

EURO HOLDINGS BERHAD
(Company No. 200401008055 (646559-T))
(Incorporated in Malaysia)

QUARTERLY REPORT
FOR THE SECOND FINANCIAL QUARTER ENDED
31 DECEMBER 2025

EURO HOLDINGS BERHAD
(Company No. 200401008055 (646559-T))
(Incorporated in Malaysia)

QUARTERLY REPORT

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EURO HOLDINGS BERHAD

(Company No. 200401008055 (646559-T))

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENTS**FOR THE SECOND FINANCIAL QUARTER ENDED 31 DECEMBER 2025**

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Quarter Ended 31/12/2025 RM'000	Corresponding Quarter Ended 31/12/2024 RM'000	Current Period Ended 31/12/2025 RM'000	Corresponding Period Ended 31/12/2024 RM'000
Revenue		14,185	33,739	30,733	48,719
Cost of sales		(13,004)	(32,731)	(28,077)	(46,997)
Gross profit		<u>1,181</u>	<u>1,008</u>	<u>2,656</u>	<u>1,722</u>
Other operating income		9	207	25	424
Operating expenses		(3,335)	(3,794)	(6,612)	(6,955)
Finance cost		(59)	(216)	(151)	(477)
Loss before taxation	B4	<u>(2,204)</u>	<u>(2,795)</u>	<u>(4,082)</u>	<u>(5,286)</u>
Taxation	B6	579	(134)	567	(839)
Loss for the period		<u><u>(1,625)</u></u>	<u><u>(2,929)</u></u>	<u><u>(3,515)</u></u>	<u><u>(6,125)</u></u>
Loss Attributable to:					
Owners of the Company		(1,625)	(2,929)	(3,515)	(6,125)
Non-Controlling interest		-	-	-	-
		<u><u>(1,625)</u></u>	<u><u>(2,929)</u></u>	<u><u>(3,515)</u></u>	<u><u>(6,125)</u></u>
Basic loss					
per ordinary share (sen)	B11	<u>(0.12)</u>	<u>(0.22)</u>	<u>(0.26)</u>	<u>(0.46)</u>
Diluted loss					
per ordinary share (sen)	B11	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Note :

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 30 June 2025.

EURO HOLDINGS BERHAD

(Company No. 200401008055 (646559-T))

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	Note	As At 31/12/2025 RM'000	As At 30/06/2025 RM'000 (Audited)
ASSETS			
Non-Current Assets			
Property, plant and equipment	A12	97,208	99,159
Right-of-use assets		2,160	4,640
		99,368	103,799
Current Assets			
Inventories		16,981	14,065
Trade and other receivables		30,250	33,331
Current tax assets		240	356
Cash and bank balances		634	52
		48,105	47,804
Total Assets		<u>147,473</u>	<u>151,603</u>
EQUITY			
Share capital		95,508	95,508
Reserves		35,258	35,258
Accumulated losses		(33,373)	(29,858)
Total equity		<u>97,393</u>	<u>100,908</u>
LIABILITIES			
Non-Current Liabilities			
Lease liabilities		30	88
Deferred tax liabilities		6,852	7,533
		6,882	7,621
Current Liabilities			
Trade and other payables		4,104	3,931
Contract liabilities		373	373
Amount due to related parties		34,912	31,549
Amount due to directors		12	17
Loans and borrowings	B8	-	723
Lease liabilities		2,504	5,281
Current tax liabilities		1,293	1,200
		43,198	43,074
Total Liabilities		<u>50,080</u>	<u>50,695</u>
TOTAL EQUITY AND LIABILITIES		<u>147,473</u>	<u>151,603</u>
Net Assets Per Share Attributable to Owners of the Company (RM)		<u>0.073</u>	<u>0.076</u>

Note:

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 30 June 2025.

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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
 FOR THE SECOND FINANCIAL QUARTER ENDED 31 DECEMBER 2025**

(The figures have not been audited)

	<-----Attributable to Owners of the Company----->					
	Distributable			Shareholders' equity attributable to the owners of the Company		
	Share Capital RM '000	Revaluation Reserve RM '000	Accumulated Losses RM '000	Non-Controlling Interest RM '000	Total Equity RM '000	
	(-Non-Distributable Reserves-)			Reserve		
At 1 July 2024	95,508	13,780	(37,737)	71,551	-	71,551
Loss for the period	-	-	(6,125)	(6,125)	-	(6,125)
At 31 December 2024	<u>95,508</u>	<u>13,780</u>	<u>(43,862)</u>	<u>65,426</u>	<u>-</u>	<u>65,426</u>
At 1 July 2025	95,508	35,258	(29,858)	100,908	-	100,908
Loss for the period	-	-	(3,515)	(3,515)	-	(3,515)
At 31 December 2025	<u>95,508</u>	<u>35,258</u>	<u>(33,373)</u>	<u>97,393</u>	<u>-</u>	<u>97,393</u>

Note :

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 30 June 2025.

