



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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2024**

	Note	INDIVIDUAL/CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER 31-Mar-24 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31-Mar-23 RM'000
Revenue	14	12,222	11,261
Cost of sales		<u>(5,071)</u>	<u>(3,769)</u>
Gross profit		7,151	7,492
Interest income		12	10
Other operating income		356	3,151
Selling and marketing expenses		(782)	(1,282)
Administrative expenses		(2,851)	(3,065)
Other operating expenses		(7,640)	(6,474)
Finance costs		<u>(1,262)</u>	<u>(2,677)</u>
Loss before tax	18	(5,016)	(2,845)
Income tax expenses	19	<u>(414)</u>	<u>(213)</u>
Loss after tax		<u>(5,430)</u>	<u>(3,058)</u>
 Other comprehensive loss, net of tax			
Items that reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		<u>(248)</u>	<u>(48)</u>
Total comprehensive loss for the period		<u>(5,678)</u>	<u>(3,106)</u>

(The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to



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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2024**

	Note	INDIVIDUAL/CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER 31-Mar-24 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31-Mar-23 RM'000
Loss attributable to :			
Equity holders of the Company		(4,609)	(2,962)
Non-controlling interests		(821)	(96)
Loss for the period		<u>(5,430)</u>	<u>(3,058)</u>
Total comprehensive loss attributable to :			
Equity holders of the Company		(4,857)	(3,010)
Non-controlling interests		(821)	(96)
Total comprehensive loss for the period		<u>(5,678)</u>	<u>(3,106)</u>
Loss per share attributable to ordinary equity holders of the Company (sen):			
- Basic	29 (a)	(1.55)	(1.00)
- Diluted	29 (b)	(1.55)	(1.00)

(The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 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 2024**

	Note	31-Mar-24 (Unaudited) RM'000	31-Dec-23 (Audited) RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	8	15,160	15,980
Right-of-use-assets	8	591,735	593,581
Investment properties	8	91,842	91,842
Inventories	22	128,372	128,362
Other investments		2,337	2,337
Trade receivables-non-current portion		2,241	2,241
Deferred tax assets		196	196
		<u>831,883</u>	<u>946,629</u>
Current assets			
Inventories	22	125,438	127,461
Trade and other receivables		33,360	33,856
Contract assets		44	44
Tax recoverable		81	93
Cash and bank balances		9,387	11,493
		<u>168,310</u>	<u>172,947</u>
TOTAL ASSETS		<u>1,000,193</u>	<u>1,119,576</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	23	383,155	383,155
Treasury shares		(3,470)	(3,470)
Other reserves		123,440	124,105
Retained earnings		111,997	116,189
Equity attributable to equity holders of the Company		<u>615,122</u>	<u>619,979</u>
Non-controlling interests		(6,027)	(5,206)
Total equity		<u>609,095</u>	<u>614,773</u>
Non-current liabilities			
Loans and borrowings	24	10,630	10,667
Other payables		79,138	79,374
Contract liabilities		28,970	32,364
Lease liabilities		6,227	4,071
Deferred tax liabilities		97,905	97,905
		<u>222,870</u>	<u>224,381</u>
Current liabilities			
Loans and borrowings	24	30,923	31,472
Trade and other payables		128,534	125,629
Tax payables		5,735	5,898
Lease liabilities		2,239	4,494
Contract liabilities		797	795
		<u>168,228</u>	<u>168,288</u>
Total Liabilities		<u>391,098</u>	<u>392,669</u>
TOTAL EQUITY AND LIABILITIES		<u>1,000,193</u>	<u>1,007,442</u>

Net assets per share attributable to ordinary equity holders of the Company (RM)

2.07

2.09

(The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 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 2024

