



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

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		31-Dec-23 RM'000	31-Dec-22 RM'000	31-Dec-23 RM'000	31-Dec-22 RM'000
Revenue	4	13,364	14,577	51,085	46,338
Cost of sales		(5,001)	(5,102)	(16,393)	(16,186)
Gross profit		8,363	9,475	34,692	30,152
Interest income		7	20	33	36
Other operating income		8,398	10,978	12,426	21,040
Selling and marketing expenses		(1,024)	(1,320)	(4,936)	(5,156)
Administrative expenses		(2,522)	(1,144)	(11,928)	(8,765)
Other operating expenses		(108,716)	(110,223)	(131,638)	(131,415)
Finance costs		1,518	(2,962)	(6,156)	(12,180)
Loss before tax	22	(93,976)	(95,176)	(107,507)	(106,288)
Income tax expense	19	(5)	(295)	(935)	(1,309)
Loss for the year		(93,981)	(95,471)	(108,442)	(107,597)

Other comprehensive income/(loss), net of tax

Items that may be reclassified subsequently to profit or loss:

Exchange differences on translating foreign operations		258	269	258	269
Total comprehensive loss for the year		(93,723)	(95,202)	(108,184)	(107,328)

(The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements)



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

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS		
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22	
	Note	RM'000	RM'000	RM'000	
Loss attributable to :					
Equity holders of the Company	(96,502)	(71,531)	(111,193)	(84,872)	
Non-controlling interests	2,521	(23,940)	2,751	(22,725)	
Loss for the year	<u>(93,981)</u>	<u>(95,471)</u>	<u>(108,442)</u>	<u>(107,597)</u>	
Total comprehensive loss attributable to :					
Equity holders of the Company	(96,244)	(71,262)	(110,935)	(84,603)	
Non-controlling interests	2,521	(23,940)	2,751	(22,725)	
Total comprehensive loss for the year	<u>(93,723)</u>	<u>(95,202)</u>	<u>(108,184)</u>	<u>(107,328)</u>	
Loss per share attributable to ordinary equity holders of the Company (sen):					
- Basic	30 (a)	(32.52)	(24.11)	(37.47)	(28.60)
- Diluted	30 (b)	-	-	-	-

(The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2022 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 DECEMBER 2023**

	Note	31-Dec-23 (Unaudited) RM'000	31-Dec-22 (Audited) RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	9	15,979	18,471
Right-of-use-assets	9	593,581	535,619
Investment properties	9	91,842	259,930
Inventories	23	128,362	127,835
Other investments		2,337	2,337
Trade receivables-non-current portion		7,607	2,241
Deferred tax assets		196	196
		<u>839,904</u>	<u>946,629</u>
Current assets			
Inventories	23	127,325	215,633
Trade and other receivables		28,595	37,501
Contract assets		44	44
Tax recoverable		92	633
Cash and bank balances		11,488	10,038
		<u>167,544</u>	<u>263,849</u>
TOTAL ASSETS		<u>1,007,448</u>	<u>1,210,478</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital		383,155	383,155
Treasury shares		(3,470)	(3,470)
Warrant reserves		-	58,777
Other reserves		124,105	66,733
Retained earnings		116,430	225,960
Equity attributable to equity holders of the Company		<u>620,220</u>	<u>731,155</u>
Non-controlling interests		(5,185)	(8,513)
Total equity		<u>615,035</u>	<u>722,642</u>
Non-current liabilities			
Loans and borrowings	25	10,667	87,391
Other payables		2,446	2,299
Contract liabilities		32,364	32,805
Lease liabilities		4,071	4,239
Deferred tax liabilities		97,905	101,343
		<u>147,453</u>	<u>228,077</u>
Current liabilities			
Loans and borrowings	25	31,472	94,355
Trade and other payables		202,299	152,160
Tax payables		5,898	5,548
Lease liabilities		4,494	4,447
Contract liabilities		797	3,249
		<u>244,960</u>	<u>259,759</u>
Total Liabilities		<u>392,413</u>	<u>487,836</u>
TOTAL EQUITY AND LIABILITIES		<u>1,007,448</u>	<u>1,210,478</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)		2.09	2.46

(The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2022 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 YEAR ENDED 31 DECEMBER 2023**

	Attributable to Equity Holders of the Company						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	Total RM'000		
At 1 January 2023	383,155	(3,470)	58,777	66,733	225,960	731,155	(8,513)	722,642
Loss for the period	-	-	-	-	(111,193)	(111,193)	2,751	(108,442)
Other comprehensive income	-	-	-	258	-	258	-	258
Total comprehensive income	-	-	-	258	(111,193)	(110,935)	2,751	(108,184)
Transfer to retained earnings	-	-	-	(1,663)	1,663	-	-	-
Expiration of warrants	-	-	(58,777)	58,777	-	-	-	-
Change in ownership interest in a subsidiary company	-	-	-	-	-	-	577	577
At 31 December 2023	383,155	(3,470)	-	124,105	116,430	620,220	(5,185)	615,035
At 1 January 2022	352,006	-2,914	62,645	64,261	309,167	785,165	12,962	798,127
Loss for the period	-	-	-	-	(84,872)	(84,872)	(22,725)	(107,597)
Other comprehensive income	-	-	-	269	-	269	-	269
Total comprehensive income/(loss)	-	-	-	269	(84,872)	(84,603)	(22,725)	(107,328)
Transfer to retained earnings	-	-	-	(1,665)	1,665	-	-	-
New issuance shares - Private Placement	21,017	-	-	-	-	21,017	-	21,017
Conversion shares Warrant	10,132	-	(3,868)	3,868	-	10,132	-	10,132
Share buy back	-	(556)	-	-	-	(556)	-	(556)
Changes in ownership interest in a subsidiary company	-	-	-	-	-	-	1,250	1,250
At 31 December 2022	383,155	(3,470)	58,777	66,733	225,960	731,155	(8,513)	722,642

(The Unaudited Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2022 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 YEAR ENDED 31 DECEMBER 2023**

