

**EURO HOLDINGS BERHAD**

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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 31 DECEMBER 2023**

(The figures have not been audited)

	Individual Quarter 3 Months Ended		Cumulative Quarter 18 Months Ended	
	Current Year Quarter 31/12/2023 RM'000	Preceding Year Corresponding Quarter 31/12/2022 RM'000	Current Year To Date 31/12/2023 RM'000	Preceding Year Corresponding Period 31/12/2022 RM'000
<b>Continuing Operations:</b>				
Revenue	39,440	N/A	64,726	N/A
Cost of sales	(40,044)	N/A	(69,877)	N/A
Gross loss	<u>(604)</u>	<u>N/A</u>	<u>(5,151)</u>	<u>N/A</u>
Other income	168	N/A	334	N/A
Operating expenses	(1,482)	N/A	(2,339)	N/A
Finance costs	(914)	N/A	(2,293)	N/A
<b>Loss before taxation</b>	<u>(2,832)</u>	<u>N/A</u>	<u>(9,449)</u>	<u>N/A</u>
Taxation	6	N/A	6	N/A
<b>Loss for the period/ Total comprehensive loss for the period</b>	<u><u>(2,826)</u></u>	<u><u>N/A</u></u>	<u><u>(9,443)</u></u>	<u><u>N/A</u></u>
<b>Attributable to:</b>				
Owners of the Company	(2,796)	N/A	(9,413)	N/A
Non-controlling interest	(30)	N/A	(30)	N/A
	<u><u>(2,826)</u></u>	<u><u>N/A</u></u>	<u><u>(9,443)</u></u>	<u><u>N/A</u></u>
<b>Earnings per share</b>				
- Earnings per share (sen)	<u><u>(0.222)</u></u>	<u><u>N/A</u></u>	<u><u>(0.738)</u></u>	<u><u>N/A</u></u>

Notes:

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial period ended 30 June 2023 and the accompanying explanatory notes attached to the interim financial statements.

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

**EURO HOLDINGS BERHAD**

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2023****(The figures have not been audited)**

	<b>As At 31/12/2023 RM'000</b>	<b>As At 30/6/2023 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	50,371	51,346
Right-of-use assets	<u>11,605</u>	<u>13,512</u>
	<u>61,976</u>	<u>64,858</u>
<b>Current assets</b>		
Inventories	19,831	24,459
Other receivables, deposits and prepayments	36,230	25,469
Tax recoverable	757	757
Fixed deposit	2,424	2,404
Cash and bank balances	<u>142</u>	<u>3,362</u>
	<u>59,384</u>	<u>56,451</u>
<b>TOTAL ASSETS</b>	<u>121,360</u>	<u>121,309</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	93,612	79,281
Revaluation reserve	13,636	13,780
Accumulated Losses	<u>(27,490)</u>	<u>(18,060)</u>
	79,758	75,001
Non-controlling interest	<u>647</u>	<u>677</u>
<b>Total equity</b>	<u>80,405</u>	<u>75,678</u>
<b>Non-current liabilities</b>		
Term loans and borrowings	-	7,326
Lease liabilities	9,507	9,507
Deferred tax liabilities	<u>1,531</u>	<u>1,531</u>
	<u>11,038</u>	<u>18,364</u>
<b>Current liabilities</b>		
Trade payables	857	941
Other payables and accruals	10,182	7,634
Amount due to directors	7,567	4,290
Bank overdrafts	8,325	9,390
Term loans and borrowings	-	15
Lease liabilities	2,702	4,491
Current tax liabilities	<u>284</u>	<u>506</u>
	<u>29,917</u>	<u>27,267</u>
<b>Total liabilities</b>	<u>40,955</u>	<u>45,631</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>121,360</u>	<u>121,309</u>
Net Assets Per Share (RM)	0.0621	0.0705

## Notes:

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial period ended 30 June 2023 and the accompanying explanatory notes attached to the interim financial statements.