EURO HOLDINGS BERHAD

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE SECOND FINANCIAL QUARTER ENDED 31 DECEMBER 2025**

(The figures have not been audited)

	Current Year Ended 31/12/2025 RM'000	Corresponding Year Ended 31/12/2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(4,082)	(5,286)
Adjustments for:		
Non-cash items	4,431	3,919
Non-operating items	151	470
Operating profit/(loss) before working capital changes	<u>500</u>	<u>(897)</u>
Changes in working capital:		
Inventories	(2,916)	(8,033)
Trade and other receivables	3,081	84
Trade and other payables	173	10,517
Cash generated from operations	<u>838</u>	<u>1,671</u>
Tax refund/(paid)	95	(1,058)
Net cash generated from operating activities	<u>933</u>	<u>613</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	-	(9,457)
Proceeds from disposal of property, plant and equipment	-	17,300
Net cash generated from investing activities	-	7,843
CASH FLOWS FROM FINANCING ACTIVITIES		
Advance from related parties	3,358	-
Interest paid	(151)	(477)
Repayment of lease liabilities	(2,835)	(2,599)
Repayment of term loans	(723)	(3,128)
Net cash used in financing activities	<u>(351)</u>	<u>(6,204)</u>
Net increase in cash and cash equivalents	<u>582</u>	<u>2,252</u>
Cash and cash equivalents at beginning of the financial period	<u>52</u>	<u>632</u>
Cash and cash equivalents at end of the financial period	<u><u>634</u></u>	<u><u>2,884</u></u>
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	634	2,884
Fixed deposit	-	6
	<u>634</u>	<u>2,890</u>
Less : Fixed deposit pledged	-	(6)
	<u><u>634</u></u>	<u><u>2,884</u></u>

Note :

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 30 June 2025.

**QUARTERLY REPORT
FOR THE SECOND FINANCIAL QUARTER ENDED 31 DECEMBER 2025**

NOTES TO THE FINANCIAL REPORT

A. EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 (INTERIM FINANCIAL REPORTING)

A1. Basis of Preparation

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

The notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2025. The condensed consolidated interim financial statements and notes thereon however do not include all the information required for a full set of financial statements prepared in accordance with MFRSs and should be read in conjunction with the annual consolidated financial statements of the Company for the financial year ended 30 June 2025.

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 year ended 30 June 2025.

A3. Auditors’ Report

The auditors' report on the financial statements for the financial year ended 30 June 2025 was unqualified.

A4. Seasonal or 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 2025.

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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 2025.

A8. Dividend Paid

No dividends were paid by the Company in the current quarter ended 31 December 2025.

A9. Segmental Reporting

For the financial period ended 31 December 2025, the Group's financial information is analysed by operating segments as follows:

	Current Period Ended 31 December 2025				
	Manufacturing	Trading	Investment Holding	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
Local	-	30,733	-	-	30,733
Export	-	-	-	-	-
Total revenue	-	30,733	-	-	30,733
Results					
Segment results	-	(3,500)	(431)	-	(3,931)
Finance cost	-	(151)	-	-	(151)
Loss before taxation	-	(3,651)	(431)	-	(4,082)
Taxation	-	567	-	-	567
Loss for the period	-	(3,084)	(431)	-	(3,515)
Net Assets as at 31 December 2025	86,055	10,621	58,113	(57,396)	97,393

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A9. Segmental Reporting (cont'd)

	Corresponding Period Ended 31 December 2024				
	Manufacturing	Trading	Investment		Consolidated
			RM'000	RM'000	
Revenue					
Local	-	48,719	-	-	48,719
Export	-	-	-	-	-
Total revenue	-	48,719	-	-	48,719
Results					
Segment results	-	(4,231)	(578)	-	(4,809)
Finance cost	-	(477)	-	-	(477)
Loss before taxation	-	(4,708)	(578)	-	(5,286)
Taxation	-	(839)	-	-	(839)
Loss for the period	-	(5,547)	(578)	-	(6,125)
Net Assets as at 31 December 2024	56,792	9,130	57,502	(57,998)	65,426

