



COUNTRY HEIGHTS HOLDINGS BERHAD [198401006901(119416-K)]

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2021

	Note	INDIVIDUAL QUARTER			CUMULATIVE QUARTERS		
		CURRENT YEAR QUARTER 31-Mar-21 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31-Mar-20 RM'000	Changes %	CURRENT YEAR TO DATE 31-Mar-21 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31-Mar-20 RM'000	Changes %
Revenue	4	7,752	11,246	-31%	7,752	11,246	-31%
Cost of sales		(1,650)	(3,269)		(1,650)	(3,269)	
Gross profit		6,102	7,977	-24%	6,102	7,977	-24%
Interest income		59	13		59	13	
Other operating income		704	584		704	584	
Selling and marketing expenses		(1,074)	(1,109)		(1,074)	(1,109)	
Administrative expenses		(2,821)	(5,885)		(2,821)	(5,885)	
Other operating expenses		(6,120)	(8,498)		(6,120)	(8,498)	
Finance costs		(2,043)	(2,151)	5%	(2,043)	(2,151)	5%
Loss before tax		(5,193)	(9,069)	43%	(5,193)	(9,069)	43%
Income tax expenses	19	(114)	(4)		(114)	(4)	
Loss for the period		(5,307)	(9,073)	42%	(5,307)	(9,073)	42%
Other comprehensive loss, net of tax							
<i>Items that may be reclassified subsequently to profit or loss:</i>							
Exchange differences on translating foreign operations		4	12		4	12	
Total comprehensive loss for the period		(5,303)	(9,061)	41%	(5,303)	(9,061)	41%

(The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements)



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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2021

	Note	INDIVIDUAL QUARTER			CUMULATIVE QUARTERS		
		CURRENT YEAR QUARTER 31-Mar-21 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31-Mar-20 RM'000	Changes %	CURRENT YEAR TO DATE 31-Mar-21 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31-Mar-20 RM'000	Changes %
Loss attributable to :							
Equity holders of the Company		(5,174)	(8,024)	36%	(5,174)	(8,024)	36%
Non-controlling interests		(133)	(1,049)		(133)	(1,049)	
Loss for the period		<u>(5,307)</u>	<u>(9,073)</u>	42%	<u>(5,307)</u>	<u>(9,073)</u>	42%
Total comprehensive loss attributable to :							
Equity holders of the Company		(5,170)	(8,012)	35%	(5,170)	(8,012)	35%
Non-controlling interests		(133)	(1,049)		(133)	(1,049)	
Total comprehensive loss for the period		<u>(5,303)</u>	<u>(9,061)</u>	41%	<u>(5,303)</u>	<u>(9,061)</u>	41%
Earnings / (Loss) per share attributable to ordinary equity holders of the Company (sen):							
- Basic	30 (a)	(1.89)	(2.93)		(1.89)	(2.93)	
- Diluted	30 (b)	(1.26)	(1.96)		(1.26)	(1.96)	

(The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements)



COUNTRY HEIGHTS HOLDINGS BERHAD [198401006901(119416-K)]

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2021**

	Note	31-Mar-21 (Unaudited) RM'000	31-Dec-20 (Audited) RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	9	51,259	52,944
Right-of-use-assets	9	545,643	546,746
Investment properties	9	259,370	259,370
Inventories	24	159,239	159,197
Investment in associate		-	-
Other investments		2,387	2,387
Trade receivables-non-current portion		7,276	7,276
Deferred tax assets		6,254	6,254
		<u>1,031,428</u>	<u>1,034,174</u>
Current assets			
Inventories	24	219,802	219,682
Trade and other receivables		36,291	33,158
Tax recoverable		227	760
Cash and bank balances		11,033	9,326
		<u>267,353</u>	<u>262,926</u>
Non-current asset held for sale		<u>42,313</u>	<u>42,313</u>
		<u>309,666</u>	<u>305,239</u>
TOTAL ASSETS		<u>1,341,094</u>	<u>1,339,413</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital		352,006	352,006
Treasury shares		(2,914)	(2,914)
Warrant reserves		62,645	62,645
Other reserves		65,009	66,644
Retained earnings		306,562	310,097
Equity attributable to equity holders of the Company		<u>783,308</u>	<u>788,478</u>
Non-controlling interests		<u>12,157</u>	<u>12,290</u>
Total equity		<u>795,465</u>	<u>800,768</u>
Non-current liabilities			
Loans and borrowings	26	113,618	107,887
Other payables		2,222	2,224
Contract liabilities		39,311	38,259
Lease liabilities		3,603	3,652
Deferred tax liabilities		98,082	98,137
		<u>256,836</u>	<u>250,159</u>
Current liabilities			
Loans and borrowings	26	91,924	91,833
Trade and other payables		187,125	185,140
Tax payables		2,341	2,884
Lease liabilities		2,392	2,307
Contract liabilities		5,011	6,322
		<u>288,793</u>	<u>288,486</u>
Total Liabilities		<u>545,629</u>	<u>538,645</u>
TOTAL EQUITY AND LIABILITIES		<u>1,341,094</u>	<u>1,339,413</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)		2.86	2.88

