countryview Berhad

ANNUAL REPORT 2012

www.countryview.com.my

Our Corporate Vision and Mission

Dear Valued Shareholders,

*" On behalf of my colleagues on the Board of **Country View Berhad**, I am pleased to present the Company's Annual Report and the Financial Statements of the Company and the Group for the financial year ended 30th November 2012."*

Datuk Ir. (Dr) Mohamed Al Amin Bin Abdul Majid JP
(Executive Chairman)

Vision

We, the Country View Group, aspire to be a premier property developer providing excellent products and services that enhance our customers' lifestyle.

Mission

- Strive to be ethical, efficient and effective in everything we do.
- Strive to provide excellent products and services to our customers.
- Strive to enhance shareholders' value.
- Strive to provide a conducive business environment for our employees to maximize their individual potential.
- Strive to contribute to our community and enhance the quality of life in our society.
- Strive to contribute to our country in supporting socio-economic development.

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Country View Berhad's Annual Report 2012




CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Chairman
Datuk Ir. (Dr) Mohamed Al Amin Bin Abdul Majid JP

Executive Directors
Law Kit Tat
Wong Chee Sean @ Wong Sean
Wong Joon Chin

Non-Independent Non-Executive Director
Law Kee Kong

Senior Independent Non-Executive Director
Choong Shiau Yoon

Independent Non-Executive Director
Azhar Bin Azizan @ Harun

AUDIT COMMITTEE

Chairman
Choong Shiau Yoon

Members
Azhar Bin Azizan @ Harun
Law Kee Kong

REMUNERATION COMMITTEE

Chairman
Azhar Bin Azizan @ Harun

Members
Wong Chee Sean @ Wong Sean
Law Kee Kong

NOMINATION COMMITTEE

Chairman
Choong Shiau Yoon

Members
Law Kee Kong
Azhar Bin Azizan @ Harun

RISK MANAGEMENT WORKING COMMITTEE

Chairman
Choong Shiau Yoon

Members
Wong Joon Chin
Azhar Bin Azizan @ Harun
Yee Gee Min (Group General Manager)
Ong Seng Piow (Senior Manager, Accounts & Services)

SECRETARIES

Lee Wee Hee (MAICSA 0773340)
Hung Siow Ping (MAICSA 7039825)

REGISTERED OFFICE

Suite 5.11 & 5.12
5th Floor Menara TJB
9 Jalan Syed Mohd. Mufti
80000 Johor Bahru
Johor
Tel : 07 – 224 2823
Fax: 07 – 223 0229

SHARE REGISTRAR

ShareWorks Sdn. Bhd. (229948-U)
No. 10-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Tel : 03 – 6201 1120
Fax: 03 – 6201 3121

AUDITORS

BDO (AF 0206)
Suite 18-04, Level 18
Menara Zurich
No. 15, Jalan Dato' Abdullah Tahir
80300 Johor Bahru
Johor

PRINCIPAL PLACE OF BUSINESS

Unit 26-01, Mail Box 261
Menara Landmark
No. 12, Jalan Ngee Heng
80000 Johor Bahru
Johor

PRINCIPAL BANKERS

AmBank (M) Berhad
RHB Bank Berhad
Public Bank Berhad

STOCK EXCHANGE

Main Market of Bursa Malaysia Securities Berhad

WEBSITE

www.countryview.com.my

GROUP STRUCTURE

Country View Berhad (78320-K)

100% OWNED SUBSIDIARIES

- Country View Resources Sdn. Bhd. (523855-A)
- Country View Construction Sdn. Bhd. (525891-K)
- Country View Equities Sdn. Bhd. (444790-T)
- Country View Properties Sdn. Bhd. (388490-A)
- Country View Avenue Sdn. Bhd. (704558-W)
- Country View Land Sdn. Bhd. (490265-X)
- Country View Property Management Sdn. Bhd. (609466-K)
- Country View Greens Sdn. Bhd. (627420-K)
- Country View Ventures Sdn. Bhd. (444788-X)
  - Optima Bestari Sdn. Bhd. (487495-W) (24% Associated Company of Country View Ventures Sdn. Bhd.)

NOTICE OF 30TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 30th Annual General Meeting of the Company will be held at Hibiscus Room, Thistle Johor Bahru, Jalan Sungai Chat, 80100 Johor Bahru, Johor, Malaysia on Thursday, 25 April 2013 at 10.00 am for the following purposes:-

AGENDA

ORDINARY BUSINESS

1. To receive and consider the Audited Financial Statements for the year ended 30 November 2012 together with the Reports of the Directors and Auditors thereon. **[Resolution 1]**

2. To approve the payment of a sum totalling RM242,000 as Directors' fees for the financial year ended 30 November 2012 (RM224,000 for 30 November 2011) which represents an increase from the previous financial year. **[Resolution 2]**

3. To re-elect the following Directors who retire in accordance with Article 84 of the Company's Articles of Association:

   a) Datuk Ir. (Dr) Mohamed Al Amin Bin Abdul Majid JP **[Resolution 3]**
   b) Mdm. Wong Joon Chin **[Resolution 4]**

4. To re-appoint Messrs BDO as Auditors of the Company for the year ending 30 November 2013 and to authorise the Directors to fix their remuneration. **[Resolution 5]**

SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions:-

ORDINARY RESOLUTION

5. PROPOSED RETENTION OF INDEPENDENT DIRECTORS

   a) "THAT Mr. Choong Shiau Yoon be retained and remain as an Independent Director of the Company in accordance with the Malaysian Code of Corporate Governance 2012." **[Resolution 6]**

   b) "THAT En. Azhar Bin Azizan @ Harun be retained and remain as an Independent Director of the Company in accordance with the Malaysian Code of Corporate Governance 2012." **[Resolution 7]**

SPECIAL RESOLUTION

6. PROPOSED AMENDMENTS TO THE COMPANY'S ARTICLES OF ASSOCIATION **[Resolution 8]**

   "THAT the Company's Articles of Association be and is hereby amended in the manner and to the extent as set out in the Appendix A on pages 6 to 9 of the Annual Report."

7. To transact any other business of which due notice shall have been given in accordance with the Company's Articles of Association and the Companies Act, 1965.

By Order of the Board

Lee Wee Hee (MAICSA 0773340)
Hung Siow Ping (MAICSA 7039825)
Company Secretaries

29 March 2013

NOTICE OF 30TH ANNUAL GENERAL MEETING (Cont'd)

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. Notwithstanding this, a member entitled to attend and vote at the Meeting is entitled to appoint any person as his proxy to attend and vote instead of him at the Meeting. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
2. Where a member is an Authorised Nominee as defined under The Securities Industry (Central Depositories) Act, 1991, it may appoint at least one proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account. Where a member of the Company is an Exempt Authorized Nominee which holds ordinary shares in the Company for multiple beneficial owners in one Securities Account ("omnibus account") there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
3. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
5. To be valid, the form of proxy must be deposited at the Registered Office of the Company, Suite 5.11 & 5.12, 5th Floor Menara TJB, 9 Jalan Syed Mohd. Mufti, 80000 Johor Bahru, Johor not less than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof.
6. In respect of deposited securities, only members whose names appear on the Record of Depositors on 19 April 2013, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

Statement Regarding Effect Of Resolutions Under Special Business

7. Proposed Retention of Independent Directors

   The proposed Ordinary Resolution 6 and 7, if passed, will allow Mr. Choong Shiau Yoon and En. Azhar Bin Azizan @ Harun to be retained and continue acting as Independent Directors to fulfil the requirements of Paragraph 3.04 of Bursa Malaysia Securities Berhad's Main Market Listing Requirements and in line with the recommendation No. 3.2 of the Malaysian Code of Corporate Governance 2012. The full details of the Board's justification and recommendations for the retention of Mr. Choong Shiau Yoon and En Azhar Bin Azizan @ Harun are set out on pages 16 and 17 of the Board's Corporate Governance Statement in the 2012 Annual Report.

8. Proposed Amendments to the Company's Articles of Association

   The Proposed Special Resolution 8, if passed, will result in the Articles of Association of the Company being updated in line with Chapter 7 of Bursa Malaysia Securities Berhad's Main Market Listing Requirements.

This is the Appendix A referred to in the Special Resolution set out in the Notice of the 30th Annual General Meeting of COUNTRY VIEW BERHAD.

Appendix A

DETAILS OF THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF COUNTRY VIEW BERHAD

(i) ARTICLE 2 – INTERPRETATION

THAT the following new interpretations be inserted in Article 2 of the Company's Articles of Association:

New Interpretation

"Exempt Authorised Nominee"	**-**	**An exempt authorized nominee refers to an authorized nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of subsection 25A(1) of Central Depositories Act.**
"Share Issuance Scheme"	**-**	**a scheme involving a new issue of shares to employees and/or directors.**

AND THAT all the references to the above words throughout the Articles of Association of the Company be changed accordingly.

(ii) ARTICLE 5 (e) - SHARES TO BE UNDER CONTROL OF DIRECTORS

THAT the existing Article 5(e) shall be deleted in its entirety and replaced with the following new Article 5 (e):

Existing Article 5 (e)

every issue of shares or options to employees and/or Directors of the Company shall be approved by the Members in General Meeting and no Director shall participate in such issue of shares or options unless:

(i) the Members in General Meeting have approved of the specific allotment to be made to such Director; and
(ii) he holds office in the Company in an executive capacity Provided Always that a Director not holding office in an executive capacity may so participate, in an issue of shares pursuant to a public issue or public offer.

New Article 5 (e)

every issue of shares or options to employees and/or Directors of the Company shall be approved by the Members in General Meeting and no Director shall participate in a **Share Issuance Scheme** or options unless:

(i) the Members in General Meeting have approved of the specific allotment to be made to such Director; and
(ii) he holds office in the Company in an executive capacity Provided Always that a Director not holding office in an executive capacity may so participate, in a **Share Issuance Scheme** pursuant to a public issue or public offer.

(iii) ARTICLE 64 - REQUIREMENT IN NOTICE CALLING MEETING

THAT the existing Article 64 shall be deleted in its entirety and replaced with the following new Article 64:-

Existing Article 64

In every notice calling a General Meeting there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him, and that a proxy may, but need not be a Member and that where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy. Where a Member is an Authorised Nominee, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.

New Article 64

In every notice calling a General Meeting there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him, and that a proxy may, but need not be a Member and that where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy. Where a Member is an Authorised Nominee, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account. **Notwithstanding anything contained herein, where a Member is an Authorised Nominee as defined under the Central Depositories Act, he may appoint at least one (1) proxy in respect of each Securities Account he holds with ordinary shares of the Company standing to the credit of the said Securities Account. Where a member of the company is an Exempt Authorised Nominee which holds ordinary shares in the company for multiple beneficial owners in one Securities Account ("omnibus account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.**

(iv) ARTICLE 73 - VOTING RIGHTS OF PROXY

THAT the existing Article 73 shall be deleted in its entirety and replaced with the following new Article 73:-

Existing Article 73

A proxy shall be entitled to vote on a show of hands on any question at any General Meeting.

New Article 73

A proxy shall be entitled to vote on a show of hands on any question at any General Meeting. **A proxy appointed to attend and vote at a meeting of the company shall have the same rights as the member to speak at the meeting.**

(v) ARTICLE 78 - INSTRUMENT APPOINTING PROXY TO BE IN WRITING

Existing Article 78

The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under Seal or under the hand of an officer or attorney duly authorised. A proxy may but need not be a Member of the Company and the provisions of section 149(1)(b) of the Act shall not apply to the Company. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

New Article 78

The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under Seal or under the hand of an officer or attorney duly authorised. A proxy may but need not be a Member of the Company and the provisions of section 149(1)(b) of the Act shall not apply to the Company. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll. **There shall be no restriction as to the qualification of the proxy.** The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

(vi) ARTICLE 79 - FORM OF PROXY

THAT the existing Article 79 shall be deleted in its entirety and replaced with the following new Article 79:-

Existing Article 79

The instrument appointing a proxy shall be in the following form or in such other form as the Directors may from time to time prescribe or approve subject to the Act and the Listing Requirements:-

COUNTRY VIEW BERHAD

I/We,……………………………………………………………………………………………………
of…………………………………………………………………………………………………being
a………………………………………………………………of Country View Berhad, hereby appoint
……………………………………………………………………of ……………………………………………
……………………………………………………………………………………………… or failing whom,
…………………………………………………………………… of ……………………………………………
as my/our proxy to vote for me/us and on my/our behalf of the (Annual or Extraordinary as the case may be) General Meeting of the Company, to be held at …………………(place of meeting) on the ….. day of ……………….. at ………….(time of meeting) and, at every adjournment thereof to vote as indicated below in respect of the following Resolutions:

	FOR	AGAINST
Ordinary Resolution/ Special Resolution		

(Please indicate with an "X" in the space provided above on how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his discretion)

Dated …….. day of ………………..

No. of Shares Held :

Signature of Member(s)

Notes:
1. A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
2. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
3. Where a member is an authorised nominee as defined under the The Securities Industry (Central Depositories) Act, 1991, it may appoint at least one proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
5. To be valid, the form of proxy must be deposited at the Registered Office of the Company not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.

New Article 79

The instrument appointing a proxy shall be in the following form or in such other form as the Directors may from time to time prescribe or approve subject to the Act and the Listing Requirements:-

COUNTRY VIEW BERHAD

I/We,………..
of……being
a…………………………………………………………………………of Country View Berhad, hereby appoint
…………………………………………………………………………of ……………………………………………
…………………………………………………………………………………………………. or failing whom,
……………………………………………………………………………. of ……………………………………….
as my/our proxy to vote for me/us and on my/our behalf of the (Annual or Extraordinary as the case may be) General Meeting of the Company, to be held at …………………(place of meeting) on the ….. day of ……………….. at …………..(time of meeting) and, at every adjournment thereof to vote as indicated below in respect of the following Resolutions:

	FOR	AGAINST
Ordinary Resolution/ Special Resolution		

(Please indicate with an "X" in the space provided above on how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his discretion)

Dated …….. day of ………………..

No. of Shares Held :

Signature of Member(s)

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. **Notwithstanding this, a member entitled to attend and vote at the Meeting is entitled to appoint any person as his proxy to attend *and vote instead of him at the Meeting. There shall be no restriction as to the qualification of the proxy.* A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.**
2. Where a member is an Authorised Nominee as defined under the The Securities Industry (Central Depositories) Act, 1991, it may appoint at least one proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account. **Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one Securities Account ("omnibus account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.**
3. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
5. To be valid, the form of proxy must be deposited at the Registered Office of the Company not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.

CHAIRMAN'S STATEMENT

PERFORMANCE AND FINANCIAL REVIEW

The financial year ended 30 November 2012 has truly been a fantastic and exciting year for the Group. You will be happy to note that we went into financial year 2012 with renewed vigor and confidence after having seen a turnaround in our performance during the previous financial year.

The Group turned in a very robust performance and posted a profit before tax of RM52.7 million compared to RM11.8 million in the previous financial year.

Profit after tax for the financial year ended 30 November 2012 was RM38.02 million compared to RM7.71 million registered in the previous financial year.

The Group's revenue of RM191.2 million for the financial year ended 30 November 2012 represented an increase of RM94.9 million or 99% compared to RM96.3 million recorded in the previous financial year.

The increase in revenue and profit before tax was derived from the increase in sales of residential properties and triple storey shop offices in Taman Nusa Sentral as well as the bungalow units, Residence At The Peak together with a higher percentage of completion recognized for all the properties under development by the Group.

The net assets per share as at 30 November 2012 is RM1.72 and the Group's earnings per share for the financial year is 38.02 sen, an increase of 393.12% compared to the previous year.

PROPERTY DEVELOPMENT

Nusa Sentral Project

The Group's key development project at Nusa Sentral in Bandar Nusajaya, launched in the fourth quarter of financial year 2010 has been the main development driving the Group's performance.

During the financial year, the sales of it's double storey terrace houses under Phase 1, 2, 3 and 4 had recorded remarkable take up rates leading to the astounding success.

In view of the pent-up demand from potential buyers arising from the positive sentiments emanating from the promotion and development of various catalytic projects in Iskandar Malaysia, the Group quickly followed up the success by launching Phase 5 in January 2013 after the financial year ended.

Sales for Phase 5 have been similarly strong and encouraging.

The sales of it's Triple Storey Shopoffices under Phase 1, 2, 3 and 4 continued to attract strong sales take up from both local and foreign buyers.

The Group obtained the Certificate of Completion & Compliance (CCC) in respect of the 312 units of Double Storey Terrace Houses under Phase 1 of Nusa Sentral for handing over to purchasers in December 2012.

Residence At The Peak

Of the 12 units of up market bungalow development, Residence At The Peak, developed by Country View Greens Sdn. Bhd. a total of 8 units has been sold to date.

PROSPECTS

The excitement and focus by both local and foreign investors on developments in Iskandar Malaysia has been growing arising from the announcements of catalytic projects and investments impacting Iskandar Malaysia. The opening of Legoland and Puteri Harbour Family Theme Park at Nusajaya has added to the vibrancy and stirred strong investor interest in the Nusajaya Development region.

CHAIRMAN'S STATEMENT (Cont'd)

Barring unforeseen circumstances, the Group expects to maintain its current good performance into the financial year ending 30 November 2013. The Group expects its performance for the financial year ending 30 November 2013 to be derived mainly from the revenue and profit recognition from the residential properties and triple storey shop offices at Taman Nusa Sentral, Bandar Nusajaya that were sold as well as the bungalow units, Residence At The Peak, as the construction of the said properties progresses.

The Group also expects the sales of future launches in Taman Nusa Sentral in 2013 to contribute positively to its financial results.

DIVIDEND

Based on our performance recorded for the financial year ended 30 November 2012 and the expected positive performance going forward, the Company declared an Interim Dividend of 6 sen per ordinary share of RM1-00 each less 25% income tax in respect of financial year ending 30 November 2013 and paid on 22 February 2013 to reward our shareholders.

The Board aims to maintain its performance to ensure that it will be able to deliver consistent dividend payments to its shareholders going forward.

CORPORATE SOCIAL RESPONSIBILITY

"Corporate Social Responsibility is defined as open and transparent business practices that are based on ethical values and respect for the community, employees, the environment, shareholders and other stakeholders."

(Source : Bursa Malaysia Securities Berhad Corporate Social Responsibility Framework For Public Listed Companies Issued on 11th September 2006)

The principle and practice of corporate social responsibility as envisioned in the above definition has been observed & intertwined to varying degrees since the inception of the Country View Berhad Group except that these practices have not been reduced into a written document or framework.

Elements of Country View Berhad's principles and philosophy on corporate social responsibility are already reflected in the Group's mission statement published after the Group's listing on Bursa Malaysia Berhad in 2002, which emphasizes on striving to :

- Be ethical, efficient and effective in everything we do.
- Provide excellent products and services to our customers.
- Enhance shareholders value.
- Provide a conducive business environment for our employees to maximise their individual potential.
- Contribute to our community and enhance the quality of our society.
- Contribute to our country in supporting socio-economic development.

Country View Berhad has and will continue to conduct and enhance its business practices in an open and transparent manner based on good ethical and moral values with due consideration and respect to the community, employees, the environment, shareholders and other stakeholders.

APPRECIATION

On behalf of the Board, I would like to thank all our shareholders, bankers, business partners, associates and our esteemed customers. Our appreciation also goes out to the relevant regulatory authorities, the various government agencies and local authorities. Our success would not have been possible without their continuous support and confidence in the Country View Group.

In closing, I would like to record my profound appreciation to my fellow colleagues on the Board for their counsel, and to the management team and all the members of the Country View family for their support, dedication and commitment throughout the year.

DATUK Ir. (Dr) MOHAMED AL AMIN BIN ABDUL MAJID JP
Executive Chairman

PROFILE OF DIRECTORS

DATUK Ir. (Dr) MOHAMED AL AMIN BIN ABDUL MAJID JP
57 years of age – Malaysian
Executive Chairman

He was appointed to the Board of Country View Berhad ("CVB") as the Executive Chairman on 1 February 2001. He qualified with a Diploma in Technology from Oxford College of Further Education and also holds a degree in Bachelor of Science in Civil Engineering from the University of Aston, Birmingham, United Kingdom from which he was also conferred an Honorary Doctorate Degree – Doctor of Science. He is also a Corporate Member of Institute of Engineers (IEM), Malaysia and a professional engineer (PE).

He has served Perbadanan Kemajuan Negeri Perak (PKNP) as a Project Engineer in 1979 and was later appointed as Executive Director of Maju Bangun Sdn Bhd, a subsidiary of PKNP.

He currently holds various positions in a few listed and non-listed companies, namely as Executive Chairman of Nylex (M) Berhad and Redberry Sdn Bhd; as Chairman of MCIS Zurich Insurance Berhad and as Director of Ancom Berhad.

He was appointed Chairman of SME Corporate Malaysia (formally known as Small and Medium Industries Development Corporation), an important government agency in the development and enhancement of small and medium enterprises in Malaysia under the Ministry of International Trade and Industry since October 2006.

Datuk Ir (Dr) Mohamed Al Amin has been appointed by the Prime Minister as Council Member of National Information Technology Council (NITC), an organisation that strategically manages ICT in the interest of the nation in October 2010.

He attended all the five board meetings held during the financial year ended 30 November 2012. He has no family relationship with any of the Directors and/or major shareholders of CVB. He has interests in certain companies carrying on similar businesses/trade as the CVB Group. During the financial year up to the date of this Report, he has not been involved in any new business which will give rise to competition/conflict with the current business of the Group. He has no convictions for offences within the past 10 years. He directly holds 950,000 ordinary shares of the Company.

