



COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2019

	Note	INDIVIDUAL QUARTER			CUMULATIVE QUARTERS		
		CURRENT YEAR QUARTER 31-Mar-19 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31-Mar-18 RM'000	Changes %	CURRENT YEAR TO DATE 31-Mar-19 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31-Mar-18 RM'000	Changes %
Revenue	4	21,503	20,582	4%	21,503	20,582	4%
Cost of sales		(7,050)	(6,673)		(7,050)	(6,673)	
Gross profit		14,453	13,909	4%	14,453	13,909	4%
Interest income		20	30		20	30	
Other operating income		739	1,560		739	1,560	
Selling and marketing expenses		(2,045)	(1,241)		(2,045)	(1,241)	
Administrative expenses		(6,818)	(5,939)		(6,818)	(5,939)	
Other operating expenses		(8,536)	(9,045)		(8,536)	(9,045)	
Finance costs		(3,096)	(2,145)	-44%	(3,096)	(2,145)	-44%
Loss before tax		(5,283)	(2,871)	-84%	(5,283)	(2,871)	84%
Income tax credit	19	4,279	228		4,279	228	
Loss for the period		(1,004)	(2,643)	62%	(1,004)	(2,643)	62%
<b>Other comprehensive income/(loss), net of tax</b>							
<i>Items that may be reclassified subsequently to profit or loss:</i>							
Exchange differences on translating foreign operations		7	686		7	686	
Total comprehensive loss for the period		(997)	(1,957)	49%	(997)	(1,957)	49%

(The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements)



**COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2019**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTERS		
	CURRENT YEAR QUARTER	YEAR CORRESPONDING QUARTER	Changes %	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD	Changes %
	31-Mar-19 RM'000	31-Mar-18 RM'000		31-Mar-19 RM'000	31-Mar-18 RM'000	
<b>Profit/(Loss) attributable to :</b>						
Equity holders of the Company	(872)	(2,404)	64%	(872)	(2,404)	64%
Non-controlling interests	(132)	(239)		(132)	(239)	
Loss for the period	<u>(1,004)</u>	<u>(2,643)</u>	-62%	<u>(1,004)</u>	<u>(2,643)</u>	-62%
<b>Total comprehensive income/(loss) attributable to :</b>						
Equity holders of the Company	(865)	(1,718)	50%	(865)	(1,718)	50%
Non-controlling interests	(132)	(239)		(132)	(239)	
Total comprehensive loss for the period	<u>(997)</u>	<u>(1,957)</u>	49%	<u>(997)</u>	<u>(1,957)</u>	49%
Earnings / (Loss) per share attributable to ordinary equity holders of the Company						
- Basic	30 (a)	(0.32)	(0.88)	(0.32)	(0.88)	
- Diluted	30 (b)	NA	NA	NA	NA	

(The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements)



**COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 MARCH 2019**

	Note	31-Mar-19 (Unaudited) RM'000	31-Dec-18 (Audited) RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	9	311,332	312,710
Investment properties	9	271,659	271,640
Prepaid land lease payments		295,413	295,826
Inventories	24	201,689	201,672
Other investments		2,734	2,734
Goodwill		-	-
Trade receivables-non-current portion		7,635	6,912
Deferred tax assets		26,101	26,166
		<u>1,116,563</u>	<u>1,117,660</u>
<b>Current assets</b>			
Inventories	24	216,186	215,583
Trade and other receivables		45,112	43,188
Tax recoverable		4,046	4,039
Cash and bank balances		14,081	11,766
		<u>279,425</u>	<u>274,576</u>
<b>TOTAL ASSETS</b>		<b><u>1,395,988</u></b>	<b><u>1,392,236</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Share capital		352,006	352,006
Treasury shares		(2,914)	(2,914)
Warrant reserves		62,645	62,645
Other reserves		67,367	67,776
Retained earnings		376,571	376,852
Equity attributable to equity holders of the Company		855,675	856,365
Non-controlling interests		18,524	18,832
<b>Total equity</b>		<b><u>874,199</u></b>	<b><u>875,197</u></b>
<b>Non-current liabilities</b>			
Loans and borrowings	26	181,495	183,052
Other payables		1,855	39,317
Contract liabilities		39,392	1,736
Deferred tax liabilities		125,058	125,059
		<u>347,800</u>	<u>349,164</u>
<b>Current liabilities</b>			
Loans and borrowings	26	49,021	41,879
Trade and other payables		122,254	117,198
Tax payables		1,072	1,685
Contract liabilities		1,642	7,113
		<u>173,989</u>	<u>167,875</u>
<b>Total Liabilities</b>		<b><u>521,789</u></b>	<b><u>517,039</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>1,395,988</u></b>	<b><u>1,392,236</u></b>
Net assets per share attributable to ordinary equity holders of the Company (RM)		3.13	3.13

