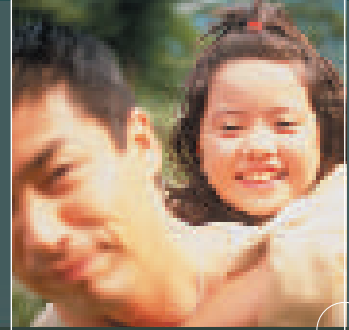




Annual Report



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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.

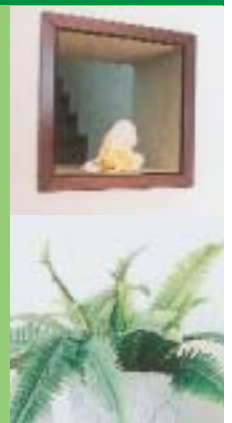
Strive to provide excellent products and services to our customers.

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.

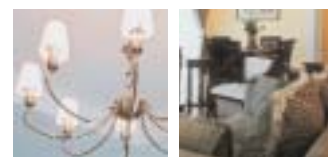
Strive to contribute to our country in supporting socio-economic development.



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Corporate Information

BOARD OF DIRECTORS

Executive Chairman

Ir. Datuk Mohamed Al Amin Bin Abdul Majid JP

Executive Directors

Law Kit Tat

Wong Chee Sean @ Wong Sean

Wong Joon Chin

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

Wong Joon Chin

REMUNERATION COMMITTEE

Chairman

Azhar Bin Azizan @ Harun

Members

Wong Chee Sean @ Wong Sean

Law Kee Kong

NOMINATION COMMITTEE

Chairman

Azhar Bin Azizan @ Harun

Members

Law Kee Kong

Choong Shiau Yoon

RISK MANAGEMENT WORKING COMMITTEE

Chairman

Choong Shiau Yoon

Members

Wong Joon Chin

Azhar Bin Azizan @ Harun

Yee Gee Min (Group General Manager)

Long Cheow Siong (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. 23, Jalan Sri Hartamas 7,
Sri Hartamas,
50480 Kuala Lumpur
Tel : 03 - 6201 1120
Fax : 03 - 6201 3121

AUDITORS

K. S. Chua & Co. (AF 0255)
Unit 5.10, Level 5, Plaza DNP
No. 59, Jalan Dato' Abdullah Tahir
80250 Johor Bahru, Johor

PRINCIPAL PLACE OF BUSINESS

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

PRINCIPAL BANKERS

AmMerchant Bank Berhad
AmBank Berhad
Bumiputra-Commerce Bank Berhad
Malayan Banking Berhad
RHB Bank Berhad
Public Bank Berhad

STOCK EXCHANGE

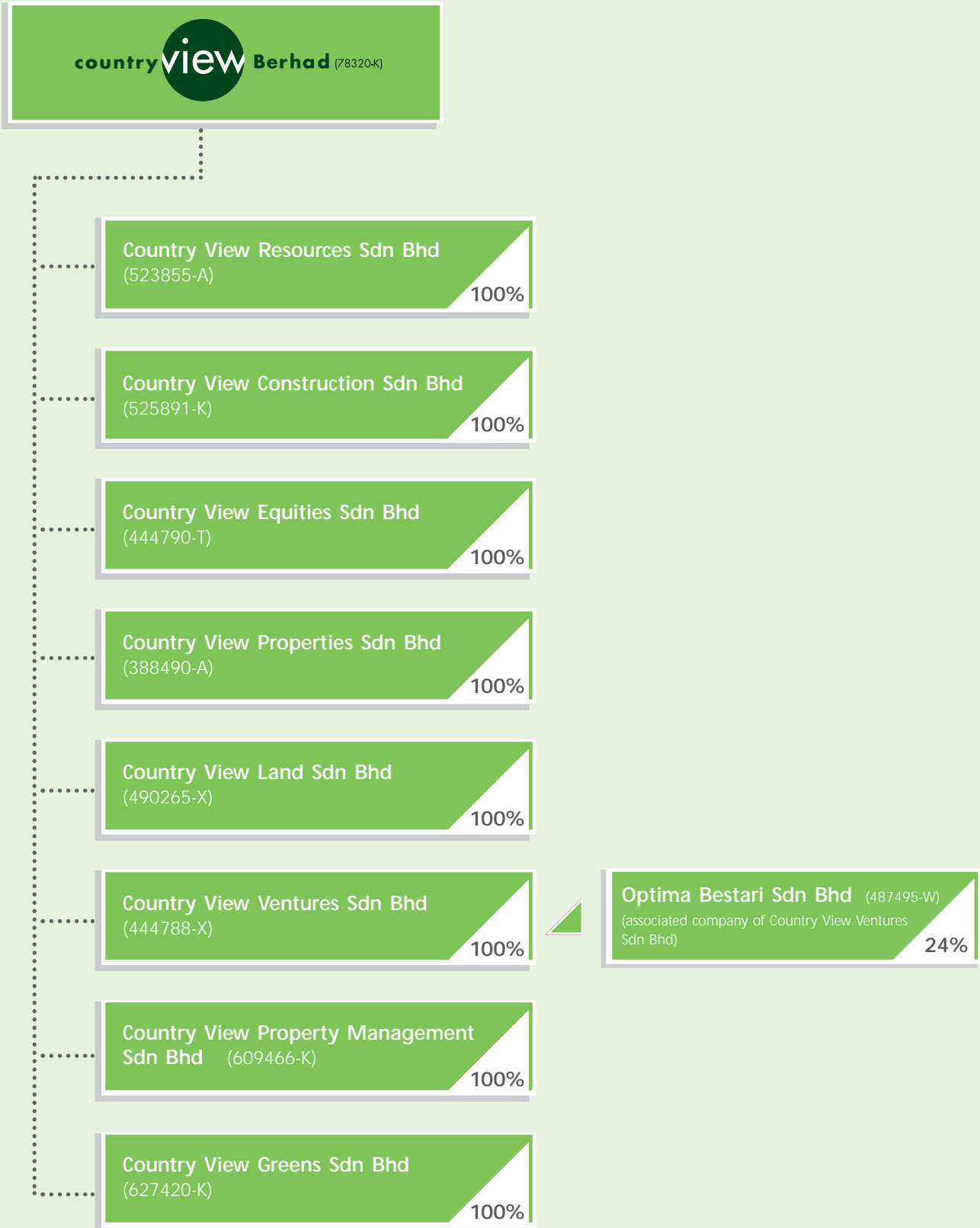
Main Board of Bursa Malaysia Securities Berhad



* from Nusa Indah's Showhouse



Group Structure





Notice of 22nd Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the 22nd Annual General Meeting of the Company will be held at Sri Mersing M1, Lower Ground Floor, Hyatt Regency, Johor Bahru, Jalan Sungai Chat, 80720 Johor Bahru, Johor on Tuesday, 26 April 2005 at 9.30 am for the following purposes:-

AGENDA

ORDINARY BUSINESS

1. To receive and consider the Audited Financial Statements for the year ended 30 November 2004 together with the Reports of the Directors and Auditors thereon. RESOLUTION 1
2. To approve the payment of Directors' fees. RESOLUTION 2
3. To approve the payment of a Final Dividend of 2 sen less income tax of 28% for the year ended 30 November 2004 RESOLUTION 3
4. To re-elect the following Directors who retire in accordance with Article 84 of the Company's Articles of Association:
 - i. Mr Law Kit Tat RESOLUTION 4
 - ii. Mr Choong Shiau Yoon RESOLUTION 5
5. To re-appoint Messrs K.S Chua & Co. as Auditors of the Company for the year ending 30 November 2005 and to authorise the Directors to fix their remuneration. RESOLUTION 6
6. 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.



Notice of 22nd Annual General Meeting (cont'd)

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT the Final Dividend of 2 sen per share less 28% income tax, in respect of financial year ended 30 November 2004, if so approved at the 22nd Annual General Meeting, will be paid on 19 May 2005 to Depositors registered in the Record of Depositors at the close of business on 26 April 2005.

A Depositor shall qualify for entitlement only in respect of:

- a. Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 26 April 2005 in respect of ordinary transfer; and
- b. Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

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

29 March 2005

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 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, 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.



Statement Accompanying Notice of 22nd Annual General Meeting of The Company

Pursuant to Paragraph 8.28(2) of the Listing Requirements of Bursa Malaysia Securities Berhad



1. Name of individuals who are standing for re-election

- a) Mr Law Kit Tat
- b) Mr Choong Shiau Yoon

The abovenamed Directors are retiring by rotation pursuant to Article 84 of the Company's Articles of Association.

2. Details of Attendance of Directors at Board Meetings

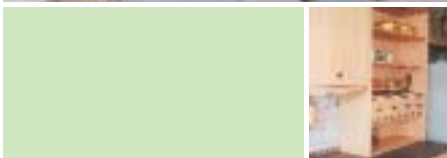
Please refer to page 18 of this Annual Report

3. Date, Time and Place of the 22nd Annual General Meeting

Date	Time	Place
26 April 2005	9.30 am	Sri Mersing M1, Lower Ground Floor Hyatt Regency, Johor Bahru Jalan Sungai Chat 80720 Johor Bahru, Johor

4. Details of individuals who are standing for re-election as Directors

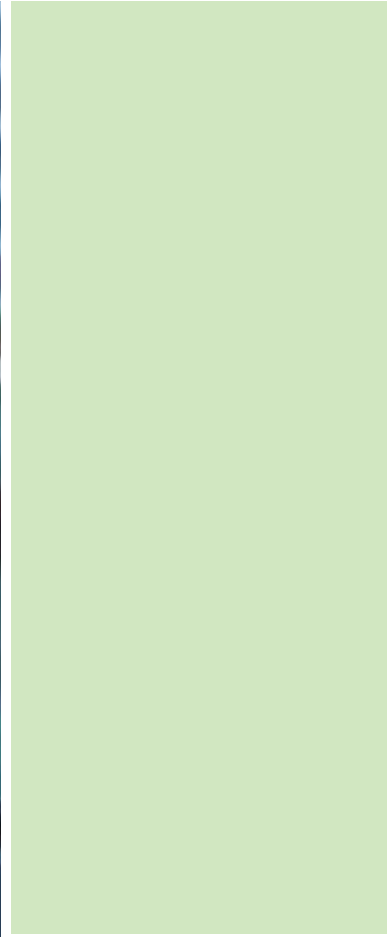
Please refer to Profile of Directors on pages 14 and 16 of this Annual Report.





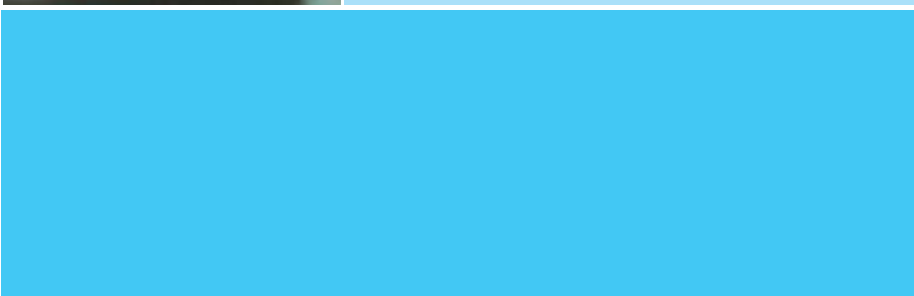
* from Nusa Indah's Showhouse

Chairman's Statement



Dear Valued Shareholders,

On behalf of my colleagues on the Board of Country View Berhad ("CVB"), 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 **30 November 2004**.



Chairman's Statement (cont'd)

Performance and Financial Review

For the year under review, the business and operating environment had been difficult. During the year, severe shortages of building materials had hindered progress of construction and infrastructure works, the withdrawal of exemptions and tax reliefs granted under the Economic Stimulus Package relating to certain category of properties and increased of competition proved challenging.

The Group recorded a profit before tax of RM14.5 million compared to the preceding year of RM25.2 million. The Group turnover of RM84.6 million represented an increase of approximately 23% compared to that of the preceding year of RM69.0 million. The lower profit was a reflection of the increase in land and development cost as well as competitive pricing for development properties.

The Group's performance and resilience has been achieved through the efforts of the Board and Management's prudent and realistic approach coupled with a dedicated work force. Of more importance, the CVB Group remained focussed and provided a reasonable return to shareholders given the numerous circumstances that were beyond the Group's control.

The CVB Group remains focussed in its vision and mission to be a premier property developer whilst providing a reasonable return to shareholders.

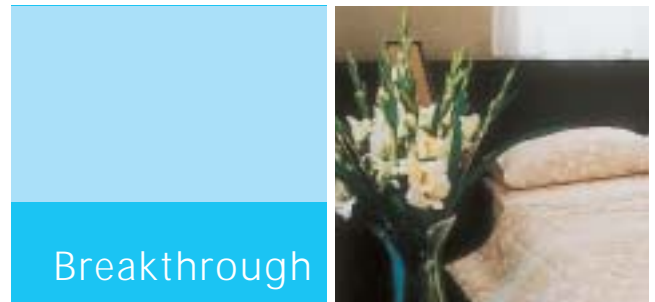


Dividend

Your Board's dividend policy aims at allowing shareholders to participate in the profits of the Group, whilst ensuring that adequate reserves remains to meet its financial obligations and fund future growth that will ultimately enhance value for all shareholders.

During the financial year, an interim dividend of 3 sen per share less income tax of 28% was paid on 8 November 2004.

The Board is pleased to recommend the payment of a final dividend of 2 sen per share less income tax of 28% for the financial year ended 30 November 2004 for approval of shareholders at the forthcoming Annual General Meeting.



Chairman's Statement (cont'd)



Creativity

Property Development

The property development industry in Johor Bahru remained challenging and competitive due to increased competition from on-going developments and new project launches by other developers. The Group's strategy remained focused on developing residential and commercial properties which meet the expectations of property buyers in terms of price, quality, product design, good customer service and the ability to complete and deliver properties well before the contractual period.

Under the group's existing signature project Taman Universiti in Skudai, CVB completed and handed over with Certificate of Fitness for Occupation ("CFO") to our purchasers, 124 units of 2 storey shop offices known as "Northpoint" and 13 units of low medium cost shop.

We have also completed and handed over with CFO, 25 units of 3 storey shop office located at Biz-Junction in Nusa Bestari Jaya in Bandar Nusajaya. As for the on-going "Nusavilla" terrace condominium developed under the Nusa Bestari Jaya project, sale of 79% of the total 220 units have been achieved.