LAW KIT TAT
52 years of age – Malaysian
Executive Director

He was appointed to the Board of Country View Berhad ("CVB") on 2 June 1986. He also holds directorships in all the subsidiaries of CVB. While he was doing his second year in Civil Engineering at the University of Sunderland (then known as Sunderland Polytechnic) in Sunderland, United Kingdom, he was requested to return to Malaysia to assist in his family's business.

He has extensive experience in the property development business through his involvement in the industry for the past 26 years.

He is a director of Target Prestige Berhad, a non-listed public company and he also sits in the board of several other private limited companies.

He attended all the five board meetings held during the financial year ended 30 November 2012. He is the brother of Mr Law Kee Kong, a Non Independent Non-Executive Director and major shareholder of CVB. He has interests in certain companies carrying on similar businesses/trade as the CVB Group. During the financial year up to the date of this Report, he has not been involved in any new business which will give rise to competition/conflict with the current business of the Group. He has no convictions for offences within the past 10 years. He directly holds 15,875,000 ordinary shares of the Company.

PROFILE OF DIRECTORS (Cont'd)

WONG CHEE SEAN @ WONG SEAN
43 years of age – Malaysian
Executive Director

He was appointed to the Board of Country View Berhad ("CVB") on 2 March 1993. He also sits on the Board of all CVB's subsidiaries and associated company. He is also a member of Remuneration Committee.

He graduated with a Bachelor of Science in Business Administration (majoring in International Business Marketing) from the San Francisco State University.

He has over 19 years of experience in the property development industry and is also actively involved in several other business ventures such as oil palm plantations, timber plantations, investment holding and investment in properties. He is currently a director of several other private limited companies. He does not hold directorship in any other public company.

He attended all the five board meetings held during the financial year ended 30 November 2012. He is the son of Mdm Hang Ah Jee @ Hung Ah Jee, a major shareholder of CVB. and also the cousin of Mdm Wong Joon Chin, an Executive Director of CVB. He has interests in certain companies carrying on similar businesses/trade as the CVB Group. During the financial year up to the date of this Report, he has not been involved in any new business which will give rise to competition/conflict with the current business of the Group. He has no convictions for offences within the past 10 years. He directly holds 10,608,736 ordinary shares of the Company.

WONG JOON CHIN
55 years of age – Malaysian
Executive Director

She was appointed to the Board of Country View Berhad ("CVB") on 30 May 1986. She has extensive experience in the property development industry and holds directorship in all the subsidiaries of CVB. She holds a Bachelor of Science (Hons) degree in Banking and International Finance from the City University in London, United Kingdom. She is presently a member of Risk Management Working Committee of the Company.

She also has extensive experience in business and is a director of Target Prestige Berhad, a non-listed public company. She also sits in the board of several other private limited companies.

She attended all the five board meetings held during the financial year ended 30 November 2012. She is the cousin of Mr Wong Chee Sean @ Wong Sean, an Executive Director and major shareholder of CVB and is the niece of Mdm Hang Ah Jee @ Hung Ah Jee, a major shareholder of CVB. She has interests in certain companies carrying on similar businesses/trade as the CVB Group. During the financial year up to the date of this Report, she has not been involved in any new business which will give rise to competition/conflict with the current business of the Group. She has no convictions for offences within the past 10 years. She directly holds 2,150,000 ordinary shares of the Company.

PROFILE OF DIRECTORS (Cont'd)

LAW KEE KONG
50 years of age – Malaysian
Non Independent Non Executive Director

He was appointed to the Board of Country View Berhad ("CVB") on 27 March 2002. He holds a Bachelor of Arts (majoring in Economics) from University of Manitoba, Canada. He is currently involved and sits on the Board of various family-controlled companies which are mainly engaged in the business of property investment and housing development.

He is presently a member of Audit Committee, Remuneration and Nomination Committees of CVB, He is a director of several other private limited companies. He does not hold directorship in any other public company.

He attended all the five board meetings held during the financial year ended 30 November 2012. He is the younger brother of Mr Law Kit Tat, an Executive Director and major shareholder of CVB. He has interests in certain companies carrying on similar businesses/trade as the CVB Group. During the financial year up to the date of this Report, he has not been involved in any new business which will give rise to competition/conflict with the current business of the Group. He has no convictions for offences within the past 10 years. He directly holds 6,250,000 ordinary shares of the Company.

CHOONG SHIAU YOON
55 years of age – Malaysian
Senior Independent Non-Executive Director

He was appointed to the Board of Country View Berhad ("CVB") on 27 March 2002. He has been a member (Chartered Accountants) of the Malaysian Institute of Accountants since 1985. He is also a Fellow of the Association of Chartered Certified Accountants (ACCA) and a Fellow of the Chartered Tax Institute of Malaysia ("CTIM"). He also gained a Master of Science in Business Finance from Brunel University, London. He is presently the Chairman of the Audit Committee, Risk Management Working Committee and the Nomination Committee of the Company.

He qualified as a member of ACCA in England in 1985, and continued to gain further experience and exposure in auditing and tax in England before enrolling for a Master of Science in Business Finance in September 1989. He returned to Malaysia after completing the Master of Science in October 1990, and joined KPMG in Johor Bahru in January 1991. After more than three years in KPMG, he left in 1994 to start his own practice in Johor Bahru until now.

His experience apart from auditing ranges from involvement in the capacity of reporting accountant for companies seeking listing on the Bursa Malaysia Securities Berhad, restructuring, engaging in mergers and takeovers and various aspects of tax and business consultancy. He is currently a director of several other private limited companies. He does not hold directorship in any other public company.

He attended all the five board meetings held during the financial year ended 30 November 2012. He has no family relationship with any of the Directors and/or major shareholder of CVB. He does not have any conflict of interest with CVB. He has no convictions for offences within the past 10 years. He does not hold any shares of the Company.

PROFILE OF DIRECTORS (Cont'd)

AZHAR BIN AZIZAN @ HARUN
50 years of age – Malaysian
Independent Non-Executive Director

He was appointed to the Board of Country View Berhad ("CVB") on 27 March 2002. He graduated from the University of Malaya with an LLB (Hons) degree in 1986. He was admitted as an Advocate and Solicitor of High Court of Malaya on 27 February 1987. In 1990, he obtained his Master of Law degree with merit from King's College, University of London specialising in Corporate and Commercial Law. He has extensive experience as an Advocate & Solicitor and currently concentrates his practice in litigation matters involving shareholders right and remedies, corporate liquidation and receivership; corporate debts restructuring and building and construction claims.

He is presently practising law in Messrs Hisham Sobri and Kadir. He is also a member of Audit Committee, Nomination Committee and Risk Management Working Committee. He is also the Chairman of Remuneration Committee of CVB. He is also a Non-Independent Non-Executive Director and Chairman of the Board of Destini Berhad, a public company listed on the Main Market of Bursa Malaysia Securities Berhad.

He attended all the five board meetings held during the financial year ended 30 November 2012. He has no family relationship with any of the Directors and/or major shareholder of CVB. He does not have any conflict of interest with CVB. He has no convictions for offences within the past 10 years. He does not hold any shares of the Company.

CORPORATE GOVERNANCE STATEMENT

The Board of Country View Berhad subscribes to and supports the Malaysian Code on Corporate Governance (Revised 2007) ("Code") and the Best Practices based on the Revised Code as a minimum basis for practices on corporate governance.

In respect of the new Malaysian Code on Corporate Governance 2012 ("MCCG 2012") released by the Securities Commission, the Group will move towards adopting and reporting its application in the next report for the financial year 2013.

Corporate Governance within Country View Berhad

The Board of Country View Berhad ("CVB") acknowledges that corporate governance is an ongoing process that from time to time requires reassessment and refinement.

The CVB Group was substantially in compliance with the principles of Corporate Governance and best practices provisions as set out in the Code throughout the financial year ended 30 November 2012.

Set out below is a statement of how CVB has applied the Principles of the Code and compliance with the Best Practices provisions.

DIRECTORS

The Board and Board Balance

The Board acknowledges the need for direction and control of the Group being firmly in its own hands. The Board reserves appropriate strategic, financial and organisational matters for its collective decision and monitoring. The Board meets at least 4 times a year, with additional meetings convened as and when necessary.

The Board currently has 7 members, comprising of 2 independent non-executive directors, 1 non independent non-executive director and 4 executive directors (including the Chairman). The members of the Board have the appropriate, adequate and relevant professional and business experiences. Together, the Directors bring wide business, regulatory, industry and financial experience relevant to the direction of the CVB Group.

All non-executive directors bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct. Independence and balance of the Board is ensured through the presence of independent non-executive Directors of the caliber necessary to carry sufficient unbiased weight in Board decisions.

2 out of 7 members of the Board are independent in accordance with the definition provided in Bursa Malaysia Securities Berhad's Listing Requirements which requires at least two or one-third of the Board whichever is higher, to comprise of independent directors.

Although all the Directors have an equal responsibility for the Group's operations, the roles of these independent directors is particularly important in ensuring that the strategies proposed by the executive management are fully discussed and examined, and take account of the long term interest of all shareholders, employees, customers, suppliers and the community.

A brief description of the background of each Director is presented on pages 12 to 15 of this Annual Report.

The Board has identified Choong Shiau Yoon as the Senior Independent Non-Executive Director.

Tenure of Independent Directors

Mr. Choong Shiau Yoon and En. Azhar Bin Azizan @ Harun were appointed as Independent Directors since 27 March 2002. Pursuant to Recommendation 3.2 of MCCG 2012, both Mr. Choong and En. Azhar will have served as Independent Directors for a period of more than 11 years by 25 April 2013 the scheduled date for the 2013 Annual General Meeting.

CORPORATE GOVERNANCE STATEMENT (Cont'd)

Pursuant to Recommendation 3.3 of MCCG 2012, and notwithstanding their long tenure in office, the Board based on the review and recommendations made by the Nomination Committee, is unanimous in it's opinion that Mr. Choong's and En. Azhar's independence has not been compromised or impaired in any way after having noted the following considerations during the review and assessment of Mr. Choong's and En. Azhar's independence:

- Both Mr. Choong and En. Azhar continue to fulfill the criteria and definition of an Independent Director as set out under Paragraph 1.01 of Bursa Malaysia's Main Market Listing Requirement;

- During their tenure in office, both Mr. Choong and En. Azhar have not developed, established or maintained any significant relationship which would impair their independent as an Independent Director with the Executive Directors and major shareholders other than normal engagements and interactions on a professional level consistent and expected of them to carry out their duties as Independent Non-Executive Directors, Chairman or member of the Board's Committees;

- During their tenure in office, both Mr. Choong and En. Azhar have never transacted or entered into any transactions with, nor provided any services to the Company and its subsidiaries, within the scope and meaning as set forth under Paragraph 5 of Practice Note 13 of Bursa Malaysia's Main Market Listing Requirements;

- During their tenure in office as Independent Non-Executive Directors in the Company, both Mr. Choong and En. Azhar have not been offered or granted any options by the Company. Other than Director's fees and allowances paid which has been an industry norm and within acceptable market rates, duly disclosed in the Annual Reports, no other incentives or benefits of whatsoever nature had been paid to them by the Company.

Accordingly the Board strongly recommends retaining both Mr. Choong and En. Azhar as Independent Non-Executive Directors and will be tabling an Ordinary Resolution to shareholders at the forthcoming Annual General Meeting for the said purpose.

Supply of Information

The management has a responsibility and duty to provide the whole Board with all the information, of which it is aware, to facilitate the discharge of the Board's responsibilities. The Board therefore expects to receive all material information about the Group, its operating units, its activities and performance. As a general rule, papers on specific subjects are sent to the Board in advance so that time at the Board meeting can be conserved and used for focused discussion. All directors have the right and duty to make further enquiries where they consider this necessary.

All Directors have access to the advice and services of the Company Secretary and may take independent advice, at the Group's expense, in the furtherance of their duties if so required.

The Board is also kept progressively informed of the various requirements and updates issued by the various regulatory authorities. Usually, these updates are provided and briefed by the management, Company Secretary, External and Internal Auditors.

Board Meeting

There were 5 Board Meetings held during the financial year ended 30 November 2012 and all Directors had attended all the meetings.

The Board has delegated specific responsibilities to other Board Committees, all of which have written constitutions and term of references. Standing committees of the Board include the Audit Committee, the Nomination Committee, the Remuneration Committee and Risk Management Working Committee.

The Board and its Committees were appropriately supported by the Company Secretaries who were suitably qualified and competent. The Company Secretaries attended all the Board and Board committee Meetings held during the financial year ended 30 November 2012.

CORPORATE GOVERNANCE STATEMENT (Cont'd)

Re-Election

In accordance with the Company's Articles of Association, all directors are subject to election by shareholders at the first opportunity after their appointment. The Articles provides that one-third or the number nearest to one-third of the directors are subject to re-election by rotation at each Annual General Meeting provided always that all Directors, including the Managing Director, shall retire from office at least once every three (3) years but shall be eligible for re-election.

Directors' Training

The Board oversees the training needs of its Directors. Directors are regular updated on the Group's business and the competitive and regulatory environment in which they are operate. All Directors have attended and completed the Mandatory Accreditation Programme as prescribed by Bursa Malaysia Securities Berhad.

Under the revised Bursa Malaysia Listing Requirements, the Board has assumed the onus of determining or overseeing the training needs of its Directors. To keep abreast of developments and trends the Directors are encouraged to attend training programme, seminars and briefings that will enhance their knowledge and enable them to discharge their duties effectively.

During the financial year, all Directors attended an in-house seminar titled "Related Party Transactions – Caution for investors in Asia" conducted by Epsilon Advisory Services Sdn Bhd on 23 October 2012.

During the financial year, En. Azhar Bin Azizan @ Harun had also attended the following seminar:

Date	Topic	Conducted by
10 April 2012	Controversies of Financial Reporting Practices in Malaysia – An Educational Perspective and Reviewing the Risk and Control on the Quality of Financial Statement"	Bursatra Sdn Bhd

Mr. Choong Shiau Yoon had also attended the following seminars during the financial year:

Date	Topic	Conducted by
12 April 2012	Tax Implications on FRSs/MFRSs	Malaysian Institute of Accountants
04 & 05 June 2012	Accounting for Construction Contracts, Property Development and Real Estate Activities and Borrowing Costs	Malaysian Institute of Accountants
17 & 18 July 2012	National Tax Conference 2012	LHDN, Malaysia & Chartered Tax Institute of Malaysia
17 October 2012	2013 Budget Seminar – Highlights & Implications	LHDN, Malaysia & Chartered Tax Institute of Malaysia

Board Committee

The Board has delegated specific responsibilities to other Board Committees, all of which have written constitutions and term of references. Standing committees of the Board include the Audit Committee, the Nomination Committee, the Remuneration Committee and Risk Management Working Committee.

CORPORATE GOVERNANCE STATEMENT (Cont'd)

a) Audit Committee

The composition requirement of the Audit Committee members is in accordance with the regulatory requirements. The Audit Committee Chairman has access to all the Executive Directors, senior management, External and Internal Auditors. On a separate note, the Board is mindful of the Main Market Listing Requirements on the review of the terms of office and performance of the Audit Committee and each of its members at least once every three (3) years. The review of the terms of office and performance of the Audit Committee and each of its members are carried out annually.

Further information on the composition of the Audit Committee, its terms of reference and a summary of its activities are set out on pages 23 to 26 of this Annual Report.

b) Nomination Committee

A Board Nomination Committee, with appropriate terms of reference, was set up on 26 February 2003. The committee chaired by the Senior Independent Non-Executive Director and comprising wholly of non-executive directors, a majority of whom are independent, are as follows:

1. Choong Shiau Yoon (Chairman)
2. Azhar Bin Azizan @ Harun
3. Law Kee Kong

The Board Nomination Committee is responsible to assist the Board in reviewing its size and composition, and recommend to the Board, appointment of new Directors of the Company and Board Committees.

The Board, through the Board Nomination Committee will review annually its mix of skills and experience and other qualities, including core competencies which non-executive directors should bring to the Board.

The process of assessing the effectiveness of the Board as a whole, the Board Committees and the individual contribution of each Board members is carried out by the Nomination Committee. The ultimate decision for all matters, however lies with the Board as a whole.

Subsequent to the close of the financial year, the Nomination Committee had carried out its annual process of evaluation and both the Nomination Committee and Board has concurred that the Board's dynamics are healthy and effective. Taking into consideration the recommendation made under MCCG 2012. En. Azhar Bin Azizan @ Harun, the previous Chairman for Nomination Committee stepped down to make way for Mr. Choong Shiau Yoon, the Senior Independent Non-Executive Director in March 2013.

As part of the process in appointing new directors, the Board Nomination Committee will provide for adequate training and orientation of new directors on the business structure and management of the Group as well as the expectations of the Board with regards to their contributions to the Board and the Group.

c) Remuneration Committee

A Board Remuneration Committee ("BRC") with appropriate terms of reference was established by the Board on 26 February 2003. The committee comprising majority of non-executive directors are as follows:

1. Azhar Bin Azizan @ Harun (Chairman)
2. Law Kee Kong
3. Wong Chee Sean @ Wong Sean

The primary objectives of BRC are to assist the board to establish, recommend and constantly review formal and transparent remuneration policies and procedures to attract and retain directors which should be aligned with the business strategy and long term objectives of the Company taking into consideration that the remuneration of the Board should reflect the Board's responsibilities, expertise and complexity of the Company's activities.

CORPORATE GOVERNANCE STATEMENT (Cont'd)

In respect of the non-executive directors, the level of remuneration reflects the experience and level of responsibilities undertaken and is a matter for consideration by the Board as a whole. The non-executive directors shall abstain from discussions pertaining to their own remuneration.

Directors' Remuneration

The details of the directors' remuneration for the financial year are summarised below:

Directors	Salaries and other emoluments (RM)	Bonus (RM)	Fees (RM)	Benefits-in-kind (RM)	Total (RM)
EXECUTIVE DIRECTORS	1,060,055	174,000	80,000	85,791	1,399,846
NON-EXECUTIVE DIRECTORS	-	-	162,000	-	162,000

The proposed Directors' fees of RM80,000 for the Executive Directors and RM162,000 for Non-Executive for the financial year ended 30 November 2012 are subject to shareholders approval at the forthcoming Annual General Meeting.

The number of directors whose total remuneration fell within the following bands for the financial year was as follows:

	No. of Directors	
Range of Remuneration	**Executive**	**Non-Executive**
RM50,001-RM100,000	-	3
RM100,001-RM150,000	-	-
RM150,001-RM200,000	-	-
RM200,001-RM250,000	1	-
RM250,001-RM300,000	1	-
RM300,000 -RM350,000	2	-
	4	3

The disclosure of directors' remuneration is made in accordance with Appendix 9C, item 10 of the Bursa Malaysia Securities Berhad's Listing Requirements. This method of disclosure represents a deviation from the Best Practices set out in the Code, which suggests separate disclosure of each director's remuneration. The Board of Directors is of the opinion that separate disclosure will impinge upon the directors' right of privacy.

CORPORATE GOVERNANCE STATEMENT (Cont'd)

Shareholders

Dialogue between the Company and Investors

The Annual General Meeting will be the principal forum for dialogue with shareholders. To ensure that shareholders and investors are well informed of major developments of the Group, information is disseminated to shareholders and investors through various disclosures and announcements to Bursa Malaysia Securities Berhad which include quarterly financial results, as well through the annual report and where appropriate, circulars and press releases.

The Board will regularly review the above shareholder communications policy to ensure consistent and accurate information is provided to shareholders and fund managers on the Group and to provide prompt feedback to senior management on shareholders and investors' concerns and market perceptions thus ensuring effectiveness of the information dissemination.

The Group also maintains a website *www.countryview.com.my* for shareholders and public to access corporate information and new events related to the group.

Annual General Meeting

At the coming Annual General Meeting, the Board encourages shareholders to participate in the question and answer session. The Board of Directors will be available to respond to shareholders' questions during the meeting.

Each item of special business included in the notice of the meeting will be accompanied by a full explanation of the effects of a proposed resolution.

Accountability and Audit

Financial reporting

In presenting the annual financial statements and quarterly announcements to shareholders, the directors aim to present a balanced and understandable assessment of the Group's position and prospect. This also applies to other price-sensitive public reports and reports to regulators.

Internal Control

The Board recognises the importance of a sound system of internal control to safeguard the shareholders' investment and the Group's assets.

The Group's Internal Audit Function, which is outsourced to a professional services firm, is an integral part of the assurance mechanism in ensuring that the Group's system of internal control is adequate and effective. The outsourced internal audit function reports directly to the Audit Committee.

The Statement on Internal Control set out on page 27 of this Annual Report provides an overview of the Group's approach in maintaining a sound system of internal control to safeguard shareholders' investment and the Group's assets.

The cost incurred for outsourcing the internal audit function of the Group for the financial year ended 30 November 2012 is at RM57,788 (2011: RM54,311).

Relationship with the Auditors

Through the Board Audit Committee, the Group has established transparent and appropriate relationship with the Group's Auditors.

A report of the Board Audit Committee is provided in page 23 of this Annual Report.

ADDITIONAL COMPLIANCE INFORMATION

To comply with the Listing Requirements, the following additional information is provided:

1. **Utilisation of proceeds**

   There were no proceeds raised by the Company during the financial year.

2. **Share buybacks**

   During the financial year, there were no share buybacks by the Company.

3. **Options, warrant or convertible securities**

   There were no options, warrants or convertible securities issued during the financial year.

4. **American Depository Receipt (ADR) or Global Depository Receipt (GDR) programme**

   During the financial year under review, the Company did not sponsor any ADR or GDR programme.

