

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“the Board”) of Country Heights Holdings Berhad (“CHHB” or “the Company”) acknowledges the importance of practising good corporate governance and is committed to conducting business responsibly and maintaining high standards of corporate governance throughout the Company and its subsidiaries (“CHHB Group” or “the Group”) for the reputation and continued support of the shareholders, customers and other stakeholders of CHHB Group.

The Board fully supports the principles and recommendations set out in the Malaysian Code of Corporate Governance (“the Code”) and is pleased to present the Corporate Governance (“CG”) Overview Statement which provides an overview of how the Group applies the following three (3) key principles of the Code during the financial year 31 December 2023 including the key focus areas and future priorities in relation to the Groups corporate governance practices:

- (i) Board leadership and effectiveness;
- (ii) Effective audit and risk management; and
- (iii) Integrity in corporate reporting and meaningful relationship with stakeholders.

This Statement is prepared in compliance with the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and is to be read together with the CG Report 2023 of the Company which is available on the Company’s website at www.countryheights.com.my. The CG Report 2023 provides the details on how the Group has applied each of the Practices set out in the Code during the financial year under review.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Roles and Responsibilities

The responsibilities of the Board, amongst others, are to establish and lead the CHHB Group’s mission and vision, to provide strategic directions for the long-term success of the Group and monitoring the implementation of those strategies by the Management, including:

- oversight of CHHB Group, including its control and accountability systems;
- appointing or removing the Group Chief Executive Officer;
- appointing or removing the Chief Financial Officer;
- appointing or removing the Company Secretary;
- Board and Executive Management development and succession planning;
- providing input and final approval for corporate strategies;
- providing input and final approval for the annual operating budget (including the capital management budget);
- approving and monitoring the progress of major capital expenditure, capital management and acquisitions/divestment;
- monitoring compliance with all relevant legal, tax and regulatory obligations;
- reviewing and monitoring systems of risk management and internal compliance and controls, codes of conduct, continuous disclosures, legal compliance and other significant corporate policies;
- reviewing the effectiveness of CHHB’s implementation of its risk management system and internal control framework at least once a year;
- monitoring the Executive Management’s performance and implementation of strategies and policies, including assessing whether appropriate resources are available;
- approving and monitoring financial and other reporting to the market, shareholders, employees and other stakeholders;
- appointing, re-appointing or replacing the External Auditors;
- promoting good corporate governance within the company based on transparency and integrity; and
- overseeing the development and implementation of a shareholders’ communications policy for the Company.

In discharging his/her duties, each Director must:

- exercise care and diligence;
- act in good faith in the best interests of CHHB Group;
- not improperly use his/her position or misuse information of CHHB Group; and
- commit the time necessary to discharge his/her role effectively as a Director.

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Chairman and Managing Director

The roles of the Chairman and the Managing Director were held by separate persons with each its own clear accepted division of responsibilities to ensure that there is a balance of power and authority to promote accountability.

Admiral Tan Sri Dato' Setia Mohd Anwar Bin Hj. Mohd Nor (R), the Chairman is responsible for ensuring Board effectiveness and conduct, leading the Board in the oversight of Management.

Dato' Mircle Yap Ching Chai was the Managing Director ("Group MD") who was responsible for the implementation of the Board's policies. Dato' Mircle Yap together with three (3) Executive Directors, each having separate and clearly defined role and scope of responsibility and authority, reports at Board Meetings all material matters that potentially affect the Group and its performance, including strategic projects and regulatory developments.

Dato' Mircle Yap was appointed to continue with the following tasks of the previous Group MD:

- To re-organise the human resources structure with staff of 'good character plus', while CHHB Group venturing back into properties, products, etc. for the high-end market;
- To re-organise and restructure the existing bank loans of RM130 million which are over-collateralised by seven (7) times with high chargeable interest rate;
- To implement blockchain, cryptocurrencies and big data technologies for CHHB Group;
- To ensure that all the vacant properties of CHHB Group were at least 80% leased out;
- To take charge and manage the five (5) Strategic Business Divisions ("SBVs") of CHHB Group; and
- To look for good strategic partners for the five (5) SBVs.

The Board has appointed Mr. Ong Tee Chin as the Senior Independent Director to whom concerns of fellow Directors, shareholders and other stakeholders may be conveyed.