**EURO HOLDINGS BERHAD**

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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

**FOR THE QUARTER ENDED 31 DECEMBER 2023**

(The figures have not been audited)

	Attributable to Equity Holders of the Company			Distributable Retained Earnings/ Accumulated Losses	Total	Non- Controlling Interest	Total Equity
	Non-distributable	Distributable					
	Share Capital	Fair Value Reserve	Revaluation Reserve				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 July 2023</b>	<b>79,281</b>	-	<b>13,780</b>	<b>(18,060)</b>	<b>75,001</b>	<b>677</b>	<b>75,678</b>
Issuance of shared capital	14,331	-	-	-	14,331	-	14,331
Net loss for the financial period	-	-	-	(9,430)	(9,430)	(30)	(9,460)
Surplus on revaluation arising from freehold land and factory buildings	-	-	(144)	-	(144)	-	(144)
<b>At 31 December 2023 (Unaudited)</b>	<b>93,612</b>	-	<b>13,636</b>	<b>(27,490)</b>	<b>79,757</b>	<b>647</b>	<b>80,405</b>
<b>At 1 January 2022</b>	48,402	1,591	-	(5,665)	44,328	(789)	43,539
Issuance of shared capital	30,879	-	-	-	30,879	-	30,879
Net loss for the financial period	-	-	-	(12,395)	(12,395)	(125)	(12,520)
Surplus on revaluation arising from freehold land and factory buildings	-	-	13,780	-	13,780	-	13,780
Reversal of fair value loss on equity instruments designated at FVOCI shared by non-controlling interest ("NCI")	-	(1,591)	-	-	(1,591)	1,591	-
<b>At 30 June 2023</b>	<b>79,281</b>	-	<b>13,780</b>	<b>(18,060)</b>	<b>75,001</b>	<b>677</b>	<b>75,678</b>

Notes:

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial period ended 30 June 2023 and the accompanying explanatory notes attached to the interim financial statements.

**EURO HOLDINGS BERHAD**

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE QUARTER ENDED 31 DECEMBER 2023  
(The figures have not been audited)**

	<b>Current Period Ended 31/12/2023 RM'000</b>	Preceding Period Ended 31/12/2022 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(9,449)	N/A
Non-cash items	2,727	N/A
Non-operating items	3,573	N/A
Operating loss before working capital changes	<u>(3,149)</u>	<u>N/A</u>
Inventories	4,628	N/A
Trade and other receivables	(10,742)	N/A
Trade and other payables	2,464	N/A
Cash generated in operations	<u>(6,799)</u>	<u>N/A</u>
Interest paid	-	N/A
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<u>(6,799)</u>	<u>N/A</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(351)	N/A
Repayment of hire purchase payables & lease liabilities	(1,789)	N/A
Proceeds from issuance of shares	14,331	N/A
Net repayment of term loans and borrowings	(7,548)	N/A
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>	<u>4,623</u>	<u>N/A</u>
Net increase in cash and cash equivalents	(2,155)	N/A
Cash and cash equivalents at beginning of the financial period	<u>(6,028)</u>	<u>N/A</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD*</b>	<u>(8,183)</u>	<u>N/A</u>

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

Bank overdrafts	(8,325)	N/A
Cash and bank balances	142	N/A
Fixed deposits	2,424	N/A
	<u>(5,759)</u>	<u>N/A</u>
Less: Fixed deposits pledged to a bank for credit facilities	(2,424)	N/A
	<u>(8,183)</u>	<u>N/A</u>

Notes:

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the annual financial statements for the financial period ended 30 June 2023 and the accompanying explanatory notes attached to the interim financial statements.

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

**EURO HOLDINGS BERHAD**

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

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 31 DECEMBER 2023**

**A1. Basis of preparation**

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

The notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial period ended 30 June 2023. The condensed consolidated interim financial statements and notes thereon however do not include all of the information required for a full set of financial statements prepared in accordance with MFRSs and should be read in conjunction with the annual consolidated financial statements of the Company for the financial period ended 30 June 2023.