Attributable to Equity Holders of the Company

	Non-distributable				Distributable		Non-Controlling Interests RM'000	Total Equity RM'000
	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	-	-	-	-	(2,962)	(2,962)	(96)	(3,058)
Other comprehensive loss	-	-	-	(48)	-	(48)	-	(48)
Total comprehensive loss	-	-	-	(48)	(2,962)	(3,010)	(96)	(3,106)
Transfer to retained earnings	-	-	-	(417)	417	-	-	-
At 31 March 2023	383,155	(3,470)	58,777	66,268	223,415	728,145	(8,609)	719,536
At 1 January 2024	383,155	(3,470)	-	124,105	116,189	619,979	(5,206)	614,773
Loss for the period	-	-	-	-	(4,609)	(4,609)	(821)	(5,430)
Other comprehensive income	-	-	-	(248)	-	(248)	-	(248)
Total comprehensive income/(loss)	-	-	-	(248)	(4,609)	(4,857)	(821)	(5,678)
Transfer to retained earnings	-	-	-	(417)	417	-	-	-
At 31 March 2024	383,155	(3,470)	-	123,440	111,997	615,122	(6,027)	609,095

(The Unaudited Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 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 2024**

	CURRENT YEAR QUARTER 31-Mar-24 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31-Mar-23 RM'000
CASH FLOWS USED IN OPERATING ACTIVITIES		
Loss before tax	(5,016)	(2,845)
Adjustments for:		
Reversal of impairment losses on trade and other receivables	-	(579)
Amortisation of deferred income	(295)	(295)
Amortisation of rights-of-use assets	1,847	983
Depreciation of property, plant and equipment	957	902
Interest expense	1,262	2,677
Interest income	(12)	(10)
Net unrealised gain on foreign exchange	201	418
Operating (loss)/profit before working capital changes	(1,056)	1,251
Changes in working capital:		
Receivables	451	(3,623)
Payables	1,076	733
Contract liabilities	(2,436)	(44)
Inventories	2,013	1,471
Cash generated from/(used in) from operating activities	48	(212)
Tax paid	(565)	(274)
Interest paid	(80)	(161)
Net cash used in operating activities	(597)	(647)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of other property, plant and equipment	(138)	(390)
Purchase of rights-of-use assets	(348)	-
Interest received	12	10
Net cash used in financing activities	(474)	(380)
CASH FLOWS USED IN FINANCING ACTIVITIES		
Repayment of lease liabilities	(248)	(88)
Repayment of term loan	(37)	(21)
Repayment of revolving credits	(750)	(350)
Net cash used in financing activities	(1,035)	(459)
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	(2,106)	(1,486)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	11,493	10,038
CASH AND CASH EQUIVALENTS AT END OF PERIOD	9,387	8,552

(The Unaudited Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements)



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

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian 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 2023. 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 2023.

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 2023, 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 2024

- Amendments to MFRS 16, Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101, Classification of Liabilities as Current or Non-current
- Amendments to MFRS 101, Non-current Liabilities with Covenants
- Amendments to MFRS 107, Supplier Finance Arrangements

1 January 2025

- Amendments to MFRS 121, Lack of Exchangeability

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. (Cont'd)



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

2. Significant Accounting Policies (Cont'd)

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 2023 Financial Statements

The auditors' report on the financial statements of the Group for the financial year ended 31 December 2023 was not subject to any qualification.

4. 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 for the current financial quarter .

5. Material Changes in Estimates

There were no changes in estimates that have material effect the annual reported for the current financial quarter.

6. Seasonal or Cyclical Factors

The operations of the Group were not materially affected by any seasonal or cyclical factors, apart from general economic environment.

7. Dividends Paid

There were no dividends paid during the current financial quarter.

8. Carrying Amount of Revalued Assets

There was no valuation of assets during the current financial quarter.

9. Debt and Equity Securities

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

10. Changes in the Composition of the Group

There were no material changes in the composition of the Group during the current financial quarter .

11. Capital Commitments

There were no material capital commitments since the last audited Statement of accounts as at 31 December 2023.



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

12. Contingent Liabilities

There were no material contingent liabilities during the current financial quarter.