The Group's residential properties in Nusa Indah were well received. Of the total 520 units of 2 storey terrace house and 18 units of 2 storey shop office launched in the year under review, we have achieved 67% sales for the 2 storey terrace house and 89% sales for the 2 storey shop office.

Chairman's Statement (cont'd)

Prospects

The Malaysian economy is poised to grow by 6% for the year 2005 as announced by the Honourable Prime Minister during the tabling of the 2005 Budget. This provides the platform for the Group to look forward to sustain and improve upon.

The Group is however mindful of the existence of many variables which may have an adverse impact on the Group's financial performance. These possible adverse effects are totally beyond our control. These factors include the militancy and/or terrorist incidences, US interest rate hikes; volatilities in the crude oil prices and the US currency.

The major challenge for the Group to deliver outstanding innovative and quality real estate developments while remaining affordable in a highly competitive environment remains a priority. The Group will continuously strive to strengthen its capabilities, competitiveness and market position, while it constantly seeks ways to expand its business and reach, emphasising on innovative approaches to development design and concept.

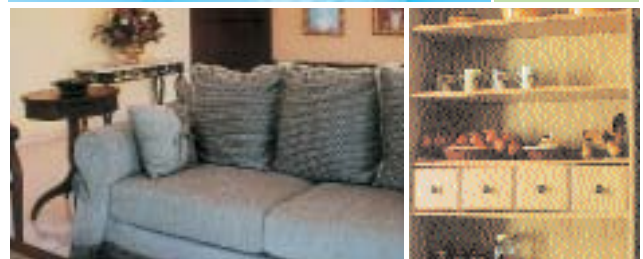
In the coming financial year, the Group expects its revenue to be mainly derived from the ongoing developments of the "Nusavilla" terrace condominiums in Nusa Bestari Jaya, the 2-storey terrace houses as well as the 2-storey shop-offices in Nusa Indah and also from new projects slated for launches in the coming year. These new projects include the "Amanseri @ Nusavilla" terrace condominiums in Nusa Bestari Jaya and new designs of the 2-storey terrace houses and 2-storey shop offices in Nusa Indah.

Appreciation

On behalf of the Board, I would like to thank all the regulatory authorities for their assistance. My appreciation also goes out to our shareholders, vendors, bankers, business partners, associates and last but not least our esteemed customers. 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.

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



Profile of Directors

Ir. DATUK MOHAMED AL AMIN BIN ABDUL MAJID JP

49 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. He is also the Corporate Member of Institute of Engineers (IEM), Malaysia.

He began his career as a project engineer with Perak State Development Corporation 1979. Barely two years later, he was appointed as the Executive Director of its subsidiary, Maju Bangun Sdn. Bhd. from 1981 to 1982. His distinguished careers include serving as Chairman for Gabungan Pemborong Bumiputra Perak Berhad since 1988 and Zurich Insurance (M) Berhad since 1989. He also holds directorships in Ancom Berhad and Nyles (Malaysia) Berhad, both listed on Bursa Malaysia Securities Berhad.

Despite his heavy commitment, he is also holding stewardship position in several private companies which are involved in the range of businesses such as construction, investment, distributorship, general trading and project management.

He attended all the five (5) board meetings held during the financial year ended 30 November 2004. 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

44 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.

His career took to new heights when he managed to steer CVB out of the mid 1980s economic recession when the Company started its maiden development project, Taman Universiti Township in Skudai, Johor Bahru. Under his stewardship and foresight, CVB Group sailed through the 1997/8's financial crisis and emerged as a stronger and more consolidated group. Beside property development, he also successfully ventured into other businesses such as construction, property investment and operation of proprietary club.

He is also the advisor for the Johor Bahru's chapter of Malaysian Red Crescent Society since 1 January 1996. 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 (5) board meetings held during the financial year ended 30 November 2004. He is the brother of Mr Law Kee Kong, a Non-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 13,625,000 ordinary shares of the Company.

Profile of Directors (cont'd)

WONG CHEE SEAN @ WONG SEAN

35 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. Upon his return from the United States, he rose through the ranks while serving at various positions in the Company accumulating with him a wealth of experience. In recognition of his ability, he was appointed as the youngest member of the Board.

He 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 (5) board meetings held during the financial year ended 30 November 2004. 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.

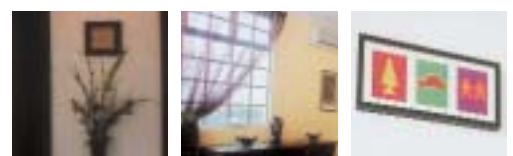
WONG JOON CHIN

47 years of age - Malaysian
Executive Director

She was appointed to the Board of Country View Berhad ("CVB") on 30 May 1986. She has been in property development business for more than 19 years. She 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 Audit and Risk Management Working Committees of the Company.

She also has extensive experience in the running of private companies, which are involved in the businesses of property and share investments. She is a director of Target Prestige Berhad, a non-listed public company and she also sits in the board of several other private limited companies.

She attended all the five (5) board meetings held during the financial year ended 30 November 2004. She is the cousin of Mr Wong Chee Sean @ Wong Sean, an Executive Director and 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

42 years of age - Malaysian
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 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 four (4) out of the five (5) board meetings held during the financial year ended 30 November 2004. 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 4,250,000 ordinary shares of the Company.

CHOONG SHIAU YOON

47 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 Malaysian Institute of Taxation. He also gained a Master of Science in Business Finance from Brunel University, London. He is presently the Chairman of the Audit and Risk Management Working Committees and a member of 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 (5) board meetings held during the financial year ended 30 November 2004. 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)

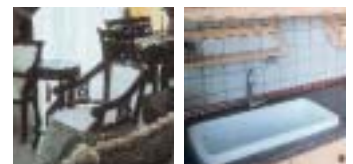
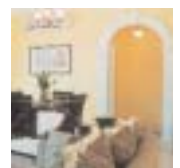
AZHAR BIN AZIZAN @ HARUN

42 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. His legal practice began in Messrs Allen & Gledhill where he handled a banking litigation portfolio and a host of general litigation matters. 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 since concentrated 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 a partner of a legal firm, Shafee & Co in Kuala Lumpur. He is also a member of Audit and Risk Management Working Committees and the Chairman of Remuneration and Nomination Committees of CVB. He does not hold directorship in any other public company.

He attended all the five (5) board meetings held during the financial year ended 30 November 2004. 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 ("Code") as a minimum basis for practices on corporate governance. The Board has always supported appropriate standards of corporate governance to be practiced throughout the Group.

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.

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

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. All non-executive directors bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct. 2 out of 7 members of the Board are independent in accordance with the definition provided in the Bursa Malaysia Securities Berhad's Listing Requirements.

All Directors have attended the Mandatory Accreditation Programme prescribed by the Bursa Malaysia Securities Berhad. Directors will continue to attend training programmes and seminars to keep abreast with relevant developments on a continuous basis in compliance with Bursa Malaysia Securities Berhad's Practice Note 15/2003.

There were five (5) Board Meetings held during the financial year ended 30 November 2004. Details of each Director's attendance are given below:

Directors	Total	Percentage of Attendance (%)
1. Ir. Datuk Mohamed Al Amin Bin Abdul Majid JP	5/5	100
2. Law Kit Tat	5/5	100
3. Wong Chee Sean @ Wong Sean	5/5	100
4. Wong Joon Chin	5/5	100
5. Law Kee Kong	4/5	80
6. Choong Shiau Yoon	5/5	100
7. Azhar Bin Azizan @ Harun	5/5	100

All the Directors have complied with the minimum 50% attendance requirement at Board Meeting during the financial year as stipulated by the Listing Requirements of Bursa Malaysia Securities Berhad.

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, Nomination, Remuneration and Risk Management Working Committees.

Board Balance

The Board currently has 7 members, comprising of 2 independent non-executive directors, 1 non-executive director and 4 executive directors (including the Chairman). Together, the Directors bring wide business, regulatory, industry and financial experience relevant to the direction of the CVB Group. A brief description of the background of each Director is presented on pages 14 to 17 of this Annual Report.

Corporate Governance Statement (cont'd)

Board Balance (cont'd)

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. 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.

The Board has identified Choong Shiau Yoon as the senior independent non-executive director.

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.

Appointments to the Board

The Malaysian Code on Corporate Governance endorses, as good practice, a formal procedure for appointments to the Board, through a Nomination Committee making recommendations to the Board. The Code, however, states that this procedure may also be performed by the Board as a whole, although, as a matter of best practice, it recommends that this responsibility be delegated to the committee.

In previous years, all directors were involved in the process of appointing new directors. Subsequent to the issuance of the Malaysian Code on Corporate Governance, the Board reviewed this procedure and a Board Nomination Committee, with appropriate terms of reference, was set up on 26 February 2003. The committee comprising wholly of non-executive directors, a majority of whom are independent, are as follows:

Board Nomination Committee

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

The Board Nomination Committee will be responsible for reviewing the Board size and composition, and recommend to the Board, appointment of new Directors of the Company and Board Committees.



Corporate Governance Statement (cont'd)

Board Nomination Committee (cont'd)

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.

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.

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' Remuneration

A Board Remuneration Committee 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 Board Remuneration Committee is responsible for the following:

1. Reviewing the Company's directors overall performance and the level of remuneration of the member of the Board.
2. Recommending policy framework to the Board on all elements of remuneration, terms of employment, reward structure and fringe benefits for Executive Directors with the aim to attract, retain and motivate individual of the highest quality.

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.



Corporate Governance Statement (cont'd)

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

Directors	Basic Salary (RM)	Fees and Allowance (RM)	Bonus (RM)	Benefits in-kind (RM)	Total (RM)
EXECUTIVE DIRECTORS	637,691	112,700	54,000	51,950	856,341
NON-EXECUTIVE DIRECTORS	-	108,000	-	-	108,000

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

Range of Remuneration	No. of Directors Executive	No. of Directors Non-Executive
Below RM50,000	0	3
RM50,001-RM100,000	0	0
RM100,001-RM150,000	0	0
RM150,001-RM200,000	2	0
RM200,001-RM250,000	1	0
RM250,001-RM300,000	1	0
	4	3

The disclosure of directors' remuneration is made in accordance with Appendix 9C, item 10 of Bursa Malaysia Securities Berhad's Listing Requirements. This method of disclosure represents a deviation from the Best Practices set out in the Malaysian Code of Corporate Governance, 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.

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.

Corporate Governance Statement (cont'd)

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 has outsourced its internal audit functions with the objective of assisting the Audit Committee to discharge its duties and responsibilities more effectively.

The Statement on Internal Control set out on pages 28 to 29 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.

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 pages 24 to 27 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. Imposition of sanctions/penalties

Other than as disclosed below, there were no sanction and/or penalties imposed on the Company, its subsidiaries, Directors or management by the relevant regulatory bodies during the financial year.

- a) A penalty of RM17,857.28 was paid by Country View Resources Sdn. Bhd., a wholly owned subsidiary in respect of under estimation of tax payable for YA 2003 pursuant to Section 107C(10), Income Tax Act, 1967.
- b) A compound penalty of RM5,000 was imposed by Pengawal Perumahan, Ministry of Housing and Local Authority under Section 7(F) Akta Pemajuan Perumahan Kawalan dan Pelesenan 1966 on Country View Equities Sdn. Bhd., a wholly owned subsidiary.
- c) A penalty of RM32,293.06 was imposed by Majlis Perbandaran Johor Bahru Tengah under Clause 17, First Schedule of Uniform Building By-Law, 1984 (Amendment September 1995) in relation to the construction of 124 units of double storey shop office on Lot 49036, PTD 62859 (H.S.D. 216618) Mukim Pulau, Daerah Johor Bahru.

6. Non-audit fees

During the financial year ended 30 November 2004, non-audit fees paid to Messrs K.S Chua & Co. by the Company and its subsidiaries amounted to RM33,140.00.

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

9. Material contracts

There were no material contracts entered into by the Company and its subsidiaries involving Directors' and major shareholders' interest.

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. Revaluation of landed properties

The Group does not adopt any revaluation policy on the landed properties.



Audit Committee Report

Composition and Meeting

The Audit Committee comprises of two Independent Non-Executive Directors and one 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. Wong Joon Chin
Executive Director

The Audit Committee convened 5 meetings during the financial year ended 30 November 2004 (i.e 19 January 2004; 26 February 2004, 21 April 2004, 16 July 2004 and 7 October 2004), 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 related party transactions that arose in the Group during the financial year.
7. Reviewed the risk management report from the external consultant and reported the results of the risk management exercise to the Board.
8. Reviewed and recommended the appointment and audit fee of the external auditors for the Board's consideration.
9. Reviewed the Audit Committee Report and Statement on Internal Control before recommending for Board approval for the purpose of inclusion in the Annual Report.
10. Reviewed the Risk Management Policy before recommending for the Board adoption.

Internal Audit Function

A globally affiliated professional services firm was appointed on 22 October 2003 to assume the responsibilities of the internal audit function and to assist the Audit Committee in reviewing the adequacy and effectiveness of the internal control system of the Group.

During the financial year, the outsourced internal audit function provided reasonable assurance to the Audit Committee through the effective and efficient execution of an internal audit plan approved by the Audit Committee. Internal audit visits which were scheduled for audit execution during the financial year have been completed according to the approved internal audit plan.

Audit Committee Report (cont'd)

Term of Reference

Composition

1. The Audit Committee shall be appointed by the Board of Directors and shall be comprised 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. The majority of Audit Committee must be Independent Directors as defined in Bursa Malaysia Securities Berhad's 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.
5. No Alternate Director shall be appointed as a member 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.
2. To discuss with the external auditors, before the audit commences, the nature and scope of the audit.
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).

Audit Committee Report (cont'd)

Term of Reference (cont'd)

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 and year-end financial statements of the Company and Group prior to the approval of the Board of Directors, focusing particularly on:-
 - i) changes in or implementation of major accounting policies and practices;
 - ii) significant adjustments arising from the audit;
 - iii) the going concern assumption;
 - iv) compliance with accounting 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. In relation to the internal audit function where it exists:-

- review the adequacy of the scope, functions and resources of the internal audit functions and that it has the necessary authority to carry out its works;
- review the internal audit programme, 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

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, excluding the attendance of the executive members of the Committee, whenever deemed necessary.

