

*Building homes.
Enhancing lives.*



VISION

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

MISSION

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



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Corporate Information

BOARD OF DIRECTORS

Executive Chairman

Datuk Ir. 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

RHB Bank Berhad

Public Bank Berhad

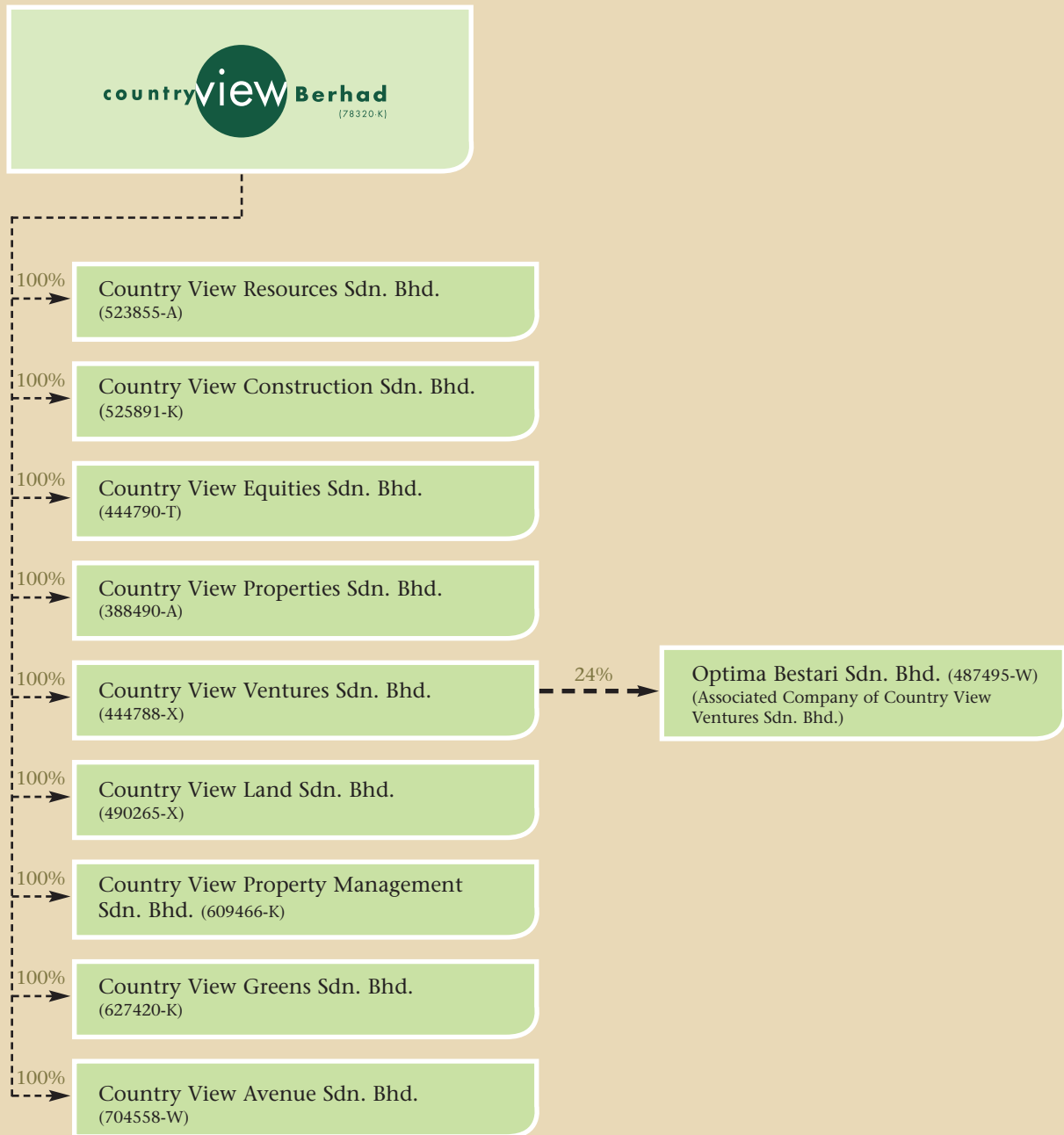
Bumiputra-Commerce Bank Berhad

Malayan Banking Berhad

STOCK EXCHANGE

Main Board of Bursa Malaysia Securities Berhad

Group Structure



Notice of 23rd Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the 23rd 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 on Wednesday, 26 April 2006 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 2005 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 1.5 sen less income tax of 28% for the year ended 30 November 2005. [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 Wong Chee Sean @ Wong Sean [Resolution 4]
 - ii. Mr Law Kee Kong [Resolution 5]
 - iii. En Azhar Bin Azizan @ Harun [Resolution 6]
5. To re-appoint Messrs K.S Chua & Co. as Auditors of the Company for the year ending 30 November 2006 and to authorise the Directors to fix their remuneration. [Resolution 7]
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 DIVIDEND ENTITLEMENT

NOTICE IS HEREBY GIVEN THAT the Final Dividend of 1.5 sen per share less 28% income tax, in respect of financial year ended 30 November 2005, if so approved at the 23rd Annual General Meeting, will be paid on 15 May 2006 to Depositors registered in the Record of Depositors at the close of business on 26 April 2006.

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 2006 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

31 March 2006

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 23rd 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 Wong Chee Sean @ Wong Sean
- b) Mr Law Kee Kong
- c) En Azhar Bin Azizan @ Harun

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 Meeting

Please refer to page 16 of this Annual Report

3. Date, Time and Place of the 23rd Annual General Meeting

Date	Time	Place
26 April 2006	9.30 am	Sri Mersing M1, Lower Ground Floor Hyatt Regency, Johor Bahru Jalan Sungai Chat 80720 Johor Bahru

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

Please refer to Profile of Directors on pages 13 and 14 of this Annual Report.





*Garden designed by Made Wijaya,
Photo by Tim Street-Porter.*

Chairman's Statement

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



Dear Valued Shareholders,

Once again it gives me great pleasure, on behalf of my colleagues on the Board of Country View Berhad, to present the Company's Annual Report and the Financial Statements of the Company and the Group for the financial year ended 30 November 2005.

PERFORMANCE AND FINANCIAL REVIEW

The year under review proved to be difficult and lackluster in comparison to that of the previous year. For the financial year ended 30 November 2005, the Group registered an overall revenue of RM55.8 million, which was approximately 35% lower than that achieved in the preceding year of RM85.7 million. As fewer properties were sold during the current financial year owing to the more competitive business environment experienced by the Group for its projects in Taman Nusa Bestari Jaya and Taman Nusa Indah, a lower pre-tax profit of RM5.1 million was registered as compared to RM14.3 million achieved in the preceding year. In addition to that, the better showing in the preceding year was also believed to have been mainly due to the Economic Stimulus Package under which exemptions and tax relief were granted by the Government for purchases of certain categories of property by 31 May 2004.

The performance of the Group was also affected by the Group's adoption of MASB 32 as outlined under Note 35 to the financial statements on page 65.

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

Acknowledging that the year was difficult and prevailing conditions in the property development market competitive, your Board focussed instead on improving its future growth prospects through the acquisition of land at strategic locations.

The Group through Country View Greens Sdn. Bhd. acquired two pieces of land in the exclusive residential enclave of "Straits View" Johor Bahru. The Group intends to develop these two pieces of land and launch a proposed high-end exclusive Bungalow development which will represent another of the Group's foray into the exclusive high end residential market.

The Group through Country View Resources Sdn. Bhd. ("CVR") acquired a further 290.3196 acres of freehold agricultural land located within the township of Bandar Nusajaya for which shareholders approval was obtained at an Extraordinary General Meeting held on 12 October 2005 and the purchase completed on 30 December 2005. The additional land bank has immediate development potential and is located in proximity to CVR's existing on-going development project of Taman Nusa Indah which will allow Country View Resources Sdn. Bhd. to capitalise on its already established presence in the area.



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.

The Board is pleased to recommend the payment of a final dividend of 1.5 sen per share less income tax of 28% for the financial year ended 30 November 2005 for approval of shareholders at the forthcoming Annual General Meeting.

PROPERTY DEVELOPMENT

During the year under review, the property development industry in Johor Bahru proved as challenging and competitive as the year before. Notwithstanding that there were new project launches coming on stream by other developers, the Group remained focus in its own development projects especially in Bandar Nusajaya. The Group's strategy was to focus on introducing innovative and well designed residential properties in the market which are competitively priced to meet the needs of middle income house buyers.

As at the end of the current financial year, we have achieved 99.5% take up rate in respect of the 220 units of Nusavilla terrace condominiums in Taman Nusa Bestari Jaya. This development was completed and handed over with Certificate of Fitness for Occupation ("CFO") during the year under review. Further, we have also successfully delivered with CFO for the 520 units of the double storey terrace houses ("Opus" series) and 18 units of double storey shop offices in Taman Nusa Indah, Bandar Nusajaya. 98% of these units have been taken up as at the end of the current financial year.

During the financial year under review, the Group launched the Amanseri terrace condominiums and a new phase of double storey terrace houses ("Tropicana/Kiara" series) located in Taman Nusa Bestari Jaya and Taman Nusa Indah respectively.

Chairman's Statement cont'd



PROSPECTS

"Global economic prospects are expected to be more challenging following persistent sharp increases in oil prices and the less accommodative monetary stance of developed countries, particularly in the United States. It is inevitable that global developments will have an impact on the Malaysian economy. However, the Government is confident that with the measures in this Budget, growth will remain strong at 5.5% in 2006."