The Board recognised that continued focus and priorities need to be given to the following areas during the financial year ending 31 December 2024 in addition to its core duties of creating long term-value for stakeholders:

- (i) The continued implementation of the Anti-Bribery & Anti-Corruption Framework towards fulfilling the requirements of Section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009 so as to safeguard the interest of the Group, Directors and shareholders;
- (ii) Building risk resilience by further strengthening controls on certain core areas; and
- (iii) Digital transformation and cybersecurity.

Company Secretary

The Board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures and advocate adoption of corporate governance best practices. The Company Secretary is responsible to provide clear and professional advice to the Board on all governance matters, to ensure that Board procedures are followed, and the applicable rules and regulations for the conduct of the affairs of the Board are complied with. The Company Secretary attends and ensures that all meetings of the Board, Board Committees and Shareholders are properly convened, and that accurate and proper records of the proceedings and resolutions passed are taken and maintained in the statutory registers of the Company. Every Director has access to the advice and services of the Company Secretary.

Board Charter

The Company has adopted a Board Charter which clearly defines the respective roles, responsibilities and authorities of the Board (both individually and collectively) and the Management in setting the directions, the management and controls of the Company as well as matters specifically reserved for the Board.

The Board Charter is available on the Company's website at www.countryheights.com.my. The Board will review and update the Board Charter periodically when appropriate, from time to time.

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Code of Ethics

The Board has established a Code of Ethics to support the Company's vision and core values by instilling, internalising and upholding the value of uncompromising integrity in the behaviour and conduct of the Directors.

The Code of Ethics is available on the Company's website at www.countryheights.com.my. The Code of Ethics is reviewed and updated regularly by the Board.

Whistleblowing Policy

An internal Whistleblowing Policy has been introduced for the employees to channel their concerns about illegal, unethical or improper business conduct affecting the Company and to share business improvement opportunities.

The Board and the Management gave their assurance that employees will not be at risk to any form of victimisation, retribution or retaliation from their superiors or any member of the Management provided that they act in good faith in their reporting.

The Whistleblowing Policy is available on the Company's website at www.countryheights.com.my.

Environmental & Sustainability Policy

The Board recognises the need to operate its business in a responsible and sustainable manner complying with all relevant legislative and regulatory requirements to maintain its reputation, and to generate future business. CHHB combines its values of nature, love, quality, style and excellence, together with its vision of 'Ever Searching for Better Living' and set its commitment to sustainable good practice in the context of environment, economic and social consideration.

The Environmental & Sustainability Policy of CHHB Group focuses on corporate sustainability in five (5) main areas, being environment, health and safety, employees, business partners and local communities. The Group's efforts on environmental and social responsibility during the financial year are set out in the Sustainability Statement in this Annual Report.

The Environmental & Sustainability Policy is available on the Company's website at www.countryheights.com.my.

Board Meetings

Directors are expected to give sufficient time commitment and attention to carry out their responsibilities. The Board is satisfied with the level of commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of CHHB. All Directors have complied with the minimum requirements on attendance at Board Meetings as stipulated in the MMLR, i.e. at least 50%.

During the financial year, the Board held six (6) meetings and details of Directors' attendances are set out below. Besides the Board Meetings, the Board also approved certain matters via Directors' Circular Resolutions during the financial year.

Name of Director	No. of Board Meetings Attended
Tan Sri Lee Kim Tiong @ Lee Kim Yew Executive Chairman (Resigned on 3 February 2023)	0/0
Datuk Lim Chih Li @ Lin Zhili Managing Director (Resigned on 30 January 2023)	0/0
Dr. Yip Chun Mun Deputy Managing Director (Redesignated to Deputy Managing Director on 3 February 2023, appointed as Acting Managing Director on 1 December 2023 and retired on 1 March 2024)	6/6
Lee Sow Lin Non-Independent Non-Executive Director (Resigned on 26 September 2023)	4/5