Audit Committee Report (cont'd)

Term of Reference (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 once 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 (where such function exists) 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

The Malaysian Code on Corporate Governance requires that the board of directors of public listed company to identify significant risks and maintain a sound system of internal control to safeguard shareholders' investments and the Group's assets. The Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") requires directors of public listed companies to include a statement in the annual report on its state on internal control as a group. Pursuant to complying with the above requirements and guided by the Statement on Internal Control: Guidance for Directors of Public Listed Companies ("the Guidance"), the Board of Directors ("the Board") of Country View Berhad ("CVB") is pleased to present below its Statement on Internal Control as a group for the financial year under review.

Board Responsibility

The Board of CVB recognizes the importance of sound internal control and risk management practices for good corporate governance and endeavours to maintain an appropriate group-wide system of internal control and risk management. The Board is ultimately responsible for CVB Group's system of internal control which includes the establishment of appropriate control environment and framework as well as reviewing its adequacy and integrity. However, due to the inherent limitations in any system of internal control, such system of internal control put into effect by Management can only manage but not eliminate all risks that may impede the achievement of the Group's business objectives. Therefore, the internal control system can only provide reasonable and not absolute assurance against material misstatement or loss.

Risk Management

The Board confirms that there is an ongoing process for identifying, evaluating and managing significant risks faced by CVB Group, and this process has been in place throughout the year and up to the date of approval of the annual report and financial statements. The Board continually reviews the adequacy and effectiveness of the risk management procedures across the various operating subsidiaries in the CVB Group. Periodic reviews were also conducted to determine the existence of new risk and whether the risks previously identified remained relevant.

Whilst the Board maintains ultimate control over risk and control issues, the implementation of the system of risk management and internal control within an established framework has been delegated to Risk Management Working Committee that had been established on 16 July 2004 by the Board of Directors.

Management Style & Control Environment

Enhancing the Group's ability to achieve its business objectives remains as the Board's primary objective and direction in managing CVB Group. In ensuring that this objective is achieved, the Board will continue to rely on the Senior Management, which consists of the Group General Manager and Senior Managers, to ensure that the performances of their businesses are within the agreed business strategies. The Board will in turn monitor the performances and profitability through the reports it received and its involvement in operational and strategic meetings. Matter arising which are significant in nature are brought to the attention of the Executive Directors, who in turn, will direct these matters, if necessary, to the Board for its attention.

In monitoring the performance of the Group, an elaborate annual budgetary planning and review process is practiced. This is to ensure that the performance of the various business units can be monitored and benchmarked, and the interests of all its stakeholders are addressed.

The Group is in the midst of establishing its standard operating procedures for significant facets of the Group's business processes. Recognising that the development of standard operating procedures is a gradual process as internal control systems will continue to evolve, the development is currently focused on major functional aspects of the Group's business operations and geared towards prevention of asset loss and protection of shareholder value.

Statement on Internal control (cont'd)

Management Style & Control Environment (cont'd)

The Group continues to maintain its proven 'open-door' and 'hands-on' approach to allow for the efficient resolution of matters arising and drawing on the experience and knowledge of employees throughout the Group for issue resolution.

It should be noted that the Board currently does not regularly review the internal control systems of its associate companies, as the Board does not have the direct control over their operations.

Internal Control Mechanism

The review of the adequacy and integrity of the Group's internal control system is the delegated responsibility of the Audit Committee. On a periodic basis, the Audit Committee assesses the adequacy and integrity of the internal control system through independent reviews conducted and reports it received from external auditors, the internal audit function and management. Significant internal control matters which are brought to the attention of the Audit Committee will be highlighted to the Board.

The Group has outsourced its internal audit function to a globally affiliated internal audit service provider firm as part of its strategy to provide the Board with assurance on the adequacy and integrity of the systems of internal control. The outsourced internal audit function focuses on the review of areas which are related to the significant risks of CVB Group. The areas of review are set out in a three years internal audit plan which has been approved by the Audit Committee.

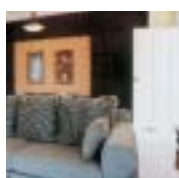
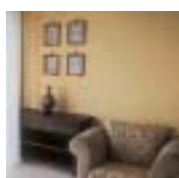
Since the appointment of the outsourced internal audit function, periodic internal audit visits have been carried out to monitor compliance with the Group's procedures and to review on the adequacy and effectiveness of the Group's system of internal control. Areas of improvement in internal controls have been identified and the implementation of action plans based on proposed recommendations have subsequently commenced. During the financial year under review, internal audit visits which were scheduled in the three years internal audit plan have been completed accordingly.

Summary

In accordance with the assessment of the Group's systems of internal control, the Board is of the view that the risks faced by the Group were within tolerable level in the context of the business environment the Group operates in and the systems of internal control that existed throughout the year – comprising the internal control framework, management processes, monitoring and review process, provided a level of confidence on which the Board rely on under review, nothing has come to the attention of the Board which would result in any material losses, contingencies or uncertainties that would require separate disclosure in this annual report. Notwithstanding this, the Board will continue to ensure that the Group's systems of internal control can continuously adapt to prevail in its current changing and challenging business environment.

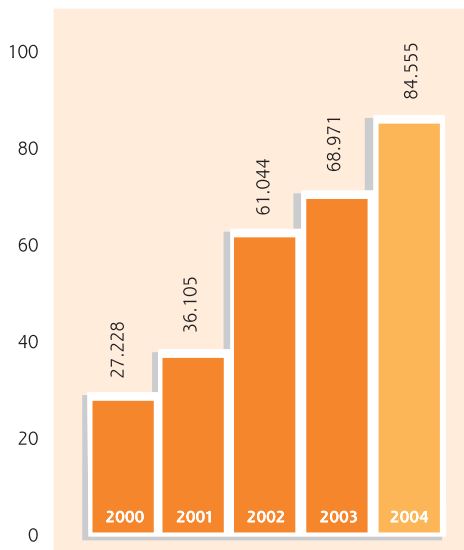
Five Years Financial Highlights

	2004	2003	2002	2001	2000
Paid-up capital (RM'000)	100,000	100,000	100,000	85,000	6,000
Shareholders' funds (RM'000)	162,673	157,889	144,436	114,630	103,010
NTA (RM'000)	162,673	157,889	144,436	114,630	102,981
NTA per share (sen)	163	158	144	135	1,716
Revenue (RM'000)	84,555	68,971	61,044	36,105	27,228
Profit before taxation & extraordinary item (RM'000)	14,512	25,153	22,783	20,527	18,250
Profit after taxation & extraordinary item (RM'000)	10,184	17,773	16,842	14,558	13,017
Earnings per share (sen)	10.18	17.77	18.07	17.28	216.96
Pretax profit margin (%)	17.2	36.5	37.3	56.9	67.0
Current ratio	3.31	3.58	2.85	1.36	14.01
Return on capital employed (%)	8.9	15.9	15.8	17.9	17.7
Total borrowings (RM'000)	38,991	44,289	42,449	59,307	-
Gearing (times)	0.24	0.28	0.29	0.52	-
Gross dividend per share (sen)	5.00	7.50	6.00	27.35	75.34
Gross dividend cover (number of times)	2.90	3.35	3.80	5.87	4.04

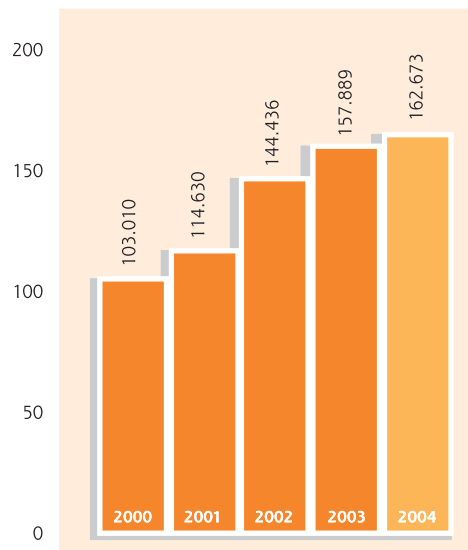


Five Years Financial Highlights (cont'd)

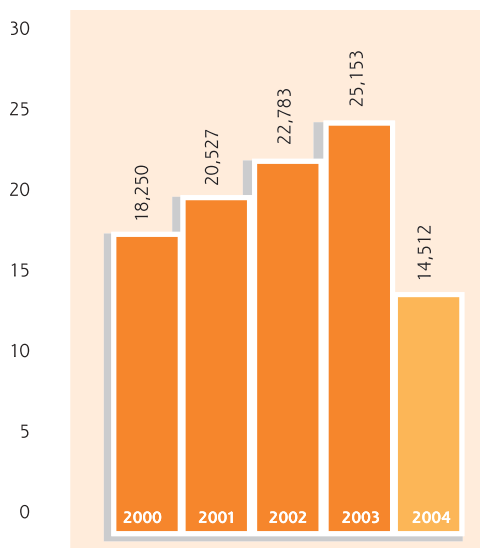
Revenue
(RM'Million)



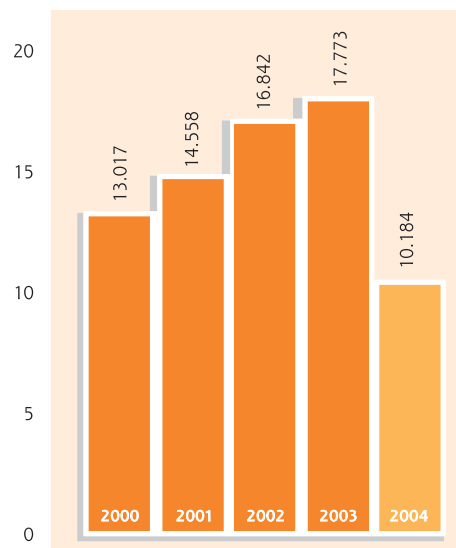
Shareholders' funds
(RM'Million)



Profit before taxation & extraordinary item
(RM'Million)



Profit after taxation & extraordinary item
(RM'Million)



Analysis of Shareholdings

Share Capital as at 28 February 2005

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 2005

No. of Holders	Size of the Shareholdings	Total Holdings	%
2	Less than 100	100	0.0001
813	100 to 1,000	752,200	0.7522
149	1,001 to 10,000	513,200	0.5132
23	10,001 to 100,000	590,000	0.5900
35	100,001 to less than 5% of issued shares	53,539,514	53.5395
5	5% and above of issued shares	44,604,986	44.6050
1,027	Total	100,000,000	100

Analysis of Shareholdings (cont'd)

List of Thirty Largest Shareholders as at 28 February 2005 (As per Record of Depositors)

No.	Name of Holders	No. of Shares	%
1	Law Kit Tat	11,625,000	11.625
2	Jalur Bahagia Sdn. Bhd.	10,200,000	10.200
3	Hang Ah Jee @ Hung Ah Jee	8,796,250	8.796
4	Neosas Teknik Sdn. Bhd.	8,500,000	8.500
5	OSK Nominees (Tempatan) Sdn Berhad, EON Finance Berhad for Wong Chee Sean @ Wong Sean	5,483,736	5.484
6	Law Kee Kong	4,250,000	4.250
7	Khor Hiang Jee	4,250,000	4.250
8	Liu Fah Yam @ Law Fah Yam	4,250,000	4.250
9	Wong Chee Sean @ Wong Sean	3,425,000	3.425
10	Tan Chee Kwang	3,400,000	3.400
11	Jimmy Purwonegoro	2,526,200	2.526
12	Yee Gee Min	2,320,014	2.320
13	Wong Joon Chin	2,150,000	2.150
14	MAYBAN Nominees (Tempatan) Sdn. Bhd. Pledged securities account for Law Kit Tat (JBUS)	2,000,000	2.000
15	Lau Eng @ Lam Eng	1,980,000	1.980
16	Sadiyah Binti Suleiman	1,700,000	1.700
17	ALLIANCEGROUP Nominees (Tempatan) Sdn. Bhd. pledged sec a/c for Wong Chee Sean @ Wong Sean	1,700,000	1.700
18	CIMSEC Nominees (Tempatan) Sdn. Bhd. EON Finance Berhad for Mohd Adnan Bin Mohd Nor	1,650,000	1.650
19	Chan Teng Hon	1,511,034	1.511
20	ALLIANCEGROUP Nominees (Tempatan) Sdn. Bhd. pledged sec a/c for Chan Teng Hon (100587)	1,466,666	1.467
21	OSK Nominees (Asing) Sdn Berhad pledged securities account for Khiu Kuet-Vin	1,319,100	1.319
22	Khiu Kuet-Vin	1,306,400	1.306
23	JB Nominees (Asing) Sdn. Bhd. pledged securities account for Kong Fu Tak	1,247,600	1.248
24	How Keng Chee	1,205,300	1.205
25	Syarikat Ajaib Jaya Sdn. Bhd.	1,189,000	1.189
26	Lee Hin Ming @ Lee Sing Lee	1,180,000	1.180
27	Lai Boo Luck	1,040,000	1.040
28	Employee Provident Fund Board	1,000,000	1.000
29	Mohamed Al Amin Bin Abdul Majid	950,000	0.950
30	Bumiputra – Commerce Nominees (Tempatan) Sdn. Bhd. pledged sec a/c for A.A Anthony Securities Sdn. Bhd. (3193 HPZA)	910,000	0.910

Analysis of Shareholdings (cont'd)

Substantial Shareholders (Excluding Bare Trustees) as at 28 February 2005

(As per the Register of Substantial Shareholders)

No. Name of Shareholders	←		→	
	Direct Interest	No. of Shares Held %	Deemed Interest	%
1. Law Kit Tat	13,625,000	13.62	-	-
2. Wong Chee Sean @ Wong Sean	10,608,736	10.61	-	-
3. Jalur Bahagia Sdn. Bhd.	10,200,000	10.20	-	-
4. Hang Ah Jee @ Hung Ah Jee	8,796,250	8.80	-	-
5. Neosas Teknik Sdn. Bhd.	8,500,000	8.50	-	-
6. Sadiyah Binti Suleiman	1,700,000	1.70	18,700,000 ^a	18.70
7. Munawir Bin Khadri	-	-	8,500,000 ^b	8.50
8. Haliah Binti Khadri	-	-	10,200,000 ^c	10.20

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.

