment schedule applies and the purchasers may make partial or full settlement at any time during the agreed payment period.

Management has assessed the recoverability of the outstanding balances as at the reporting date, taking into consideration the contractual payment terms, the purchasers' ability and intention to settle the amounts, and other available information. Based on the assessment performed, management is of the view that the balances are recoverable and, accordingly, no expected credit loss allowance has been recognised as at year end.

17. Amount due from/(to) subsidiaries

	Company	
	2026	2025
	RM	RM
Amount due from	23,807,319	964,727
Less: Accumulated impairment losses		
At 1 July 2025/2024	(803,568)	-
Additions	(10,019,316)	(803,568)
At 30 June	(10,822,884)	(803,568)
	12,984,435	161,159
Amount due to	(3,134,248)	(8,164,573)

The amounts due from/(to) subsidiaries are non-trade in nature, unsecured and interest-free advances which are receivable/(repayable) on demand.

Significant related party transactions have been disclosed in Note 28 of the financial statements.

18. Share capital

	Group and Company			
	2026	2025	2026	2025
	Number of ordinary shares		RM	RM
Issued and fully paid:				
At 1 July 2025/2024	1,327,967,100	1,327,967,100	95,508,076	95,508,076
Issuance of ordinary shares	563,209,911	-	25,344,446	-
Share issue costs	-	-	(148,930)	-
	1,891,177,011	1,327,967,100	120,703,592	95,508,076

NOTES TO THE FINANCIAL STATEMENTS
AS AT 30 JUNE 2026 (cont'd)

18. Share capital (continued)

During the financial year, the Group and the Company increased its issued and paid-up ordinary shares from 1,327,967,100 units to 1,891,177,011 units by way of the following:

On 6 April 2026, the Group and the Company settled debts owing to Dato' Sri Lim Teck Boon, Imponotive Auto Sdn. Bhd., Supreme Power Auto Sdn. Bhd. and Supreme Power Performance (M) Sdn. Bhd. through issuance of 563,209,911 new ordinary shares to Dato' Sri Lim Teck Boon at an issue price of RM0.045 per share, pursuant to a debt capitalisation arrangement.

The issuance of shares represented a non-cash transaction whereby amounts due to the above related parties were capitalised and settled through the issuance of ordinary shares.

The holders of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one (1) vote per share without restriction and rank equally with regard to the Company's residual interests.

19. Revaluation reserve

	Group	
	2026	**2025**
	RM	**RM**
At 1 July 2025/2024	35,258,430	47,391,129
Disposal of freehold land and factory building	-	(13,779,519)
Transfer to accumulated losses upon realisation	(480,263)	(440,680)
Surplus on revaluation arising from freehold land and factory building	-	2,087,500
At 30 June	34,778,167	35,258,430

The revaluation reserve represent revaluation surplus from revaluation of the Group's freehold land and factory building.

20. Lease liabilities

	Group	
	2026	2025
	RM	RM
Non-current	5,694,593	87,538
Current	5,920,241	5,280,876
	11,614,834	5,368,414

The maturity analysis of lease liabilities of the Group at the end of the reporting period:

	Group	
	2026	2025
	RM	RM
Repayable within one year	6,509,162	5,468,402
Repayable within one to two years	5,884,233	90,000
	12,393,395	5,558,402
Less: Future finance charges	(778,561)	(189,988)
Present value of lease liabilities	11,614,834	5,368,414

Set out below is the carrying amount of lease liabilities and the movements during the financial year.

	Group	
	2026	2025
	RM	RM
At 1 July 2025/2024	5,368,414	10,458,357
Addition	11,996,247	222,874
Accretion of interest	253,505	552,487
Repayment of principal	(5,749,827)	(5,275,999)
Repayment of interest expense	(253,505)	(552,487)
Termination	-	(36,818)
At 30 June	11,614,834	5,368,414

	Group	
	2026	2025
	RM	RM
Recognised in profit or loss:		
Interest expense on lease liabilities	253,505	552,487
Short-term lease of forklift	214,800	221,800
Lease of low-value assets	9,360	9,540

20. Lease liabilities (continued)

The Group's lease liabilities bear interest at the rate ranging from 6.60% to 6.70% (2025: 6.70% to 6.85%) per annum.

The total cash outflow for leases for the financial year ended 30 June 2026 is as follows:

	Group	
	2026	**2025**
	RM	**RM**
Repayment of lease liabilities	5,749,827	5,275,999
Interest paid on lease liabilities	253,505	552,487
Short-term lease payments	214,800	221,800
Low-value asset lease payment	9,360	9,540
	6,227,492	6,059,826

Included in lease liabilities are obligations arising from warehouse lease arrangements with related parties. During the financial year, lease payments relating to warehouse premises leased from Imponotive Auto Sdn. Bhd. and Supreme Power Auto Sdn. Bhd. amounted to RM2,877,829 (2025: RM2,854,055) and RM3,006,394 (2025: RM2,981,547), respectively.

21. Deferred tax liabilities

	Group		Company	
	2026	**2025**	**2026**	**2025**
	RM	**RM**	**RM**	**RM**
At 1 July 2025/2024	(7,533,180)	(8,407,837)	(840)	(840)
Recognised in profit or loss (Note 9)	99,457	78,076	-	-
Recognised in other comprehensive income	-	1,271,581	-	-
Revaluation of property, plant and equipment	-	(475,000)	-	-
At 30 June	(7,433,723)	(7,533,180)	(840)	(840)

21. Deferred tax liabilities (continued)

Presented after appropriate offsetting as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Deferred tax asset	674,809	85,152	-	-
Deferred tax liabilities	(8,108,532)	(7,618,332)	(840)	(840)
	(7,433,723)	(7,533,180)	(840)	(840)

The recognised deferred tax assets/(liabilities) arising from temporary differences before offsetting are as follows:

	Unabsorbed capital allowances RM	Right-of-use assets and lease liabilities RM	Total RM
Group			
Deferred tax assets:			
2026			
At 1 July 2025	-	85,152	85,152
Recognised in profit or loss	546,772	42,885	589,657
At 30 June	546,772	128,037	674,809
2025			
At 1 July 2024	-	-	-
Recognised in profit or loss	-	85,152	85,152
At 30 June	-	85,152	85,152

NOTES TO THE FINANCIAL STATEMENTS
AS AT 30 JUNE 2026 (cont'd)

21. Deferred tax liabilities (continued)

The recognised deferred tax assets/(liabilities) arising from temporary differences before offsetting are as follows: (continued)

	Revaluation reserve RM	Property, plant and equipment RM	Total RM
Group			
Deferred tax liabilities:			
2026			
At 1 July 2025	(7,471,254)	(147,078)	(7,618,332)
Recognised in profit or loss	756,326	(1,246,526)	(490,200)
At 30 June	(6,714,928)	(1,393,604)	(8,108,532)
2025			
At 1 July 2024	(8,406,997)	(840)	(8,407,837)
Recognised in profit or loss	139,162	(146,238)	(7,076)
Recognised in other comprehensive income	1,271,581	-	1,271,581
Revaluation of property, plant and equipment	(475,000)	-	(475,000)
At 30 June	(7,471,254)	(147,078)	(7,618,332)

The estimated temporary differences for which no deferred tax assets have been recognised in the financial statements are as follows (stated at gross):

	Group	
	2026 RM	2025 RM
Unrealised foreign exchange	(50,575)	(10,713)
Property, plant and equipment	(19,688,994)	(16,277,403)
Provisions	3,444,207	4,473,649
Unutilised tax losses	29,193,850	28,853,315
Unabsorbed capital allowances	7,846,392	6,390,623
At 30 June	20,744,880	23,429,471

22. Trade payables

The normal credit terms granted by the trade payables to the Group range from 30 to 90 days (2025: 30 to 90 days).

23. Non-trade payables, accruals and deposits received

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Non-trade payables	5,986,583	3,125,788	3,581,992	1,093,114
Accruals	431,111	425,802	79,400	103,000
Deposits received	-	192,650	-	-
	6,417,694	3,744,240	3,661,392	1,196,114

24. Contract liabilities

Contract liabilities primarily relate to advance payment or deposits received from customers of which the performance obligation has yet to be satisfied by the Group and are expected to be recognised as revenue in the subsequent financial year.

The movement in the contract liabilities is shown as follows:

	Group	
	2026 RM	2025 RM
At 1 July 2025/2024	373,440	863,962
Forfeiture of deposits received	-	(12,408)
Offset against trade receivables	-	(188,314)
Reclassification to deposits received	-	(203,735)
Recognised as revenue during the financial year	-	(56,731)
Refund payable to non-trade payables	(147,662)	-
Unrealised gain on foreign exchange	-	(29,334)
At 30 June	225,778	373,440

25. Amount due to related parties

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Name of related parties:				
Imponotive Auto Sdn. Bhd.	4,166,921	6,551,354	-	-
PH Performance (M) Sdn. Bhd.	145,200	40,000	91,500	40,000
S.P.A Hotel Sdn. Bhd.	73,530	8,675	18,390	2,675
SPA Supreme Development (M) Sdn. Bhd.	5,645	-	-	-
Supreme Power Auto Sdn. Bhd.	4,389,695	7,336,908	-	-
Supreme Power Performance (M) Sdn. Bhd.	338,400	602,400	-	-
Dato' Sri Lim Teck Boon	3,492,156	17,010,413	8,950	10,950
Dato' Lim Chaw Teng	93,002	52,294	-	-
	12,704,549	31,602,044	118,840	53,625

The amounts due to related parties are non-trade in nature, unsecured and interest-free advances which are repayable on demand.

Significant related party transactions have been disclosed in Note 28 of the financial statements.

26. Amount due to Directors

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Name of Directors:				
Datin Sri Ong Lely	223,629	127,038	826	-
Datuk Lim Sze Way	165,670	93,185	6,111	8,095
	389,299	220,223	6,937	8,095

The amounts due to Directors are non-trade in nature, unsecured and interest-free advances which are repayable on demand.

Significant related party transactions have been disclosed in Note 28 of the financial statements.

