

4. INFORMATION ON THE CVB GROUP

4.1 Incorporation

CVB was incorporated in Malaysia under the Companies Act, 1965 on 23 November 1981 as a private limited company under the name of Country View Realty Sdn Bhd. On 14 March 2001, the Company changed its name to Country View Sdn Bhd. Subsequently on 25 April 2001, it was converted to a public limited company and assumed its present name.

CVB is principally involved in the business of property development, property investment and investment holding. The principal activities of its subsidiaries are property development, investment holding and contractor, whilst its associated company is intended for property development.

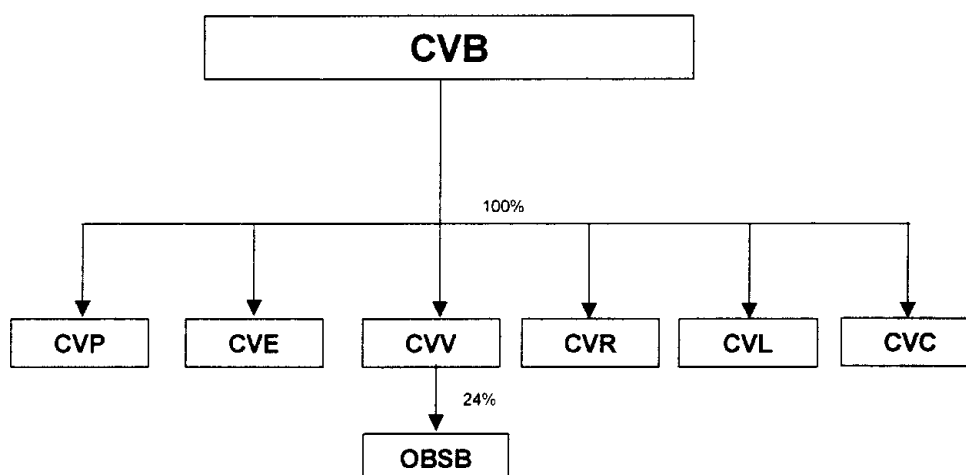
4.2 History of CVB Group

On 24 December 1984, the Company acquired a piece of land measuring approximately 1,080.23 acres in the Mukim of Pulai, Daerah Johor Bahru from Buan Heng Estate Sdn Bhd for development into a mixed housing project, known as 'Taman Universiti'. The Company launched its first phase of the low cost terrace houses in December 1986.

Since the inception of 'Taman Universiti' township in December 1986 to 25 March 2002, the CVB Group has completed and sold development projects with accumulated turnover exceeding RM752.9 million comprising 11,273 units of residential and commercial properties. Its signature project is 'Taman Universiti' township, which is strategically located approximately 20 km north-west of the city of Johor Bahru and is directly opposite to Universiti Teknologi Malaysia, Skudai, Johor Bahru.

Since the successful development of the Group's signature project, 'Taman Universiti' township, the Group has established a name as one of the reputable developers in developing affordable quality range of properties. It is the Group's aspiration to adhere to the Government's policy to meet the country's housing needs by allocating its resources to build houses, especially the low and medium cost housing schemes.

The present structure of the Group is shown below:-



4. INFORMATION ON THE CVB GROUP (Cont'd)

The CVB Group's main business focus is property development, property investment and investment holding. Ever since the successful launches of the 'Taman Universiti' township at Skudai, Johor Bahru in December 1986, over 11,289 units of various types of properties were developed and completed, of which 11,273 units representing 99.9% of the total developed properties were sold and delivered. This has resulted in the Group's aggressive acquisitions for more land over the recent years, capitalizing on the opportunities of cheaper land cost during the period of economic slowdown.

The Group has embarked on a business expansion programme to achieve its objective in spreading its wing to other parts of Peninsular Malaysia and carving a name for itself as one of the premier property developers in the country. The Group's support base includes a land bank of approximately 1,120.22 acres, which is well spread in strategic locations throughout Peninsular Malaysia and comprising as follows: -

- 30.63* acres in Taman Universiti, Skudai, Johor;
- 364.80 acres in Bandar Baru Sungai Buaya, Mukim of Serendah, Daerah Hulu Selangor, Selangor;
- 0.27 acres in Jalan Mayang, Kuala Lumpur;
- 550.73 acres in Mukim of Padang Meha, Daerah Kulim, Kedah; and
- 173.79 acres in Bandar Nusajaya, Mukim of Pulai, Daerah Johor Bahru, Johor.

Note:

* Excluding a vacant commercial land measuring 377,294 sq. ft. forming part of Taman Universiti which has been sold to Jaya Jusco Stores Bhd for RM13,212,150 vide a sale and purchase agreement entered into on 29 October 2001. The condition precedents under the said agreement have been fulfilled as particularly set out in Section 13.6 (xxxii) of this Prospectus.

The Group's land bank of approximately 1,120.22 acres has strong potential for immediate development as it is situated within the growth centres in Johor Bahru, Kulim, Selangor and Kuala Lumpur respectively and are strategically located with excellent infrastructure and well serviced by major highways.

4.3 Share Capital and Changes in Share Capital

The present authorised share capital is RM500,000,000 comprising 500,000,000 ordinary shares of RM1.00 each whilst its issued and paid-up share capital is RM85,000,000 comprising 85,000,000 ordinary shares of RM1.00 each.

The changes in the issued and paid up share capital of CVB since its incorporation are as follows:-

Date of Allotment	No. of Ordinary Shares	Par Value RM	Consideration	Total Issued and Paid-up Share Capital RM
23.11.1981	2	1.00	Cash	2
15.01.1985	1,200,000	1.00	Cash	1,200,002
09.01.1986	4,799,998	1.00	Cash	6,000,000
29.11.2001	79,000,000	1.00	Bonus Issue via capitalisation of the unappropriated profits	85,000,000

4. INFORMATION ON THE CVB GROUP (Cont'd)

4.4 Listing Scheme

In conjunction with, and as an integral part of the listing and quotation for the entire issued and paid-up share capital of CVB on the Main Board of the KLSE, the Company undertook a listing scheme which involved the following:-

(i) **Bonus Issue**

CVB has undertaken a bonus issue of 79,000,000 new ordinary shares of RM1.00 each to the existing shareholders of CVB on the basis of seventy-nine (79) new ordinary shares for every six (6) existing ordinary shares held in CVB. All the bonus issue shares rank pari passu in all respects with the then existing ordinary shares of CVB. The Bonus Issue was completed on 29 November 2001.