Directors' Shareholdings as at 28 February 2005

(As per the Register of Directors' Shareholdings)

No. Name of Shareholders	←		→	
	Direct Interest	No. of Shares Held %	Deemed Interest	%
1. Ir. Datuk Mohamed Al Amin Bin Abdul Majid	950,000	0.95	-	-
2. Law Kit Tat	13,625,000	13.62	-	-
3. Wong Chee Sean @ Wong Sean	10,608,736	10.61	-	-
4. Wong Joon Chin	2,150,000	2.15	-	-
5. Law Kee Kong	4,250,000	4.25	-	-
6. Choong Shiau Yoon	-	-	-	-
7. Azhar Bin Azizan @ Harun	-	-	-	-

Statement of Directors' Responsibilities

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 state of affairs of the Company and the Group at the end of the financial year and of the results and cash flows of the Company and the Group for the financial year.

In preparing the financial statements for the year ended 30 November 2004, 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 Company and the Group have adequate resources to continue in operational existence for the foreseeable future.

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

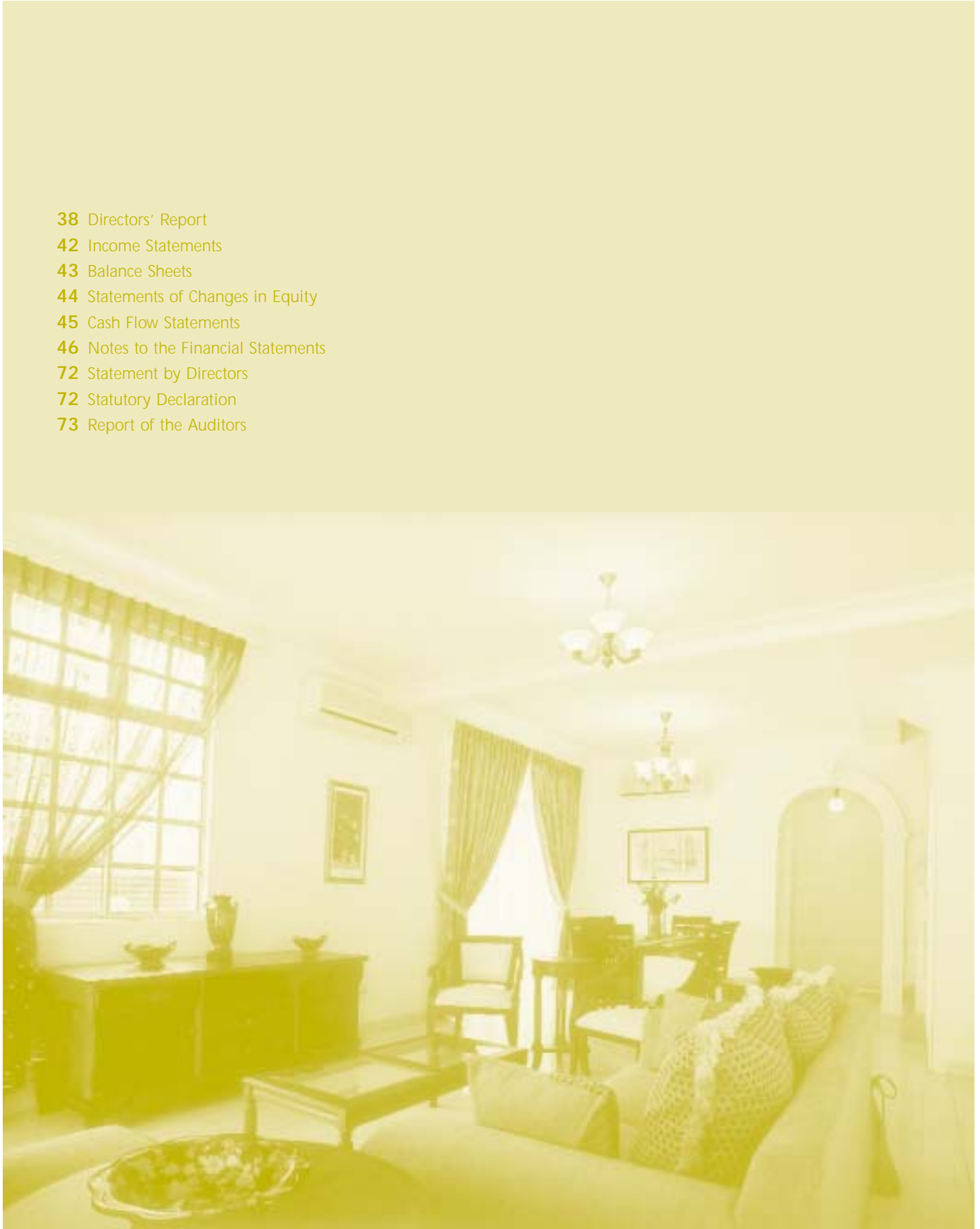
The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.





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Directors' Report

For the year ended 30 November 2004

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 November 2004.

PRINCIPAL ACTIVITIES

The principal activities of the Company are those of property development, investment holding and property investment.

The principal activities of the subsidiary and associated companies are described in Notes 15 and 16 respectively to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Profit after taxation	10,184	2,401
Retained profits brought forward	<u>57,765</u>	<u>48,684</u>
	67,949	51,085
Dividends	<u>(5,400)</u>	<u>(5,400)</u>
Retained profits carried forward	<u><u>62,549</u></u>	<u><u>45,685</u></u>

DIVIDENDS

The amount of dividends paid by the Company during the financial year were as follows :-

	RM'000
Final dividend of 4.50 sen per share less income tax of 28% in respect of the year ended 30 November 2003, paid on 12 May 2004	3,240
Interim dividend of 3.00 sen per share less income tax of 28% in respect of the year ended 30 November 2004, paid on 8 November 2004	<u>2,160</u>
	<u><u>5,400</u></u>

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 30 November 2004 of 2.00 sen per share less income tax of 28% on 100,000,000 ordinary shares, amounting to a dividend payable of RM1,440,000 will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 30 November 2005.

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.

Directors' Report (Cont'd)

For the year ended 30 November 2004

BAD AND DOUBTFUL DEBTS

Before the income statements and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts, and that all known bad debts had been written off and adequate provision been made for doubtful debts.

At the date of this report, the Directors are not aware of any circumstances that would render the amount written off for bad debts, or the amount of the provisions for doubtful debts, in the Group and the Company inadequate to any substantial extent.

CURRENT ASSETS

Before the income statements and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps to ascertain whether any current assets, other than debts, were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and of the Company and to the extent so ascertained were written down to an amount that they might be expected to realise.

At the date of this report, the Directors are not aware of any circumstances that would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

VALUATION METHODS

At the date of this report, the Directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities in the financial statements of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist :-

- (i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (ii) any contingent liability of the Group or of the Company that has arisen since the end of the financial year.

No contingent or other liability of the Group or of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the Directors are not aware of any circumstances, not otherwise dealt with in this report or the financial statements of the Group and of the Company, that would render any amount stated in the respective financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company for the financial year were not, in the opinion of the Directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the results of the operations of the Group and of the Company for the current financial year.

Directors' Report (Cont'd)

For the year ended 30 November 2004

ISSUE OF SHARES OR DEBENTURES

There was no issue of shares or debentures during the financial year.

DIRECTORS

The Directors who served since the date of the last report are as follows :-

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

In accordance with Article 84 of the Company's Articles of Association, Law Kit Tat and Choong Shiau Yoon retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, none of the Directors in office at the end of the financial year have any interest in the shares of the Company other than as follows :-

Name of Directors	Number of ordinary shares of RM1 each			As at 30.11.2004
	As at 01.12.2003	Addition	Disposal	
Wong Joon Chin (F)	2,150,000	-	-	2,150,000
Law Kit Tat	13,625,000	-	-	13,625,000
Wong Chee Sean @ Wong Sean	10,608,736	-	-	10,608,736
Datuk Mohamed Al Amin Bin Abdul Majid	950,000	-	-	950,000
Law Kee Kong	4,250,000	-	-	4,250,000

By virtue of their interest in the shares of the Company, the above Directors are deemed interested in the shares of the subsidiary companies to the extent that the Company has an interest.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors, as shown in Note 5 to the financial statements or the fixed salary of a full-time employee of the Company) 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 as disclosed in Note 33 to the financial statements.

Neither during nor at the end of the financial year, was the Company or any of its subsidiary companies a party to any arrangements whose object is to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Directors' Report (Cont'd)

For the year ended 30 November 2004

AUDITORS

The auditors, Messrs. K. S. Chua & Co., Chartered Accountants, have indicated their willingness to continue in office.

On behalf of the Board of Directors,

LAW KIT TAT

Director

WONG JOON CHIN (F)

Director

Johor Bahru

Date: 28 February 2005

Income Statements

For the year ended 30 November 2004

	Note	Group		Company	
		2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Revenue	4	<u>84,555</u>	<u>68,971</u>	<u>13,259</u>	<u>42,339</u>
Cost of goods sold	4	<u>(64,325)</u>	<u>(42,188)</u>	<u>(6,563)</u>	<u>(22,020)</u>
Gross profit		20,230	26,783	6,696	20,319
Other operating income		2,599	5,128	2,051	4,645
Administrative expenses		<u>(7,868)</u>	<u>(6,701)</u>	<u>(4,881)</u>	<u>(5,107)</u>
Profit from operations		<u>14,961</u>	<u>25,210</u>	<u>3,866</u>	<u>19,857</u>
Finance costs		<u>(438)</u>	<u>(44)</u>	<u>(408)</u>	<u>(30)</u>
Share of losses of an associated company		<u>(11)</u>	<u>(13)</u>	<u>-</u>	<u>-</u>
Profit before taxation	5	<u>14,512</u>	<u>25,153</u>	<u>3,458</u>	<u>19,827</u>
Less: Taxation					
Company and subsidiary companies	6	<u>4,328</u>	<u>7,380</u>	<u>1,057</u>	<u>5,705</u>
Profit after taxation		<u>10,184</u>	<u>17,773</u>	<u>2,401</u>	<u>14,122</u>
Earnings per ordinary share - basic (sen)	7	<u>10.18</u>	<u>17.77</u>		
Gross dividend per share (sen)					
Interim dividend	8	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>
Final dividend	8	<u>2.00</u>	<u>4.50</u>	<u>2.00</u>	<u>4.50</u>
		<u>5.00</u>	<u>7.50</u>	<u>5.00</u>	<u>7.50</u>

The above income statements are to be read in conjunction with the notes to the financial statements on pages 46 to 71.

Balance Sheets

As at 30 November 2004

	Note	Group		Company	
		2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
CAPITAL AND RESERVES					
Share capital	9	100,000	100,000	100,000	100,000
Retained profits	10	62,549	57,765	45,685	48,684
Share premium		124	124	124	124
		162,673	157,889	145,809	148,808
DEFERRED AND LONG TERM LIABILITIES					
Term loans	11	2,750	17,075	2,750	17,075
Bridging loans	11	11,648	5,745	11,648	5,745
Revolving credits	11	7,713	3,487	7,713	3,487
Hire purchase creditors	11	506	744	19	108
Deferred taxation	12	73	60	-	-
		22,690	27,111	22,130	26,415
		185,363	185,000	167,939	175,223
REPRESENTED BY :-					
LAND HELD FOR PROPERTY DEVELOPMENT	13	89,560	88,385	-	-
PROPERTY, PLANT AND EQUIPMENT	14	2,193	2,528	609	946
SUBSIDIARY COMPANIES	15	-	-	156,246	160,428
ASSOCIATED COMPANY	16	504	516	-	-
CURRENT ASSETS					
Property development costs	17	86,055	75,401	1,248	3,286
Inventories	18	13,560	12,103	10,403	12,034
Trade receivables	19	28,496	31,529	17,286	23,261
Other receivables, deposits and prepayments	20	2,717	3,008	937	616
Deposits with financial institutions	21	237	142	237	142
Quoted shares	22	6	6	6	6
Cash and bank balances	23	2,358	7,653	497	2,697
		133,429	129,842	30,614	42,042
LESS: CURRENT LIABILITIES					
Trade payables	24	19,969	14,968	1,598	8,393
Other payables, deposits and accruals	25	2,664	1,901	1,706	1,287
Provision for liabilities	26	-	39	-	39
Bank overdrafts	11	5,970	5,983	5,970	5,983
Revolving credits	11	10,167	10,000	10,167	10,000
Term loans	11	-	801	-	801
Bridging loans	11	-	190	-	190
Hire purchase creditors	11	237	264	89	116
Tax payable		1,316	2,125	-	1,384
		40,323	36,271	19,530	28,193
NET CURRENT ASSETS		93,106	93,571	11,084	13,849
		185,363	185,000	167,939	175,223

The above balance sheets are to be read in conjunction with the notes to the financial statements on pages 46 to 71.

Statements of Changes in Equity

For the year ended 30 November 2004

	Note	Share Capital	Distributable Reserve	Non-distributable Reserve	Total
		Ordinary shares RM'000	Retained profits RM'000	Share premium RM'000	
Group					
Balance as at 1 December 2002		100,000	44,312	124	144,436
Net profit for the year		-	17,773	-	17,773
Final dividend of 3.00 sen per share less income tax in respect of the year ended 30 November 2002	8	-	(2,160)	-	(2,160)
Interim dividend of 3.00 sen per share less income tax in respect of the year ended 30 November 2003	8	-	(2,160)	-	(2,160)
Balance as at 30 November 2003		<u>100,000</u>	<u>57,765</u>	<u>124</u>	<u>157,889</u>
Balance as at 1 December 2003		100,000	57,765	124	157,889
Net profit for the year		-	10,184	-	10,184
Final dividend of 4.50 sen per share less income tax in respect of the year ended 30 November 2003	8	-	(3,240)	-	(3,240)
Interim dividend of 3.00 sen per share less income tax in respect of the year ended 30 November 2004	8	-	(2,160)	-	(2,160)
Balance as at 30 November 2004		<u>100,000</u>	<u>62,549</u>	<u>124</u>	<u>162,673</u>
Company					
Balance as at 1 December 2002		100,000	38,882	124	139,006
Net profit for the year		-	14,122	-	14,122
Final dividend of 3.00 sen per share less income tax in respect of the year ended 30 November 2002	8	-	(2,160)	-	(2,160)
Interim dividend of 3.00 sen per share less income tax in respect of the year ended 30 November 2003	8	-	(2,160)	-	(2,160)
Balance as at 30 November 2003		<u>100,000</u>	<u>48,684</u>	<u>124</u>	<u>148,808</u>
Balance as at 1 December 2003		100,000	48,684	124	148,808
Net profit for the year		-	2,401	-	2,401
Final dividend of 4.50 sen per share less income tax in respect of the year ended 30 November 2003	8	-	(3,240)	-	(3,240)
Interim dividend of 3.00 sen per share less income tax in respect of the year ended 30 November 2004	8	-	(2,160)	-	(2,160)
Balance as at 30 November 2004		<u>100,000</u>	<u>45,685</u>	<u>124</u>	<u>145,809</u>

The above statements of changes in equity are to be read in conjunction with the notes to the financial statements on pages 46 to 71.