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Name of Director	No. of Board Meetings Attended
Ong Tee Chin Senior Independent Non-Executive Director	5/6
Admiral Tan Sri Dato' Setia Mohd Anwar Bin Hj. Mohd Nor (R) Non-Independent Non-Executive Chairman (Appointed on 3 February 2023)	6/6
Dato' Mircle Yap Ching Chai Managing Director (Appointed on 30 January 2023, redesignated to Managing Director on 3 April 2023, redesignated to Non-Executive Director on 1 December 2023 and resigned on 25 March 2024)	5/6
Chua Hee Boon Executive Director - Finance (Appointed on 3 February 2023)	6/6
Chuah Tian Pong Executive Director – Project & Chief Operating Officer (Appointed on 3 February 2023)	5/6
Xiong Wei Executive Director - Digital Technology (Appointed on 3 February 2023)	6/6
Tan Meng Khong Independent Non-Executive Director (Appointed on 3 February 2023)	6/6
Chuah Peng San Independent Non-Executive Director (Appointed on 3 February 2023)	6/6
Dr. Zhang Yan Independent Non-Executive Director (Appointed on 25 March 2024)	0/0
Khavitha Devi A/P Pothuraju Executive Director - Legal & Compliance (Appointed on 25 March 2024)	0/0
Shafina Binti Syafei Executive Director - Group Public Relations & Marketing Communications (Appointed on 25 March 2024)	0/0

At Board meetings, the Chairman reminded all of Directors' fiduciary duties and encouraged constructive and healthy debates. The Directors were free to express their views. Any Director who had a direct and/or deemed interest in the subject matter to be deliberated/approved had abstained from deliberation and voting on the same during the Board meetings/approval of Directors' Circular Resolutions.

Supply of and Access to Information

The Directors have full and unrestricted access to complete information on a timely basis pertaining to CHHB Group's business and affairs to enable them to discharge their duties. Board Meetings which are scheduled to be held are also presented with relevant reports to facilitate its decision-making process. The Board and its Committees are given the notice and agenda of meetings at least seven (7) days in advance and the meeting papers are delivered at least three (3) days prior to each meeting.

The Directors may seek advice from the Management on matters relating to their areas of responsibility. The Directors may also interact directly with, or request further explanation, information or updates on any aspects of the Company's operations or business concerns from the Management. The Directors may seek independent professional advice, at the Company's expenses, if required, in furtherance of their duties.

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All Board decisions are clearly recorded in the minutes, including the rationale for each decision, along with clear actions to be taken and the individuals responsible for their implementation. The relevant Management were always invited to the Board Meeting to brief the Board on matters at hand specific to their scope and any directives or decisions were conveyed to the Management concurrently in the meeting for their immediate action. In the event any Management concerned were not at the meeting, relevant urgent Board decisions are communicated to the Management within one working day of the Board meeting and the minutes of Board Meetings are completed for comments by the Board members on a timely basis before the next succeeding Board meeting. Relevant extracts of the minutes are distributed to the Management for action once the Board minutes are completed, depending on the urgency of the matters.

Board Composition

As at the end of the financial year 31 December 2023, the Board comprised nine (9) members of which three (3) are Independent Non-Executive Directors, two (2) Non-Independent Non-Executive Directors and four (4) Executive Directors. Subsequent to the financial year 31 December 2023, the number of Board members was increased to 10 of which four (4) are Independent Non-Executive Directors, one (1) Non-Independent Non-Executive Director and five (5) Executive Directors, thus fulfilling the requirement for at least one-third of the Board to consist of Independent Directors or if the number is not three (3) or a multiple of three (3), then the number nearest one-third is to be used.

A brief profile of each of the Directors is presented on pages 8 to 17 of this Annual Report.

CHHB's Board comprises active and experienced Board members, with a mix of suitably qualified and experienced professionals in the fields of accountancy, legal, banking and finance, property development and marketing, digital technology, corporate finance as well as mergers and acquisitions, all of whom provide CHHB Group with a wealth of professional expertise and experience which are conducive for efficient deliberations at Board meetings, giving rise to effective decision making and providing multi-faceted perspectives to the business operations of the Group.

Board Diversity

The Board acknowledges the importance of boardroom diversity. Despite no specific targets being set in relation to boardroom diversity, the Board is committed to improving boardroom diversity in terms of gender, ethnicity, regional and industry experience, cultural and geographical background, age and perspective.

The Board is supportive of gender diversity in the boardroom as recommended by the Code and has developed a Gender Diversity Policy to promote the representation of women in the composition of the Board. For the purpose of the Code, the Gender Diversity Policy will refer principally to gender diversity in the boardroom, but this approach however, in no means limits the Company's recognition and respect for the value of diversity at all levels of the organisation. A diverse boardroom and workplace include the skills and perspective that people bring to the organisation through, but not limited to, experience, gender, age, culture and beliefs. The Board will consider more female representation when suitable candidates are identified.

The Gender Diversity Policy is available on the Company's website at www.countryheights.com.my.

