



2004
annual **report**

AP LAND is an established and progressive conglomerate with interests in Property Development, Property Investment & Management and Hospitality & Leisure Business

CORPORATE VISION

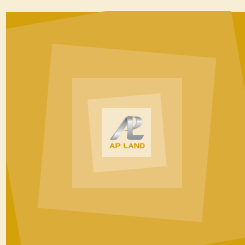
To be a premier property conglomerate

CORPORATE MISSION

We are committed to providing quality lifestyles and services to our customers and optimising investment returns to our shareholders

CORPORATE OBJECTIVES

- To maintain a strong and healthy balance sheet
- To ensure a progressive growth in profits and earnings
- To ensure that customers are satisfied with our products and quality of services
- To ensure stable returns to shareholders
- To provide motivating and rewarding careers to employees
- To practice a high standard of professionalism, corporate governance and business ethics and integrity
- To be a responsible corporate citizen through economic and social contributions to the nation and to practice sound environmental management



The varied level planes of movement represent the expanding business divisions of the Group.

Each business division is very focused and targeted in its own strategic marketing and operations moving with the economic scenario and business trends.

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CORPORATE INFORMATION

■ Board Of Directors

Executive Chairman

Low Gee Tat

B.Soc, Sci.(Hons), UK (Law & Politics)

Managing Director

Dato' Jeffrey Ng Tiong Lip

DSPN

CA, CPA, CA(M), B.Econs (Monash)

Independent Non-Executive Directors

Tan Sri Datuk Seri (Dr) Chong Hon Nyan

PSM, DGSM, JMN, KMN, AMN

RCD(S'pore), MA(Cantab)

Tan Sri Dato' Hanafiah Hussain

PSM, DSDK, AMN, SDK

BA(Com), FCA

Tan Sri Dato' Lee Kim Sai @ Lee Hoo

PSM, DSSA, PPN

Executive Directors

Low Gee Teong

MA Econs. & Mgmt. Sc., UK

Woon Siew Choo

ACA, CA(M)

Oh Leen May

ACIS, FCCA, CA(M)

■ Group Adviser

Tan Sri Dato' Low Yow Chuan

PSM, DJI(Sel), SMS

■ Audit Committee

Tan Sri Datuk Seri (Dr) Chong Hon Nyan (Chairman)

Tan Sri Dato' Hanafiah Hussain

Tan Sri Dato' Lee Kim Sai @ Lee Hoo

Dato' Jeffrey Ng Tiong Lip

■ Remuneration And Nomination Committee

Tan Sri Datuk Seri (Dr) Chong Hon Nyan (Chairman)

Tan Sri Dato' Hanafiah Hussain

■ Executive Committee

Dato' Jeffrey Ng Tiong Lip (Chairman)

Low Gee Tat

Low Gee Teong

Low Su Ming

Low Gee Soon

Woon Siew Choo

Oh Leen May

■ ESOS Committee

Tan Sri Datuk Seri (Dr) Chong Hon Nyan (Chairman)

Tan Sri Dato' Hanafiah Hussain

Low Gee Teong

Low Gee Soon

■ Company Secretaries

Oh Leen May

ACIS, FCCA, CA(M)

(MAICSA No. 0731489)

Chan Kam Lye

ACIS

(MAICSA No. 7009907)

■ Registered Office

Suites 704 & 705, 7th Floor,

No.11, Lorong Kinta,

10400 Penang.

Tel : (604) 227 0363, 227 9063

Fax : (604) 227 2011

■ Registrar

Bena Sakti Sdn Bhd

5th Floor, City-Square Centre,

Jalan Tun Razak, 50400 Kuala Lumpur.

Tel : (603) 2162 4702

Fax : (603) 2162 1494

E-mail : benasakti@myjaring.net

■ Principal Bankers

Malayan Banking Berhad

EON Bank Berhad

■ Auditors

Horwath

Level 16, Tower C,

Megan Avenue II,

12, Jalan Yap Kwan Seng,

50450 Kuala Lumpur.

Tel : (603) 2166 0000

Fax : (603) 2166 1000

■ Stock Exchange Listing

Main Board, Bursa Malaysia Securities Berhad

■ Website Address

www.apland.com.my

■ Authorised Share Capital

RM1,000,000,000.00

■ Issued And Paid-Up Share Capital

RM710,341,402.00

■ Former Names

Mount Pleasure Holdings Berhad,

Public Corporation Berhad,

Public Textile Berhad,

Min Ngai Knitting Factory (Malaya) Berhad,

Min Ngai Knitting Factory (Malaya) Sdn Bhd

■ Date Of Incorporation

19 January 1961

NOTICE OF THE 44TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 44th Annual General Meeting of Asia Pacific Land Berhad will be held at the Miami Hall, Ferringhi Beach Hotel, Jalan Low Yat, 11100 Batu Ferringhi, Penang on Tuesday, 28 June 2005 at 11.00 a.m. to transact the following business:

1. To receive the Audited Accounts for the year ended 31 December 2004 and the Reports of the Directors and Auditors thereon. **Resolution 1**
2. To approve the payment of Directors' fees to Independent Non-Executive Directors. **Resolution 2**
3. To re-elect Dato' Jeffrey Ng Tiong Lip who retires pursuant to Article 80 of the Company's Articles of Association and being eligible, offers himself for re-election. **Resolution 3**
4. To re-elect Mr Low Gee Teong who retires pursuant to Article 80 of the Company's Articles of Association and being eligible, offers himself for re-election. **Resolution 4**
5. To re-appoint Horwath as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 5**