A10. Material Events During the Financial Period and Subsequent to the End of the Financial Period**(i) Agreements forming part of the Proposals**

Pursuant to the Corporate Proposals announced on **6 March 2025**, the agreements forming part of the Proposals, which remain subsisting and have not been completed, are set out below. *For full details and the status of the Corporate Proposals, please refer to Section B7 - Status of Corporate Proposals.*

- (a) Sale and Purchase Agreement (Proposed Acquisition)
Eurosteel Line Sdn Bhd ("**ELSB**"), a wholly-owned subsidiary of the Company, entered into a Sale and Purchase Agreement with Supreme Power Auto Sdn Bhd ("**SPASB**") on **6 March 2025** in relation to the Proposed Acquisition; and
- (b) Settlement Agreement (Proposed Debt Settlement)
The Company and its subsidiaries, namely Euro Space Industries (M) Sdn Bhd, Euro Chairs Manufacturer (M) Sdn Bhd, Euro Space System Sdn Bhd and ELSB (collectively, the "**Borrowers**"), entered into a Settlement Agreement with Dato' Sri Lim Teck Boon, Imponotive Auto Sdn Bhd, SPASB and Supreme Power Performance (M) Sdn Bhd (collectively, the "**Lenders**") on **6 March 2025** in relation to the Proposed Debt Settlement.

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A10. Material Events During the Financial Period and Subsequent to the End of the Financial Period (cont'd)**(i) Agreements forming part of the Proposals (cont'd)**

Completion of the Proposed Acquisition is intended to take place prior to or concurrently with the Proposed Debt Settlement (as set out in the Company's circular to shareholders dated 16 December 2025).

(ii) Subsequent Events

Subsequent to the financial period under review:

- (a) The Borrowers and the Lenders, vide a Supplemental Letter dated 29 January 2026, mutually agreed to extend the completion period by six (6) months, up to and including 6 August 2026, with all other terms and conditions of the Settlement Agreement remaining unchanged and in full force and effect; and
- (b) On 12 January 2026, the Company increased its investment in ELSB, by RM1 million through a capital injection to support the subsidiary's operations and expansion. This subsequent event does not affect the composition of the Group.

A11. Changes in the Composition of the Group

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

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 year ended 30 June 2025.

A13. Contingent Liabilities and Contingent Assets

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

	Group As At 31/12/2025 RM'000	Company As At 31/12/2025 RM'000
Material Litigations:		
- Writ and Statement of Claims	<u>3,578</u>	<u>3,578</u>

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B. ADDITIONAL DISCLOSURES PURSUANT TO APPENDIX 9B, PART A OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**B1. Review of Performance**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 31/12/2025 RM'000	Corresponding Quarter Ended 31/12/2024 RM'000	Current Period Ended 31/12/2025 RM'000	Corresponding Period Ended 31/12/2024 RM'000
Revenue	14,185	33,739	30,733	48,719
Loss before taxation	(2,204)	(2,795)	(4,082)	(5,286)

Current Quarter (Q2-FY2026) vs Corresponding Quarter (Q2-FY2025)

For the individual quarter ended 31 December 2025 (“2Q-FY2026”), the Group recorded revenue of RM14.2 million compared to RM33.7 million in the corresponding quarter of the preceding financial year, representing a decrease of approximately 57.9%. The higher revenue in the corresponding quarter of the preceding financial year was mainly due to the disposal of slow-moving and aged inventories.

Gross profit increased to RM1.2 million from RM1.0 million previously, resulting in a higher gross profit margin of approximately 8.3% compared to 3.0% in the corresponding year.

The Group reported a loss before taxation of RM2.2 million in 2Q-FY2026, compared to a loss before taxation of RM2.8 million in 2Q-FY2025. The improvement was mainly attributable to higher gross profit margin, lower operating expenses and reduced finance costs during the current quarter.

The Group recorded a taxation credit of RM0.6 million for the current quarter compared to a tax expense of RM0.1 million in the corresponding quarter. The positive taxation arose mainly from the reversal of deferred tax overprovided in prior years. Consequently, the Group recorded a lower loss for the period of RM1.6 million compared to RM2.9 million in the corresponding quarter.