13. Material Subsequent Event

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

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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

14. Operating Segment Review

(a) 1st Quarter 2024 vs 1st Quarter 2023

	Current Year Quarter 31-Mar-24 RM'000	Preceding Year Corresponding Quarter 31-Mar-23 RM'000	Charges (%)
Revenue	12,222	11,261	9%
Operating Loss	(3,754)	(168)	(2135%)
Loss Before Interest and Tax	(3,754)	(168)	(2135%)
Loss Before Tax	(5,016)	(2,845)	(76%)
Loss After Tax	(5,430)	(3,058)	(78%)
Loss Attributable to Ordinary Equity Holders of the Parent Company	(4,609)	(2,962)	(56%)

The Group recorded total revenue of RM12.2 million in the current quarter ended 31 March 2024 as compared to RM11.3 million in the preceding year corresponding quarter ended 31 March 2023. The increase of revenue mainly contributed by the sale of completed properties from Belezza Phase 3 and Pangsa Rakyat Pajam .

The Group recorded loss before tax of RM5.0 million for the current quarter ended 31 March 2024 as compared to RM2.8 million loss before tax in the preceding year corresponding quarter ended 31 March 2023. This was mainly due to preceding year corresponding quarter ended 31 March 2023 recorded with forfeited deposit.

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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

14. Operating Segment Review (Cont'd)

(a) 1st Quarter 2024 vs 1st Quarter 2023 (Cont'd)

Quarter Ended 31 Mar 2024	Healthcare RM'000	Resorts & Hospitality RM'000	Exhibition & Convention RM'000	Property operations RM'000	Total operations RM'000
Revenue					
External sales	3,489	2,975	954	4,804	12,222
Results					
Segment results	(617)	(2,481)	(905)	249	(3,754)
Finance costs					(1,262)
Loss before tax					(5,016)
Income tax expense					(414)
Loss after tax					(5,430)
Non-controlling interests					821
Loss for the period					(4,609)

Quarter Ended 31 Mar 2023	Healthcare RM'000	Resorts & Hospitality RM'000	Exhibition & Convention RM'000	Property operations RM'000	Total operations RM'000
Revenue					
External sales	4,942	2,346	881	3,092	11,261
Results					
Segment results	(35)	(624)	(944)	1,435	(168)
Finance costs					(2,677)
Loss before tax					(2,845)
Income tax expense					(213)
Loss after tax					(3,058)
Non-controlling interests					96
Loss for the period					(2,962)



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

14. Operating Segment Review (Cont'd)

(a) 1st Quarter 2024 vs 1st Quarter 2023 (Cont'd)

Healthcare Division

The Division recorded revenue of RM3.5 million in the current quarter ended 31 March 2024 as compared to RM4.9 million in the preceding year corresponding quarter ended 31 March 2023. This was mainly due to lower revenue from health screening membership and wellness business.

The segment loss recorded of RM0.6 million in the current quarter ended 31 March 2024 as compared to RM0.03 million segment loss in the preceding year corresponding quarter ended 31 March 2023. This was mainly due to lower revenue from health screening membership and wellness business.

Resorts & Hospitality Division

The Division recorded revenue of RM3.0 million in the current quarter ended 31 March 2024 as compared to RM2.3 million in the preceding year corresponding quarter ended 31 March 2023. The increase in the Division revenue was mainly contributed by other festival events and promotion held by Mines Beach Resort.

The segment loss recorded of RM2.5 million in the current quarter ended 31 March 2024 as compared to RM0.6 million segment loss in the preceding year corresponding quarter ended 31 March 2023. This was mainly due to higher maintenance costs for certain investment properties.

Exhibition & Convention Division

The Division recorded revenue of RM1.0 million in the current quarter ended 31 March 2024 as compared to RM0.9 million in the preceding year corresponding quarter ended 31 March 2023. There was no material changes in between.

The segment loss recorded of RM0.9 million in the current quarter ended 31 March 2024 recorded approximate same result as compared to preceding year corresponding quarter ended 31 March 2023. There was no material changes in between.



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

14. Operating Segment Review (Cont'd)

(a) 1st Quarter 2024 vs 1st Quarter 2023 (Cont'd)

Property Division

The Division recorded revenue of RM4.8 million in the current quarter ended 31 March 2024 as compared to RM3.1 million in the preceding year corresponding quarter ended 31 March 2023. The increase was mainly contributed by the sales of completed properties from Belezza Phase 3 and Pangsa Rakyat Pajam.