27. Loans and borrowings

	Group	
	2026 RM	2025 RM
Secured:		
Current		
Term loans	-	723,101
Bank overdrafts	-	2
	-	723,103

The effective interest rates for the Group are as follows:

	Group	
	2026 %	2025 %
Term loan 1	-	8.45
Term loan 2	-	8.45

The term loans were secured by the following:

(a) Corporate guarantee by the Company; and

(b) Personal guarantee by former director of the Company, Dato' Sri Lim Teck Boon.

27. Loans and borrowings (continued)

Term loans 1 and 2 were fully settled on 2 September 2025.

On 30 September 2025, both the corporate guarantee and personal guarantee were cancelled and revoked by the bank following the full settlement of the term loans 1 and 2.

Set out below is the carrying amount of loans and borrowings and the movements during the financial year.

	Group	
	2026	**2025**
	RM	**RM**
At 1 July 2025/2024	723,101	3,979,638
Accretion of interest	8,522	190,945
Repayment of principal	(723,101)	(3,256,537)
Repayment of interest expense	(8,522)	(190,945)
At 30 June	-	723,101

28. Significant related party transactions

(a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability to directly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties of the Group and of the Company include:

(i) Subsidiaries;

(ii) Key management personnel, which comprises persons (including the Directors of the Company) having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly; and

(iii) Close family members of Directors and key management personnel; and

(iv) Entities controlled, jointly controlled or significantly influenced by Directors, key management personnel and their close family members.

28. Significant related party transactions (continued)

(b) Significant related party transactions

The Group and the Company have related party transactions with the following companies and related parties:

	Transaction value			
	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Name of Company				
With subsidiaries				
Euro Space Industries (M) Sdn. Bhd.				
- Advances from	-	-	-	(6,744,335)
- Advances to	-	-	8,583,048	-
- Repayment from	-	-	(260)	-
- Repayment to	-	-	4,707,610	2,036,725
Euro Chairs Manufacturer (M) Sdn. Bhd.				
- Advances from	-	-	(6,881)	(3,671,027)
- Repayment to	-	-	329,595	214,064
Euro Hartanah (M) Sdn. Bhd.				
- Advances to	-	-	70,457	60,813
Euro Space System Sdn. Bhd.				
- Advances to	-	-	905,134	32,463
- Repayment from	-	-	(12,400)	(10,000)
Eurosteel System Sdn. Bhd.				
- Advances to	-	-	485,655	712,730
- Repayment from	-	-	(1,500)	-
Eurosteel Line Sdn. Bhd.				
- Advances to	-	-	13,803,203	161,159
- Investment	-	-	(1,000,000)	-

28. Significant related party transactions (continued)

(b) Significant related party transactions (continued)

The Group and the Company have related party transactions with the following companies and related parties: (continued)

	Transaction value			
	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Name of Company				
With subsidiaries				
Euro Chairs (M) Sdn. Bhd.				
- Advances to	-	-	9,349	7,562
With related parties				
Imponotive Auto Sdn. Bhd.				
- Lease of warehouse	(2,877,839)	(2,854,055)	-	-
- Sales and service tax related to lease	(182,184)	-	-	-
- Settlement by issue of shares	4,410,813	-	-	-
- Waiver of debts	1,033,643	-	-	-
PH Performance (M) Sdn. Bhd.				
- Advances from	(51,500)	(40,000)	(51,500)	(40,000)
- Lease of forklift	(53,700)	-	-	-
- Repayment from	-	(101,000)	-	-
- Sales	-	101,000	-	-
S.P.A Hotel Sdn. Bhd.				
- Accommodation charge	(64,855)	(32,473)	(15,715)	(10,873)
- Repayment to	-	23,798	-	8,198

28. Significant related party transactions (continued)

(b) Significant related party transactions (continued)

The Group and the Company have related party transactions with the following companies and related parties: (continued)

	Transaction value			
	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Name of Company With related parties				
SPA Supreme Development (M) Sdn. Bhd.				
- Backcharge utilities	(5,645)	-	-	-
Supreme Power Auto Sdn. Bhd.				
- Backcharge utilities	(35,949)	(136,185)	-	-
- Lease of warehouse	(3,006,394)	(2,981,547)	-	-
- Repayment to	-	221,596	-	-
- Sales and service tax related to lease	(190,322)	-	-	-
- Security charges	(46,703)	(75,198)	-	-
- Settlement by issue of shares	5,146,764	-	-	-
- Waiver of debts	1,079,817	-	-	-
Supreme Power Performance (M) Sdn. Bhd.				
- Lease of forklift and reach truck	(161,100)	(224,000)	-	-
- Settlement by issue of shares	425,100	-	-	-

28. Significant related party transactions (continued)

(b) Significant related party transactions (continued)

The Group and the Company have related party transactions with the following companies and related parties: (continued)

	Transaction value			
	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Name of related party				
With related parties				
Dato' Sri Lim Teck Boon				
- Advances from	(383,557)	(12,514,443)	(44)	(1,510,960)
- Repayment to	44	1,866,007	44	1,500,010
- Settlement by issue of shares	14,001,769	-	2,000	-
Dato' Lim Chaw Teng				
- Salary accrued	(40,708)	(52,294)	-	-
With Directors				
Chua Yeow Fatt				
- Reversal of duplicate director meeting allowance	-	1,000	-	1,000
Datin Sri Ong Lely				
- Advances from	(1,436)	(8,523)	(826)	-
- Repayment from	(5,000)	(15,000)	-	-
- Repayment to	460	-		
- Reversal of duplicate director meeting allowance	-	500	-	500
- Sales	5,000	15,000	-	-
- Salary accrued	(95,616)	(118,515)	-	-

28. Significant related party transactions (continued)

(b) Significant related party transactions (continued)

The Group and the Company have related party transactions with the following companies and related parties: (continued)

	Transaction value			
	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Name of related party				
With Directors				
Datuk Haji Azmi Bin Hussain				
- Reversal of duplicate director meeting allowance	-	1,000	-	1,000
Datuk Lim Sze Way				
- Advances from	(13,917)	(7,700)	(13,590)	(7,345)
- Repayment to	16,256	-	15,574	-
- Reversal of duplicate director meeting allowance	-	500	-	500
- Salary accrued	(74,824)	(84,735)	-	-
Lt Gen (R) Dato' Sri Sabri Bin Adam				
- Reversal of duplicate director meeting allowance	-	500	-	500
Tan Poh Ling				
- Reversal of duplicate director meeting allowance	-	500	-	500

28. Significant related party transactions (continued)

(b) Significant related party transactions (continued)

The Group and the Company have related party transactions with the following companies and related parties: (continued)

	Transaction value			
	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Name of related party				
With Directors				
Yip Kit Weng				
- Reversal of duplicate director meeting allowance	-	1,000	-	1,000
Yong Teck Wee				
- Reversal of duplicate director meeting allowance	-	500	-	500

Related party	**Basis of relationship**
Imponotive Auto Sdn. Bhd.	Entity controlled/significant influenced by Dato's Sri Lim Teck Boon
PH Performance (M) Sdn. Bhd.	Substantial shareholder of the Company and an entity in which Datin Sri Ong Lely, Managing Director of the Group, and Datuk Lim Sze Way, Deputy Managing Director of the Group, have substantial shareholding interests.
S.P.A Hotel Sdn. Bhd.	Entity controlled/significant influenced by Dato's Sri Lim Teck Boon
SPA Supreme Development (M) Sdn. Bhd.	Entity controlled/significant influenced by Dato's Sri Lim Teck Boon
Supreme Power Auto Sdn. Bhd.	Entity controlled/significant influenced by Dato's Sri Lim Teck Boon

28. Significant related party transactions (continued)

(b) Significant related party transactions (continued)

The Group and the Company have related party transactions with the following companies and related parties: (continued)

Related party	Basis of relationship
Supreme Power Performance (M) Sdn. Bhd.	Entity controlled/significant influenced by Dato's Sri Lim Teck Boon
Dato' Sri Lim Teck Boon	Close family member of key management personnel of the Group, being the spouse of Datin Sri Ong Lely, Managing Director of the Group, and son of Dato' Lim Chaw Teng, Chief Operation Officer of the Group
Dato' Lim Chaw Teng	Chief Operation Officer of the Group

The significant balances with related parties are disclosed in Notes 17, 25 and 26 to the financial statements.

(c) Key management personnel

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
With key management personnel				
Salaries, wages, bonus, allowances, overtime and commission	1,423,300	1,383,781	13,500	12,000
Contribution to defined contribution plan	139,896	135,442	-	-
Social security contribution	5,963	5,713	-	-
Other key management personnel benefits	4,750	-	-	-
	1,573,909	1,524,936	13,500	12,000

28. Significant related party transactions (continued)

(c) Key management personnel (continued)

Key management personnel comprise executive Directors and Officers of the Group and of the Company who have authority and responsibility for planning, directing, and controlling the activities of the Group and of the Company, directly or indirectly.

The Directors are of the opinion that the transactions above have been entered into in the normal course of business and have been established on terms and conditions mutually agreed between the relevant parties.

29. Segment information

Products and services from which reportable segments derive their revenue

The Group prepared the following segment information in accordance with MFRS 8, *Operating Segments* based on the internal reports of the Group's strategic business units which are regularly reviewed by the Executive Director for the purpose of making decisions about resource allocation and performance assessment.

The four reportable operating segments are as follows:

Segments	**Products and services**
Investment holding	Investment holding
Manufacturing	Manufacturing and trading of office furniture, partitions, chairs and panels
Trading	Trade of steel products and furniture
Others	Hold the industrial designs and trademarks for "Euro" products

Performance is measured based on segment results, as included in the internal management reports that are reviewed by the Executive Director. Segment results are used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment assets and liabilities

The total segment assets and liabilities are measured based on all assets and liabilities of a segment, as included in the internal management reports that are reviewed by the Executive Director.