(As outlined by the Honorable Prime Minister and Minister of Finance when tabling the 2006 budget.)

Mirroring these sentiments, Country View Berhad expects 2006 to be equally challenging. Country View Berhad's priority to deliver outstanding innovative and quality real estate developments while remaining affordable in a highly competitive environment remains. The Group will continuously strive to strengthen its capabilities, competitiveness and market position, while it constantly seeks ways to expand its business and reach, emphasizing on innovative approaches to development design and concept.

The Group expects its revenue for the financial year ending 30 November 2006 to be substantially derived from the Amanseri terrace condominiums in Taman Nusa Bestari Jaya, double storey terrace houses ("Tropicana/Kiara" series) and double storey shop offices ("Nusa Indah Walk") in Taman Nusa Indah.

The Group is also targeting to launch a proposed high-end exclusive Bungalow development consisting of 12 units of freehold Bungalow in the exclusive residential enclave of "Straits View" in Johor Bahru in the coming financial year.

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 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.

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



*Garden designed by Made Wijaya,
Photo by Jerry Harpur.*

Profile of Directors

DATUK Ir. MOHAMED AL AMIN BIN ABDUL MAJID JP

50 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 a Corporate Member of Institute of Engineers (IEM), Malaysia and a professional engineer (P.Eng).

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 Nylex (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 2005. 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

45 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 2005. 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.

WONG CHEE SEAN @ WONG SEAN

36 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 the 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 four (4) out of five (5) board meetings held during the financial year ended 30 November 2005. 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

48 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 20 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 the Audit Committee and Risk Management Working Committee 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 2005. 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

43 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 the 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 five (5) board meetings held during the financial year ended 30 November 2005. 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

48 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 Committee and Risk Management Working Committee 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 2005. 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.

AZHAR BIN AZIZAN @ HARUN

43 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, Cheang & Ariff in Kuala Lumpur. He is also a member of the Audit Committee and Risk Management Working Committee and also the Chairman of the Remuneration and Nomination Committees of CVB. He does not hold directorship in any other public company.

He attended four (4) out of five (5) board meetings held during the financial year ended 30 November 2005. 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.



*Garden designed by Made Wijaya,
Photo by Reto Guntli.*

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.

The CVB Group was substantially in compliance with the principles of Corporate Governance and best practices provisions as set out in the Code throughout the financial year ended 30 November 2005.

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 judgment 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 and completed the Mandatory Accreditation Programme conducted by Research Institute of Investment Analysts Malaysia (now known as Bursatra Sdn. Bhd.). Each Director has also accumulated the requisite total of 72 Continuing Education Programmes points for the year 2003 and 2004 as specified by Bursa Malaysia Securities Berhad.

Under the revised Bursa Malaysia Listing Requirements, the Board has assumed the onus of determining or overseeing the training needs of their Directors from year 2005 onwards. The Board's policy encourages Directors to accumulate a minimum of 8 Continuing Education Programmes points or to attend on a continuous basis various external professional programmes necessary to ensure that they keep abreast with current development to enhance their skills and knowledge for the effective discharge of their roles as Directors.

For the year under review, all the Directors have accumulated the required minimum number of Continuing Education Programmes points or attended relevant external programmes as determined by the Board.

There were 5 Board Meetings held during the financial year ended 30 November 2005. Details of each Director's attendance are given below:

Directors	Total	Percentage of Attendance (%)
1. Datuk Ir. Mohamed Al Amin Bin Abdul Majid JP	5/5	100
2. Law Kit Tat	5/5	100
3. Wong Chee Sean @ Wong Sean	4/5	80
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	4/5	80

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 Committee, the Nomination Committee, the Remuneration Committee and the Risk Management Working Committee.

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 12 to 14 of this Annual Report.

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

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

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

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

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.

Corporate Governance Statement cont'd

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.

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

Directors	Salaries and other emoluments (RM)	Fees (RM)	Bonus (RM)	Benefits -in-kind (RM)	Total (RM)
EXECUTIVE DIRECTORS	776,600	-	55,000	51,950	883,550
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	1	0
RM200,001-RM250,000	2	0
RM250,001-RM300,000	1	0
	4	3

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

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 24 to 25 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 21 to 23 of this Annual Report.

Additional Compliance Information

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

1. Utilisation of proceeds

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

2. Share buybacks

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

3. Options, warrant or convertible securities

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

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

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

5. Impositions of sanctions/penalties

There were no material sanctions or penalties imposed on the Company and its subsidiaries, Directors, and management by the relevant regulatory bodies during the financial year.

6. Non-audit fees

During the financial year ended 30 November 2005, non-audit fees paid to Messrs K.S Chua & Co. by the Company and its subsidiaries amounted to RM22,000.

7. Profit estimate, forecast or projection

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

8. Profit guarantee

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

9. Material contracts

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

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 2005 (i.e. 24 January 2005; 28 February 2005, 26 April 2005, 19 July 2005 and 20 October 2005.), which were attended by all the members.

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

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

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

INTERNAL AUDIT FUNCTION

The internal audit function of the Group was outsourced to a professional services firm 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.

TERMS 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 the 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

Audit Committee Report cont'd

TERMS OF REFERENCE (cont'd)

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:-
 - o the audit plan;
 - o his evaluation of the system of internal controls;
 - o his audit report;
 - o his management letter and management's response;
 - o the assistance given by the Company's employees to the external auditors;
 - o to discuss problems and reservations arising from the interim and final audit, and any matter the auditors may wish to discuss (in the absence of management where necessary).
4. To review:-
 - o the Annual Financial Statements of the Company and the Group and thereafter to submit them to the Directors of the Company;
 - o 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.
 - o 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:-
 - o 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;
 - o 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;
 - o review any appraisal or assessment of the performance of members of the internal audit function;
 - o approve any appointment or termination of senior staff members of the internal audit function;
 - o 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.

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 Board of Directors ("the Board") of Country View Berhad is committed towards maintaining a sound system of internal control and risk management practices to safeguard shareholders' investments and the Group's assets, and to ensure compliance with the regulatory and statutory requirements. The Board is pleased to provide the following Statement on Internal Control, which outlines the nature and scope of internal controls of the Group during the financial year.

BOARD RESPONSIBILITY

The Board affirms its overall responsibility for the Group's system of internal control, which includes the establishment of appropriate control environment and risk management framework as well as the review of its adequacy and effectiveness. In view of the inherent limitations in any system of internal control, the system is designed to manage rather than eliminate risks. Accordingly, it can only provide reasonable but not absolute assurance against material misstatement or loss. The systems of internal control includes inter alia, financial, operational, management information systems, organization and compliance controls.

In addition to the above, the Board is responsible for determining key strategies and policies to address significant risks and control issues, whilst functional managers are responsible for the effective implementation of Board policies by designing, operating, monitoring and managing risks and control processes.

RISK MANAGEMENT

The Board firmly believes that risk management is critical to the Group's continued profitability and the enhancement of shareholder value. Therefore, the Board had embedded in the Group a monitoring and reporting process to continuously evaluate and monitor the principal risks in a formal manner as well as establishing procedures for reporting and monitoring of risks and controls. These initiatives would ensure that the Group has in place an ongoing process for identifying, evaluating, monitoring and managing the principal risks that affects the achievement of its business objectives.

During the financial year under review, the Risk Management Working Committee met to discuss the existence of new risks and to assess the relevance of the Group's existing key risk profile. To align the Group's risks with internal controls, a risk-based internal audit plan has been co-developed with the internal audit function to ensure the controls that manage the key risks of the Group are reviewed for its adequacy and effectiveness.

CONTROL STRUCTURE & ENVIRONMENT

In furtherance to the Board's commitment to maintain a sound system of internal control, the Board continues to implement a strong control structure and environment for the proper conduct of the Group's business operations. This includes the following:

- o The Group's strategic direction is reviewed annually thorough a rigorous assessment process taking into account changes in market conditions and significant business risks.
- o The Board meets at least quarterly and has a set schedule of matters, which is required to be brought to its attention for discussion and decision. Thus, it ensures that the Board maintains full and effective supervision over the appropriate key controls. In arriving at any decision, on recommendation by Management, a thorough deliberation and discussion by the Board is a prerequisite. In addition, the Board is kept updated on the Group's activities and its operations on a regular basis.
- o Regular management meetings are held to deliberate on the Group's operations, business development, financial performance and risk related management matters.
- o An organizational structure with formally defined lines of responsibility and delegation of authority is in place. A process of hierarchical reporting has been established which provides for a documented and auditable trail of accountability.
- o A formal delegation of authority with clear lines of accountability and responsibility serves as a tool of reference in identifying the approving authority for various transactions including matters that require Board approval.

- o The Group performs an annual budgeting and forecasting exercise including development of business strategies for the next year, and the establishment of performance targets. Variances against budget analysed and reported internally in the monthly management meetings. On a quarterly basis, the variances are reported to the Board.
- o The Audit Committee comprises members of the Board, with the majority being independent non-executive directors. The committee has full access to both internal and external auditors and meets with them at least once a year.
- o Executive Directors and Management practices "open-door" policy and meet with the staff regularly to discuss and resolve operational, financial, corporate, human resource, strategic and management issues arising.
- o The Board does not regularly review the internal control system of its associate company, as the Board does not have any direct control over their operations. Notwithstanding this, the Group's interest is served through representation on the board of its associate company. This representation also provides the Board with information for timely decision-making on the continuity of the Group's investments based on the performance of the associated company.