(The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements)



COUNTRY HEIGHTS HOLDINGS BERHAD [198401006901(119416-K)]

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2021**

	Attributable to Equity Holders of the Company					Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	Non-distributable		Distributable					
	Share Capital RM'000	Treasury Shares RM'000	Warrant Reserves RM'000	Other Reserves RM'000	Retained Earnings RM'000			
At 1 January 2021	352,006	(2,914)	62,645	65,422	311,319	788,478	12,290	800,768
Loss for the period	-	-	-	4	(5,174)	(5,170)	(133)	(5,303)
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	4	(5,174)	(5,170)	(133)	(5,303)
Transfer to retained earnings	-	-	-	(417)	417	-	-	-
At 31 March 2021	352,006	(2,914)	62,645	65,009	306,562	783,308	12,157	795,465
At 1 January 2020	352,006	(2,914)	62,645	66,644	343,539	821,920	14,260	836,180
Loss for the period	-	-	-	12	(8,024)	(8,012)	(1,049)	(9,061)
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income/(loss)	-	-	-	12	(8,024)	(8,012)	(1,049)	(9,061)
Transfer to retained earnings	-	-	-	(417)	417	-	-	-
At 31 March 2020	352,006	(2,914)	62,645	66,239	335,932	813,908	13,211	827,119

(The Unaudited Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements)



COUNTRY HEIGHTS HOLDINGS BERHAD [198401006901(119416-K)]

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2021**

	CURRENT YEAR TO DATE 31-Mar-21 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31-Mar-20 RM'000
CASH FLOWS USED IN OPERATING ACTIVITIES		
Loss before tax	(5,193)	(9,069)
Adjustments for:		
Impairment losses on trade and other receivables	109	112
Amortisation of deferred income	(295)	(310)
Amortisation of rights-of-use assets	1,104	882
Bad debts written off	-	343
Depreciation of property, plant and equipment	1,751	1,755
Interest expense	2,043	2,151
Interest income	(59)	(13)
Inventories written off	-	28
Bad debts recovered	(44)	(75)
Net unrealised gain on foreign exchange	(56)	(12)
Operating loss before working capital changes	(640)	(4,208)
Changes in working capital:		
Inventories	(162)	(563)
Receivables	(3,198)	(901)
Contract liabilities	36	531
Payables	2,046	9,788
Cash generated used in operations	(1,918)	4,647
Tax paid	(181)	(80)
Interest paid	(2,046)	(2,151)
Net cash generated used in operating activities	(4,145)	2,416



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2021**

	CURRENT YEAR TO DATE 31-Mar-21 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31-Mar-20 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of other property, plant and equipment	(66)	(993)
Acquisition of investment in an associate	-	(50)
Interest received	59	13
Net cash used in investing activities	<u>(7)</u>	<u>(1,030)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of bank overdrafts	39	(11)
Drawdown of term loan	3,763	228
Repayment of lease liabilities	36	(141)
Repayment of term loans	20	(5,388)
Net cash from financing activities	<u>5,858</u>	<u>(5,312)</u>
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	1,706	(3,926)
Effects of foreign exchange rate changes	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>9,327</u>	<u>12,744</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>11,033</u>	<u>8,818</u>

(The Unaudited Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements)



COUNTRY HEIGHTS HOLDINGS BERHAD [198401006901(119416-K)]
PART A – Explanatory Notes Pursuant to FRS 134

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 2020. 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 2020.