5. **Impositions of sanctions/penalties**

   There were no material sanctions or penalties imposed on the Company and its subsidiaries, its directors and management by the relevant regulatory authorities during the financial year up to the latest practicable date of this report other than disclosed as follow:-

   On 4 January 2013, Country View Resources Sdn Bhd, a wholly owned subsidiary, was penalized by Majlis Perbandaran Johor Bahru Tengah for the sum of RM22,337.80 for failure to obtain temporary permit before erecting the proper signage, hoarding board, site office and workers cabin, store, showers and toilets for the construction site in Taman Nusa Sentral.

6. **Non-audit fees**

   There were no non-audit fees paid to Messrs BDO by the Company and its subsidiaries during the financial year ended 30 November 2012.

7. **Profit estimate, forecast or projection**

   The Company did not release any profit estimate, forecast or projection during the financial year.

8. **Profit guarantee**

   There was no profit guarantee given by the Company in respect of the financial year.

9. **Material contracts**

   There were no material contracts (not being contracts entered into in the ordinary course of business) either subsisting as at the financial year end or entered into since the end of the previous financial year by the Company and its subsidiaries which involved the interests of the Directors and major shareholders.

10. **Contract relating to loan**

    There were no contracts relating to loan by the Company and its subsidiaries in respect of the preceding item.

11. **Employee Share Scheme**

    There were no employee share scheme implemented or in operation during the financial year.

AUDIT COMMITTEE REPORT

COMPOSITON AND MEETING

The Audit Committee comprises of two Independent Non-Executive Directors and one Non Independent Non Executive Director who are as follows:

1.	Choong Shiau Yoon	~	Chairman, Senior Independent Non-Executive Director
2.	Azhar Bin Azizan @ Harun	~	Independent Non-Executive Director
3.	Law Kee Kong	~	Non Independent Non Executive Director

The Audit Committee held 5 meetings during the financial year ended 30 November 2012 (i.e. 12 January 2012; 1 March 2012, 25 April 2012, 24 July 2012 and 23 October 2012), which were attended by all the members.

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

The activities of the Audit Committee during the financial year under review are summarised as follows:

1. Reviewed and recommended the unaudited interim quarterly financial reports and the annual audited financial statements for the Board's approval prior to their release to Bursa Malaysia Securities Berhad.
2. Reviewed the results of the External Auditors' audit report.
3. Reviewed the audit strategy and plan of the external auditors.
4. Discussed the updates of new developments in accounting standards issued by The Malaysian Accounting Standards Board.
5. Reviewed the Company's Internal Auditors' report on the Company's control weaknesses and recommended the necessary actions for the Board's consideration.
6. Reviewed and recommended the appointment and audit fee of the external auditors for the Board's consideration.
7. Reviewed the Audit Committee Report and Statement on Internal Control before recommending for Board approval for the purpose of inclusion in the Annual Report.
8. Met with the External Auditors in the absence of Executive Board members and management.
9. Reviewed the Chairman's Statement inclusive of Corporate Social Responsibility Statement and the Corporate Governance Statement before recommending for Board approval for the purpose of inclusion in the Annual Report.

INTERNAL AUDIT FUNCTION

The Group's Internal Audit Function, which is outsourced to a professional services firm, is an integral part of the assurance mechanism in ensuring that the Group's system of internal control is adequate and effective. The outsourced internal audit function reports directly to the Audit Committee.

On an annual basis, an internal audit plan is tabled to the Audit Committee for review and approval, and the outsourced internal audit function executes audits based on the approved audit plan. The results of the audit reviews are periodically reported to the Audit Committee. In addition, the outsourced internal audit function carries out follow up reviews to ensure that previously reported issues have been adequately addressed by Management and the results of such reviews are also periodically reported to the Audit Committee.

The internal audits conducted did not reveal weaknesses which would result in material losses, contingencies or uncertainties that would require a separate disclosure in the Annual Report.

AUDIT COMMITTEE REPORT (Cont'd)

TERMS OF REFERENCE

Composition

1. The Audit Committee shall be appointed by the Board of Directors and shall comprise of a minimum of three (3) Directors subject to a maximum of five (5) Directors or such number as may be determined by the Board of Directors from time to time.

2. All the audit committee member must be Non-Executive Directors, with a majority of them being independent directors as defined in Bursa Malaysia Securities Berhad Listing Requirements.

3. The members of Audit Committee shall elect a Chairman from among themselves who shall be an Independent Director; and

4. At least one (1) member of the Audit Committee:-

    i) must be a member of the Malaysian Institute of Accountants ("MIA"), or

    ii) if he is not a member of the MIA, he must have at least 3 years' working experience and:-

        a) he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act, 1967; or

        b) he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act, 1967; or

    iii) Fulfils such other requirements as prescribed or approved by the Exchange.

5. No Alternate Director shall be appointed as a member of the Audit Committee.

6. If a member of the Audit Committee retires, resigns, dies or for any reason ceases to be a member resulting in the non-compliance of paragraph 1 and 4 above, the Board shall within three(3) months of events, fill the vacancy.

7. The company secretary or such other person as the Audit Committee may determine shall be the Secretary of the Audit Committee.

Policy

It is the policy of Country View Berhad ("CVB") to establish an Audit Committee to provide assistance to the Board in relation to fulfilment of the Board's statutory as well as fiduciary responsibilities and ensure that the internal and external audit functions of the CVB Group are being carried out adequately and effectively.

Functions

The Audit Committee shall review, report and make recommendations to the Board on the following matters:

1. The appointment of the external auditors, the audit fee and any questions of re-appointment, resignation or dismissal and in particular to assess the suitability and independence of the external auditors on an annual basis.

2. To discuss with the external auditors, before the audit commences, the nature and scope of the audit.

AUDIT COMMITTEE REPORT (Cont'd)

3. To review with the external auditors:-

   - the audit plan;
   - his evaluation of the system of internal controls;
   - his audit report;
   - his management letter and management's response;
   - the assistance given by the Company's employees to the external auditors;
   - to discuss problems and reservations arising from the interim and final audit, and any matter the auditors may wish to discuss (in the absence of management where necessary).

4. To review:-

   - the Annual Financial Statements of the Company and the Group and thereafter to submit them to the Directors of the Company;
   - the quarterly results and year-end financial statements of the Company and Group prior to the approval of the Board of Directors and thereafter to submit them to the Directors of the Company focusing particularly on:-
     i) changes in or implementation of major accounting policies changes and practices;
     ii) significant adjustments arising from the audit; and
     iii) compliance with accounting applicable financial and accounting reporting standards and other legal requirements.
   - any related party transaction and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity.

5. Establishment of an internal audit function which is independent of the activities it audit and in relation thereto:-

   - Ensure that the head of the internal audit function reports directly to the Audit Committee
   - review the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its works;
   - review the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
   - review any appraisal or assessment of the performance of members of the internal audit function;
   - approve any appointment or termination of senior staff members of the internal audit function;
   - inform itself of changes in personnel of the internal audit staff members and make available the opportunity for resigning staff members to submit his reason for resigning; and
   - conduct regular reviews and appraisals of the effectiveness of the governance, risk management and internal controls processes within the company.

6. To propose best practices on disclosure in financial results and annual reports of the Company in line with the principles and spirit set out in the Malaysian Code of Corporate Governance, other applicable laws, rules, directives and guidelines.

Authority

The Audit Committee is authorised by the Board to:-

a) investigate any matter or activity within its terms of reference;
b) have the resources which are required to perform its duties;
c) have full and unrestricted access to any information pertaining to the Company and Group;
d) have direct communication channels with the external auditors, and person(s) carrying out the internal audit function or activity (if any);
e) obtain independent professional or other advice when needed and to secure the attendance of third parties with relevant experience and expertise if it considers this necessary; and
f) convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Company whenever deemed necessary.

AUDIT COMMITTEE REPORT (Cont'd)

Procedure of Audit Committee

1. The Committee may meet together for the despatch of business, adjourn and subject to Articles 121 to 123 otherwise regulate their meetings as they think fit, provided that the Committee shall meet at least four (4) times in a calendar year.

2. Any member of the Committee may at any time and the Secretary shall on such request summon a meeting of the Committee.

3. At least seven (7) days notice of a meeting of the Committee shall be given to all Committee Members in writing at his last known address or other address given by him for the purpose. The Committee Members may meet on shorter notice and waive notice of any meetings as they deem necessary subject to the consent and agreement of all Committee Members.

   The quorum necessary for the transaction of business shall be two (2) comprised of a majority of Independent Directors.

4. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes, the Chairman shall have a second or casting vote.

5. The external auditors may request a meeting if they consider that one is necessary and the Chairman upon such request will convene a meeting for the purpose.

   The external auditors are entitled to written notice of any meetings of the Committee at the same time as members of the Committee and shall have the right to appear and be heard at any meetings of the Committee.

   The Committee shall meet with the external auditors at least twice a year and if deemed necessary without the presence of any executive Board member.

6. The Financial Controller/ Head of Finance, the Head of Internal Audit shall normally attend meetings or be excluded at the discretion of the Chairman. The Chairman shall, where he deems appropriate, invite any other Board members, employees, third party professionals and/or any person(s) with the relevant experience and expertise to attend any meetings of the Committee.

7. The Committee shall cause minutes to be duly entered into books provided for the purposes:-

   a) of the names of all committee members and other participants at each meeting of the Committee;
   b) of all resolutions and proceedings of committee meetings;
   c) of all orders, recommendations and reports made by the Committee.

   Such minutes shall be signed by the Chairman of the Committee at which the proceedings were held or by the Chairman of the next succeeding meeting, and if so signed, shall be conclusive evidence without any further proof of the facts therein stated.

8. The books containing the Minutes of proceedings of the Committee shall be kept by the Company at the Registered Office of the Company subject to the provisions of the Companies Act, 1965, relating to keeping of Minutes of the Board of Directors and any Committee of the Board of Directors.

STATEMENT ON INTERNAL CONTROL

INTRODUCTION

Pursuant to paragraph 15.26 (b) of Bursa Malaysia's Listing Requirements for the Main Market and as guided by the Bursa Malaysia's Statement on Internal Control: Guidance for Directors of Public Listed Companies ('the Guidance"), the Board of Directors ("the Board") of Country View Berhad is pleased to include a statement on the state of the Group's internal control for the financial year ended 30 November 2012.

BOARD RESPONSIBILITY

The Board acknowledges its overall responsibility for the Group's system of internal control and risk management, which includes the establishment of an appropriate control environment and framework, and the review of its integrity, effectiveness and adequacy with the view to ensure that the Group's assets and shareholders' interests are safeguarded.

Due to the inherent limitations in any system of internal control, such system put in place by Management can only manage rather than eliminate all risks that may impede the achievement of the Group's business objectives or goals. Therefore, such system of internal control can only provide reasonable and not absolute assurance against material misstatement or loss.

RISK MANAGEMENT SYSTEM

The Board maintains an ongoing commitment to strengthen the Company's risk management framework. Risk Management is regarded by the Board to be an integral part of the business operations. Key management staff and Heads of Department are responsible for managing the identified risks within defined parameters and standards. In the periodic management meetings, key risks and mitigating controls are deliberated. Significant risks affecting the Group's strategic and business plans are escalated to the Risk Management Working Committee before reporting to the Audit Committee and ultimately the Board at their scheduled meetings.

The above mentioned risk management practices of the Group served as the on-going process to identify, evaluate and manage significant risks.

KEY ELEMENTS OF INTERNAL CONTROL

1. Internal Audit

   The Group's Internal Audit function, which is outsourced to a professional services firm, is an integral part of the assurance mechanism in ensuring that the Group system of internal control are adequate and effective. The internal audit function reports directly to the Audit Committee.

   A risk based internal audit plan is tabled to the Audit Committee for review and approval on an annual basis and the internal audit function executes the audits based on the approved plan. The results of the audit reviews are periodically reported to the Audit Committee. Although a number internal control weaknesses were identified, none of the weaknesses have resulted in any material losses that would require separate disclosure in this annual report.

2. Reporting and Review

   The Group maintains formal and structured lines of reporting and responsibilities within the Group. A reporting hierarchy has been established for review and approval process within the Group.

   Information is provided to the Senior Management and the Board via monthly and quarterly management reports respectively. This is to ensure that matters that require the Board and Senior Management's attention are highlighted for review, deliberation and decision on a timely basis.

STATEMENT ON INTERNAL CONTROL (Cont'd)

KEY ELEMENTS OF INTERNAL CONTROL (Cont'd)

2. Reporting and Review (Cont'd)

   Ad-hoc and scheduled meetings are held at operational and management levels to identify operational issues, discuss and review the business plans, budgets, financial and operational performances of the Group. The quarterly financial statements containing key financial results and comparisons are tabled to the Board for their review.

3. Audit Committee

   The Audit Committee reviews the internal audit report, quarterly financial reports and annual financial statements to examine the adequacy and effectiveness of the Group's internal control system as well as its performance. Discussions with the Board were held to deliberate on necessary action and mandate changes where necessary.

4. Management Structure

   The daily running of the business is entrusted to the Executive Director and his Management team. Under the purview of the Executive Director, the heads of each operating subsidiary and department of the Group are empowered with the responsibility of managing their respective operations.

5. Internal Policies and Procedures

   Policy and Procedures, handbook, guidelines and authority limits are established for Executive Directors and Management within the Group in respect of day-to-day operations.

6. External Audit

   In accordance with Paragraph 15.23 of Bursa Securities' Listing Requirements for the Main Market, the external auditors have performed a review on the statement on internal control for its inclusion into the annual report of the Company for financial year ended 30 November 2012, and reported to the Board that nothing has come to their attention that cause them to believe that this statement is inconsistent with their understanding of the processes the Board have adopted in reviewing the adequacy and integrity of the internal control system of the Group.

CONCLUSION

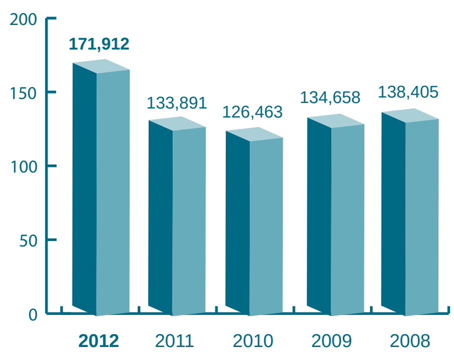
The Board recognizes the necessity to continuously improve the system of internal control and risk management practices to safeguard shareholders' investments and the Group's assets. Therefore, the Group will continuously evolve to meet the changing and challenging business environment and put in place appropriate action plans to further enhance the system of internal control if necessary.

FIVE YEARS FINANCIAL HIGHLIGHTS

	2012	2011	2010	2009	2008
Paid-up capital (RM'000)	100,000	100,000	100,000	100,000	100,000
Shareholders' funds (RM'000)	171,912	133,891	126,463	134,658	138,405
NTA (RM'000)	171,912	133,891	126,463	134,658	138,405
NTA per share (sen)	172	134	126	135	138
Revenue (RM'000)	191,181	96,297	23,258	51,496	24,721
Profit/(loss) before taxation (RM'000)	52,740	11,483	(8,545)	(1,051)	(11,060)
Profit/(loss) after taxation (RM'000)	38,021	7,708	(8,195)	(3,747)	(10,607)
Earnings per share (sen)	38.02	7.71	(8.20)	(3.75)	(10.61)
Pretax profit/(loss) margin (%)	27.39	12.22	(36.74)	(2.04)	(44.74)
Current ratio	2.48	2.49	3.23	1.47	2.26
Return on capital employed (%)	30.68	8.79	(6.76)	(0.78)	(7.99)
Total borrowings (RM'000)	118,244	119,698	104,769	99,467	106,226
Gearing (times)	0.69	0.89	0.83	0.74	0.77
Gross dividend per share (sen)	-	-	-	-	-
Gross dividend cover (number of times)	-	-	-	-	-

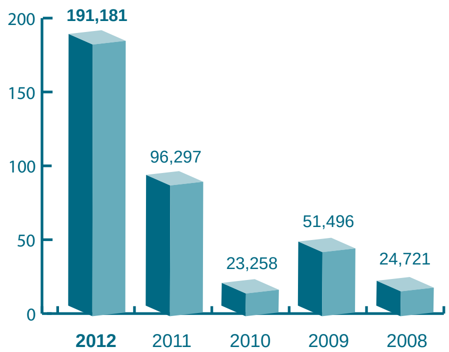
SHAREHOLDERS' FUNDS

RM'000



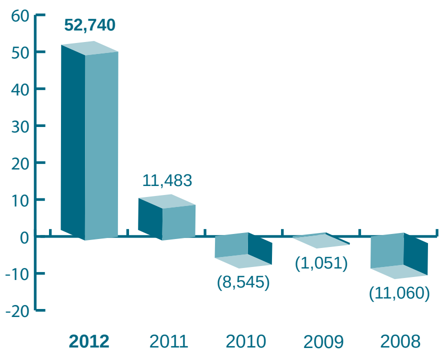
REVENUE

RM'000



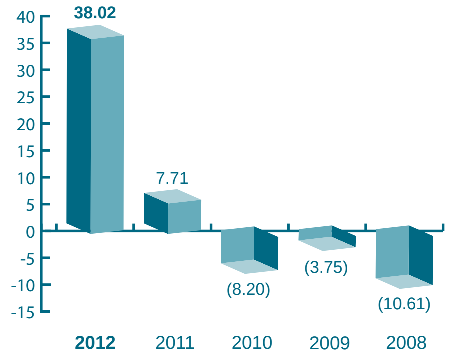
PROFIT/(LOSS) BEFORE TAXATION

RM'000



EARNINGS PER SHARE

sen



ANALYSIS OF SHAREHOLDINGS

Share Capital as at 28 February 2013

Authorised Capital	:	RM500,000,000.00
Issued and Fully Paid up Capital	:	RM100,000,000.00
Class of Shares	:	Ordinary Shares of RM1.00 each
Voting Rights	:	One (1) vote per Ordinary Share

Distribution of Shareholders as at 28 February 2011

No. of Holders	Size of the Shareholdings	Total Holdings	%
3	Less than 100	101	0.0001
659	100 to 1,000	541,999	0.5420
151	1,001 to 10,000	598,600	0.5986
39	10,001 to 100,000	1,110,700	1.1107
40	100,001 to less than 5% of issued shares	51,643,614	51.6436
6	5% and above of issued shares	46,104,986	46.1050
898	**Total**	**100,000,000**	**100.0000**

List of Thirty Largest Shareholders as at 28 February 2013
(As per Record of Depositors)

No.	Name of Holders	No. of Shares	%
1.	Jalur Bahagia Sdn. Bhd.	9,350,000	9.3500
2.	Hang Ah Jee @ Hung Ah Jee	8,796,250	8.7963
3.	Neoasas Teknik Sdn. Bhd.	8,500,000	8.5000
4.	Law Kit Tat	7,725,000	7.7250
5.	Law Kee Kong	6,250,000	6.2500
6.	EB Nominees (Tempatan) Sendirian Berhad pledged securities account for Wong Chee Sean @ Wong Sean	5,483,736	5.4837
7.	Kho Kwok, Kwan Ying	4,250,000	4.2500
8.	Wong Chee Sean @ Wong Sean	3,425,000	3.4250
9.	Tan Chee Kwang	3,400,000	3.4000
10.	EB Nominees (Tempatan) Sendirian Berhad pledged securities account for Law Kit Tat	3,000,000	3.0000
11.	Jimmy Purwonegoro	2,571,200	2.5712
12.	Yee Gee Min	2,320,014	2.3200
13.	A.A. Anthony Nominees (Asing) Sdn. Bhd. pledged securities account for Kong Fu Tak	2,157,600	2.1576
14.	Wong Joon Chin	2,150,000	2.1500
15.	MAYBAN Nominees (Tempatan) Sdn. Bhd. pledged securities account for Law Kit Tat	2,000,000	2.0000
16.	Lau Eng @ Lam Eng	1,980,000	1.9800
17.	Chan Teng Hon	1,915,434	1.9154
18.	ALLIANCEGROUP Nominees (Tempatan) Sdn. Bhd. pledged securities account for Wong Chee Sean @ Wong Sean	1,700,000	1.7000
19.	CIMSEC Nominees (Tempatan) Sdn. Bhd. EON Finance Berhad for Mohd Adnan Bin Mohd Nor	1,650,000	1.6500
20.	Mayban Nominees (Tempatan) Sdn Bhd pledged securities account for Law Kit Tat	1,650,000	1.6500
21.	Lee Hin Meng @ Lee Sing Lee	1,630,000	1.6300

ANALYSIS OF SHAREHOLDINGS (Cont'd)

List of Thirty Largest Shareholders as at 28 February 2013 (Cont'd)
(As per Record of Depositors)

No.	Name of Holders	No. of Shares	%
22.	ALLIANCEGROUP Nominees (Tempatan) Sdn. Bhd. pledged securities account for Law Kit Tat	1,500,000	1.5000
23.	ALLIANCEGROUP Nominees (Tempatan) Sdn. Bhd. pledged securities account for Chan Teng Hon	1,466,666	1.4667
24.	OSK Nominees (Asing) Sdn Berhad pledged securities account for Khiu Kuet-Vin	1,418,800	1.4188
25.	Lai Boo Luck	1,340,000	1.3400
26.	Khiu Kuet-Vin	1,324,000	1.3240
27.	How Keng Chee	1,211,900	1.2119
28.	Syarikat Ajaib Jaya Sdn. Bhd.	1,189,000	1.1890
29.	Sadiah Binti Suleiman	965,000	0.9650
30.	Mohamed Al Amin Bin Abdul Majid	950,000	0.9500

Substantial Shareholders (Excluding Bare Trustees) as at 28 February 2013
(As per the Register of Substantial Shareholders)

No.	Name of Shareholders	No. of Shares Held			
		Direct Interest	%	Deemed Interest	%
1.	Law Kit Tat	15,875,000	15.8750	-	-
2.	Wong Chee Sean @ Wong Sean	10,608,736	10.6087	-	-
3.	Jalur Bahagia Sdn. Bhd.	9,350,000	9.3500	-	-
4.	Hang Ah Jee @ Hung Ah Jee	8,796,250	8.7963	-	-
5.	Neoasas Teknik Sdn. Bhd.	8,500,000	8.5000	-	-
6.	Law Kee Kong	6,250,000	6.2500	-	-
7.	Sadiah Binti Suleiman	965,000	0.9650	17,850,000[a]	17.8500
8.	Munawir Bin Khadri	-	-	8,500,000[b]	8.5000
9.	Haliah Binti Khadri	-	-	9,350,000[c]	9.3500

Note:

a Deemed interested by virtue of her substantial shareholdings in Jalur Bahagia Sdn. Bhd. and Neosas Teknik Sdn. Bhd. by virtue of Section 6A of the Companies Act, 1965.

b Deemed interested by virtue of his substantial shareholdings in Neosas Teknik Sdn. Bhd. by virtue of Section 6A of the Companies Act, 1965.

c Deemed interested by virtue of her substantial shareholdings in Jalur Bahagia Sdn. Bhd. by virtue of Section 6A of the Companies Act, 1965.