INTERNAL CONTROL MECHANISM

The Board assesses the adequacy and integrity of the system of internal controls via the following:

Internal Audit Function

The internal audit function is presently outsourced to a globally affiliated internal audit service provider firm who monitors and reports on the systems of internal control. The internal audit function who reports to the Audit Committee, reviews the adequacy and effectiveness the Group's systems of internal control that operated during the year under review. The areas of review are related to the significant risks of CVB Group. The internal audit function also advises executive and operational management on areas for improvement and subsequently reviews the extent to which recommendations for improvement have been implemented.

During the financial year, scheduled reviews on the Group's systems of internal control were completed according to schedule. Although a number of internal control weaknesses were identified during this process, none of the weaknesses have resulted in any material losses, contingencies or uncertainties that would require separate disclosure in this annual report.

The system of internal control will continue to be reviewed, enhanced or updated in line with changes in the operating environment. The Board will seek regular assurance on the continuity and effectiveness of the internal control system through independent appraisals by the outsourced internal audit function. The Board is of the view that the current system of internal control in place throughout the Group is sufficient to safeguard the Group's interest.

External Audit

The external auditors provide assurance in the form of their annual statutory audit report on the financial statements of the Group. Further, any areas for improvement identified during the course of the statutory audit by the external auditors are brought to the attention of the Audit Committee through management letters, or are articulated at Audit Committee meetings.

Management

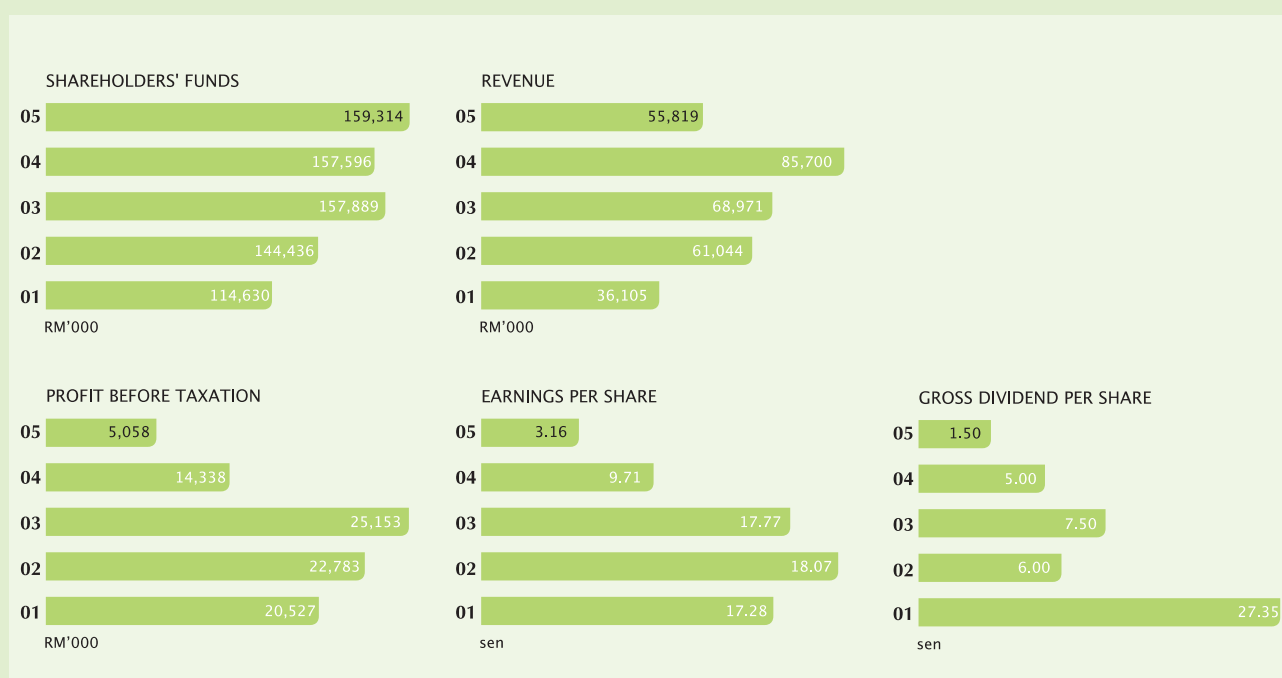
Management through their conduct of daily operations provides assurance to the Board and Audit Committee on the activities of the Company. Significant matters that require the Board or the Audit Committee attention are escalated for deliberation and decision. On a periodic basis, Management will reports to the Board and the Audit Committee on the state of affairs of the Company as well as on the adequacy and effectiveness of the Company's systems of internal control.

CONCLUSION

The Board concurs that the system of internal control will continue to be reviewed, updated and modified in line with changes in the operating environment. The Board is of the view that the existing system of internal control is adequate to safeguard the Group's assets at the existing level of operations. Notwithstanding this, the Board will continue to ensure that the Group's systems of internal control continuously evolve to keep abreast with its dynamic business environment.

Five-Year Financial Highlights

	2005	2004 (Restated)	2003	2002	2001
Paid-up capital (RM'000)	100,000	100,000	100,000	100,000	85,000
Shareholders' funds (RM'000)	159,314	157,596	157,889	144,436	114,630
NTA (RM'000)	159,314	157,596	157,889	144,436	114,630
NTA per share (sen)	159	158	158	144	135
Revenue (RM'000)	55,819	85,700	68,971	61,044	36,105
Profit before taxation (RM'000)	5,058	14,338	25,153	22,783	20,527
Profit after taxation (RM'000)	3,158	9,714	17,773	16,842	14,558
Earnings per share (sen)	3.16	9.71	17.77	18.07	17.28
Pretax profit margin (%)	9.1	16.7	36.5	37.3	56.9
Current ratio	3.79	3.31	3.58	2.85	1.36
Return on capital employed (%)	3.2	9.1	15.9	15.8	17.9
Total borrowings (RM'000)	38,923	38,991	44,289	42,449	59,307
Gearing (times)	0.24	0.25	0.28	0.29	0.52
Gross dividend per share (sen)	1.50	5.00	7.50	6.00	27.35
Gross dividend cover (number of times)	3.37	2.87	3.35	3.80	5.87





Analysis of Shareholdings

Share Capital as at 28 February 2006

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 2006

No. of Holders	Size of the Shareholdings	Total Holdings	%
2	Less than 100	100	0.0001
820	100 to 1,000	724,300	0.7243
155	1,001 to 10,000	529,800	0.5298
20	10,001 to 100,000	579,100	0.5791
33	100,001 to less than 5% of issued shares	53,561,714	53.5617
5	5% and above of issued shares	44,604,986	44.6050
1,035	Total	100,000,000	100

List of Thirty Largest Shareholders as at 28 February 2006 (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.	Neoasas 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	2,571,200	2.571
12.	Yee Gee Min	2,320,014	2.320
13.	A.A. Anthony Nominees (Asing) Sdn. Bhd. pledged securities account for Kong Fu Tak	2,157,600	2.158
14.	Wong Joon Chin	2,150,000	2.150
15.	MAYBAN Nominees (Tempatan) Sdn. Bhd. pledged securities account for Law Kit Tat	2,000,000	2.000
16.	Lau Eng @ Lam Eng	1,980,000	1.980
17.	Sadiyah Binti Suleiman	1,700,000	1.700
18.	ALLIANCEGROUP Nominees (Tempatan) Sdn. Bhd. pledged securities account for Wong Chee Sean @ Wong Sean	1,700,000	1.700
19.	CIMSEC Nominees (Tempatan) Sdn. Bhd. EON Finance Berhad for Mohd Adnan Bin Mohd Nor	1,650,000	1.650
20.	Lee Hin Meng @ Lee Sing Lee	1,630,000	1.630

List of Thirty Largest Shareholders as at 28 February 2006 (cont'd)

No.	Name of Holders	No. of Shares	%
21.	ALLIANCEGROUP Nominees (Tempatan) Sdn. Bhd. pledged securities account for Chan Teng Hon	1,466,666	1.467
22.	Chan Teng Hon	1,427,234	1.427
23.	Lai Boo Luck	1,340,000	1.340
24.	OSK Nominees (Asing) Sdn Berhad pledged securities account for Khiu Kuet-Vin	1,336,800	1.337
25.	Khiu Kuet-Vin	1,324,000	1.324
26.	How Keng Chee	1,211,900	1.212
27.	Syarikat Ajaib Jaya Sdn. Bhd.	1,189,000	1.189
28.	Employee Provident Fund Board	1,000,000	1.000
29.	Mohamed Al Amin Bin Abdul Majid	950,000	0.950
30.	Lau Kang @ Lau Bok Swee	536,700	0.537

Substantial Shareholders (Excluding Bare Trustees) as at 28 February 2006
(As per the Register of Substantial Shareholders)

No.	Name of Shareholders	No. of Shares Held			
		Direct Interest	%	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.	Sadiah 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 2006
(As per the Register of Directors' Shareholdings)

No.	Name of Directors	No. of Shares Held			
		Direct Interest	%	Deemed Interest	%
1.	Datuk Ir. Mohamed Al Amin Bin Abdul Majid JP	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

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.

