

Date: 27 February 2004

Attn: Cik Latifah Bt Haji Mohd Yusof  
Senior Vice President, Listing

**COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)  
QUARTERLY REPORT ANNOUNCEMENT**

Quarterly report on consolidated results for the fourth quarter ended 31 December 2003.  
The figures have not been audited.

**CONDENSED CONSOLIDATED INCOME STATEMENT.**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER (restated)	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD (restated)
	31/12/2003 RM'000	31/12/2002 RM'000	31/12/2003 RM'000	31/12/2002 RM'000
1 (a) Revenue	88,214	123,480	344,282	347,471
(b) Cost of sales	(55,596)	(74,247)	(181,681)	(192,931)
(c) Gross profit	32,618	49,233	162,601	154,540
(d) Other operating income	71,249	5,051	84,574	12,545
(e) Selling & distribution expenses	(1,413)	(5,038)	(10,890)	(16,801)
(f) Administrative expenses	(4,837)	(8,846)	(14,660)	(17,097)
(g) Staff cost	(10,371)	(6,743)	(40,775)	(40,228)
(h) Depreciation	(6,642)	(7,463)	(24,925)	(27,643)
(i) Other operating expenses	(32,707)	(97,657)	(57,619)	(116,646)
(j) Profit/ (loss) from operations	47,897	(71,463)	98,306	(51,330)
(k) Finance costs	(12,146)	(19,842)	(59,655)	(67,302)
	35,751	(91,305)	38,651	(118,632)
(l) Share of results of associated companies	(12,415)	(8,853)	(18,574)	(9,449)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/12/2003 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/12/2002 RM'000	CURRENT YEAR TO DATE 31/12/2003 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/12/2002 RM'000
(m) Profit/ (loss) before taxation	23,336	(100,158)	20,077	(128,081)
(n) Taxation	(2,417)	(8,710)	(9,151)	(16,626)
(o) Profit/ (loss) after taxation	20,919	(108,868)	10,926	(144,707)
(p) Minority interest	823	757	769	1,539
(q) Net profit / (loss) for the period	<u>21,742</u>	<u>(108,111)</u>	<u>11,695</u>	<u>(143,168)</u>
Basic earnings/ (loss) per ordinary share (sen)	7.89	(39.21)	4.24	(51.93)
Diluted earnings/ (loss) per ordinary share (sen)	NA	NA	NA	NA

(The Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2002)

## CONDENSED CONSOLIDATED BALANCE SHEET

	AS AT END OF CURRENT QUARTER (unaudited) RM'000	AUDITED FINANCIAL STATEMENT YEAR ENDED 31/12/2002 (restated) RM'000
Investment properties	295,318	215,122
Property, plant and equipment	410,192	439,088
Real property assets	135,843	134,409
Hotel properties and exhibition centre	717,732	898,840
Long term receivable	14,588	19,683
Deferred tax assets	26,798	32,141
Investment in associated companies	61,832	94,223
Other investments	4,674	4,674
Goodwill on consolidation	71	75
Current assets		
Inventories	96,645	61,055
Development properties	121,468	186,884
Construction work in progress	-	652
Trade and other receivables	252,889	241,094
Bank balances held in trust	104,588	73,246
Deposits, bank and cash balances	79,327	62,741
	654,917	625,672
Current liabilities		
Trade and other payables	271,209	344,315
Short term borrowings	347,522	277,902
Provision for taxation	79,466	89,790
	698,197	712,007
Net current liabilities	(43,280)	(86,335)
	1,623,768	1,751,920

## CONDENSED CONSOLIDATED BALANCE SHEET

	<b>AS AT END OF CURRENT QUARTER (unaudited) RM'000</b>	<b>AUDITED FINANCIAL STATEMENT YEAR ENDED 31/12/2002 (restated) RM'000</b>
Share capital	275,699	275,699
Reserves	333,797	417,683
Shareholders' equity	<u>609,496</u>	<u>693,382</u>
Minority interests	9,454	10,531
Long term borrowings	878,991	941,075
Other long term liabilities	97,594	79,403
Deferred taxation	28,233	27,529
	<u>1,623,768</u>	<u>1,751,920</u>
Net tangible assets per share (RM)	2.21	2.51