(ii) **Public Issue**

CVB will make a Public Issue of 15,000,000 new ordinary shares of RM1.00 each in CVB at an issue price of RM1.20 per share to the Malaysian public.

The total of 15,000,000 new ordinary shares of RM1.00 each pursuant to the Public Issue will be allocated in the following manner:-

- (i) 500,000 Public Issue shares representing 0.5% of the enlarged issued and paid-up share capital of CVB comprising 100,000,000 ordinary shares of RM1.00 each to the eligible employees and the Directors of the CVB Group. The basis of the allocation to the eligible employees and the Directors of the CVB Group is set out in Section 2.3 of this Prospectus;
- (ii) 10,000,000 Public Issue shares representing 10% of the enlarged issued and paid-up share capital of CVB comprising 100,000,000 ordinary shares of RM1.00 each to the Malaysian public of which at least 30% is to be set aside for Bumiputera investors; and
- (iii) 4,500,000 Public Issue shares representing 4.5% of the enlarged issued and paid-up share capital of CVB comprising 100,000,000 ordinary shares of RM1.00 each will be reserved for Bumiputera investors approved by the MITI. The MITI had vide its letter dated 1 April 2002 approved the allocation of 4,500,000 Public Issue shares to two (2) Bumiputera investors which is set out in detail in Section 2.3 of this Prospectus.

Any shares not subscribed by the eligible employees and the Directors of the CVB Group will be made available for application by the Malaysian public.

All the new ordinary shares issued pursuant to the Public Issue will rank pari passu in all respects with the existing ordinary shares of CVB including voting rights and the rights to the dividend or other distributions that may be declared subsequent to the allotment of the new ordinary shares.

4. INFORMATION ON THE CVB GROUP (Cont'd)

4.5 Business Overview

4.5.1 Principal Products and Activities

The CVB Group focuses mainly on property development and the holding of investment properties around Peninsular Malaysia. The status of development projects of the CVB Group are as follows:-

Name of Company	Name and Location	Activities	Stage of Development Projects
CVB	Taman Universiti, Skudai, Johor	Property development and investment holding	Completed, on-going and future
CVP	Bandar Baru Sungai Buaya, Mukim of Serendah, Daerah Hulu Selangor, Selangor	Property development	Future
CVE	Jalan Mayang, Kuala Lumpur	Property development	Future
CVR	Bandar Nusajaya, Mukim of Pulai, Daerah Johor Bahru, Johor	Property development	On-going and future
CVL	Mukim of Padang Meha, Daerah Kulim, Kedah	Property development	Future

(a) **Property Development**

The CVB Group has established itself as one of the reputable developers in Johor Bahru in developing affordable quality range of properties. This is in line with the Government's policy of providing affordable housing especially to the low and medium income group.

The past, current and future development projects of the Group are as follows:-

(i) Completed Projects of the Group

- **Taman Universiti, Skudai, Johor**

Taman Universiti, the CVB's signature project, is carefully planned as a self-contained township with good infrastructures, adequate facilities and amenities incorporated. It is situated about 20 kilometres to the north-west of Johor Bahru city, 3 kilometres west of Skudai town and is directly opposite to Universiti Teknologi Malaysia, Skudai, Johor Bahru.

Since the project's inception in December 1986 to 25 March 2002, CVB has completed and sold 11,273 units of various types of properties representing 99.9% of the units developed to date. The project was well-received due to its strategic location and pricing strategy. The completed development projects have contributed to sales revenue of approximately RM752.9 million since its inception. It is presently home to more than 60,000 residents.

4. INFORMATION ON THE CVB GROUP (Cont'd)

Details of the sold and unsold completed development projects in Taman Universiti as at 25 March 2002 are set out below:-

Type of Development	Phase	Units Sold As at 25.03.02	Sales Revenue RM'000	Units Unsold As at 25.03.02	Expected Sales Revenue for Unsold Units RM'000 *	Last Completion Date
Low Cost Terrace Houses	1-2 & 10	4,783	108,043	3	66	July 1994
Low Medium Cost Apartments	18	352	17,499	-	-	Oct. 1997
Low Medium Cost Shops	23	33	4,955	3	450	Feb. 2002
Medium Cost Single Storey Terrace Houses	1, 4-5, 7-12, & 15	4,287	275,486	5	681	May 1997
Medium Cost Double Storey Terrace Houses	6, 14, 16 & 20	693	95,680	1	165	Aug. 1998
Single Storey Shops	3 & 11	76	11,470	-	-	Sept 1994
Double Storey Shop-Houses	3 & 8	58	9,614	-	-	Oct. 1993
Double Storey Shop-Offices	13	483	161,874	-	-	Aug. 1998
Deluxe Apartments	19	240	29,658	-	-	Aug. 1998
Superior Apartments	21	268	38,620	4	519	Jan. 2000
Grand Total		11,273	752,899	16	1,881	

Note: * Expected revenue of unsold units were based on the prevailing market prices.