	CURRENT YEAR TO DATE 31-Dec-23 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31-Dec-22 RM'000
CASH FLOWS USED IN OPERATING ACTIVITIES		
Loss before tax	(107,507)	(106,288)
Adjustments for:		
Impairment losses on trade and other receivables	75,549	8,440
Reversal of impairment losses on trade and other receivables	(517)	-
Amortisation of deferred income	(1,180)	(2,656)
Amortisation of rights-of-use assets	7,370	6,470
Bad debts written off	20	500
Depreciation of property, plant and equipment	2,368	4,924
Dividend income	(100)	(150)
Fair value loss on investment properties	-	430
Deemed loss on disposal of subsidiary	15,171	-
Loss on disposal of subsidiary	54	-
Interest expense	6,156	12,180
Interest income	(33)	(35)
Inventories written off	105	-
Gain on disposal of other property, plant and equipment	(13)	(41)
Bad debts recovered	-	(412)
Net unrealised gain on foreign exchange	2,661	2,680
Property, plant & equipment written off	-	46,841
Impairment losses on property, plant and equipment	-	27,146
Impairment losses on right-of-use assets	-	1,210
Operating gain before working capital changes	104	1,239
Changes in working capital:		
Inventories	4,429	1,846
Receivables	(70,826)	(5,828)
Contract liabilities	(1,714)	967
Payables	70,667	(1,920)
Cash generated from/(used in) operations	2,660	(3,696)
Tax paid	(718)	(11,694)
Interest paid	(841)	(2,202)
Net cash generated from/(used in) operating activities	1,101	(17,592)



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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	CURRENT YEAR TO DATE 31-Dec-23 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31-Dec-22 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of other property, plant and equipment	(740)	(2,082)
Purchase of right-of-use assets	-	(105)
Proceeds from disposal of other property, plant & equipment	(55)	41
Interest received	33	35
Proceed from partial disposal of stakes in a subsidiary company	20	1,250
Net dividend received	100	150
Net cash used in investing activities	(642)	(711)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of revolving credit	(700)	(550)
Purchase of treasury shares	-	(556)
Drawdown of term loan	1,700	5,804
Payment of lease liabilities	(125)	(303)
Repayment of term loans	(143)	(21,251)
Proceed from private placement	-	10,132
Proceed from exercised of warrants	-	21,017
Net cash from financing activities	732	14,293
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	1,191	(4,010)
Effects of foreign exchange rate changes	259	325
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	10,038	13,723
CASH AND CASH EQUIVALENTS AT END OF YEAR	11,488	10,038

(The Unaudited Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2022 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

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 2022. 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 2022.

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 2022, 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 2023

- MFRS 17, Insurance Contracts
- Amendments to MFRS 17, Insurance Contracts
- Amendments to MFRS 17, Initial application of MFRS 17 and MFRS 19
 - Comparative Information
- 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
- Amendments to MFRS 112, Deferred Tax related to Assets and Liabilities arising from a Single Transaction



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

2. Significant Accounting Policies (Cont'd)

1 January 2024

- Amendments to MFRS 16, Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101, Non-current Liabilities with Covenants

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 new standard and amendments to standards, if applicable, 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 2022 Financial Statements

The auditors' report on the financial statements of the Group for the financial year ended 31 December 2022 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 Dec 2023	Healthcare RM'000	Resorts & Hospitality RM'000	Exhibition & Convention RM'000	Property RM'000	Total operations RM'000
Revenue					
External sales	4,889	3,467	2,835	2,173	13,364
Results					
Segment results	301	(768)	357	(95,384)	(95,494)
Finance costs					1,518
Loss before tax					(93,976)
Income tax expense					(5)
Loss after tax					(93,981)
Non-controlling interests					(2,521)
Loss for the period					(96,502)

Quarter Ended 31 Dec 2022	Healthcare RM'000	Resorts & Hospitality RM'000	Exhibition & Convention RM'000	Property RM'000	Total operations RM'000
Revenue					
External sales	6,509	2,079	2,166	3,823	14,577
Results					
Segment results	1,042	(41,860)	(1,815)	(49,581)	(92,214)
Finance costs					(2,962)
Loss before tax					(95,176)
Income tax expense					(295)
Loss after tax					(95,471)
Non-controlling interests					23,940
Loss for the period					(71,531)



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

4. Segment Reporting (Cont'd)

Year Ended
31 Dec 2023

	Healthcare RM'000	Resorts & Hospitality RM'000	Exhibition & Convention RM'000	Property RM'000	Total operations RM'000
Revenue					
External sales	21,015	11,766	5,975	12,329	51,085
Results					
Segment results	1,630	(3,084)	(1,955)	(97,942)	(101,351)
Finance costs					(6,156)
Loss before tax					(107,507)
Income tax expenses					(935)
Loss after tax					(108,442)
Non-controlling interests					(2,751)
Loss for the year					(111,193)

Year Ended
31 Dec 2022

	Healthcare RM'000	Resorts & Hospitality RM'000	Exhibition & Convention RM'000	Property RM'000	Total operations RM'000
Revenue					
External sales	24,203	6,368	6,826	8,941	46,338
Results					
Segment results	2,995	(38,725)	(4,493)	(53,885)	(94,108)
Finance costs					(12,180)
Loss before tax					(106,288)
Income tax expense					(1,309)
Loss after tax					(107,597)
Non-controlling interests					22,725
Loss for the year					(84,872)



COUNTRY HEIGHTS HOLDINGS BERHAD (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

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

10. Debt and Equity Securities

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities during the current financial period under review.

11. Changes in the Composition of the Group

There were material changes in the composition of the Group during the current financial period ended 31 December 2023.

On 9 May 2023, Mines Waterfront Business Park Sdn. Bhd. ("MWBP"), a wholly-owned subsidiary company of Grand Wellness Hub Sdn. Bhd. ("GWH") was served winding-up petition and official receiver had been appointed as liquidator of MWBP. The Group deemed to have loss control of MWBP and treated as disposal of subsidiary.

On 17 November 2023, Mines Holdings Sdn. Bhd., a wholly-owned subsidiary company of the GHHS Healthcare Sdn. Bhd. ("GHHS") acquired 20% equity interest in GHHS for a total consideration of RM2,510,000, increasing its ownership from 50% to 70% in exchange for 500,000 ordinary share (100%) in Mines Marketing Sdn Bhd (previously owned by Golden Horse Palace Berhad) for a total value RM1,851,000, a property owned by Tindak Murni Sdn Bhd for a total value of RM359,000 and cash payment of RM300,000.