The segment profit recorded of RM0.3 million in the current quarter ended 31 March 2024 as compared to RM1.4 million segment profit in the preceding year corresponding quarter ended 31 March 2023. This was mainly due to preceding year corresponding quarter ended 31 March 2023 recorded with forfeited deposit.

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

	Current Quarter 31-Mar-24 RM'000	Immediate Preceding Quarter 31-Dec-23 RM'000	Charges (%)
Revenue	12,222	13,264	(8%)
Operating Loss	(3,754)	(95,757)	96%
Loss Before Interest and Tax	(3,754)	(95,757)	96%
Loss Before Tax	(5,016)	(94,239)	95%
Loss After Tax	(5,430)	(94,244)	94%
Loss Attributable to Ordinary Equity Holders of the Parent Company	(4,609)	(96,744)	95%

The Group recorded total revenue of RM12.2 million in the current quarter ended 31 March 2024 as compared to RM13.3 million in the preceding quarter ended 31 December 2023. The higher revenue from exhibition and convention division in preceding quarter.

The Group recorded loss before tax of RM5.0 million for the current quarter ended 31 March 2024 as compared to RM94.2 million loss before tax in the preceding quarter ended 31 December 2023. This was mainly due to impairment loss of trade receivables and deemed lost on disposal of subsidiaries in the preceding quarter.



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

Healthcare Division

The Division recorded revenue of RM3.5 million in the current quarter ended 31 March 2024 as compared to RM4.9 million in the preceding quarter ended 31 December 2023. This was mainly due to ceased of operation for GHHS Wellness business in preceding quarter.

The segment loss recorded of RM0.6 million in the current quarter ended 31 March 2024 as compared to RM0.3 million segment profit in the preceding quarter ended 31 December 2023. This was mainly due to the lower revenue from health screening membership.

Resorts & Hospitality Division

The Division recorded revenue of RM3.0 million in the current quarter ended 31 March 2024 as compared to RM3.5 million in the preceding quarter ended 31 December 2023. This was mainly due to lower occupancy room revenue .

The segment loss recorded of RM2.5 million in the current quarter ended 31 March 2024 as compared to RM0.7 million segment loss in the preceding quarter ended 31 December 2023. This was mainly due to higher maintenance costs for certain investment properties.

Exhibition & Convention Division

The Division recorded revenue of RM1.0 million in the current quarter ended 31 March 2024 as compared to RM2.7 million in the preceding quarter ended 31 December 2023. This was mainly due to lower events function.

The segment loss recorded of RM0.9 million in the current quarter ended 31 March 2024 as compared to RM0.2 million segment profit in the preceding year corresponding quarter ended 31 December 2023. This was mainly due to higher other operating costs.

Property Division

The Division recorded revenue of RM4.8 million in the current quarter ended 31 March 2024 as compared to RM2.2 million in the preceding quarter ended 31 December 2023. This was mainly contributed by the sales of completed properties for Belezza Phase 3.



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

The segment profit recorded of RM0.3 million in the current quarter ended 31 March 2024 as compared to RM95.5 million segment loss in the preceding quarter ended 31 December 2023. This was mainly due to impairment loss of trade receivables and deemed lost on disposal of subsidiaries in the preceding quarter.

16. Commentary on Prospects

In Malaysia, the economic outlook for the first quarter of 2024 remains moderately positive, with GDP growth forecasted at 4.5%. This growth is driven by resilient domestic expenditure, stronger external demand and continued improvement in the tourism sector, the government's economic reforms and fiscal measures, particularly those targeting SMEs and the healthcare sector, are expected to support this trajectory, although inflationary pressures and higher interest rates remain areas of concern.

For year 2024, growth of the Malaysian economy is expected to be supported by domestic expenditure and a positive shift in external demand. Additionally, investment activity is set to be bolstered by further progress of multi-year projects in both private and public sectors, along with the implementation of national master plans.