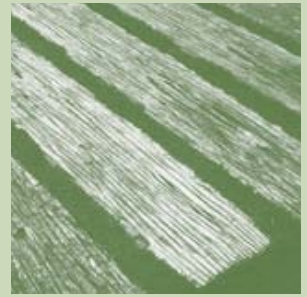
In preparing the financial statements for the year ended 30 November 2005, the Directors have:

- o considered the applicable approved Malaysian Accounting Standards
- o adopted and consistently applied appropriate accounting policies
- o made judgements and estimates that are prudent and reasonable
- o 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 2005

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 2005.

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 other than as a result of a subsidiary company, Country View Greens Sdn Bhd, having commenced property development.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Profit after taxation	3,158	941
Retained profits brought forward	57,472	45,540
	<hr/>	<hr/>
Dividends	60,630 (1,440)	46,481 (1,440)
Retained profits carried forward	<hr/> 59,190	<hr/> 45,041

DIVIDENDS

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

	RM'000
Final dividend of 2.00 sen per share less income tax of 28% in respect of the year ended 30 November 2004, paid on 19 May 2005	<hr/> 1,440

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 30 November 2005 of 1.50 sen per share less income tax of 28% on 100,000,000 ordinary shares, amounting to a dividend payable of RM1,080,000 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 2006.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

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.

ISSUE OF SHARES OR DEBENTURES

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

Directors' Report cont'd

For The Year Ended 30 November 2005

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, Wong Chee Sean @ Wong Sean, Azhar Bin Azizan @ Harun and Law Kee Kong 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 30.11.2005
	As at 01.12.2004	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 32 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.

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,

WONG CHEE SEAN @ WONG SEAN
Director

WONG JOON CHIN (F)
Director

Johor Bahru
Date: 27 February 2006

Income Statements

For The Year Ended 30 November 2005

	Note	Group		Company	
		2005 RM'000	2004 RM'000 Restated	2005 RM'000	2004 RM'000 Restated
Revenue	4	55,819	85,700	6,927	13,522
Cost of goods sold	4	(41,282)	(63,289)	(2,022)	(6,336)
Gross profit		14,537	22,411	4,905	7,186
Other operating income		1,394	2,599	760	2,051
Administrative expenses		(8,857)	(9,236)	(3,589)	(5,058)
Profit from operations		7,074	15,774	2,076	4,179
Finance costs		(1,938)	(1,352)	(601)	(408)
Share of losses of an associated company		(78)	(84)	-	-
Profit before taxation	5	5,058	14,338	1,475	3,771
Less: Taxation Company and subsidiary companies	6	1,900	4,624	534	1,147
Profit after taxation		3,158	9,714	941	2,624
Earnings per ordinary share - basic (sen)	7	3.16	9.71		
Gross dividend per share (sen)					
Interim dividend	8	-	3.00	-	3.00
Final dividend	8	1.50	2.00	1.50	2.00
		1.50	5.00	1.50	5.00

The above income statements are to be read in conjunction with the notes to the financial statements on pages 39 to 66.

Balance Sheets

As At 30 November 2005

	Note	Group		Company	
		2005 RM'000	2004 RM'000 Restated	2005 RM'000	2004 RM'000 Restated
CAPITAL AND RESERVES					
Share capital	9	100,000	100,000	100,000	100,000
Retained profits	10	59,190	57,472	45,041	45,540
Share premium		124	124	124	124
		159,314	157,596	145,165	145,664
DEFERRED AND LONG TERM LIABILITIES					
Term loans	11	9,765	2,750	4,400	2,750
Bridging loans	11	5,539	11,648	5,539	11,648
Revolving credits	11	5,917	7,713	5,917	7,713
Hire purchase creditors	11	859	506	-	19
Deferred taxation	12	86	73	-	-
		22,166	22,690	15,856	22,130
		181,480	180,286	161,021	167,794
REPRESENTED BY :-					
LAND HELD FOR PROPERTY DEVELOPMENT	13	92,941	84,922	-	-
PROPERTY, PLANT AND EQUIPMENT	14	2,405	2,193	322	609
SUBSIDIARY COMPANIES	15	-	-	160,151	156,246
ASSOCIATED COMPANY	16	17	96	-	-
CURRENT ASSETS					
Property development costs	17	48,612	71,552	-	1,248
Inventories	18	15,387	13,354	9,429	10,203
Trade receivables	19	23,058	28,496	8,327	17,286
Other receivables, deposits and prepayments	20	15,109	17,439	1,714	992
Deposits with financial institutions	21	469	237	263	237
Quoted shares	22	6	6	6	6
Cash and bank balances	23	14,359	2,358	70	497
		117,000	133,442	19,809	30,469
LESS: CURRENT LIABILITIES					
Trade payables	24	8,115	19,969	1,319	1,598
Other payables, deposits and accruals	25	4,931	2,664	1,477	1,706
Bank overdrafts	11	2,955	5,970	2,955	5,970
Revolving credits	11	12,546	10,167	12,546	10,167
Term loans	11	610	-	500	-
Bridging loans	11	445	-	445	-
Hire purchase creditors	11	287	237	19	89
Tax payable		994	1,360	-	-
		30,883	40,367	19,261	19,530
NET CURRENT ASSETS		86,117	93,075	548	10,939
		181,480	180,286	161,021	167,794

The above balance sheets are to be read in conjunction with the notes to the financial statements on pages 39 to 66.

Statements of Changes in Equity

For The Year Ended 30 November 2005

	Note	Share Capital Ordinary shares RM'000	Distributable Reserve Retained profits RM'000	Non- distributable Reserve Share premium RM'000	Total RM'000
Group					
Balance as at 1 December 2003, as previously stated		100,000	57,765	124	157,889
Prior year adjustment	35	-	(4,607)	-	(4,607)
Balance as at 1 December 2003, as restated		100,000	53,158	124	153,282
Net profit for the year		-	9,714	-	9,714
Final dividend of 4.50 sen per share less income tax in respect of the year ended 30 November 2003		-	(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		100,000	57,472	124	157,596
Balance as at 1 December 2004, as previously stated		100,000	62,549	124	162,673
Prior year adjustment	35	-	(5,077)	-	(5,077)
Balance as at 1 December 2004, as restated		100,000	57,472	124	157,596
Net profit for the year		-	3,158	-	3,158
Final dividend of 2.00 sen per share less income tax in respect of the year ended 30 November 2004	8	-	(1,440)	-	(1,440)
Balance as at 30 November 2005		100,000	59,190	124	159,314
Company					
Balance as at 1 December 2003, as previously stated		100,000	48,684	124	148,808
Prior year adjustment	35	-	(368)	-	(368)
Balance as at 1 December 2003, as restated		100,000	48,316	124	148,440
Net profit for the year		-	2,624	-	2,624
Final dividend of 4.50 sen per share less income tax in respect of the year ended 30 November 2003		-	(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		100,000	45,540	124	145,664
Balance as at 1 December 2004, as previously stated		100,000	45,685	124	145,809
Prior year adjustment	35	-	(145)	-	(145)
Balance as at 1 December 2004, as restated		100,000	45,540	124	145,664
Net profit for the year		-	941	-	941
Final dividend of 2.00 sen per share less income tax in respect of the year ended 30 November 2004	8	-	(1,440)	-	(1,440)
Balance as at 30 November 2005		100,000	45,041	124	145,165

The above statements of changes in equity are to be read in conjunction with the notes to the financial statements on pages 39 to 66.

Cash Flow Statements

For The Year Ended 30 November 2005

	Note	Group		Company	
		2005 RM'000	2004 RM'000 Restated	2005 RM'000	2004 RM'000 Restated
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES					
Profit before taxation		5,058	14,338	1,475	3,771
Adjustments for :-					
Depreciation of property, plant and equipment	14	756	722	267	343
Dividend from quoted shares in Malaysia		(3)	(1)	(3)	(1)
Loss/(gain) on disposal of property, plant and equipment		8	(141)	8	(141)
Interest from bank deposits		(7)	(5)	(6)	(5)
Interest expense		1,938	1,352	601	408
Property, plant and equipment written off		3	-	3	-
Provision for doubtful debts	19	49	42	21	-
Provision for doubtful debts written back	19	(3)	-	-	-
Share of losses of an associated company		78	84	-	-
Write back of provision for liabilities		-	(39)	-	(39)
Operating profit before changes in working capital		7,877	16,352	2,366	4,336
Decrease in development expenditure		12,887	1,483	2,022	3,356
Decrease/(Increase) in trade and other receivables		8,493	(10,772)	8,215	6,259
(Decrease)/Increase in trade and other payables		(9,586)	5,764	(507)	(6,377)
Cash Generated From Operations		19,671	12,827	12,096	7,574
Tax paid		(3,022)	(5,737)	(534)	(3,046)
Net Cash Generated From Operating Activities		16,649	7,090	11,562	4,528
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES					
(Advances to)/repayments from subsidiary companies		-	-	(3,906)	4,182
Dividend from quoted shares in Malaysia		3	1	3	1
Interest from bank deposits		7	5	6	5
Proceeds from disposal of property, plant and equipment		30	148	30	145
Purchase of property, plant and equipment	14	(1,008)	(395)	(20)	(9)
Net Cash (Used In)/Generated From Investing Activities		(968)	(241)	(3,887)	4,324
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES					
Drawdown of bank borrowings		19,145	15,603	13,670	15,603
Dividend paid	8	(1,440)	(5,400)	(1,440)	(5,400)
Interest expense		(1,938)	(1,352)	(601)	(408)
Release from hire purchase loans		680	-	-	-
Repayment of bank borrowings		(16,601)	(20,623)	(16,601)	(20,623)
Repayment of hire purchase loans		(279)	(264)	(89)	(116)
Net Cash Used In Financing Activities		(433)	(12,036)	(5,061)	(10,944)
Net increase/(decrease) in cash and cash equivalents		15,248	(5,187)	2,614	(2,092)
Opening balance of cash and cash equivalents		(3,375)	1,812	(5,236)	(3,144)
Closing balance of cash and cash equivalents	26	11,873	(3,375)	(2,622)	(5,236)

The above cash flow statements are to be read in conjunction with the notes to the financial statements on pages 39 to 66.