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

11. Changes in the Composition of the Group (Cont'd)

On 22 December 2023, Mines Holdings Sdn. Bhd., disposed 2,050,000 ordinary shares (100%) in a wholly-owned subsidiary company Kin No Uma Sdn. Bhd. (“KNSB”) with par value RM1 in KNSB for a total consideration of RM1,700.

On 22 December 2023, Mines Holdings Sdn. Bhd., disposed 100 ordinary shares (100%) in a wholly-owned subsidiary company KHU Property Management Sdn. Bhd. (“KPMSB”) with par value of RM1 for a total consideration of RM1,700.

On 22 December 2023, Country Heights Holdings Berhad, disposed 1,000,000 ordinary shares (69%) in a wholly-owned subsidiary company Stallion Management Sdn. Bhd. (“SMSB”) with par value of RM1 in SMSB for a total consideration of RM1,700.

On 22 December 2023, Country Heights Holdings Berhad, disposed 10,000 ordinary shares (100%) in a wholly-owned subsidiary company Tadika Sri Moral Sdn. Bhd. (“TSM”) with par value of RM1 in TSM for a total consideration of RM1,700.

On 22 December 2023, Country Heights Holdings Berhad, disposed of 600,000 ordinary shares (60%) in a 60% owned subsidiary company Mines Global Holidays Travel Sdn. Bhd. (“MGHT”) with par value of RM1 in MGHT for a total consideration of RM1,020.

On 22 December 2023, Country Heights Holdings Berhad, disposed of 2,500,000 ordinary shares (100%) in a wholly-owned subsidiary company of the Malaysia Trade & Distribution Centre (Rotterdam) Sdn. Bhd. (“MTDC”) with par value of RM1 in MTDC for a total consideration of RM1,700.



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

11. Changes in the Composition of the Group (Cont'd)

On 22 December 2023, Country Heights Resorts & Leisure Sdn. Bhd., disposed 2 ordinary shares (100%) in a wholly-owned subsidiary company of the Mines Premium Sdn. Bhd. (“MPSB”) with par value of RM1 in MPSB for a total consideration of RM1,700.

On 22 December 2023, Mines International Exhibition Centre Sdn. Bhd., disposed 10 ordinary shares (100%) in a wholly-owned subsidiary company of the Gegar Raya Sdn. Bhd. (“GRSB”) with par value of RM1 in GRSB for a total consideration of RM1,700.

On 22 December 2023, Mines International Exhibition Centre Sdn. Bhd., disposed 5 ordinary shares (100%) in a wholly-owned subsidiary company of the Mines Auto Capital Sdn. Bhd. (“MAC”) with par value of RM1 in MAC for a total consideration of RM1,700.

On 22 December 2023, Mines International Exhibition Centre Sdn. Bhd., disposed 2 ordinary shares (100%) in a wholly-owned subsidiary company of the Mines Events Sdn. Bhd. (“MESB”) with par value of RM1 in MESB for a total consideration of RM1,700.

On 22 December 2023, Golden Horse Palace Berhad, disposed 600,000 ordinary shares (100%) in a wholly-owned subsidiary company of the Mines Global Holidays Sdn. Bhd. (“MGH”) with par value of RM1 in MGH for a total consideration of RM1,700.

12. Capital Commitments

There were no material changes in capital commitments since the last audited Statement of Financial Position as at 31 December 2022.

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.



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

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.

The arbitration hearing is tentatively scheduled on 26 June 2024 to 5 July 2024 has been vacated pending for rescheduling.

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) 4th Quarter 2023 vs 4th Quarter 2022

	Current Year Quarter 31-Dec-23 RM'000	Preceding Year Corresponding Quarter 31-Dec-22 RM'000
Revenue	13,364	14,577
Operating Loss	(95,494)	(92,214)
Loss Before Interest and Tax	(95,494)	(92,214)
Loss Before Tax	(93,976)	(95,176)
Loss After Tax	(93,981)	(95,471)
Loss Attributable to Ordinary Equity Holders of the Parent	(96,502)	(71,531)

The Group recorded total revenue of RM13.4 million for the fourth quarter ended 31 December 2023 as compared to RM14.6 million in the preceding year corresponding quarter ended 31 December 2022. This was mainly due to reversal revenue from Property Leasing by RM1.6 million, Mines Waterfront Business Park Sdn Bhd which was served winding-up order on 09 May 2023.

The Group recorded loss before tax of RM94.0 million for the current year quarter ended 31 December 2023 compared to RM95.2 million loss before tax in the preceding year corresponding quarter ended 31 December 2022. The loss before tax for last quarter ended 31 December 2023 is mainly due to impairment loss on amount due from Mines Waterfront Business Park Sdn Bhd to CHHB Group amounting to RM72.7 million and deemed disposal loss of Mines Waterfront Business Park Sdn Bhd amounting to RM15.2 million. The loss before tax for quarter ended 31 December 2022 is mainly due to impairment loss on Borneo Highland Resort and related assets amounting to RM74 million.

Healthcare Division

The Division revenue for the fourth quarter of 2023 was RM4.9 million as compared to RM6.5 million in the same quarter of 2022. This was mainly due to the decrease in Health Screening membership revenue from RM1.8 million to RM0.9 million dropped by 0.9 million. The segment profit for the fourth quarter of 2023 was recorded at RM0.3 million as compared to RM1.0 million for the same quarter of 2022. This mainly due to lower revenue from Health membership.



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 (Cont'd)

(a) 4th Quarter 2023 vs 4th Quarter 2022 (Cont'd)

Resorts & Hospitality Division

The revenue for Resorts & Hospitality Division was RM3.5 million in the fourth quarter of 2023 compared to RM2.1 million for the fourth quarter of 2022. The increase in the Division revenue was mainly contributed by the Palace of Golden Horses banquet event from RM0.2 million to RM0.4 million. The segment profit was recorded at RM0.8 million as compared to segment loss of RM41.9 million for the same quarter of 2022. This was mainly due to the impairment loss of Borneo Highlands Golf Club resort and leasehold building of RM27.9 million in preceding year 2022.