(The Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2002)

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 31 December 2003

	Share	Distributable	Non-distributable reserves			Total	
	capital	reserve	Share	Reserve on	Revaluation		Exchange
	Ordinary	Retained	premium	consolidation	reserve	reserve	
	shares	profits					
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2002	275,699	103,195	57,232	59,788	319,042	(6,581)	808,375
Net loss for the year	-	(143,168)	-	-	-	-	(143,168)
Arising from acquisition of subsidiary	-	-	-	31,342	-	-	31,342
Dividend	-	(3,970)	-	-	-	-	(3,970)
Crystallisation of profit guarantee	-	-	-	699	-	-	699
Translation gain	-	-	-	-	-	104	104
As at 31 December 2002	275,699	(43,943)	57,232	91,829	319,042	(6,477)	693,382
Net profit for the year	-	11,695	-	-	-	-	11,695
Revaluation/ impairment	-	-	-	-	(99,804)	-	(99,804)
Translation gain	-	-	-	-	-	4,223	4,223
As at 31 December 2003	275,699	(32,248)	57,232	91,829	219,238	(2,254)	609,496

(The Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2002)

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Year ended 31/12/2003 RM'000	Year ended 31/12/2002 (restated) RM'000
Profit/ (loss) before taxation and minority interest	20,077	(128,081)
Adjustments for:		
- Non cash items	42,558	57,667
- Non operating items (which are investing/ financing)	44,989	148,895
Operating profit before changes in working capital	<u>107,624</u>	<u>78,481</u>
- Net change in current assets	16,807	107,033
- Net change in current liabilities	(90,651)	(13,878)
Cash generated from operations	<u>33,780</u>	<u>171,636</u>
- Deferred income	3,931	6,010
- Interest paid	(30,659)	(23,570)
- Tax paid	(10,324)	(13,471)
Net cash flows (used in)/ generated from operating activities	<u>(3,272)</u>	<u>140,605</u>
<b>Investing activities</b>		
- Increase in balances held in trust, sinking fund, HDA a/c	(30,309)	(77,861)
- Other investments	41,356	(27,970)
Net cash generated from/ (used in) investing activities	<u>11,047</u>	<u>(105,831)</u>
<b>Financing activities</b>		
- Dividend paid	-	(13,494)
- Borrowings	39,117	(11,267)
Net cash generated from/ (used in) financing activities	<u>39,117</u>	<u>(24,761)</u>
Exchange reserve fluctuation	<u>4,223</u>	<u>104</u>
Net increase in cash and cash equivalents	51,115	10,117
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	(3,085)	(13,202)
CASH AND CASH EQUIVALENTS CARRIED FORWARD	<u>48,030</u>	<u>(3,085)</u>

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
(CONTINUED)

	<b>31/12/2003</b>	<b>31/12/2002</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash and cash equivalents consist of:</b>		
Bank balances held in trust	104,588	73,246
Cash and bank balances	79,327	62,741
Bank overdrafts	(24,042)	(57,538)
Less : Deposits pledged and placed pursuant to Housing Development Account	(7,255)	(8,288)
Bank balances held in trust	<u>(104,588)</u>	<u>(73,246)</u>
	<u>48,030</u>	<u>(3,085)</u>

(The Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2002)

**COUNTRY HEIGHTS HOLDINGS BERHAD**  
**EXPLANATORY NOTES FOR THE QUARTER ENDED 31 DECEMBER 2003**  
**Part I : MASB 26 Requirements (Paragraph 16)**

---

**1 Accounting Policies**

The quarterly report has been prepared in accordance with MASB 26 'Interim Financial Reporting' and Chapter 9 part K of the Listing Requirements of Kuala Lumpur Stock Exchange. The same accounting policies and methods of computation are followed in the quarterly report as compared with the most recent annual audited financial statements of Country Heights Holdings Berhad ('CHHB') for the year ended 31 December 2002 except for the adoption of MASB25 "Income Taxes" in respect of the recognition of deferred tax assets. In accordance with MASB25, deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. This change in accounting policy has been accounted for retrospectively.