29. Segment information (continued)

	Investment holding RM	Manufacturing RM	Trading RM	Others RM	Elimination RM	Total RM
Group						
2026						
Revenue:						
External sales	-	45,537	104,838,229	-	-	104,883,766
Inter-segment sales	-	-	610,318	-	(610,318)	-
Total revenue	-	45,537	105,448,547	-	(610,318)	104,883,766
Results:						
Segment (loss)/profit	(4,051,768)	(554,114)	6,354,012	(11,436)	-	1,736,694
Depreciation of:						
- property, plant and equipment	(692)	(2,796,721)	(1,310,578)	(692)	503	(4,108,180)
- right-of-use assets	-	(2,635,750)	(2,420,261)	-	-	(5,056,011)
Employee benefits expense	(208,622)	(2,196,862)	(185,016)	-	-	(2,590,500)
Gain on disposal of property, plant and equipment	-	9,400,067	-	-	-	9,400,067
Lease of low-value assets	-	(7,200)	(2,160)	-	-	(9,360)
Impairment loss on:						
- amount due from subsidiaries	(10,019,316)	-	-	-	10,019,316	-
- amount due from related companies	-	(2,529,971)	(562,674)	-	3,092,645	-

29. Segment information (continued)

	Investment holding RM	Manufacturing RM	Trading RM	Others RM	Elimination RM	Total RM
Group						
2026						
Results:						
Reversal of impairment loss on:						
- trade receivables	-	-	6,449	-	-	6,449
- amount due from related companies	-	4,350	-	-	(4,350)	-
Short-term leases	-	(214,800)	-	-	-	(214,800)
Net unrealised gain/(loss) on foreign exchange	-	39,862	(6,449)	-	-	33,413
Waiver of debts due to related parties	-	1,079,817	1,033,643	-	-	2,113,460
Segment results	(14,280,398)	(411,322)	2,906,966	(12,128)	13,108,114	1,311,232
Finance costs	-	(139,256)	(122,891)	-	-	(262,147)
(Loss)/Profit before tax	(14,280,398)	(550,578)	2,784,075	(12,128)	13,108,114	1,049,085
Tax expense	-	428,055	(705,409)	-	-	(277,354)
(Loss)/Profit for the financial year	(14,280,398)	(122,523)	2,078,666	(12,128)	13,108,114	771,731
Segment assets	76,382,112	104,268,078	72,916,738	2,426	(86,617,676)	166,951,678
Segment liabilities	6,922,257	35,772,805	38,069,884	36,412	(40,724,876)	40,076,482

29. Segment information (continued)

	Investment holding RM	Manufacturing RM	Trading RM	Others RM	Elimination RM	Total RM
Group						
2026						
Other information:						
Additions to non-current assets excluding deferred tax assets and financial assets	1,000,000	6,129,167	5,867,080	-	(1,000,000)	11,996,247

29. Segment information (continued)

	Investment holding RM	Manufacturing RM	Trading RM	Others RM	Elimination RM	Total RM
Group						
2025						
Revenue:						
External sales	-	57,819	114,996,127	-	-	115,053,946
Inter-segment sales	-	101,242	3,350	-	(104,592)	-
Total revenue	-	159,061	114,999,477	-	(104,592)	115,053,946
Results:						
Segment (loss)/profit	(517,847)	(1,021,255)	5,122,294	(15,588)	(3,350)	3,564,254
Depreciation of:						
- property, plant and equipment	(3,846)	(2,746,154)	(1,031,745)	(346)	84	(3,782,007)
- right-of-use assets	-	(2,503,056)	(2,373,600)	-	-	(4,876,656)
Employee benefits expense	(230,277)	(2,182,034)	(158,721)	-	-	(2,571,032)
Gain on disposal of:						
- property, plant and equipment	-	-	56,799	-	-	56,799
- inventories	-	201,947	-	-	-	201,947
Gain on termination of right-of-use assets	-	38,389	6,306	-	(7,877)	36,818
Lease of low-value assets	-	(7,200)	(2,340)	-	-	(9,540)

29. Segment information (continued)

	Investment holding RM	Manufacturing RM	Trading RM	Others RM	Elimination RM	Total RM
Group						
2025						
Results:						
Impairment loss on:						
- amount due from subsidiaries	(803,568)	-	-	-	803,568	-
- amount due from related companies	-	(1,239,743)	-	-	1,239,743	-
Reversal of impairment loss on:						
- investment in subsidiaries	2,034,574	-	-	-	(2,034,574)	-
- trade receivables	-	188,314	-	-	-	188,314
- non-trade receivables	-	10,713	-	-	-	10,713
Short-term leases	-	(221,800)	-	-	-	(221,800)
Realised gain on foreign exchange	-	268	-	-	-	268
Unrealised gain on foreign exchange	-	29,334	-	-	-	29,334
Waiver of debts due to:						
- trade payables	-	2,403	-	-	-	2,403
- non-trade payables	-	16,154	-	-	-	16,154
- related companies	-	1,562,399	-	-	(1,562,399)	-

29. Segment information (continued)

	Investment holding RM	Manufacturing RM	Trading RM	Others RM	Elimination RM	Total RM
Group						
2025						
Results:						
Segment results	479,036	(7,871,321)	1,618,993	(15,934)	(1,564,805)	(7,354,031)
Finance costs	-	(391,608)	(365,299)	-	-	(756,907)
Profit/(Loss) before tax	479,036	(8,262,929)	1,253,694	(15,934)	(1,564,805)	(8,110,938)
Tax (expense)/income	(9,858)	(727,277)	1,319,133	-	-	581,998
Profit/(Loss) for the financial year	469,178	(8,990,206)	2,572,827	(15,934)	(1,564,805)	(7,528,940)
Segment assets	67,967,984	101,357,460	62,773,768	3,118	(80,498,990)	151,603,340
Segment liabilities	9,423,247	32,739,664	31,005,580	24,976	(22,498,076)	50,695,391
Other information:						
Additions to non-current assets excluding deferred tax assets and financial assets	3,462	7,712,307	2,008,055	3,462	(3,350)	9,723,936

29. Segment information (continued)

Geographical information

Revenue based on geographical location of the Group's customers is as follows:

	Group	
	2026	2025
	RM	RM
Revenue:		
- Malaysia	104,883,766	115,053,946

Non-current assets by geographical location

	Group	
	2026	2025
	RM	RM
Non-current asset:		
- Malaysia	106,031,164	103,799,041

Major customer information

Revenue from the Group's trading segment includes sales to the following major customers, each of which contributed more than 10% of the Group's total revenue during the financial year:

	Group	
	2026	2025
	RM	RM
Customers:		
Kukup Marketing Sdn. Bhd.	46,237,183	53,932,642
Redang Marketing Sdn. Bhd.	35,353,163	36,009,531
	81,590,346	89,942,173

29. Segment information (continued)

Reconciliation of segment assets and liabilities to consolidated total assets and liabilities

	Group	
	2026 RM	2025 RM
Segment assets:		
Elimination of property, plant and equipment	2,763	3,266
Elimination of investment in subsidiaries	61,040,959	60,040,959
Elimination of intercompany receivables	25,573,954	20,454,765
	86,617,676	80,498,990
Segment liabilities:		
Elimination of intercompany payables	40,724,876	22,498,076

30. Financial instruments

Categories of financial instruments

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities measured at amortised cost ("AC"):

	Carrying amount RM	AC RM
Group		
2026		
Financial assets		
Trade receivables	31,068,910	31,068,910
Non-trade receivables and deposits (excluding prepayments)	12,905,389	12,905,389
Cash and bank balances	101,963	101,963
	44,076,262	44,076,262

30. Financial instruments (continued)

Categories of financial instruments (continued)

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities measured at amortised cost ("AC"): (continued)

	Carrying amount RM	AC RM
Group		
2026		
Financial liabilities		
Trade payables	665,256	665,256
Non-trade payables and accruals (excluding deposits received)	6,417,694	6,417,694
Amount due to related parties	12,704,549	12,704,549
Amount due to Directors	389,299	389,299
	20,176,798	20,176,798
2025		
Financial assets		
Trade receivables	24,397,346	24,397,346
Non-trade receivables and deposits (excluding prepayments)	8,162,732	8,162,732
Cash and bank balances	51,675	51,675
	32,611,753	32,611,753
Financial liabilities		
Trade payables	541,939	541,939
Non-trade payables and accruals (excluding deposits received)	3,551,590	3,551,590
Amount due to related parties	31,602,044	31,602,044
Amount due to Directors	220,223	220,223
Loans and borrowings		
- term loans	723,101	723,101
- bank overdrafts	2	2
	36,638,899	36,638,899

NOTES TO THE FINANCIAL STATEMENTS
AS AT 30 JUNE 2026 (cont'd)

30. Financial instruments (continued)

Categories of financial instruments (continued)

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities measured at amortised cost ("AC"): (continued)

	Carrying amount RM	AC RM
Company		
2026		
Financial assets		
Non-trade receivables and deposits (excluding prepayments)	1,518,890	1,518,890
Amount due from subsidiaries	12,984,435	12,984,435
Cash and bank balances	37,694	37,694
	14,541,019	14,541,019
Financial liabilities		
Non-trade payables and accruals (excluding deposits received)	3,661,392	3,661,392
Amount due to subsidiaries	3,134,248	3,134,248
Amount due to related parties	118,840	118,840
Amount due to Directors	6,937	6,937
	6,921,417	6,921,417
2025		
Financial assets		
Non-trade receivables and deposits (excluding prepayments)	6,679,000	6,679,000
Amount due from subsidiaries	161,159	161,159
Cash and bank balances	4,730	4,730
	6,844,889	6,844,889
Financial liabilities		
Non-trade payables and accruals (excluding deposits received)	1,196,114	1,196,114
Amount due to subsidiaries	8,164,573	8,164,573
Amount due to related parties	53,625	53,625
Amount due to Directors	8,095	8,095
	9,422,407	9,422,407

30. Financial instruments (continued)

Gains and losses arising from financial instruments

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Net (losses)/gains arising on:				
Financial assets measured at amortised cost				
Impairment loss on:				
- amount due from subsidiaries	-	-	(10,019,316)	(803,568)
Reversal of impairment loss on:				
- trade receivables	6,449	188,314	-	-
- non-trade receivables	-	10,713	-	-
Realised gain on foreign exchange	-	306	-	-
Unrealised loss on foreign exchange	(6,449)	-	-	-
	-	199,333	(10,019,316)	(803,568)

30. Financial instruments (continued)

Gains and losses arising from financial instruments (continued)

	Group	
	2026 RM	2025 RM
Net (losses)/gains arising on:		
Financial liabilities measured at amortised cost		
Interest expense on:		
- term loans	(7,907)	(190,945)
- bank overdrafts	-	(9,519)
- late payment	(735)	(3,956)
Realised loss on foreign exchange	-	(38)
Unrealised gain on foreign exchange	39,862	-
Waiver of debts due to:		
- trade payables	-	2,403
- non-trade payables	-	16,154
- related parties	2,113,460	-
	2,144,680	(185,901)

Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, foreign currency risk, interest rate risk and liquidity risk.