Exhibition & Convention Division

Exhibition & Convention Division has contributed RM2.8 million of revenue in the current quarter as compared to RM2.2 million in the fourth quarter of 2022. This was mainly due to a increased Event function Revenue from RM1.4 million to RM2.4 million rise by 57.1%. The segment profit of RM0.4 million was recorded in the current quarter as compared to segment loss of RM1.8 million in the fourth quarter of 2022. This is mainly due to higher event function compared to corresponding quarter in 2022.

Property Division

The revenue for Property Division was RM2.2 million in the current quarter compared to RM3.8 million for the fourth quarter of 2022. The decrease was mainly due to loss of contribution and deconsolidation of a subsidiary under winding-up order, Property Leasing RM1.6 million. The segment loss recorded was RM95.4 million for the current quarter as compared to the segment loss of RM49.6 million for the fourth quarter of 2022 mainly due to impairment loss on amount due from Mines Waterfront Business Park Sdn Bhd to CHHB Group amounting to RM72.7 million and deemed disposal loss of Mines Waterfront Business Park Sdn Bhd amounting to RM15.2 million.



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 (Cont'd)

(b) YTD December 2023 vs YTD December 2022

	Current Year To Date 31-Dec-23 RM'000	Preceding Year Corresponding Period 31-Dec-22 RM'000
Revenue	51,085	46,338
Operating Loss	(101,351)	(94,108)
Loss Before Interest and Tax	(101,351)	(94,108)
Loss Before Tax	(107,507)	(106,288)
Loss After Tax	(108,442)	(107,597)
Loss Attributable to Ordinary Equity Holders of the Parent	(111,193)	(84,872)

The total revenue of the Group for the year ended 31 December 2023 was increased to RM51.1 million from RM46.3 million for the period ended 31 December 2022. The increase was mainly contributed by the higher sale of completed properties units from Belezza Phase 3 project from RM2.0 million to RM7.2 million in current quarter year ended 31 December 2023 and contribution from full year operation of Mines Beach Resort Hotel in 2023 compared to previous year of 7 months..

The Group recorded a loss before tax of RM107.5 million for the current year as compared to RM106.3 million for the preceding year corresponding period. This was mainly due to impairment loss on amount due from Mines Waterfront Business Park Sdn Bhd to CHHB Group amounting to RM72.7 million and deemed disposal loss of Mines Waterfront Business Park Sdn Bhd amounting to RM15.2 million. The loss before tax for year ended 31 December 2022 is mainly due to impairment loss on Borneo Highland Resort and related assets amounting to RM74 million.

Healthcare Division

The revenue contributed by Healthcare Division for the current year ended 31 December 2023 was RM21.0 million as compared to RM24.2 million for the year ended 31 December 2022. This was mainly due to a lower revenue for Health Screening Centre from RM4.3 million to RM1.9 million dropped by 55%. The division has recorded a segment profit of RM1.6 million for the current year ended 31 December 2023 as compared to a segment profit of RM3.0 million for the year ended 31 December 2022.



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15. Operating Segment Review (Cont'd)

(b) YTD December 2023 vs YTD December 2022 (Cont'd)

Resorts & Hospitality Division

The revenue for the Resorts & Hospitality Division for the current year ended 31 December 2023 was recorded at RM11.8 million as compared to RM6.4 million for the year ended 31 December 2022. The increase in the Division revenue was mainly contributed by the operation of Mines Beach Resort ("MBR") has contributed higher occupancy room revenue from RM2.1 million to RM4.5 million rise by 112% and Food & Beverage revenue from RM0.8 million to RM4.0 million rise by 379%, and also due to full year operation of MBR in 2023 comparing to 2022 for 7 months. The segment loss for the current year was recorded at RM3.1 million as compared to the segment loss of RM38.7 million for the year ended 31 December 2022. This was mainly due to the impairment loss of Borneo Highlands Golf Club resort and leasehold building of RM27.9 million in preceding year 2022.

Exhibition & Convention Division

The Exhibition & Convention Division has contributed RM6.0 million of revenue for the current year ended 31 December 2023 as compared to RM6.8 million for the corresponding year ended 31 December 2022. This was mainly due to a lesser event function revenue from RM6.1 million to RM4.5 million dropped by 25%. The segment loss of RM1.9 million was recorded for the current year ended 31 December 2023 as compared to the segment loss of RM4.5 million for the year ended 31 December 2022.

Property Division

The Property Division has contributed RM12.3 million of revenue for the current year ended 31 December 2023 as compared to RM8.9 million for the current year ended 31 December 2022. The increase was mainly contributed by the sale of completed properties units from Belezza Phase 3 from RM2.0 million to RM7.2 million, increase of RM5.2 million. The segment loss of RM97.9 million was recorded for the current period ended 31 December 2023 as compared to the segment loss of RM53.9 million for the current period ended 31 December 2022. This was mainly due to impairment loss on amount due from Mines Waterfront Business Park Sdn Bhd to CHHB Group amounting to RM72.7 million and deemed disposal loss of Mines Waterfront Business Park Sdn Bhd amounting to RM15.2 million.



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

	Current Quarter 31-Dec-23 RM'000	Immediate Preceding Quarter 30-Sep-23 RM'000
Revenue	13,364	14,576
Operating Loss	(95,494)	(2,295)
Loss Before Interest and Tax	(95,494)	(2,295)
Loss Before Tax	(93,976)	(4,633)
Loss After Tax	(93,981)	(5,198)
Loss Attributable to Ordinary Equity Holders of the Parent	(96,502)	(5,537)

The Group's revenue for the fourth quarter ended 31 December 2023 was RM13.4 million compared to the preceding third quarter ended 30 September 2023 of RM14.6 million. The decrease was mainly due to reversal of revenue from Property Leasing of RM1.6 million, the subsidiary which was served winding-up order.

The Group's loss before tax for the fourth quarter ended 31 December 2023 was RM94.0 million compared to a loss before tax in the preceding third quarter ended 30 September 2023 of RM4.6 million. This was mainly due to impairment loss on amount due from Mines Waterfront Business Park Sdn Bhd to CHHB Group amounting to RM72.7 million and deemed disposal loss of Mines Waterfront Business Park Sdn Bhd amounting to RM15.2 million.