(The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements)



**COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2019**

	Attributable to Equity Holders of the Company					Non-Controlling Interests	Total Equity	
	Share Capital	Treasury Shares	Warrant Reserves	Other Reserves	Retained Earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>At 1 January 2019</b>	352,006	(2,914)	62,645	67,776	376,852	856,365	18,832	875,197
Loss for the period	-	-	-	-	(872)	(872)	(132)	(1,004)
Other comprehensive income	-	-	-	7	-	7	-	7
Total comprehensive income	-	-	-	7	(872)	(865)	(132)	(997)
Transfer to retained earnings	-	-	-	(416)	416	-	-	-
Changes in ownership interest in a subsidiary company	-	-	-	-	175	175	(176)	(1)
<b>At 31 March 2019</b>	352,006	(2,914)	62,645	67,367	376,571	855,675	18,524	874,199
<b>At 1 January 2018</b>	352,006	(2,914)	-	130,689	293,125	772,906	20,542	793,448
Loss for the period	-	-	-	-	(2,404)	(2,404)	(239)	(2,643)
Other comprehensive income	-	-	-	686	-	686	-	686
Total comprehensive income/(loss)	-	-	-	686	(2,404)	(1,718)	(239)	(1,957)
Transfer to retained earnings	-	-	-	(416)	416	-	-	-
<b>At 31 March 2018</b>	352,006	(2,914)	-	130,959	291,137	771,188	20,303	791,491

(The Unaudited Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements)



**COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2019**

	<b>CURRENT YEAR TO DATE 31-Mar-19 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD 31-Mar-18 RM'000</b>
<b>CASH FLOWS FROM /(USED IN) OPERATING ACTIVITIES</b>		
Loss before tax	(5,283)	(2,871)
Adjustments for:		
Impairment losses on trade and other receivables	114	135
Reversal of impairment losses on trade and other receivables	-	(2)
Amortisation of deferred income	(295)	(291)
Amortisation of debts issuance costs	20	40
Amortisation of prepaid land lease payment	413	992
Bad debts written off	4	-
Depreciation of property, plant and equipment	1,990	2,414
Interest expense	3,096	2,145
Interest income	(20)	(30)
Bad debts recovered	(2)	(4)
Net unrealised gain on foreign exchange	(7)	(13)
<b>Operating loss before working capital changes</b>	<b>30</b>	<b>2,515</b>
Changes in working capital:		
Inventories	(619)	3,607
Receivables	(2,762)	3,719
Contract liabilities	(2,083)	451
Payables	2,102	(4,400)
<b>Cash generated (used in)/from operations</b>	<b>(3,332)</b>	<b>5,892</b>
Tax refund	3,859	-
Tax paid	(135)	(904)
Interest paid	(3,076)	(2,125)
<b>Net cash generated (used in)/from operating activities</b>	<b>(2,684)</b>	<b>2,863</b>



**COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2019**

	<b>CURRENT YEAR TO DATE 31-Mar-19 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD 31-Mar-18 RM'000</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of other property, plant and equipment	(567)	(420)
Expenditure on investment properties	(19)	-
Interest received	20	30
<b>Net cash used in investing activities</b>	<b>(566)</b>	<b>(390)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of bank overdrafts	(2,074)	(2,928)
Drawdown of term loan	10,000	-
Hire purchase and lease creditors	(20)	(81)
Repayment of term loans	(2,341)	(2,113)
<b>Net cash from/(used in) financing activities</b>	<b>5,565</b>	<b>(5,122)</b>
<b>NET MOVEMENT IN CASH AND CASH EQUIVALENTS</b>	<b>2,315</b>	<b>(2,649)</b>
Effects of foreign exchange rate changes	-	-
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>11,766</b>	<b>16,167</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>14,081</b>	<b>13,518</b>

(The Unaudited Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements)



**COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)**  
**PART A – Explanatory Notes Pursuant to FRS 134**

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**1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard (“FRS”) 134: “Interim Financial Reporting” and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2018. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2018.

**2. Significant Accounting Policies**

The significant accounting policies adopted by the Group in these interim financial statements are consistent with those of the audited financial statements of the Group for the financial year ended 31 December 2018, except for adoption of the following new/revised FRSs, Amendments to FRSs and IC Interpretations which are effective for financial periods beginning on or after:

**1 January 2019**

- MFRS 16, Leases
- IC Interpretation 23, Uncertainty over Income Tax Treatments
- Amendments to MFRS 9, Prepayment Features with Negative Compensation
- Amendments to MFRS 119, Plan Amendment, Curtailment or Settlement
- Amendments to MFRS 128, Long – term interests in Associates and Joint Ventures
- Annual Improvements to MFRSs 2015 – 2017 Cycle :
  - Amendments to MFRS 3
  - Amendments to MFRS 11
  - Amendments to MFRS 112
  - Amendments to MFRS 123



**COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)**  
**PART A – Explanatory Notes Pursuant to FRS 134**

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**2. Significant Accounting Policies (Cont'd)**

**1 January 2020**

- Amendments to MFRS Standards, References to the Conceptual Framework in MFRS Standards
- Amendments to MFRS 3, Definition of a Business
- Amendments to MFRS 101, Definition of Material

**1 January 2021**

- MFRS 17, Insurance Contracts
- Amendments to MFRS 10 and MFRS 128, Sales or Contributions of Assets between an Investor and its Associate or Joint Venture

The Group and the Company intend to adopt the above MFRSs when they become effective.

The Group and the Company have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”), International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

**3. Audit Opinion on 2018 Financial Statements**

The auditors’ report on the financial statements of the Group for the financial year ended 31 December 2018 was not subject to any qualification.





**COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)**  
**PART A – Explanatory Notes Pursuant to FRS 134**

**4. Segment Reporting**

Quarter Ended 31 Mar 2019	Grand Wellness RM'000	Resorts & Hospitality RM'000	Car City Centre RM'000	Cheng Ho RM'000	Property Development RM'000	Consolidated RM'000
<b>Revenue</b>						
External sales	7,552	9,039	2,318	-	2,594	21,503
<b>Results</b>						
Segment results	2,191	(1,110)	(794)	(1)	(2,473)	(2,187)
Finance costs						(3,096)
Loss before tax						(5,283)
Income tax expense						4,279
Loss after tax						(1,004)
Non-controlling interests						132
Loss for the period						(872)

Quarter Ended 31 Mar 2018	Grand Wellness RM'000	Resorts & Hospitality RM'000	Car City Centre RM'000	Cheng Ho RM'000	Property Development RM'000	Consolidated RM'000
<b>Revenue</b>						
External sales	5,195	6,409	1,594	-	7,384	20,582
<b>Results</b>						
Segment results	1,528	(2,247)	(945)	(2)	940	(726)
Finance costs						(2,145)
Loss before tax						(2,871)
Income tax expense						228
Loss after tax						(2,643)
Non-controlling interests						239
Loss for the period						(2,404)



**COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)**  
**PART A – Explanatory Notes Pursuant to FRS 134**

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**5. Unusual Items Due to Their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial period under review.