The Group continues its initiatives to introduce healthcare service offerings in respect of sub-specialty treatments, enhancing clinical care and uplift clinical outcome for better customer experience. The group also developing a new revenue streams, with particular investment going towards expanding our share for the health tourism market in Malaysia, which is expected to see considerable growth over the next few years. The group expect that these initiatives will translate towards the growth of our performance for the rest of the year.

The Group hotels and resort sector will see a further improvement placed to benefit from the continuing rebound in local and oversea travel demand and implementation of visa-free to numerous overseas visitor, in particular, from China traveller.

The MICE (meetings, incentives, convention and expositions) industries sees a surge in the logistic, health and tourism industry. Hence the Group exhibition and convention sector, via



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

16. Commentary on Prospects (Cont'd)

MIECC has offered its 150,000 sq. ft. for events, function and distribution centre, our division predominant focus is on internal upgrades and improvements while also building relationships with strategic partners and MYCEB (Government Agency), to promote and gears up for the re-launch of the MICE/Business Events (BE) Community, enhancing the overall profile of the business events industry across South-east Asia.

With the encouraging demand for premium and medium properties together with the ongoing projects for our Property Sector, completing and becoming operational soon and with a few more collaborative projects in discussion, with the ongoing works, the Group is confident that this sector will continue to grow and contribute positively to the Group.

Barring any unforeseen circumstances, the Group will be primed to further strengthen and also expand our core business sectors.

17. Variance on Profit Forecast / Profit Guarantee

There was no profit forecast / profit guarantee issued by the Group during the current financial quarter.

18. Loss before Tax

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

	31-Mar-24	31-Mar-23
	RM'000	RM'000
Depreciation and amortisation	2,804	1,885
Reversal of impairment losses on trade and other receivables	-	(579)
Amortisation of deferred income	(295)	(295)
Net unrealised foreign exchange loss	201	418
Interest expense	1,262	2,677
Interest income	(12)	(10)

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



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

19. Income Tax Expenses

	As at 31-Mar-24 RM'000	As at 31-Mar-23 RM'000
Income tax - Current quarter	(414)	(213)

20. Sale of Unquoted Investments / Properties

There was no sale of unquoted investments/ properties during the financial quarter.

21. Purchase and Sale of Quoted Securities

There were no sales or purchase of quoted securities during the financial quarter.

22. Inventories

	As at 31-Mar-24 RM'000	As at 31-Mar-23 RM'000
Land held for property development	128,372	127,835
Property development cost	44,877	115,252
Others	80,561	98,910
Total	125,438	214,162

23. Details of Treasury Shares

As at the end of the reporting quarter, all the shares purchased by the company were retained as treasury shares as at 31 March 2024 as follows

	As at 31-Mar-24 RM'000	As at 31-Mar-23 RM'000
Description of shares purchased	<u>Ordinary Shares</u>	<u>Ordinary Shares</u>
Number of shares purchased	-	-
Number of shares cancelled	-	-
Number of shares held as treasury shares	3,250	3,250
Number of treasury shares resold	<u>-</u>	<u>-</u>



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

24. Group Borrowings

Group borrowings as at the end of the reporting period are as follows:

	As at 31-Mar-24 RM'000	As at 31-Mar-23 RM'000
Secured		
Term Loan	38,710	105,269
Revolving credit	-	1,100
	<u>38,710</u>	<u>106,369</u>
Unsecured		
Term Loan	2,843	1,394
Total borrowings	<u>41,553</u>	<u>107,763</u>
Comprising :		
Amount repayable within one year	30,923	95,573
Amount repayment after one year	10,630	12,190
	<u>41,553</u>	<u>107,763</u>

Group borrowings breakdown by currencies:

		As at 31-Mar-24 RM'000	As at 31-Mar-23 RM'000
Functional currency	Denominated in		
RM	RM	10,873	78,728
RM	SGD	30,680	29,035
		<u>41,553</u>	<u>107,763</u>

25. Disclosure requirements pursuant to implementation of MFRS 139

(a) Disclosure of Derivatives

There are no outstanding derivatives as at 31 March 2024 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 during the current financial quarter.



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

26. 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 24 May 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.

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 on 26 June 2024 to 5 July 2024 has been vacated to 24 January 2025 and reschedule in Singapore.