Healthcare Division

Revenue for the fourth quarter ended 31 December 2023 for the division was RM4.9 million as compared to RM5.9 million in the preceding third quarter ended 30 September 2023. This is mainly due to decrease revenue in health screening membership from RM1.8 million to RM0.9 million dropped by 50%. The segment profit of RM0.3 million was recorded for the fourth quarter ended 31 December 2023 as compared to the segment profit of RM1.0 million for the preceding third quarter ended 30 September 2023. This was mainly due to the lower revenue from health membership.



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16. Material Changes in the Quarterly Results as Compared with the Immediate Preceding Quarter (Cont'd)

Resorts & Hospitality Division

Revenue for the fourth quarter ended 31 December 2023 of the division was RM3.5 million as compared to RM3.3 million in the preceding third quarter ended 30 September 2023. The increase in the Division revenue was mainly contributed by Palace of Golden Horses banquet revenue from RM0.2 million to RM4.0 million. The segment loss of RM0.8 million was recorded for the fourth quarter ended 31 December 2023 as compared to the segment loss of RM0.4 million for the preceding third quarter ended 30 September 2023.

Exhibition & Convention Division

Revenue for the fourth quarter ended 31 December 2023 of the division was RM2.8 million compared to RM1.8 million in the preceding third quarter ended 30 September 2023. This is mainly due to increase revenue in event function from RM1.4 million to RM2.4 million increase by 57%. The segment profit of RM0.4 million was recorded for the fourth quarter ended 31 December 2023 as compared to the segment loss of RM0.2 million for the preceding third quarter ended 30 September 2023.

Property Division

Revenue for the fourth quarter ended 31 December 2023 of the Division was RM2.2 million compared to RM3.6 million in the preceding third quarter ended 30 September 2023. The decrease in the Division revenue was mainly contributed by the reversal of revenue from Property Leasing by RM1.6 million, the subsidiary which was served winding-up order. The segment loss of RM95.4 million was recorded for the fourth quarter ended 31 December 2023 as compared to the segment loss of RM2.6 million for the preceding third quarter ended 30 September 2023. Current quarter loss was mainly due to impairment loss on amount due from Mines Waterfront Business Park Sdn Bhd to CHHB Group amounting to RM72.7 million and deemed disposal loss of Mines Waterfront Business Park Sdn Bhd amounting to RM15.2 million.



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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.

The group performance is expected to improve after implementation of the activities below:-

(a) Healthcare Division

GHHS Healthcare takes a holistic approach to healthcare, providing Western medical treatment and clinical pathology services alongside traditional Chinese medicine. Our Wellness & Rejuvenation centre services also feature heavily as part of our integrated healthcare solution.

Our milestones since inception from Year 2000 till now:

- Over 40,000 members
- Licensed under KKM Ambulatory Care with 40,000 sqft medical center and TCM Wellness & Golden Horses Clinic.
- 12 in house doctors both western & eastern speciality.
- 10 visiting specialist consultants for radiology, cardiology, endoscopy, ENT, ophthalmology.
- Chinese medical center with 6 specialists.
- 20,000 medical checkups done in year 2022.
- Over 400,000 imaging procedures.
- Diagnosed over 150,000 Health Abnormalities.
- TCM treatment of over 100,000 patients.
- Over 1 million medical diagnostic tests
- Over 10 million lab tests.



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17. Commentary on Prospects (Cont'd)

(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 temporarily suspend the hotel's operation and upgrade before an eventual opening when the pandemic is moved under.
- Philea Mines Beach Resort renamed as Mines Beach Resort managed by new management effective from 01 May 2022. Nestled midst the concrete jungle of Kuala Lumpur, Mines Beach Resort is unexpected haven offering a full experience of sophisticated style comfort, privacy and tranquility. Dubbed the only 'beach in the city', it is also the perfect choice not only for health retreats or weekends getaways but also for garden weddings, beach barbeques, family days, team-building events and other leisure or corporate activities.
- Palace Vacation Club has established itself in the market as a prestigious timesharing membership program that offers immense benefits and privileges in a form of exciting vacations at more 4,000 beautiful resort destinations in over 100 countries worldwide. This is made possible through its affiliation with Resort Condominium International (RCI). On top of that Members also have access to our internal resorts affiliation worldwide covering Malaysia, Thailand, Philippines, Indonesia, India, Australia, China and Europe.

(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 sq. ft. 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.



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17. Commentary on Prospects (Cont'd)

(d) Property Division

(i) Kolej Heights Utara, Jitra, Kedah

CHHB's unique approach to the property market continues to revolutionise the Malaysian environment, as proven by the success of projects such as the Mines Bungalow. The Group is now taking a new path, starting a project in Jitra, Kedah, adopting the 5S smart living concept (Solar, Sport, Smart Living, Security, and Service). The development would span 40 acres of prime land and will include 387 terrace new double-storey residences and 64 semi-D houses, with an estimated Gross Development Value of more than RM200 million. CHHB's commitment to adopting an ESG framework demonstrates their commitment to sustainable and responsible practices, ensuring that the project is consistent with environmental preservation, social well-being, and strong governance standards. This fascinating project demonstrates CHHB's constant commitment to providing modern, comfortable, and sustainable living spaces while having a good influence on the environment.

(ii) Cyberlake Heights

CHHB is planning to create a ground-breaking development in Cyberjaya that would redefine luxury residential living. This project, which spans an expansive 9-acre plot with an estimated GDV of RM60 million, provides an amazing opportunity for prospective homeowners. The building intends to redefine luxury by focusing on bungalow lots ranging in size from 8,000 to 10,000 square feet. The incorporation of a select number of outstanding residences, with massive sizes of over 20,000 square feet, carefully positioned atop the hill to provide stunning views of the scenic Putrajaya Lake, distinguishes this project. This one-of-a-kind vantage point provides homeowners with an unrivalled sense of tranquility and exclusivity, making it a great choice for individuals seeking privacy and an enhanced living experience.