ANALYSIS OF SHAREHOLDINGS (Cont'd)

Directors' Shareholdings as at 28 February 2013
(As per the Register of Directors' Shareholdings)

No.	Name of Directors	No. of Shares Held			
		Direct Interest	%	Deemed Interest	%
1.	Datuk Ir. (Dr) Mohamed Al Amin Bin Abdul Majid	950,000	0.9500	-	-
2.	Law Kit Tat	15,875,000	15.8750	-	-
3.	Wong Chee Sean @ Wong Sean	10,608,736	10.6087	-	-
4.	Wong Joon Chin	2,150,000	2.1500	-	-
5.	Law Kee Kong	6,250,000	6.2500	-	-
6.	Choong Shiau Yoon	-	-	-	-
7.	Azhar Bin Azizan @ Harun	-	-	-	-

GROUP PROPERTIES
As At 30 November 2012

Location	Tenure	Land area	Usage	Net book value as at 30 November 2012 (RM'000)	Year of acquisition
Taman Universiti, Skudai, Johor HS(D) 354264 PTD 43856 Mukim of Pulai, Daerah Johor Bahru, Johor Darul Takzim	Freehold	1.72 acres	On-going mixed development project	1,247	1984
HS(D) 10783 PT 10457, Mukim of Serendah, Daerah Hulu Selangor, Selangor Darul Ehsan	99 years leasehold interest expiring on 4 January 2095	364.80 acres	Future development land	54,189	1997
HS(D) 1875/97 and 1876/97 PT Nos. 4182 & 4183, Mukim of Padang Meha, Daerah Kulim, Kedah Darul Aman	Freehold	550.73 acres	Future development land	27,117	2000
Nusa Indah, Bandar Nusajaya, Johor Bahru HS(D) 317217 PTD 116769, Mukim of Pulai, Daerah Johor Bahru, Johor Darul Takzim	Freehold	4.21 acres	On-going mixed development project	5,206	2001
HS(D) 21525 PTB 11080 and HS(D) 21516 PTB 11081, Bandar Johor Bahru, Daerah Johor Bahru, Johor Darul Takzim	Freehold	58,234 sq. ft.	On-going residential bungalow development land	10,153	2005
Plot E-2, comprising whole of HS(D) 317247 PTD116774 and part of HS(D) 317251 PTD 116778; Plot E-4, forming part of HS(D) 317216 PTD 116768; and HSD (D) 317215 PTD116767, all in Mukim of Pulai, Daerah Johor Bahru, Johor Darul Takzim	Freehold	313.17 acres	Future development land	154,591	2005

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE AUDITED FINANCIAL STATEMENTS

The Directors are required by the Companies Act, 1965 ("the Act") to prepare financial statements which give a true and fair view of the financial position of the Group and of the Company as at 30 November 2012 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

In preparing the financial statements for the year ended 30 November 2012, the Directors have:

- considered the applicable approved Malaysian Accounting Standards.
- adopted and consistently applied appropriate accounting policies.
- made judgements and estimates that are prudent and reasonable.
- prepared financial statements on the going concern basis as the Directors have a reasonable expectation, having made enquiries that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future.

The Directors have responsibility for ensuring that the Group and the Company keep accounting records which disclose with reasonable accuracy the financial position of the Group and the Company and which enable them to ensure that the financial statements comply with the Act.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.




Directors' Report And Audited **Financial Statements**

For The Year Ended 30 November 2012

Country View Berhad's Annual Report 2012

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 November 2012.

PRINCIPAL ACTIVITIES

The principal activities of the Company are property development, investment holding and property investment. The principal activities of the subsidiaries are set out in Note 9 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit/(Loss) for the financial year	**38,021**	**(1,096)**

DIVIDEND

No dividend has been paid, declared or proposed by the Company since the end of the previous financial year. The Directors do not recommend the payment of any final dividend in respect of the current financial year.

On 22 January 2013, the Directors have declared an interim dividend of 6 sen per ordinary share of RM1.00 each, less tax of 25% for the financial year ending 30 November 2013. The dividend was paid to shareholders on 22 February 2013.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

ISSUE OF SHARES AND DEBENTURES

There were no issues of any new shares or debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued ordinary shares of the Company during the financial year.

DIRECTORS

The Directors who have held office since the date of the last report are:

Datuk Ir. (Dr) Mohamed Al Amin Bin Abdul Majid
Law Kit Tat
Wong Chee Sean @ Wong Sean
Wong Joon Chin (F)
Law Kee Kong
Choong Shiau Yoon
Azhar Bin Azizan @ Harun

DIRECTORS' REPORT (Cont'd)

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in the ordinary shares of the Company and of its related corporations during the financial year ended 30 November 2012 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 134 of the Companies Act, 1965 in Malaysia were as follows:

	---- Number of ordinary shares of RM1.00 each ----			
	Balance as at 1.12.2011	Bought	Sold	Balance as at 30.11.2012
Shares in the Company				
Direct interests:				
Datuk Ir. (Dr) Mohamed Al Amin Bin Abdul Majid	950,000	-	-	950,000
Law Kit Tat	15,875,000	-	-	15,875,000
Wong Chee Sean @ Wong Sean	10,608,736	-	-	10,608,736
Wong Joon Chin (F)	2,150,000	-	-	2,150,000
Law Kee Kong	6,250,000	-	-	6,250,000

By virtue of their interests in the ordinary shares of the Company, the above Directors are also deemed to have interests in the ordinary shares of all the subsidiaries to the extent that the Company has an interest.

None of the other Directors holding office at the end of the financial year held any interest in ordinary shares in the Company or ordinary shares of its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director, or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest except for any benefits which may be deemed to have arisen from those transactions as disclosed in Note 37 to the financial statements.

There were no arrangements during and at the end of the financial year, to which the Company is a party, which had the object of enabling Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

(a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:

   (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

   (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.

(b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIRECTORS' REPORT (Cont'd)

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (Cont'd)

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

(c) The Directors are not aware of any circumstances:

(i) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent;

(ii) which would render the value attributed to current assets in the financial statements of the Group and of the Company misleading; and

(iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) In the opinion of the Directors:

(i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made; and

(ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet its obligations as and when they fall due.

(III) AS AT THE DATE OF THIS REPORT

(e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.

(f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.

(g) The Directors are not aware of any circumstances not otherwise dealt with in the report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE REPORTING PERIOD

Significant event subsequent to the end of reporting period is disclosed in Note 41 to the financial statements.

AUDITORS

The auditors, BDO, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Directors.

Wong Joon Chin (F)
Director

Law Kit Tat
Director

Johor Bahru
14 March 2013

STATEMENT BY DIRECTORS

AUDITORS

In the opinion of the Directors, the financial statements set out on pages 42 to 104 have been drawn up in accordance with the applicable approved Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 November 2012 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

Wong Joon Chin (F)
Director

Law Kit Tat
Director

Johor Bahru
14 March 2013

STATUTORY DECLARATION

I, Ong Seng Piow, being the officer primarily responsible for the financial management of Country View Berhad, do solemnly and sincerely declare that the financial statements set out on pages 42 to 104 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly	)	
declared by the abovenamed at	)	
Johor Bahru, Johor this	)	
14 March 2013	)	**Ong Seng Piow**

Before me:

Gubachen Singh A/L Mana Singh P.I.S
(No. J119)

Commissioner for Oaths

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15 Jalan Dato' Abdullah Tahir
80300 Johor Bahru
Johor Darul Ta'zim
Malaysia

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COUNTRY VIEW BERHAD

Report on the Financial Statements

We have audited the financial statements of Country View Berhad, which comprise the statements of financial position as at 30 November 2012 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 42 to 103.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with the applicable approved Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia, and for such internal control as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with applicable approved Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 November 2012 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

BDO

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COUNTRY VIEW BERHAD (Cont'd)

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries have been properly kept in accordance with the provisions of the Act.

(b) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

(c) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Reporting Responsibilities

The information set out in Note 42 to the financial statements is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

BDO
AF : 0206
Chartered Accountants

Se Kuo Shen
2949/05/14 (J)
Chartered Accountant

Johor Bahru
14 March 2013

STATEMENTS OF FINANCIAL POSITION AS AT 30 NOVEMBER 2012

	Note	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	7	**1,820**	1,709	**223**	321
Land held for property development	8	**81,307**	80,877	**-**	-
Investments in subsidiaries	9	**-**	-	**12,650**	12,650
Investment in associate	10	**-**	-	**-**	-
Deferred tax assets	11	**1,956**	2,381	**-**	-
		85,083	84,967	**12,873**	12,971
Current assets					
Property development costs	12	**164,522**	158,501	**-**	-
Inventories	13	**6,802**	7,049	**1,307**	1,554
Trade and other receivables	14	**72,176**	42,611	**223,260**	223,092
Current tax assets		**248**	485	**79**	208
Cash and cash equivalents	16	**16,382**	7,975	**5**	7
		260,130	216,621	**224,651**	224,861
TOTAL ASSETS		**345,213**	301,588	**237,524**	237,832
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	17	**100,000**	100,000	**100,000**	100,000
Reserves	18	**71,912**	33,891	**23,579**	24,675
TOTAL EQUITY		**171,912**	133,891	**123,579**	124,675
LIABILITIES					
Non-current liabilities					
Borrowings	19	**68,468**	80,654	**65,404**	76,144
Current liabilities					
Trade and other payables	25	**47,839**	46,527	**3,562**	4,314
Provision for liabilities	26	**766**	270	**-**	-
Borrowings	19	**49,756**	39,044	**44,979**	32,699
Current tax liabilities		**6,472**	1,202	**-**	-
		104,833	87,043	**48,541**	37,013
TOTAL LIABILITIES		**173,301**	167,697	**113,945**	113,157
TOTAL EQUITY AND LIABILITIES		**345,213**	301,588	**237,524**	237,832

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2012

	Note	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
Revenue	29	**191,181**	96,297	**1,238**	1,746
Cost of sales	30	**(117,272)**	(68,002)	**(247)**	(545)
Gross profit		**73,909**	28,295	**991**	1,201
Other income		**1,005**	741	**64**	1,341
Marketing and promotion expenses		**(7,118)**	(4,397)	**(9)**	(22)
Administrative expenses		**(13,039)**	(10,932)	**(1,494)**	(1,660)
Finance costs	31	**(2,017)**	(1,944)	**(351)**	(599)
Profit/(Loss) before tax	32	**52,740**	11,763	**(799)**	261
Taxation	33	**(14,719)**	(4,055)	**(297)**	(149)
Profit/(Loss) for the financial year		**38,021**	7,708	**(1,096)**	112
Other comprehensive income		**-**	-	**-**	-
Total comprehensive income/(loss) for the year		**38,021**	7,708	**(1,096)**	112
Profit/(Loss) attributable to:					
Owners of the parent		**38,021**	7,708	**(1,096)**	112
Total comprehensive income/(loss) attributable to :					
Owners of the parent		**38,021**	7,708	**(1,096)**	112
Earnings per ordinary share attributable to owners of the parent of the Company (sen):					
Basic	34	**38.02**	7.71		
Diluted	34	**38.02**	7.71		

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2012

		Non-distributable	Distributable	
	Share capital RM'000	Share premium RM'000	Retained earnings RM'000	Total equity RM'000
Group				
Balance as at 30 November 2010	100,000	124	26,339	126,463
Effects of adopting FRS 139	-	-	(280)	(280)
Restated balance at 1 December 2010	100,000	124	26,059	126,183
Total comprehensive income	-	-	7,708	7,708
Balance as at 30 November 2011	100,000	124	33,767	133,891
Balance as at 1 December 2011	**100,000**	**124**	**33,767**	**133,891**
Total comprehensive income	**-**	**-**	**38,021**	**38,021**
Balance as at 30 November 2012	**100,000**	**124**	**71,788**	**171,912**

		Non-distributable	Distributable	
	Share capital RM'000	Share premium RM'000	Retained earnings RM'000	Total equity RM'000
Company				
Balance as at 1 December 2010	100,000	124	24,439	124,563
Total comprehensive income	-	-	112	112
Balance as at 30 November 2011	100,000	124	24,551	124,675
Balance as at 1 December 2011	**100,000**	**124**	**24,551**	**124,675**
Total comprehensive loss	**-**	**-**	**(1,096)**	**(1,096)**
Balance as at 30 November 2012	**100,000**	**124**	**23,455**	**123,579**

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2012

	Note	Group		Company	
		2012 RM'000	2011 RM'000	**2012 RM'000**	2011 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/(Loss) before tax		**52,740**	11,763	**(799)**	261
Adjustments for:					
Bad debts recovered		**(27)**	(1)	**-**	-
Bad debts written off		**-**	118	**-**	118
Depreciation of property, plant and equipment	7	**556**	533	**99**	104
Dividend income	29	**-**	-	**(753)**	(1,200)
Gain on disposal of property, plant and equipment		**(32)**	-	**(23)**	-
Interest income		**(719)**	(167)	**-**	(1)
Interest expense	31	**2,017**	1,944	**351**	599
Operating profit /(loss) before changes in working capital		**54,535**	14,190	**(1,125)**	(119)
Changes in working capital:					
Land held for development		**(430)**	(37)	**-**	-
Property development costs		**(6,021)**	(19,143)	**-**	-
Inventories		**247**	2,670	**247**	545
Trade and other receivables		**(28,827)**	(30,825)	**(77)**	170
Trade and other payables		**1,808**	27,706	**75**	(1,007)
Cash generated from/(used in) operations		**21,312**	(5,439)	**(880)**	(411)
Tax paid		**(8,787)**	(1,597)	**-**	-
Tax refunded		**-**	183	**-**	-
Net cash from/(used in) operating activities		**12,525**	(6,853)	**(880)**	(411)
CASH FLOWS FROM INVESTING ACTIVITIES					
Advances to subsidiaries		**-**	-	**(91)**	(13,746)
Dividend received from subsidiary		**-**	-	**585**	900
Interest received		**8**	20	**-**	1
Placement of deposits		**(1,218)**	(8)	**-**	-
Proceeds from disposal of property, plant and equipment		**32**	-	**23**	-
Proceeds from maturity of fixed deposit		**-**	88	**-**	88
Purchase of property, plant and equipment	7(a)	**(105)**	(22)	**(1)**	-
Net cash (used in)/from investing activities		**(1,283)**	78	**516**	(12,757)
CASH FLOWS FROM FINANCING ACTIVITIES					
Drawdown of borrowings		**45,569**	34,385	**44,512**	31,343
Interest paid		**(2,017)**	(1,944)	**(351)**	(599)
Repayment to subsidiaries		**-**	-	**(827)**	(1,142)
Repayment of borrowings		**(44,704)**	(19,194)	**(40,439)**	(16,531)
Repayment of finance lease creditors		**(450)**	(441)	**(82)**	(78)
Net cash (used in)/from financing activities		**(1,602)**	12,806	**2,813**	12,993
Net increase/(decrease) in cash and cash equivalents		**9,640**	6,031	**2,449**	(175)
Cash and cash equivalents at beginning of financial year		**(988)**	(7,019)	**(8,707)**	(8,532)
Cash and cash equivalents at end of financial year	16(e)	**8,652**	(988)	**(6,258)**	(8,707)

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at Suite 5.11 & 5.12, 5th Floor, Menara TJB, 9, Jalan Syed Mohd. Mufti, 80000 Johor Bahru, Johor.

The principal place of business of the Company is located at Unit 26-01, Mail Box 261, Menara Landmark, No.12, Jalan Ngee Heng, 80000 Johor Bahru, Johor.

The consolidated financial statements for the financial year ended 30 November 2012 comprise the Company and its subsidiaries and the Group's interest in associate. These financial statements are presented in Ringgit Malaysia ("RM"), which is also the functional currency of the Company. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 14 March 2013.

2. PRINCIPAL ACTIVITIES

The principal activities of the Company are property development, investment holding and property investment. The principal activities of the subsidiaries are set out in Note 9 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company set out on pages 42 to 103 have been prepared in accordance with the applicable approved Financial Reporting Standards ("FRSs") and the provisions of the Companies Act, 1965 in Malaysia.

However, Note 42 to the financial statements set out on page 104 has been prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

The preparation of financial statements in conforming with FRSs requires the Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and contingent liabilities. In addition, the Directors are also required to exercise their judgment in the process of applying the accounting policies. The areas involving such judgments, estimates and assumptions are disclosed in Note 6 to the financial statements. Although these estimates and assumptions are based on the Directors' best knowledge of events and actions, actual results could differ from those estimates.

4.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiaries. Subsidiaries are entities over which the Company has the power to govern the financial operating policies, generally accompanied by a shareholding giving rise to the majority of the voting rights, as to obtain benefits from their activities.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.2 Basis of consolidation (Cont'd)

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup balances, transactions, income and expenses are eliminated on consolidation. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no impairment.

The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company, using consistent accounting policies. Where necessary, accounting policies of subsidiaries are changed to ensure consistency with the policies adopted by the other entities in the Group.

Non-controlling interests represents the equity in subsidiaries that are not attributable, directly or indirectly, to owners of the Company, and is presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

The Group has applied the revised FRS 3 *Business Combinations* in accounting for business combinations from 1 July 2010 onwards. The change in accounting policy has been applied prospectively in accordance with the transitional provisions provided by the Standard.

Changes in the Company owners' ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in equity and attributed to owners of the parent.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between:

(i) the aggregate of the fair value of the consideration received and the fair value of any retained interest; and

(ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under FRS 139 *Financial Instruments: Recognition and Measurement* or, where applicable, the cost on initial recognition of an investment in associate or jointly controlled entity.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.3 Business combinations

Business combinations from 1 January 2011 onwards

Business combinations are accounted for by applying the acquisition method of accounting.

Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured at their fair value at the acquisition date, except that:

(a) deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with FRS 112 *Income Taxes and FRS 119 Employee Benefits* respectively;

(b) liabilities or equity instruments related to the replacements by the Group of an acquiree's share-based payment awards are measured in accordance with FRS 2 Share-based Payment; and

(c) assets (or disposal groups) that are classified as held for sale in accordance with FRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration payable is recognised at fair value at the acquisition date. Measurement period adjustments to contingent consideration are dealt with as follows:

(a) If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity.

(b) Subsequent changes to contingent consideration classified as an asset or liability that is a financial instrument within the scope of FRS 139 are recognised either in profit or loss or in other comprehensive income in accordance with FRS 139. All other subsequent changes are recognised in profit or loss.

In a business combination achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill in the statement of financial position. In instances where the latter amount exceeds the former, the excess is recognised as a gain on bargain purchase in profit or loss on the acquisition date.

Business combinations before 1 January 2011 onwards

Under the purchase method of accounting, the cost of business combination is measured at the aggregate of fair values at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued plus any costs directly attributable to the business combination.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.3 Business combinations (Cont'd)

Business combinations before 1 January 2011 onwards (Cont'd)

At the acquisition date, the cost of business combination is allocated to identifiable assets acquired, liabilities assumed and contingent liabilities in the business combination which are measured initially at their fair values at the acquisition date. The excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised as goodwill. If the cost of business combination is less than the interest in the net fair value of the identifiable assets, liabilities and contingent liabilities, the Group will:

(a) reassess the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the business combination; and

(b) recognise immediately in profit or loss any excess remaining after that reassessment.

When a business combination includes more than one exchange transaction, any adjustment to the fair values of the subsidiary's identifiable assets, liabilities and contingent liabilities relating to previously held interests of the Group is accounted for as a revaluation.

4.4 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially measured at cost less any accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset would flow to the Group and the cost of the asset could be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit and loss as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Group is obligated to incur when the asset is acquired, if applicable.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the asset and which has different useful life, is depreciated separately.

After initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write off the cost or valuation of the assets to their estimated residual values on a straight line basis over their estimated useful lives. The principal annual depreciation rates are as follows:

Furniture and fittings	15 %
Office equipment	15 %
Renovation	15 %
Motor vehicles	20 %
Site and sports equipment	15 %

At the end of each reporting period, the carrying amount of an item of property, plant and equipment is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount (see Note 4.9 to the financial statements on impairment of non-financial assets).

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.4 Property, plant and equipment and depreciation (Cont'd)

The residual values, useful life and depreciation method are reviewed at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment. If expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the carrying amounts is included in profit or loss.

4.5 Leases and hire purchase

(a) Finance leases and hire purchase

Assets acquired under finance leases and hire purchase which transfer substantially all the risks and rewards of ownership to the Group are recognised initially at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the leases, if this is practicable to determine; if not, the Group's incremental borrowing rate is used. Any initial direct costs incurred by the Group are added to the amount recognised as an asset. The assets are capitalised as property, plant and equipment and the corresponding obligations are treated as liabilities. The property, plant and equipment capitalised are depreciated on the same basis as owned assets.