4. INFORMATION ON THE CVB GROUP (Cont'd)

Details of the take up rate and launch date for the completed development projects in Taman Universiti are set out below:-

Type of Development	Phase	Date Launched	Take Up Rate (%)					
			As at 30.11.97	As at 30.11.98	As at 30.11.99	As at 30.11.00	As at 30.11.01	As at 25.03.02
Low Cost Terrace Houses	1-2 & 10	1986-Apr 1992	99.87	99.87	99.87	99.94	99.94	99.94
Low Medium Cost Apartments	18	Feb 1996	92.05	96.88	100	100	100	100
Low Medium Cost Shops	23	May 2001	-	-	-	-	-	91.67
Medium Cost Single Storey Terrace Houses	1, 4-5, 7-12, & 15	1987-Dec 1994	99.35	99.63	99.77	99.88	99.88	99.88
Medium Cost Double Storey Terrace Houses	6, 14, 16 & 20	June 1990-Aug 1996	99.14	99.14	99.42	99.71	99.86	99.86
Single Storey Shops	3 & 11	Aug 1990-May 1992	100	100	100	100	100	100
Double Storey Shop-Houses	3 & 8	Feb 1989-June 1991	98.28	98.28	98.28	100	100	100
Double Storey Shop-Offices	13	July 1993-June 1997	77.02	84.47	93.79	96.89	99.79	100
Deluxe Apartments	19	Mar 1996	70.42	79.58	97.08	100	100	100
Superior Apartments	21	Aug 1997	15.07	83.82	93.75	95.59	97.43	98.53

(ii) On-Going Projects of the Group

- **Taman Universiti, Skudai, Johor**

The CVB's on-going projects comprise 116 units of residential and commercial properties which is expected to generate a total sales revenue of RM41.73 million. The on-going development projects of CVB Group are tabulated below: -

Type of Development	Units Launched	Estimated Sales Value RM'000	Launch Date	Expected Completion Date
Double Storey Shop-Offices	65	22,528	May 2001	2 nd Qtr 2002
Bungalow lots	51	19,199	August 2001	3 rd Qtr 2002
Total	116	41,727		

4. INFORMATION ON THE CVB GROUP (Cont'd)

Details of the take up rate and launch date for the on-going development projects in Taman Universiti are set out below:-

Type of Development	Units Launched	Launch Date	Take Up Rate (%) as at 25 March 2002
Double Storey Shop-Offices	65	May 2001	83.08
Bungalow lots	51	August 2001	3.92

- **Bandar Nusajaya, Mukim of Pulai, Daerah Johor Bahru, Johor**

CVR, a wholly-owned subsidiary of CVB, currently undertakes a project of mixed residential and commercial developments on two (2) parcels of land in Bandar Nusajaya HS (D) 257246 PTD 71043 and HS (D) 257247 PTD 71044, both in Mukim of Pulai, District of Johor Bahru, measuring 41.47 acres which is also known as Plots R14a and R14b respectively.

The project comprises 655 units of residential and commercial properties which is expected to generate a total sales revenue of RM108.69 million.

Bandar Nusajaya covers a land area of approximately 10,000 hectares and is one of the largest township developments in the south-western part of Peninsular Malaysia to be undertaken by various property developers. It is a fully comprehensive and well-planned mega township offering a wide range of residential, commercial, industrial, recreation and modern amenities with integrated infrastructure and landscaping.

The Plots R14a and R14b projects are located in the north-eastern fringe of Bandar Nusajaya. It is surrounded by matured housing schemes such as Taman Tan Sri Yaacob, Taman Damai Jaya, Taman Ungku Tun Aminah and Bandar Selesa Jaya.

The development layout of Plots R14a and R14b has been approved by the Pejabat Pengarah Tanah dan Galian vide their approval letter Ref. No. (7) dlm PTG. 9/97-192 dated 7 January 1998. The letter of approval was issued to Prolink Seaview Sdn Bhd and consent from the Pejabat Pengarah Tanah dan Galian has been granted for the transfer of such approval from Prolink Seaview Sdn Bhd to CVR vide their letter Ref. No. (21) dlm PTG. 9/97-192 dated 28 June 2001.

4. INFORMATION ON THE CVB GROUP (Cont'd)

The on-going development project of Plots R14a and R14b in Bandar Nusajaya is as follows:

Proposed Development	Units Launched	Estimated Sales Revenue RM'000	Launch Date	Expected Completion Month
<u>RESIDENTIAL</u>				
Double Storey Terrace House	131	24,517	Mar-02	Dec-03
Apartments	458	55,972	May-02	May-05
Sub-total	589	80,489		
<u>COMMERCIAL</u>				
Triple Storey Shopoffice				
- 1A	40	14,250	Dec-01	Feb-03
- 1B	23	8,206	May-02	Jun-03
Commercial Sites	3	5,750	May-04	Nov-04
Sub-total	66	28,206		
Grand Total	655	108,695		

Details of the take up rate and launch date for the on-going development projects in Plots R14a and R14b in Bandar Nusajaya are set out below:-

Type of Development	Units Launched	Launch Date	Take Up Rate (%) as at 25 March 2002
<u>RESIDENTIAL</u>			
Double Storey Terrace House	131	Mar-02	9.92
Apartments	458	May-02	-
<u>COMMERCIAL</u>			
Triple Storey Shopoffice			
- 1A	40	Dec-01	17.50
- 1B	23	May-02	-
Commercial Sites	3	May-04	-

(iii) Future Projects of the Group

The Group has set aside a substantial portion of its present landbank of approximately 1,120.22 acres (including the 41.47 acres of land in Bandar Nusajaya known as Plots R14a and R14b) for mixed development projects, which are well spread out in strategic locations throughout Peninsular Malaysia. With its current landbank, CVB Group's future projects are expected to generate estimated total sales revenue of RM1.06 billion, which will provide the Group with sustainable income for the next five (5) financial years ending 30 November 2006.

4. INFORMATION ON THE CVB GROUP (Cont'd)

These projects are in line with CVB Group's vision to support the government's pledge for more developments to meet the housing needs of the country, especially to cater for the lower and medium income population.

These future projects include the following: -

- **Taman Universiti, Skudai, Johor**

CVB's future development involves Prima Apartment and Vista Apartment, a medium cost apartment project located in Taman Universiti with an estimated sales value of RM60.1 million.

