

A look at the rollercoaster past of allegedly bankrupt Country Heights founder Lee Kim Yew (<https://vulcanpost.com/823502/country-heights-lee-kim-yew-bankruptcy-finance-issues/>)



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The headlines have recently been all over founder and chairman of Country Heights Holdings Berhad (CHHB), Tan Seri Lee Kim Yew's alleged bankruptcy.

This was based on a check with the Malaysia Department of Insolvency website, e-Insolvensi, which revealed that Lee had received the bankruptcy notice on January 26.

However, the 68-year-old has since denied that he had filed for bankruptcy.

“I did not file for bankruptcy. This particular party declared me bankrupt over a RM3 million suit. I will provide more details about this matter at a press conference,” he said when contacted by the New Straits Times (<https://www.nst.com.my/news/nation/2023/04/898991/lee-kim-yew-it-all-over-mere-rm3-millioni-am-not-bankrupt>).

Image Credit: Lee Kim Yew's website (<https://leekimyew.com/>)

Looking back at Lee's career though, this wasn't his first time running into highly publicised financial issues.

Early years and getting recognised in the industry

Lee was born in Batu Pahat, Johor in 1955 and initially worked as a translator for a printing company back in 1973.

He then transitioned to entering the real estate industry by becoming the founder of CHHB in 1984.

Lee first earned industry recognition for his landmark role in transforming an abandoned and worthless rubber estate into country home living residences known as the Country Heights Kajang project. This was then labelled as the “Beverly Hills of Malaysia” in 1987.



(<https://vulcanpost.com/wp-content/uploads/2023/04/countryheights3.jpg>)

Image Credit: Country Heights

Following the success of the project, CHHB was then tasked to transform the world's largest open cast tin mine into The Mines Resort City, which Lee managed to do with the completion of The Mines Wonderland theme park in 1993.

CHHB was eventually listed on the main board of Bursa Malaysia Securities Berhad in 1994 and they continued their momentum by launching The Mines luxury golf home bungalow and Borneo Highlands Resort in Kuching, Sarawak in the same year.

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Branching out

In the years that followed, Lee continued to increase his recognition within the industry by expanding his reach (<https://leekimyew.com/about-lee/>) and developing in South Africa, the United Kingdom, and Mauritius.

CHHB ended up developing South Africa's first-ever country home estate, Pecanwood Resort & Residential Estate which was completed in 1996.



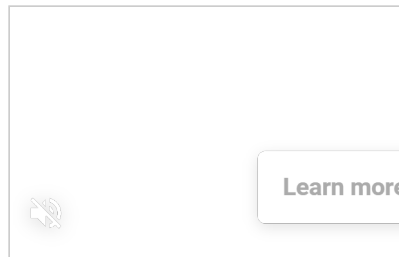
(<https://vulcanpost.com/wp-content/uploads/2023/04/resort-1.jpg>)

Image Credit: Pecanwood Estate

Meanwhile, the ExCeL Exhibition and Conference Center project in London took off in 1998 and was completed in 2000. The centre has gone on to host several Olympics and Paralympics events.

Apart from his development in the real estate industry, Lee also went on to establish Golden Horses Health Screening Healthcare in 2004, and the Traditional Chinese & Complementary Wellness centre (TCM), which was approved by the Ministry of Health Malaysia in 2008.

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A rocky road

Between all of those expansion plans, Lee struggled when the Asian Financial Crisis in 1997 and 1998 landed a hard hit on him and CHHB.

In an interview with The Edge (<https://www.edgeprop.my/content/city-country-lee-kim-yew-back-vengeance-and-story-survival>), Lee said, “In a nutshell, my problems were caused by my greed, my high debts, and the unexpected 1997 Asian financial crisis.”

“Like many other high-flying businessmen, I wanted to expand fast and become big. I was greedy, though not hugely greedy.”

In 2007, Lee was forced to step down as CHHB group managing director and take the post of non-executive deputy chairman to take the blame for the company's problems and weakened financials.

He went on to pass the baton to a stranger, and then to his daughter Dian Lee, who was 24 at the time.



(<https://vulcanpost.com/wp-content/uploads/2023/04/daughter3.jpg>)

Image Credit: Dian Lee's Instagram

In 2015, it was reported that CHHB, which had been reporting net losses (<https://www.theedgemarkets.com/article/palace-golden-horses-mines-wellness-hotel-undergo-changes>) for the past three financial quarters, was making an effort to revive its two hotels—Palace of the Golden Horses (POGH), and Mines Wellness Hotel.