Cumulative Period (Six Months Ended 31 December 2025) vs Corresponding Period

For the cumulative six-month period ended 31 December 2025, the Group recorded revenue of RM30.7 million, compared to RM48.7 million in the corresponding period of the preceding financial year, representing a decrease of 36.9%.

Gross profit increased to RM2.7 million from RM1.7 million, with the gross profit margin improving to approximately 8.6% from approximately 3.5% previously.

B1. Review of Performance (cont'd)

Cumulative Period (Six Months Ended 31 December 2025) vs Corresponding Period (cont'd)

The Group's loss before taxation reduced to RM4.1 million from RM5.3 million in the corresponding period. The improvement was primarily attributable to higher gross profit margin and lower finance costs during the period.

The Group recorded a taxation credit of RM0.6 million for the cumulative period compared to a tax expense of RM0.8 million in the corresponding period. The favourable tax position was mainly attributable to the adjustment of prior years' deferred tax overprovision. As a result, the Group recorded a lower loss for the period of RM3.5 million compared to RM6.1 million previously.

B2. Comparison with Preceding Quarter's Results

Quarter ended 31 December 2025 vs 30 September 2025

	3 months ended 31 December 2025 RM'000	3 months ended 30 September 2025 RM'000
Revenue	<u>14,185</u>	<u>16,548</u>
Loss before taxation	<u>(2,204)</u>	<u>(1,878)</u>

For the quarter ended 31 December 2025, the Group recorded revenue of RM14.2 million, representing a decrease of RM2.4 million or approximately 14.3% compared to RM16.5 million recorded in the preceding quarter ended 30 September 2025.

Gross profit margin decreased slightly to approximately 8.3% in the current quarter from approximately 8.9% in the preceding quarter. This reduction in margin, together with the lower revenue, contributed to the wider loss before taxation of RM2.2 million, compared to a loss before taxation of RM1.9 million in the preceding quarter.

B3. Profit Forecast and Profit Guarantee

The Group has not provided any profit forecast or profit guarantee in a public document.

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B4. Notes to the Condensed Consolidated Income Statement

Loss before taxation is arrived at after charging/(crediting) the following items:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 31/12/2025 RM'000	Corresponding Quarter Ended 31/12/2024 RM'000	Current Period Ended 31/12/2025 RM'000	Corresponding Period Ended 31/12/2024 RM'000
Interest expense	59	216	151	477
Gain on termination of right-of-use assets	-	-	-	(7)
Lease income	-	(180)	-	(360)
Depreciation of property, plant and equipment	976	780	1,951	1,495
Amortisation of right-of-use assets	1,239	1,212	2,480	2,424

B5. Prospects

The improvement in gross profit margins for both the current quarter and cumulative period reflects the positive impact of the Group's initiatives to enhance product pricing, optimise product mix and strengthen cost management. These measures have supported operational efficiency and margin expansion despite lower revenue.

The Board notes stabilized margins, reduced finance costs and narrower losses year-on-year, indicating gradual strengthening of underlying performance. Moving forward, management will continue to rebuild revenue momentum, improve inventory management and cost control, to hasten the path to profitability.

The Group will reinforce its steel products segment, a key contributor to earnings resilience, while the Trading Division explores new Asian markets to diversify revenue and support long-term sustainability.

Following shareholders' approval on 31 December 2025, the Corporate Proposals received regulatory approvals on 19 January 2026 (as detailed in Note B7 of this Report). Successful implementation of these Proposals is expected to strengthen the balance sheet, improve capital structure, and enhance financial flexibility.

Barring unforeseen circumstances, the Board expects performance for the financial year ending 30 June 2026 to improve compared to the prior year, supporting the Group's return to profitability.

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B6. Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 31/12/2025 RM'000	Corresponding Quarter Ended 31/12/2024 RM'000	Current Period Ended 31/12/2025 RM'000	Corresponding Period Ended 31/12/2024 RM'000
Tax expenses recognised in profit or loss				
<u>Income tax</u>				
- current quarter/period	50	-	100	-
- overprovision in prior years	-	(11)	-	-
	<u>50</u>	<u>(11)</u>	<u>100</u>	<u>-</u>
<u>Real property gain tax</u>				
- current quarter/period	14	-	14	-
- underprovision in prior years	-	145	-	839
	<u>14</u>	<u>145</u>	<u>14</u>	<u>839</u>
<u>Deferred tax</u>				
- current year reversal	(38)	-	(76)	-
- overprovision in prior years	(605)	-	(605)	-
	<u>(643)</u>	<u>-</u>	<u>(681)</u>	<u>-</u>
Total taxation	<u>(579)</u>	<u>134</u>	<u>(579)</u>	<u>839</u>

B7. Status of Corporate Proposals

The Corporate Proposals that were announced but have not been completed during the current quarter under review are set out below.