Notes to the Financial Statements

For The Year Ended 30 November 2005

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 other than as a result of a subsidiary company, Country View Greens Sdn Bhd, having commenced property development.

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 27 February 2006.

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 2005

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.

The accounting policies adopted by the Group and by the Company are consistent with those adopted in previous years except for the adoption of Malaysian Accounting Standard Board ("MASB") Standard 32, Property Development Activities during the financial year.

In addition to the new policy and extended disclosures where required by this new Standard, the effect of the change in accounting policy is disclosed in Note 35.

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.

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. Significant Accounting Policies (cont'd)

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 3.16.

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 losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.16.

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, site and sport 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 or such portions on which no development activities have been carried out. It is stated at cost less accumulated impairment losses, if any. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.16.

Land held for property development is reclassified as property development costs upon commencement of development work on the said land.

3.6 Property Development Costs

Property development costs consist of land or such portions on which significant development work have been undertaken and are stated at cost. Where losses are expected, full allowance for the losses is made in the financial statement.

Cost includes cost of land, direct costs and appropriate proportion of common costs attributable to developing the properties to completion including interest expenses related to the financing of development.

The excess of revenue recognised in the income statement over billings to purchasers is shown as accrued billings under other receivables and the excess of billings to purchasers over revenue recognised in the income statement is shown as progress billings under other payables.

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.

Notes to the Financial Statements cont'd

For The Year Ended 30 November 2005

3. Significant Accounting Policies (cont'd)

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 Borrowings

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

3.11 Capitalisation of Borrowing Costs

Interest incurred on borrowings related to property development costs 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.

3.12 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 expense 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.

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.

3.13 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.

3. Significant Accounting Policies (cont'd)

3.14 Revenue Recognition

(i) Revenue from property development

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

(ii) Revenue from construction contracts

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.

(iii) Dividend income

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

(iv) Revenue from property management services

Property maintenance fees are recognised as services are rendered.

(v) Rental, interest and other operating income

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

3.15 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.

3.16 Impairment of Assets

The carrying amounts of assets except for those classified as property development costs, inventories, and financial 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.

The 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.

3.17 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.

Notes to the Financial Statements cont'd

For The Year Ended 30 November 2005

3. Significant Accounting Policies (cont'd)

3.18 Share Capital

Ordinary shares are classified as equity.

3.19 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	
	2005 RM'000	2004 RM'000 Restated	2005 RM'000	2004 RM'000 Restated
Property development	55,078	85,057	2,277	13,522
Property management services	107	-	-	-
Contract revenue	634	643	-	-
Gross dividend received from a subsidiary company	-	-	4,650	-
	55,819	85,700	6,927	13,522

Cost of goods sold comprises :-

	Group		Company	
	2005 RM'000	2004 RM'000 Restated	2005 RM'000	2004 RM'000 Restated
Property development costs (Note 17)	30,505	60,361	(33)	4,003
Cost of inventories sold (Note 18)	10,205	2,333	2,055	2,333
Contract cost recognised as an expense	572	595	-	-
	41,282	63,289	2,022	6,336

Included in the revenue from property development and cost of goods sold in respect of property development costs for the previous year were amounts of RM2,063,000 and RM414,000 respectively which arose from the reinstatement of sale of a development land forfeited in the year prior to the previous year.

5. Profit Before Taxation

Profit before taxation is arrived at :-

	Group		Company	
	2005 RM'000	2004 RM'000 Restated	2005 RM'000	2004 RM'000
After charging all expenses including :-				
Auditors' remuneration				
- Statutory audit				
* Current year	78	71	34	34
* Under provision in prior year	6	-	1	-
- Non-audit	22	33	11	20
Depreciation (Note 14)	756	722	267	343
Directors' remuneration				
- Non-executive directors				
* Fees	108	108	108	108
- Executive directors				
* Salaries and other emoluments	777	750	777	750
* Bonus	55	54	55	54
* Benefits-in-kind	52	52	52	52
Interest expense	1,938	1,352	601	408
Office rental	276	301	92	194
Provision for doubtful debts (Note 19)	49	42	21	-
Sponsorship of the Elite Players Programme	300	300	300	300

And crediting all income including :-

Dividend from quoted shares in Malaysia	3	1	3	1
Gross dividend received from a subsidiary company	-	-	4,650	-
Interest from bank deposits	7	5	6	5
Interest from housing development accounts	79	42	-	-
Interest on late payments	1,123	2,178	723	1,789
Provision for doubtful debts written-back (Note 19)	3	-	-	-
Rental income	16	16	6	6

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	
	2005 No.	2004 No.	2005 No.	2004 No.
< RM50,000	-	-	3	3
RM50,001 - RM100,000	-	-	-	-
RM100,001 - RM150,000	-	-	-	-
RM150,001 - RM200,000	1	2	-	-
RM200,001 - RM250,000	2	1	-	-
RM250,001 - RM300,000	1	1	-	-
	4	4	3	3

Notes to the Financial Statements cont'd

For The Year Ended 30 November 2005

6. Taxation

	Group		Company	
	2005 RM'000	2004 RM'000 Restated	2005 RM'000	2004 RM'000 Restated
Current taxation				
Domestic				
- Income tax	1,948	4,679	539	1,190
Over provision for prior years				
Domestic				
- Income tax	(61)	(68)	(5)	(43)
Deferred taxation (Note 12)				
Domestic				
- Origination and reversal of temporary differences	13	13	-	-
Total tax expense	1,900	4,624	534	1,147

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	
	2005 RM'000	2004 RM'000 Restated	2005 RM'000	2004 RM'000 Restated
Profit before taxation	5,058	14,338	1,475	3,771
Taxation at Malaysian statutory tax rate of 28%	1,416	4,015	413	1,056
Income not subject to tax	-	(39)	-	(39)
Income subject to lower tax	(45)	(41)	-	-
Expenses not deductible for tax purpose	244	761	126	194
Utilisation of current year's capital allowances	(53)	(59)	-	(21)
Over provision in prior years	(61)	(68)	(5)	(43)
Deferred tax assets not recognised during the year	399	55	-	-
Tax expense for the year	1,900	4,624	534	1,147

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	
	2005	2004 Restated
Net profit attributable to shareholders (RM'000)	3,158	9,714
Weighted average number of ordinary shares in issue ('000)	100,000	100,000
Basic earnings per share (sen)	3.16	9.71

7. Earnings Per Share (cont'd)

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

	2005 RM'000	2004 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>

8. Dividends

	Group & Company		Gross dividend per share	
	2005 Amount RM'000	2004 RM'000	2005 Sen	2004 Sen
Interim dividend of 3.00 sen per share less income tax of 28% paid on 8 November 2004	-	2,160	-	3.00
Final dividend of 2.00 sen per share less income tax of 28% paid on 19 May 2005	-	1,440	-	2.00
Proposed final dividend of 1.50 sen per share less income tax of 28%	1,080	-	1.50	-
	<u>1,080</u>	<u>3,600</u>	<u>1.50</u>	<u>5.00</u>

At the forthcoming Annual General Meeting, a final dividend in respect of the year ended 30 November 2005 of 1.50 sen per share less income tax of 28% on 100,000,000 ordinary shares, amounting to a dividend payable of RM1,080,000 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 2006.

9. Share Capital

	Group & Company	
	2005 RM'000	2004 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 2005, the Company has tax exempt profits available for distribution of RM10,952,000 (2004 - 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 2005.

Notes to the Financial Statements cont'd

For The Year Ended 30 November 2005

11. Borrowings

	Group		Company	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
<u>Secured</u>				
Short-term borrowings				
Term loans	610	-	500	-
Bridging loans	445	-	445	-
Revolving credits	12,546	10,167	12,546	10,167
Bank overdrafts	2,955	5,970	2,955	5,970
Hire purchase creditors	287	237	19	89
Repayable within the next 12 months as shown under Current Liabilities	16,843	16,374	16,465	16,226
Long-term borrowings				
Term loans	9,765	2,750	4,400	2,750
Bridging loans	5,539	11,648	5,539	11,648
Revolving credits	5,917	7,713	5,917	7,713
Hire purchase creditors	859	506	-	19
Repayable after the next 12 months as shown under Long Term Liabilities	22,080	22,617	15,856	22,130
Total borrowings				
Term loans	10,375	2,750	4,900	2,750
Bridging loans	5,984	11,648	5,984	11,648
Revolving credits	18,463	17,880	18,463	17,880
Bank overdrafts	2,955	5,970	2,955	5,970
Hire purchase creditors	1,146	743	19	108
	38,923	38,991	32,321	38,356

11.1 Term Loans

The term loans of the Company are secured by the following:-

- Legal charges over certain of the Group's freehold land and buildings as referred to in Notes 13, 17 and 18; and
- Debentures by way of fixed and floating charges over the present and future assets of the Company and certain subsidiary companies.