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 2020, 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 2021

- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 Interest Rate Benchmark Reform – Phase 2
- Amendments to MFRS 16, Covid-19 – Related Rent Concessions Beyond 30 June 2021

1 January 2022

- Amendments to MFRS 3, References to the Conceptual Framework
- Annual Improvements to MFRS Standards 2018 – 2020
 - Amendments to MFRS 1
 - Amendments to MFRS 9
 - Amendments to MFRS 16
 - Amendments to MFRS 141
- Amendments to MFRS 116, Property, Plant and Equipment – Proceeds before Intended Use



COUNTRY HEIGHTS HOLDINGS BERHAD [198401006901(119416-K)]
PART A – Explanatory Notes Pursuant to FRS 134

2. Significant Accounting Policies (Cont'd)

1 January 2022

- Amendments to MFRS 137, Onerous Contracts – Costs of Fulfilling a Contract

1 January 2023

- MFRS 17, Insurance Contracts
- Amendments to MFRS 17, Insurance Contracts
- Amendments to MFRS 101, Classification of Liabilities as Current or Non-current
- Amendments to MFRS 101, Disclosure of Accounting Policies
- Amendments to MFRS 108, Definition of Accounting Estimates

Deferred until further notice

- Amendments to MFRS 10 and MFRS 128, Sale or Contribution 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 2020 Financial Statements

The auditors’ report on the financial statements of the Group for the financial year ended 31 December 2020 was not subject to any qualification.



COUNTRY HEIGHTS HOLDINGS BERHAD [198401006901(119416-K)]
PART A – Explanatory Notes Pursuant to FRS 134

4. Segment Reporting

Quarter Ended 31 Mar 2021	Healthcare RM'000	Resorts & Hospitality RM'000	Exhibition & Convention RM'000	Property RM'000	Total operations RM'000
Revenue					
External sales	5,054	972	315	1,411	7,752
Results					
Segment results	520	(1,160)	(1,046)	(1,464)	(3,150)
Finance costs					(2,043)
Loss before tax					(5,193)
Income tax expense					(114)
Loss after tax					(5,307)
Non-controlling interests					133
Loss for the period					(5,174)

Quarter Ended 31 Mar 2020	Healthcare RM'000	Resorts & Hospitality RM'000	Exhibition & Convention RM'000	Property RM'000	Total operations RM'000
Revenue					
External sales	2,705	5,678	1,019	1,844	11,246
Results					
Segment results	(214)	(3,435)	(1,736)	(1,533)	(6,918)
Finance costs					(2,151)
Loss before tax					(9,069)
Income tax credit					(4)
Loss after tax					(9,073)
Non-controlling interests					1,049
Loss for the period					(8,024)



COUNTRY HEIGHTS HOLDINGS BERHAD [198401006901(119416-K)]
PART A – Explanatory Notes Pursuant to FRS 134

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, rights-of-use assets has been brought forward without amendment from the audited financial statements for the financial year ended 31 December 2020. Investment properties have been revalued at fair value as of 31 December 2020.

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 2020.

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 2020.



COUNTRY HEIGHTS HOLDINGS BERHAD [198401006901(119416-K)]
PART A – Explanatory Notes Pursuant to FRS 134

13. Contingent Liabilities / Assets

On 2nd November 2020, Country Heights Holdings Bhd (“CHHB”) receive a notice of termination from Land Custody and Development Authority (“LCDA”) stating the intention of the allegation that CHHB had failed, neglected or refused to remedy the breaches stipulated in the notice dated 17th September 2020 (“Termination”). CHHB had upon the receipt of the notice dated 17th September 2020 immediately refuted the allegation made by LCDA. CHHB intends to challenge the unilateral termination.

On 10th May 2021, CHHB received an order of Forfeiture of Land from the Director of Land and Surveys Department Sarawak. The said order affect Lot 48, 49 and 51 Block 11 Pangkalan Ampat Land District.

CHHB has sought legal opinion to recover losses and/or damages from the LCDA due to LCDA’s wrongful unilateral termination.