**6. Changes in Estimates**

There were no changes in estimates that have a material effect in the financial year-to-date results.

**7. Seasonal or Cyclical Factors**

The operations of the Group were not materially affected by any seasonal or cyclical factors.

**8. Dividends Paid**

There were no dividends paid during the current financial period under review.

**9. Carrying Amount of Revalued Assets**

The valuation of property, plant and equipment has been brought forward without amendment from the audited financial statements for the financial year ended 31 December 2018. Investment properties have been revalued at fair value as of 31 December 2018.

**10. Issuance or Repayment of Debt and Equity Securities**

The Company issued a two for one bonus warrants, total warrants 136,778,701, during the financial year ended 31 December 2018.

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

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

**12. Capital Commitments**

There were no material changes in capital commitments since the last audited Statement of Financial Position as at 31 December 2018.

**13. Contingent Liabilities / Assets**

There are no material contingent liabilities since the last audited Statement of Financial Position as at 31 December 2018. There are no material contingent assets as at the date of this report.

**14. Subsequent event**

There was no material event subsequent to the end of the current financial period that has not been reflected in these financial statements.



**COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)**  
**PART B – Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

**15. Operating Segment Review**

**(a) 1st Quarter 2019 vs 1st Quarter 2018**

	<b>Current Year To Date 31-Mar-19 RM'000</b>	<b>Preceding Year Corresponding Period 31-Mar-18 RM'000</b>	<b>Changes (%)</b>
Revenue	21,503	20,582	4%
Operating Loss	(2,187)	(726)	-201%
Loss Before Interest and Tax	(2,187)	(726)	-201%
Loss Before Tax	(5,283)	(2,871)	-84%
Loss After Tax	(1,004)	(2,643)	62%
Loss Attributable to Ordinary Equity Holders of the Parent	(872)	(2,404)	64%

The Group recorded total revenue of RM21.5 million for the first quarter ended 31 March 2019 compared to RM20.6 million in the previous year corresponding quarter ended 31 March 2018. The difference was mainly due to higher contribution from Hospitality and Grand Wellness Division.

The Group recorded a loss before tax of RM5.3 million for the current quarter compared to a RM2.9 million loss before tax in the previous year corresponding quarter.

Grand Wellness Hub Division

Revenue for the first quarter of 2019 for the division was RM7.6 million as compared to RM5.2 million in the same quarter of 2018. Segment profit of RM2.2 million was recorded for the first quarter as compared to a segment profit of RM1.5 million for the same quarter of 2018.



**COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)**  
**PART B – Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

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**15. Operating Segment Review (Cont'd)**

**(a) 1st Quarter 2019 vs 1st Quarter 2018 (Cont'd)**

Resorts & Hospitality Division

The revenue for Resorts & Hospitality Division was RM9.0 million in the current quarter compared to RM6.4 million for the first quarter of 2018. Segment loss was recorded at RM1.1 million for the first quarter of 2019 as compared to a segment loss of RM2.2 million for the same quarter of 2018.

Car City Centre Division

Car City Centre Division contributed RM2.3 million of revenue in the current quarter as compared to RM1.6 million in the first quarter of 2018. Segment loss of RM0.8 million was recorded in the current quarter compared to RM0.9 million in the same quarter of 2018.

Cheng Ho Islamic Finance and Trade Centre Division

The segment loss RM0.001 million was recorded in the current quarter compared to RM0.002 million in the same quarter of 2018.