On 6 March 2025, TA Securities Holdings Berhad, on behalf of the Board of Directors of the Company, announced the following proposals:

(i) Proposed Acquisition

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 (“**Consideration Shares**”) at an issue price of RM0.045 per Consideration Share;

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B7. Status of Corporate Proposals (cont'd)

(ii) Proposed Debt Settlement

Proposed debt 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;

(iii) Proposed Private Placement

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;

(iv) Proposed Rights Issue

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;

(v) Proposed Exemption 1

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**");

(vi) Proposed Exemption 2

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; and

(vii) Proposed Exemption 3

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.

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 and quotation of 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.

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B7. Status of Corporate Proposals (cont'd)

Subsequently, the Securities Commission Malaysia 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.

As at the date of this report, the Proposals remain subsisting and have not been completed.

B8. Loans and Borrowings

The Group's borrowings as at the end of the reporting quarter are as follow:

	31/12/2025	30/6/2025
	RM'000	RM'000
Current		
<u>Secured</u>		
Term loans	<u>-</u>	<u>723</u>

All borrowings of the Group are dominated in Ringgit Malaysia.

B9. Dividend

No dividend has been proposed or declared for the quarter ended 31 December 2025.

B10. Derivative Financial Instruments

There were no outstanding derivatives as at 31 December 2025.

B11. Basic Earnings Per Share

- i. Basic earnings per share is calculated by dividing the profit attributable to shareholders by the weighted average number of ordinary shares in issue during the financial period.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 31/12/2025	Corresponding Quarter Ended 31/12/2024	Current Period Ended 31/12/2025	Corresponding Period Ended 31/12/2024
Loss attributable to owners of the Company (RM'000)	(1,625)	(2,929)	(3,515)	(6,125)
Weighted average number of ordinary shares in issue (unit '000)	1,327,967	1,327,967	1,327,967	1,327,967
Basic loss per share (sen)	<u>(0.12)</u>	<u>(0.22)</u>	<u>(0.26)</u>	<u>(0.46)</u>

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B11. Basic Earnings Per Share (cont'd)

- ii. The Company has no dilution in its loss per ordinary shares as there were no potential dilutive ordinary shares outstanding as at 31 December 2025 and 31 December 2024 respectively. Accordingly, the diluted earnings per share were not presented.

B12. Statement of the Board of Directors' Opinion

Not applicable as the Group did not announce or publish any revenue or profit estimate, forecast, projection or internal target for the financial quarter.

B13. Gain/Losses Arising from Fair Value Changes of Financial Liabilities

There were no gains/losses arising from fair value changes of the financial liabilities for the current quarter ended 31 December 2025.

B14. Material Litigation

- (a) **Kuala Lumpur High Court Case No. WA-22NCC-137-03/2021 (Suit 137). M South Marketing Sdn. Bhd. ("M South") v All Ways Builder Sdn. Bhd. ("AWB" 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 AWB and EURO had guaranteed the payment for the goods supplied to AWB. 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.

EURO had filed the Statement of Defence and Counterclaim on 1 March 2021 to counter claim against M South, AWB, Choong Yuen Keong@Tong Yuen Keong, Tong Yun Mong and ADY Marketing Sdn Bhd for conspiracy to defraud.

The case has been consolidated with WA-22NCC-632-12/2020 and WA-22NCC-246-06/2020 as disclosed in Note B14(b) and Note B14(c) respectively.

The matter proceeded to full trial at the High Court. The hearing concluded on 4 June 2025 with the Court's decision as follows:

- (i) AWB and EURO were ordered to pay the principal sum of RM315,880.27 to M South;
- (ii) late payment interest of RM121,076.52 is awarded, payable by AWB and EURO to M South;
- (iii) additional late interest at the rate of 1.5% per month on the principal sum is payable by AWB and EURO to M South from 1 January 2021 until full settlement;
- (iv) costs awarded in favour of M South with RM20,000.00 payable by AWB and EURO respectively; and
- (v) EURO's counterclaim is dismissed, and total costs are awarded in favour of the 5 respondents to the counterclaim totaling RM45,000.00.

