

## MINORITY SHAREHOLDER WATCHDOG GROUP

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD  
(Incorporated in Malaysia – Company No. 524989-M)

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# Country Heights: EGM first, nod later

> Group says consultants appointed will engage with authorities if approval is needed for cryptocurrency issue

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**PETALING JAYA:** Country Heights Holdings Bhd (CHHB), which plans to issue its own asset-backed cryptocurrency, said it will engage with the relevant authorities for approval, if needed, once shareholders vote for the appointment of consultants at the Nov 8 EGM.

“These consultants will prepare all the necessary documentation for submission and engagement with the relevant authorities for approval, if any. As there is no regulation specifically regulating this, the founder/chairman (Tan Sri Lee Kim Yew) wishes for the relevant authorities to be kept well informed with the company’s initiative,” it said in a filing to the stock exchange in apparent response to questions on whether it had obtained approval from the authorities to proceed with its plans.

On Sept 21, CHHB announced it would be holding an EGM to get shareholders’ approval to proceed with the appointments of technology partners and other external consultants to give back-end support to the exercise, particularly the

implementation process.

Minority Shareholders Watch Group CEO Devanesan Evanson, however, told *SunBiz* it is preferable that CHHB obtain the green light from regulators before calling an EGM to get shareholders’ nod for the issuance of the cryptocurrency due to the lack of regulatory guidelines by authorities, unlike other fundraising exercises such as right issues and initial public offerings.

“It is better if they got the clearance of SC first, simply because there is no guideline and the Securities Commission has been very cautious when it comes to cryptocurrency and bitcoins,” he added.

On another note, Devanesan said it is also costly for the company to hold the EGM in the off chance the appointment is not passed.

As at press time, the SC did not respond to *SunBiz*’s request for comment on the issue of approvals.

According to CHHB’s plan, the “Horse Currency” will mainly be used as a utility token, reward token and royalty programme with businesses, products and services under the group’s new strategies.

CHHB proposes to issue 1 billion units, of which an initial 300 million units will be made available to the public. The issuance is backed by the group’s existing assets worth RM2 billion.

CHHB highlighted that it will be taking very “patient and prudent” steps in the course of issuing the cryptocurrency.

“As this is a very new field in the country, and with CHHB being the first public-listed company to come up with such initiative, this may be very sensitive to those who do not understand blockchain technology and are confused on too many cryptocurrencies.”

CHHB said once the board has decided to proceed with the ICO, another general meeting will be called for the final endorsement for the launch of the ICO, its structure, mechanism and the exchange centre.

In addition, the group will set up a chair with a local university to educate and promote the importance of blockchain technology for the future of this country.

Lee believes that one of the benefits of the blockchain technology, besides reducing cost, is that it is regarded as a trusted machine of integrity as there is no room for corruption or money laundering.

His view differs from the perspective of central bankers who have flagged money laundering as a key concern of cryptocurrencies.

“The founder/chairman believes that blockchain technology is also in tandem with the Islamic values as it does not charge interest which is not permitted under Islamic values. Through blockchain technology, CHHB will share the potential business benefit with the currency holders.”

On Bursa Malaysia yesterday, CHHB was up 2 sen or 1.4% to RM1.42 on volume of 29,500 shares.