Cash Flow Statements

For the year ended 30 November 2004

	Note	Group		Company	
		2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES					
Profit before taxation		14,512	25,153	3,458	19,827
Adjustments for :-					
Depreciation of property, plant and equipment	14	722	582	343	353
Dividend from quoted shares in Malaysia		(1)	(3)	(1)	(3)
Gain on disposal of property, plant and equipment		(141)	(88)	(141)	(88)
Interest from bank deposits		(5)	(12)	(5)	(12)
Interest receivable from subsidiary companies		-	-	-	(175)
Interest expense		438	44	408	30
Provision for doubtful debts		42	24	-	18
Share of losses of an associated company		11	13	-	-
Write back of provision for liabilities	26	(39)	(748)	(39)	(748)
Operating profit before changes in working capital		15,539	24,965	4,023	19,202
(Increase)/Decrease in development expenditure		(13,286)	1,436	3,669	3,566
Decrease/(Increase) in trade and other receivables		3,896	(22,823)	6,259	(18,551)
Increase/(Decrease) in trade and other payables		5,764	9,704	(6,377)	8,101
Cash Generated From Operations		11,913	13,282	7,574	12,318
Tax paid		(5,737)	(6,657)	(3,046)	(4,797)
Net Cash Generated From Operating Activities		6,176	6,625	4,528	7,521
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES					
Repayments from/(advances to) subsidiary companies		-	-	4,182	(4,388)
Dividend from quoted shares in Malaysia		1	3	1	3
Interest from bank deposits		5	12	5	12
Interest receivable from subsidiary companies		-	-	-	175
Proceeds from disposal of property, plant and equipment		148	88	145	88
Purchase of property, plant and equipment	14	(395)	(1,799)	(9)	(200)
Purchase of shares in subsidiary companies		-	-	-	(150)
Net Cash (Used In)/Generated From Investing Activities		(241)	(1,696)	4,324	(4,460)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES					
Drawdown of bank borrowings		15,603	13,259	15,603	13,259
Dividend paid	8	(5,400)	(4,320)	(5,400)	(4,320)
Interest expense		(438)	(44)	(408)	(30)
Release from hire purchase loans		-	858	-	-
Repayment of bank borrowings		(20,623)	(14,511)	(20,623)	(14,511)
Repayment of hire purchase loans		(264)	(190)	(116)	(116)
Net Cash Used In Financing Activities		(11,122)	(4,948)	(10,944)	(5,718)
Net decrease in cash and cash equivalents		(5,187)	(19)	(2,092)	(2,657)
Opening balance of cash and cash equivalents		1,812	1,831	(3,144)	(487)
Closing balance of cash and cash equivalents	27	(3,375)	1,812	(5,236)	(3,144)

The above cash flow statements are to be read in conjunction with the notes to the financial statements on pages 46 to 71.

Notes to the Financial Statements

For the year ended 30 November 2004

1 . Corporate Information

1.1 Principal activities

The principal activities of the Company are those of property development, investment holding and property investment.

The principal activities of the subsidiary and associated companies are described in Notes 15 and 16 respectively to the financial statements.

There have been no significant changes in the nature of these activities during the year.

1.2 Legal form and domicile

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

1.3 Registered office and principal place of business

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.

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.

1.4 Authorisation of issue

The financial statements were authorised for issue by the Board of Directors in accordance with the resolution of the Directors on 28 February 2005.

2. Financial Risk Management Objectives And Policies

The Group's overall financial risk management objective is to optimise the value creation for shareholders. In addition, the Group seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its risks.

The Group operates within clearly defined guidelines that are approved by the Board. Financial risk management is carried out through risk reviews, internal control systems and adherence to the financial risk management policies. The Group's policy is not to engage in speculative transactions.

The main areas of financial risks faced by the Group and the policies for the controlling and management of these risks are set out below :-

2.1 Credit Risk

Credit risk is controlled by the application of credit approvals, limits and monitoring procedures. Trade receivables are monitored on an ongoing basis via the Group's management reporting procedures.

The maximum exposure to credit risk for the Group was represented by the carrying amount of each financial asset.

2.2 Liquidity and Cash Flow Risks

The Group is actively managing its operating cash flow to suit the debt maturity profile so as to ensure all commitments and funding needs are met. As part of the overall liquidity management, it is the Group's policy to ensure continuity in servicing its cash obligations in the future by way of measures and forecasts its cash commitments and to maintain sufficient levels of cash and cash equivalents to meet its working capital requirements. In addition, the Group also maintains available banking facilities sufficient to meet its operational needs.

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

2. Financial Risk Management Objectives And Policies (Cont'd)

2.3 Interest Rate Risk

The Group's primary interest rate risk relates to interest-bearing debt. The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets. This strategy allows it to capitalise on cheaper funding in a low interest rate environment and achieve a certain level of protection against rate hikes. The Group does not use derivative financial instruments to hedge its risk.

3. Significant Accounting Policies

3.1 Basis of Preparation

The financial statements of the Group and of the Company have been prepared under the historical cost convention unless otherwise indicated in the significant accounting policies.

The financial statements comply with applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965.

The preparation of financial statements in conformity with applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965 requires the Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

During the current financial year, the Group and the Company have adopted Malaysian Accounting Standard Board ("MASB") Standard 29, Employee Benefits. The adopting of this Standard has not given rise to any adjustments to the opening balances of retained profits of the prior and current years or to changes in comparatives.

3.2 Basis of Consolidation

(i) Subsidiary Companies

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiary companies made up to the end of the financial year. Subsidiary companies are those companies in which the Group has a long term equity interest and where it has power to exercise control over the financial and operating policies so as to obtain benefits therefrom. All the subsidiary companies are consolidated using the acquisition method of accounting.

Under the acquisition method of accounting, the results of the subsidiary companies acquired or disposed of during the year are included in the consolidated income statements from the date of acquisition or up to the date of disposal. Where applicable, the difference between the purchase price and the fair value of the underlying net assets of the subsidiary companies at the date of the acquisition is included in the consolidated balance sheets either as goodwill or reserve on consolidation. All intercompany balances, transactions and resulting unrealised gain are eliminated on consolidation and the consolidated financial statements relate to external transactions only. Unrealised losses are eliminated on consolidation unless costs cannot be recovered.

(ii) Associated Company

An associated company is an investee company that is not a subsidiary company and in which the Group has long term interest and exercises significant influence over the financial and commercial policies of the investee through Board representation.

The Group's share of the results of the associated company for the year is included in the consolidated income statements using the equity method of accounting. Under the equity method of accounting, the Group's share of profits or losses of the associated company during the year is included in the consolidated income statements. The Group's interest in the associated company is carried in the consolidated balance sheets at cost plus the Group's share of post-acquisition retained profits or accumulated losses and other reserves as well as goodwill on acquisition.

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

3. Significant Accounting Policies (Cont'd)

3.2 Basis of Consolidation (Cont'd)

(ii) Associated Company (Cont'd)

Unrealised gains on transactions between the Group and the associated company are eliminated to the extent of the Group's interest in the associated company. Unrealised losses are eliminated unless costs cannot be recovered.

3.3 Investments in Subsidiary Companies, Associated Company and Quoted Shares

Investments in subsidiary and associated companies are stated at cost less impairment losses, if any. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.17.

Investments in quoted shares are stated at the lower of cost and market value, determined on an aggregate basis.

3.4 Property, Plant and Equipment and Depreciation

Measurement Basis And Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation, and if any, impairment loss. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.17.

Depreciation is calculated on the straight-line method so as to write off the cost of the assets over their estimated useful lives. The principal annual depreciation rates are as follows :-

Furniture & fitting, office equipment,		
office renovation and site equipment	-	15%
Motor vehicles	-	20%

On disposal of an item of property, plant and equipment, the difference between net disposal proceeds and its carrying amount is charged or credited to the income statements.

Assets acquired under hire-purchase and lease arrangements

Assets financed by hire-purchase and lease arrangement which transfer substantially all the risks and rewards of ownership to the Group 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 that of the Group's property, plant and equipment.

Finance charges are allocated to the income statement over the period of the agreement to give a constant periodic rate of charge on the remaining hire-purchase and lease liabilities.

3.5 Land Held For Property Development

Land held for property development consists of land held for future development where no significant development has been undertaken and is stated at cost. Cost includes land cost and all expenditure incurred to put the land in a condition ready for development and is reclassified as property development costs upon commencement of development work on the said land.

3.6 Property Development Costs

Property development costs are stated at cost, and where appropriate, include profit accrued to the properties sold at their relevant stage of completion less progress billings and foreseeable losses. Cost includes cost of land and development expenditure, interest charges related to the financing of development and an allocation of overhead.

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

3. Significant Accounting Policies (Cont'd)

3.7 Inventories

Inventories comprised of properties held for sale are stated at the lower of cost and net realisable value. Cost includes costs of land, construction and appropriate development overheads. Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost to completion and selling expenses.

3.8 Receivables and payables

Receivables are carried at anticipated realisable values. Bad debts are written off when identified. An estimate of doubtful debts is made when collection of the full amounts is no longer probable.

Payables are stated at cost.

3.9 Cash and Cash Equivalents

For the purposes of the cash flow statements, cash and cash equivalents include cash and bank balances, deposits with financial institutions against which the bank overdrafts, if any are deducted.

3.10 Provision for Liabilities

Provision for liabilities are recognised when the Group has a present obligation as a result of a past event, and 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. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

3.11 Borrowings

Term loans, bridging loans, revolving credits, bank overdrafts and hire purchase creditors are recognised at cost, less attributable transaction costs.

3.12 Capitalisation of Borrowing Costs

Interest incurred on borrowings related to property development costs and land held for property development are capitalised during the period when planning for the development and construction of the assets are undertaken. Capitalisation of borrowing costs ceases when the assets are ready for their intended use.

3.13 Taxation

Income tax expense represents the sum of the current tax and deferred tax.

The current tax is the amount of income taxes payable in respect of the taxable profit for the year. Taxable profit differs from net profit as reported in the income statements because it excludes items of income or expenditure that are taxable or deductible in other years and it further excludes items that are never be taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted at the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used on the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

3. Significant Accounting Policies (Cont'd)

3.13 Taxation (Cont'd)

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited in the income statements, except when it relates to items charged or credited directly to equity in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authorities and the Group intends to settle its current tax assets and liabilities on a net basis.

3.14 Employee Benefits

(i) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined contribution plans

As required by law, the Group makes contributions to the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in the income statements as incurred.

Prior to the adoption of MASB 29, Employee Benefits, no liability was recognised for the obligations in respect of short-term employee benefits in the form of accumulating compensated absences. The adoption of MASB 29 has not given rise to any adjustments to the opening balances of retained profits of the prior and current years or to changes in comparatives.

3.15 Revenue Recognition

(i) Income from property development and construction contracts

Revenue from sale of development properties is recognised based on the 'percentage of completion' method. The stage of completion is determined based on the proportion of project cost incurred for work performed up to the balance sheet date over the estimated total project costs. Foreseeable losses, if any, are recognised immediately in the income statement.

Revenue from work done on construction contracts is recognised based on the 'percentage of completion' method. The stage of completion is determined based on the proportion of contract costs incurred for work performed up to the balance sheet date over the estimated total contract costs. Foreseeable losses, if any, are recognised immediately in the income statement.

(ii) Dividend income

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

(iii) Rental, interest and other operating income

Rental income, interest income and other operating income are recognised based on the accrual basis.

3.16 Dividends

Dividends on ordinary shares are accounted for in shareholders' equity as an appropriation of retained earnings and accrued as a liability in the financial period in which the obligation to pay is established.

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

3. Significant Accounting Policies (Cont'd)

3.17 Impairment of Assets

The carrying amounts of assets except for those classified as property development costs, inventories, financial assets and deferred tax assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the assets recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an item of assets exceeds its recoverable amount. Recoverable amount is the higher of net selling price and value in use. In assessing value in use, the estimated future cash flows 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.

An impairment loss is recognised as an expense in the income statement. Reversal of impairment losses recognised in prior years is recorded when the impairment losses recognised for the asset no longer exist or have been decreased.

3.18 Financial Instruments

(i) Financial instruments recognised in the balance sheet

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

The financial instruments, which are recognised in the balance sheets comprise investments, receivables, deposits, cash and bank balances, payables and borrowings. These financial instruments are recognised when a contractual relationship has been established. The information about the extent and nature of these recognised financial instruments, including significant terms and conditions that may affect the amount, timing and certainty of future cashflows are disclosed separately in the individual policy statements associated with the relevant financial instruments.

(ii) Financial instruments not recognised in the balance sheet

There were no financial instruments not recognised in the balance sheet.

3.19 Share Capital

Ordinary shares are classified as equity.

3.20 Cash Flow Statements

The Group and the Company report the cash flow from operating activities using indirect method.

4. Revenue/Cost Of Goods Sold

Revenue is derived from the following sources :-

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Property development	83,912	68,938	13,259	42,339
Contract revenue	643	33	-	-
	<u>84,555</u>	<u>68,971</u>	<u>13,259</u>	<u>42,339</u>

Cost of goods sold comprises :-

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Cost of inventories sold	2,388	1,164	2,388	1,164
Cost of development properties sold	60,925	40,994	3,757	20,856
Cost of commercial land sold	418	-	418	-
Contract cost recognised as an expense	594	30	-	-
	<u>64,325</u>	<u>42,188</u>	<u>6,563</u>	<u>22,020</u>

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

4. Revenue/Cost Of Goods Sold (Cont'd)

Included in the revenue from property development and cost of commercial land sold for the year are amounts of RM2,063,000 and RM414,000 respectively which arose from the reinstatement of sale of a development land forfeited during the prior year as disclosed in Note 5.