As at 31 December 2023, the diversity of the Directors is as follows:

Gender	Male		Female		Total	
Number of Directors	9		0		9	
Ethnicity	Malay	Chinese	Indian	Total		
Number of Directors	1	8	0	9		
Age Group (Years)	20 – 29	30 – 39	40 – 49	50 – 59	60 and above	Total
Number of Directors	0	0	3	2	4	9

The number of female director was increased to two (2) subsequent to the financial year 31 December 2023 of which one is Indian and the other is Malay.

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Board Appointment

All nominees to the Board are first considered by the Nomination & Remuneration Committee (“NRC”) based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender before they are recommended to the Board. The NRC may also consider the use of external consultants in the identification of potential Directors.

While the Board is responsible for the appointment of new Directors, the NRC is delegated with the role of screening and conducting an initial selection before making a recommendation to the Board.

Re-election/Re-appointment of Directors

The Constitution of the Company requires a Director appointed during a financial year to retire at the following AGM. All Directors are bound to retire at least once in every three (3) years and would be eligible for re-election at each AGM.

The re-election/re-appointment of Directors at the AGM are subject to prior assessment by the NRC and the recommendations thereafter are submitted to the Board and then for shareholders’ approval.

The re-election/re-appointment of Directors at AGM provides the shareholders with a regular opportunity to re-assess the composition of the Board.

Directors’ Training

The Directors were encouraged to attend seminars/courses from time to time to equip themselves with the necessary knowledge to discharge their duties and responsibilities more effectively.

During the financial year 31 December 2023 up to the date of this Statement, the Directors have attended, individually and/or collectively, various training programmes as follows:

Name of Director	Date	Organiser & Course Title
Tan Sri Lee Kim Tiong @ Lee Kim Yew (Resigned on 3 February 2023)	-	-
Datuk Lim Chih Li @ Lin Zhili (Resigned on 30 January 2023)	-	-
Lee Sow Lin (Resigned on 26 September 2023)	-	-
Dr. Yip Chun Mun (Retired on 1 March 2024)	28.02.2023	The 2023 Malaysian Housing and Property Summit organized by FIABCI Malaysia and the KSI Strategic Institute for Asia Pacific
	25.10.2023	The Malaysian Wealth and Wellness Summit 2023 organised by KSI Strategic Institute for Asia Pacific
Ong Tee Chin	26.10.2023	Virtual TeaTalks: Managing Living Cost, organised by Malaysian Financial Planning Council (MFPC)
	29.10.2023	Private Debt Microcredential, organised by UniFi of Chartered Alternative Investment Association
	08.11.2023	The Virtual Industry: Professionalism & Ethics for Forum 2023, organised by Malaysian Financial Planning Council (MFPC)
	15.11.2023	Virtual TeaTalks: Trust vs Will: Which should I use for Estate Planning, organised by Malaysian Financial Planning Council (MFPC)
Admiral Tan Sri Dato' Setia Mohd Anwar Bin Hj. Mohd Nor (R) (Appointed on 3 February 2023)	-	-

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Name of Director	Date	Organiser & Course Title
Dato' Mircle Yap Ching Chai (Appointed on 30 January 2023, resigned on 25 March 2024)	11.05.2023 & 12.05.2023	Bursa Malaysia Mandatory Accreditation Programme (MAP) organised by Institute of Corporate Directors Malaysia (ICDM)
Chua Hee Boon (Appointed on 3 February 2023)	23.05.2023	SSM Webinar – Company Secretaries Training Programme Essential 1.0 (Part B) organised by Companies Commission of Malaysia (CCM)
	24.05.2023	SSM Webinar – Company Secretaries Training Programme Essential 1.0 (Part B) organised by Companies Commission of Malaysia (CCM)
	25.05.2023	SSM Webinar – Company Secretaries Training Programme Essential 1.0 (Part C) organised by Companies Commission of Malaysia (CCM)
	25.07.2023 & 26.07.2023	SSM National Conference 2023 organised by Companies Commission of Malaysia (CCM)
	24.10.2023	Budget 2023: Key updates and changes for corporate accountants organised by Malaysian Institute of Accountants (MIA)
Chuah Tian Pong (Appointed on 3 February 2023)	11.05.2023 & 12.05.2023	Bursa Malaysia Mandatory Accreditation Programme (MAP) organised by Institute of Corporate Directors Malaysia (ICDM)
Xiong Wei (Appointed on 3 February 2023)	11.05.2023 & 12.05.2023	Bursa Malaysia Mandatory Accreditation Programme (MAP) organised by Institute of Corporate Directors Malaysia (ICDM)
Tan Meng Khong (Appointed on 3 February 2023)	11.05.2023 & 12.05.2023	Bursa Malaysia Mandatory Accreditation Programme (MAP) organised by Institute of Corporate Directors Malaysia (ICDM)
	15.06.2023	Anti-Money Laundering/Combating the Financing of Terrorism (“AML/CFT”) Course (Live Webinar) organised by Institute of Singapore Chartered Accountants (ICSA) and Chartered Secretaries Institute of Singapore (CSIS)
Chuah Peng San (Appointed on 3 February 2023)	18.04.2023	Webinar on Islamic Trade Finance organised by Centre for Research and Training (CERT)
	11.05.2023 & 12.05.2023	Bursa Malaysia Mandatory Accreditation Programme (MAP) organised by Institute of Corporate Directors Malaysia (ICDM)