The Group's and the Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's and of the Company's businesses whilst managing its credit risk, foreign currency risk, interest rate risk and liquidity risk.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

30. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Credit risk

Credit risk is the risk of financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises primarily from its receivables (which consist of trade and other receivables) and cash and cash equivalents. The Company's exposure to credit risk arises primarily from its receivables (which consist of other receivables) and amounts due from subsidiaries, as well as financial guarantees given to banks for credit facilities granted to certain subsidiaries and cash and cash equivalents. There are no significant changes as compared to prior years.

Trade receivables

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit risk is minimised and monitored via strictly limiting the Group's association to business partners with good credit rating. Credit evaluations are performed on all customers requiring credit over a certain amount.

At each reporting date, the Group assesses whether any of the trade receivables are credit impaired.

The gross carrying amounts of credit impaired receivables are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to write-off. Nevertheless, receivables that are written off could still be subject to enforcement activities.

Exposure to credit risk, credit quality and collateral

Credit risk concentration profile

The Group's maximum exposure to credit risk in relation to trade receivables at the reporting date is represented by the carrying amount of trade receivables recognised in the statements of financial position.

The Group does not generally hold any collateral or other credit enhancements over its trade receivables.

The Group determines concentration of credit risk by monitoring the profiles of its receivables on an ongoing basis.

30. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

Trade receivables (continued)

Exposure to credit risk, credit quality and collateral (continued)

Credit risk concentration profile (continued)

As at the reporting date, the Group has significant concentration of credit risk arising from the amounts due from 2 customers (2025: 2 customers) constituting 89% (2025: 96%) of net trade receivables of the Group.

Recognition and measurement of impairment loss

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances and to ensure that receivables that are neither past due nor impaired are stated at their realisable values.

The Group has applied the simplified approach in MFRS 9 to measure the loss allowance at lifetime expected credit losses. The Group assesses impairment of trade receivables on individual and collective basis.

For individual assessment, the Group assesses receivables individually when the debtors exhibit different credit risk characteristics and the number of debtors is limited. In such cases, the Group has reasonable and supportable information available to assess the expected credit losses of each debtor on an individual basis.

For collective assessment, the Group determines the expected credit losses by using a provision matrix for collectively assessed receivables which are grouped by shared credit risk characteristics, the number of days past due and similar types of contracts which have similar risk characteristics.

Loss rates are calculated using a "roll rate" method based on the probability of a receivable progressing through successive stages of delinquency.

Loss rates are based on actual credit loss experienced over the prior years and are adjusted to reflect the forward-looking information on macroeconomic factors. The Group also considers differences between (a) economic conditions during the period over which the historical data has been collected, (b) current economic conditions and (c) the Group's view of economic conditions over the expected lives of the receivables.

30. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

Trade receivables (continued)

Recognition and measurement of impairment loss (continued)

The Group will initiate appropriate debt recovery procedures on past due balances which are monitored by the sales management team and where necessary, the Group will also commence legal proceedings against the customers.

Ageing analysis

The ageing analysis of the Group's trade receivables as at reporting date is as follows:

	Gross amount RM	Loss allowance RM	Carrying amount RM
Group			
2026			
Not past due	30,927,250	-	30,927,250
Past due:			
1 to 30 days	120,213	-	120,213
31 to 60 days	8,537	-	8,537
61 to 90 days	12,910	-	12,910
	31,068,910	-	31,068,910
Credit impaired			
More than 120 days past due	2,428,460	(2,428,460)	-
Total	33,497,370	(2,428,460)	31,068,910

30. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

Trade receivables (continued)

Recognition and measurement of impairment loss (continued)

Ageing analysis (continued)

The ageing analysis of the Group's trade receivables as at reporting date is as follows: (continued)

	Gross amount	Loss allowance	Carrying amount
	RM	RM	RM
Group			
2025			
Not past due	20,089,317	-	20,089,317
Past due:			
1 to 30 days	2,808,953	-	2,808,953
31 to 60 days	1,497,076	-	1,497,076
61 to 90 days	2,000	-	2,000
	24,397,346	-	24,397,346
Credit impaired			
More than 120 days past due	2,434,909	(2,434,909)	-
Total	26,832,255	(2,434,909)	24,397,346

Credit impaired

Trade receivables that are individually or collectively determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments which are past due more than 120 days from different customer profiles. These receivables are not secured by any collateral or credit enhancements.

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the reporting date, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. These banks and financial institutions have low credit risks. Hence, a loss allowance is not necessary.

30. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

Non-trade receivables

Expected credit loss of non-trade receivables is determined individually after considering the financial strength of the non-trade receivables. As at the end of the reporting period, the maximum exposure to credit risks is represented by their carrying amounts in the statements of financial position.

As at the end of the reporting period, the Group and the Company have assessed debtors which are past due more than 1 year as credit impaired. As such, the Group has provided allowances for expected credit losses on these debtors as disclosed in Note 16 to the financial statements.

Credit risk on deposits is mainly arising from deposits paid to landlord and local authorities as security and utilities deposit for rental of premises and for collateral which will be received upon termination of such services and thus have low credit risks. The Group manage the credit risk together with the leasing arrangement.

As at the end of the reporting period, no expected credit losses are necessary in respect of the deposits as these are mainly arising from debtors that have good records of payment in the past.

Amount due from subsidiaries

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. Loans and advances provided are not secured by any collateral.

The Company provides unsecured loans and advances to its subsidiaries. The Company monitors the ability of the subsidiaries to repay the loans and advances on an individual basis.

30. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

Amount due from subsidiaries (continued)

Recognition and measurement of impairment loss

The Company assesses loans and advances to subsidiaries individually. While loans to subsidiaries are generally considered to have low credit risk, certain subsidiaries have been assessed as credit-impaired due to their financial condition, operating performance and expected recoverability of the outstanding balances. Expected credit losses are recognised for these balances based on management's assessment of the probability of default and expected recoveries.

The Company assesses expected credit losses on amounts due from subsidiaries on an individual basis. During the financial year, certain subsidiaries were assessed to be credit-impaired due to recurring losses, negative net asset positions, adverse cash flow conditions and uncertainties over the recoverability of the outstanding balances. Accordingly, expected credit loss allowances were recognised on the amounts due from these subsidiaries.

As at the reporting date, the Company recognised cumulative expected credit loss allowances of RM10,822,884 (2025: RM803,568) in respect of amounts due from subsidiaries. The allowance relates primarily to balances due from subsidiaries whose financial position and expected future cash flows indicate that full recovery of the outstanding amounts is not probable.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign currency risk arising from financial assets and financial liabilities denominated in currencies other than the functional currency of the Group, which is RM. The currency giving rise to the risk is the US Dollar ("USD"). As at the reporting date, the Group's exposure to USD foreign currency risk arose mainly from cash and bank balances and non-trade payables and accruals denominated in USD.

30. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Foreign currency risk (continued)

The Group's exposure to foreign currencies is as follows:

	Group	
	2026	**2025**
	RM	**RM**
USD		
Financial asset		
Cash and bank balances	4,595	4,595
Financial liability		
Non-trade payables and accruals (excluding deposits received)	(533,950)	(426,151)
Net exposure	(529,355)	(421,556)

Sensitivity analysis of foreign currency risk

The following table details the sensitivity of the Group's profit/(loss), net of tax to a reasonably possible change in these foreign currency exchange rates against the functional currency of the Group, with all other variables held constant:

	Group	
	2026	**2025**
	Increase/ (Decrease)	**Increase/ (Decrease)**
	RM	**RM**
Effect on profit/(loss) after tax		
USD/RM		
- Strengthened by 5% (2025: 5%)	(20,115)	(16,019)
- Weakened by 5% (2025: 5%)	20,115	16,019

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Group's exposure to interest rate risk arises mainly from interest-bearing financial assets and liabilities. The Group's policies are to obtain the most favourable interest rates available. Any surplus funds of the Group will be placed with licensed financial institutions to generate interest income.

30. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Interest rate risk (continued)

In respect of interest-bearing financial liabilities, the following table indicates its effective interest rates at the reporting date and the periods in which they mature or are repriced.

Effective interest rates and repricing analysis

	Effective interest rate per annum %	Within 1 year RM
Group		
2025		
Financial liabilities		
Loans and borrowings:		
- term loans	8.45	723,101

Interest rate risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates as at the end of the reporting period, with all other variables held constant:

	Group	
	2026 RM	2025 RM
Effect on profit/(loss) after taxation:		
Increase of 10 basis points	-	(550)
Decrease of 10 basis points	-	550

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations when they fall due. The Group and the Company manage liquidity risk by continuously monitoring forecast and actual cash flows, matching the maturity profiles of financial assets and liabilities, maintaining adequate cash and cash equivalents, and ensuring the availability of funding from related parties and other financing sources to support operational and contractual obligations. Management monitors liquidity requirements on an ongoing basis to ensure that sufficient funds are available to meet liabilities as they fall due.

30. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM	Contractual interest rate %	Contractual cash flows RM	Within 1 year RM	1 to 5 year RM
Group					
2026					
Trade payables	665,256		665,256	665,256	-
Non-trade payables and accruals (excluding deposits received)	6,417,694		6,417,694	6,417,694	-
Amount due to related parties	12,704,549		12,704,549	12,704,549	-
Amount due to Directors	389,299		389,299	389,299	-
Lease liabilities	11,614,834	6.60 - 6.70	12,393,395	6,509,162	5,884,233
	31,791,632		32,570,193	26,685,960	5,884,233

30. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Maturity analysis (continued)

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments: (continued)

	Carrying amount RM	Contractual interest rate %	Contractual cash flows RM	Within 1 year RM	1 to 5 year RM
Group					
2025					
Trade payables	541,939		541,939	541,939	-
Non-trade payables and accruals (excluding deposits received)	3,551,590		3,551,590	3,551,590	-
Amount due to related parties	31,602,044		31,602,044	31,602,044	-
Amount due to Directors	220,223		220,223	220,223	-
Loans and borrowings:					
- term loans	723,101	8.45	731,625	731,625	-
- bank overdrafts	2		2	2	-
Lease liabilities	5,368,414	6.70 - 6.85	5,558,402	5,468,402	90,000
	42,007,313		42,205,825	42,115,825	90,000

30. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Maturity analysis (continued)

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments: (continued)

	Carrying amount RM	Contractual cash flows RM	Within 1 year RM
Company			
2026			
Non-trade payables and accruals (excluding deposits received)	3,661,392	3,661,392	3,661,392
Amount due to subsidiaries	3,134,248	3,134,248	3,134,248
Amount due to related parties	118,840	118,840	118,840
Amount due to Directors	6,937	6,937	6,937
	6,921,417	6,921,417	6,921,417
2025			
Non-trade payables and accruals (excluding deposits received)	1,196,114	1,196,114	1,196,114
Amount due to subsidiaries	8,164,573	8,164,573	8,164,573
Amount due to related parties	53,625	53,625	53,625
Amount due to Directors	8,095	8,095	8,095
Financial guarantee	-	3,955,000	3,955,000
	9,422,407	13,377,407	13,377,407

Fair values

The financial assets and financial liabilities maturing within the next 12 months approximated their fair values due to the relatively short term maturity of the financial instruments except for amount due from/(to) subsidiaries, amount due to related parties and amount due to Directors, as it is not practical to estimate the fair value due principally to a lack of fixed repayment term entered by the parties involved and without incurring excessive costs. The Directors are of the opinion that the carrying amounts recorded at the statement of financial position date do not differ significantly from the values that would eventually be recovered.

30. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Fair values (continued)

Fair value hierarchy

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Group				
2026				
Non-financial assets				
Freehold land	-	28,000,000	-	28,000,000
Factory building	-	40,000,000	-	40,000,000
2025				
Non-financial assets				
Freehold land	-	28,000,000	-	28,000,000
Factory building	-	40,000,000	-	40,000,000

The fair value of the freehold land and factory building is based on the latest independent valuation performed by VPC Alliance (PJ) Sdn. Bhd. on 25 June 2025. No independent valuation was performed as at 30 June 2026. The Directors are of the opinion that there have been no significant changes in the fair values of the freehold land and factory building since the date of the latest valuation.

Freehold land and factory buildings at valuation are categorised as Level 2 fair value.

Level 2 fair value

Level 2 fair value of freehold land and factory building has been generally derived using the sales comparison approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable properties.

31. Capital commitment

	Group	
	2026 RM	2025 RM
Authorised and contracted for:		
- Acquisition of industrial land and factory building for manufacturing operations	54,320,000	-

The capital commitment relates to the acquisition of an industrial land together with a factory building for the Group's manufacturing operations pursuant to a Sale and Purchase Agreement entered into by a subsidiary of the Company, Eurosteel Line Sdn. Bhd.. The total purchase consideration is RM56,000,000, comprising cash consideration of RM38,000,000 and consideration to be satisfied through the issuance of ordinary shares of RM18,000,000. As at 30 June 2026, the acquisition had not been completed and the outstanding contractual commitment amounted to RM54,320,000. A deposit of RM1,680,000 had been paid and is excluded from the above commitment amount.

32. Lease commitment

	Group	
	2026 RM	2025 RM
Contracted for but not recognised as lease liabilities:		
- Low-value leases	6,000	6,000
- Short-term leases	161,100	158,600
	167,100	164,600

The above commitments relate primarily to contracts for short-term leases and leases of low-value assets that are exempted from the recognition requirements of MFRS 16 Leases.

33. Capital management

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in business and economic conditions.

33. Capital management (continued)

For capital management purposes, the Group regards total equity attributable to owners of the Company as capital.

The Group and the Company are not subject to any externally imposed capital requirements.

No changes were made in the objectives, policies or processes during the financial years ended 30 June 2026 and 30 June 2025.

The debt-to-equity ratio is calculated based on net debt divided by total equity. For this purpose, net debt comprises amounts due to related parties, amounts due to Directors, loans and borrowings and lease liabilities less cash and cash equivalents. The debt-to-equity ratio of the Group as at the reporting date was as follows:

	Group	
	2026	**2025**
	RM	**RM**
Amount due to related parties	12,704,549	31,602,044
Amount due to Directors	389,299	220,223
Loans and borrowings:		
- term loans	-	723,101
Lease liabilities	11,614,834	5,368,414
Less: Cash and cash equivalents	(101,963)	(51,673)
Net debt	24,606,719	37,862,109
Total equity	126,875,196	100,907,949
Debt-to-equity ratio (times)	0.19	0.38

34. Contingent liabilities

	Group		Company	
	2026	**2025**	**2026**	**2025**
	RM	**RM**	**RM**	**RM**
Unsecured:				
Material Litigations - Writs and Statement of Claims	-	3,505,016	-	3,505,016

34. Contingent liabilities (continued)

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Secured:				
Financial guarantee granted to licensed banks in respect of banking facilities held by subsidiaries	-	-	-	3,955,000

(a) Kuala Lumpur High Court ("High Court") Case No. WA-22NCC-137-03/2021. M South Marketing Sdn. Bhd. ("M South") v All Ways Builder Sdn. Bhd. ("All Ways" or "1st Defendant") and Euro Holdings Berhad ("EURO" or "2nd Defendant").

EURO has been served with a Writ and Statement of Claim both dated 20 January 2021, by M South wherein M South alleged that M South had supplied goods to All Ways and EURO had guaranteed the payment for the goods supplied to All Ways. M South had 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 interest on the principal sum at the rate of 1.5% per month from 1 January 2021 until full settlement.

The matter had been consolidated with WA-22NCC-632-12/2020 and WA-22NCC-246-06/2020 as disclosed in Note 34(b) & 34(c) respectively.

The matter proceeded to full trial at the High Court, and on 4 June 2025, the Court allowed M South's claim with costs and dismissed EURO's counterclaim in its entirety. The total amount awarded against the EURO is RM65,000.

On 30 June 2025, EURO filed a Notice of Appeal to the Court of Appeal under Appeal No. W-02(NCC)(W)-1239-07/2025.

The Company received the Grounds of Judgment of the High Court on 2 December 2025. Following legal advice, the Company decided not to proceed with the appeal. Accordingly, EURO withdrew the appeal on 10 February 2026.

Further to the case management held on 18 March 2026, the Court of Appeal confirmed that the appeal had been withdrawn. Accordingly, there is no pending legal proceeding against EURO in respect of this matter.

34. Contingent liabilities (continued)

(a) Kuala Lumpur High Court ("High Court") Case No. WA-22NCC-137-03/2021. M South Marketing Sdn. Bhd. ("M South") v All Ways Builder Sdn. Bhd. ("All Ways" or "1st Defendant") and Euro Holdings Berhad ("EURO" or "2nd Defendant"). (continued)

On 5 May 2026, Suit 137 had been amicably settled out of court via a comprehensive settlement plan.

(b) Kuala Lumpur High Court ("High Court") Case No. WA-22NCC-632-12/2020. ADY Marketing Sdn. Bhd. ("ADY") v. All Ways Builder Sdn. Bhd. ("All Ways" or "1st Defendant"), Euro Holdings Berhad ("EURO" or "2nd Defendant"), Wong Kin Sing ("3rd Defendant") and Chia Chiw Hoon ("4th Defendant")

EURO 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 where EURO acts as guarantor for full repayment of the overdue debt owing by All Ways to ADY.

This matter has been consolidated with WA-22NCC-137-03/2021 and WA-22NCC-246-06/2020 as disclosed in Note 34(a) and 34(c) respectively. Following the full trial, the High Court on 4 June 2025 allowed ADY's claim with costs and dismissed EURO's counterclaim in its entirely, resulting in total financial exposure of RM65,000 against EURO, inclusive of both the claim amount and legal costs.

On 30 June 2025, EURO filed a Notice of Appeal to the Court of Appeal under Appeal No. W-02(NCC)(W)-1235-07/2025.

The Company received the Grounds of Judgment of the High Court on 2 December 2025. Following legal advice, the Company decided not to proceed with the appeal. Accordingly, EURO withdrew the appeal on 10 February 2026.

Further to the case management held on 18 March 2026, the Court of Appeal confirmed that the appeal had been withdrawn. Accordingly, there is no pending legal proceeding against EURO in respect of this matter.

On 5 May 2026, Suit 632 had been amicably settled out of court via a comprehensive settlement plan.

34. Contingent liabilities (continued)

(c) Kuala Lumpur High Court Case No. WA-22NCC-246-06/2020. ADY Marketing Sdn. Bhd. ("Plaintiff") v. Euroland & Development Sdn. Bhd. ("ELD") and Euro Holdings Berhad ("EURO") (collectively "Defendants")

EURO has 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 EURO 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 EURO together with the outstanding late payment interest of RM479,688.07 incurred.

The matter had been consolidated with WA-22NCC-137-03/2021 and WA-22NCC-632-12/2020 as disclosed in Note 34(a) & 34(b) respectively. The trial for the matter has been completed. Following trial, the High Court on 4 June 2025 delivered its oral judgment allowing the Plaintiffs claim with costs and dismissing counterclaim in its entirety, with the total amount awarded in respect of both claim and costs being RM65,000 against EURO.

On 30 June 2025, EURO filed a Notice of Appeal to the Court of Appeal under Appeal No. W-02(NCC)(W)-1227-07/2025.

The Company received the Grounds of Judgment of the High Court on 2 December 2025. Following legal advice, the Company decided not to proceed with the appeal. Accordingly, EURO withdrew the appeal on 10 February 2026.

Further to the case management held on 18 March 2026, the Court of Appeal confirmed that the appeal had been withdrawn. Accordingly, there is no pending legal proceeding against EURO in respect of this matter.