5. Profit Before Taxation

Profit before taxation is arrived at :-

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
After charging all expenses including :-				
Auditors' remuneration				
- Statutory audit				
* Current year	71	71	34	34
* Over provision in prior year	-	(3)	-	(2)
- Non-audit	33	18	20	8
Depreciation (Note 14)	722	582	343	353
Directors' remuneration				
- Non-executive directors				
* Fees	108	108	108	108
- Executive directors				
* Basic salary	750	529	750	529
* Bonus	54	44	54	44
* Benefits-in-kind	52	45	52	45
Interest expense	438	44	408	30
Office rental	301	305	194	223
Sponsorship of the Elite Players Programme	300	300	300	300
And crediting all income including :-				
Dividend from quoted shares in Malaysia	1	3	1	3
Interest from bank deposits	5	12	5	12
Interest from housing development accounts	42	31	-	-
Interest on late payments	2,178	564	1,789	126
Interest receivable from subsidiary companies	-	-	-	175
Provision for liabilities written-back (Note 26)	39	748	39	748
Payment forfeited from sale of development land (Note 4)	-	3,391	-	3,391
Rental income	16	62	6	53

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

Range of Remuneration	Executive Directors		Non- Executive Directors	
	2004 No.	2003 No.	2004 No.	2003 No.
< RM50,000	-	-	3	3
RM50,001 - RM100,000	-	1	-	-
RM100,001 - RM150,000	-	2	-	-
RM150,001 - RM200,000	2	-	-	-
RM200,001 - RM250,000	1	-	-	-
RM250,001 - RM300,000	1	1	-	-
	<u>4</u>	<u>4</u>	<u>3</u>	<u>3</u>

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

6. Taxation

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Current taxation				
Domestic				
- Income tax	4,383	7,384	1,100	5,745
Over provision for prior years				
Domestic				
- Income tax	(68)	(44)	(43)	(40)
Deferred taxation (Note 12)				
Domestic				
- Origination and reversal of temporary differences	13	40	-	-
Total tax expense	<u>4,328</u>	<u>7,380</u>	<u>1,057</u>	<u>5,705</u>

A reconciliation of income tax expense applicable to profit before taxation at the domestic statutory income tax rate of 28% to income tax expense at the effective income tax rate of the Group and of the Company is as follows :-

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Profit before taxation	14,512	25,153	3,458	19,827
Taxation at Malaysian statutory tax rate of 28%	4,063	7,043	968	5,552
Income not subject to tax	(39)	(25)	(39)	(25)
Income subject to lower tax	(41)	(10)	-	-
Expenses not deductible for tax purpose	417	491	192	239
Utilisation of current year's capital allowances	(59)	(84)	(21)	(21)
Over provision in prior years	(68)	(44)	(43)	(40)
Deferred tax assets not recognised during the year	55	8	-	-
Deferred tax liability not recognised in prior year	-	1	-	-
Tax expense for the year	<u>4,328</u>	<u>7,380</u>	<u>1,057</u>	<u>5,705</u>

7. Earnings Per Share

Basic earnings per ordinary share for the year has been calculated based on the consolidated profit after taxation and on the weighted average number of ordinary shares in issue.

	Group	
	2004	2003
Net profit attributable to shareholders (RM'000)	10,184	17,773
Weighted average number of ordinary shares in issue ('000)	100,000	100,000
Basic earnings per share (sen)	<u>10.18</u>	<u>17.77</u>

The weighted average number of ordinary shares in calculating the basic earnings per ordinary share was arrived at as follows :-

	2004 RM'000	2003 RM'000
Issued at 1 December	100,000	100,000
Effect of shares issued	-	-
Weighted average at 30 November	<u>100,000</u>	<u>100,000</u>

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

8. Dividends

	Group & Company			
	Amount		Gross dividend per share	
	2004 RM'000	2003 RM'000	2004 Sen	2003 Sen
Interim dividend of 3.00 sen per share less income tax of 28% paid on 21 November 2003	-	2,160	-	3.00
Final dividend of 4.50 sen per share less income tax of 28% paid on 12 May 2004	-	3,240	-	4.50
Interim dividend of 3.00 sen per share less income tax of 28% paid on 8 November 2004	2,160	-	3.00	-
Proposed final dividend of 2.00 sen per share less income tax of 28%	1,440	-	2.00	-
	<u>3,600</u>	<u>5,400</u>	<u>5.00</u>	<u>7.50</u>

At the forthcoming Annual General Meeting, a final dividend in respect of the year ended 30 November 2004 of 2.00 sen per share less income tax of 28% on 100,000,000 ordinary shares, amounting to a dividend payable of RM1,440,000 will be proposed for shareholders' approval. The financial statements for the current year do not reflect this proposed dividend. Such dividend, if approved by the shareholders will be accounted for in shareholders' equity as an appropriation of retained profits in the year ending 30 November 2005.

9. Share Capital

	Group & Company	
	2004 RM'000	2003 RM'000
Authorised :- Ordinary shares of RM1 each	<u>500,000</u>	<u>500,000</u>
Issued and fully paid :- Ordinary shares of RM1 each	<u>100,000</u>	<u>100,000</u>

10. Retained Profits

As at 30 November 2004, the Company has tax exempt profits available for distribution of RM10,952,000 (2003 - RM10,952,000).

The Company has sufficient tax credit under section 108 of the Income Tax Act 1967 and the balance in the tax exempt income account to frank the payment of dividends out of its entire retained profits as at 30 November 2004.

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

11. Borrowings

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
<u>Secured</u>				
Short-term borrowings				
Term loans	-	801	-	801
Bridging loans	-	190	-	190
Revolving credits	10,167	10,000	10,167	10,000
Bank overdrafts	5,970	5,983	5,970	5,983
Hire purchase creditors	237	264	89	116
Repayable within the next 12 months as shown under Current Liabilities	<u>16,374</u>	<u>17,238</u>	<u>16,226</u>	<u>17,090</u>
Long-term borrowings				
Term loans	2,750	17,075	2,750	17,075
Bridging loans	11,648	5,745	11,648	5,745
Revolving credits	7,713	3,487	7,713	3,487
Hire purchase creditors	506	744	19	108
Repayable after the next 12 months as shown under Long Term Liabilities	<u>22,617</u>	<u>27,051</u>	<u>22,130</u>	<u>26,415</u>
Total borrowings				
Term loans	2,750	17,876	2,750	17,876
Bridging loans	11,648	5,935	11,648	5,935
Revolving credits	17,880	13,487	17,880	13,487
Bank overdrafts	5,970	5,983	5,970	5,983
Hire purchase creditors	743	1,008	108	224
	<u>38,991</u>	<u>44,289</u>	<u>38,356</u>	<u>43,505</u>

11.1 Term Loans

The term loans, TL1 to TL3 and TL4 are secured by way of legal charges on the Group's certain landed properties and by debentures by way of fixed and floating charges over the present and future assets of the Company and certain subsidiary companies.

TL1 to TL3 are for 5 years. Repayments are either by redemption at specified amount for each type of development properties sold or by monthly installments of between RM160,000 to RM470,000 over 43 to 49 installments whichever is earlier. Interest rate charged is at 2.25% per annum (2003 - 2.25% per annum) above the lending bank's cost of funds.

TL4 is for 5 years from the date of first drawdown, inclusive of a grace period of 12 months. TL4 is repayable either by redemption at specified amount for each type of development properties sold or by monthly installments of between RM100,000 to RM200,000 over 49 installments whichever is earlier. Interest rate charged is at 2.25% per annum (2003 - nil) above the lending bank's cost of funds.

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

11. Borrowings (Cont'd)

11.2 Bridging Loans

The bridging loans, BL1, BL2 and BL3 are secured by way of legal charges on the Group's certain landed properties and by debentures by way of fixed and floating charges over the present and future assets of the Company and certain subsidiary companies.

BL1 is for 5 years from the date of first drawdown, inclusive of a grace period of 24 months. BL1 is repayable either by redemption at specified amount for each type of development properties sold or by monthly installments of between RM160,000 to RM190,000 over 37 installments whichever is earlier. Interest rate charged is at 2.25% per annum (2003 - 2.25% per annum) above the lending bank's cost of funds.

BL2 is for 4 years from the date of first drawdown, inclusive of a grace period of 24 months. BL2 is repayable either by redemption at specified amount for each type of development properties sold or by 25 monthly installments of RM600,000 whichever is earlier. Interest rate charged is at 2.25% per annum (2003 - 2.25% per annum) above the lending bank's cost of funds.

BL3 is for 4 years from the date of first drawdown, inclusive of a grace period of 24 months. BL3 is repayable either by redemption at specified amount for each type of development properties sold or by 25 monthly installments of RM200,000 whichever is earlier. Interest rate charged is at 2.25% per annum (2003 - nil) above the lending bank's cost of funds.

11.3 Revolving Credits

The revolving credits, RC1, RC2 and RC3 are secured by way of legal charges on the Group's certain landed properties and by debentures by way of fixed and floating charges over the present and future assets of the Company and certain subsidiary companies.

RC1 carries interest at 2.25% per annum (2003 - 2.25% per annum) above the lending bank's cost of funds.

RC2 is for up to a maximum aggregate principal sum of RM7 million only for a period of 24 months from the date of the first drawdown and thereafter, the limit shall be progressively reduced to a maximum aggregate principal sum of RM2,000,000 over a period of 3 years. Repayments are by redemption at specified amount for each type of development properties sold. Interest rate charged is at 2.25% per annum (2003 - 2.25% per annum) above the lending bank's cost of funds.

RC3 is on the basis of a fluctuating facility of up to a maximum aggregate principal sum of RM5 million only. Subject to a grace period of 12 months from the date of first drawdown, the limit shall be progressively reduced over a period of 6 years. The limit of the facility, in addition to the above can be further reduced by redemption at specified amount for each type of development properties sold. Interest rate charged is at 2.25% per annum (2003 - nil) above the lending bank's cost of funds.

11.4 Bank Overdrafts

The bank overdrafts are secured by legal charges over the Group's certain landed properties.

The bank overdrafts bear interest at 1.5% to 1.75% per annum (2003 - 1.5% to 1.75% per annum) above the banks' base lending rates.

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

11. Borrowings (Cont'd)

11.5 Hire Purchase Creditors

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Minimum lease payments :-				
Not later than 1 year	290	323	113	146
Later than 1 year and not later than 2 years	201	291	24	113
Later than 2 years and not later than 5 years	357	488	-	26
Later than 5 years	54	126	-	-
	<u>902</u>	<u>1,228</u>	<u>137</u>	<u>285</u>
Less : Future finance charges	(159)	(220)	(29)	(61)
Present value of finance lease liabilities	<u>743</u>	<u>1,008</u>	<u>108</u>	<u>224</u>
Present value of finance lease liabilities				
Not later than 1 year	237	264	89	116
Later than 1 year and not later than 2 years	167	237	19	89
Later than 2 years and not later than 5 years	295	404	-	19
Later than 5 years	44	103	-	-
	<u>743</u>	<u>1,008</u>	<u>108</u>	<u>224</u>
Analysed as :-				
Due within 12 months	237	264	89	116
Due after 12 months	506	744	19	108
	<u>743</u>	<u>1,008</u>	<u>108</u>	<u>224</u>

The hire purchase creditors bore interest at the balance sheet date of between 3.3% to 5.9% (2003 - 3.3% to 5.9%) per annum.

12. Deferred Taxation

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
At 1 December	60	20	-	-
Charge to income statements	13	40	-	-
At 30 November	<u>73</u>	<u>60</u>	<u>-</u>	<u>-</u>
Represented by :-				
Excess of tax allowances over depreciation	<u>73</u>	<u>60</u>	<u>-</u>	<u>-</u>
The amount of the deferred tax charge recognised in the income statements are as follows :-				
Excess of tax allowances over depreciation	<u>13</u>	<u>40</u>	<u>-</u>	<u>-</u>

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

13. Land Held For Property Development

	Group	
	2004 RM'000	2003 RM'000
Freehold land, at cost	30,580	30,580
Long term leasehold land, at cost	53,698	53,698
	<u>84,278</u>	<u>84,278</u>
Development expenditure	5,282	4,107
	<u>89,560</u>	<u>88,385</u>

Landed properties of the Group amounting to RM34,850,000 (2003 – RM33,753,000) have been pledged to financial institutions as security for borrowings granted to the Company as disclosed in Note 11.

Included in the development expenditure of the Group is interest expense capitalised during the year amounting to RM914,000 (2003 - RM911,000).