During the financial year under review, Tan Sri Anwar did not attend any seminars/training programmes. However, Tan Sri Anwar has undertaken to avail himself for the relevant training courses for the current financial year.

Arrangements were made for Senior Management to meet with the newly appointed Directors to brief them on the Group's history, culture, business, strategies and financial position. All the Directors have completed the Mandatory Accreditation Programme (“MAP”) as required by Bursa Securities. The newly appointed Directors who have yet to attend the MAP, arrangements have been made for them to attend the MAP by 25 July 2024.

The Company will continuously arrange further training for the Directors as part of their obligations to update and enhance their skills and knowledge which are important for carrying out an effective role as Directors. From time to time, the Board also receives updates and briefings, particularly on regulatory and legal developments relevant to the Company's business.

Board Committees

The Board has delegated specific responsibilities to two (2) Board Committees, namely the Audit & Risk Management Committee (“ARMC”) and NRC. The delegation of certain responsibilities of the Board to its Committees is necessary as there is now greater reliance on the Board Committees in response to the complex challenges of the business.

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These Committees have the authority to examine particular issues within their Terms of Reference (“TOR”) and report back to the Board with their recommendations. The ultimate responsibility for the final decision on most matters remains with the entire Board.

All Board Committees have written TOR, operating procedures and authority delegated and approved by the Board, which are reviewed from time to time to ensure they are relevant and up-to-date.

The Chairman of the various Board Committees report the outcome of their meetings to the Board and the relevant decisions are incorporated into the minutes of the meetings. For purpose of check and balance and for objective review by the Board of all matters raised by Board Committees, the Chairman of the Board shall not be a member of any Board Committees.

ARMC

The composition of the ARMC, its authority, duties, responsibilities and summary of the work carried out to discharge its duties for the financial year 31 December 2023 are as set out in the ARMC Report on pages 56 to 60 of this Annual Report.

NRC

The current composition, including the attendance of its members at a meeting held during the financial year ended 31 December 2023, are as follows:

Name	Designation	Attendance
Ong Tee Chin Senior Independent Non-Executive Director (Redesignated as Chairman on 3 February 2023)	Chairman	1/1
Tan Meng Khong Independent Non-Executive Director (Appointed on 3 February 2023)	Member	1/1
Chuah Peng San Independent Non-Executive Director (Appointed on 3 February 2023)	Member	1/1

Objectives

The objectives of the NRC with regard to the nomination role are as follows:

- To identify and recommend new nominees to the Board as well as the Board Committees. However, all decision as to who shall be appointed shall be the responsibility of the Board after considering the recommendations of the NRC.
- To assist the Board in reviewing the required mix of skills, experience and other qualities, including core competencies for which both Executive and Non-Executive Directors should bring to the Board.
- To implement the processes formulated by the Board designed to assess the effectiveness of the Board and the Board Committees as a whole.
- To develop policies, practices and recommend appropriate proposals to facilitate the recruitment, retention and removal of Executive Directors.
- To review the Executive Directors’ objectives, goals and the assessment of their performance.

The objectives of the NRC with regard to the remuneration role are as follows:

- To determine the level and make-up of Executive Directors’ remuneration so as to ensure that CHHB attracts and retains Directors of appropriate calibre, experience and quality needed to run the Group successfully. The level and make-up of the remuneration should be structured so as to link rewards with corporate and individual performance.
- To determine the remuneration packages of Non-Executive Directors which shall be a decision of the Board as a whole.