14. Subsequent event

The Directors of the Company have closely monitored the development of the outbreak of coronavirus pandemic (“COVID-19”) infection in Malaysia that may affect business performances and financial position of the Group and of the Company movement restriction order and other precautionary measures imposed by relevant local authorities that affected the Group and the Company business operations. As at the date of this report, the financial impact of the COVID-19 outbreak to the Group and to the Company cannot be reasonably estimated due to the inherent unpredictable nature and rapid development relating to COVID-19, the extent of the impact depends on the on-going precautionary measures introduced by our government to address this pandemic and the durations of the pandemic. As such, the Directors of the Company will continue to closely monitor the situations and respond proactively to mitigate the impact on the Group’s and the Company’s financial performance and financial position.



COUNTRY HEIGHTS HOLDINGS BERHAD [198401006901(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 2021 vs 1st Quarter 2020

	Current Year Quarter 31-Mar-21 RM'000	Preceding Year Corresponding Quarter 31-Mar-20 RM'000	Changes (%)
Revenue	7,752	11,246	-31%
Operating Loss	(3,150)	(6,918)	54%
Loss Before Interest and Tax	(3,150)	(6,918)	54%
Loss Before Tax	(5,193)	(9,069)	43%
Loss After Tax	(5,307)	(9,073)	42%
Loss Attributable to Ordinary Equity Holders of the Parent	(5,174)	(8,024)	36%

The Group recorded total revenue of RM7.8 million for the first quarter ended 31 March 2021 compared to RM11.2 million in the previous year corresponding quarter ended 31 March 2020. The difference was mainly due to lower contribution from Resorts and Hospitality and Grand Wellness Division.

The Group recorded a loss before tax of RM5.2 million for the current quarter compared to a RM9.1 million loss before tax in the previous year corresponding quarter.

Healthcare Division

Revenue for the first quarter of 2021 for the division was RM5.0 million as compared to RM2.7 million in the same quarter of 2020. Segment profit of RM0.5 million was recorded for the first quarter as compared to a segment loss of RM0.2 million for the same quarter of 2020.



COUNTRY HEIGHTS HOLDINGS BERHAD [198401006901(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 (Cont'd)

(a) 1st Quarter 2021 vs 1st Quarter 2020 (Cont'd)

Resorts & Hospitality Division

The revenue for Resorts & Hospitality Division was RM1.0 million in the current quarter compared to RM5.7 million for the first quarter of 2020. Segment loss was recorded at RM1.2 million for the first quarter of 2021 as compared to a segment loss of RM3.5 million for the same quarter of 2020.

Exhibition & Convention Division

Exhibition & Convention Division contributed RM0.3 million of revenue in the current quarter as compared to RM1.0 million in the first quarter of 2020. Segment loss of RM1.0 million was recorded in the current quarter compared to RM1.7 million in the same quarter of 2020.

Property Division

The revenue for Property Division was RM1.4 million in the current quarter compared to RM1.8 million for the first quarter of 2020. Segment loss recorded was RM1.5 million for the first quarter of 2021 same quarter as preceding year.



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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

	Current Quarter	Immediate Preceding Quarter	
	31-Mar-21	31-Dec-20	
	RM'000	RM'000	Changes (%)
Revenue	7,752	10,907	-29%
Operating Loss	(3,150)	(19,905)	84%
Loss Before Interest and Tax	(3,150)	(19,905)	84%
Loss Before Tax	(5,193)	(22,634)	77%
Loss After Tax	(5,307)	(16,403)	68%
Loss Attributable to Ordinary Equity Holders of the Parent	(5,174)	(16,219)	68%

The Group's revenue for the first quarter of 2021 was RM7.8 million compared with the preceding fourth quarter ended 31 December 2020 of RM10.9 million and the Group's loss before tax for the first quarter of 2021 was RM5.2 million as compared with a loss before tax in the preceding fourth quarter ended 31 December 2020 of RM22.6 million.

17. Commentary on Prospects

While the group maintain its vision on its four key ventures that has been detailed previously, the impact of the Covid 19 pandemic has brought a change in the new norm in all aspects of our businesses and workplaces.