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26. Material Litigation (Cont'd)

- (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 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 restraint 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.



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26. Material Litigation (Cont'd)

The first and second Defendants thereafter filed a stay of the proceedings in High Court pending the determination of the arbitration 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.

(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 May 2017. By a Notice of Application (Ex Parte) dated 11 January 2021 (“**Enclosure 6**”), the Plaintiff applied and obtained an Ex Parte Order dated 27 January 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 February 2021 pending inter parte Hearing of Enclosure 6.

On 23 February 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 June 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 January 2024, the Court has fixed the two (2) applications for continued Hearing on 20 February 2024. On the Continue Hearing of Enclosure 6 and Enclosure 31, Court had adjourned the Hearing to 1/4/2024 to hear along with Notice of Application for Stay of Proceedings (Enclosure 212).



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26. Material Litigation (Cont'd)

The Court has given direction for Parties on Enclosure 212 for Plaintiff to file Affidavit in Support 26 February 2024, Defendant to file Affidavit in Reply by 11 March 2024, Plaintiff to file Affidavit in Reply by 25 March 2024 and Parties to submit oral submission on Enclosure 212 on 01 April 2024. The Court on 1 April 2024 for the Hearing of Enclosure 6, Enclosure 32 and Enclosure 212, the Court have dismissed application Of Enclosure 212 with no order as to costs and to proceeded to hear parties on Enclosure 6 and Enclosure 32. The Court have fixed for Decision of Enclosure 6 and Enclosure 32 on 6 May 2024. Next Hearing 15 May 2024; and the Suit is fixed for Trial on 26 August 2024-29 August 2024.

(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 (“MWBP”) from MBSB Bank Berhad in 2014 with the Defendant being a Corporate Guarantor. The Writ Summons and Statement of Claim were served on 21 August 2023.

The Defendant filed the Statement of Defence on 12 October 2023. The Plaintiff filed an application for Summary Judgment on 8 November 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 December 2023.

The Defendant has also filed its Amended Statement of Defence on 26 January .2024. The case management on 15 February 2024 to hear matter arising from Enclosure No 9, the Court has given directions for Parties to file for written submission on 05 March 2024, Parties to then file for written submission in reply by 12 March 2024 and Hearing was scheduled on 19 March .2024,The Court has instructed the parties to file Written Submission on 3 July 2024 and Written Submission in Reply on 17 July 2024. The Hearing for this matter is fixed on 31 July 2024.



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26. Material Litigation (Cont'd)

(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 May 2015 (“Charge”). 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’, 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 August 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 November 2023.

The first Hearing was fixed on 9 January 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 January 2024.

The Case Management fixed on 15 February 2024, Court has given direction for Parties to file for written submission by 3 July 2024, Parties then to file for submission in reply by 17 July 2024 and Hearing is scheduled on 31 July 2024.



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26. Material Litigation (Cont'd)

(vi) **SHAH ALAM HIGH COURT, ORIGINATING SUMMON NO BA-24MFC-400-05/2024 BETWEEN MBSB BANK BERHAD (PLAINTIFF) AND MINES WATERFRONT BUSINESS PARK SDN BHD (“MWBP”) (DEFENDANT)**

The Company has received the following documents and cause papers on 24th May 2024 from Messrs Hisham, Sobri & Kadir, a seal copy of Originating Summon dated 16 May 2024, Plaintiff Affidavits in Support, both dated 16 May 2024.

The case is being fix for hearing on 26 June 2024 before Senior Assistant Registrar of Shah Alam High Court.

The Management is seeking for legal and expertise opinion in relation to the case in regards of representation together with defence that is made available to Malaysian Department of Insolvency (“MDI”), in relation to item 26(iv) and 26(v) material litigation.

27. Earnings/(Loss) Per Share

(a) Basic

Basic earnings per share is calculated by dividing loss for the current period attributable to equity holders of RM4.6 million (31 March 2023: loss of RM2.9 million) over the number of 296,738,903 (31 March 2023: 296,738,903) ordinary shares issued during the current financial period under review.

(b) Diluted

Not applicable.

28. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 31 May 2024 .