This was allegedly in response to the signs of a slowdown in both the property sector and the hospitality segment.

CHHB was reported to have initiated steps to improve its hospitality business in an attempt to improve its earnings prospects.

At the end of 2016, it was revealed that CHHB had written to the Minister of Finance to appeal over the Inland Revenue Board's decision regarding taxes owed by one of its subsidiaries (<https://www.nst.com.my/news/2016/12/200390/country-heights-appeals-over-tax-arrears>).



(<https://vulcanpost.com/wp-content/uploads/2023/04/lee-speech-1.jpg>)

Image Credit: Lee Kim Yew's website

In a 2016 statement to Bursa Malaysia, CHHB said the tax liabilities of Country Heights Sdn Bhd (CHSB), amounting to RM22,488,593.83 incurred during the Asian Financial Crisis in 1997 and 1998 were yet to be settled.

Meanwhile, in 2017, it was announced that Lee's fixed deposits (<https://www.theedgemarkets.com/article/irb-seizes-lee-kim-yews-fds-worth-rm126m>) of some RM126 million placed in a foreign-owned bank were seized by the Inland Revenue Board (IRB) to be used to settle the tax liability accrued by CHSB.

Lee went on to pay RM22.7 million to settle the tax liabilities including penalties claimed by the IRB against CHSB.

Ad removed. [Details](#)

A fresh start

Following the debacle in 2017, CHHB and Lee appeared to have big plans in 2018 with four new proposed projects (<https://www.edgeprop.my/content/1398407/country-heights-unveils-plans-four-new-multi-billion-ringgit-projects>).

Speaking at a media conference after the company's 34th Annual General Meeting, Lee said the projects included:

- The building of Asean's largest automotive expo centre in Seri Kembangan,
- A 62-acre Islamic trade and financial centre in Melaka,
- A wellness, anti-ageing and aesthetics hub, and
- A hospitality and resort development.

Later on in the year, Lee went on to announce that CHHB was to embark on an initial coin offering (ICO) to issue its own cryptocurrency called "Horse Currency" (<https://www.theedgemarkets.com/article/country-heights-proposes-ico-issue-horse-currency>).

In a filing to the stock exchange, Lee said the company was seeking endorsement from its shareholders for the venture at its upcoming extraordinary general meeting.



(<https://vulcanpost.com/wp-content/uploads/2023/04/lee-and-family.jpg>)

Image Credit: Lee Kim Yew's Facebook

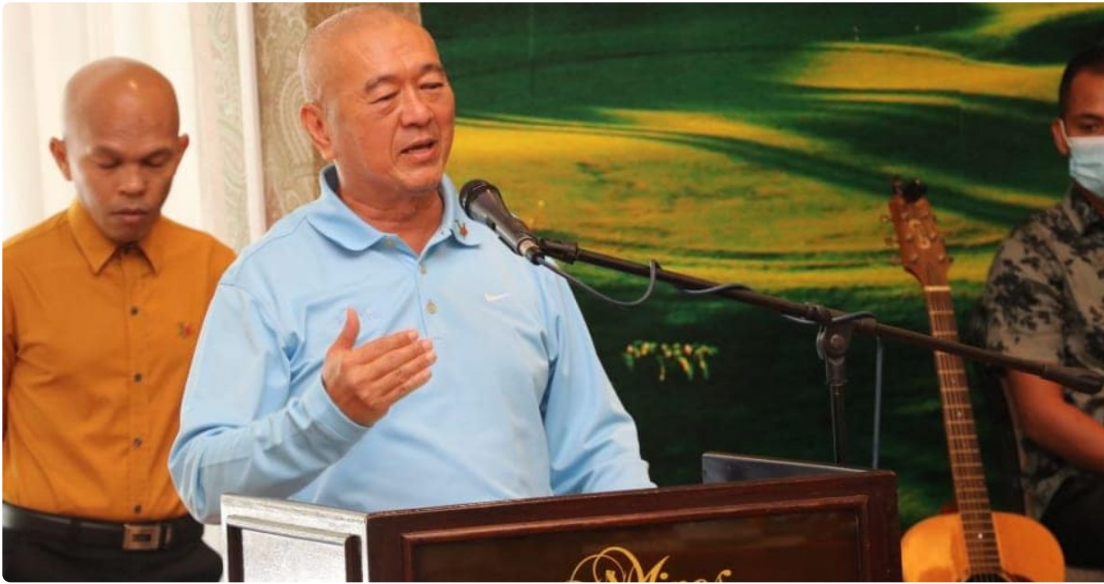
He also said that the main and defining difference between the Horse Currency and all the other cryptocurrencies available in the Malaysian market then was that this currency was backed by the company's assets.