The Company's term loans are subject to interest rate of 2.25% per annum (2004 - 2.25% per annum) above the lending bank's cost of funds.

The term loan of a subsidiary company is secured by the followings :-

- Legal charges over the subsidiary company's freehold land and buildings as referred to in Note 13;
- Fixed deposit pledged by the subsidiary company as referred to in Note 21; and
- Corporate guarantee of the Company.

The subsidiary company's term loan is subject to interest rate of 1.50% per annum (2004 - nil) above the lending bank's base lending rate.

These term loans are repayable in various installments or from redemption proceeds of development properties sold, whichever is earlier.

11. Borrowings (cont'd)

11.2 Bridging Loans

The bridging loans of the Company are secured by the followings:-

- (a) Legal charges over certain of the Group's freehold land and buildings as referred to in Notes 13, 17 and 18; and
- (b) Debentures by way of fixed and floating charges over the present and future assets of the Company and certain subsidiary companies.

Interest rate charged is at 2.25% per annum (2004 - 2.25% per annum) above the lending bank's cost of funds.

These bridging loans are repayable in various installments or from redemption proceeds of development properties sold, whichever is earlier.

11.3 Revolving Credits

The revolving credits of the Company are secured by the followings :-

- (a) Legal charges over certain of the Group's freehold land and buildings as referred to in Notes 13, 17 and 18; and
- (b) Debentures by way of fixed and floating charges over the present and future assets of the Company and certain subsidiary companies.

Interest rate charged is at 2.25% per annum (2004 - 2.25% per annum) above the lending bank's cost of funds.

Certain of these revolving credits are repayable by way of redemption of development properties sold and are further subject to progressive reduction in the limits.

11.4 Bank Overdrafts

The bank overdrafts of the Company are secured by legal charges over certain of the Group's freehold land and buildings as referred to in Note 13 and 18.

The bank overdrafts bear interest at 1.50% to 1.75% per annum (2004 - 1.50% to 1.75% per annum) above the lending banks' base lending rates.

11.5 Hire Purchase Creditors

	Group		Company	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Minimum lease payments :-				
Not later than 1 year	338	290	24	113
Later than 1 year and not later than 2 years	313	201	-	24
Later than 2 years and not later than 5 years	635	357	-	-
Later than 5 years	55	54	-	-
	1,341	902	24	137
Less : Future finance charges	195	159	5	29
Present value of finance lease liabilities	1,146	743	19	108

Notes to the Financial Statements cont'd

For The Year Ended 30 November 2005

11. Borrowings (cont'd)

11.5 Hire Purchase Creditors (cont'd)

	Group		Company	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Present value of finance lease liabilities				
Not later than 1 year	287	237	19	89
Later than 1 year and not later than 2 years	268	167	-	19
Later than 2 years and not later than 5 years	544	295	-	-
Later than 5 years	47	44	-	-
	1,146	743	19	108
Analysed as :-				
Due within 12 months	287	237	19	89
Due after 12 months	859	506	-	19
	1,146	743	19	108

The hire purchase creditors bore interest at the balance sheet date of between 2.28% to 5.90% (2004 - 3.30% to 5.90%) per annum.

12. Deferred Taxation

	Group		Company	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
At 1 December	73	60	-	-
Charge to income statements (Note 6)	13	13	-	-
At 30 November	86	73	-	-
Represented by :-				
Excess of tax allowances over depreciation	86	73	-	-

The amount of deferred tax charge recognised in the income statements are as follows :-

Excess of tax allowances over depreciation	13	13	-	-
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13. Land Held For Property Development

	Freehold land and buildings, at cost RM'000	Long term leasehold land, at cost RM'000	Development expenditure RM'000	Total RM'000
Group				
At 1 December 2003 (restated)	30,361	53,698	839	84,898
Costs incurred during the year	-	-	24	24
At 30 November 2004 (restated)	30,361	53,698	863	84,922
Costs incurred during the year	7,596	-	423	8,019
At 30 November 2005	37,957	53,698	1,286	92,941

The freehold land and buildings have been pledged to financial institutions as security for borrowings granted to the Company and a subsidiary company as disclosed in Note 11.

14. Property, Plant And Equipment

Group

At Cost	At 1.12.2004 RM'000	Additions RM'000	Disposals RM'000	Write-offs RM'000	At 30.11.2005 RM'000
Furniture & Fitting	385	9	-	-	394
Office Equipment	865	129	(21)	-	973
Office Renovation	599	4	-	-	603
Motor Vehicles	2,642	865	(192)	-	3,315
Site and Sport Equipment	43	1	-	-	44
	4,534	1,008	(213)	-	5,329

Accumulated Depreciation	At 1.12.2004 RM'000	Depreciation RM'000	Disposals RM'000	Write-offs RM'000	At 30.11.2005 RM'000
Furniture & Fitting	139	58	-	-	197
Office Equipment	449	117	(18)	-	548
Office Renovation	154	90	-	-	244
Motor Vehicles	1,577	486	(155)	-	1,908
Site and Sport Equipment	22	5	-	-	27
	2,341	756	(173)	-	2,924

	Net carrying amount		Depreciation charge	
	At 30.11.2005 RM'000	At 30.11.2004 RM'000	2005 RM'000	2004 RM'000
Furniture & Fitting	197	246	58	55
Office Equipment	425	416	117	103
Office Renovation	359	445	90	82
Motor Vehicles	1,407	1,065	486	478
Site and Sport Equipment	17	21	5	4
	2,405	2,193	756	722

Notes to the Financial Statements cont'd

For The Year Ended 30 November 2005

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

Company

At Cost	At 1.12.2004 RM'000	Additions RM'000	Disposals RM'000	Write-offs RM'000	At 30.11.2005 RM'000
Furniture & Fitting	196	-	-	-	196
Office Equipment	488	18	(21)	-	485
Office Renovation	215	2	-	-	217
Motor Vehicles	1,392	-	(192)	-	1,200
Site and Sport Equipment	28	-	-	-	28
	2,319	20	(213)	-	2,126

Accumulated Depreciation	At 1.12.2004 RM'000	Depreciation RM'000	Disposals RM'000	Write-offs RM'000	At 30.11.2005 RM'000
Furniture & Fitting	90	29	-	-	119
Office Equipment	359	51	(18)	-	392
Office Renovation	78	32	-	-	110
Motor Vehicles	1,163	152	(155)	-	1,160
Site and Sport Equipment	20	3	-	-	23
	1,710	267	(173)	-	1,804

	Net carrying amount		Depreciation charge	
	At 30.11.2005 RM'000	At 30.11.2004 RM'000	2005 RM'000	2004 RM'000
Furniture & Fitting	77	106	29	29
Office Equipment	93	129	51	52
Office Renovation	107	137	32	31
Motor Vehicles	40	229	152	228
Site and Sport Equipment	5	8	3	3
	322	609	267	343

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	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Furniture & Fitting	130	168	77	106
Office Equipment	357	359	93	129
Office Renovation	278	343	108	137
Motor Vehicles	1,375	1,020	39	229
Site and Sport Equipment	7	9	5	8
	2,147	1,899	322	609

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	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Motor Vehicles	1,284	893	27	188

15. Subsidiary Companies

	Company	
	2005 RM'000	2004 RM'000
Unquoted shares, at cost	2,000	1,000
Amounts due from subsidiary companies		
- Interest bearing	26,726	30,946
- Interest free	131,425	124,300
	158,151	155,246
	<u>160,151</u>	<u>156,246</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 buildings 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 (2004 - 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
		2005	2004	
Country View Avenue Sdn Bhd	Malaysia	100%	-	Dormant
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%	Property development
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

Acquisition of subsidiary company:-

On 15 August 2005, the Company acquired the entire equity interest in Country View Avenue Sdn Bhd for cash consideration of RM2.

The effect of the acquisition on the financial results of the Group from the date of the acquisition to 30 November 2005 is as follows:-

	RM'000
Revenue	-
Operating costs	3
Loss before tax	<u>3</u>
Tax expenses	-
Decrease in Group's net profits	<u>3</u>

The effect of the acquisition on the financial position of the Group as at 30 November 2005 is as follows :-

	RM'000
Cash balance	-
Other payables	(3)
Decrease in Group's net assets	<u>(3)</u>

Notes to the Financial Statements cont'd

For The Year Ended 30 November 2005

16. Associated Company

	Group	
	2005 RM'000	2004 RM'000 Restated
Unquoted shares, at cost	720	720
Share of accumulated losses	(703)	(624)
	<u>17</u>	<u>96</u>

Represented by :-

Share of net assets of the associated company	<u>17</u>	<u>96</u>
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Details of the associated company are as follows :-

Name of company	Country of incorporation	Effective interest		Principal activity
		2005	2004	
Optima Bestari Sdn Bhd #	Malaysia	24%	24%	Property development

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

17. Property Development Costs

	Group		Company	
	2005 RM'000	2004 RM'000 Restated	2005 RM'000	2004 RM'000
Freehold land and buildings, at cost	46,881	50,132	142	963
Development expenditure	87,075	51,043	1,106	18,489
At 1 December	133,956	101,175	1,248	19,452
Add: Development expenditure incurred during the year	19,803	65,583	-	4,388
	<u>153,759</u>	<u>166,758</u>	<u>1,248</u>	<u>23,840</u>
Less: Costs recognised as an expense				
- Previous years	62,404	31,390	-	18,393
- Current year	30,505	60,361	(33)	4,003
	<u>92,909</u>	<u>91,751</u>	<u>(33)</u>	<u>22,396</u>
	60,850	75,007	1,281	1,444
Less: Transfer to inventories	12,238	3,455	1,281	196
At 30 November	<u>48,612</u>	<u>71,552</u>	<u>-</u>	<u>1,248</u>

Freehold land and buildings of the Group and of the Company amounting to RM48,612,000 (2004 – RM71,552,000) and RM nil (2004 - RM1,248,000) 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 RM893,000 (2004 – RM1,996,000).