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B14. Material Litigation (cont'd)

- (a) Kuala Lumpur High Court Case No. WA-22NCC-137-03/2021 (Suit 137). M South Marketing Sdn. Bhd. (“M South”) v All Ways Builder Sdn. Bhd. (“AWB” or “1st Defendant”) and Euro Holdings Berhad (“EURO” or “2nd Defendant”). (cont'd)**

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 review and upon the advice of its solicitor, the Company decided not to proceed with the appeal. EURO withdrew the appeal on 10 February 2026, and the matter is fixed for case management on 24 February 2026.

- (b) Kuala Lumpur High Court Case No. WA-22NCC-632-12/2020 (Suit 632). ADY Marketing Sdn. Bhd. (“ADY”) v. All Ways Builder Sdn. Bhd. (“AWB” 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 AWB where EURO acts as guarantor for full repayment of the overdue debt owing by AWB to ADY.

EURO had subsequently on 14 August 2020 filed the Statement of Defence and Counterclaim, wherein EURO counterclaimed against ADY, Choong Yuen Keong @ Tong Yuen Keong, Tong Yun Mong, AWB and M South Marketing Sdn Bhd for, inter alia, the followings:

- (i) a declaration that ADY had conspired with the conspirators vide unlawful means to cheat and/or to deceive EURO which caused EURO to suffer losses.
- (ii) a declaration that ADY had conspired with the conspirators with the intention or purpose to injure and/ or affect EURO and/or to cause EURO to suffer losses; and
- (iii) damages to be assessed by the Court for the losses suffered by EURO based on conspiracy actions of ADY and the conspirators against EURO.

The case has been consolidated with WA-22NCC-137-03/2021 and WA-22NCC-246-06/2020 as disclosed in Note B14(a) and Note B14(c) respectively.

Following a full trial, the hearing concluded on 4 June 2025 with the Court’s decision as follows:

- (i) the principal sum of RM493,634.03 outstanding as at 16 September 2019, is payable to ADY. Wong Kin Sing is liable only in respect of the period up to 31 May 2018, amounting to RM53,428.44 of the principal sum, for which he is jointly and severally liable together with AWB, EURO and Chia Chiw Hoon. The balance of the principal sum is payable to ADY by AWB, EURO and Chia Chiw Hoon;
- (ii) the agreed late payment interest of RM137,746.74, calculated as of 16 September 2019, is awarded to ADY, with Wong Kin Sing’s liability limited to RM26,149.90 and the balance being payable by AWB, EURO and Chia Chiw Hoon;

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B14. Material Litigation (cont'd)

(b) Kuala Lumpur High Court Case No. WA-22NCC-632-12/2020 (Suit 632). ADY Marketing Sdn. Bhd. ("ADY") v. All Ways Builder Sdn. Bhd. ("AWB" or "1st Defendant"), Euro Holdings Berhad ("EURO" or "2nd Defendant"), Wong Kin Sing ("3rd Defendant") and Chia Chiw Hoon ("4th Defendant") (cont'd)

- (iii) additional late payment interest of RM62,387.03 is imposed for the period from 17 September 2019 to 31 May 2020, payable by AWB, EURO and Chia Chiw Hoon to ADY;
- (iv) further late payment interest at the rate of 1.5% per month on the principal sum is payable by the Defendants to ADY, from 1 June 2020 until full settlement;
- (v) costs awarded in favour of ADY with RM20,000.00 payable by AWB and EURO respectively; and
- (vi) EURO's counterclaim is dismissed, and total costs are awarded in favour of the 5 respondents to the counterclaim totaling RM45,000.00.

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 review and upon the advice of its solicitor, the Company decided not to proceed with the appeal. EURO withdrew the appeal on 10 February 2026, and the matter is fixed for case management on 24 February 2026.

(c) Kuala Lumpur High Court Case No. WA-22NCC-246-06/2020 (Suit 246). ADY Marketing Sdn. Bhd. ("ADY" or "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.

EURO had subsequently on 3 September 2020 filed the Amended Statement of Defence and Counterclaim dated 26 August 2020, wherein EURO counterclaimed against ADY, Choong Yuen Keong @ Tong Yuen Keong, Tong Yun Mong, AWB and M South Marketing Sdn Bhd for, inter alia, the followings:

- (i) a declaration that ADY has conspired with the conspirators vide unlawful means to cheat and/or to deceive EURO and ELD causing financial losses; and
- (ii) damages to be assessed by the Court for the losses suffered by EURO and ELD based on the conspiracy action of ADY and the conspirators against them.