The minimum lease payments are apportioned between the finance charges and the reduction of the outstanding liability. The finance charges are recognised in profit or loss over the period of the lease term so as to give a constant periodic rate of interest on the remaining lease and hire purchase liabilities.

(b) Operating leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Lease payments under operating leases are recognised as an expense on a straight-line basis over the lease term.

4.6 Property development activities

(a) Land held for property development

Land held for property development is stated at cost less impairment losses, if any. Such land is classified as non-current asset when no significant development work has been carried out or where development activities are not expected to be completed within the normal operating cycle.

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

Land held for property development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.6 Property development activities (Cont'd)

(b) Property development costs

Property development costs comprise all cost that are directly attributable to the development activities or that can be allocated on a reasonable basis to such activities. They comprised the cost of land under development, construction costs and other related development costs common to the whole project including professional fees, stamp duties, commissions, conversion fees and other relevant levies as well as borrowing costs.

Property development costs not recognised as an expense are recognised as an asset measured at the lower of cost and net realisable value.

When revenue recognised in income statements exceeds progress billings to purchasers, the balance is classified as accrued billings under current assets. When progress billings exceed revenue recognised in income statements, the balance is classified as progress billings under current liabilities.

4.7 Construction contracts

Contract costs comprise costs related directly to the specific contract and those that are attributable to the contract activity in general and can be allocated to the contract and such other costs that are specifically chargeable to the customer under the terms of the contract.

When the total costs incurred on construction contracts plus recognised profits (less recognised losses), exceeds progress billings, the balance is classified as amount due from customers for contract work. When progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is classified as amount due to customers for contract work.

4.8 Investments

(a) Subsidiaries

A subsidiary is an entity in which the Group and the Company have power to control the financial and operating policies so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group and the Company have such power over another entity.

An investment in subsidiary, which is eliminated on consolidation, is stated in the Company's separate financial statements at cost less impairment losses, if any. Investments accounted for at cost shall be accounted for in accordance with FRS 5 *Non-current Assets Held for Sale and Discontinued Operations* when they are classified as held for sale in accordance with FRS 5.

When control of a subsidiary is lost as a result of a transaction, event or other circumstance, the Group would derecognise all assets, liabilities and non-controlling interests at their carrying amount and to recognise the fair value of the consideration received. Any retained interest in the former subsidiary is recognised at its fair value at the date control is lost. The resulting difference is recognised as a gain or loss in profit or loss.

(b) Associate

An associate is an entity over which the Group and the Company have significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.8 Investments (Cont'd)

(b) Associate (Cont'd)

In the Company's separate financial statements, an investment in associate is stated at cost less impairment losses.

An investment in associate is accounted for in the consolidated financial statements using the equity method of accounting. The investment in associate in the consolidated balance sheet is initially recognised at cost and adjusted thereafter for the post acquisition change in the Group's share of net assets of the investments.

The interest in the associate is the carrying amount of the investment in the associate under equity method together with any long term interest that, in substance, form part of the Group's net investment in the associate.

The Group's share of the profit or loss of the associate during the financial year is included in the consolidated financial statements, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. Distributions received from the associate reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the Group's proportionate interest in the associate arising from changes in the associate's equity that have not been recognised in the associate's profit or loss. Such changes include those arising from the revaluation of property, plant and equipment and from foreign exchange translation differences. The Group's share of those changes is recognised directly in equity of the Group.

Unrealised gains and losses on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate.

When the Group's share of losses in the associate equals to or exceeds its interest in the associate, the carrying amount of that interest is reduced to nil and the Group does not recognise further losses unless it has incurred legal or constructive obligations or made payments on its behalf.

The most recent available financial statements of the associate are used by the Group in applying the equity method. When the end of the reporting periods of the financial statements are not coterminous, the share of results is arrived at using the latest audited financial statements for which the difference in end of the reporting periods is no more than three (3) months. Adjustments are made for the effects of any significant transactions or events that occur between the intervening periods.

Upon disposal of an investment in associate, the difference between the net disposal proceeds and its carrying amount is included in profit or loss.

4.9 Impairment of non-financial assets

The carrying amounts of assets, except for financial assets (excluding investments in subsidiaries and associate), inventories, assets arising from construction contracts, property development costs and deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.9 Impairment of non-financial assets (Cont'd)

The recoverable amount of an asset is estimated for an individual asset. Where it is not possible to estimate the recoverable amount of the individual asset, the impairment test is carried out on the cash generating unit ("CGU") to which the asset belongs.

The recoverable amount of an asset or CGU is the higher of its fair value less cost to sell and its value in use.

In estimating the value in use, the estimated future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. An impairment loss is recognised in the statement of comprehensive income when the carrying amount of the asset or the CGU, including the goodwill, exceeds the recoverable amount of the asset or the CGU. The total impairment loss is allocated, first, to reduce the carrying amount of any goodwill allocated to the CGU and then to the other assets of the CGU on a pro-rata basis of the carrying amount of each asset in the CGU.

The impairment loss is recognised in profit or loss immediately except for the impairment on a revalued asset where the impairment loss is recognised directly against the revaluation reserve account to the extent of the surplus credited from the previous revaluation for the same asset with the excess of the impairment loss charged to profit or loss.

An impairment loss for other assets is reversed if, and only if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Such reversals are recognised as income immediately in profit or loss except for the reversal of an impairment loss on a revalued asset where the reversal of the impairment loss is treated as a revaluation increase and credited to the revaluation reserve accounts of the same asset. However, to the extent that an impairment loss on the same revalued asset was previously recognised in profit or loss, a reversal of that impairment loss is also recognised in profit or loss.

4.10 Inventories

Inventories of completed development properties are stated at the lower of cost and net realisable value. Cost is determined on a specific identification basis and includes land, all direct building costs and other related development costs.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

4.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, an equity instrument of another enterprise, a contractual right to receive cash on another financial asset from another enterprise, or a contractual right to exchange financial assets or financial liabilities with another enterprise under conditions that are potentially favourable to the Group.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.11 Financial instruments (Cont'd)

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or a contractual obligation to exchange financial assets or financial liabilities with another enterprise under conditions that are potentially unfavourable to the Group.

Financial instruments are recognised on the statement of financial position when the Group has become a party to the contractual provisions of the instrument. At initial recognition, a financial instrument is recognised at fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issuance of the financial instrument.

An embedded derivative is separated from the host contract and accounted for as a derivative if, and only if the economic characteristics and risks of the embedded derivative is not closely related to the economic characteristics and risks of the host contract, a separate instrument with the same terms as the embedded derivative meets the definition of a derivative, and the hybrid instrument is not measured at fair value through profit or loss.

(a) Financial assets

A financial asset is classified into the following four (4) categories after initial recognition for the purpose of subsequent measurement:

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprise financial assets that are held for trading (i.e. financial assets acquired principally for the purpose of resale in the near term), derivatives (both, freestanding and embedded) and financial assets that were specifically designated into this classification upon initial recognition.

Subsequent to initial recognition, financial assets classified as at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in the fair value of financial assets classified as at fair value through profit or loss are recognised in profit or loss. Net gains or losses on financial assets classified as at fair value through profit or loss exclude foreign exchange gains and losses, interest and dividend income. Such income is recognised separately in profit or loss as components of other income or other operating losses.

However, derivatives that is linked to and must be settled by delivery of unquoted equity instruments that do not have a quoted market price in an active market are recognised at cost.

(ii) Held-to-maturity investments

Financial assets classified as held-to-maturity comprise non-derivative financial assets with fixed or determinable payments and fixed maturity that the Group has the positive intention and ability to hold to maturity.

Subsequent to initial recognition, financial assets classified as held-to-maturity are measured at amortised cost using the effective interest method. Gains or losses on financial assets classified as held-to-maturity are recognised in profit or loss when the financial assets are derecognised or impaired, and through the amortisation process.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.11 Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

(iii) Loans and receivables

Financial assets classified as loans and receivables comprise non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Subsequent to initial recognition, financial assets classified as loans and receivables are measured at amortised cost using the effective interest method. Gains or losses on financial assets classified as loans and receivables are recognised in profit or loss when the financial assets are derecognised or impaired, and through the amortisation process.

(iv) Available-for-sale financial assets

Financial assets classified as available-for-sale comprise non-derivative financial assets that are designated as available for sale or are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss.

Subsequent to initial recognition, financial assets classified as available-for-sale are measured at fair value. Any gains or losses arising from changes in the fair value of financial assets classified as available-for-sale are recognised directly in other comprehensive income, except for impairment losses and foreign exchange gains and losses, until the financial asset is derecognised, at which time the cumulative gains or losses previously recognised in other comprehensive income are recognised in profit or loss. However, interest calculated using the effective interest method is recognised in profit or loss whilst dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive payment is established.

Cash and cash equivalents include cash and bank balances, bank overdrafts, deposits and other short term, highly liquid investments with original maturities of three (3) months or less, which are readily convertible to cash and are subject to insignificant risk of changes in value.

A financial asset is derecognised when the contractual right to receive cash flows from the financial asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised directly in other comprehensive income shall be recognised in profit or loss.

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or marketplace convention.

(b) Financial liabilities

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. A financial liability is classified into the following two (2) categories after initial recognition for the purpose of subsequent measurement:

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss comprise financial liabilities that are held for trading, derivatives (both, freestanding and embedded) and financial liabilities that were specifically designated into this classification upon initial recognition.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.11 Financial instruments (Cont'd)

(b) Financial liabilities (Cont'd)

(i) Financial liabilities at fair value through profit or loss (Cont'd)

Subsequent to initial recognition, financial liabilities classified as at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in the fair value of financial liabilities classified as at fair value through profit or loss are recognised in profit or loss. Net gains or losses on financial liabilities classified as at fair value through profit or loss exclude foreign exchange gains and losses, interest and dividend income. Such income is recognised separately in profit or loss as components of other income or other operating losses.

(ii) Other financial liabilities

Financial liabilities classified as other financial liabilities comprise non-derivative financial liabilities that are neither held for trading nor initially designated as at fair value through profit or loss.

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using the effective interest method. Gains or losses on other financial liabilities are recognised in profit or loss when the financial liabilities are derecognised and through the amortisation process.

A financial liability is derecognised when, and only when, it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired. An exchange between an existing borrower and lender of debt instruments with substantially different terms are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Any difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

The Group designates corporate guarantees given to banks for credit facilities granted to subsidiaries as insurance contracts as defined in FRS 4 *Insurance Contracts*. The Group recognises these insurance contracts as recognised insurance liabilities when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

At the end of every reporting period, the Group shall assess whether its recognised insurance liabilities are adequate, using current estimates of future cash flows under its insurance contracts. If this assessment shows that the carrying amount of the insurance liabilities is inadequate, the entire deficiency shall be recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.11 Financial instruments (Cont'd)

(b) Financial liabilities (Cont'd)

Recognised insurance liabilities are only removed from the statement of financial position when, and only when, it is extinguished via a discharge, cancellation or expiration.

(c) Equity

An equity instrument is any contract that evidences a residual interest in the assets of the Group and Company after deducting all of its liabilities. Ordinary shares are classified as equity instruments.

Ordinary shares are recorded at the nominal value and proceeds in excess of the nominal value of shares issued, if any, are accounted for as share premium. Both ordinary shares and share premium are classified as equity. Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax benefit. Otherwise, they are charged to profit or loss.

Interim dividends to shareholders are recognised in equity in the period in which they are declared. Final dividends are recognised upon the approval of shareholders in a general meeting.

The Group measures a liability to distribute non-cash assets as a dividend to the owners of the Company at the fair value of the assets to be distributed. The carrying amount of the dividend is remeasured at each reporting date and at the settlement date, with any changes recognised directly in equity as adjustments to the amount of the distribution. On settlement of the transaction, the Group recognises the difference, if any, between the carrying amount of the assets distributed and the carrying amount of the liability in profit or loss.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Where such shares are issued by resale, the difference between the sales consideration and the carrying amount is shown as a movement in equity.

4.12 Impairment of financial assets

The Group assesses whether there is any objective evidence that a financial asset is impaired at the end of each reporting period.

Loans and receivables

The Group collectively considers factors such as the probability of bankruptcy or significant financial difficulties of the receivable, and default or significant delay in payments to determine whether there is objective evidence that an impairment loss on loans and receivables has occurred. Other objective evidence of impairment include historical collection rates determined on an individual basis and observable changes in national or local economic conditions that are directly correlated with the historical default rates of receivables.

If any such objective evidence exists, the amount of impairment loss is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of loans and receivables is reduced through the use of an allowance account.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.12 Impairment of financial assets (Cont'd)

If in a subsequent period, the amount of the impairment loss decreases and it objectively relates to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of impairment reversed is recognised in profit or loss.

4.13 Employee benefits

4.13.1 Short term employee benefits

Wages, salaries, social security contributions, paid annual leave, paid sick leave, bonuses and non-monetary benefits are recognised as expenses in the financial year when employees have rendered their services to the Group.

Short term accumulating compensated absences such as paid annual leave are recognised as an expense when employees render services that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur and they lapse if the current period's entitlement is not used in full and do not entitle employees to a cash payment for unused entitlement on leaving the Group.

Bonuses are recognised as an expense when there is a present, legal or constructive obligation to make such payments, as a result of past events and when a reliable estimate can be made of the amount of the obligation.

4.13.2 Defined contribution plan

The Company and its subsidiaries incorporated in Malaysia make contributions to a statutory provident fund. The contributions are recognised as a liability after deducting any contribution already paid and as an expense in the period in which the employees render their services.

4.14 Provisions

Provisions are recognised when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, the amount of a provision will be discounted to its present value at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision will be reversed.

Provisions are not recognised for future operating losses. If the Group has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

<u>Provision for liquidated ascertained damages</u>

Provision are recognised for expected liquidated ascertained damages claims based on the applicable sale and purchase agreements.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.15 Income tax

Income taxes include all taxes on taxable profit. Taxes in the statements of comprehensive income comprise current tax and deferred tax.

(a) Current tax

Current tax is the amount of income taxes payable or receivable in respect of the taxable profit or loss for a period.

Current taxes for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that have been enacted or substantively enacted by the end of the reporting period.

(b) Deferred tax

Deferred tax is recognised in full using the liability method on temporary differences arising between the carrying amount of an asset or liability in the statement of financial position and its tax base.

Deferred tax is recognised for all temporary differences, unless the deferred tax arises from goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction affects neither accounting profit nor taxable profit.

A deferred tax asset is recognised only to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amount of a deferred tax asset is reviewed at the end of each reporting period. If it is no longer probable that sufficient taxable profits will be available to allow the benefit of part or all of that deferred tax asset to be utilised, the carrying amount of the deferred tax asset will be reduced accordingly. When it becomes probable that sufficient taxable profits will be available, such reductions will be reversed to the extent of the taxable profits.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to either:

(i) the same taxable entity; or

(ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Deferred tax would be recognised as income or expense and included in profit or loss for the period unless the tax relates to items that are credited or charged, in the same or different period, directly to equity, in which case the deferred tax will be charged or credited directly to equity.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws by the Government in the annual budgets which have the substantial effect of actual enactment by the end of reporting period.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.16 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group. The Group does not recognise contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

In the acquisition of subsidiaries by the Group under business combinations, contingent liabilities assumed are measured initially at their fair value at the acquisition date, irrespective of the extent of any non-controlling interest.

4.17 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable net of discounts and rebates.

Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the Group, and the amount of revenue and the cost incurred or to be incurred in respect of the transaction can be reliably measured and specific recognition criteria have been met for each of the Group's activities as follows:

(a) Property development

Property development revenue is recognised in respect of all development units that have been sold. Revenue recognition commences when the sale of the development unit is effected, upon the commencement of development and construction activities and when the financial outcome can be reliably estimated. The attributable portion of property development cost is recognised as an expense in the period in which the related revenue is recognised. The amount of such revenue and expenses recognised is determined by reference to the stage of completion of development activity at the end of the reporting period. The stage of completion is measured by reference to the proportion that property development costs incurred for work performed to date bear to the estimated total property development cost.

When the financial outcome of a development activity cannot be reliably estimated, the property development revenue is recognised only to the extent of property development costs incurred that is probable to be recoverable and the property development costs on the development units sold are recognised as an expense in the period in which they are incurred.

Any expected loss on a development project is recognised as an expense immediately, including costs to be incurred over the defects liability period.

(b) Construction contracts

Profit from contract works are recognised on a percentage of completion method. Percentage of completion is determined on the proportion of contract costs incurred for work performed to date against total estimated costs where the outcome of the project can be estimated reliably.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.17 Revenue recognition (Cont'd)

(b) Construction contracts (Cont'd)

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When the outcome of a contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that is probable will be recoverable and contract cost are recognised as an expense in the period in which they are incurred.

(c) Dividend income

Dividend income is recognised when the right to receive payment is established.

(d) Interest income

Interest income is recognised as it accrues, using the effective interest method.

(e) Rental income

Rental income is recognised on an accrual basis unless collectibility is in doubt.

4.18 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualified asset is capitalised as part of the cost of the asset until when substantially all the activities necessary to prepare the asset for its intended use or sale are complete, after which such expense is charged to profit or loss. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing cost is suspended during extended periods in which active development is interrupted.

The amount of borrowing costs eligible for capitalisation is the actual borrowing costs incurred on the borrowing during the period less any investment income on the temporary investment of the borrowing.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4.19 Operating segments

Operating segments are defined as components of the Group that:

(a) engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group);

(b) whose operating results are regularly reviewed by the Group's chief operating decision maker (i.e. the Group's Chief Executive Officer) in making decisions about resources to be allocated to the segment and assessing its performance; and

(c) for which discrete financial information is available.

An operating segment may engage in business activities for which it has yet to earn revenues.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.19 Operating segments (Cont'd)

The Group reports separately information about each operating segment that meets any of the following quantitative thresholds:

(a) Its reported revenue, including both sales to external customers and intersegment sales or transfers, is ten (10) per cent or more of the combined revenue, internal and external, of all operating segments.

(b) The absolute amount of its reported profit or loss is ten (10) per cent or more of the greater, in absolute amount of:

(i) the combined reported profit of all operating segments that did not report a loss; and

(ii) the combined reported loss of all operating segments that reported a loss.

(c) Its assets are ten (10) per cent or more of the combined assets of all operating segments.

Operating segments that do not meet any of the quantitative thresholds may be considered reportable, and separately disclosed, if the management believes that information about the segment would be useful to users of the financial statements.

Total external revenue reported by operating segments shall constitute at least seventy five (75) percent of the Group's revenue. Operating segments identified as reportable segments in the current financial year in accordance with the quantitative thresholds would result in a restatement of prior period segment data for comparative purposes.

4.20 Earnings per share

(a) Basic

Basic earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year.

(b) Diluted

Diluted earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year adjusted for the effects of dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2012 (Cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs

5.1 New FRSs adopted during the current financial year

Title	Effective Date
Amendments to FRS 1 *Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters*	1 January 2011
Amendments to FRS 1 *Additional Exemptions for First-time Adopters*	1 January 2011
Amendments to FRS 2 *Group Cash-settled Share-based Payment Transactions*	1 January 2011
Amendments to FRS 7 *Improving Disclosures about Financial Instruments*	1 January 2011
IC Interpretation 4 *Determining Whether an Arrangement Contains a Lease*	1 January 2011
IC Interpretation 18 *Transfers of Assets from Customers*	1 January 2011
Improvements to FRSs (2010)	1 January 2011
Amendments to IC Interpretation 14 *FRS 119 - Prepayments of a Minimum Funding Requirement*	1 July 2011
IC Interpretation 19 *Extinguishing Financial Liabilities with Equity Instruments*	1 July 2011

There is no impact upon adoption of the above new FRSs, Amendments to FRSs and IC Interpretations during the current financial year other than the following:

(i) Amendments to FRS 7 Improving Disclosures about Financial Instruments are mandatory for annual periods beginning on or after 1 January 2011.

These amendments require enhanced disclosures of fair value of financial instruments based on the fair value hierarchy, including the disclosure of significant transfers between Level 1 and Level 2 of the fair value hierarchy as well as reconciliations for fair value measurements in Level 3 of the fair value hierarchy.

There is no financial impact upon adoption of these amendments during the financial year other than the additional disclosures in Note 39 to the financial statements.

(ii) *Improvements to FRSs (2010)* are mandatory for annual periods beginning on or after 1 January 2011.

Amendments to FRS 7 *Financial Instruments: Disclosures* clarify that quantitative disclosures of risk concentrations are required if the disclosures made in other parts of the financial statements are not readily apparent. The disclosure on maximum exposure to credit risk is not required for financial instruments whose carrying amount best represents the maximum exposure to credit risk. The Group has incorporated these disclosures on maximum exposure to credit risk in Note 40 to the financial statements.

5.2 New FRSs that have been issued, but not yet effective and not yet adopted

The following are accounting standards, amendments and interpretations of the FRS Framework that have been issued by the Malaysian Accounting Standards Board ('MASB') but have not been adopted by the Group and the Company.