However, it would seem that it never really took off due to marketwide issues.

Lee went on to pursue his interest in cryptocurrencies by establishing Golden Touch Investment Bank Ltd and Golden Horse Digital Investment Bank Ltd in 2019.

But the good times were not to last, as the same year, CHHB which reported losses in the past two quarters, was reportedly looking to sell some of its properties at a discount in order to resolve the group's cash flow issue.

Speaking to reporters, Lee said the group was contemplating a 25% discount on the valuation of the properties (<https://www.thesundaily.my/business/country-heights-plans-to-sell-selected-assets-at-25-discount-to-address-cash-flow-issue-HC1026449>) to reduce its RM130 million debt.



(<https://vulcanpost.com/wp-content/uploads/2023/04/leekimyew2.jpg>)

Image Credit: Lee Kim Yew's Facebook

In 2020, Lee announced that he would be stepping down by January 1, 2021 as the executive chairman (<https://www.nst.com.my/business/2020/09/628186/country-heights-founder-executive-chairman-step-down-new-management>) of CHHB in order to make way for new management to reposition the group.

It was also reported that during Malaysia's Movement Control Order (MCO) in March 2020, Lee initiated Bantu-bantu Malaysia, a non-profit social welfare initiative.

The initiative supplied masks and personal protection equipment (PPEs), food baskets, and other essentials to middle to low-income groups, and more than 30,000 food baskets and other food necessities were distributed by Bantu-bantu Malaysia.

Meanwhile, in 2021, it was reported that CHHB had been on an uptrend ever since Country Heights announced it had inked five heads of agreement to acquire assets worth RM554 million (<https://themalaysianreserve.com/2021/10/07/country-heights-acquires-assets-worth-rm554m-into-group/>) from Lee's personal investment holdings.



(<https://vulcanpost.com/wp-content/uploads/2023/04/zahid2.jpg>)

Image Credit: Zahid Hamidi's Facebook

However, this uptrend was shut down the following year when former deputy prime minister Datuk Seri Ahmad Zahid Hamidi claimed in court that the 2017 purchase of two houses in Country Heights in Kajang was at a “discounted” price of RM5.9 million, as Lee needed money at the time

(<https://www.malaymail.com/news/malaysia/2022/07/07/zahid-says-bought-rm59m-bungalows-at-discount-as-country-heights-boss-lee-kim-yew-needed-money-urgently/16226>).

Today's troubles

In a press conference (<https://www.malaymail.com/news/malaysia/2023/04/13/lee-kim-yew-im-still-solidly-solvent-malaysian-bankruptcy-law-used-against-me-by-former-consultant-and-friend/64629>) today (April 13), Lee insisted that he is still “solidly solvent” despite the order which declared him bankrupt.

According to him, the Adjudication Order and Receiving Order (AORO) stemmed from a petition filed by one of his former consultants based in the United States over the sum of RM3 million allegedly owed to him.

The former consultant, who goes by the name Gerald Patrick Healy, is a US citizen with a legal background and a former officer of Lee's US-based Club Excellence Inc, which is now inactive.



(<https://vulcanpost.com/wp-content/uploads/2023/04/lee-kim-yew2-1.jpg>)

Image Credit: Lee Kim Yew's Facebook

Lee insisted that he never chose to be bankrupt or intended to file for bankruptcy, saying the dispute between him and Healy was a “dirty trick” Healy is using to personally attack him.

“He worked for me, and we were friends. We could have negotiated amicably but he chose to do this unprofessionally. He could have chosen a better way,” Lee said.

For now, Lee is awaiting a notice from the Department of Insolvency and has since written to the government to work towards setting aside the bankruptcy declaration.

- **Learn more about Lee Kim Yew on his website here** (<https://leekimyew.com/>).
- **Read about a different legal case we covered recently about myIOU here** (<https://vulcanpost.com/820883/ioupay-bnpl-malaysia-allegations-fire-management-cfo-fraud/>).

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Featured Image Credit: Lee Kim Yew's Facebook

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