**A2. Significant Accounting Policies**

The significant accounting policies, methods of computation and basis of consolidation applied in the unaudited condensed consolidated interim financial statements are consistent with those adopted in the audited financial statements of the Group for the financial period ended 30 June 2023.

**A3. Auditors' Report**

The auditors' report on the financial statements for the financial period ended 30 June 2023 was not qualified.

**A4. Seasonal and Cyclical Factors**

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

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

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter ended 31 December 2023.

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

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

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

There were no issuances, cancellations, repurchases, resale and repayment of debts and equity securities for the current quarter ended 31 December 2023 except for:-

- a) On 27 September 2023, the Company has allotted and issued 220,475,000 new ordinary shares at an issue price of RM0.065 per share pursuant to the Company's Private Placement.

**A8. Dividends Paid**

No dividends were paid by the Company in the current quarter ended 31 December 2023.

**EURO HOLDINGS BERHAD**

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 31 DECEMBER 2023**

**A9. Segmental Reporting**

For the financial period ended 31 December 2023, the Group's financial information is analysed by operating segments as follows:

**Financial period ended 31 December 2023:**

	<b>Manufacturing RM'000</b>	<b>Investment Holding RM'000</b>	<b>Elimination RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>				
Local	64,726	-	-	64,726
Exports	-	-	-	-
	<u>64,726</u>	<u>-</u>	<u>-</u>	<u>64,726</u>
<b>Results</b>				
Segment Results	(12,218)	(944)	6,000	(7,162)
Finance costs	(3,011)	(990)	1,709	(2,292)
Loss before taxation	(15,229)	(1,934)	7,709	(9,454)
Taxation	6	-	-	6
Loss after taxation	<u>(15,223)</u>	<u>(1,934)</u>	<u>7,709</u>	<u>(9,448)</u>
<b>Net Assets</b>				
<b>as at 31 December 2023</b>	<u>14,233</u>	<u>43,235</u>	<u>22,292</u>	<u>79,760</u>

**Financial period ended 31 December 2022:**

	<b>Manufacturing RM'000</b>	<b>Investment Holding RM'000</b>	<b>Elimination RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>				
Local	N/A	N/A	N/A	N/A
Exports	N/A	N/A	N/A	N/A
	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<b>Results</b>				
Segment Results	N/A	N/A	N/A	N/A
Finance costs	N/A	N/A	N/A	N/A
Profit/(Loss) before taxation	N/A	N/A	N/A	N/A
Taxation	N/A	N/A	N/A	N/A
Profit/(Loss) after taxation	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<b>Net Assets</b>				
<b>as at 31 December 2022</b>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

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

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

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

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

**EURO HOLDINGS BERHAD**

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 31 DECEMBER 2023****A12. Valuation of Property, Plant and Equipment**

Valuation of Property, Plant and Equipment for the Group has been brought forward without amendments from the financial statements for the financial period ended 30 June 2023.

**A13. Contingent Liabilities and Contingent Assets**

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

	<b>Group As at 31/12/2023 RM'000</b>	<b>Company As at 31/12/2023 RM'000</b>
<b>(a) Guarantees</b>		
Corporate guarantees given to:		
- financial institutions for credit facilities granted to subsidiary companies	8,668	8,668
- third parties for credit facilities granted to main contractor	2,446	2,446
	<u>11,114</u>	<u>11,114</u>

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

	<b>Current Quarter Ended 31/12/2023 RM'Million</b>	<b>Preceding Year Corresponding Quarter Ended 31/12/2022 RM'Million</b>	<b>Current Period Ended 31/12/2023 RM'Million</b>	<b>Preceding Period Ended 31/12/2022 RM'Million</b>
<b>Revenue</b>				
- Manufacturing	<u>39.4</u>	N/A	<u>64.7</u>	N/A
<b>Loss before taxation</b>	<u>(2.8)</u>	N/A	<u>(9.4)</u>	N/A

**Manufacturing Division**

The revenue of Q2 2024 recorded at RM39.4 million, mainly due to continuous demand in local market for steel related products.