On 5 May 2026, Suit 246 had been amicably settled out of court via a comprehensive settlement plan.

(d) Kuala Lumpur High Court Case No. WA-22NCC-550-12/2021. All Ways Builder Sdn. Bhd. ("AWB") v. Euroland & Development Sdn. Bhd. ("ELD") and Euro Holdings Berhad ("EURO")

ELD and EURO had been served with a Writ and Statement of Claim both dated 13 August 2021, by AWB for, amongst others, joint and several payment of 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 project to be developed and it has completed the project with the "Conditional Certificate of Practical Completion".

34. Contingent liabilities (continued)

(d) Kuala Lumpur High Court Case No. WA-22NCC-550-12/2021. All Ways Builder Sdn. Bhd. ("AWB") v. Euroland & Development Sdn. Bhd. ("ELD") and Euro Holdings Berhad ("EURO") (continued)

On 4 June 2025, during the hearing before the High Court, the Plaintiff, represented by the Official Receiver Selangor, withdrew its entire claim against all parties. However, the Court proceeded to dismiss EURO's counterclaim in full and awarded costs of RM55,000 against EURO.

On 30 June 2025, EURO filed a Notice of Appeal to the Court of Appeal under Appeal No. W-02(NCC)(W)-1237-07/2025.

The Company received the Grounds of Judgment of the High Court on 2 December 2025. Following legal advice, the Company decided not to proceed with the appeal. Accordingly, EURO withdrew the appeal on 10 February 2026.

Further to the case management held on 18 March 2026, the Court of Appeal confirmed that the appeal had been withdrawn. Accordingly, there is no pending legal proceeding against EURO in respect of this matter.

On 5 May 2026, Suit 550 had been amicably settled out of court via a comprehensive settlement plan.

Save for the above (a) to (d) suits, which have since been withdrawn from the Court of Appeal, there are no other pending litigations involving Euro Holdings Berhad being handled by Shu Yin, Teh & Taing Advocates & Solicitors that may have a bearing on the Company's financial position.

(e) Malacca High Court Writ of Summons No. MA-22NCC-22.10/2023 Surian Creations Sdn. Bhd. v Dato' Sri Lim Teck Boon & 26 Ors.

Euro Holdings Berhad ("EURO") and its subsidiaries, Eurosteel Line Sdn. Bhd. ("ESL"), Euro Space Industries (M) Sdn. Bhd. ("ESI") and Euro Space System Sdn. Bhd. ("ESS") had on 3 November 2023 received a Writ of Summons and Statement of Claim dated 30 October 2023 and 31 October 2023 respectively.

EHB, ESL, ESI and ESS have been named co-defendants by Surian Creations Sdn. Bhd. ("Surian") in a claim that the companies had conspired with EHB's former director, Dato' Sri Lim Teck Boon and and the other defendants in the suit to create fictitious documents and/or transactions with the intention to injure Surian.

34. Contingent liabilities (continued)

(e) Malacca High Court Writ of Summons No. MA-22NCC-22.10/2023 Surian Creations Sdn. Bhd. v Dato' Sri Lim Teck Boon & 26 Ors. (continued)

Surian had claimed against the defendants, including EHB, ESL, ESI and ESS, jointly and severally, as follows:

(i) a sum of RM19,285,007.35;
(ii) general damages to be assessed by the High Court;
(iii) exemplary damages to be assessed by the High Court;
(iv) aggravated damages to be assessed by the High Court;
(v) costs on a solicitor-client basis;
(vi) interest on the sum of RM19,285,007.35 and any damages awarded by the High Court, at the rate of 5% per annum from the date of the Writ of Summons until the date of full settlement thereof; and
(vii) such further or other relief as the High Court deems fit and proper.

On 3 September 2024, the Malacca High Court struck out the entire suit filed by Surian against EHB and its subsidiaries, ESL, ESI and ESS with costs.

On 24 September 2024, Surian had filed an appeal against the Malacca High Court's decision of 3 September 2024. The appeal was allowed by the Court of Appeal on 13 November 2025 and the matter had been remitted back to the Malacca High Court for trial.

On 26 May 2026, the suit was struck out by the Malacca High Court with costs to be paid by Surian.

On 26 May 2026, Surian filed an application to reinstate the suit and an application to amend its claim.

Following the hearing held on 8 September 2026, the High Court of Melaka allowed Surian's reinstatement application and amendment application. Accordingly, the suit has been reinstated and the plaintiff's solicitors were ordered to pay costs of RM10,000 within 30 days, failing which the Court may dismiss the plaintiff's claim.

The various interlocutory applications filed by the parties, including EHB's application for determination of the suit pursuant to Order 14A / Order 33 of the Rules of Court 2012, have been fixed for hearing on 16 November 2026.

The Board of Directors is advised by EHB's legal counsel that EHB and its subsidiaries have reasonable grounds to defend the claim and will continue to contest the action.

35. Subsequent events

On 15 July 2026, the Group entered into a Moneylending Agreement (Secured Loan) with a financial institution for a credit facility of up to RM58,000,000, bearing interest at 12% per annum with a repayment period of six (6) months from the date of first disbursement. The facility is secured by, among others, security provided by a subsidiary of the Company, comprising a first legal charge and specific debenture over its right-of-use asset (PN65466 Lot 20111, Mukim Cheng, Melaka), relating to leasehold industrial land owned by a related party, and a third-party charge and debenture over its freehold land held by the Group, a corporate guarantee from the Company, and joint and several personal guarantees from certain Directors.

On 27 August 2026, the Group drew down RM5,000,000 from the facility, which is repayable within six (6) months from the date of first disbursement. The drawdown increased the Group's cash and current borrowings from that date until repayment. The Group expects to incur interest of approximately RM302,466 in the financial year ending 30 June 2027 on this drawdown. This event has not been recognised in the financial statements for the financial year ended 30 June 2026.

36. Comparative figures

Certain comparative figures have been reclassified to conform with current financial year's presentation.

	As previously reported RM	As reclassified RM
Group		
Statements of profit or loss and other comprehensive income		
Other operating expenses	(1,105,815)	(9,197,363)
General and administrative expenses	(12,440,304)	(4,348,757)
Statements of Financial Position		
Current asset		
Tax recoverable	355,982	356,182

36. Comparative figures (continued)

Certain comparative figures have been reclassified to conform with current financial year's presentation. (continued)

	As previously reported RM	As reclassified RM
Group		
Statements of Financial Position		
Current liabilities		
Non-trade payables, accruals and deposits received	3,389,059	3,744,240
Amount due to related parties	31,549,750	31,602,044
Amount due to Directors	16,618	220,223
Tax payables	1,199,688	588,808
Statements of Cash Flows		
Cash flows from operating activities		
Forfeiture of deposits received	(10,560)	(12,408)
Loss/(Gain) on disposal of:		
- inventories	-	(201,947)
- property, plant and equipment	1	(56,799)
Gain on termination of right-of-use assets	-	(36,818)
Inventories written back	-	(1,446,985)
Decrease in inventories	20,794,023	22,442,955
Increase in trade receivables	(24,188,569)	(24,376,883)
Increase in non-trade receivables, deposits and prepayments	(6,837,935)	(6,838,243)
Decrease in non-trade payables, accruals and deposits received	(560,475)	(1,765,542)
Decrease in contract liabilities	(479,962)	(56,731)
Increase in amount due to related parties	16,753,500	-
Increase in amount due to Directors	10,368	-
Interest paid	(756,907)	(9,519)
Tax refunded	26,482	29,752
Tax paid	(1,174,636)	(432,472)
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	-	56,800

36. Comparative figures (continued)

Certain comparative figures have been reclassified to conform with current financial year's presentation. (continued)

	As previously reported RM	As reclassified RM
Group		
Cash flows from financing activities		
Interest paid	-	(747,388)
Advances from:		
- related parties	-	11,529,795
- Directors	-	213,973
Company		
Statements of profit or loss and other comprehensive income		
Other operating expenses	-	(3,846)
General and administrative expenses	(756,450)	(752,604)
Net gain/(loss) on:		
- impairment of financial assets	1,231,006	(803,568)
- impairment of non-financial assets	-	2,034,574
Cash flows from operating activities		
Impairment losses on amount due from subsidiaries	(803,568)	803,568
Decrease in amount due from subsidiaries	8,806,982	-
Decrease in amount due from related parties	53,625	-
Decrease in amount due from Directors	1,845	-
Cash flows from investing activities		
Advances to subsidiaries	-	(964,727)
Cash flows from financing activities		
Advances from:		
- subsidiaries	-	8,164,573
- related parties	-	53,625
- Directors	-	1,845

37. General information

The Company is a public limited company that is incorporated and domiciled in Malaysia. The Company is listed on the Main Market of Bursa Malaysia Securities Berhad.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are set out in Note 13 to the financial statements.

The registered office of the Company is located at B-21-1, Level 21, Tower B Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara 59200 Kuala Lumpur.

The principal place of business of the Company is located at Menara Euro, Lot 20111, Jalan TTC12, Kawasan Perindustrian Cheng Mukim Cheng Daerah Melaka Tengah, 75250 Melaka.

The financial statements were approved and authorised for issue by the Board of Directors on 30 October 2026.