The new accounting policy has the effect of decreasing net profit for the year ended 31 December 2003 by RM4,854,000. The other effects of the change on the Group's financial statements are as follows:

	As previously reported RM'000	Effect of change in policy RM'000	As restated RM'000
At 31 December 2002			
- Accumulated losses	(42,784)	(1,159)	(43,943)
- Reserve on consolidation	60,487	31,342	91,829
- Deferred tax assets	-	32,141	32,141
- Goodwill	2,033	(1,958)	75
Financial year ended 31 December 2002			
- Net loss for the year	(142,009)	(1,159)	(143,168)

**2 Audit Opinion on 2002 Financial Statements**

The auditors did not qualify the audit opinion on CHHB's 2002 financial statements.

**3 Seasonality or Cyclicity of Operations**

There is no seasonality or cyclicity of operations.



**COUNTRY HEIGHTS HOLDINGS BERHAD**

**EXPLANATORY NOTES FOR THE QUARTER ENDED 31 DECEMBER 2003**

**Part I : MASB 26 Requirements (Paragraph 16)**

---

**4 Exceptional/ Extraordinary items**

There were no exceptional/extraordinary items during the period under review.

**5 Change in Estimate**

There were no major changes in method of estimating during the period under review.

**6 Issuance or Repayment of Debt and Equity Securities**

There were no issuance or repayment of debt or equity securities during the period under review.

**7 Dividends paid**

There were no dividends paid during the period under review.

**COUNTRY HEIGHTS HOLDINGS BERHAD**

**EXPLANATORY NOTES FOR THE QUARTER ENDED 31 DECEMBER 2003**

**Part II : KLSE Revised Requirements**

**8 Segmental Information for the Current Period to Date**

	Property development RM'000	Construction RM'000	Hotel operations RM'000	Exhibition operations RM'000	Leisure operations RM'000	Rental operations RM'000	Others RM'000	Elimination RM'000	Total RM'000
<b>Revenue</b>									
Group total	170,234	20,018	57,566	13,297	35,116	35,212	16,871	(4,032)	344,282
Intersegment	(2,535)	-	(311)		(159)	(3,042)	-	6,047	-
External	<u>167,699</u>	<u>20,018</u>	<u>57,255</u>	<u>13,297</u>	<u>34,957</u>	<u>32,170</u>	<u>16,871</u>	<u>2,015</u>	<u>344,282</u>
<b>Results</b>									
Segment results - external	40,448	930	6,641	(5,659)	(3,265)	(3,209)	62,420	-	98,306
Finance costs									(59,655)
Share of results of associated companies									<u>(18,574)</u>
Loss before taxation									20,077
Taxation									(9,151)
Minority interest									<u>769</u>
Loss for the year									<u>11,695</u>

**COUNTRY HEIGHTS HOLDINGS BERHAD**

**EXPLANATORY NOTES FOR THE QUARTER ENDED 31 DECEMBER 2003**

**Part II : KLSE Revised Requirements**

---

**9 Valuation of property, plant and equipment**

There were no new revaluation of property, plant & equipment during the period under review except for the valuation of Mines Shopping Fair, Mines International Exhibition Centre & Showroom and Mines Waterfront Business Park. The valuation of the above 3 properties has resulted in a net decrease in revaluation reserve of RM100 million and an impairment loss of RM12 million.

Included in the balance sheet are the following assets which are carried at revalued amounts from revaluations made

<b>At valuation</b>	<b>RM'000</b>
- Investment properties	295,318
- Hotel properties and exhibition centre	717,732
- Property, plant and equipment	22,383
Total	<u>1,035,433</u>

**10 Subsequent event**

There is no material event subsequent to 31 December 2003 that has not been reflected in the quarterly report for the period.