Title	Effective Date
FRS 124 *Related Party Disclosures*	1 January 2012
Amendments to FRS 1 *Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters*	1 January 2012
Amendments to FRS 7 *Disclosures - Transfers of Financial Assets*	1 January 2012
Amendments to FRS 112 *Deferred tax: Recovery of Underlying Assets*	1 January 2012

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (Cont'd)

5.2 New FRSs that have been issued, but not yet effective and not yet adopted (Cont'd)

Title	Effective Date
Amendments to FRS 101 *Presentation of Items of Other Comprehensive Income*	1 July 2012
FRS 10 *Consolidated Financial Statements*	1 January 2013
FRS 11 *Joint Arrangements*	1 January 2013
FRS 12 *Disclosure of Interests in Other Entities*	1 January 2013
FRS 13 *Fair Value Measurement*	1 January 2013
FRS 119 *Employee Benefits*	1 January 2013
FRS 127 *Separate Financial Statements*	1 January 2013
FRS 128 *Investments in Associates and Joint Ventures*	1 January 2013
Amendments to FRS 1 *Government Loans*	1 January 2013
Amendments to FRS 7 *Disclosures - Offsetting Financial Assets and Financial Liabilities*	1 January 2013
Improvements to FRSs (2012)	1 January 2013
Amendments to FRS 10, FRS 11 and FRS 12 *Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance*	1 January 2013
FRS 3 *Business Combinations* (IFRS 3 *Business Combinations* issued by the IASB in March 2004)	1 January 2013
FRS 127 *Consolidated and Separate Financial Statements* (IAS 27 *Consolidated and Separate Financial Statements* revised by the IASB in December 2003)	1 January 2013
IC Interpretation 20 *Stripping Costs in the Production Phase of a Surface Mine*	1 January 2013
Amendments to FRS 132 *Offsetting Financial Assets and Financial Liabilities*	1 January 2014
Mandatory Effective Date of FRS 9 and Transition Disclosures	1 January 2015
FRS 9 *Financial Instruments*	1 January 2015

The Group is in the process of assessing the impact of implementing these accounting standards, amendments and interpretations, since the effects would only be observable for the future financial years.

5.3 New Malaysian Financial Reporting Standards ('MFRSs') that have been issued, but not yet effective and not yet adopted, for annual periods beginning on or after 1 January 2014

On 19 November 2011, the Malaysian Accounting Standards Board ('MASB') announced the issuance of the new MFRS framework that is applicable to entities other than private entities. However, based on the MASB announcement on 30 June 2012 that defer the effective date of MFRS framework for transitioning entities (i.e. entities affected by MFRS 141 *Agriculture* and/or IC Interpretation 15 *Agreements for Construction of Real Estate*) from 1 January 2013 to 1 January 2014, the Group has elected for the continued use of FRS for the financial years ending 30 November 2013 and 30 November 2014 as a transitioning entity. The Group would subsequently adopt the MFRS framework for the financial year ending 30 November 2015.

The subsequent adoption of the MFRS framework would result in the Group preparing an opening MFRS statement of financial position as at 1 December 2013, which adjusts for differences between the classification and measurement bases in the existing FRS framework versus that in the new MFRS framework. This would also result in a restatement of the annual and quarterly financial performance for the financial year ending 30 November 2015 in accordance with MFRS, which would form the MFRS comparatives for the annual and quarterly financial performance for the financial year ending 30 November 2015 respectively.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (Cont'd)

5.3 New Malaysian Financial Reporting Standards ('MFRSs') that have been issued, but not yet effective and not yet adopted, for annual periods beginning on or after 1 January 2014 (Cont'd)

The MFRSs and IC Interpretations expected to be adopted are as follows:

MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards*
MFRS 2 *Share-based Payment*
MFRS 3 *Business Combinations*
MFRS 4 *Insurance Contracts*
MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*
MFRS 6 *Exploration for and Evaluation of Mineral Resources*
MFRS 7 *Financial Instruments: Disclosures*
MFRS 8 *Operating Segments*
MFRS 9 *Financial Instruments*
MFRS 10 *Consolidated Financial Statements*
MFRS 11 *Joint Arrangements*
MFRS 12 *Disclosure of Interests in Other Entities*
MFRS 13 *Fair Value Measurement*
MFRS 101 *Presentation of Financial Statements*
Amendments to MFRS 101 *Presentation of Items of Other Comprehensive Income*
MFRS 102 *Inventories*
MFRS 107 *Statement of Cash Flows*
MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors*
MFRS 110 *Events After the Reporting Period*
MFRS 111 *Construction Contracts*
MFRS 112 *Income Taxes*
MFRS 116 *Property, Plant and Equipment*
MFRS 117 *Leases*
MFRS 118 *Revenue*
MFRS 119 *Employee Benefits*
MFRS 119 *Employee Benefits (revised)*
MFRS 120 *Accounting for Government Grants and Disclosure of Government Assistance*
MFRS 121 *The Effects of Changes in Foreign Exchange Rates*
MFRS 123 *Borrowing Costs*
MFRS 124 *Related Party Disclosures*
MFRS 126 *Accounting and Reporting by Retirement Benefit Plans*
MFRS 127 *Consolidated and Separate Financial Statements*
MFRS 127 *Separate Financial Statements (revised)*
MFRS 128 *Investments in Associates*
MFRS 128 *Investments in Associates and Joint Ventures (revised)*
MFRS 129 *Financial Reporting in Hyperinflationary Economies*
MFRS 131 *Interests in Joint Ventures*
MFRS 132 *Financial Instruments: Presentation*
MFRS 133 *Earnings Per Share*
MFRS 134 *Interim Financial Reporting*
MFRS 136 *Impairment of Assets*
MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets*
MFRS 138 *Intangible Assets*
MFRS 139 *Financial Instruments: Recognition and Measurement*
MFRS 140 *Investment Property*
MFRS 141 *Agriculture*
Improvements to MFRSs (2008)
Improvements to MFRSs (2009)
Improvements to MFRSs (2010)
Amendments to MFRS 1 *First-time Adoption of Financial Reporting Standards – Government Loans*

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (Cont'd)

5.3 New Malaysian Financial Reporting Standards ('MFRSs') that have been issued, but not yet effective and not yet adopted, for annual periods beginning on or after 1 January 2014 (Cont'd)

The MFRSs and IC Interpretations expected to be adopted are as follows (Cont'd):

Amendments to MFRS 7 *Disclosures – Offsetting Financial Assets and Financial Liabilities*
Amendments to MFRS 132 *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*
Mandatory Effective Date of MFRS 9 Financial Instruments and Transition Disclosures
Amendments to MFRSs *Annual Improvements 2009 - 2011 Cycle*
Amendments to MFRS 10, MFRS 11 and MFRS 12 *Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance*
MFRS 3 *Business Combinations* (as issued by the IASB in March 2004)
MFRS 127 *Consolidated and Separate Financial Statements* (as issued by the IASB in December 2003)
IC Interpretation 1 *Changes in Existing Decommissioning, Restoration and Similar Liabilities*
IC Interpretation 2 *Members' Shares in Co-operative Entities and Similar Instruments*
IC Interpretation 4 *Determining whether an Arrangement Contains a Lease*
IC Interpretation 5 *Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds*
IC Interpretation 6 *Liabilities Arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment*
IC Interpretation 7 *Applying the Restatement Approach under MFRS 129 Financial Reporting in Hyperinflationary Economies*
IC Interpretation 9 *Reassessment of Embedded Derivatives*
IC Interpretation 10 *Interim Financial Reporting and Impairment*
IC Interpretation 12 *Service Concession Arrangements*
IC Interpretation 13 *Customer Loyalty Programmes*
IC Interpretation 14 *MFRS 119 Employee Benefits – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*
IC Interpretation 15 *Agreements for the Construction of Real Estate*
IC Interpretation 16 *Hedges of a Net Investment in a Foreign Operation*
IC Interpretation 17 *Distributions of Non-cash Assets to Owners*
IC Interpretation 18 *Transfers of Assets from Customers*
IC Interpretation 19 *Extinguishing Financial Liabilities with Equity Instruments*
IC Interpretation 20 *Stripping Costs in the Production Phase of a Surface Mine*
IC Interpretation 107 *Introduction of the Euro*
IC Interpretation 110 *Government Assistance – No Specific Relation to Operating Activities*
IC Interpretation 112 *Consolidation – Special Purpose Entities*
IC Interpretation 113 *Jointly Controlled Entities – Non-Monetary Contributions by Venturers*
IC Interpretation 115 *Operating Leases – Incentives*
IC Interpretation 125 *Income Taxes – Changes in the Tax Status of an Entity or its Shareholders*
IC Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*
IC Interpretation 129 *Service Concession Arrangements: Disclosures*
IC Interpretation 131 *Revenue – Barter Transactions Involving Advertising Services*
IC Interpretation 132 *Intangible Assets – Web Site Costs*

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (Cont'd)

5.3 New Malaysian Financial Reporting Standards ('MFRSs') that have been issued, but not yet effective and not yet adopted, for annual periods beginning on or after 1 January 2014 (Cont'd)

The Group is in the process of assessing the impact on the financial statements arising from the transition from FRSs to MFRSs. However, some of the known effects are described as follows:

MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards*

This Standard requires an opening MFRS statement of financial position at the date of transition to reflect the retrospective effects of implementing the MFRS framework for the first time. However, it also provides some exceptions and exemptions to an entity from full retrospective application of MFRSs.

The Group is in the process of assessing the impact of implementing the MFRS framework since the effects would only be observable for the financial year ending 30 November 2015.

IC Interpretation 15 *Agreements for the Construction of Real Estate*

This Interpretation applies to the accounting for revenue and associated expenses by entities undertaking construction or real estate directly or via subcontractors. Within a single agreement, the entity may contract to deliver goods or services in addition to the construction of real estate. Such an agreement shall therefore, be split into separately identifiable components.

An agreement for the construction of real estate shall be accounted for in accordance with MFRS 111 *Construction Contracts* if the buyer is able to specify the major structural elements of the design of the real estate before construction begins and/or specify major structural changes once construction is in progress. Accordingly, revenue shall be recognised by reference to the stage of completion of the contract.

An agreement for the construction of real estate in which buyers only have limited ability to influence the design of the real estate or to specify only minor variations to the basic designs is an agreement for the sale of goods in accordance with MFRS 118 *Revenue*. Accordingly, revenue shall be recognised by reference to the criteria in paragraph 14 of MFRS 118 (e.g. transfer of significant risks and rewards, no continuing managerial involvement nor effective control, reliable measurement, etc.).

The Group is in the process of assessing the impact of implementing this Standard since the effects would only be observable for the financial year ending 30 November 2015.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

6.1 Critical judgements made in applying accounting policies

The following is judgment made by the management in the process of applying the Group's accounting policies that has a significant effect on the amounts recognised in the financial statements.

Contingent liabilities

The determination of treatment of contingent liabilities is based on management's view of the expected outcome of the contingencies for matters in the ordinary course of the business.

6.2 Key sources of estimation uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Income taxes

Judgement is required in determining the capital allowances and deductibility of certain expenses when estimating the provision for income taxes. There were transactions and calculations for which the ultimate tax determination of whether additional tax will be due is uncertain during the ordinary course of business. The Group and the Company recognise tax liabilities based on estimates of additional taxes that will be due. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax in the period in which the outcome is known.

(ii) Property development

The Group recognises property development revenue and expenses in profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Significant judgement is required in determining the stage of completion, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the development projects. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

(iii) Recognition of revenue from construction contract

The Group recognises construction contract revenue and expenses in the statement of comprehensive income using the "percentage of completion" method. The percentage of completion is determined by the proportion of property development costs incurred for work performed up to the reporting period over the estimated total property development costs.

Significant judgements are required in determining the percentage of completion, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the development projects. In making the judgements, the Company evaluates based on past experience and by relying on the work of specialists.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

6.2 Key sources of estimation uncertainty (Cont'd)

(iv) Investments in subsidiaries

The Directors review investments in subsidiaries for impairment when there is an indication of impairment. The recoverable amounts of the investments in subsidiaries are estimated based on fair value less cost to sell or value-in-use. Where expectation differ from the estimated recoverable amounts, the difference will impact the carrying amount of the investments in subsidiaries.

(v) Impairment of receivables

The Group makes impairment of receivables based on an assessment of the recoverability of receivables. Impairment is applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. The management specifically analyses historical bad debt, customer concentration, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of impairment of receivables. Where expectations differ from the original estimates, the differences will impact the carrying amount of receivables.

(vi) Fair value of borrowings

The fair value of borrowings are estimated by discounting future contractual cash flows at the current market interest rates available to the Group for similar financial instruments. It is assumed that the effective interest rates approximate the current market interest rates available to the Group based on its size and its business risk.

(vii) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profits will be available against which the losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(viii) Depreciation of property, plant and equipment

The cost of property, plant and equipment is depreciated on a straight line basis over the assets' useful lives. Management estimates the useful lives of these property, plant and equipment in accordance with accounting policy stated in Note 4.4 on property, plant and equipment and depreciation. These are common life expectancies applied in this industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, and therefore future depreciation charges could be revised.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

7. PROPERTY, PLANT AND EQUIPMENT

Group	Balance as at 1.12.2011 RM'000	Additions RM'000	Depreciation charge for the financial year RM'000	Balance as at 30.11.2012 RM'000
Carrying amount				
Furniture and fittings	-	-	-	-
Office equipment	65	57	(21)	101
Renovation	1	-	(1)	-
Motor vehicles	1,643	610	(534)	1,719
Site and sports equipment	-	-	-	-
	1,709	667	(556)	1,820

Group	[------ At 30.11.2012 ------] Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Furniture and fittings	387	(387)	-
Office equipment	993	(892)	101
Renovation	603	(603)	-
Motor vehicles	4,502	(2,783)	1,719
Site and sports equipment	42	(42)	-
	6,527	(4,707)	1,820

Group	Balance as at 1.12.2010 RM'000	Additions RM'000	Depreciation charge for the financial year RM'000	Balance as at 30.11.2011 RM'000
Carrying amount				
Furniture and fittings	-	-	-	-
Office equipment	77	22	(34)	65
Renovation	2	-	(1)	1
Motor vehicles	2,141	-	(498)	1,643
Site and sports equipment	-	-	-	-
	2,220	22	(533)	1,709

Group	[------ At 30.11.2011 ------] Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Furniture and fittings	388	(388)	-
Office equipment	1,008	(943)	65
Renovation	604	(603)	1
Motor vehicles	4,126	(2,483)	1,643
Site and sports equipment	41	(41)	-
	6,167	(4,458)	1,709

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

7. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Company	Balance as at 1.12.2011 RM'000	Additions RM'000	Depreciation charge for the financial year RM'000	Balance as at 30.11.2012 RM'000
Carrying amount				
Furniture and fittings	-	-	-	-
Office equipment	2	1	(1)	2
Renovation	-	-	-	-
Motor vehicles	319	-	(98)	221
Site and sports equipment	-	-	-	-
	321	1	(99)	223

Company	[---------------- At 30.11.2012	------------------]	
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Furniture and fittings	195	(195)	-
Office equipment	373	(371)	2
Renovation	217	(217)	-
Motor vehicles	847	(626)	221
Site and sports equipment	26	(26)	-
	1,658	(1,435)	223

Company	Balance as at 1.12.2010 RM'000	Additions RM'000	Depreciation charge for the financial year RM'000	Balance as at 30.11.2011 RM'000
Carrying amount				
Furniture and fittings	1	-	(1)	-
Office equipment	6	-	(4)	2
Renovation	1	-	(1)	-
Motor vehicles	417	-	(98)	319
Site and sports equipment	-	-	-	-
	425	-	(104)	321

Company	[---------------- At 30.11.2011	------------------]	
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Furniture and fittings	195	(195)	-
Office equipment	445	(443)	2
Renovation	217	(217)	-
Motor vehicles	1,030	(711)	319
Site and sports equipment	26	(26)	-
	1,913	(1,592)	321

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

7. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

(a) During the financial year, the Group and the Company made the following cash payments to purchase property, plant and equipment:

	Group		Company	
	2012 RM'000	2011 RM'000	**2012 RM'000**	2011 RM'000
Purchase of property, plant and equipment	**667**	22	**1**	-
Financed by finance lease creditors	**(562)**	-	**-**	-
Cash payments on purchase of property, plant and equipment	**105**	22	**1**	-

(b) As at 30 November 2012, the carrying amount of the property, plant and equipment of the Group and of the Company under finance lease arrangements were as follows:

	Group		Company	
	2012 RM'000	2011 RM'000	**2012 RM'000**	2011 RM'000
Motor vehicles	**1,711**	1,643	**221**	319

Details of the terms and conditions of the finance lease arrangements are disclosed in Note 22 and Note 39 to the financial statements.

(c) As at 30 November 2012, property, plant and equipment of the Group and of the Company have been pledged to financial institutions for borrowings granted to the Group and the Company (Notes 20, 21, 23 and 24 to the financial statements).

8. LAND HELD FOR PROPERTY DEVELOPMENT

Group	**Balance as at 1.12.2011 RM'000**	**Additions RM'000**	**Balance as at 30.11.2012 RM'000**
Carrying amount			
Freehold land, at cost	**26,317**	**-**	**26,317**
Leasehold land, at cost	**53,698**	**-**	**53,698**
Development costs	**862**	**430**	**1,292**
	80,877	**430**	**81,307**

Group	Balance as at 1.12.2010 RM'000	Additions RM'000	Balance as at 30.11.2011 RM'000
Carrying amount			
Freehold land, at cost	26,317	-	26,317
Leasehold land, at cost	53,698	-	53,698
Development costs	825	37	862
	80,840	37	80,877

As at 30 November 2012, freehold land has been charged to financial institutions for credit facilities granted to the Group as disclosed in Notes 20, 21, 23, and 24 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

9. INVESTMENT IN SUBSIDIARIES

	Company	
	2012 **RM'000**	2011 RM'000
Unquoted equity shares, at cost	**12,650**	12,650

The details of the subsidiaries, which are all incorporated in Malaysia, are as follows:

Name of company	Interest in equity held by Company 2012	2011	Principal activities
Country View Avenue Sdn. Bhd.	**100%**	100%	Dormant
Country View Construction Sdn. Bhd.	**100%**	100%	Construction
Country View Equities Sdn. Bhd.	**100%**	100%	Property development
Country View Greens Sdn. Bhd.	**100%**	100%	Property development
Country View Land Sdn. Bhd.	**100%**	100%	Property development
Country View Property Management Sdn. Bhd.	**100%**	100%	Property management
Country View Properties Sdn. Bhd.	**100%**	100%	Property development
Country View Resources Sdn. Bhd.	**100%**	100%	Property development
Country View Ventures Sdn. Bhd.	**100%**	100%	Investment holding

10. INVESTMENT IN ASSOCIATE

	Group	
	2012 **RM'000**	2011 RM'000
Unquoted equity shares, at cost	**720**	720
Share of post acquisition losses	**(720)**	(720)
	-	-

The details of the associate, which is incorporated in Malaysia, are as follows:

	Interest in equity held by a subsidiary 2012	2011	Principal activity
Associate of Country View Ventures Sdn. Bhd.			
Optima Bestari Sdn. Bhd.#	**24%**	24%	Property development

- Associate not audited by BDO, Malaysia.

The financial statements of Optima Bestari Sdn. Bhd. have a financial year end of 31 December 2012 to conform with its investor's financial year end. In applying the equity method of accounting, the financial statements of Optima Bestari Sdn. Bhd. for the financial period ended 30 November 2012 have been used and appropriate adjustments have been made for the effects of significant transactions between 30 November 2012 and 31 December 2012.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

10. INVESTMENT IN ASSOCIATE (Cont'd)

The summarised financial information of the associate is as follows:

	2012 RM'000	2011 RM'000
Assets and liabilities		
Current assets/Total assets	-	1
Current liabilities	(365)	(1,304)
Non-current liabilities	(467)	(458)
Total liabilities	(832)	(1,762)
Results		
Revenue	-	-
Profit/(Loss) for the year	930	(10)

The unrecognised share of profit/(loss) of the associate for the current financial year amounted to approximately RM223,200 (2011: (RM2,400)). As at 30 November 2012, the cumulative unrecognised share of losses of the associate amounted to RM200,000 (2011: RM423,000).

On 25 January 2013, Optima Bestari Sdn. Bhd. ("OB") submitted an application for strike off under Section 308 of the Companies Act, 1965 in Malaysia.

11. DEFERRED TAX ASSETS

(a) The deferred tax assets and liabilities are made up of the following:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Balance as at 1 December 2011/2010	2,381	3,900	-	-
Recognised in profit or loss (Note 33)	(425)	(1,519)	-	-
Balance as at 30 November 2012/2011	1,956	2,381	-	-
Presented after appropriate offsetting:				
Deferred tax assets, net	2,025	2,418	-	-
Deferred tax liabilities, net	(69)	(37)	-	-
	1,956	2,381	-	-

(b) The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

Deferred tax assets of the Group

	Unabsorbed capital allowances RM'000	Unused tax losses RM'000	Other deductible temporary differences RM'000	Total RM'000
At 1 December 2011	-	-	2,418	2,418
Recognised in profit or loss	-	-	(393)	(393)
At 30 November 2012	-	-	2,025	2,025
At 1 December 2010	19	869	3,030	3,918
Recognised in profit or loss	(19)	(869)	(612)	(1,500)
At 30 November 2011	-	-	2,418	2,418

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

11. DEFERRED TAX ASSETS (Cont'd)

(b) The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows: (Cont'd)

Deferred tax liability of the Group

	Property, plant and equipment RM'000
At 1 December 2011	**(37)**
Recognised in profit or loss	**(32)**
At 30 November 2012	**(69)**
At 1 December 2010	(18)
Recognised in profit or loss	(19)
At 30 November 2011	(37)

(c) The amounts of temporary differences for which no deferred tax asset have been recognised in the statements of financial position are as follows:

	Group		Company	
	2012 RM'000	2011 RM'000	**2012 RM'000**	2011 RM'000
Unused tax losses	**28,062**	26,386	**18,420**	17,469
Unabsorbed capital allowances	**203**	229	**199**	222
	28,265	26,615	**18,619**	17,691

Deferred tax assets of certain subsidiaries have not been recognised in respect of these items as it is not probable that taxable profits of the subsidiaries will be available against which the deductible temporary differences can be utilised.