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the MAIN Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(A) Group Total Income and Total Assets

		Group	
Total Income	**Remarks**	**2026 (RM)**	**2025 (RM)**
Revenue		104,883,766	115,053,946
Other income		11,655,604	818,814
Others (please specify in the remarks column)	Net gain on impairment losses of financial instruments	6,449	199,027
Total		**116,545,819**	**116,071,787**
Total Assets		**166,951,678**	**151,603,340**

(B) Business Activities

		Group	
Shariah Non-Compliant Activities	**Remarks**	**2026 (RM)**	**2025 (RM)**
Please Select			
Total		**-**	**-**

(C) Component of Financial Position

(i) Cash Component

		Group	
Islamic Account/Instruments	**Remarks**	**2026 (RM)**	**2025 (RM)**
Cash at bank (exclude cash in hand)		73	29
Cash in hand		10,270	10,272
Total		**10,343**	**10,301**
Conventional Account/Instruments			
Cash at bank (exclude cash in hand)		91,620	41,374
Total		**91,620**	**41,374**

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING
(cont'd)

(ii) Debt Component

		Group	
Islamic Financing	**Remarks**	**2026 (RM)**	**2025 (RM)**
Current			
Amount due to Shareholder/Subsidiary/Associate/Joint Venture/Directors/ Third Party without interest	Amount due to related parties	12,704,549	31,602,044
Amount due to Shareholder/Subsidiary/Associate/Joint Venture/Directors/ Third Party without interest	Amount due to Directors	389,299	220,223
Non-Current			
Please Select: Islamic Components		-	-
Total		**13,093,848**	**31,822,267**

		Group	
Conventional Borrowing	**Remarks**	**2026 (RM)**	**2025 (RM)**
Current			
Term loans		-	723,101
Bank overdrafts		-	2
Non-Current			
Please Select: Conventional Components		-	-
Total		**-**	**723,103**

ANALYSIS OF SHAREHOLDINGS
AS AT 30 SEPTEMBER 2026

Share Capital : RM120,852,521.75 comprising of 1,891,177,011 ordinary shares
Class of Shares : Ordinary Shares
Voting Rights : One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Holding	No. of Holders	%	No. of Shares Held	%
1 – 99	7	0.109	114	0.000
100 - 1,000	1,372	21.398	1,055,001	0.056
1,001 - 10,000	2,297	35.823	12,654,015	0.669
10,001 - 100,000	2,149	33.515	81,426,670	4.305
100,001 to less than 5% of shares	585	9.124	725,965,200	38.387
5% and above of issued shares	2	0.031	1,070,076,011	56.583
Total	**6,412**	**100.000**	**1,891,177,011**	**100.000**

DIRECTORS' SHAREHOLDINGS

The Directors' Shareholdings based on the Register of Directors' Shareholdings of the Company are as follows:-

No	Name of Director	No. of Shares Held			
		Direct Interest	%	Indirect Interest	%
1.	Lt Gen (R) Dato' Sri Sabri bin Adam	-	-	-	-
2.	Datin Sri Ong Lely	-	-	1,073,837,611^	56.781^
3.	Datuk Lim Sze Way	-	-	285,000**	0.015**
4.	Tan Poh Ling	-	-	-	-
5.	Chua Yeow Fatt	-	-	-	-
6.	Datuk Haji Azmi Bin Hussain	-	-	-	-
7.	Yip Kit Weng -	-	-	-	

^ *Deemed interested due to her shareholding held in S.P.A. Furniture (M) Sdn Bhd and PH Performance (M) Sdn Bhd pursuant to Section 8 of the Companies Act, 2016 and the shareholdings held by her spouse, namely Dato' Sri Lim Teck Boon, pursuant to Section 59(11) (c) of the Companies Act, 2016.*

* *Deemed interested due to her shareholding held in PH Performance (M) Sdn Bhd pursuant to Section 8 of the Companies Act, 2016.*

SUBSTANTIAL SHAREHOLDERS

The substantial shareholders (holding 5% or more of the issued capital) based on the Register of Substantial Shareholders of the Company and their shareholdings are as follows:-

No	Name of Director	No. of Shares Held			
		Direct Interest	%	Indirect Interest	%
1.	Datin Sri Ong Lely	-	-	1,073,837,611^	56.781
2.	Datin Chooi Moi	-	-	508,559,200**	26.891
3.	S.P.A. Furniture (M) Sdn. Bhd.	508,559,200	26.891	-	-
4.	Dato' Sri Lim Teck Boon	564,993,411	29.875	-	-

^ *Deemed interested due to her shareholding held in S.P.A. Furniture (M) Sdn Bhd and PH Performance (M) Sdn Bhd pursuant to Section 8 of the Companies Act, 2016 and the shareholdings held by her spouse, namely Dato' Sri Lim Teck Boon, pursuant to Section 59(11) (c) of the Companies Act, 2016.*

** *Deemed interested by virtue of her shareholding held in S. P. A. Furniture (M) Sdn Bhd pursuant to Section 8 of the Companies Act, 2016.*

ANALYSIS OF SHAREHOLDINGS
AS AT 30 SEPTEMBER 2026 (cont'd)

THIRTY (30) LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares Held	%
1	PM NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - NEWPARADIGM CREDIT SDN. BHD. FOR LIM TECK BOON	563,209,911	29.780
2	S.P.A FURNITURE (M) SDN.BHD.	506,866,100	26.801
3	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CRIMSON SUMMIT(M) SDN BHD	52,934,300	2.799
4	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR JC MACHINERY INDUSTRY SDN BHD	44,905,000	2.374
5	KUKUP MARKETING SDN BHD	35,429,800	1.873
6	SIPADAN AUTO SDN BHD	34,985,000	1.849
7	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MATAKING AUTO SDN BHD	30,683,000	1.622
8	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN KAI LEE	27,115,100	1.433
9	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHAN FOOK LIN (M04)	24,605,000	1.301
10	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TOO POH HWEE (M04)	22,000,000	1.163
11	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR REBAK AUTO SDN BHD	21,900,000	1.158
12	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR DORIS LIAW MEI KIN (M04)	18,500,000	0.978
13	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TOO POH BOON (M04)	17,800,000	0.941
14	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM YIM POH (M04)	17,655,000	0.933
15	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ORIENTAL SOUTHERN DRAGON SDN BHD	17,000,000	0.898
16	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHAN FOOK LIN	16,133,000	0.853
17	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TOO POH BOON	16,133,000	0.853
18	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TOO POH HWEE	16,133,000	0.853
19	TIU YEE SOON	15,020,000	0.794
20	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR DORIS LIAW MEI KIN	11,000,000	0.581
21	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHIN CHIN SEONG (7014455)	10,000,000	0.528
22	LEE SIEW KIM	9,460,400	0.500
23	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEOH CHING WAN (E-TAI/PRS)	8,509,300	0.449
24	TAN KAI LEE	6,728,800	0.355
25	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR AW SZE FONG	6,002,000	0.317
26	MATAKING AUTO SDN BHD	5,501,100	0.290
27	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR TAN YEW HOCK (PB)	5,500,000	0.290
28	KENANGA NOMINEES (TEMPATAN) SDN BHD TAN POW CHOO @ WONG SENG ENG (EM1-CN)	5,290,100	0.279
29	WU.SHAOLING	4,610,000	0.243
30	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TOO POH BOON (E-JAH)	3,900,000	0.206
	TOTAL	**1,575,508,911**	**83.308**

GROUP PROPERTIES

Registered/ Beneficial Owner	Location	Description/ Existing use	Land area (sq. ft.)	Built-up area (sq. ft.)	Approximate age of building/ Tenure	Net book value as at 30 June 2026 (RM'000)	Year of acquisition/ construction/ revaluation
ESI	GRN 86280 Lot. No 169 Mukim Rawang Daerah Gombak Selangor Darul Ehsan Bearing postal address: Lot 25, Jalan RP 2 Rawang Industrial Estate 48000 Rawang Selangor Darul Ehsan	Industrial land with factory buildings erected thereon comprising: i. One and a half (1 ½) storey detached factory; and ii. Annexed four (4) storey office building	210,101	108,116 149,406	20 years/ Freehold 16 years / Freehold	66,666	2006 2010 2025

NOTICE OF THE TWENTY-SECOND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Second ("22nd") Annual General Meeting ("AGM") of the Company will be conducted at Level 1, Room 3 of the Supreme Hotel Melaka at 25, Jalan Kota Laksamana 2/15, Taman Kota Laksamana, 75200 Melaka, on Thursday, 31 December 2026 at 2.00 p.m. or at any adjournment thereof for the transaction of the following businesses:

AGENDA

As Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 30 June 2026 together with the Reports of the Directors and Auditors thereon. *(Please refer to Explanatory Note 1 on Ordinary Business)*

2. To re-elect the following Directors who shall retire by rotation pursuant to Clause 105(1) of the Company's Constitution and being eligible, have offered themselves for re-election:
   a) Datuk Haji Azmi Bin Hussain *Ordinary Resolution 1*
   b) Yip Kit Weng *Ordinary Resolution 2*
   c) Datin Sri Ong Lely *Ordinary Resolution 3*

3. To approve the payment of the Directors' Fees and other benefits of up to RM300,000.00 payable to Non-Executive Directors of the Company from 31 December 2026 until the conclusion of the next AGM of the Company. *Ordinary Resolution 4*

4. To re-appoint Messrs. PKF PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. *Ordinary Resolution 5*

As Special Business

To consider and if thought fit, to pass the following resolutions, with or without modifications:

5. **AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016** *Ordinary Resolution 6*

   "THAT pursuant to Sections 75 and 76 of the Act and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company from time to time and upon such terms and conditions and for such purposes as the Directors, may in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company or such higher percentage as Bursa Malaysia Securities Berhad ("Bursa Securities") allowed for the time being and that the Directors be and are hereby also empowered to obtain approval from Bursa Securities for the listing and quotation of the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next AGM of the Company."

6. **PROPOSED RENEWAL OF SHARE BUY-BACK OF UP TO TEN PERCENT (10%) OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY AT ANY GIVEN POINT IN TIME ("PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY")** *Ordinary Resolution 7*

   "THAT subject to the Act, provisions of the Company's Constitution, the Main Market Listing Requirement ("MMLR") of Bursa Securities and the approvals of all relevant regulatory authorities and parties, the Company be and is hereby authorised to purchase such number of ordinary shares in Euro on the Main Market of Bursa Securities and/ or hold from upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company, provided that:-

   i) The aggregate number of ordinary shares in the Company purchased ("Purchased Share(s)") and/or held as treasury shares pursuant to this ordinary resolution shall not exceed 10% of the total number of issued shares of the Company at any point in time;
   ii) The maximum funds to be allocated by the Company for the Proposed Share Buy-Back shall not exceed the total retained earnings of the Company at the time of the purchase;

NOTICE OF THE TWENTY-SECOND ANNUAL GENERAL MEETING
(cont'd)

THAT upon purchase by the Company, the Board of Directors of Euro shall have the absolute discretion to decide whether such Purchased Shares are to be cancelled and/ or retained as treasury shares, or dealt with in such manner as provided under Section 127(7) of the Act;

THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this ordinary resolution and will continue to be in force until:-

i) the conclusion of the AGM of the Company at which time the authority shall lapse unless by an ordinary resolution passed at the AGM, the authority is renewed, either unconditionally or subject to conditions;
ii) the expiration of the period within which the AGM of the Company is required by law to be held; or
iii) revoked or varied by ordinary resolution passed by the shareholders in general meeting,

whichever occurs first, but not so as to prejudice the completion of the purchase(s) by the Company of the Euro Shares before the aforesaid expiry date and made in any event, in accordance with the provisions of the Act, rules and regulations made pursuant to the Act, the MMLR and any requirements issued by any other relevant government and/or regulatory authorities;

AND THAT the Board be and is hereby authorised to take all such steps as are necessary or expedient to implement, finalise, complete or to give effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Share Buy-Back."