18. Inventories

	Group		Company	
	2005 RM'000	2004 RM'000 Restated	2005 RM'000	2004 RM'000 Restated
Property held for sale, at cost	15,387	13,354	9,429	10,203

Inventories of the Group and of the Company amounting to RM15,279,000 (2004 – RM13,057,000) and RM9,321,000 (2004 – RM9,867,000) 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 RM nil (2004 – RM8,000).

The cost of inventories recognised as an expense during the year in the Group and the Company amounted to RM10,205,000 (2004 - RM2,333,000) and RM2,055,000 (2004 - RM2,333,000) respectively.

19. Trade Receivables

	Group		Company	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Trade receivables	23,164	28,543	8,366	17,304
Due from customers on contracts	-	13	-	-
	23,164	28,556	8,366	17,304
Less: Provision for doubtful debts				
At 1 December	60	18	18	18
Additions	49	42	21	-
	109	60	39	18
Write backs	(3)	-	-	-
At 30 November	106	60	39	18
	23,058	28,496	8,327	17,286

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	
	2005 RM'000	2004 RM'000 Restated	2005 RM'000	2004 RM'000 Restated
Accrued billings in respect of property development costs	554	14,667	-	-
Other receivables	2,415	20	5	11
Deposits and prepayments	9,935	1,317	284	326
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	1,461	691	1,425	655
	15,115	17,445	1,714	992
Less: Provision for doubtful debt	6	6	-	-
	15,109	17,439	1,714	992

Included in the deposits and prepayments of the Group is a deposit of RM8,599,499 paid by a subsidiary company for the acquisition of freehold agricultural land which was completed on 30 December 2005 as referred to in Note 33.

Notes to the Financial Statements cont'd

For The Year Ended 30 November 2005

21. Deposits With Financial Institutions

	Group		Company	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Deposits with licensed banks	469	237	263	237

Deposits with licensed banks of the Company amounting to RM263,000 (2004 – RM237,000) are pledged as security for bank guarantees in favour of third parties as referred to in Note 30.

Deposit with a licensed bank of a subsidiary company amounting to RM206,000 (2004 – RM nil) is pledged as security for borrowing granted to the subsidiary company as disclosed in Note 11.

22. Quoted Shares

	Group & Company	
	2005 RM'000	2004 RM'000
Quoted shares in Malaysia, at cost	6	6
Market value of quoted shares	20	22

23. Cash and Bank Balances

Included in the cash and bank balances of the Group and of the Company are amounts of RM2,972,000 (2004 - RM1,663,000) and RM2,000 (2004 – 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 RM73,000 (2004 - RM14,000) has been earmarked as security for performance guarantee given to a third party as referred to in Note 30.

24. Trade Payables

	Group		Company	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Trade payables	8,096	19,900	963	1,184
Due to customers on contracts	19	69	-	-
Amounts payable to a subsidiary company - trade	-	-	356	414
	8,115	19,969	1,319	1,598

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

25. Other Payables, Deposits And Accruals

	Group		Company	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Other payables	4,176	1,702	1,121	904
Deposits and accruals	755	962	356	802
	<u>4,931</u>	<u>2,664</u>	<u>1,477</u>	<u>1,706</u>

26. Cash And Cash Equivalents

	Group		Company	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Cash and bank balances	14,359	2,358	70	497
Deposits with financial institutions (Note 21)	469	237	263	237
	<u>14,828</u>	<u>2,595</u>	<u>333</u>	<u>734</u>
Bank overdrafts (Note 11)	(2,955)	(5,970)	(2,955)	(5,970)
	<u>11,873</u>	<u>(3,375)</u>	<u>(2,622)</u>	<u>(5,236)</u>

27. 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 maintenance and safety services, project management and property maintenance.

Notes to the Financial Statements cont'd

For The Year Ended 30 November 2005

27. Segment Information (cont'd)

Group	Property Development RM'000	Construction RM'000	Investment Holding RM'000	Property Management RM'000	Elimination RM'000	Consolidated RM'000
2005						
Revenue						
External sales	55,077	634	-	108	-	55,819
Inter-segment sales	-	130	4,650	355	(5,135)	-
Total revenue	55,077	764	4,650	463	(5,135)	55,819
Results						
Segment results	6,772	60	4,645	(49)	(4,354)	7,074
Share of losses of an associated company	-	-	(78)	-	-	(78)
Finance costs						6,996 (1,938)
Profit before taxation						5,058
Taxation						(1,900)
Profit after taxation						3,158
Other Information						
Segment assets	370,190	491	750	339	(160,885)	210,885
Associated company	-	-	17	-	-	17
Unallocated corporate assets						1,461
Total assets						212,363
Segment liabilities	208,493	117	1,513	423	(158,577)	51,969
Unallocated corporate liabilities						1,080
Total liabilities						53,049
Capital expenditure	977	-	-	31	-	1,008
Depreciation	736	14	-	6	-	756
Non-cash expenses other than depreciation	52	-	-	-	-	52

27. Segment Information (cont'd)

2004	Property Development RM'000	Construction RM'000	Investment Holding RM'000	Property Management RM'000	Elimination RM'000	Consolidated RM'000 Restated
Revenue						
External sales	85,057	643	-	-	-	85,700
Inter-segment sales	-	536	-	349	(885)	-
Total revenue	85,057	1,179	-	349	(885)	85,700
Results						
Segment results	16,060	6	(5)	(20)	(267)	15,774
Share of losses of an associated company	-	-	(84)	-	-	(84)
Finance costs						15,690 (1,352)
Profit before taxation						14,338
Taxation						(4,624)
Profit after taxation						9,714
Other Information						
Segment assets	375,902	677	750	46	(157,509)	219,866
Associated company	-	-	96	-	-	96
Unallocated corporate assets						691
Total assets						220,653
Segment liabilities	215,598	343	1,508	80	(155,905)	61,624
Unallocated corporate liabilities						1,433
Total liabilities						63,057
Capital expenditure	382	8	-	5	-	395
Depreciation	706	13	-	3	-	722
Non-cash expenses other than depreciation	42	-	-	-	-	42

Notes to the Financial Statements cont'd

For The Year Ended 30 November 2005

28. Financial Instruments

28.1 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 :-

2005	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 %
Group						
Financial Assets :-						
Deposits with financial institutions	469	-	-	-	469	2.55 to 3.70
Financial Liabilities :-						
Term loans	610	2,518	7,153	94	10,375	7.41 to 7.50
Bridging loans	445	5,539	-	-	5,984	7.41
Revolving credits	12,546	1,000	2,917	2,000	18,463	7.41
Bank overdrafts	2,955	-	-	-	2,955	7.50 to 7.75
Hire purchase creditors	287	268	584	7	1,146	2.28 to 5.90
Company						
Financial Assets :-						
Amount due from subsidiary companies - interest bearing	26,726	-	-	-	26,726	7.41
Deposits with financial institutions	263	-	-	-	263	3.70
Financial Liabilities :-						
Term loans	500	1,200	3,200	-	4,900	7.41
Bridging loans	445	5,539	-	-	5,984	7.41
Revolving credits	12,546	1,000	2,917	2,000	18,463	7.41
Bank overdrafts	2,955	-	-	-	2,955	7.50 to 7.75
Hire purchase creditors	19	-	-	-	19	5.50 to 5.90

28. Financial Instruments (cont'd)

28.1 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 %
2004						
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

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

28.2 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.

Notes to the Financial Statements cont'd

For The Year Ended 30 November 2005

28. Financial Instruments (cont'd)

28.3 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
2005				
Financial Assets				
Subsidiary companies	-	-	158,151	Note (i)
Associated company	17	Note (i)	-	-
Quoted shares	6	20	6	20
Financial Liabilities				
Term loans	9,765	9,022	4,400	4,049
Bridging loans	5,539	5,090	5,539	5,090
Revolving credits	5,917	5,603	5,917	5,603
Hire purchase creditors	859	906	-	-
2004				
Financial Assets				
Subsidiary companies	-	-	155,246	Note (i)
Associated company (restated)	96	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

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.

29. 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 (2004 - RM50,000).