The unused tax losses and unabsorbed capital allowances do not expire under the current tax legislation.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2012 (Cont'd)

12. PROPERTY DEVELOPMENT COSTS

Group	Freehold land, at cost RM'000	Development costs RM'000	Total RM'000
Cumulative property development costs			
Balance as at 1 December 2011	**110,397**	**122,339**	**232,736**
Incurred during the financial year	**-**	**123,046**	**123,046**
Balance as at 30 November 2012	**110,397**	**245,385**	**355,782**
Cumulative cost recognised in the statements of comprehensive income			
Balance as at 1 December 2011	**(9,810)**	**(64,425)**	**(74,235)**
Recognised during the financial year	**(18,066)**	**(98,959)**	**(117,025)**
Balance as at 30 November 2012	**(27,876)**	**(163,384)**	**(191,260)**
Property development cost as at 30 November 2012	**82,521**	**82,001**	**164,522**
Cumulative property development costs			
Balance as at 1 December 2010	110,397	38,179	148,576
Incurred during the financial year	-	84,160	84,160
Balance as at 30 November 2011	110,397	122,339	232,736
Cumulative cost recognised in the statements of comprehensive income			
Balance as at 1 December 2010	(1,631)	(7,587)	(9,218)
Recognised during the financial year	(8,179)	(56,838)	(65,017)
Balance as at 30 November 2011	(9,810)	(64,425)	(74,235)
Property development cost as at 30 November 2011	100,587	57,914	158,501

Included in the property development costs are the following charges incurred during the financial year:

	Group	
	2012 RM'000	2011 RM'000
Interest expense	**7,228**	6,207

Interest is capitalised in property development cost at rates ranging from 7.30% to 8.10% (2011: 6.15% to 7.8%) per annum.

Freehold land under development have been charged to financial institutions for credit facilities granted to the Group as disclosed in Notes 20, 21, 23, and 24 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

13. INVENTORIES

	Group		Company	
	2012	2011	**2012**	2011
At cost	**RM'000**	RM'000	**RM'000**	RM'000
Completed properties held for sale	**6,802**	7,049	**1,307**	1,554

Inventories of the Group and of the Company have been pledged to financial institutions as security for facilities granted to the Group and the Company as disclosed in Notes 20, 21, 23, and 24 to the financial statements.

14. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2012	2011	**2012**	2011
	RM'000	RM'000	**RM'000**	RM'000
Trade receivables				
Third parties	**25,911**	18,917	**44**	2
Less: Impairment loss	**-**	(26)	**-**	-
	25,911	18,891	**44**	2
Accrued billings in respect of property development	**42,452**	22,086	**-**	-
Amount due from a customer for contract works (Note 15)	**-**	25	**-**	-
	68,363	41,002	**44**	2
Other receivables				
Amount owing by subsidiaries				
- interest bearing	**-**	-	**117,644**	104,081
- non-interest bearing	**-**	-	**105,301**	118,773
Other receivables	**3,446**	1,250	**149**	164
Amount owing by a shareholder of an associate	**750**	750	**-**	-
Less: Impairment loss	**(750)**	(750)	**-**	-
Loan and receivables	**71,809**	42,252	**223,138**	223,020
Prepayments	**367**	359	**122**	72
	72,176	42,611	**223,260**	223,092

(a) The normal trade credit terms of the trade receivables granted by the Group and the Company range from 14 days to 90 days (2011: 14 days to 90 days). They are recognised at their original invoiced amounts, which represent their fair value on initial recognition.

(b) Amounts owing by subsidiaries represent advances and payments made on behalf, which are unsecured, interest-free and repayable upon demand except for advances of RM117,644,000 (2011: RM104,081,000), which are interest bearing ranging from 7.30% to 8.10% (2011: 6.15% to 7.8%) per annum. The amounts are repayable in cash and cash equivalents.

(c) Amount owing by a shareholder of an associate represents advances, which are unsecured, interest-free, and payable upon demand in cash and cash equivalents.

(d) Receivables are denominated in Ringgit Malaysia.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

14. TRADE AND OTHER RECEIVABLES (Cont'd)

(e) The ageing analysis of trade receivables (third parties) of the Group and of the Company are as follows:

	Group		Company	
	2012	2011	**2012**	2011
	RM'000	RM'000	**RM'000**	RM'000
Neither past due nor impaired	**44**	-	**44**	-
Past due but not impaired				
Under 30 days	**13,732**	8,987	**-**	-
31days to 60 days	**5,463**	3,799	**-**	-
61 days to 90 days	**1,090**	1,522	**-**	-
Over 90 days	**5,582**	4,583	**-**	2
	25,867	18,891	**-**	2
Past due and impaired	**-**	26	**-**	-
	25,911	18,917	**44**	2

Trade receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group and the Company. Receivables of the Group and of the Company that are overdue but not impaired are mainly related to the progress billings to be settled by end-buyers financiers.

None of the Group and of the Company's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

Trade receivables that are past due but not impaired

Trade receivables of the Group and of the Company that are past due but not impaired are mainly relate to the progress billings to be settled by end-buyers financiers.

Trade receivables that are past due but not impaired are unsecured in nature.

Trade receivables that are past due and impaired

Trade receivables of the Group and of the Company that are past due and impaired at the end of the reporting period are as follows:

	Individually impaired			
	Group		Company	
	2012	2011	**2012**	2011
	RM'000	RM'000	**RM'000**	RM'000
Trade receivables, gross	**-**	26	**-**	-
Less: Impairment loss	**-**	(26)	**-**	-
	-	-	**-**	-

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

14. TRADE AND OTHER RECEIVABLES (Cont'd)

(e) The ageing analysis of trade receivables (third parties) of the Group and of the Company are as follows: (Cont'd)

The reconciliation of movement in the impairment loss are as follows:

	Group		Company	
	2012	2011	**2012**	2011
	RM'000	RM'000	**RM'000**	RM'000
At 1 December	**26**	44	**-**	18
Written off	**(26)**	(18)	**-**	(18)
	-	26	**-**	-

Trade receivables of the Group and of the Company that are individually determined to be impaired at the end of the reporting period related to those receivables that exhibit significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

(f) Information on financial risks of trade and other receivables is disclosed in Note 40 to the financial statements.

15. AMOUNT DUE FROM/(TO) A CUSTOMER FOR CONTRACT WORKS

	Group	
	2012	2011
	RM'000	RM'000
Aggregate costs incurred to date	**-**	4,005
Add: Attributable profits	**-**	308
	-	4,313
Less: Progress billings	**-**	(4,307)
	-	6
Analysed as:		
Amount due from a customer for contract works (Note 14)	**-**	25
Amount due to a customer for contract works (Note 25)	**-**	(19)
	-	6

16. CASH AND CASH EQUIVALENTS

	Group		Company	
	2012	2011	**2012**	2011
	RM'000	RM'000	**RM'000**	RM'000
Cash and bank balances	**14,915**	7,726	**5**	7
Deposits with licensed banks	**1,467**	249	**-**	-
	16,382	7,975	**5**	7

(a) Included in the Group's and the Company's cash and bank balances are RM10,239,000 (2011: RM6,076,000) and RM1,400 (2011: RM1,500) respectively held under the Housing Development Account pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966, (as amended by the Housing Developers (Housing Development Account) (Amendment), Regulations, 2002), which are not available for general use by the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

16. CASH AND CASH EQUIVALENTS (Cont'd)

(b) Deposits with licensed banks of the Group amounting to RM1,467,000 (2011: RM249,000), which are pledged to a bank for credit facilities granted to the Company and third party as security for bank guarantee respectively (Notes 24 and 28 to the financial statements).

(c) Cash and cash equivalents are denominated in Ringgit Malaysia.

(d) Information on financial risks of cash and cash equivalents is disclosed in Note 40 to the financial statements.

(e) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the end of the reporting period:

	Group		Company	
	2012 RM'000	2011 RM'000	**2012 RM'000**	2011 RM'000
Cash and bank balances	**14,915**	7,726	**5**	7
Deposits with licensed banks	**1,467**	249	**-**	-
As reported in statements of financial position	**16,382**	7,975	**5**	7
Less: Deposits pledged to licensed banks	**(1,467)**	(249)	**-**	-
Bank overdrafts included in borrowings (Note 19)	**(6,263)**	(8,714)	**(6,263)**	(8,714)
	8,652	(988)	**(6,258)**	(8,707)

17. SHARE CAPITAL

	2012 Number of shares '000	**2012 RM'000**	2011 Number of shares '000	2011 RM'000
Ordinary shares of RM1.00 each:				
Authorised	**500,000**	**500,000**	500,000	500,000
Issued and fully paid:	**100,000**	**100,000**	100,000	100,000

The owners of parent are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the Company's residual assets.

18. RESERVES

	Group		Company	
	2012 RM'000	2011 RM'000	**2012 RM'000**	2011 RM'000
Non-distributable:				
Share premium	**124**	124	**124**	124
Distributable:				
Retained earnings	**71,788**	33,767	**23,455**	24,551
	71,912	33,891	**23,579**	24,675

(a) Share premium represents premium arising from the issuance of shares.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

18. RESERVES (Cont'd)

(b) Retained earnings

Effective 1 January 2008, the Company is given the option to make an irrevocable election to move to a single tier system or to continue to use its tax credit under Section 108 of the Income Tax Act, 1967 for the purpose of dividend distribution until the tax credit is fully utilised or latest, by 31 December 2013.

The Company has decided not to make this election and has sufficient tax credit under Section 108 of the Income Tax Act, 1967 and balance in the tax exempt account to frank the payment of dividends out of its entire retained earnings without incurring additional tax liabilities.

19. BORROWINGS

	Group		Company	
	2012 RM'000	2011 RM'000	**2012 RM'000**	2011 RM'000
Current liabilities				
Bank overdrafts	**6,263**	8,714	**6,263**	8,714
Bridging loans	**4,119**	4,894	**-**	-
Finance lease creditors	**541**	430	**86**	82
Revolving credits	**12,000**	13,000	**12,000**	13,000
Term loans	**26,833**	12,006	**26,630**	10,903
	49,756	39,044	**44,979**	32,699
Non-current liabilities				
Bridging loans	**9,139**	1,174	**9,139**	1,174
Finance lease creditors	**1,109**	1,108	**122**	208
Revolving credits	**-**	1,000	**-**	1,000
Term loans	**58,220**	77,372	**56,143**	73,762
	68,468	80,654	**65,404**	76,144
Total borrowings				
Bank overdrafts (Note 20)	**6,263**	8,714	**6,263**	8,714
Bridging loans (Note 21)	**13,258**	6,068	**9,139**	1,174
Finance lease creditors (Note 22)	**1,650**	1,538	**208**	290
Revolving credits (Note 23)	**12,000**	14,000	**12,000**	14,000
Term loans (Note 24)	**85,053**	89,378	**82,773**	84,665
	118,224	119,698	**110,383**	108,843

(a) Information on financial risks of borrowings is disclosed in Note 40 to the financial statements.

(b) Borrowings are denominated in Ringgit Malaysia.

20. BANK OVERDRAFTS

The bank overdrafts of the Group and of the Company are secured by legal charges over plant and equipment, land held for property development, property development costs and inventories of the Group and of the Company as referred to in Notes 7, 8, 12 and 13 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

21. BRIDGING LOANS

The bridging loans of the Group and of the Company are secured by the following:

(a) Legal charges over property, plant and equipment, land held for property development, property development costs and inventories of the Group and of the Company as disclosed in Notes 7, 8, 12 and 13 to the financial statements; and

(b) Debentures by way of fixed and floating charges over the present and future assets of the Company and certain subsidiaries.

The bridging loans are repayable in various monthly and quarterly instalments ranging from RM542,000 to RM2,000,000 or from redemption proceeds of development properties sold, whichever is earlier.

22. FINANCE LEASE CREDITORS

	Group		Company	
	2012 RM'000	2011 RM'000	**2012 RM'000**	2011 RM'000
Minimum finance lease payments:				
- not later than one year	**624**	505	**95**	95
- later than one year but not later than five years	**1,166**	1,186	**126**	220
Total minimum finance lease payments	**1,790**	1,691	**221**	315
Less: Future interest charges	**(140)**	(153)	**(13)**	(25)
Present value of finance lease payments	**1,650**	1,538	**208**	290
Repayable as follows:				
Non-current liabilities				
- not later than one year	**541**	430	**86**	82
- later than one year and not later than five years	**1,109**	1,108	**122**	208
	1,650	1,538	**208**	290

23. REVOLVING CREDITS

The revolving credits of the Group and of the Company are secured by the following:

(a) Legal charges over property, plant and equipment, land held for property development, property development costs and inventories of the Group and of the Company as disclosed in Notes 7, 8, 12 and 13 to the financial statements; and

(b) Debentures by way of fixed and floating charges over the present and future assets of the Company and certain subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

24. TERM LOANS

The term loans of the Group are secured by the following:

(a) legal charges over the Group's freehold land and building as disclosed in Notes 8, 12 and 13 to the financial statements;
(b) debentures by way of fixed and floating charges over the present and future assets of the Company and certain subsidiaries;
(c) fixed deposits with licensed banks (Note 16 to the financial statements); and
(d) in addition, the term loan of the Group and of the Company are guaranteed by the Company and jointly guaranteed by certain Directors.

Term loans are repayable in various monthly instalments ranging from RM362,000 to RM950,000 or from the redemption of development properties sold, whichever is earlier.

25. TRADE AND OTHER PAYABLES

	Group		Company	
	2012	2011	**2012**	2011
	RM'000	RM'000	**RM'000**	RM'000
Trade payables				
Third parties	**43,350**	41,434	**91**	302
Amounts owing to subsidiaries	**-**	-	**26**	184
Amount due to a customer for contract works (Note 15)	**-**	19	**-**	-
Progress billings in respect of property development	**435**	-	**-**	-
	43,785	41,453	**117**	486
Other payables				
Amounts owing to subsidiaries	**-**	-	**2,547**	3,374
Other payables	**2,859**	3,757	**613**	322
Accruals	**1,195**	1,317	**285**	132
	4,054	5,074	**3,445**	3,828
	47,839	46,527	**3,562**	4,314

(a) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group and the Company range from one (1) month to three (3) months (2011: one (1) month to three (3) months).

(b) Amount owing to subsidiaries are unsecured, interest-free and payable upon demand in cash and cash equivalents.

(c) Included in trade payables of the Group are retention monies of RM8,646,453 (2011: RM4,685,000).

(d) Payables are denominated in Ringgit Malaysia.

(e) Information on financial risks of trade and other payables is disclosed in Note 40 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

26. PROVISION FOR LIABILITIES

	Group	
	2012	2011
	RM'000	RM'000
At 1 December 2011/2010	**270**	11
Provision made	**682**	259
Amount utilised	**(186)**	-
As 30 November 2012/2011	**766**	270

The provision for liabilities represented the liquidated ascertained damages in respect of projects undertaken by the Group. The provision is recognised for expected liquidated ascertained damages claims based on the applicable sale and purchase agreements.

27. COMMITMENTS

Operating lease commitments

The Group as lessee

The Group had entered into non-cancellable operating lease agreements for shop-office, office buildings and office equipment, resulting in future rental commitments.

The lease terms do not contain restrictions on the Group's activities concerning dividends or additional debt. Certain lease terms entered into by the Group include restrictions on further leasing. The Group has aggregate future minimum lease commitment as at the end of the reporting period as follows:

Group	**2012 RM'000**	2011 RM'000
Not later than one year	**743**	2,001
Later than one year and not later than five years	**336**	747
	1,079	2,748

28. CONTINGENT LIABILITIES

	Group		Company	
	2012	2011	**2012**	2011
Unsecured	**RM'000**	RM'000	**RM'000**	RM'000
Potential liability/loss arising from the put option offered to purchasers of properties under a sale promotion of a property development project. The Options are valid for a period of 2 year and expired on 13 December 2012	**16,443**	16,443	**-**	-
Corporate guarantees given to a licensed bank for banking facilities granted to subsidiaries	**-**	-	**6,399**	15,475

The Directors are of the view that the chances of the purchasers to exercise the option and the financial institutions to call upon the corporate guarantees are not probable.

The Directors are of the view that the fair value of such corporate guarantees is negligible as the chances of the financial institutions to call upon the corporate guarantees are remote.

There is no liability arising subsequent to the expired of the agreement.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2012 (Cont'd)

29. REVENUE

	Group		Company	
	2012 RM'000	2011 RM'000	**2012 RM'000**	2011 RM'000
Property development	**191,181**	95,877	**485**	546
Contract revenue	**-**	420	**-**	-
Dividend income	**-**	-	**753**	1,200
	191,181	96,297	**1,238**	1,746

30. COST OF SALES

	Group		Company	
	2012 RM'000	2011 RM'000	**2012 RM'000**	2011 RM'000
Property development costs	**117,025**	65,017	**-**	-
Cost of inventories	**247**	2,985	**247**	545
	117,272	68,002	**247**	545

31. FINANCE COSTS

	Group		Company	
	2012 RM'000	2011 RM'000	**2012 RM'000**	2011 RM'000
Interest expense on:				
- bank overdrafts	**786**	587	**276**	404
- finance lease creditors	**82**	104	**13**	17
- revolving credits	**963**	1,054	**62**	178
- term loans	**186**	199	**-**	-
	2,017	1,944	**351**	599

32. PROFIT/(LOSS) BEFORE TAX

		Group		Company	
	Note	**2012 RM'000**	2011 RM'000	**2011 RM'000**	2011 RM'000
Profit/(Loss) before tax is arrived at after charging:					
Auditors' remuneration:					
- statutory audits:					
- current year		**101**	97	**34**	34
- under provision in prior year		**5**	-	**-**	-
- non-statutory audits		**3**	5	**2**	2
Bad debts written off		**-**	118	**-**	118
Depreciation of property, plant and equipment	7	**556**	533	**99**	104
Directors' remuneration					
- fees		**180**	108	**180**	108
- emoluments other than fees		**1,043**	755	**1,043**	755
Office rental		**466**	465	**180**	179
Rental of premises paid according to rental return agreements		**1,544**	1,548	**-**	-

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2012 (Cont'd)

32. PROFIT/(LOSS) BEFORE TAX (Cont'd)

	Note	Group 2012 RM'000	Group 2011 RM'000	Company 2011 RM'000	Company 2011 RM'000
And crediting:					
Bad debts recovered		**27**	1	**-**	-
Gain on disposal of property, plant and equipment		**32**	-	**23**	-
Dividend income from a subsidiary	29	**-**	-	**753**	1,200
Interest income received from:					
- deposits with licensed banks		**8**	20	**-**	1
- housing development accounts		**204**	81	**-**	-
- late payment charges		**507**	66	**-**	-
Rental income		**73**	51	**6**	6
Directors'					
- benefit in kind		**86**	82	**28**	27

33. TAXATION

	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
Current tax expense				
- current year	**14,082**	2,536	**159**	149
- prior years	**212**	-	**138**	-
	14,294	2,536	**297**	149
Deferred tax (Note 11)				
- current year	**437**	1,519	**-**	-
- prior year	**(12)**	-	**-**	-
	425	1,519	**-**	-
	14,719	4,055	**297**	149

The numerical reconciliation between the tax expense and the product of accounting profit/(loss) multiplied by the applicable tax rates of the Group and of the Company are as follows:

	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
Profit/(Loss) before tax	**52,740**	11,763	**(799)**	261
Tax calculated using Malaysian tax rate of 25% (2011: 25%)	**13,185**	2,941	**(200)**	65
Non deductible expenses	**922**	1,897	**127**	79
Utilisation of previously unrecognised tax losses	**(1)**	(972)	**-**	-
Deferred tax assets not recognised during the financial year	**413**	189	**232**	5
	14,519	4,055	**159**	149
Under/(Over) provision in prior year:				
- income tax expense	**212**	-	**138**	-
- deferred tax	**(12)**	-	**-**	-
	14,719	4,055	**297**	149

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

33. TAXATION (Cont'd)

Tax savings of the Group are as follows:

	Group	
	2012	2011
	RM'000	RM'000
Arising from utilisation of previously unrecognised tax losses	**1**	972

34. EARNINGS PER ORDINARY SHARE

(a) Basic

Basic earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2012	2011
Profit attributable to owners of the parent (RM'000)	**38,021**	7,708
Weighted average number of ordinary shares in issue ('000)	**100,000**	100,000
Basic (sen)	**38.02**	7.71

(b) Diluted

The diluted earnings per share of the Group for the financial years 2012 and 2011 are same as the basic earnings per ordinary share of the Group as the Company has no dilutive potential ordinary shares.

35. EMPLOYEE BENEFITS

	Group		Company	
	2012	2011	**2012**	2011
	RM'000	RM'000	**RM'000**	RM'000
Wages and salaries	**3,805**	3,619	**1,341**	1,254
Contribution to defined contribution plan	**524**	453	**198**	164
Other benefits	**742**	440	**316**	108
	5,071	4,512	**1,855**	1,526

Included in the employee benefits of the Group and of the Company are Executive Directors' remuneration of RM1,043,000 (2011: RM754,800) (Note 36 to the financial statements).