## **COUNTRY HEIGHTS HOLDINGS BERHAD**

### **EXPLANATORY NOTES FOR THE QUARTER ENDED 31 DECEMBER 2003**

#### **Part II : KLSE Revised Requirements**

---

#### **11 Changes in the Composition of the Group**

There were no changes in the composition of the Group subsequent to 31 December 2002 except for the disposal of:

- Country Heights Brickfields College Sdn Bhd ('CHBC'), a subsidiary company, for a purchase consideration of RM3 million on 22 April 2003. The disposal has resulted in a gain on disposal of RM4,006,740 at Group level. CHBC's principal business was the provision of education services but it had ceased business in 2001;
- CHHB's entire 25% shareholding in Setia Haruman Sdn Bhd ("Setia Haruman") , an associated company, for a consideration of RM50 million on 1 October 2003. The disposal was announced to the Kuala Lumpur Stock Exchange on 1 October 2003. Setia Haruman is principally engaged in the property development and sale of land. The disposal has resulted in a gain on disposal of RM36,841,187 at Group level.
- Pecanwood Holdings (Proprietary) Limited ("PHL"), a subsidiary company, for a purchase consideration of South African Rand5,100 or approximately RM2,856. The disposal has resulted in a gain on disposal of approximately RM21.8 million at Group level. PHL is principally involved in the development and construction of golf course and residential estate in South Africa.

#### **12 Contingent Liabilities / Assets**

There are no material contingent liabilities except as disclosed in note 23(a) and no contingent assets except as disclosed in note 23(c) as at the date of this quarterly report.

#### **13 Review of To Date Performance (against previous year)**

The improvement in Group's results in the current year is mainly contributed by recognition of gains on disposal of Setia Haruman and Pecanwood Holdings (Pty) Limited amounting to RM36.8 million and RM21.8 million respectively.

Also included in the results for financial year ended 31 December 2002 were impairment losses amounting to RM77.7 million made in respect of its investment in Nusa Pasifik Sdn Bhd and an abandoned project in Port Dickson, Negeri Sembilan.

**COUNTRY HEIGHTS HOLDINGS BERHAD**

**EXPLANATORY NOTES FOR THE QUARTER ENDED 31 DECEMBER 2003**

**Part II : KLSE Revised Requirements**

---

**14 Material Changes in the Quarterly Results as Compared with the Immediate Preceding Quarter**

The improvement in Group's results in the current quarter is mainly contributed by recognition of gains on disposal of Setia Haruman and Pecanwood Holdings (Pty) Limited amounting to RM36.8 million and RM21.8 million respectively.

**15 Current Year Prospects**

The Group is currently looking into various options to raise funds to repay part of the Group's borrowings and for expansion. Finance costs remain as the Group's biggest expense component and represented more than 17% of the Group's total revenue. In addition, the Group will also streamline its 2 core businesses, property development and tourism property, to achieve greater efficiency and management focus.

**16 Variance on Forecast Profit/ Profit Guarantee**

Not applicable.

**COUNTRY HEIGHTS HOLDINGS BERHAD**

**EXPLANATORY NOTES FOR THE QUARTER ENDED 31 DECEMBER 2003**

**Part II : KLSE Revised Requirements**

---

**17 Taxation**

Taxation comprises:

	Quarter 4		Cumulative Quarter	
	Current 31/12/2003 RM'000	Preceding 31/12/2002 RM'000	Current 31/12/2003 RM'000	Preceding 31/12/2002 RM'000
Malaysian taxation				
- current period	(3,509)	3,234	3,033	8,699
- deferred tax	5,975	2,562	5,975	2,562
Share of taxation of associated companies	(49)	2,914	143	5,365
	<u>2,417</u>	<u>8,710</u>	<u>9,151</u>	<u>16,626</u>

The effective rate of taxation for the Group is higher than the statutory tax rate as losses of certain subsidiary companies cannot be set off against profits made by other subsidiary companies.

**18 Sale of Unquoted Investments/ Properties**

There were no sale of unquoted investments/ properties since 31 December 2002 except for the disposal of shares in CHBC, Setia Haruman and PHL as mentioned under note 11.

**COUNTRY HEIGHTS HOLDINGS BERHAD**  
**EXPLANATORY NOTES FOR THE QUARTER ENDED 31 DECEMBER 2003**  
**Part II : KLSE Revised Requirements**

---

**19 Purchase and Sale of Quoted Securities**

(a) There were no purchase of quoted securities during the period under review.