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Authority

The NRC is authorised by the Board to:

- seek assistance from the Company Secretary on matters related to the responsibilities of the NRC under the rules and regulations to which it is subject to and how those responsibilities should be discharged.
- have full and unrestricted access to the Company's records, properties and personnel.
- seek independent professional advice and expertise deemed necessary for the performance of its duties.

Responsibilities

The responsibilities in relation to nomination matters are as follows:

- To formulate the nomination, selection and succession policies for the Board and the Board Committees as may be determined by the NRC from time to time.
- To make recommendations to the Board on new candidates for election/appointment, and re-election/re-appointment of the Directors to the Board.
- To make recommendations to the Board for appointment to fill casual vacancies.
- To conduct a review in determining whether a Director can continue to be independent in character and judgement, and also to take into account the need for progressive refreshing of the Board.
- To review the required mix of skills, experience and other qualities of the Board annually.

The responsibilities in relation to remuneration matters are as follows:

- To formulate and/or review the remuneration policies and packages for the members of the Board and Board Committees and recommend to the Board for approval.
- To approve the utilisation of the provision for annual salary increment, performance bonus and long-term incentives (if any) for each financial year.

The NRC shall consider any other matters referred by the Board to the NRC and, in discharging its duties, the NRC shall at all times be mindful of the provisions of all applicable laws, regulations and guidelines.

The TOR of the NRC is available on the Company's website at www.countryheights.com.my.

Main Activities of the NRC in 2023

During the financial year, the NRC has fulfilled a number of key activities, as follows:

- Evaluated and assessed the performance of Independent Non-Executive Directors (self-assessment) for the year 2023.
- Evaluated and assessed the performance and effectiveness of the Board and Board Committees for the year 2023.
- Reviewed and recommended the re-election of Directors due for retirement at the AGM.
- Reviewed the remuneration of the Directors for the year 2023 and subsequently recommended it to the Board for approval.

The NRC noted that the Board and Board Committees had met the board structure criteria as to the size, independence, desired skills and qualities of the Board members, as required by the regulations and the results was tabled to the Board for notation.

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Directors' Remuneration

The policy and framework for the overall remuneration of the Executive and Non-Executive Directors are reviewed regularly against market practices by the NRC, following which recommendations are submitted to the Board for approval.

The Board as a whole determines the remuneration of the Directors and each individual Director abstains from the Board's decision with regard to his/her own remuneration.

The remuneration of Non-Executive Directors is based on a standard fixed fee. In addition, allowances are also paid in accordance with the number of meetings attended during the year.

The Executive Directors are not entitled to the above Directors' Fees nor are they entitled to receive any meeting allowance for Board or Board Committee meetings that he/she has attended. Their remuneration is based on their Key Performance Indicators ("KPIs") which are appraised annually.

Disclosure of each Director's remuneration is set out under Practice 8.1 in the CG Report which is available on the Company's website at www.countryheights.com.my.

The proposed Directors' Fees for the financial year 31 December 2023 will be tabled at the forthcoming 40th AGM for shareholders' approval. The remuneration received or to be received by the Directors of the Group for the financial year ended 31 December 2023 is as follows:

Description	Executive Directors (RM'000)	Non-Executive Directors (RM'000)	Total (RM'000)
Salary	827	-	827
Benefits-in-kind	-	-	-
Defined contribution plans	59	-	59
Allowance	-	65	65
Fees	-	55	55
Total	886	120	1,006

The number of Directors whose total remuneration falls into the respective bands is as follows:

Range of Remuneration	Number of Directors	
	Executive	Non-Executive
Up to RM100,000	1	6
RM100,001 to RM200,000	2	0
RM200,001 to RM300,000	2	0

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PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

ARMC

The composition of the ARMC, its authority, duties, responsibilities and summary of the work carried out to discharge its duties for the financial year 31 December 2023 are as set out in the ARMC Report on pages 56 to 60 of this Annual Report.

The composition of the ARMC is in compliance with Paragraphs 15.09 and 15.10 of the MMLR. None of the members of the ARMC were former key audit partners and notwithstanding that, in order to uphold the utmost independence, the Board has no intention to appoint any former key audit partner as a member of the ARMC.

