

**General Announcement**Reference No **CV-111116-48513**

Company Name : **COUNTRY VIEW BERHAD**  
 Stock Name : **CVIEW**  
 Date Announced : 16/11/2011

Type : Announcement  
 Subject : MATERIAL LITIGATION

Description : MAHKAMAH TINGGI MALAYA DI JOHOR BAHRU DALAM  
 NEGERI JOHOR , MALAYSIA (SUIT NO. 23NCvC-174-09/2011)

JAWATANKUASA KIARA HILL “AD HOC”, TAMAN NUSA INDAH  
 (PLAINTIFF)

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- 1) MEDINI ISKANDAR MALAYSIA SDN. BHD. (1st DEFENDANT)
- 2) MAJLIS PERBANDARAN JOHOR BAHRU TENGAH (2nd DEFENDANT)
- 3) COUNTRY VIEW RESOURCES SDN. BHD. (3rd DEFENDANT)

Announcement Details/Table Section :

**1. Introduction**

Country View Berhad (CVB) wishes to announce that Country View Resources Sdn Bhd (CVR), a wholly owned subsidiary has been served with a Writ of Summons on 16 November 2011 by Jawatankuasa Kiara Hill “Ad Hoc”, Taman Nusa Indah through its solicitors, Messrs. Tam Cheng Yau & Co.

**2. Circumstances leading to the Writ of Summons**

In the Writ of Summons it was stated as follows:

- a) The Plaintiff is at all material time a body comprising of 97 homeowners of a housing estate situated at Kiara Hills, Taman Nusa Indah, Nusajaya, Johor and had jointly formed an “Ad-Hoc” committee.
- b) The 1<sup>st</sup> Defendant is at all material time a private company established under the Companies Act, 1965 and had in 2009 started construction of 2 units of water reservoirs, a suction tank, a pump house and a switch station which is named as Medini Utility 2 Reservoir (MED/UT2), Taman Nusa Indah, Nusajaya, Johor which is near the houses and the properties of the Plaintiff (hereinafter referred to as Lot PTD 116768).
- c) The 2<sup>nd</sup> Defendant is the local enforcement authority for the area of Johor Bahru Tengah.
- d) CVR the 3<sup>rd</sup> Defendant is at all material time a registered licenced housing developer and is the developer of Taman Nusa Indah, Nusajaya, Johor.

- e) The 1<sup>st</sup> Defendant and its agents had proceeded with explosive works (blasting and earthworks) for levelling a hill on Lot PTD 116768 which is adjacent to the Plaintiff's residences.
- f) As a result of the construction and explosive works of the 1<sup>st</sup> Defendant, the Plaintiff claimed against the 1<sup>st</sup> and 2<sup>nd</sup> Defendants for damages and other reliefs.
- g) The Plaintiff is also claiming from CVR the following :
  - i. Failed to ensure that development in the surrounding area of Kiara Hill, Nusajaya is safe for the residents;
  - ii. Failed to foresee that should the vacant land within close proximity of the Plaintiff's properties be cleared and explosive works/and construction works are carried out, the Plaintiff's properties are not placed at unnecessary risks;
  - iii. Failed to use quality building materials for the housing project of Kiara Hill, Taman Nusa Indah which had caused 'latent' defects such as cracks during the construction works of the water reservoirs by the 1<sup>st</sup> Defendant;
- h) The Plaintiff claimed for various orders and damages plus others reliefs against the 1<sup>st</sup> Defendant, 2<sup>nd</sup> Defendant and CVR, as the 3<sup>rd</sup> Defendant under the Writ of Summons and in particular Special Damages amounting to RM33,950,000-00.

### **3. Steps proposed to be taken**

CVB and CVR have instructed its solicitors to take all appropriate legal actions with a view to defend the interest of CVR in the matter.

### **4. Financial and Operational Impact**

In consultation with its solicitors, at the present moment, the likely outcome of the suit/action cannot be ascertained but there is a possibility that CVR can be held liable but the amount of liability cannot be reliably measured until the determination of the suit/action. As such the financial and operational impact on the CVB Group cannot be determined at present.