(b) Investments in quoted securities as at 31 December 2003 are as follows:

	<b>RM'000</b>
Total investments at cost	4,479
Total investments at carrying value/ book value (after provision for diminution in value)	4,006
Total investment at market value at end of reporting period	914

No further provision for diminution is made to take into account the decline in value of investments in quoted securities as these investments are held for long term and the decline in value is deemed temporary.

**COUNTRY HEIGHTS HOLDINGS BERHAD**  
**EXPLANATORY NOTES FOR THE QUARTER ENDED 31 DECEMBER 2003**  
**Part II : KLSE Revised Requirements**

---

**20 Corporate Proposals**

**(a) Status of Corporate Proposals**

**(i) Proposed Rights Issue, Special Issue and Bonus Issue of new ordinary shares in CHHB**

The Company has proposed a Rights Issue, Special Issue and Bonus Issue of new ordinary shares in CHHB. The Proposed Rights Issue of up to 401,176,000 new ordinary shares of RM1 each is on a basis of one Rights Issue share for every one existing ordinary share held, at an indicative issue price of RM1 each. The Special Issue of 100,000,000 new ordinary shares of RM1 each at an indicative price of RM1 each will be made to Bumiputra investors approved by the Ministry of International Trade and Industry ('MITI). The Proposed Bonus Issue shares will be issued as fully paid shares of RM1 each on the basis of one Bonus Issue share for every two Rights Issue shares.

Based on the existing issued and fully paid-up share capital of 275,699,400 ordinary shares of RM1 each, the number of Rights Issue shares that will be issued will amount to 275,699,400 ordinary shares, and the Bonus Issue shares to be issued for these Rights Issue shares will amount to 137,849,700. Together with the revised proposed Special Issue of 100,000,000 ordinary shares, the total number of new shares to be issued pursuant to these proposals will amount to 513,549,100 and the number of ordinary shares in the issued and paid up share capital will be 789,248,500.

All necessary approvals for the Proposed Rights Issue, Special Issue and Bonus Issue of new ordinary shares in CHHB have been obtained, including the approval from shareholders of the Company in an EGM held on 6 November 2002. Due to the uncertainties in stock market, the Directors have decided to hold in abeyance the above proposals. SC had on 31 October 2003 approved an extension of time to 19 March 2004 to implement the Proposed Rights Issue, Special Issue and Bonus Issue.



**COUNTRY HEIGHTS HOLDINGS BERHAD**  
**EXPLANATORY NOTES FOR THE QUARTER ENDED 31 DECEMBER 2003**  
**Part II : KLSE Revised Requirements**

---

**20 Status of Corporate Proposals (continue)**

**(a) Status of Corporate Proposals (continue)**

**(ii) Proposed Public Offering Exercise To Be Undertaken by Mines City Hotel Sdn Bhd**

The Company has proposed a divestment of up to 49% interest in Mines City Hotel Sdn Bhd ('MCH'), a wholly owned subsidiary of CHHB. The proposed divestment will be by way of a proposed public issue/ placement of up to 200,000,000 new MCH Shares at an indicative issue/ placement price of RM1.00 per MCH Share payable in full on application. MCH is the owner and operator of the Palace of the Golden Horses Hotel ('PGH Hotel'). PGH Hotel is a five-star luxury hotel and conference centre situated within the Mines Resort City. The proceeds to be raised from this Proposed Public Offering will be mainly utilized by MCH to repay the RM250,000,000 nominal amount of 3% Redeemable Bonds 1996/2001 ('Bonds') and interests on the Bonds of which RM200,000,000 is outstanding, on behalf of CHHB, in order to secure the release of the charge on PGH Hotel. The proceeds from the issuance of the Bonds were earlier utilized primarily for the construction of PGH Hotel.

The Proposed Public Offering has been approved by the relevant authorities and shareholders of the Company and the Bondholders. The prospectus is pending finalisation and approval of the SC. SC has on 31 October 2003 approved an extension of time to 26 February 2005 for CHHB to implement the Proposed Public Offering.

**(b) Status of Utilisation of Proceeds**

Not applicable.