The project consists of 468 units of medium cost apartments spread over 6 blocks of 5-storey and 3 blocks of 11-storey.

This development in the exclusive area of Taman Universiti is expected to attract the readily available catchment of medium income earners as potential buyers. The project is expected to take-off in the 1st quarter of 2005 and will complete by year 2011.

The building plan for the development of 468 units of Prima Apartment and Vista Apartment has been approved by the Majlis Perbandaran Johor Bahru Tengah vide their approval letter referenced Bil (20) dlm. MDJBT (RP) 5/383/86 (43) dated 25 October 2000.

The abovementioned on-going and future development projects in Taman Universiti involve land bank of 25.86 acres upon the full completion. The remaining land bank held by CVB in Taman Universiti comprises vacant lands of 4.31 acres, which have been approved for future development of 2 commercial complexes and a medical centre. In addition, there are 0.46 acres of land currently erected with a building which is used as a temporary wet market.

The future development projects in Taman Universiti are as follows:

Proposed Development	Total Units	Estimated Sales Revenue RM'000	Expected Commencement Period	Expected Completion Period
<u>RESIDENTIAL</u> Medium Cost Apartment 'Type Prima and Vista'	468	60,118	1 st Qtr 2005	4 th Qtr 2011

4. INFORMATION ON THE CVB GROUP (Cont'd)

- **Bandar Nusajaya, Mukim of Pulai, Daerah Johor Bahru, Johor**

CVR will undertake a project of mixed residential and commercial developments on two (2) parcels of land in Bandar Nusajaya held under HS (D) 317215 PTD 116767 and HS (D) 317217 PTD 116769, both in Mukim of Pulai, District of Johor Bahru, measuring 132.32 acres, which is also known as Plot 1 and Plot 3 respectively.

Plots 1 and 3 will be developed into 1,597 units of mixed residential and commercial properties. Plots 1 and 3 are located adjoining to the western boundary of Bukit Indah housing scheme and lie in the northern part of Bandar Nusajaya. The launch of this project is expected in December 2002. Construction works of this 3-phase project are expected to commence by end 2002 and would span over 5 years with the completion anticipated in mid 2007. The total estimated sale value is RM264.0 million.

The application for the development layout of Plots 1 & 3 was submitted to Majlis Perbandaran Johor Bahru Tengah on 27 July 2001. The approval from the authority is still pending.

The future development projects of Plots 1 and 3 in Bandar Nusajaya are as follows:

Phase	Proposed Development	Total Units	Estimated Sales Revenue RM'000	Expected Commencement Month	Expected Completion Month
<u>RESIDENTIAL</u>					
1	Double Storey Terrace House	526	87,874	Apr-03	Apr-05
2	Double Storey Terrace House	592	101,039	Dec-03	Jun-06
3	Double Storey Terrace House	132	21,089	Nov-04	Aug-06
3	Medium Cost Apartment	224	17,050	Jan-05	Jun-07
	Sub-total	1,474	227,052		
<u>COMMERCIAL</u>					
1	Double Storey Shop Office	18	4,915	Dec-02	Jan-04
2	Double Storey Shop Office	72	19,619	Sep-03	Oct-04
3	Double Storey Shop Office	31	8,468	Nov-04	Aug-06
	Commercial Plot	1	2,431	Aug-05	Nov-05
	Petrol Station	1	1,470	Aug-05	Nov-05
	Sub-total	123	36,903		
	Grand Total	1,597	263,955		

4. INFORMATION ON THE CVB GROUP (Cont'd)

- **Jalan Mayang, Off Jalan Yap Kwan Seng, Kuala Lumpur**

This project, to be undertaken by CVE, a wholly-owned subsidiary of CVB, consists of the development of a 14-storey building comprising 38 units of deluxe apartments and 2 penthouses on a piece of land known as Lot 192, Section 43, Bandar Kuala Lumpur, Daerah Kuala Lumpur measuring 11,854 sq. ft.

The project is situated at the north of Wisma Equity at Jalan Ampang and is within walking distance to the prestigious Petronas Twin Towers. It is also within the close proximity to some prominent buildings such as Wisma Getah Asli, Wisma Bunga Raya, the Australian Embassy, Wisma MBf and Phileo Avenue.

Development Order for the development of the 14-storey building comprising 38 units of apartments and 2 penthouses has been issued by Jabatan Perancangan dan Kawalan Bangunan vide their letters Ref. No. (36) & (37) dlm DBKL.JP&KB.903/63 dated 19 July 1996. The Development Order has been extended to expire on 23 December 2002 by Jabatan Perancangan dan Kawalan Bangunan vide their letter Ref. No. (79) dlm DBKL.JP&KB.903/63 dated 24 December 2001.

The Company had also submitted its proposed building plan to Jabatan Perancangan dan Kawalan Bangunan on 10 July 2000, the approval of which is expected by 3rd quarter 2002.

The project is expected to commence in early 2003 and is anticipated to complete by end of 2005 with an estimated sales value of approximately RM24.4 million.

The future development projects in Jalan Mayang, Kuala Lumpur are as follows:

Proposed Development	Total Units	Estimated Sales Revenue RM'000	Expected Commencement Month	Expected Completion Month
Deluxe Apartments	38	20,687	Jan-03	Sep-05
Penthouses	2	3,746	Jan-03	Sep-05
Total	40	24,433		

- **Mukim of Padang Meha, Daerah Kulim, Kedah**

There are two projects to be undertaken by CVL, a wholly-owned subsidiary of CVB, on two (2) parcels of lands in Mukim of Padang Meha, Daerah Kulim, Kedah measuring about 195.77 acres and 354.96 acres held under H.S. (D) 1875/97 P.T. 4182 and H.S. (D) 1876/97 P.T. 4183 respectively.