7. To transact any other business of the Company of which due notice shall have been given in accordance with the Company's Constitution and the Act.

BY ORDER OF THE BOARD

TAN TONG LANG (MAICSA 7045482/ SSM PC No. 202208000250)
THIEN LEE MEE (LS0010621/ SSM PC No. 201908002254)
Company Secretaries

Dated: 30 October 2026

NOTES:

1. A member entitled to participate and vote at this Meeting is entitled to appoint a proxy/proxies to participate and vote instead of him/her. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate and vote at the Meeting shall have the same rights as the member to speak at the Meeting.

2. Where a member appoints more than one proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.

3. The Form of Proxy, in the case of an individual, shall be signed by the appointer or his attorney, and in the case of a corporation, shall be executed under its Common Seal or under the hand of its attorney of the corporation duly authorised.

4. Where a member of the Company is an exempt authorised nominee as defined under the Central Depositories Act which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.

NOTICE OF THE TWENTY-SECOND ANNUAL GENERAL MEETING
(cont'd)

5. For the purpose of determining a member who shall be entitled to participate 22nd AGM, the Company shall request Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at 21 December 2026. Only a depositor whose name appears on the Record of the Depositor as at 21 December 2026 shall be entitled to participate the 22nd AGM or appoint proxies to participate and/or vote on his/her behalf.

6. The instrument appointing a proxy duly completed and signed must be deposited at the Company's Share Registrar, Aldpro Corporate Services Sdn Bhd at B-21-1 Level 21, Tower B, Northpoint Mid Valley City, No. 1 Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia or by electronic lodgment via Digerati Portal at https://euro-agm.digerati.com.my or email to admin@aldpro.com.my not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.

7. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll

Explanatory Notes to Ordinary Business and Special Business:

1. Item 1 of the Agenda

The Agenda No. 1 is meant for discussion only as Section 340(1)(a) of the Act provides that the audited financial statements are to be laid in the general meeting and do not require a formal approval of the shareholders. Hence, this Agenda item is not put forward for voting.

2. Ordinary Resolutions 1 to 3 – Re-election of Director pursuant to Clause 105 (1) of the Company's Constitution

Clause 105(1) of the Company's Constitution states that an election of Directors shall take place each year at the annual general meeting of the Company, where one-third of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third shall retire from office and be eligible for re-election, PROVIDED ALWAYS that Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

Datuk Haji Azmi Bin Hussain, Mr Yip Kit Weng and Datin Sri Ong Lely are standing for re-election. For the purpose of determining the eligibility of the Directors to stand for re-election at the 22nd AGM, the Nomination and Remuneration Committee ("NRC") has considered and recommended them for re-election by rotation pursuant to Clause 105(1) of the Company's Constitution.

3. Ordinary Resolution 4 – Payment of Directors' Fees and Other Benefits

Section 230(1) of the Act provides that the fees and any benefits payable to the Directors of the Company and its subsidiaries shall be approved at a general meeting.

In determining the estimated total amount of Directors' Meeting Allowance, the Board has considered various factors, among others, the estimated claimable Directors' Meeting Allowance and estimated number of meetings for the Board and Board Committees held for the period commencing from the conclusion of the 22nd AGM until the next AGM of the Company.

In the event that the proposed amount is insufficient (e.g., due to more meetings or enlarged Board size), approval will be sought at the next AGM for additional fees to meet the shortfall.

At the 21st AGM of the Company, the shareholders had approved the payment of Directors' Fees of RM240,000-00 from 18 December 2025 until the conclusion of the 22nd AGM of the Company.

4. Ordinary Resolution 5 - Re-appointment of Auditors

The Board, through the Audit Committee, reviewed and was satisfied with Messrs. PKF PLT ("PKF")'s performance and independence for the financial year ended 30 June 2026. The Board has, therefore, recommended the re-appointment of PKF as external auditors of the Company for the financial year ending 30 June 2027.

NOTICE OF THE TWENTY-SECOND ANNUAL GENERAL MEETING
(cont'd)

5. Special Business: Ordinary Resolution 6 - Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act, 2016

The proposed Ordinary Resolution 6, if passed, is a general mandate to empower the Directors to issue and allot shares up to an amount not exceeding 10% of the total number of issued shares of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company.

The Mandate sought is a renewal of the previous Mandate obtained during 21st AGM. If approved, the 10% General Mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s) workings capital and/or acquisitions.

As of the date of this Notice, no new shares in the Company were issued and allotted pursuant to the Previous Mandate granted to the Directors at the 21st AGM held on 18 December 2025, which will lapse at the conclusion of this 22nd AGM.

6. Special Business: Ordinary Resolution 7 - Proposed Renewal of Share Buy-Back Authority

This proposed Ordinary Resolution 7, if passed, will empower the Company to purchase and/or hold up to 10% of the issued and paid-up share capital of the Company. This authority, unless revoked or varied by the Company at a General Meeting, will expire at the next AGM of the Company.

For further information on this resolution, please refer to the Circular to Shareholders dated 30 October 2026.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING
(Pursuant to Paragraph 8.27(2) of Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. No notice of nomination has been received to date from any member nominating any individual for election as a Director at the AGM of the Company. There is, therefore, no individual standing for election as a director, save for the above Directors who are standing for re-election at the forthcoming 22nd AGM of the Company.

2. The detailed information relating to the general mandate for the issue of securities pursuant to Paragraph 6.03(3) of the Listing Requirements of Bursa Securities is set out under Explanatory Notes on Special Business for Ordinary Resolution 6 of the Notice of the 22nd AGM of the Company.

EURO HOLDINGS BERHAD
[Registration No. 200401008055 (646559-T)] (Incorporated in Malaysia)

FORM OF PROXY

No. of Shares Held	
CDS Account No.	

I/We _____ [Full Name in Block Letters] NRIC No. _____ of _____

_____

[Full Address], _____ [Email Address], _____ [Contact No.]

being a member(s) of EURO HOLDINGS BERHAD ("the Company"), hereby appoint

Full Name in Block Letters		Proportion of Shareholdings to be Presented %
Email Address		
NRIC No.		
Full Address		
Contact No.		
Full Name in Block Letters		Proportion of Shareholdings to be Presented %
Email Address		
NRIC / Passport No.		
Full Address		
Contact No.		
		100%

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us and on my/our behalf at the 22nd AGM of the Company to be conducted at Level 1, Room 3 of the Supreme Hotel Melaka at 25, Jalan Kota Laksamana 2/15, Taman Kota Laksamana, 75200 Melaka, on Thursday, 31 December 2026 at 2.00 p.m. or at any adjournment thereof, as indicated below:

The proxy is to vote on the Resolutions set out in the Notice of the Meeting as indicated with an "X" in the appropriate spaces. If no specific direction as to the voting is given, the Proxy will vote or abstain from voting at his/her discretion.

RESOLUTIONS	SUBJECT	FOR	AGAINST
OR 1	Re-election of Datuk Haji Azmi Bin Hussein, who retired in accordance with Clause 105(1) of the Company's Constitution.		
OR 2	Re-election of Yip Kit Weng, who retired in accordance with Clause 105(1) of the Company's Constitution.		
OR 3	Re-election of Datin Sri Ong Lely, who retired in accordance with Clause 105(1) of the Company's Constitution.		
OR 4	Payment of Directors' Fees and other benefits of up to RM300,000.00 payable to Non-Executive Directors		
OR 5	Re-appointment of Messrs. PKF PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.		
OR 6	Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016.		
OR 7	Proposed Renewal of Share Buy-Back Authority		

Signed this..... day of 2026

.....
Signature of Shareholder(s)

Fold this flap for sealing

NOTES:

1. *A member entitled to participate and vote at this Meeting is entitled to appoint a proxy/proxies to participate and vote instead of him/her. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate and vote at the Meeting shall have the same rights as the member to speak at the Meeting.*
2. *Where a member appoints more than one proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.*
3. *The Form of Proxy, in the case of an individual, shall be signed by the appointer or his attorney, and in the case of a corporation, shall be executed under its Common Seal or under the hand of its attorney of the corporation duly authorised.*
4. *Where a member of the Company is an exempt authorised nominee as defined under the Central Depositories Act, which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.*
5. *For the purpose of determining a member who shall be entitled to participate the 22nd AGM, the Company shall request Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at 21 December 2026. Only a depositor whose name appears on the Record of the Depositor as at 21 December 2026 shall be entitled to participate the 22nd AGM or appoint proxies to participate and/or vote on his/her behalf.*
6. *The instrument appointing a proxy duly completed and signed must be deposited at the Company's Share Registrar, Aldpro Corporate Services Sdn Bhd at B-21-1 Level 21, Tower B, Northpoint Mid Valley City, No. 1 Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia or by electronic lodgment via Digerati Portal at https://euro-agm.digerati.com.my or email to admin@aldpro.com.my not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.*
7. *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.*

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AFFIX
STAMP

THE SHARE REGISTRAR
EURO HOLDINGS BERHAD
[Registration No. 200401008055 (646559-T)]
C/O Aldpro Corporate Services Sdn Bhd
B-21-1 Level 21, Tower B
Northpoint Mid Valley City
No. 1 Medan Syed Putra Utara
59200 Kuala Lumpur
Wilayah Persekutuan, Malaysia

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Website :
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