As a result of the already challenging financial landscape and the effects of the pandemic, the group suffered losses arising from cancelled and postponement of reservations and events for the remaining year and this has forced some drastic changes in its ongoing operations.

a) Healthcare Division:

- Despite the Covid-19 pandemic affecting nationwide, European Wellness Retreat (EWR) under GHHS Healthcare has recorded a profitable business growth with positive projection company revenue of five (5) times higher revenue sales for 2021.



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17. Commentary on Prospects (Cont'd)

a) Healthcare Division (Cont'd):

As part of the business expansion, EWR has planned a Special Corporate Wellness Programme including health maintenance targeting specifically for corporate companies with personalized and customized treatment by EWR qualified doctors and this will boost Health & Wellness Tourism once the international markets resume to operational as normal.

- A strategic collaboration was signed with Xiamen University Malaysia with GHHS Chinese Medical Centre on the knowledge transfer between university and industry to promote cooperation on industrial training; social services; and employment opportunities.
- The second collaboration is with Lunan Better Pharmaceutical Co. Ltd. Through this collaboration, the company has donated 'JingFang Granules' to several organisations in Malaysia. Lunan Better Pharmaceutical Co., Ltd. is a pharmaceutical company registered in the People's Republic of China and has obtained drug production license issued by the Shandong Provincial Drug Administration to develop 'Jingfang Granules' that can be used to relieve the symptoms of Covid-19 patients. This drug has obtained the domestic drug GMP certificate and drug registration approval.

b) Hospitality Division:

- Palace of the Golden Horses was assigned as a quarantine hotel during the MCO and has successfully completed this national service. However, the hotel's result together with the forecast of the travel and MICE industry have been less than favourable. Therefore, the group has decided to temporary suspend the hotel's operation to regroup and upgrade before opening its operation in end 2021.



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17. Commentary on Prospects (Cont'd)

c) Exhibition and Convention Division:

- In an immediate response, the industry sees a surge in the logistic industry. Hence the exhibition and convention division via MIECC has offered its 150,000 sqft to be a warehouse and distribution space.
- MIECC's predominant focus is on internal upgrades and improvements while also building relationships with strategic partners for the eventual reopening of the industry.

d) Property Division:

i) Digital Transformation

Mines Wellness City will be the first township in Malaysia to use smart city app and will be called the M Smart City App (MSA), with cryptocurrency enablement. The Mines community would benefit from integrated digital services, cutting edge community engagement and smart city management all on one smart city app. With its mobile community platform solution users can conveniently do multiple things online on their phone and local businesses can better serve and connect with their customers.

ii) Launch of Cloud Life at Mines Wellness City

Cloud Life is an exclusive development of 268 units of office suites specially designed to meet the needs of health and wellness operators with built up areas varies from 481 sqft to 1,220 sqft. The building is equipped with safe green infrastructure such as solar panel with smart digital features for smart parking; energy efficiency management; Wifi 6 and 5G enabled and autonomous driving vehicle facilities.

For efficiency and productivity, Cloud Life offers a complete high-tech and IoT features such as facial attendance identification; finger-print and card swiping to improve sign-in efficiency and user experience.



COUNTRY HEIGHTS HOLDINGS BERHAD [198401006901(119416-K)]
PART B – Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

17. Commentary on Prospects (Cont'd)

d) Property Division (Cont'd):

ii) Launch of Cloud Life at Mines Wellness City (Cont'd)

Equipped with a signature fitness center; a first-to-market food court concept that promotes a sustainable and healthy-eating concept; roof terrace for herbs and urban farming; a remedy wellness bar at 6th floor and a 30,000 sq. ft. unify concept retail spaces, this development is a perfect investment.

Construction work for Wellness 4 of Cloud Life has been completed and Certificate of Completion and Compliance (CCC) is in progress. 60% of Wellness 4 has been sold and whereas Wellness 5 of Cloud Life was intended for a single investor to purchase the entire block. There is a potential RM120 million of growth development value from Block 4 and 5.

The team is preparing for the launch with the following selling points such as guaranteed rentals, tax free incentives for operators and Wifi 6 enabled by Huawei.

iii) Relaunch of College Heights Garden Resort, Pajam, Negeri Sembilan (College Heights Estate)

College Heights Garden Resort is Malaysia's first academic township and this exclusive Malaysia oasis for living and learning offers the perfect atmosphere for the international stimulation with the country living themed with the conveniences of modern urban lifestyle. The township emphasizes on healthy resort living within an academic environment with the luxury of space, garden, and greenery. It is a freehold land of 1,111 acres comprehensive self-contained community.