Property Development Division

The revenue for Property Development Division was RM2.6 million in the current quarter compared to RM7.4 million for the first quarter of 2018. Segment loss recorded was RM2.5 million for the first quarter of 2019 as compared to a segment loss of RM0.9 million for the same quarter of 2018.



**COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)**  
**PART B – Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

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

	<b>Current Quarter</b>	<b>Immediate Preceding Quarter</b>	
	<b>31-Mar-19</b>	<b>31-Dec-18</b>	<b>Charges (%)</b>
	<b>RM'000</b>	<b>RM'000</b>	
Revenue	21,503	32,803	-34%
Operating Loss	(2,187)	(6,934)	68%
Loss Before Interest and Tax	(2,187)	(6,934)	68%
Loss Before Tax	(5,283)	(9,311)	43%
Loss After Tax	(1,004)	(36,682)	97%
Loss Attributable to Ordinary Equity Holders of the Parent	(872)	(35,123)	-98%

The Group's revenue for the first quarter of 2019 was lower at RM21.5 million compared with the preceding fourth quarter ended 31 December 2018 of RM32.8 million and the Group's loss before tax for the first quarter of 2019 was RM5.3 million as compared with a profit before tax in the preceding fourth quarter ended 31 December 2018 of RM9.3 million. This was mainly due to the lower sale of inventory of properties.

**17. Commentary on Prospects**

The international economic and financial landscape is likely to remain challenging and will be key factor that will influence the prospects of Malaysian economy in 2019. According to Bank Negara Malaysia, the Malaysian economy is projected to grow by 4.8% (2018 : 4.6%) in 2019 although the preceding quarter the GDP growth was only 4.6%. The global economic uncertainties, our country debt of RM1.2 trillion, slowdown in property development market, increasing cost of living in the country coupled with the high borrowing cost and difficulty in obtaining bank loans and end financing are of great concern as these will dampen sentiments and affect demand in certain sectors



**COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)**  
**PART B – Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

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**17. Commentary on Prospects (Cont'd)**

Notwithstanding the above, the Group intends to transform itself and realign the business to focus on four key ventures moving forward. They are:-

- **Grand Wellness Hub**

- A convergence of three different projects including a wellness centre, shopping mall and serviced apartments in Mines Wellness City. With a total of 1 mil sq ft space and a gross development value of RM1.5 billion, this will change the face of medical and wellness tourism as well. The Grand Wellness Hub will also see a joint venture to develop Luxe Retirement Residences service apartments to provide 200 units of comfortable living spaces for retirees.
- With the GHHS Healthcare under the umbrella of the Grand Wellness Hub, new strategies are introduced focusing on the innovative product development on holistic treatments, wellness & rejuvenation. There are some joint ventures between GHHS Healthcare and Wellness Practitioners to enhance the varieties of treatments in the centre such as BodyReg (CO2) Treatment. Besides that, new developments are added into the Chinese Medical Centre (TCM) such as Womb Care, Paediatric Care, Gynaecology, Fertility Treatment, Post Stroke, Chiropractic Care and Metabolic Syndrome. Further improvement on the anti-aging section which includes Face Lifting Package that combines both ancient Chinese medicine and the latest Western technique with the introduction of Yunohana hot stone bed in Wellness Centre that specially import from Japan to provide natural, antioxidant, slimming and detox treatment. Introduction of Health United Plus with Points Value (PV) redemption is the latest flexible program that can be customized for members.



**COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)**  
**PART B – Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

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**17. Commentary on Prospects (Cont'd)**

- As for Health Screening, introduction of Genetic Screening packages, Food Intolerance, Allergy Screening, Bio-Identical Hormone Replacement Therapy (BHRT), Endoscopy Screening and Calcium Scoring CT will accelerate growth by strengthening the membership market and to venture new markets such as corporate screening for local corporate sector and preventive healthcare tourism for foreign tourist.
- **Resorts and Hospitality**
  - Targeted at high net worth individuals looking for a combination of resort lifestyle and luxury hospitality. This integrated project will have a proposed total GDV of RM3.7 billion and includes the Golf Villa (serviced apartments and SOHO located next to the Palace of the Golden Horses Hotel, Kuala Lumpur) as well as new developments in Port Dickson.
  - With plans to refurbish the Palace of the Golden Horses, measures have been put in place to increase M.I.C.E marketing namely meetings, incentives, conferencing and exhibitions with more local corporate events and promotions. These include international marketing and branding exercises, service improvement programs, online marketing and strategic collaborations to help stimulate the business.
- **Car City Centre**
  - A 1.5 mil sq ft transformative project combining the real estate, exhibition and the automotive industry, MC3 is ASEAN'S pioneer automotive themed lifestyle center with a projected gross development value of RM1.2 to RM1.5 billion. The project will rejuvenate the MINES International Exhibition and Convention Centre into Asean's largest automotive expo centre showcasing the latest automotive technology and trends.
  - The project also includes The Auto Collective (TAC) which will be Malaysia's Largest Indoor Bonded Warehouse and a co-working space called the Mines Workpool.



**COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)**  
**PART B – Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

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**17. Commentary on Prospects (Cont'd)**

• **Cheng Ho Islamic Finance and Trade Centre**

- A total of 62 acres of land in Alor Gajah, Malacca, to be transformed to an exhibition centre, a business hotel, retail outlets, business suites and warehouses. With strategic partnership with China's 'One Belt One Road' initiative, this future epicenter of Islamic trade and finance projects a gross development value of RM1.3 billion.
  
- Positioned as the world's 1<sup>st</sup> Shariah-attested blockchain development strategically poised to tap into the RM5.8 trillion Islamic economies by year 2022.

• **Property Development**

Property Development Division has a few projects in the pipeline for launching in 2019 & 2020. Amongst projects scheduled for launching in 2019 & 2020 are:-

- College Heights Garden Resort – 28 units of 2-storey shop-office
- College Valley Industrial Park – 60 units of 1 ½ storey Industrial Terrace
- Country Heights Damansara: Subdividing Bungalow Land
- Country Heights Kajang: Kajang Commercial Centre
- Mines Waterfront Suites: Block 6 & 7
- Belleza Garden Homes Phase 3 at Jitra, Kedah
- Venice North: Retail Shop and Serviced Hotel/Residences

**18. Variance on Profit Forecast / Profit Guarantee**

There was no profit forecast / profit guarantee issued by the Group.





**COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)**  
**PART B – Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

**19. Income Tax Credit**

	<b>Quarter ended</b>	
	<b>31-Mar-19</b>	<b>31-Mar-18</b>
	<b>RM'000</b>	<b>RM'000</b>
Income tax		
- Current year	(290)	(3)
- Over provision in prior year	4,634	-
Deferred tax		
- Current year	(65)	231
	4,279	228

**20. Sale of Unquoted Investments / Properties**

There was no sale of unquoted investments/ properties during the financial year-to-date.

**21. Purchase and Sale of Quoted Securities**

There were no sales or purchase of quoted securities during the financial year-to-date.

**22. Loss before Tax**

Loss before tax has been arrived at after charging/(crediting):

	<b>31-Mar-19</b>	<b>31-Mar-18</b>
	<b>RM'000</b>	<b>RM'000</b>
Depreciation and amortisation	2,403	3,406
Impairment losses on trade and others receivables	114	135
Reversal of Impairment losses on trade and other receivables	-	(2)
Net unrealised foreign exchange gain	(7)	(13)
Bad debt written off	4	-
Bad debt recovered	(2)	(4)

There were no gain or loss on derivatives, exceptional items and allowance for and write off of inventories.

**23. Corporate Proposals**

**(a) Status of Corporate Proposals**

There were no corporate proposals.

**(b) Status of Utilisation of Proceeds from Corporate Proposal**

There was no utilisation of proceeds derived from the Company's corporate proposal.