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17. Commentary on Prospects (Cont'd)

d) Property Division

(iii) Pajam Industrial Hub

The Pajam Industrial Hub in Pajam, Negeri Sembilan, a dynamic development project with an estimated GDV of RM60 million. This industrial property encompasses 60 freehold industrial lots, catering to the needs of SMEs in sectors such as manufacturing and warehousing. Its strategic location offers excellent accessibility to major highways and proximity to KLIA, ensuring convenient transportation connections. What sets the Pajam Industrial Hub apart is its commitment to sustainability, exemplified by the planned construction of a solar-powered factory. This forward-thinking approach provides businesses with energy-efficient solutions and significantly reduces their carbon footprint, contributing to the industry's transition towards sustainable operations. With its combination of prime location, business-friendly infrastructure, and environmental consciousness, the Pajam Industrial Hub presents an attractive opportunity for SMEs seeking a conducive ecosystem.

(iv) The Mines Beach Suite

The Mines Beach Suite, with an estimated GDV of RM600 million, will undoubtedly raise the bar in terms of luxury and exclusivity. This enhancement is intended to give discriminating homeowners with an extraordinary experience. The lakefront suites will have stunning views and a tranquil environment, providing visitors with the ideal setting for a genuinely intimate and immersive holiday. CHHB hopes that the introduction of The Mines lakeside suites will broaden the range of experiences accessible, allowing residents to fully immerse themselves in the serene surroundings of the lake. This fascinating construction is sure to leave a lasting impression and solidify The Mines Beach Suite as a prime location for homeowners seeking an unrivalled living experience.



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17. Commentary on Prospects (Cont'd)

d) Property Division

(v) Repositioning of Mines Beach Resort

Mines Beach Resort, located in the heart of the city, stands out as a premier wellness retreat destination dedicated to promoting health and tranquilly. This luxurious resort has 172 rooms, each with a tropical aesthetic and breath taking view of a tranquil 150-acre lake. Mines Beach Resort creates a captivating ambiance by drawing inspiration from Nusantara influences. Guests can enjoy an “Omakase” dining experience, in which the chef creates a delectable meal comprised of dishes carefully chosen to provide an exceptional culinary journey. This fusion of cultural elements and gastronomic delights adds a sense of vitality and freshness.

(vi) Developing an International Medical & Wellness Hub

During the press conference, CHHB (the company) revealed its strategic plans to restructure two of its divisions: Resort and Hospitality and GHHS Healthcare. The primary goal of this restructuring is to create an International Medical & Wellness Hub, a ground breaking 200-acre development. The Palace of the Golden Horses, Mines Waterfront Business Park Tower 4 & 5, and an adjacent 12-acre recreational land property will be key components of this development. The International Medical & Wellness Hub's primary focus will be on healthcare services and medical tourism. CHHB intends to capitalise on rising healthcare consciousness and awareness, especially in the post-COVID-19 pandemic era.



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17. Commentary on Prospects (Cont'd)

d) Property Division

The company believes that this integrated development will not only thrive but will also emerge as a leading wellness destination in the ASEAN region.

Treatment, prevention, rejuvenation, and rehabilitation will be prioritised by the International Medical & Wellness Hub. By incorporating these elements, CHHB hopes to provide a comprehensive range of healthcare services that meet the diverse needs of individuals seeking medical attention, preventive care, revitalization, or recovery. The Palace of the Golden Horses, Business Park Towers 4 and 5, and the surrounding recreational land will be transformed into holistic facilities that are specifically designed to meet the demands of healthcare and wellness tourism. The project aims to attract both domestic and international visitors, positioning itself as a premier destination for people looking for high-quality healthcare services and wellness experiences.

18. Variance on Profit Forecast / Profit Guarantee

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

19. Income Tax Expenses

	Year Ended	
	31-Dec-23	31-Dec-22
	RM'000	RM'000
Income tax		
- Current year	(1,069)	(827)
- Under provision in prior year	(5)	(479)
Deferred tax		
- Current year	139	(50)
- Under provision in prior year	-	47
	<u>(935)</u>	<u>(1,309)</u>



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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):

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

	Year Ended	
	31-Dec-23	31-Dec-22
	RM'000	RM'000
Depreciation and amortisation	9,738	11,394
Impairment losses on property, plant and equipment	-	27,146
Impairment losses on right-of-use-assets	-	1,210
Impairment losses on trade and other receivables	75,549	8,440
Net unrealised foreign exchange loss	2,661	2,680
Bad debt written off	20	500
Bad debt recovered	-	(412)
Property, plant and equipment written off	-	46,841
Deemed loss on disposal of subsidiary	15,171	-
Loss on disposal of subsidiaries	54	-
Gain on disposal of other property, plant and equipment	(13)	(41)



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23. Inventories

	As at 31-Dec-23 RM'000	As at 31-Dec-22 RM'000
Land held for property development	<u>128,362</u>	<u>127,835</u>
Property development cost	44,839	115,290
Others	<u>82,486</u>	<u>100,343</u>
	<u>127,325</u>	<u>215,633</u>

24. 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 December 2023 as follows

Description of shares purchased	As at 31-Dec-23	As at 31-Dec-22
	Ordinary Shares	Ordinary Shares
Number of shares purchased	-	-
Number of shares cancelled	-	-
Number of shares held as treasury shares	3,250,000	3,250,000
Number of treasury shares resold	<u>-</u>	<u>-</u>



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25. Borrowings

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

	As at 4th quarter ended December 2023					
	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	-	-	-	-	-	-
Term loan	-	10,119	30,479	243	30,479	10,362
Revolving credit	-	-	-	750	-	750
Total secured borrowings	-	10,119	30,479	993	30,479	11,112
Unsecured						
Term Loan	-	548	-	-	-	548
Total unsecured borrowings	-	548	-	-	-	548
Total loans and borrowings	-	10,667	30,479	993	30,479	11,660
	As at 4th quarter ended December 2022					
	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	-	-	-	-	-	-
Term loan	-	10,067	28,617	64,988	28,617	75,056
Revolving credit	-	700	-	750	-	1,450
Total secured borrowings	-	10,767	28,617	65,738	28,617	76,506
Unsecured						
Term Loan	-	76,624	-	-	-	76,624
Total unsecured borrowings	-	76,624	-	-	-	76,624
Total loans and borrowings	-	87,391	28,617	65,738	28,617	153,130

All borrowings are denominated in Ringgit Malaysia unless indicated otherwise.