14. Property, Plant And Equipment

Group					
At Cost	At 1.12.2003 RM'000	Additions RM'000	Disposals RM'000	Write-offs RM'000	At 30.11.2004 RM'000
Furniture & Fitting	340	45	-	-	385
Office Equipment	778	120	(33)	-	865
Office Renovation	382	217	-	-	599
Motor Vehicles	3,441	4	(803)	-	2,642
Site Equipment	34	9	-	-	43
	<u>4,975</u>	<u>395</u>	<u>(836)</u>	<u>-</u>	<u>4,534</u>
Accumulated Depreciation	At 1.12.2003 RM'000	Depreciation RM'000	Disposals RM'000	Write-offs RM'000	At 30.11.2004 RM'000
Furniture & Fitting	84	55	-	-	139
Office Equipment	376	103	(30)	-	449
Office Renovation	72	82	-	-	154
Motor Vehicles	1,897	478	(798)	-	1,577
Site Equipment	18	4	-	-	22
	<u>2,447</u>	<u>722</u>	<u>(828)</u>	<u>-</u>	<u>2,341</u>
	Net carrying amount		Depreciation charge		
	At 30.11.2004 RM'000	At 30.11.2003 RM'000	2004 RM'000	2003 RM'000	
Furniture & Fitting	246	256	55	46	
Office Equipment	416	402	103	90	
Office Renovation	445	310	82	53	
Motor Vehicles	1,065	1,544	478	389	
Site Equipment	21	16	4	4	
	<u>2,193</u>	<u>2,528</u>	<u>722</u>	<u>582</u>	

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

14. Property, Plant And Equipment (Cont'd)

Company

At Cost	At 1.12.2003 RM'000	Additions RM'000	Disposals RM'000	Write-offs RM'000	At 30.11.2004 RM'000
Furniture & Fitting	194	2	-	-	196
Office Equipment	517	1	(30)	-	488
Office Renovation	209	6	-	-	215
Motor Vehicles	2,194	-	(802)	-	1,392
Site Equipment	28	-	-	-	28
	<u>3,142</u>	<u>9</u>	<u>(832)</u>	<u>-</u>	<u>2,319</u>

Accumulated Depreciation	At 1.12.2003 RM'000	Depreciation RM'000	Disposals RM'000	Write-offs RM'000	At 30.11.2004 RM'000
Furniture & Fitting	61	29	-	-	90
Office Equipment	338	52	(31)	-	359
Office Renovation	47	31	-	-	78
Motor Vehicles	1,733	228	(798)	-	1,163
Site Equipment	17	3	-	-	20
	<u>2,196</u>	<u>343</u>	<u>(829)</u>	<u>-</u>	<u>1,710</u>

	Net carrying amount		Depreciation charge	
	At 30.11.2004 RM'000	At 30.11.2003 RM'000	2004 RM'000	2003 RM'000
Furniture & Fitting	106	133	29	26
Office Equipment	129	179	52	58
Office Renovation	137	162	31	29
Motor Vehicles	229	461	228	237
Site Equipment	8	11	3	3
	<u>609</u>	<u>946</u>	<u>343</u>	<u>353</u>

The net carrying amounts of property, plant and equipment pledged for borrowings granted to the Company as referred to in Note 11 are as follows :-

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Furniture & Fitting	168	162	106	133
Office Equipment	359	335	129	179
Office Renovation	343	187	137	162
Motor Vehicles	1,020	1,483	229	461
Site Equipment	9	13	8	11
	<u>1,899</u>	<u>2,180</u>	<u>609</u>	<u>946</u>

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

14. Property, Plant And Equipment (Cont'd)

The net carrying amounts of property, plant and equipment held under hire purchase arrangement as referred to in Note 11 are as follows :-

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Motor Vehicles	<u>893</u>	<u>1,248</u>	<u>188</u>	<u>339</u>

15. Subsidiary Companies

	Company	
	2004 RM'000	2003 RM'000
Unquoted shares, at cost	1,000	1,000
Amounts due from subsidiary companies		
- Interest bearing	30,946	43,828
- Interest free	124,300	115,600
	<u>155,246</u>	<u>159,428</u>
	<u>156,246</u>	<u>160,428</u>

The amounts due from the subsidiary companies are unsecured and have no fixed terms of repayment.

The indebtedness arose out of advances granted by the Company to mainly finance the acquisition of land and related development expenditure of certain subsidiary companies. The interest bearing advances relate to those which are financed by the Company's bank borrowings and interest incurred by the Company are absorbed by these subsidiary companies on these advances at interest rate of 2.25% per annum (2003 - 2.25% per annum) above the lending bank's cost of funds.

Details of the subsidiary companies are as follows :-

Name of company	Country of incorporation	Effective interest		Principal activities
		2004	2003	
Country View Construction Sdn Bhd	Malaysia	100%	100%	Construction
Country View Equities Sdn Bhd	Malaysia	100%	100%	Property development
Country View Greens Sdn Bhd	Malaysia	100%	100%	Dormant
Country View Land Sdn Bhd	Malaysia	100%	100%	Property development
Country View Property Management Sdn Bhd	Malaysia	100%	100%	Property management
Country View Properties Sdn Bhd	Malaysia	100%	100%	Property development
Country View Resources Sdn Bhd	Malaysia	100%	100%	Property development
Country View Ventures Sdn Bhd	Malaysia	100%	100%	Investment holding

16. Associated Company

	Group	
	2004 RM'000	2003 RM'000
Unquoted shares, at cost	720	720
Share of accumulated losses	(216)	(204)
	<u>504</u>	<u>516</u>
Represented by :-		
Share of net assets of the associated company	<u>504</u>	<u>516</u>

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

16. Associated Company (Cont'd)

Details of the associated company are as follows :-

Name of company	Country of incorporation	Effective interest		Principal activity
		2004	2003	
Optima Bestari Sdn Bhd #	Malaysia	24%	24%	Property development

- Not audited by Messrs. K. S. Chua & Co.

17. Property Development Costs

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Freehold land, at cost	50,132	68,023	963	13,768
Development expenditure, at cost	119,188	84,651	23,801	23,595
	<u>169,320</u>	<u>152,674</u>	<u>24,764</u>	<u>37,363</u>
Add: Attributable profits	43,961	33,637	26,410	20,693
	<u>213,281</u>	<u>186,311</u>	<u>51,174</u>	<u>58,056</u>
Transferred to inventories	(3,460)	(12,850)	(196)	(12,850)
Progress billings	(123,766)	(98,060)	(49,730)	(41,920)
	<u>(127,226)</u>	<u>(110,910)</u>	<u>(49,926)</u>	<u>(54,770)</u>
	<u>86,055</u>	<u>75,401</u>	<u>1,248</u>	<u>3,286</u>

Landed properties of the Group and of the Company amounting to RM86,055,000 (2003 – RM75,006,000) and RM1,248,000 (2003 - RM2,888,000) respectively have been pledged to financial institutions as security for borrowings granted to the Company as disclosed in Note 11.

Included in the development expenditure of the Group is interest expense capitalised during the year amounting to RM1,996,000 (2003 – RM2,430,000).

18. Inventories

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Property held for sale, at cost	<u>13,560</u>	<u>12,103</u>	<u>10,403</u>	<u>12,034</u>

Inventories of the Group and of the Company amounting to RM13,263,000 (2003 – RM11,854,000) and RM10,067,000 (2003 – RM11,785,000) respectively have been pledged to financial institutions as security for borrowings granted to the Company as disclosed in Note 11.

Included in the inventories of the Group is interest expense capitalised during the year amounting to RM8,000 (2003 - RM nil).

The cost of inventories recognised as an expense during the year in the Group amounted to RM2,388,000 (2003 - RM1,239,000).

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

19. Trade Receivables

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Trade receivables	28,543	31,537	17,304	23,279
Due from customers on contracts	13	10	-	-
	<u>28,556</u>	<u>31,547</u>	<u>17,304</u>	<u>23,279</u>
Less: Provision for doubtful debts	(60)	(18)	(18)	(18)
	<u>28,496</u>	<u>31,529</u>	<u>17,286</u>	<u>23,261</u>

The Group's normal trade credit term ranges from 14 to 90 days. Other credit terms are assessed and approved on a case-by-case basis.

20. Other Receivables, Deposits And Prepayments

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Sundry debtors	20	1,420	11	353
Deposits and prepayments	1,317	817	326	263
Advances to a shareholder of an associated company, which is interest free, unsecured and have no fixed term of repayment	750	750	-	-
Tax refund receivable	636	27	600	-
	<u>2,723</u>	<u>3,014</u>	<u>937</u>	<u>616</u>
Less: Provision for doubtful debt	(6)	(6)	-	-
	<u>2,717</u>	<u>3,008</u>	<u>937</u>	<u>616</u>

21. Deposits With Financial Institutions

	Group & Company	
	2004 RM'000	2003 RM'000
Deposits with licensed banks	<u>237</u>	<u>142</u>

Deposits with licensed banks of the Group and of the Company amounting to RM237,000 (2003 – RM142,000) are pledged as security for bank guarantees in favour of third parties as referred to in Note 31.

22. Quoted Shares

	Group & Company	
	2004 RM'000	2003 RM'000
Quoted shares in Malaysia, at cost	<u>6</u>	<u>6</u>
Market value of quoted shares	<u>22</u>	<u>13</u>

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

23. Cash and Bank Balances

Included in the cash and bank balances of the Group and of the Company are amounts of RM1,663,000 (2003 – RM4,832,000) and RM2,000 (2003 – RM2,000) respectively held under Housing Development Accounts pursuant to section 7A of the Housing Development (Control and Licensing) Act 1966 and therefore restricted from use in other operations.

Cash at bank of the Group amounting to RM14,000 (2003 - nil) has been earmarked as security for performance guarantee given to a third party as referred to in Note 31.

24. Trade Payables

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Trade payables	19,900	14,968	1,184	8,090
Due to customers on contract	69	-	-	-
Amounts payable to a subsidiary company - trade	-	-	414	303
	<u>19,969</u>	<u>14,968</u>	<u>1,598</u>	<u>8,393</u>

The normal trade credit terms granted to the Group range from 30 to 90 days.

25. Other Payables, Deposits And Accruals

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Sundry creditors	1,702	1,309	904	758
Sundry deposits and accruals	962	592	802	529
	<u>2,664</u>	<u>1,901</u>	<u>1,706</u>	<u>1,287</u>

26. Provision For Liabilities

	Group & Company	
	2004 RM'000	2003 RM'000
Liquidated and ascertained damages on late delivery of development properties		
Balance at 1 December	39	787
Less: Write-back during the year	(39)	(748)
Balance at 30 November	<u>-</u>	<u>39</u>

27. Cash And Cash Equivalents

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Cash and bank balances	2,358	7,653	497	2,697
Deposits with licensed banks (Note 21)	237	142	237	142
	<u>2,595</u>	<u>7,795</u>	<u>734</u>	<u>2,839</u>
Bank overdrafts (Note 11)	(5,970)	(5,983)	(5,970)	(5,983)
	<u>(3,375)</u>	<u>1,812</u>	<u>(5,236)</u>	<u>(3,144)</u>

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

28. Segment Information

The Group adopts business segments analysis as its primary reporting format. No geographical segment analysis is reported as the Group 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 tax recoverable, income 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 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 subsidiary and associated companies which are long term in nature; and
- (d) Property management
- provision of safety and property maintenance services.

Group

	Property Development RM'000	Construction RM'000	Investment Holding RM'000	Property Management RM'000	Elimination RM'000	Consolidated RM'000
2004						
Revenue						
External sales	83,912	643	-	-	-	84,555
Inter-segment sales	-	536	-	349	(885)	-
Total revenue	<u>83,912</u>	<u>1,179</u>	<u>-</u>	<u>349</u>	<u>(885)</u>	<u>84,555</u>
Results						
Segment results	15,247	6	(5)	(20)	(267)	14,961
Share of losses of an associated company	-	-	(11)	-	-	(11)
						<u>14,950</u>
Finance costs						(438)
Profit before taxation						<u>14,512</u>
Taxation						(4,328)
Profit after taxation						<u>10,184</u>
Other Information						
Segment assets	<u>380,582</u>	<u>677</u>	<u>750</u>	<u>46</u>	<u>(157,509)</u>	224,546
Associated company	-	-	504	-	-	504
Unallocated corporate assets						636
Total assets						<u>225,686</u>
Segment liabilities	<u>215,598</u>	<u>343</u>	<u>1,508</u>	<u>80</u>	<u>(155,905)</u>	61,624
Unallocated corporate liabilities						1,389
Total liabilities						<u>63,013</u>
Capital expenditure	<u>382</u>	<u>8</u>	<u>-</u>	<u>5</u>	<u>-</u>	<u>395</u>
Depreciation	<u>706</u>	<u>13</u>	<u>-</u>	<u>3</u>	<u>-</u>	<u>722</u>
Non-cash expenses other than depreciation	<u>42</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42</u>

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

28. Segment Information (Cont'd)

2003	Property Development RM'000	Construction RM'000	Investment Holding RM'000	Property Management RM'000	Elimination RM'000	Consolidated RM'000
Revenue						
External sales	68,938	33	-	-	-	68,971
Inter-segment sales	-	2,005	-	44	(2,049)	-
Total revenue	<u>68,938</u>	<u>2,038</u>	<u>-</u>	<u>44</u>	<u>(2,049)</u>	<u>68,971</u>
Results						
Segment results	25,504	2	(5)	(14)	(277)	25,210
Share of losses of an associated company	-	-	(13)	-	-	(13)
						<u>25,197</u>
Finance costs						(44)
Profit before taxation						<u>25,153</u>
Taxation						(7,380)
Profit after taxation						<u><u>17,773</u></u>
Other Information						
Segment assets	<u>380,455</u>	<u>809</u>	<u>751</u>	<u>34</u>	<u>(161,321)</u>	<u>220,728</u>
Associated company	-	-	516	-	-	516
Unallocated corporate assets						27
Total assets						<u><u>221,271</u></u>
Segment liabilities	<u>219,143</u>	<u>487</u>	<u>1,503</u>	<u>49</u>	<u>(159,985)</u>	<u>61,197</u>
Unallocated corporate liabilities						2,185
Total liabilities						<u><u>63,382</u></u>
Capital expenditure	<u>1,724</u>	<u>59</u>	<u>-</u>	<u>16</u>	<u>-</u>	<u>1,799</u>
Depreciation	<u>570</u>	<u>11</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>582</u>
Non-cash expenses other than depreciation	<u>24</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24</u>

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

29. Financial Instruments

29.1 Interest rate risk

The interest rate risk that financial instruments' values will fluctuate as a result of changes in market interest rates, and effective weighted average interest rates on classes of financial assets and financial liabilities are as follows :-

	Within 1 year	1 to 2 years	3 to 5 years	More than 5 years	Total	Effective interest rate during the year %
2004	RM'000	RM'000	RM'000	RM'000	RM'000	
Group						
Financial Assets :-						
Deposits with financial institutions	147	-	-	-	147	3.70
Financial Liabilities :-						
Term loans	-	2,750	-	-	2,750	7.41
Bridging loans	-	7,448	4,200	-	11,648	7.41
Revolving credits	10,167	2,402	5,311	-	17,880	7.41
Bank overdrafts	5,970	-	-	-	5,970	7.50 to 7.75
Hire purchase creditors	237	167	290	49	743	3.30 to 5.90
Company						
Financial Assets :-						
Amount due from subsidiary companies - interest bearing	30,946	-	-	-	30,946	7.41
Deposits with financial institutions	147	-	-	-	147	3.70
Financial Liabilities :-						
Term loans	-	2,750	-	-	2,750	7.41
Bridging loans	-	7,448	4,200	-	11,648	7.41
Revolving credits	10,167	2,402	5,311	-	17,880	7.41
Bank overdrafts	5,970	-	-	-	5,970	7.50 to 7.75
Hire purchase creditors	89	19	-	-	108	5.50 to 5.90
2003						
Group						
Financial Assets :-						
Deposits with financial institutions	142	-	-	-	142	3.99
Financial Liabilities :-						
Term loans	801	11,460	5,615	-	17,876	7.41
Bridging loans	190	4,843	902	-	5,935	7.41
Revolving credits	10,000	2,500	987	-	13,487	7.41
Bank overdrafts	5,983	-	-	-	5,983	7.69 to 7.80
Hire purchase creditors	116	89	19	-	224	3.30 to 5.90

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

29. Financial Instruments (Cont'd)

29.1 Interest rate risk (Cont'd)

	Within 1 year RM'000	1 to 2 years RM'000	3 to 5 years RM'000	More than 5 years RM'000	Total RM'000	Effective interest rate during the year %
2003 (Cont'd)						
Company						
Financial Assets :-						
Amount due from subsidiary companies -						
interest bearing	43,828	-	-	-	43,828	7.41
Deposits with financial institutions	142	-	-	-	142	3.99
Financial Liabilities :-						
Term loans	801	11,460	5,615	-	17,876	7.41
Bridging loans	190	4,843	902	-	5,935	7.41
Revolving credits	10,000	2,500	987	-	13,487	7.41
Bank overdrafts	5,983	-	-	-	5,983	7.69 to 7.80
Hire purchase creditors	264	237	404	103	1,008	5.50 to 5.90

Except as disclosed above, all other financial assets and financial liabilities are not exposed to interest rate risk.