**COUNTRY HEIGHTS HOLDINGS BERHAD**

**EXPLANATORY NOTES FOR THE QUARTER ENDED 31 DECEMBER 2003**

**Part II : KLSE Revised Requirements**

**21 Borrowings**

The Group bank borrowings, equity and debt securities as at end of the current reporting period are:

	Short term RM'000	Long term RM'000	Total RM'000
<b>Secured</b>			
Bank overdrafts			
- local	20,216	-	20,216
Revolving credits			
- local	166,365	-	166,365
Term loan			
- local	11,350	79,840	91,190
- foreign (South African Rand)	-	-	-
- foreign (New Zealand Dollar)	498	837	1,335
Bonds	100,000	100,000	200,000
Cumulative Redeemable Preference Shares * (‘CRPS’)	-	333,436	333,436
Redeemable Convertible Secured Loan Stock (‘RCSLS’)	-	148,500	148,500
Deferred cash consideration	-	25,750	25,750
<b>Total secured borrowings</b>	<b>298,429</b>	<b>688,363</b>	<b>986,792</b>
<b>Unsecured</b>			
Bank overdrafts			
- local	3,374	-	3,374
- foreign (South African Rand)	452	-	452
Revolving credits			
- local	44,800	-	44,800
Hire purchase & lease creditors	467	150	617
Cumulative Redeemable Preference Shares	-	190,478	190,478
<b>Total unsecured borrowings</b>	<b>49,093</b>	<b>190,628</b>	<b>239,721</b>
Comprising:			
Total borrowings as at 31 December 2003	347,522	878,991	1,226,513
Local borrowings	346,572	878,154	1,224,726
Foreign borrowings	950	837	1,787

\* CHHB has granted separate put options to two financial institutions which are secured over the Mines Shopping Fair and Mines Waterfront Business Park.

All borrowings are denominated in Ringgit Malaysia unless indicated otherwise.

## **COUNTRY HEIGHTS HOLDINGS BERHAD**

### **EXPLANATORY NOTES FOR THE QUARTER ENDED 31 DECEMBER 2003**

#### **Part II : KLSE Revised Requirements**

---

#### **22 Off Balance Sheet Financial Instruments**

There are no financial instruments with off balance sheet risk as at the date of this quarterly report.

#### **23 Pending Material Litigation**

The pending material litigations are:

- (a) In July 2001, a third party filed a claim against Output Combination Sdn Bhd, a wholly owned subsidiary of CHHB, as the second defendant for wrongful termination of its appointment as exhibition managers. The alleged claims are for loss of management fee and commission amounting to RM300,000 and RM865,376 respectively plus other damages. New hearing of the case management has been adjourned to 14 July 2004.
  
- (b) Master Strike Sdn Bhd ('Master Strike'), a wholly-owned subsidiary of CHHB, has in 1998 commenced action against a third party for the refund of a deposit sum of RM7,140,985 ('the Deposit) paid by Master Strike as purchaser pursuant to a Sale and Purchase Agreement which was forfeited on the ground of non-completion of the SPA by Master Strike. The Court dismissed Master Strike's claim with costs in October 2001. Master Strike has filed in a Notice of Appeal to the Court of Appeal and the hearing date for the appeal is on 15 April 2004.
  
- (c) Country Heights Sdn Bhd ('CHSB'), a wholly-owned subsidiary of CHHB, has filed a claim for RM4,672,494 against the Government for the compulsory acquisition of land. CHHB was awarded a sum of RM4,462,958. There is a current appeal by CHSB concerning an addition of 83 lots of land, which have been affected as a result of the compulsory land acquisition. This appeal involves a total claim of RM1,523,373. We are now in the process of settling the matter out of court with the state legal advisor. In the meantime, the Court has fixed the next hearing date on 13 April 2004.

**COUNTRY HEIGHTS HOLDINGS BERHAD**

**EXPLANATORY NOTES FOR THE QUARTER ENDED 31 DECEMBER 2003**

**Part II : KLSE Revised Requirements**

---

**24 Dividend**

The dividend will be determined by the Board of Directors at a later date.

**25 Earnings per share**

Basic earnings per share is calculated by dividing the profit after taxation and minority interest of RM11.7 million by the number of ordinary shares in issue of 275,699,400 during the period under review.

By Order of the Board

Tan Sri Lee Kim Yew  
Managing Director