4. INFORMATION ON THE CVB GROUP (Cont'd)

The land held under H.S. (D) 1875/97 P.T. 4182 was approved for residential development under the Padang Meha subdivision plan No. 168/C/KED/94/BZ granted in 1994. The Company is in the midst of preparing the layout plan for P.T. 4182 and will submit all the relevant applications to the authorities for approval prior to the launch of the project in December 2004.

Layout plan for P.T. 4183 has been approved for industrial development vide approval No. P.9529, 4/4, which was issued by Majlis Daerah Kulim via their letter ref. MDK.PB/10/0013/95(16) dated 11 March 1997.

The projects form part of the development of the proposed Padang Meha New Township, which covers an area of 2,249 hectares or 5,557.2 acres in Kulim, Kedah. Development from these lands have good potential with the increasing economic activities attributed from the nearby Kulim Hi-Tech Park.

Overall, the proposed projects are expected to generate a sales revenue totalling RM336 million. Phase 1 of the project is expected to commence in late 2004 and the entire projects, consisting of 6 phases, are due for completion in early 2011.

The future development projects in Padang Meha, Kedah are as follows:

Phases	Proposed Development	Total Units	Estimated Sales Revenue RM'000	Expected Commencement Month	Expected Completion Month
<u>RESIDENTIAL</u>					
1-3	Single Storey L/Cost Terrace House	587	20,545	Dec-04	Oct-06
1-5	Single Storey Terrace House	800	56,892	Dec-04	Feb-10
1-6	Double Storey Terrace House	531	58,997	Dec-04	Oct-10
4-6	Double Storey Semi-D House	40	6,304	Jul-07	Sep-10
	Sub-total	1,958	142,738		
<u>INDUSTRIAL</u>					
1-6	Detached Factory Lot	73	24,534	Oct-04	Mar-10
1-6	1 1/2 Storey Semi-Detached Factory	247	63,258	Dec-04	Feb-11
1-6	1 1/2 Storey Light Industrial T/Workshop	550	81,262	Dec-04	Feb-11
	Sub-total	870	169,054		
<u>COMMERCIAL</u>					
2-6	Commercial Complex and Petrol station	12	13,699	Mar-06	Jun-09
3-6	Double Storey Shophouse	72	10,634	Sep-06	Oct-10
	Sub-total	84	24,333		
	Grand Total	2,912	336,125		

4. INFORMATION ON THE CVB GROUP (Cont'd)

- **Bandar Baru Sungai Buaya, Mukim of Serendah, Daerah Hulu Selangor, Selangor**

CVP, a wholly-owned subsidiary of CVB, plans to undertake the development of the land situated under H.S. (D) 10783 P.T. No. 10457, in Mukim of Serendah, District of Hulu Selangor, Selangor. The project has been approved for development of residential and commercial properties totaling 3,236 units (which include 2 commercial lots and 1 petrol station lot) by Jabatan Perancangan Bandar dan Desa, Selangor vide approval No. JPBD.Sel./07/9373 Blok 6(18) dated 29 May 2000.

The project is expected to generate total sales revenue of RM373 million.

This project which covers a total land area of 364.8 acres is expected to be launched in 2nd half of 2005 and to be completed by early 2011.

The future development projects in Mukim of Serendah, Selangor are as follows:

Phases	Proposed Development	Total Units	Estimated Sales Revenue RM'000	Expected Commencement Month	Expected Completion Month
<u>RESIDENTIAL</u>					
1, 3-6	Single Storey Terrace House	1,029	90,330	Sep-05	Dec-10
1-2, 4-6	Double Storey Terrace House	1,067	141,932	Sep-05	Dec-10
1,2,4	Double Storey Semi-D House	146	27,461	Sep-05	Sep-09
1,2,4	Bungalow Lot	63	10,327	Jul-05	Oct-08
3-5	Apartments	795	53,179	Jan 07	Feb-11
	Sub-total	3,100	323,229		
<u>COMMERCIAL</u>					
5	Double Storey Shopoffice	133	32,864	Jun-08	Sep-10
5	Commercial Complex	1	8,139	Nov-08	Feb-09
5	Commercial Plot	1	8,019	Feb-09	May-09
5	Petrol Station	1	1,072	May-08	Aug-08
	Sub-total	136	50,094		
	Grand Total	3,236	373,323		

(b) Property Investment

CVB currently does not own any properties for investment purposes. However, it receives some rental income from its completed stocks of properties which are not material to the Group at present. Notwithstanding this, the Group has every intention to embark on its property investment portfolio in the near future to ensure a constant stream of recurring income for the Group.

4. INFORMATION ON THE CVB GROUP (Cont'd)

4.5.2 Market Share/ Ranking

It has been the objective of the Group to provide affordable quality housing to cater, particularly, for the low and middle income groups in Johor Bahru.

The objective to construct affordable housing to cater for the low and middle income group can be related to the track record of the Company and by analysing the types of residential units that have been built up to the year 2001, details of which are as follows:-

Table: Type Of Houses Developed By CVB From 1986 To 2001

Type of Houses Developed	Number of Houses	Percentage
Single/Double Storey Terraced Houses	4,986	44.3%
Single/Double Storey Semi-detached Houses	0	-
Detached Houses	0	-
Single Storey Terraced Low-cost Houses	4,786	42.5%
Low-cost Apartment/Flats	0	-
Apartments	864	7.7%
Single/Double Storey Terraced Shophouses/Shopoffices	617	5.5%
Total	11,253	100.0%

(Source: Management of CVB)

From the Table shown above, it is noted that over 85% of the total number of units developed by the Company are low-cost terraced and medium cost terraced houses which were targeted at the low and middle income group.

Since the inception of Taman Universiti in December 1986 up to year 2001, CVB has completed 11,253 units of various types of properties. As at 30 November 2001, the total number of completed units (residential and shophouses) in the district of Johor Bahru is 294,857 *(Source: Property Market Report 2001, Ministry of Finance)*. Thus, the development undertaken by CVB constitutes over 3.8% of the total completed units of various types of houses developed in the district of Johor Bahru.