30. Contingent Liabilities

	Group		Company	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Performance guarantees given to third parties, which are secured by :-				
- Fixed deposits of the Company with a licensed bank	110	147	110	147
- Marginal deposit of the Company with a licenced bank	110	90	110	90
- Earmark of cash at bank of a subsidiary company (Note 23)	73	14	-	-
- Legal charges on certain freehold land and buildings 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	-	491
	<u>293</u>	<u>742</u>	<u>220</u>	<u>728</u>
Corporate guarantee given to a licensed bank for a term loan granted to a subsidiary company (unsecured)	5,475	-	5,475	-

31. Capital Commitments

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

	Group		Company	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 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	19,299	22,649	63	287
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	300	600	300	600
Acquisition of freehold agricultural land for future development by a subsidiary company	77,395	-	-	-
	<u>108,744</u>	<u>34,999</u>	<u>363</u>	<u>887</u>

Notes to the Financial Statements cont'd

For The Year Ended 30 November 2005

32. Significant Related Party Transactions

	Company	
	2005 RM'000	2004 RM'000
With subsidiary companies:-		
Gross dividend received from Country View Resources Sdn Bhd	4,650	-
Progress claims on construction works by Country View Construction Sdn Bhd	-	519
Property management services rendered by Country View Property Management Sdn Bhd	81	109

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.

33. Significant Events

a) Acquisition of investments

During the year:-

On 15 August 2005, the Company acquired the entire issued and paid-up share capital of a new subsidiary company, Country View Avenue Sdn Bhd for cash consideration of RM2.

On 2 September 2005, the Company subscribed 999,998 ordinary shares of RM1 each, representing the increase in the issued and paid-up share capital of a wholly owned subsidiary company, Country View Greens Sdn Bhd from the present RM2 comprised of 2 ordinary shares of RM1 each to RM1,000,000 comprised of 1,000,000 ordinary shares of RM1 each. The authorised share capital of Country View Greens Sdn Bhd was also increased from the present RM100,000 comprised of 100,000 ordinary shares of RM1 each to RM1,000,000 comprised of 1,000,000 ordinary shares of RM1 each.

b) Acquisition of freehold land and buildings

During the year:-

On 29 April 2005, Country View Greens Sdn Bhd, a wholly owned subsidiary company entered into a Sale and Purchase Agreement to acquire two parcels of freehold land and buildings for a cash purchase price of RM7,300,000. A term loan of RM5,475,000 was procured from a licensed bank to part-finance the acquisition, which was completed on 10 October 2005.

Country View Resources Sdn Bhd, a wholly owned subsidiary company entered into a Conditional Sale and Purchase Agreement on 9 June 2005 to acquire two parcels of freehold agricultural land measuring 290.3196 acres for a total cash purchase price of RM85,994,989. Terms loans totalling RM60 million were procured to part-finance the acquisition, which was completed on 30 December 2005.

34. Employee Information

	Group		Company	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Staff costs	4,008	3,951	1,453	2,192

The number of employees in the Group and in the Company (including Executive Directors) as at the end of the financial year were 102 (2004 - 99) and 11 (2004 - 11) respectively.

35. Change In Accounting Policy And Prior Year Adjustment

Change In Accounting Policy

In the current financial year, the Group and the Company adopted Malaysian Accounting Standard Board ("MASB") Standard 32, Property Development Activities for the first time. The adoption of MASB 32 has resulted in comparatives being adjusted to reflect the change in accounting policy with the following effects on the Group's financial statements : -

- (i) Borrowing and other land holding costs on property development projects where no development activities have been carried out are immediately written off to the income statements for the period in which they arise; and
- (ii) Other incentives or promotional costs incurred by the Group that were associated with the sale of its development units are not capitalised but are recognised in the income statements.

The change in accounting policy due to the adoption of MASB 32, applied retrospectively, had the following impact on the results:-

	Group		Company	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Effects on retained profits : -				
At 1 December, as previously stated	62,549	57,765	45,685	48,684
Effects of adopting MASB 32	(5,077)	(4,607)	(145)	(368)
At 1 December, as restated	<u>57,472</u>	<u>53,158</u>	<u>45,540</u>	<u>48,316</u>
Effects on net profit for the year: -				
Net profit before change in accounting policy	4,902	10,184	993	2,401
Effects of adopting MASB 32	(1,744)	(470)	(52)	223
Net profit for the year	<u>3,158</u>	<u>9,714</u>	<u>941</u>	<u>2,624</u>

Prior Year Adjustment

The change in accounting policy due to the adoption of MASB 32 has been accounted for by restating the comparatives and adjusting the opening balance of retained profits at 1 December as disclosed in Note 36 and the statements of changes in equity respectively.

Notes to the Financial Statements cont'd

For The Year Ended 30 November 2005

36. Comparatives

The following comparatives have been restated to reflect the change in accounting policy as explained in Note 35 made during the year.

	Group		Company	
	As restated RM'000	As previously stated RM'000	As restated RM'000	As previously stated RM'000
Income Statements				
Revenue	85,700	84,555	13,522	13,259
Cost of goods sold	(63,289)	(64,325)	(6,336)	(6,563)
Gross profit	22,411	20,230	7,186	6,696
Administrative expenses	(9,236)	(7,868)	(5,058)	(4,881)
Profit from operations	15,774	14,961	4,179	3,866
Finance costs	(1,352)	(438)	-	-
Share of losses of an associated company	(84)	(11)	-	-
Profit before taxation	14,338	14,512	3,771	3,458
Taxation	4,624	4,328	1,147	1,057
Profit after taxation	9,714	10,184	2,624	2,401
Basic earnings per ordinary share (sen)	9.71	10.18	-	-
Balance Sheets				
Land held for property development	84,922	89,560	-	-
Associated company	96	504	-	-
Current assets				
Property development costs	71,552	86,055	-	-
Inventories	13,354	13,560	10,203	10,403
Other receivables, deposits and prepayments	17,439	2,717	992	937
Current liabilities				
Tax payable	1,360	1,316	-	-
Statement Of Changes In Equity				
Retained profits as at 1 December 2003	53,158	57,765	48,316	48,684
Retained profits as at 30 November 2004	57,472	62,549	45,540	45,685
Cash Flow Statements				
Profit before taxation	14,338	14,512	3,771	3,458
Interest expense	1,352	438	-	-
Share of losses of an associated company	84	11	-	-
Changes in working capital				
Development expenditure	1,483	(13,286)	3,356	3,669
Trade and other receivables	(10,772)	3,896	-	-

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 35 to 66 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 2005 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,

WONG CHEE SEAN @ WONG SEAN

Director

WONG JOON CHIN (F)

Director

Johor Bahru

Dated: 27 February 2006

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 35 to 66 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 27 February 2006

Before me

HJ. BAHARI HJ. MAHADI

(No: J075)

Commissioner for Oaths

Report of The Auditors

To The Members of Country View Berhad (Company No 078320-K)

We have audited the accompanying financial statements set out on pages 35 to 66. These financial statements are the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report.

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 presentation of the financial statements. 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 provisions of the Companies Act, 1965 and applicable Approved Accounting Standards in Malaysia so as to give a true and fair view of :
 - (i) the financial position of the Group and of the Company as at 30 November 2005 and of their results and cash flows for the year then ended; and
 - (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements; and
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries 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 subsidiaries that have been consolidated with the financial statements of the Company 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.

The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification material to the consolidated financial statements and did not include any comment required to be made under Section 174(3) of the Act.

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

CHUA KON SING
NO. 416/03/07 (J/PH)
PROPRIETOR

Johor Bahru
Date: 27 February 2006

Group Properties

As At 30 November 2005

Location	Tenure	Land area	Usage	Net book value as at 30 November 2005 (RM'000)	Year of acquisition
Taman Universiti Skudai, Johor Lots 244, 1050 and 3056 to 3058 Mukim of Pulau Daerah Johor Bahru Johor Darul Takzim	Freehold	7.58 acres	On-going mix development project	9,387	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	54,170	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	4,625	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	26,536	2000
Nusa Bestari Jaya Bandar Nusajaya Johor Bahru HS(D) 257246 & 257247 PTD 71043 & 71044 Mukim of Pulau Daerah Johor Bahru Johor Darul Takzim	Freehold	13.408 acres	On-going mixed development project	9,340	2001
Nusa Indah Bandar Nusajaya Johor Bahru HS(D) 317215 & 317217 PTD 116767 & 116769 Mukim of Pulau Daerah Johor Bahru Johor Darul Takzim	Freehold	84.85 acres	On-going mixed development project	45,174	2001
HS(D) 21525 & 21526 PTB 11080 & 11081 Bandar Johor Bahru Daerah Johor Bahru Johor Darul Takzim	Freehold	100,077 sq ft	Future development land	7,610	2005

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 23rd Annual General Meeting of the Company, to be held on Wednesday, 26 April 2006 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 Wong Chee Sean @ Wong Sean		
Ordinary Resolution 5	Re-election of Mr Law Kee Kong		
Ordinary Resolution 6	Re-election of En Azhar Bin Azizan @ Harun		
Ordinary Resolution 7	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 _____ 2006

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)

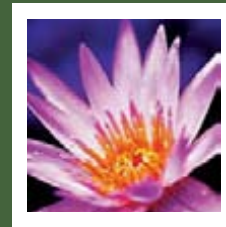
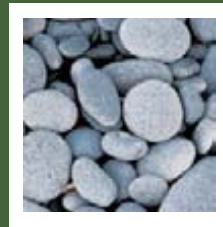
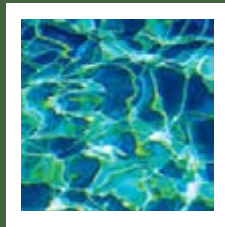
Suite 5.11 & 5.12

5th Floor Menara TJB

9 Jalan Syed Mohd. Mufti

80000 Johor Bahru, Johor

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