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

36. DIRECTORS' AND KEY MANAGEMENT'S REMUNERATION

	Group		Company	
	2012	2011	**2012**	2011
Directors' of the Company	**RM'000**	RM'000	**RM'000**	RM'000
Executive:				
- Salaries and other emoluments	**1,043**	755	**1,043**	755
- Benefit-in-kind	**86**	82	**28**	27
Non-executive				
- Fees	**180**	108	**180**	108
	1,309	945	**1,251**	890

The number of Directors whose total remuneration fell within the following bands during the financial year is as follows:

	Executive Directors		Non-Executive Directors	
	2012	2011	**2012**	2011
Range of Remuneration	**No.**	No.	**No.**	No.
<RM50,000	**-**	-	**-**	3
RM50,001 – RM100,000	**-**	-	**3**	-
RM100,001 – RM150,000	**-**	2	**-**	-
RM150,001 – RM200,000	**-**	-	**-**	-
RM200,001 – RM250,000	**1**	1	**-**	-
RM250,001 – RM300,000	**2**	1	**-**	-
RM300,001 – RM350,000	**1**	-	**-**	-
	4	4	**3**	3

Remuneration of Directors and other members of key management during the year was as follows:

	Group		Company	
	2012	2011	**2012**	2011
	RM'000	RM'000	**RM'000**	RM'000
Non-Executive Directors	**180**	108	**180**	108
Executive Directors	**1,129**	837	**1,071**	782
Other members of key management				
- Salaries and other emoluments	**835**	738	**411**	360
- Contribution to defined contribution plan	**101**	92	**50**	46
- Benefit-in-kind	**47**	42	**6**	6
	2,292	1,817	**1,718**	1,302

37. SIGNIFICANT RELATED PARTY DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other parties.

The Company has controlling related party relationship with its direct subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

37. SIGNIFICANT RELATED PARTY DISCLOSURES (Cont'd)

(b) In addition to the transactions and balances detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	Group		Company	
	2012 RM'000	2011 RM'000	**2012 RM'000**	2011 RM'000
Transactions with Directors of the Company, major shareholders of the Company and persons connected to the Directors/major shareholders of the Company:				
(i) Rental return paid to an Executive Director of the Company	**27**	27	**-**	-
(ii) Rental return paid to an Executive Director/major shareholder of the Company	**121**	121	**-**	-
(iii) Rental return paid to a major shareholder of the Company and a person connected to an Executive Director/major shareholder of the Company	**60**	60	**-**	-
(iv) Rental return paid to persons connected to an Executive Director/major shareholder of the Company; and a non-independent non-executive Director /major shareholder of the Company	**587**	587	**-**	-
(v) Sale of development property to an Executive Director of the Company	**-**	780	**-**	-

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

37. SIGNIFICANT RELATED PARTY DISCLOSURES (Cont'd)

(b) In addition to the transactions and balances detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year: (Cont'd)

	Group		Company	
	2012	2011	**2012**	2011
	RM'000	RM'000	**RM'000**	RM'000
Transactions with key management personnel of the Company and persons connected to key management personnel of the Company				
(i) Rental return paid to a key management personnel and a person connected to key management personnel of the Company	**56**	56	**-**	-
(ii) Sale of development property to key management personnel	**960**	405	**-**	-
(iii) Sale of development property to persons connected to key management personnel	**-**	1,560	**-**	-
Transactions with subsidiaries				
Sale of development property to key management personnel	**-**	780	**-**	-
Property management services expenses	**-**	-	**10**	32
Management services charges	**-**	-	**1,626**	1,328
Dividend income	**-**	-	**753**	1,200

(c) The related party transactions described above were carried out on mutually agreed and negotiated terms.

(d) Compensation of key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of the Group.

The remuneration of Directors and other key management personnel are disclosed in Note 36 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

38. OPERATING SEGMENTS

The Group adopts business segments analysis as its primary reporting format. No geographical segment analysis is reported as the Group only operates in Malaysia. Inter-segment pricing is determined based on terms mutually agreed between the respective companies. Segment revenues, expenses, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise current tax assets, current tax liabilities, deferred tax assets and liabilities. Segment capital expenditure is the total cost incurred during the year to acquire segment assets that are expected to be used for more than one period.

The chief operating decision-maker reviews the resource allocation and performance evaluation at least on a quarterly basis.

The Group's major business segments are as follows:

(a) Property development
- Development of residential and commercial properties;

(b) Construction
- Building and infrastructure construction works;

(c) Investment holding
- Investing in subsidiaries and associate which are long term in nature; and

(d) Property management
- Provision of maintenance and safety services, project management and property maintenance.

The accounting policies of operating segments are the same as those described in the summary of significant accounting policies.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

38. OPERATING SEGMENTS (cont'd)

2012	Property Development RM'000	Construction RM'000	Investment Holding RM'000	Property Management RM'000	Total RM'000
Total revenue	191,181	2,570	-	474	194,225
Inter-segment revenue	-	(2,570)	-	(474)	(3,044)
Revenue from external customers	191,181	-	-	-	191,181
Interest income	719	-	-	-	719
Finance costs	(2,017)	-	-	-	(2,017)
Net finance expense	(1,298)	-	-	-	(1,298)
Depreciation of property, plant and equipment	556	-	-	-	556
Segment profit/(loss) before income tax	53,620	(44)	(12)	(15)	53,549
Income tax expense	(14,719)	-	-	-	(14,719)
Additions to non-current assets other than financial instruments and deferred tax assets	1,097	-	-	-	1,097
Segment assets	342,850	120	-	39	343,009
Segment liabilities	166,309	503	4	13	166,829

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

38. OPERATING SEGMENTS (cont'd)

2011	Property Development RM'000	Construction RM'000	Investment Holding RM'000	Property Management RM'000	Total RM'000
Total revenue	95,877	1,281	-	407	97,565
Inter-segment revenue	-	(861)	-	(407)	(1,268)
Revenue from external customers	95,877	420	-	-	96,297
Interest income	167	-	-	-	167
Finance costs	(1,944)	-	-	-	(1,944)
Net finance expense	(1,777)	-	-	-	(1,777)
Depreciation of property, plant and equipment	531	-	-	2	533
Segment profit/(loss) before income tax	12,848	(49)	(11)	(43)	12,745
Income tax expense	(4,055)	-	-	-	(4,055)
Other material non-cash item:					
- Bad debts written off	118	-	-	-	118
Additions to non-current assets other than financial instruments and deferred tax assets	59	-	-	-	59
Segment assets	298,521	169	1	31	298,722
Segment liabilities	165,814	668	4	9	166,495

Reconciliation of reportable segment profit or loss to the Group's corresponding amounts are as follows:

Profit for the financial year	**2012 RM'000**	2011 RM'000
Total profit for reportable segments	**53,549**	12,745
Elimination of inter-segment profits	**(809)**	(982)
Profit before tax	**52,740**	11,763
Taxation	**(14,719)**	(4,055)
Profit for the financial year	**38,021**	7,708

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2012 (Cont'd)

39. FINANCIAL INSTRUMENTS

(a) Capital management

The primary objective of the Group's capital management is to ensure that the Group would be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The overall strategy of the Group remains unchanged from that in financial year ended 30 November 2011.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 30 November 2012 and 30 November 2011.

The Group is not subject to any externally imposed capital requirements.

The Group and the Company monitor capital using a gearing ratio which is the amount of borrowings (Note 19) to the financial statements divided by equity attributable to owners of the parent. The Group's and the Company's policy is to keep the gearing ratio within manageable levels. At the end of the reporting period, the Group's gearing ratio is 0.69 times (2011: 0.89 times) and the Company's gearing ratio is 0.89 times (2011: 0.87 times). No changes were made in the objectives, policies or processes during the financial years ended 30 November 2012 and 30 November 2011.

(b) Financial instruments

(i) Categories of financial instruments

Group	Loan and receivables RM'000	Fair value through profit or loss RM'000	Available for sale RM'000	Held to maturity RM'000	Total RM'000
2012					
Financial assets					
Trade and other receivables	71,809	-	-	-	71,809
Cash and cash equivalents	16,382	-	-	-	16,382
	88,191	-	-	-	88,191

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

39. FINANCIAL INSTRUMENTS (cont'd)

(b) Financial instruments (cont'd)

(i) Categories of financial instruments (cont'd)

	Other financial liabilities RM'000	Fair value through profit or loss RM'000	Total RM'000
Financial liabilities			
Trade and other payables	**47,839**	**-**	**47,839**
Borrowings	**118,224**	**-**	**118,224**
	166,063	**-**	**166,063**

Company	Loan and receivables RM'000	Fair value through profit or loss RM'000	Available for sale RM'000	Held to maturity RM'000	Total RM'000
2012					
Financial assets					
Trade and other receivables	**223,138**	**-**	**-**	**-**	**223,138**
Cash and cash equivalents	**5**	**-**	**-**	**-**	**5**
	223,143	**-**	**-**	**-**	**223,143**

	Other financial liabilities RM'000	Fair value through profit or loss RM'000	Total RM'000
Financial liabilities			
Trade and other payables	**3,562**	**-**	**3,562**
Borrowings	**110,383**	**-**	**110,383**
	113,945	**-**	**113,945**

Group	Loan and receivables RM'000	Fair value through profit or loss RM'000	Available for sale RM'000	Held to maturity RM'000	Total RM'000
2011					
Financial assets					
Trade and other receivables	42,252	-	-	-	42,252
Cash and cash equivalents	7,975	-	-	-	7,975
	50,227	-	-	-	50,227

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

39. FINANCIAL INSTRUMENTS (cont'd)

(b) Financial instruments (cont'd)

(i) Categories of financial instruments (cont'd)

	Other financial liabilities RM'000	Fair value through profit or loss RM'000	Total RM'000
Financial liabilities			
Trade and other payables	46,527	-	46,527
Borrowings	119,698	-	119,698
	166,225	-	166,225

Company	Loan and receivables RM'000	Fair value through profit or loss RM'000	Available for sale RM'000	Held to maturity RM'000	Total RM'000
2011					
Financial assets					
Trade and other receivables	223,020	-	-	-	223,020
Cash and cash equivalents	7	-	-	-	7
	223,027	-	-	-	223,027

	Other financial liabilities RM'000	Fair value through profit or loss RM'000	Total RM'000
Financial liabilities			
Trade and other payables	4,314	-	4,314
Borrowings	108,843	-	108,843
	113,157	-	113,157

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

39. FINANCIAL INSTRUMENTS (cont'd)

(b) Financial instruments (cont'd)

(ii) Fair value of financial instruments

The fair value of financial instruments that are not carried at fair value and whose carrying amounts do not approximate its fair values are as follows:

	Group		Company	
2012	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
Recognised				
Financial liabilities:				
Finance lease creditors	1,650	1,732	208	217
2011				
Recognised				
Financial liabilities:				
Finance lease creditors	1,538	1,453	290	276

(c) Methods and assumptions used to estimate fair value

The fair value of financial assets and financial liabilities are determined as follows:

(i) Financial instruments that are not carried at fair value and whose carrying amounts are a reasonable approximation of fair value.

The carrying amounts of financial assets and liabilities, such as trade and other receivables, trade and other payables and floating rate borrowings, are reasonable approximation of fair value, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

(ii) Finance lease creditors

The fair value of finance lease creditors is estimated by discounting expected future cash flows at market incremental lending rate for similar types of instruments available to the Group at the end of the reporting period.

(d) Fair value hierarchy

As at the end of the reporting period, the Group and the Company have no financial instruments that are measured subsequent to initial recognition at fair value and hence fair value hierarchy is not presented.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial risk management objective is to optimise value creation for shareholders whilst minimising the potential adverse impact arising from fluctuations in foreign currency exchange and interest rates and the unpredictability of the financial markets.

The Group operates within an established risk management framework and clearly defined guidelines that are regularly reviewed by the Board of Directors. Financial risk management is carried out through risk review programmes, internal control systems, insurance programmes and adherence to the Group financial risk management policies. The Group is exposed mainly to credit risk, liquidity and cash flow risk as well as interest rate risk. Information on the management of the related exposures is detailed below.

(a) Credit risk

Cash deposits and trade receivables may give rise to credit risk which requires the loss to be recognised if a counter party fails to perform as contracted. It is the Group's policy to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The Group's exposure to credit risk arises through its trade receivables. The Group extends credit to its customers based upon evaluation of the customer's creditworthiness. Trade receivables are monitored on an ongoing basis via the Group's management reporting procedures. If necessary, the Group may obtain collaterals/assignments as a mean of mitigating the risk of default.

<u>Exposure to credit risk</u>

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

Information regarding credit exposure for trade and other receivables is disclosed in Note 14 to the financial statements.

<u>Credit risk concentration profile</u>

The Group and the Company determine concentration of credit risk by identifying and monitoring any significant long outstanding balance owing by any major customer or counter party on an on-going basis.

The Group and the Company do not have any significant concentration of credit risk as at the end of the reporting period .

<u>Financial assets that are neither past due nor impaired</u>

Information regarding trade receivables that are neither past due nor impaired is disclosed in Note 14 to the financial statements. In view of the sound credit rating of counterparties, management does not expect any counterparties to fail to meet its obligations. Deposits with licensed banks that are neither past due nor impaired are placed with or entered into with reputable financial institutions with high credit ratings.

<u>Financial assets that are either past due or impaired</u>

Information regarding financial assets that are either past due or impaired is disclosed in Note 14 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(b) Liquidity and cash flow risk

Liquidity risk is the risk that the Group is unable to service its cash obligations in the future. To mitigate this risk, the management measures and forecasts its cash commitments, monitors and maintain a level of cash and cash equivalents and credit facilities deemed adequate to finance the Group's operations and developments activities.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	Within 1 year RM'000	1 - 5 years RM'000	More than 5 years RM'000	Total RM'000
As at 30 November 2012				
Group				
Financial liabilities:				
Trade and other payables	**47,839**	**-**	**-**	**47,839**
Borrowings	**64,080**	**65,087**	**810**	**129,977**
Total undiscounted financial liabilities	**111,919**	**65,087**	**810**	**177,816**
As at 30 November 2012				
Company				
Financial liabilities:				
Trade and other payables	**3,562**	**-**	**-**	**3,562**
Borrowings	**59,916**	**63,358**	**-**	**123,274**
Total undiscounted financial liabilities	**63,478**	**63,358**	**-**	**126,836**
As at 30 November 2011				
Group				
Financial liabilities:				
Trade and other payables	46,527	-	-	46,527
Borrowings	45,149	79,383	1,173	125,705
Total undiscounted financial liabilities	91,676	79,383	1,173	172,232
As at 30 November 2011				
Company				
Financial liabilities:				
Trade and other payables	4,314	-	-	4,314
Borrowings	42,464	76,500	-	118,964
Total undiscounted financial liabilities	46,778	76,500	-	123,278

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk relates primarily to their interest-bearing borrowings on floating rates. The Group does not use derivative financial instruments to hedge this risk.

Sensitivity analysis for interest rate risk

As at 30 November 2012, if interest rates at the date had been 100 basis points lower or higher with all other variables held constant, post-tax profit for the year would have been RM887,000 higher or lower. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (cont'd)

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(c) Interest rate risk (cont'd)

The following table set out the carrying amounts, the weighted average effective interest rate as at the end of the reporting period and the remaining maturities of the Group's and the Company's financial instruments that are exposed to interest rate risk:

Group 2012	Note	Weighted average effective interest rate %	Within 1 year RM'000	1 - 2 years RM'000	2 -3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	More than 5 years RM'000	Total RM'000
Fixed rates									
Deposits with licensed banks	16	**3.03**	**1,467**	**-**	**-**	**-**	**-**	**-**	**1,467**
Finance lease creditors	22	**4.84**	**(541)**	**(1,109)**	**-**	**-**	**-**	**-**	**(1,650)**
Floating rates									
Bank overdrafts	19	**8.18**	**(6,263)**	**-**	**-**	**-**	**-**	**-**	**(6,263)**
Bridging loans	19	**7.30**	**(4,119)**	**(8,476)**	**(663)**	**-**	**-**	**-**	**(13,258)**
Revolving credits	19	**7.30**	**(12,000)**	**-**	**-**	**-**	**-**	**-**	**(12,000)**
Term loans	19	**7.70**	**(26,832)**	**(56,362)**	**(236)**	**(255)**	**(276)**	**(1,092)**	**(85,053)**
2011									
Fixed rates									
Deposits with licensed banks	16	2.90	249	-	-	-	-	-	249
Finance lease creditors	22	5.39	(430)	(446)	(472)	(190)	-	-	(1,538)
Floating rates									
Bank overdrafts	19	8.06	(8,714)	-	-	-	-	-	(8,714)
Bridging loans	19	7.60	(4,894)	(1,174)	-	-	-	-	(6,068)
Revolving credits	19	7.15	(13,000)	(1,000)	-	-	-	-	(14,000)
Term loans	19	7.71	(12,006)	(28,490)	(47,019)	(238)	(1,625)	-	(89,378)

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (cont'd)

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(c) Interest rate risk (cont'd)

The following table set out the carrying amounts, the weighted average effective interest rate as at the end of the reporting period and the remaining maturities of the Group's and the Company's financial instruments that are exposed to interest rate risk: (Cont'd)

Company	Note	Weighted average effective interest rate %	Within 1 year RM'000	1 - 2 years RM'000	2 -3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	Total RM'000
2012								
Fixed rates								
Amounts owing from subsidiaries	14	**7.30**	**117,644**	**-**	**-**	**-**	**-**	**117,644**
Finance lease creditors	22	**4.97**	**(86)**	**(122)**	**-**	**-**	**-**	**(208)**
Floating rates								
Bank overdrafts	19	**8.18**	**(6,263)**	**-**	**-**	**-**	**-**	**(6,263)**
Bridging loans	19	**7.30**	**-**	**(8,476)**	**(663)**	**-**	**-**	**(9,139)**
Revolving credits	19	**7.30**	**(12,000)**	**-**	**-**	**-**	**-**	**(12,000)**
Term loans	19	**7.70**	**(26,630)**	**(56,143)**	**-**	**-**	**-**	**(82,773)**
2011								
Fixed rates								
Amounts owing by subsidiaries	14	7.10	104,081	-	-	-	-	104,081
Finance lease creditors	22	4.97	(82)	(86)	(91)	(31)	-	(290)
Floating rates								
Bank overdrafts	19	8.06	(8,714)	-	-	-	-	(8,714)
Bridging loans	19	7.60	-	(1,174)	-	-	-	(1,174)
Revolving credits	19	7.15	(13,000)	(1,000)	-	-	-	(14,000)
Term loans	19	7.50	(10,903)	(26,962)	(46,800)	-	-	(84,665)

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

41. SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 20 July 2012, Country View Resources Sdn. Bhd. ("third Defendant"), a wholly owned subsidiary had been served with a Writ of Summons dated 13 June 2012 by 154 owners/residents ("Plaintiffs") of a housing area located at Kiara Hills, Taman Nusa Indah, Nusajaya, Johor.

Under the suit, the Plaintiffs' are seeking various orders, damages plus other reliefs against the Medini Iskandar Malaysia Sdn. Bhd. ("first Defendant"), Majlis Perbandaran Johor Bahru Tengah ("second Defendant") and third Defendant arising from the construction and explosive works (blasting and earthworks) for levelling a hill on Lot PTD 116768, which is adjacent to the Plaintiffs' residences carried out by the first Defendant.

On 8 March 2013, the Johor Bahru High Court has struck off the Plaintiffs' claims with liberty to file afresh.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2012 (Cont'd)

42. SUPPLEMENTARY INFORMATION ON REALISED AND UNREALISED PROFITS OR LOSSES

The retained earnings as at the end of the reporting period may be analysed as follows:

	2012 Group RM'000	2012 Company RM'000
Total retained earnings of Country View Berhad and its subsidiaries		
- Realised	**70,054**	23,455
- Unrealised	**1,956**	-
	72,010	23,455
Add: Consolidation adjustment	**(222)**	-
Total Group/Company retained earnings as per consolidated financial statements	**71,788**	23,455

PROXY FORM

I/We (full name in block letters)...
of (address)..
being a member/members of *Country View Berhad*, hereby appoint (full name)...
of (address)..
or failing him (full name)...
of (address)..
as my/our proxy to vote for me/us and on my/our behalf at the 30th Annual General Meeting of the Company, to be held at Hibiscus Room, Thistle Johor Bahru, Jalan Sungai Chat, 80100 Johor Bahru, Johor, Malaysia on 25th April 2013 at 10.00 am, and at every adjournment thereof, to vote as indicated below in respect of the following Resolutions:

ORDINARY BUSINESS		For	Against
Ordinary Resolution 1	Receive the Audited Financial Statements and Reports		
Ordinary Resolution 2	Approval of Directors' Fees		
Ordinary Resolution 3	Re-election of Datuk Ir. (Dr) Mohamed Al Amin Bin Abdul Majid JP		
Ordinary Resolution 4	Re-election of Mdm. Wong Joon Chin		
Ordinary Resolution 5	Re-appointment of Auditors		
SPECIAL BUSINESS			
Ordinary Resolution 6	Retention of Independent Director - Mr. Choong Shiau Yoon		
Ordinary Resolution 7	Retention of Independent Director – En. Azhar Bin Azizan @ Harun		
Special Resolution 8	Amendments to the Company's Articles of Association		

(Please indicate with an "X" in the space provided above on how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his discretion)

Dated this day of 2013

No. of Shares held : ___________

Signature of Member(s)

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. Notwithstanding this, a member entitled to attend and vote at the Meeting is entitled to appoint any person as his proxy to attend and vote instead of him at the Meeting. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
2. Where a member is an Authorised Nominee as defined under The Securities Industry (Central Depositories) Act, 1991, it may appoint at least one proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account. Where a member of the Company is an Exempt Authorized Nominee which holds ordinary shares in the Company for multiple beneficial owners in one Securities Account ("omnibus account") there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.
3. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
5. To be valid, the form of proxy must be deposited at the Registered Office of the Company, Suite 5.11 & 5.12, 5th Floor Menara TJB, 9 Jalan Syed Mohd. Mufti, 80000 Johor Bahru, Johor not less than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof.
6. In respect of deposited securities, only members whose names appear on the Record of Depositors on 19 April 2013, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

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STAMP

The Company Secretary
COUNTRY VIEW BERHAD (78320-K)
Suite 5.11 & 5.12
5th Floor Menara TJB
9 Jalan Syed Mohd. Mufti
80000 Johor Bahru, Johor

FOLD HERE

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