ELD has entered a consent judgment with ADY in November 2023 to settle all the outstanding sums despite the alleged conspiracy issue in the matter.

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B14. Material Litigation (cont'd)

- (c) **Kuala Lumpur High Court Case No. WA-22NCC-246-06/2020 (Suit 246). ADY Marketing Sdn. Bhd. ("ADY" or "Plaintiff") v. Euroland & Development Sdn. Bhd. ("ELD") and Euro Holdings Berhad ("EURO") (collectively "Defendants") (cont'd)**

The case has been consolidated with WA-22NCC-137-03/2021 and WA-22NCC-632-12/2020 as disclosed in Note B14(a) & Note B14(b) respectively.

Following a full trial, the hearing concluded on 4 June 2025 with the Court's decision as follows:

- (i) EURO were ordered to pay the principal sum of RM1,416,753.60 to ADY;
- (ii) costs of RM20,000.00 awarded in favour of ADY payable by EURO; and
- (iii) EURO's counterclaim is dismissed, and total costs of are awarded in favour of the 5 respondents to the counterclaim totaling RM45,000.00.

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 review and upon the advice of its solicitor, the Company decided not to proceed with the appeal. EURO withdrew the appeal on 10 February 2026, and the matter is fixed for case management on 24 February 2026.

- (d) **Kuala Lumpur High Court Case No. WA-22NCC-550-12/2021 (Suit 550). 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, 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 project to be developed and it has completed the project with the "Conditional Certificate of Practical Completion"

ELD and EURO has on 6 October 2021 filed their Defence and Counterclaim against AWB, Chia Chiw 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 EURO funds to be channelled out through the project.

In November 2023, ELD entered into a consent judgment with the Plaintiff to settle all the outstanding sums, despite the alleged conspiracy issue raised by EURO. Separately, AWB was adjudged bankrupt on 15 February 2024, following the issuance of a Winding-Up Order obtained by Ban Hee Metal Sdn. Bhd.

The hearing concluded on 4 June 2025, whereby AWB's claim was withdrawn, and the court ordered that EURO's counterclaim be dismissed with costs awarded in favour of 6 the respondents to the counterclaim totaling RM55,000.00.

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.

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B14. Material Litigation (cont'd)

- (d) **Kuala Lumpur High Court Case No. WA-22NCC-550-12/2021 (Suit 550). All Ways Builder Sdn. Bhd. ("AWB") v. Euroland & Development Sdn. Bhd. ("ELD") and Euro Holdings Berhad ("EURO") (cont'd)**

The Company received the Grounds of Judgment of the High Court on 2 December 2025. Following review and upon the advice of its solicitor, the Company decided not to proceed with the appeal. EURO withdrew the appeal on 10 February 2026, and the matter is fixed for case management on 24 February 2026.

- (e) **Malacca High Court Writ Summon No. MA-22 NCC-22-10/2023. Surian Creations Sdn. Bhd. ("Surian") v. Dato' Sri Lim Teck Boon ("DSLTB") and 26 ors.**

On 3 November 2023, 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") received a Writ of Summons and Statement of Claim dated 30 October 2023 and 31 October 2023 respectively.

EURO, ESL, ESI and ESS have been named co-defendants by Surian in a claim that the companies conspired with EURO's former director, DSLTB and the other defendants in the suit to create fictitious documents and/or transactions with the intention to injure Surian. The sum claimed to have been illegally obtained was RM19,285,007.35.

On 3 September 2024, the Malacca High Court had struck out the entire suit filed by Surian against EURO and its subsidiaries, ESL, ESI and ESS with costs of RM2,500.

On 24 September 2024, Surian filed an appeal against the Malacca High Court's decision under Court of Appeal No. M-02(IM)(NCC)-1684-09/2024. The appeal was allowed by the Court of Appeal during the hearing held on 13 November 2025 with costs of RM10,000.00.

The matter will be reverted to the Malacca High Court for trial, and the physical case management is fixed on 27 February 2026.

The Board of Directors has been advised by EURO's legal counsel that the Company is in a favourable position, and the prospects of succeeding at trial appear reasonably good.

B15. Authorisation for issue

The interim financial report was authorised for issue by the Board of Directors on 26 February 2026.