(Extracted from Market Outlook Report, prepared by Jones Lang Wootton dated May 2001)

4.5.3 New Ventures

CVB Group foresees that the property market will remain competitive with the entrants of new market players. Escalating land cost as a result of scarcity of strategically located land coupled with rising construction materials and labour further precipitates the flattening profit margin.

The Group is constantly reviewing its strategy to meet the more sophisticated demand of the evolving market. With the view of improving its profitability and cashflow which translates into higher shareholders' value, the Group is constantly reviewing its development and marketing strategy aimed at positioning its products in niche markets and serving the needs of the target market.

4. INFORMATION ON THE CVB GROUP (Cont'd)

In line with this approach, the CVB Group, through its subsidiary i.e. CVV, has participated in a joint venture with a 24% equity interest in OBSB with the remaining shares held by Oriharta Sdn Bhd (51%) and Four Seasons Resort Sdn Bhd (25%) for the future development of Pantai Lido, Johor Bahru into a waterfront city known as Pantai Lido Waterfront 2020. An 'Agreement to Develop' was signed between OBSB and the State Government of Johor on 28 October 1999 giving OBSB the right to submit detailed plans, terms and conditions for the mixed development of Pantai Lido, Jalan Skudai in Johor Bahru into a waterfront city comprising mixed development including commercial, information-media technology valley, tourist attractions, marina, residential and recreational components.

The Agreement to Develop records that the State Government has agreed in principle to award OBSB the right to develop the above project subject to the negotiations on the detailed terms and conditions. At present, it is anticipated that the project extends over an approximate area of 407 acres of land to be reclaimed from the shoreline of Pantai Lido. However, such acreage may be subject to reduction pending the approval of the relevant authorities and further negotiations with the State Government of Johor.

4.5.4 Principal Markets

Properties developed by the CVB Group in the past, present and also in the future are comprised as follows: -

Category	Types Of Development	Market Targeted (Income Level)*
Past		
Residential	Terrace Houses Apartments	Low (49%) & Medium (51%) Low-medium (41%) & Medium (59%)
Commercial	Shops, shop-houses and shop-offices	Low (3%), Low-medium (6%), Medium (17%) & High (74%)
Present		
Residential	Bungalow lots	High
Commercial	Shop-offices	High
Future		
Residential	Terrace Houses, Semi-Detached Houses and Bungalows Flats & Apartments	Low (10%), Medium (86%) & High (4%) Medium (98%) & High (2%)
Commercial	Shops, Shop-offices and commercial land	High
Industrial	Factory, Workshops	High

* Percentages (%) denotes proportion of the various types of segment based on units developed

Given the above product mix and in tandem with the current market condition, development focusing on market from low and medium income levels of buyers continues to be given priority due to its low elasticity of demand.

The Group, in ensuring that its market is not overly dependent on any particular markets and geographical locations, has progressively acquired land banks for various mixed development plans in strategic locations throughout Peninsular Malaysia such as Taman Universiti and Nusajaya in Johor Bahru, Padang Meha in Kedah, Kuala Lumpur and Serendah in Selangor.

4. INFORMATION ON THE CVB GROUP (Cont'd)

In addition, the Group intends to diversify its business into other property-related activities such as property investment so as to ensure a stable stream of revenue for the Group.

4.5.5 Information Technology System

The Group has adopted a fully integrated computerisation system that is specifically designed for housing developers and this system has been further improvised to adapt to the Group's day-to-day operations. With this system, the Group can monitor amongst other the sales status, progress billings, late payment interest charges up to issuing of receipts etc.

4.5.6 Interruptions/ Disruption in Business or Operations

There has been no interruption to the Group's business or operations in the past twelve (12) months prior to the date of this Prospectus. Regular periods of long holidays are taken into account in management planning and their disruptive effects are minimised as much as possible.

4.5.7 Employees

As at 25 March 2002, the Group employs a total of 60 employees. The management of the Group is of the opinion that its dedicated and efficient employees are instrumental to its success. The management of the Group enjoys a good working relationship with the employees. Its employees do not belong to any organised union.

The Group's employees are generally divided into three (3) categories as follows:-

Category of Employees	Total number	Average no. of years of service
Directors and managerial	16	8.5
Clerical and related occupations (e.g. clerks, typist, stenographers, personal secretaries, etc.)	33	6
General workers (e.g. telephone operators, drivers, office boys, watchmen, gardener, etc.)	11	9
TOTAL	60	

4.5.8 Key Achievements and Milestones

CVB is one of the earlier property developers in the district of Johor Bahru and has created a reputation as one of the largest providers of single storey terrace low-cost houses in Johor by developing 4,786 units of such low-cost houses (*Source: Extracts from Market Outlook Report, prepared by Jones Lang Wootton dated May 2001*).

Taman Universiti, CVB's signature project, is the first housing development in Johor to have constructed beat base and quarters for the police. The provision of the police beat base and four (4) quarters for the police personnel and their families help to ensure a safer and more peaceful environment for the residents of Taman Universiti and foster closer ties between the police and the community in Taman Universiti (*Source: Polis Diraja Malaysia, Ibu Pejabat Kontinjen Johor*).

4. INFORMATION ON THE CVB GROUP (Cont'd)

4.5.9 Principal Place of Business

The location of principal place of business of the Group are as follows:-

Head Office	:	Unit 26-01, Mail Box 261 Menara Landmark No. 12, Jalan Ngee Heng 80000 Johor Bahru, Johor
Subsidiary Companies	:	CVP, CVE, CVL, CVR, CVV, CVC Unit 26-01, Mail Box 261 Menara Landmark No. 12, Jalan Ngee Heng 80000 Johor Bahru, Johor
Associated Company	:	OBSB Unit 26-02, Mail Box 262 Menara Landmark No. 12, Jalan Ngee Heng 80000 Johor Bahru, Johor

4.6 Subsidiaries and Associated Company

Details of the subsidiaries and associated company of CVB are as follows:-

Name of companies	Date and place of incorporation	Issued and paid-up share capital (RM)	Effective Equity Interest (%)	Principal Activities
CVP (388490-A)	24.05.96 Malaysia	2	100	Property development
CVE (444790-T)	26.08.97 Malaysia	2	100	Property development
CVL (490265-X)	03.08.99 Malaysia	300,000	100	Property development
CVR (523855-A)	17.08.00 Malaysia	300,000	100	Property development
CVV (444788-X)	26.08.97 Malaysia	2	100	Investment holding
CVC (525891-K)	12.09.00 Malaysia	2	100	Contractor
Associated Company of CVV				
OBSB (487495-W)	06.07.99 Malaysia	2,500,000	24	Intended for property development

Save for OBSB, all the abovementioned companies have commenced operations.