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17. Commentary on Prospects (Cont'd)

d) Property Division (Cont'd):

iii) Relaunch of College Heights Garden Resort, Pajam, Negeri Sembil (College Heights Estate) Cont'd

There is a potential growth development value of RM60 million-70 million. The Group's immediate direction is to enhance the attraction of the development by investing in a more complete eco-system including creating a retail village and a private parkland for the community.

iv) Belleza Garden Homes at Kolej Heights Utara in Jitra, Kedah

Belleza Garden Homes is located in the peaceful pastures of Kolej Heights Utara in Jitra, Kedah. Belleza Garden Homes Phase 3 is the continuation of Belleza Garden Homes Phase 1 and 2. It is an exclusive freehold development consisting of 90 units of two-storey linked villas. It has a similar concept as Belleza Garden Homes Phase 1 and 2 with linear gardens and private lawns, the first of its kind in the northern states, a gated and guarded community emphasizing on security and safety of the owners with clubhouse facilities.



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18. Variance on Profit Forecast / Profit Guarantee

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

19. Income Tax Expenses

	Quarter ended	
	31-Mar-21	31-Mar-20
	RM'000	RM'000
Income tax		
- Current year	(105)	(4)
- Over provision in prior year	(64)	-
Deferred tax		
- Under provision in prior year	55	-
	(114)	(4)

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):

	31-Mar-21	31-Mar-20
	RM'000	RM'000
Depreciation and amortisation	2,855	2,637
Impairment losses on trade and others receivables	109	112
Net unrealised foreign exchange gain	(56)	(12)
Bad debt written off	-	343
Bad debt recovered	(44)	(75)

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

	As at 31-Mar-21 RM'000	As at 31-Mar-20 RM'000
Land held for property development	159,239	158,992
Property development cost	124,403	123,672
Others	95,399	96,724
	219,802	220,396

25. Details of Treasury Shares

As at the end of the reporting period, all the shares purchased by the company were retained as treasury shares as at 31 March 2021 as follows:

	As at 31-Mar-21 RM'000	As at 31-Mar-20 RM'000
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 March 2021					
	Long-term		Short-term		Total borrowings	
	Foreign RM'000	Local RM'000	Foreign RM'000	Local RM'000	Foreign RM'000	Local RM'000
Secured						
Bank overdrafts	-	-	-	10,023	-	10,023
Term loan	-	69,683	35,000	4,598	35,000	74,281
Revolving credit	-	2,000	-	-	-	2,000
Total secured borrowings	-	71,683	35,000	14,621	35,000	86,304
Unsecured						
Term Loan	-	41,935	-	42,303	-	84,238
Total unsecured borrowings	-	41,935	-	42,303	-	84,238
Total loans and borrowings	-	113,618	35,000	56,924	35,000	170,542
	As at 1st quarter ended March 2020					
	Long-term		Short-term		Total borrowings	
	Foreign RM'000	Local RM'000	Foreign RM'000	Local RM'000	Foreign RM'000	Local RM'000
Secured						
Bank overdrafts	-	-	-	9,880	-	9,880
Term loan	35,000	66,011	-	4,541	35,000	70,552
Total secured borrowings	35,000	66,011	-	14,421	35,000	80,432
Unsecured						
Term Loan	-	37,163	-	60,000	-	97,163
Total unsecured borrowings	-	37,163	-	60,000	-	97,163
Total loans and borrowings	35,000	103,174	-	74,421	35,000	177,595

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 2021 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 RM5.2 million (31 March 2020: loss of RM8.0 million) over the number of 273,557,403 (31 March 2019: 273,557,403) ordinary shares issued during the current financial period under review.

(b) Diluted

Diluted earnings per share is calculated by dividing loss for the current period attributable to equity holders of RM5.2 million (31 March 2020: loss of RM8.0 million) over the number of 273,557,403 (31 March 2020: 273,557,403) ordinary shares issued and 136,778,702 (31 March 2019: 136,778,702) warrants issued and listed in December 2018.



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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 28 May 2021.

By Order of the Board

Phua Kia Pau

Chief Financial Officer