The Group's loss before tax of current quarter was at RM2.8 million mainly due to the low margin for steel related products and the setup of new factory is on-going. It is anticipated that the relocation exercise will be completed by 30 June 2024.

**EURO HOLDINGS BERHAD**

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

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 31 DECEMBER 2023****B2. Variation of Results Against Preceding Quarter**

	<b>Current Quarter ended 31/12/2023 RM'Million</b>	<b>Preceding Quarter ended 30/9/2023 RM'Million</b>
<b>Revenue</b>		
- Manufacturing	39.4	25.3
<b>Profit/(Loss) before taxation</b>	(2.8)	(7.4)

Revenue for current quarter was recorded at RM39.4 million, an increase of RM14.1 million as compared to RM25.3 million of the preceding quarter, mainly due to the continuous contribution from the steel related business.

The Group's loss before tax of current quarter was RM2.8 million as compared to loss before tax of RM7.4 million reported in the preceding quarter. The continuous losses is attributable to the relocation exercise which is yet to be completed.

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

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

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

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

	<b>Current Quarter Ended 31/12/2023 RM'000</b>	<b>Preceding Year Corresponding Quarter Ended 31/12/2022 RM'000</b>	<b>Current Period Ended 31/12/2023 RM'000</b>	<b>Preceding Period Ended 31/12/2022 RM'000</b>
Interest Income	(22)	N/A	(44)	N/A
Rental Income	(144)	N/A	(288)	N/A
Interest expense	911	N/A	2,289	N/A
Depreciation & amortisation	1,657	N/A	3,228	N/A
Foreign exchange loss	2	N/A	265	N/A

**B5. Current Year Prospects**

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

The Trading Division will be focusing on growth markets within Asean together with Europe and middle east region to increase the revenue.

This relocation exercise will assist the Management to better control the operation and improved the efficiency of the group.



**EURO HOLDINGS BERHAD**

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 31 DECEMBER 2023**

**B6. Taxation**

	<b>Current Quarter Ended 31/12/2023 RM'000</b>	<b>Preceding Year Corresponding Quarter Ended 31/12/2022 RM'000</b>	<b>Current Period Ended 31/12/2023 RM'000</b>	<b>Preceding Period Ended 31/12/2022 RM'000</b>
<u>Current taxation</u>				
-current year	-	N/A	-	N/A
-prior year	(6)	N/A	(6)	N/A
	(6)	N/A	(6)	N/A
Deferred taxation	-	N/A	-	N/A
	(6)	N/A	(6)	N/A

The effective tax rate for the quarter ended 31 December 2023 was lower than the statutory income tax rate mainly due to carry forward losses of subsidiary in prior year.

**B7. Corporate Proposal**

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

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

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

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

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

On 27 September 2023, ii) Proposed Private Placement, the Company has allotted and issued 220,475,000 new ordinary shares at an issue price of RM0.065 per share pursuant to the Company's Private Placement.

On 4 October 2023, Bursa Securities granted the Company an extension of time of 6 months until 5 April 2024 to complete the remaining ii) Proposed Private Placement.

**B8. Group Borrowings and Debt Securities**

The Group's borrowings as at 31 December 2023 are as follows:

	<b>Short Term RM'000</b>	<b>Long Term RM'000</b>	<b>Total RM'000</b>
<u>Secured</u>			
Overdrafts	8,325	-	8,325
Lease payables	2,702	9,507	12,209
	11,027	9,507	20,534

All borrowings of the Group are denominated in Ringgit Malaysia.

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

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 31 DECEMBER 2023****B9. Dividend**

No dividend has been proposed or declared for the financial period ended 31 December 2023 (31 December 2022: N/A).

**B10. Derivative Financial Instruments**

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

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

There is no outstanding position as at 31 December 2023.