4. INFORMATION ON THE CVB GROUP (Cont'd)

4.6.1 CVP

(i) History and Business

CVP was incorporated on 24 May 1996 in Malaysia as a private limited company under the Companies Act, 1965. CVP commenced operations on 30 June 1997. The principal activity of CVP is property development.

CVP has no employees as at 25 March 2002. CVP is a wholly-owned subsidiary of CVB.

(ii) Share Capital

The present authorised share capital is RM100,000 comprising 100,000 ordinary shares of RM1.00 each whilst its issued and paid-up share capital is RM2.00 comprising 2 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of CVP since its incorporation.

(iii) Subsidiary and Associated Companies

As at 25 March 2002, CVP has no subsidiaries or associated companies.

4.6.2 CVE

(i) History and Business

CVE was incorporated on 26 August 1997 in Malaysia as a private limited company under the Companies Act, 1965. CVE commenced operations on 26 March 1999. The principal activity of CVE is property development.

CVE has no employees as at 25 March 2002. CVE is a wholly-owned subsidiary of CVB.

(ii) Share Capital

The present authorised share capital is RM100,000 comprising 100,000 ordinary shares of RM1.00 each whilst its issued and paid-up share capital is RM2.00 comprising 2 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of CVE since its incorporation.

(iii) Subsidiary and Associated Companies

As at 25 March 2002, CVE has no subsidiaries or associated companies.

4. INFORMATION ON THE CVB GROUP (Cont'd)

4.6.3 CVL

(i) History and Business

CVL was incorporated on 3 August 1999 in Malaysia as a private limited company under the Companies Act, 1965. CVL commenced operations on 15 August 2000. The principal activity of CVL is property development.

CVL has no employees as at 25 March 2002. CVL is a wholly-owned subsidiary of CVB.

(ii) Share Capital

The present authorised share capital is RM500,000 comprising 500,000 ordinary shares of RM1.00 each whilst its issued and paid-up share capital is RM300,000 comprising 300,000 ordinary shares of RM1.00 each.

The changes in its issued and paid-up share capital since incorporation are as follows:

Date of Allotment	No. of Ordinary Shares	Par Value RM	Consideration	Total Issued and Paid-up Share Capital RM
03.08.1999	2	1.00	Cash	2
01.11.2000	299,998	1.00	Cash	300,000

(iii) Subsidiary and Associated Companies

As at 25 March 2002, CVL has no subsidiaries or associated companies.

4.6.4 CVR

(i) History and Business

CVR was incorporated on 17 August 2000 in Malaysia as a private limited company under the Companies Act, 1965. CVR commenced operations on 19 January 2001. The principal activity of CVR is property development.

CVR has no employees as at 25 March 2002 but its activities are presently supported by the employees of CVB. CVR is a wholly-owned subsidiary of CVB.

(ii) Share Capital

The present authorised share capital is RM500,000 comprising 500,000 ordinary shares of RM1.00 each whilst its issued and paid-up share capital is RM300,000 comprising 300,000 ordinary shares of RM1.00 each. The changes in its issued and paid-up share capital since incorporation are as follows:

Date of Allotment	No. of Ordinary Shares	Par Value RM	Consideration	Total Issued and Paid-up Share Capital RM
17.08.2000	2	1.00	Cash	2
10.05.2001	299,998	1.00	Cash	300,000

4. INFORMATION ON THE CVB GROUP (Cont'd)

(iii) **Subsidiary and Associated Companies**

As at 25 March 2002, CVR has no subsidiaries or associated companies.

4.6.5 CVV

(i) **History and Business**

CVV was incorporated on 26 August 1997 in Malaysia as a private limited company under the Companies Act, 1965. CVV commenced operations on 10 November 1999. CVV is principally an investment holding company.

CVV has no employees as at 25 March 2002. CVV is a wholly-owned subsidiary of CVB.

(ii) **Share Capital**

The present authorised share capital is RM100,000 comprising 100,000 ordinary shares of RM1.00 each whilst its issued and paid-up share capital is RM2.00 comprising 2 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of CVV since its incorporation.

(iii) **Subsidiary and Associated Companies**

As at 25 March 2002, CVV has an associated company, OBSB. Details of the associated company of CVV are set out in Section 4.6.7 of this Prospectus.

CVV has no subsidiaries.

4.6.6 CVC

(i) **History and Business**

CVC was incorporated on 12 September 2000 in Malaysia as a private limited company under the Companies Act, 1965. CVC commenced operations in March 2001. CVC is principally a building contractor.

CVC has no employees as at 25 March 2002 but its activities are presently supported by the employees of CVB. CVC is a wholly-owned subsidiary of CVB.

(ii) **Share Capital**

The present authorised share capital is RM100,000 comprising 100,000 ordinary shares of RM1.00 each whilst its issued and paid-up share capital is RM2.00 comprising 2 ordinary shares of RM1.00 each.

There has been no change in the issued and paid-up share capital of CVC since its incorporation.

(iii) **Subsidiary and Associated Companies**

As at 25 March 2002, CVC has no subsidiaries or associated companies.