The Board regards the members of the ARMC to collectively possess the accounting and related financial and risk management expertise and experience required to discharge their responsibilities and assist the Board in the oversight of the financial reporting process. The ARMC assists the Board in reviewing and scrutinising the information in terms of the appropriateness, accuracy and completeness of disclosure and in ensuring that CHHB Group's financial statements comply with the applicable financial reporting standards. The ARMC reviews and monitors the accuracy and integrity of CHHB Group's quarterly and annual financial statements and submits these statements to the Board for approval within the stipulated timeframe.

Relationship with Auditors

The Board, by the establishment of the ARMC, maintains a formal and transparent relationship with the Group's External Auditors. The External Auditors are invited to participate and brief the ARMC on specific issues at ARMC meetings. The roles of both the External and Internal Auditors are further described in the ARMC Report.

The Group engaged Talent League Sdn. Bhd. for its internal audit service in addition to utilising the services of the External Auditors, which reports significant findings directly to the ARMC with recommended corrective actions. The Management is responsible to ensure that the corrective actions on reported weaknesses are undertaken within an appropriate timeframe.

The ARMC and Board maintain great emphasis on the objectivity and independence of the External Auditors, Messrs UHY, in providing the relevant and transparent reports to shareholders. As a measure of ensuring full disclosures, representatives from Messrs UHY are invited to attend the ARMC meetings to discuss audit issues with the ARMC without the presence of the Management, as well as the AGM.

Risk Management and Internal Controls

The Board recognises and affirms its overall responsibility for CHHB Group's system of internal controls, which includes the establishment of an appropriate control environment and control framework as well as for reviewing its effectiveness, adequacy and integrity. The Board acknowledges that this system is designed to manage, rather than eliminate the risk of non-achievement of CHHB Group's objectives.

The Board has an overall responsibility for maintaining sound internal control systems that cover financial controls, operational and compliance controls, and risk management to ensure shareholders' investments, customers' interests and CHHB Group's assets are safeguarded.

The Statement on Risk Management and Internal Control is set out on pages 61 to 63 of this Annual Report.

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PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Communication with Shareholders and Investors

The Board values the support of its shareholders and investors. It also recognises the importance of effective communication with the shareholders and the investment community of material corporate and business matters of CHHB Group. Its commitment, both in principle and practice, is to maximise transparency consistent with good corporate governance, except where commercial confidentiality dictates otherwise.

In complying with Paragraph 9.21(3) of the MMLR to improve investor relations between the Company and its stakeholders, CHHB ensures that its website contains the email address(es) of the designated person(s) and contact numbers to enable the public to forward queries to the Company. CHHB also post announcements made to Bursa Securities on its website immediately after such announcements are released on Bursa Securities' website.

Conduct of General Meetings

The Board views shareholders' general meetings as an ideal opportunity to communicate with shareholders.

The Company has been giving at least 28 days notice for its AGMs. The Board had embedded the 28-day notice period into its Board Charter. All Directors and the External Auditors are expected to attend all shareholders' meetings to take questions raised by shareholders.

The Company has 4,176 shareholders as at 29 March 2024, which is not large to warrant the use of technology to facilitate remote shareholders or voting in absentia. Shareholders who are unable to attend the AGM are allowed to appoint corporate representative(s) or proxy(ies) to attend, speak and vote on their behalf at the general meetings. The Board believe physical AGM allows better flow of conversation, opportunity for shareholders to mingle with the Directors of the Company and other shareholders, an atmosphere that cannot be replicated in a virtual AGM. Most shareholders experience at physical AGM has been good.

Shareholders and members of the public can access the Company's website at www.countryheights.com.my for the latest information on CHHB Group.

The AGM is the principal forum for dialogue with the shareholders. It provides shareholders and investors with an opportunity to seek clarification on CHHB Group's business strategy, performance and major developments. All Directors of CHHB, including the Chairman of the ARMC and NRC, Senior Management and the External Auditors will attend the AGM to provide meaningful response to questions raised.

Poll Voting

In line with Paragraph 8.29A of the MMLR that any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, is voted by poll, the Board shall table all the resolutions at the forthcoming AGM for voting by poll.

COMPLIANCE STATEMENT

The Board is supportive of all the recommendations of the Code and has ensured that the recommendations set out in the Code have been substantially implemented by CHHB Group. The Board will take reasonable steps to review existing policies and procedures from time to time to ensure full compliance thereof.

This Statement is dated 29 April 2024.