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**24. Inventories**

	<b>As at 31-Mar-19 RM'000</b>	<b>As at 31-Mar-18 RM'000</b>
Land held for property development	201,689	213,938
Property development cost	132,787	126,210
Others	83,399	69,593
	<u>216,186</u>	<u>195,803</u>

**25. Details of Treasury Shares**

As at the end of the reporting period, the status of share buy-back is as follows:

	<b>As at 31-Mar-19 RM'000</b>	<b>As at 31-Mar-18 RM'000</b>
Description of shares purchased	Ordinary Shares	Ordinary Shares
Number of shares purchased	-	-
Number of shares cancelled	-	-
Number of shares held as treasury shares	2,150,000	2,150,000
Number of treasury shares resold	-	-



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**26. Loans and borrowings**

The Group's bank borrowings and debt securities as at end of the current financial period are:

	As at 1st quarter ended 2019					
	Long-term		Short-term		Total borrowings	
	Foreign RM'000	Local RM'000	Foreign RM'000	Local RM'000	Foreign RM'000	Local RM'000
<b>Secured</b>						
Bank overdrafts	-	-	-	19,924	-	19,924
Term loan	-	82,694	-	29,097	-	111,791
						-
Total secured borrowings	-	82,694	-	49,021	-	131,715
<b>Unsecured</b>						
Term Loan	-	98,687	-	-	-	98,687
Hire purchase & lease creditors	-	114	-	-	-	114
						-
Total unsecured borrowings	-	98,801	-	-	-	98,801
<b>Total loans and borrowings</b>	<b>-</b>	<b>181,495</b>	<b>-</b>	<b>49,021</b>	<b>-</b>	<b>230,516</b>
	As at 1st quarter ended 2018					
	Long-term		Short-term		Total borrowings	
	Foreign RM'000	Local RM'000	Foreign RM'000	Local RM'000	Foreign RM'000	Local RM'000
<b>Secured</b>						
Bank overdrafts	-	-	-	26,916	-	26,916
Term loan	-	77,795	-	8,201	-	85,996
Total secured borrowings		77,795		35,117		112,912
<b>Unsecured</b>						
Term Loan	-	110,937	-	-	-	110,937
Hire purchase & lease creditors	-	227	-	102	-	329
Total unsecured borrowings	-	111,164	-	102	-	111,266
<b>Total loans and borrowings</b>	<b>-</b>	<b>188,959</b>	<b>-</b>	<b>35,219</b>	<b>-</b>	<b>224,178</b>

All borrowings are denominated in Ringgit Malaysia unless indicated otherwise.



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**27. Disclosure requirements pursuant to implementation of MFRS 139**

**(a) Disclosure of Derivatives**

There are no outstanding derivatives as at 31 March 2019 and there have been no changes in derivatives since the last financial year.

**(b) Disclosure of gain/losses arising from fair value changes of financial liabilities**

The Group did not have any gain/losses arising from fair value changes of its financial liabilities.

**28. Retained earnings**

The breakdown of the retained earnings of the Group is prepared in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with guidance on special matter No. 1, Determination of Realised and Unrealised Profit or Losses in the context of disclosure pursuant to Bursa Malaysia Securities Berhad listing requirement as issued by the Malaysian Institute of Accountants.

**29. Dividend Payable**

No dividend has been proposed for the current financial period under review and the previous corresponding financial year.

**30. Earnings/(Loss) Per Share**

**(a) Basic**

Basic earnings per share is calculated by dividing loss for the year attributable to equity holders of RM0.9 million (31 March 2018: loss of RM2.4 million) over the number of 273,557,403 (31 March 2018: 273,557,403) ordinary shares issued during the current financial period under review.

**(b) Diluted**

Not applicable.



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**31. Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 31 May 2019.

By Order of the Board

**Dato' Low Kok Thai**

Group Chief Executive Officer