4. INFORMATION ON THE CVB GROUP (Cont'd)

4.6.7 OBSB

(i) History and Business

OBSB was incorporated on 6 July 1999 in Malaysia as a private limited company under the Companies Act, 1965. OBSB has not commenced operations since its incorporation. The intended principal activity of OBSB is property development.

OBSB has 5 employees as at 25 March 2002. OBSB is an associated company of CVV.

(ii) Share Capital

The present authorised share capital is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each whilst its issued and paid-up share capital is RM2,500,000 comprising 2,500,000 ordinary shares of RM1.00 each.

The changes in its issued and paid-up share capital since incorporation are as follows:-

Date of Allotment	No. of Ordinary Shares	Par Value RM	Consideration	Total Issued and Paid-up Share Capital RM
06.07.99	2	1.00	Cash	2
05.08.99	1	1.00	Cash	3
10.11.99	999,997	1.00	Cash	1,000,000
25.02.00	1,000,000	1.00	Cash	2,000,000
20.08.01	500,000	1.00	Cash	2,500,000

(iii) Subsidiary and Associated Companies

As at 25 March 2002, OBSB has no subsidiaries or associated companies.

(iv) Other Shareholders

The other substantial shareholders of OBSB are as follows:-

Shareholder	Place of Incorporation	← Direct →	
		No. of Shares held	%
Oriharta Sdn Bhd	Malaysia	1,275,000	51
Four Seasons Resort Sdn Bhd	Malaysia	625,000	25

4.7 Industry Overview

4.7.1 General Overview of the Malaysian Economy

From 1990-1997, Malaysia had enjoyed a high level of economic growth at above 8% per annum. The recent economic crisis saw the economy slipped into recession at the end of 1997 to 1998. GDP growth fell from 7.7% in 1997 to -7.5% in 1998. Malaysia was hit by the depreciating Ringgit, declining stock market, contraction of real domestic and external demand, and the financial crisis experienced by regional Asian countries. This crisis has highlighted the risks of over-reliance on the banking system for purpose of financing economic activities particularly broad property sector and large privatisation projects. (Source: Economic Reports 1990-1997)

4. INFORMATION ON THE CVB GROUP (Cont'd)

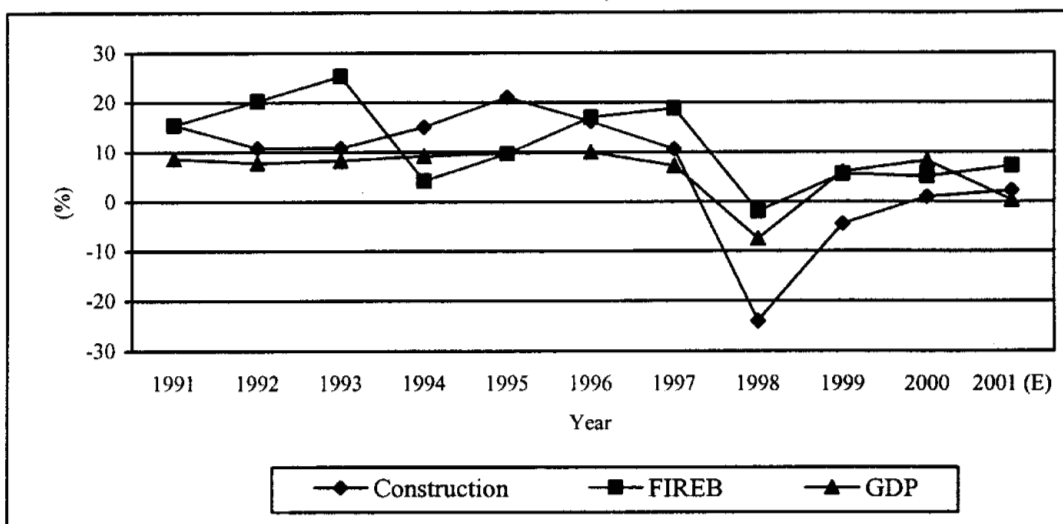
The Malaysian economy had recovered from the 1997 Asian financial crisis and was on the path of stronger growth. Real GDP growth, which turned positive since the second quarter of 1999, had continued to grow strongly for seven consecutive quarters. (Source: *Economic Report 2001/2002*)

Malaysia's economy had recovered briskly from the 1998 recession by recording GDP growths of 6.1% and 8.3% for the year 1999 and 2000 respectively. In 2001, the GDP growth slowed down substantially to 0.4%, attributable to the slowdown in the US economy, which was worsened by the September 11th incident. In view of the weak economic situation, the government has introduced a series of measures aimed at enhancing the local consumption to stimulate the economy. The Bank Negara Malaysia has forecasted the GDP to grow at 3.5% for year 2002, which is deemed fair and within expectations by many analysts (Source: *Bank Negara Malaysia Annual Report 2001*).

(Source: *Jones Lang Wootton Research*)

The graph below shows the trend in the growth of the GDP and Construction sector and the Finance, Insurance, Real Estate and Business (FIREB) sector in the last 10 years.

GDP, CONSTRUCTION AND FIREB GROWTH (1991 – 2001)



Source : Economic Reports 1991 – 2001, Ministry of Finance,
(E)- Estimate

The summary of the Bank Negara Malaysia Report 2000 released at the end of March 2001, pertaining to the economic indicators and construction sector (including property and infrastructure) is presented below:-

- Economic activity in Malaysia expanded in 2000 mainly due to the strong export growth of the country as well as rising domestic expenditure. Hence, the GDP increased by 8.5%, higher than forecasted and well above the 5% growth achieved in 1999.
- Year 2000 marked the end of the Second Outline Perspective Plan (OPP2 1991 – 2000) and the 7th Malaysia Plan (7MP: 1996 – 2000). Despite the regional economic crisis, Malaysia has achieved an annual average GDP growth target of 7% set for the OPP2 and 4.7% average annual growth set for the 7MP.

(Source : *Extracts from Property Market Outlook Report prepared by Jones Lang Wootton dated May 2001*)