29.2 Credit risk

The maximum credit risk associated with recognised financial assets is the carrying amount shown in the balance sheets.

The Group is exposed to credit related losses in the event of non-performance by counterparties to financial instruments, but it does not expect any counterparties to fail to meet their obligations given the Group's policy of selecting only counterparties with high credit ratings.

Due to these factors, the management believes that no credit risk is inherent in the Group's receivables.

29.3 Disclosure of fair values

The aggregate net fair values of financial assets and financial liabilities which are not carried at fair value on the balance sheets of the Group and of the Company as at the end of the financial year are represented as follows :-

	Group		Company	
	Carrying Amount RM'000	Fair Value RM'000	Carrying Amount RM'000	Fair Value RM'000
2004				
Financial Assets				
Subsidiary companies	-	-	155,246	Note (i)
Associated company	504	Note (i)	-	-
Quoted shares	6	22	6	22
Financial Liabilities				
Term loans	2,750	2,710	2,750	2,710
Bridging loans	11,648	11,429	11,648	11,429
Revolving credits	7,713	7,521	7,713	7,521
Hire purchase creditors	506	558	19	23

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

29. Financial Instruments (Cont'd)

29.3 Disclosure of fair values (Cont'd)

	Group		Company	
	Carrying Amount RM'000	Fair Value RM'000	Carrying Amount RM'000	Fair Value RM'000
2003				
Financial Assets				
Subsidiary companies	-	-	160,428	Note (i)
Associated company	516	Note (i)	-	-
Quoted shares	<u>6</u>	<u>13</u>	<u>6</u>	<u>13</u>
Financial Liabilities				
Term loans	17,075	16,431	17,075	16,431
Bridging loans	5,745	5,512	5,745	5,512
Revolving credits	3,487	3,327	3,487	3,327
Hire purchase creditors	<u>744</u>	<u>809</u>	<u>108</u>	<u>129</u>

The following methods and assumptions are used to estimate the fair values of the following classes of financial instruments :-

(i) Interests in subsidiary and associated companies

It is not practical to estimate the fair values of the interests in the subsidiary and associated companies principally due to the :-

- Lack of quoted market prices and the inability to estimate fair value for the unquoted investments without incurring excessive costs; and
- Impracticability to estimate the fair values of amounts due from/to the subsidiary and associated companies due principally to a lack of fixed repayment term entered by the parties involved and without incurring excessive costs.

However, the Group does not anticipate the carrying amounts recorded at the balance sheet date to be significantly different from the values that would eventually be received or settled.

(ii) Cash and Cash Equivalents, Trade and Other Receivables/Payables and Short Term Borrowings

The fair values of cash and cash equivalents, trade and other receivables/payables and short term borrowings are estimated at their carrying amounts due to the relatively short term maturity of these financial instruments.

(iii) Quoted Shares

The fair values of quoted shares are determined by reference to stock exchange quoted market bid prices at the close of the business on the balance sheet date.

(iv) Long Term Borrowings

The fair values of the long term borrowings are estimated by discounting the expected future cash flows using the current interest rates offered for liabilities with similar risk profiles.

30. Contingent Asset

Contingent asset of the Group arose from a guarantee issued in favour of a subsidiary company by a third party for due performance of the development project amounting to RM50,000 (2003 - nil).

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

31. Contingent Liabilities

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Performance guarantees given to third parties, which are secured by :-				
- Fixed deposits of the Company with a licensed bank	147	110	147	110
- Marginal deposit of the Company with a licenced bank	90	-	90	-
- Earmark of cash at bank of a subsidiary company	14	-	-	-
- Legal charges on certain landed properties of the Group and debentures by way of fixed and floating charges over the present and future assets of the Company and certain subsidiary companies	491	1,849	491	1,849
	<u>742</u>	<u>1,959</u>	<u>728</u>	<u>1,959</u>

32. Capital Commitments

Capital commitments not provided for in the financial statements are as follows :-

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Approved and contracted for :-				
Outstanding advance to a shareholder of an associated company	1,750	1,750	-	-
For development project to be undertaken by an associated company upon the execution of the agreement with the State Government	10,000	10,000	-	-
Contracts awarded for development projects of the Company and certain of its subsidiary and associated companies	22,649	67,099	287	4,706
Sponsorship of the Elite Players Programme in accordance to the agreement entered into by the Company with the National Sports Council of Malaysia and the National Squash Rackets Association of Malaysia	600	900	600	900
	<u>34,999</u>	<u>79,749</u>	<u>887</u>	<u>5,606</u>
Approved but not contracted for :-				
Purchase of property, plant and equipment	-	500	-	-

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

33. Significant Related Party Transactions

	2004 RM'000	2003 RM'000
Group		
With Substantial Shareholders of the Company/Directors of the Company and its subsidiary companies :-		
Sales of development properties to Wong Chee Sean @ Wong Sean & others	-	675
Sales of development property to Wong Joon Chin	-	349
Sales of development property to Wong Chee Sean @ Wong Sean & Hang Ah Jee	-	583
Sales of development property to Hang Ah Jee & persons connected to her	-	349
Sales of development properties to Neoasas Teknik Sdn Bhd	-	3,248
Sales of development properties to Jalur Bahagia Sdn Bhd	-	3,308
With companies in which Yee Gee Min, a key management personnel of the Company has an interest :-		
Sales of development properties to G. M. Yee Sdn Bhd	-	349
Sales of development property to Gallant Supplies (M) Sdn Bhd	-	349
With key management personnel of the Company and one of its subsidiary company :-		
Sales of development property to Long Cheow Siong	-	339
Sales of development property to Hua Keng Tong	-	339
Sales of development property to Radzuan Chua Bin Abdullah	-	339
Sales of development property to Tan Yee Seong & others	-	363
	<u>519</u>	<u>902</u>
Company		
With Substantial Shareholders/Directors :-		
Sales of development properties to Wong Chee Sean @ Wong Sean & others	-	675
Sales of development property to Wong Joon Chin	-	349
Sales of development property to Wong Chee Sean @ Wong Sean & Hang Ah Jee	-	583
Sales of development property to Hang Ah Jee & persons connected to her	-	349
Sales of development properties to Neoasas Teknik Sdn Bhd	-	3,248
Sales of development properties to Jalur Bahagia Sdn Bhd	-	3,308
With companies in which Yee Gee Min, a key management personnel has an interest :-		
Sales of development property to G.M. Yee Sdn Bhd	-	349
Sales of development property to Gallant Supplies (M) Sdn Bhd	-	349
With key management personnel :-		
Sales of development property to Long Cheow Siong	-	339
Sales of development property to Hua Keng Tong	-	339
Sales of development property to Radzuan Chua Bin Abdullah	-	339
With subsidiary companies :-		
Progress claims on construction works by Country View Construction Sdn Bhd	519	902
Property management services rendered by Country View Property Management Sdn Bhd	<u>109</u>	<u>34</u>

Notes to the Financial Statements (Cont'd)

For the year ended 30 November 2004

33. Significant Related Party Transactions (Cont'd)

The Directors and/or Substantial Shareholders of the Company and the Directors of the subsidiary companies are as follows :-

Name	Interests in the Company and its subsidiary companies
Wong Chee Sean @ Wong Sean	Director of the Company and its subsidiary companies; and a Substantial Shareholder of the Company
Wong Joon Chin	Director of the Company and its subsidiary companies
Hang Ah Jee	Substantial Shareholder of the Company and a person connected to Wong Chee Sean @ Wong Sean
Neosas Teknik Sdn Bhd	Substantial Shareholder of the Company
Jalur Bahagia Sdn Bhd	Substantial Shareholder of the Company

The above transactions were carried out on terms and conditions not materially different from those obtainable in transactions with unrelated parties and in the normal course of business of the Group and of the Company.

34. Subsequent Event

Motor vehicles were purchased by a subsidiary company for a total consideration of RM347,000 of which hire purchase of RM280,000 was taken up to finance the purchase of one of the motor vehicles costing RM315,000.

35. Employee Information

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Staff costs	<u>3,951</u>	<u>3,255</u>	<u>2,192</u>	<u>2,377</u>

The number of employees in the Group and in the Company (including Executive Directors) as at the end of the financial year were 99 (2003 - 89) and 11 (2003 - 47) respectively.

36. Comparatives

The presentation and classification of items in the current year financial statements have been consistent with the previous financial year.

Statement by Directors

Pursuant to Section 169(15) of the Companies Act, 1965

In the opinion of the Directors, the financial statements set out on pages 42 to 71 are drawn up in accordance with the provisions of Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to exhibit a true and fair view of the state of affairs of the Group and of the Company as at 30 November 2004 and of the results and cash flows of the Group and of the Company for the year then ended.

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

LAW KIT TAT

Director

WONG JOON CHIN (F)

Director

Johor Bahru

Dated: 28 February 2005

Statutory Declaration

I, LONG CHEOW SIONG, being the officer primarily responsible for the financial management of COUNTRY VIEW BERHAD, do solemnly and sincerely declare that to the best of my knowledge and belief the financial statements set out on pages 42 to 71 are 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.

LONG CHEOW SIONG

Subscribed and solemnly declared at Johor Bahru on 28 February 2005

Before me

RUSLY B. MOHD. YUNUS P.I.S.
(NO: J112)

Commissioner for Oaths

Report of the Auditors

to the members of Country View Berhad (Company No. 078320-K)

We have audited the accompanying balance sheets of COUNTRY VIEW BERHAD as at 30 November 2004 and the related income statements and cash flows for the year then ended as set out on pages 42 to 71. These financial statements are the responsibility of the Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with approved auditing standards in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Directors, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion :-

- (a) the financial statements have been properly drawn up in accordance with applicable approved accounting standards in Malaysia and the Companies Act, 1965 so as to give a true and fair view of the financial position of the Group and of the Company as at 30 November 2004 and of their results and cash flows for the year then ended; and
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

We are satisfied that the financial statements of the subsidiary companies 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 consolidated financial statements, and we have received satisfactory information and explanations required by us for these purposes.

Our audit reports on the financial statements of the subsidiary companies did not contain any qualification or any adverse comment made under Subsection (3) of Section 174 of the Act.

K. S. CHUA & CO.
NO. AF-0255
CHARTERED ACCOUNTANTS

CHUA KON SING
NO. 416/03/05 (J/PH)
PROPRIETOR

Johor Bahru

Date: 28 February 2005

Group Properties

as at 30 November 2004

Location	Tenure	Land area	Usage	Net book value as at 30 November 2004 (RM'000)	Year of acquisition
Taman Universiti, Skudai, Johor Lots 244, 1050 and 3056 to 3058, Mukim of Pulai, Daerah Johor Bahru, Johor Darul Takzim	Freehold	8.635 acres	On-going mix development project	11,544	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	54,710	1997
Mayang Residences Jalan Mayang, Off Jalan Yap Kwan Seng Kuala Lumpur Geran 29246 Lot 192, Section 43, Bandar Kuala Lumpur, Daerah Kuala Lumpur	Freehold	11,854 sq ft	Future development land	4,402	1999
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	30,448	2000
Nusa Bestari Jaya, Bandar Nusajaya, Johor Bahru HS(D) 257246 & 257247 PTD 71043 & 71044, Mukim of Pulai, Daerah Johor Bahru, Johor Darul Takzim	Freehold	13.408 acres	On-going mixed development project	17,913	2001
Nusa Indah, Bandar Nusajaya, Johor Bahru HS(D) 317215 & 317217 PTD 116767 & 116769, Mukim of Pulai, Daerah Johor Bahru, Johor Darul Takzim	Freehold	132.317 acres	On-going mixed development project	70,158	2001



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 whom (full name)
 of (address).....
 as my/our proxy to vote for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company, to be held on Tuesday, 26 April 2005 at 9.30 am and at every adjournment thereof to vote as indicated below in respect of the following Resolutions:

		For	Against
Ordinary Resolution 1	Receive the Audited Financial Statements and Reports		
Ordinary Resolution 2	Approval of Directors' Fees		
Ordinary Resolution 3	Approval of final dividend		
Ordinary Resolution 4	Re-election of Mr Law Kit Tat		
Ordinary Resolution 5	Re-election of Mr Choong Shiau Yoon		
Ordinary Resolution 6	Re-appointment of Auditors		

(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.....2005

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 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, 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.

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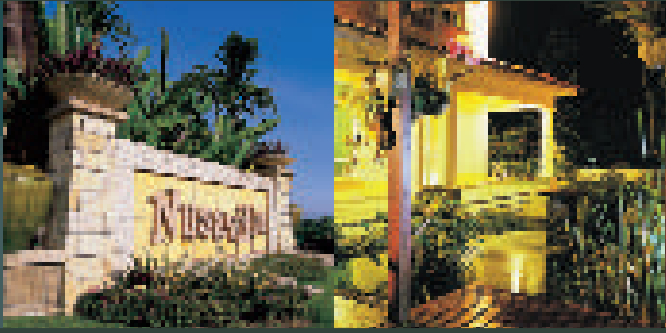
Stamp

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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No.12, Jalan Ngee Heng,
80000 Johor Bahru, Johor, Malaysia
Tel:(607) 223 6799
Fax:(607) 224 6557

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