**B11. Earnings Per Share**

The earnings per share for the quarter ended 31 December 2023 is computed as follows:-

	<b>Current Quarter Ended 31/12/2023</b>	<b>Preceding Year Corresponding Quarter Ended 31/12/2022</b>	<b>Current Period Ended 31/12/2023</b>	<b>Preceding Period Ended 31/12/2022</b>
Profit for the quarter/period, attributable to ordinary shareholders of the Company (RM'000)	<b>(2,856)</b>	N/A	<b>(9,473)</b>	N/A
Weighted average number of shares ('000)	<b>1,283,872</b>	N/A	<b>1,283,872</b>	N/A
Basic Earnings Per Share (sen)	<b>(0.222)</b>	N/A	<b>(0.738)</b>	N/A

There is no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the financial period ended 31 December 2023.

**EURO HOLDINGS BERHAD**

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

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 31 DECEMBER 2023**

**B12. Material Litigation**

As at 29 February 2024, there was no material litigation since the last annual balance sheet date except for the following:-

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

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

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

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

ADY has on 27 August 2020 filed the Reply and Defence to the Counterclaim dated 27 August 2020. ADY filed a Notice of Application for Summary Judgement against EHB on 27 August 2020 and the Application for Summary Judgement has been dismissed on 3 November 2020. The matter has been consolidated with WA-22NCC-246-06/2020 and WA-22NCC-137-03/2021 (previously known as WA-B52NCC-41-01/2021) as disclosed in Note 1 and 3 respectively.

The continuous hearing has been fixed on 6 March 2024.

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

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

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

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

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

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

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

The matter had been consolidated with WA-22NCC-137-03/2021 (previously known as WA-B52NCC-41-01/2021) and WA-22NCC-632-12/2020 (previously known as BAB52NCC-133-07/2020) as disclosed in Note 1 and 3 respectively.

The continuous hearing has been fixed on 6 March 2024.

**EURO HOLDINGS BERHAD**

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

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - QUARTER ENDED 31 DECEMBER 2023**

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

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

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

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

The matter has been consolidated with WA-22NCC-246-06/2020 and WA-22NCC-632-12/2020 (previously known as BAB52NCC-133-07/2020) as disclosed in Note 1 and 2 respectively.

The continuous hearing has been fixed on 6 March 2024.

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

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

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

ELD and EHB had subsequently on 11 October 2021 filed a Notice of Application to strike out AWB's claim or alternatively transfer this legal suit to be heard together with the legal suits WA-22NCC-246-06/2020, WA-22NCC-137-03/2021 (previously known as WA-B52NCC-41-01/2021) and WA-22NCC-632-12/2020 (previously known as BAB52NCC-133-07/2020) as disclosed in Note 1, 2 and 3 respectively.

The continuous hearing has been fixed on 6 March 2024.

**5 Melaka High Court ("High Court") Case No. MA-22NCC-22-10/2023. Surian Creations Sdn. Bhd. ("Surian") v. Dato' Sri Lim Teck Boon ("DSLTB"), Euro Holdings Berhad ("EHB") and 25 ors.**

EHB 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 31 October 2023 and 30 October 2023 respectively.

EHB, ESL, ESI and ESS have been named co-defendants in a claimed against DSLTB based on the tort of conspiracy to injure. Surian claims that the Company/ies conspired together with the purpose of affecting by unlawful means or with the sole or predominant intention to seize full control of Surian and using Surian to obtain banking facilities to fund company/ies related to DSTLB.

Surian is claiming for the following:-

- a) to jointly and severally pay a sum of RM19,285,007.35
- b) to jointly and severally pay general damages that will be assessed by the High Court
- c) to jointly and severally responsible to pay exemplary damages that will be assessed by the High Court
- d) to jointly and severally pay severe damages that will be assessed by the High Court
- e) Cost including solicitors-client costs
- f) Interest at the sum of RM19,285,007.35 and any general damages awarded by the High Court at the rate of 5% per annum from the date of Writ of Summons until judgement date
- g) such further or other relief as the High Court deems fit and proper.

EHB, ESL, ESI and ESS categorically denies the allegation and filing to dispute the claim has been filed on 22 November 2023. The next case management to be heard on 20 May 2024.

**B13. Authorisation for Issue**

The interim financial report was authorised for issue by the Board of Directors on 29 February 2024.