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26. Disclosure requirements pursuant to implementation of MFRS 139

(a) Disclosure of Derivatives

There are no outstanding derivatives as at 31 December 2023 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.

27. 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.

28. Material Litigation

Save for the following, neither the Company nor its subsidiaries are engaged in any material litigation, either as plaintiff or defendant, and the Directors of the Company do not have any knowledge of any proceedings, pending or threatened against the Group or of any facts likely to give rise to any proceedings which might adversely and materially affect the position or business of the Group, as at 29 February 2024.

(i) ARBITRATION BETWEEN COUNTRY HEIGHTS HOLDINGS BERHAD (CLAIMANT) AND LAND CUSTODY DEVELOPMENT AUTHORITY (LCDA) (RESPONDENT)

A Joint Venture Agreement (JVA) was entered into between LCDA and CHHB on 20 September 1994 for the development of the Project Land into a hill resort with tourism related infrastructure, recreational and leisure facilities and horticulture. Pursuant to the JVA, a JV company known as Borneo Heights Sdn. Bhd. (BHSB) was incorporated.



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28. Material Litigation (Cont'd)

The dispute arose in June 2020 when LCDA issued a letter making various allegations as to the management of the project by CHHB. LCDA intended to carry out a due diligence exercise and discover documents. On November 2020, LCDA purportedly gave the notice to terminate the JVA and required CHHB to sell its shares in BHSB to LCDA.

LCDA issued notices of requisition of meeting to pass various resolutions including the commencement of legal proceedings against CHHB. CHHB objected to the notices and had through its solicitors' given notice to LCDA to withdraw the notices of requisition of meeting.

Pursuant to Clause 22 of the JVA, the parties agreed to refer all disputes or claim arising out of or in relation to the JVA to arbitration. Notice of Arbitration has been issued on 20 May 2021. The issuance of the Notice of Arbitration signifies the commencement of the arbitration process. On 26 July 2021, the Asian International Arbitration Centre (AIAC) appointed Mr. Nandakumar Ponniya as the sole arbitrator for the arbitration. The arbitration hearing is tentatively scheduled on 26 June 2024 to 5 July 2024 has been vacated pending for rescheduling.

(ii) **COURT OF APPEAL CASE NO.: B-02(IM)(NCC)-1133-06/2021 & SHAH ALAM ORIGINATING SUMMONS NO.: BA-24NCC-137-12/2020 BETWEEN CHHB (PLAINTIFF) AND MONALIZA BINTI ZAIDEL, DATU HAJI SUDARSONO BIN OSMAN & BHSB (DEFENDANTS).**

This suit is for declaration and injunction against 2 directors of Borneo Heights Sdn. Bhd. (BHSB). The Directors from Land Custody Development Authority (LCDA) issued a letter to the Directors from Country Heights Holdings Berhad (CHHB) to challenge the appointment of 3 other Directors nominated by CHHB. On 18 December 2020, the Defendants issued a notice to requisition for a special meeting of the Board of Directors on 28 December 2020. This notice was only issued to 2 out of the 5 directors nominated by CHHB and had disregarded the 3 new directors nominated/appointed by CHHB. The Defendants proceed to convene the meeting on 25 January 2021 despite notice and demand given by CHHB for the Defendants not



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28. Material Litigation (Cont'd)

to proceed with the meeting. It was for this reason that CHHB felt compelled to move the Court for an injunction to prevent the meeting from taking place.

On 23 December 2020, CHHB had filed Originating Summons and CHHB's application for Interim Injunction, for, among others, an injunction to restrain the Defendants from proceeding with a board of directors meeting purportedly scheduled on 28 December 2020. The meeting scheduled for 28 December 2020 did not happen. The Defendants proceed to convene the meeting on 25 January 2021 despite notice and demand given by CHHB for the Defendants not to proceed with the meeting. CHHB has further filed an application for leave to commence committal proceedings against the Defendants.

The Defendant has filed an application to strike out the Originating Summons and CHHB's application for the injunction. On 4 May 2021, the High Court allowed the Defendants application to strike out the Originating Summons and CHHB's application for injunction with a cost of RM10,000. On 28 May 2021, CHHB appealed to the Court of Appeal against the decision made by the High Court. The appeal is fixed for hearing on 16 June 2022 and directed for the matter to be referred back to the High Court. The 1st and 2nd Defendants filed a Notice of Motion for leave to appeal to Federal Court and the same was dismissed on 5 October 2022.

The first and second Defendants thereafter filed a stay of the proceedings in High Court pending the determination of the arbitration as disclosed in Note 39(i) and the same was allowed by the High Court pursuant to parties' consent on 31 March 2023. The next case management is scheduled on 16 July 2024.



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28. Material Litigation (Cont'd)

(iii) **KUALA LUMPUR HIGH COURT WRIT NO. WA-22NCVC-371-07/2022 BY HUN TEE SIANG & 31 ORS (“PLAINTIFFS”) AND COUNTRY HEIGHTS PROPERTIES SDN BHD (“CHP”) AND MEGA PALM SDN BHD (“MPSB”)**

The Plaintiffs filed an Originating Summons No. WA-24NCVC-69-01/2021 (“**OS 69**”) against CHP and MPSB seeking amongst others, injunctive reliefs for the Defendants to jointly and severally pay the sum of RM1.75 million and for compliance with the Consent Order dated 16/5/2017. By a Notice of Application (Ex Parte) dated 11/1/2021 (“**Enclosure 6**”), the Plaintiff applied and obtained an Ex Parte Order dated 27/1/2021 compelling the Defendants to deposit the sum of RM1.75 million into Court, which was then followed by an Ad Interim Injunction Order dated 10/2/2021 pending inter parte Hearing of Enclosure 6.

On 23/2/2021, the Defendants filed a Notice of Application (“**Enclosure 32**”) to set aside the Ex Parte Order and Ad Interim Injunction Order. In the meantime, Defendants have complied with the said Ex Parte Order and Ad Interim Injunction Order on a without prejudice basis to Enclosure 32.

On 2/6/2022, the High Court ordered the OS 69 to be converted into a Writ action and is registered as WA-22NCVC-371-07/2022 (“**Writ 371**”) and for Enclosure 6 and 32 to be dealt with in Writ 371.

On the Hearing of Enclosure 6 and Enclosure 32 on 31/1/2024, the Court has fixed the two (2) applications for continued Hearing on 20/2/2024. On the Continue Hearing of Enclosure 6 and Enclosure 31, Court had adjourned the Hearing to 01.04.2024 to hear along with Notice of Application for Stay of Proceedings (Enclosure 212). The Court has given direction for Parties on Enclosure 212 for Plaintiff to file Affidavit in Support 26.02.2024, Defendant to file Affidavit in Reply by 11.03.2024, Plaintiff to file Affidavit in Reply by 25.03.2024 and Parties to submit oral submission on Enclosure 212 on 01.04.2024.



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28. Material Litigation (Cont'd)

(iv) SHAH ALAM HIGH COURT WRIT SUMMON NO. BA-22M-205-08/2023 BETWEEN MBSB BANK BERHAD (PLAINTIFF) AND COUNTRY HEIGHTS HOLDINGS BERHAD (CHHB) (DEFENDANT)

The action is brought by Plaintiff arising from the default in payment of the Islamic Term Financing Facility of RM82,700,000 and the Islamic Bridging Financing Facility up to limit of RM17,300,000 obtained by Mines Waterfront Business Park Sdn Bhd (“MWB”) from MBSB Bank Berhad in 2014 with the Defendant being a Corporate Guarantor. The Writ Summons and Statement of Claim were served on 21.08.2023.

The Defendant filed the Statement of Defence on 12.10.2023. The Plaintiff filed an application for Summary Judgment on 08.11.2023. The Defendant has engaged solicitors to act on this matter.

The Defendant has filed the Affidavit in Reply to oppose the Plaintiff’s Summary Judgment application on 22.12.2023.

The Defendant has also filed its Amended Statement of Defence on 26.01.2024. The case management on 15.02.2024 to hear matter arising from Enclosure No 9, the Court has given directions for Parties to file for written submission on 05.03.2024, Parties to then file for written submission in reply by 12.03.2024 and Hearing is schedule on 19.03.2024

(v) SHAH ALAM HIGH COURT, ORIGINATING SUMMON NO BA-24MFC-1362-11/2023 BETWEEN MBSB BANK BERHAD (PLAINTIFF) AND MINES INTERNATIONAL EXHIBITION CENTRE SDN BHD (“MIEC”) (DEFENDANT)

The action is brought by the Plaintiff pursuant to the provisions of the National Land Code 1965, for an Order for Sale of the land held under Pajakan Negeri 30898, Lot 1586, Pekan Baru Sungai Besi, Daerah Petaling, Selangor (“Property”) which has been charged to the Plaintiff by the Defendant via third party charge through Charge Presentation No: 51388/2015 which was registered on 21.5.2015 (“Charge”). The Plaintiff is seeking for an Order for Sale of the said Property by way of public auction.



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

28. Material Litigation (Cont'd)

The action was brought for the amount due and owing by the Defendant under the Charge documents, based on the computation of the interest accrued, ta'widh, ibra', partial payment which has been received by the Plaintiff and other related costs which is payable to the Plaintiff in accordance to the terms of the Charge.

Based on the Statement of Account issued by the Plaintiff, as of 1.8.2023, the amount due and owing to the Plaintiff is RM89,673,782.57. The Sealed Originating Summons and Affidavit in Support were served on 28.11.2023.

The first Hearing was fixed on 09.01.2024. The Defendant has engaged solicitors to act on this matter.

During the first Hearing, the Defendant has obtained an extension of time to file the Affidavit in Reply. The said Affidavit in Reply was filed on 15.01.2024.

The Case Management fixed on 15.02.2024, Court has given direction for Parties to file for written submission by 03.07.2024, Parties then to file for submission in reply by 17.07.2024 and Hearing is scheduled on 31.07.2024

(iv) **SHAH ALAM HIGH COURT, ORIGINATING SUMMON NO BA-24MFC-1363-11/2023 BETWEEN MBSB BANK BERHAD (PLAINTIFFS) AND MINES WATERFRONT BUSINESS PARK SDN BHD [IN LIQUIDATION] (“MWBP”) (DEFENDANTS)**

The action is brought by the Plaintiff pursuant to the provisions of the National Land Code 1965, for an Order for Sale of the Land held under Hakmilik HS(D) 59887, PT 16715, Mukim Petaling, Daerah Petaling, Selangor (“Property) which has been charged to the Plaintiff by the Defendant via Charge Presentation No: 51374/2015. The Plaintiff is seeking for an Order for Sale of the said Property by way of public auction.

The action was brought for the amount due and owing by the Defendant under the Charge documents, based on the computation of the interest accrued, ta'widh, ibra',



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28. Material Litigation (Cont'd)

partial payment which has been received by the Plaintiff and other related costs which is payable to the Plaintiff in accordance to the terms of the Charge.

Based on the Statement of Account issued by the Plaintiff, as of 9.5.2023, the amount due and owing to the Plaintiff is RM 91,443,836.58;. The Sealed Originating Summons and Affidavit In Support were served on 28.11.2023.

The first Hearing was fixed on 10.01.2024. The Defendant has engaged solicitors, to act on this matter.

During the first Hearing, the Defendant's solicitors informed the Court of the Defendant's status as a company in liquidation and that the Defendant is applying for the sanction of the Official Assignee to allow the Defendant's solicitors to defend in this matter.

The Case Management on 15.02.2024, the Court has instructed Defendant to update the status of sanction application on the next Case Management on 12.03.2024.

29. Dividend Payable

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



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

30. Earnings/(Loss) Per Share

(a) Basic

Basic earnings per share is calculated by dividing loss for the current period attributable to equity holders of RM111.2 million (31 December 2022: loss of RM84.9 million) over the number of 296,738,903 (31 December 2022: 296,738,903) ordinary shares issued during the current financial period under review.

(b) Diluted

Not applicable.

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 07 March 2024.