As Special Business:

6. To consider and, if thought fit, to pass the following resolutions with or without modifications as Ordinary Resolutions:
 - 6.1 "THAT YBhg Tan Sri Datuk Seri (Dr) Chong Hon Nyan who retires pursuant to Section 129 of the Companies Act, 1965, be and is hereby re-appointed as a Director of the Company to hold office until the conclusion of the next Annual General Meeting." **Resolution 6**
 - 6.2 "THAT YBhg Tan Sri Dato' Hanafiah Hussain who retires pursuant to Section 129 of the Companies Act, 1965, be and is hereby re-appointed as a Director of the Company to hold office until the conclusion of the next Annual General Meeting." **Resolution 7**
 - 6.3 **Authority to allot shares pursuant to the Employees' Share Option Scheme**
"THAT pursuant to the Employees' Share Option Scheme ("ESOS") of Asia Pacific Land Berhad which was approved by an Ordinary Resolution at the Extraordinary General Meeting of the Company held on 28 June 2001, approval be and is hereby given to the Directors pursuant to Section 132D of the Companies Act, 1965 to allot and issue such number of new ordinary shares of RM1.00 each in the capital of the Company from time to time in accordance with the Bye-Laws of the ESOS." **Resolution 8**
7. To transact any other business of which due notice shall have been received.

By Order of the Board

MDM OH LEEN MAY (MAICSA No. 0731489)
MDM CHAN KAM LYE (MAICSA No. 7009907)
Company Secretaries
6 June 2005

NOTES:

1. 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 ("the Act") shall not apply to the Company.
2. To be valid, the proxy form must be duly completed and deposited at the Registered Office of the Company at Suites 704 & 705, 7th Floor, No. 11, Lorong Kinta, 10400 Penang not later than 11.00 a.m. on 26 June 2005.
3. A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting provided that the provisions of Section 149(1)(c) of the Act are complied with.
4. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
5. 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.
6. If the appointor is a corporation the proxy form must be executed either under its common seal or under the hand of an officer or attorney duly authorised.

NOTICE OF THE 44TH ANNUAL GENERAL MEETING

EXPLANATORY NOTES ACCOMPANYING NOTICE OF MEETING

1) Explanatory Notes on Items 6.1 and 6.2 of the Agenda

Under Section 129 of the Act, a director of a public company who is of or over the age of 70 is not eligible to be re-appointed as a director upon the expiry of his term of office. However, if his re-appointment is approved by a majority of not less than three-fourths of such members being entitled to vote at the annual general meeting in which his term of office expires, he shall then be authorised to continue in office for another term until the conclusion of the next Annual General Meeting.

Tan Sri Datuk Seri (Dr) Chong Hon Nyan, aged 81 and Tan Sri Dato' Hanafiah Hussain, aged 78 who are retiring pursuant to Section 129 of the Act would like to continue to offer their services as Independent Non-Executive Directors and Board Committee Members and, thus, offer themselves for re-appointment to the Board of AP Land at the forthcoming Annual General Meeting.

2) Explanatory Note on Item 6.3 of the Agenda

The Ordinary Resolution proposed under Item 6.3, if passed, will empower the Directors to issue shares in the Company upon exercise of the ESOS options by eligible employees pursuant to the ESOS which was approved at the Extraordinary General Meeting of the Company held on 28 June 2001.

STATEMENT ACCOMPANYING THE NOTICE OF THE 44TH ANNUAL GENERAL MEETING

Details of Directors standing for re-election at the 44th Annual General Meeting of the Company

- 1) The Directors who are standing for re-election at the 44th Annual General Meeting to be held at the Miami Hall, Ferringhi Beach Hotel, Jalan Low Yat, 11100 Batu Ferringhi, Penang on Tuesday, 28 June 2005 at 11.00 a.m. are as follows:

- i) Directors standing for re-election pursuant to Article 80 of the Company's Articles of Association:

Dato' Jeffrey Ng Tiong Lip
Mr Low Gee Teong

- ii) Directors standing for re-appointment pursuant to Section 129 of the Companies Act, 1965:

Tan Sri Datuk Seri (Dr) Chong Hon Nyan
Tan Sri Dato' Hanafiah Hussain

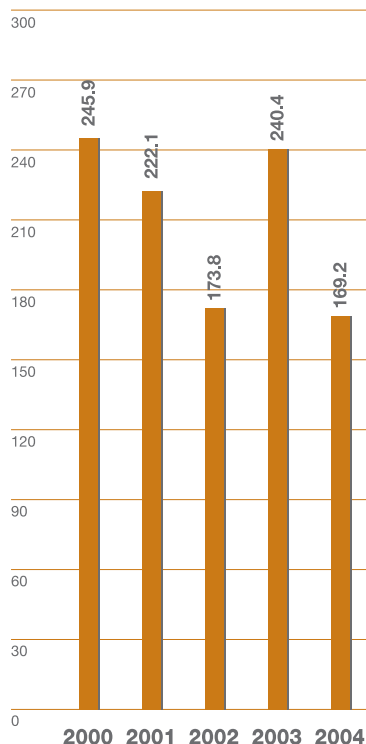
- 2) Further information on the profile of the abovementioned retiring directors are set out on pages 10 to 11 of this Annual Report.

Details of their attendance at the Board Meetings of the Company held during the financial year ended 31 December 2004 are set out on page 21 of this Annual Report.

5 Years' Financial Highlights

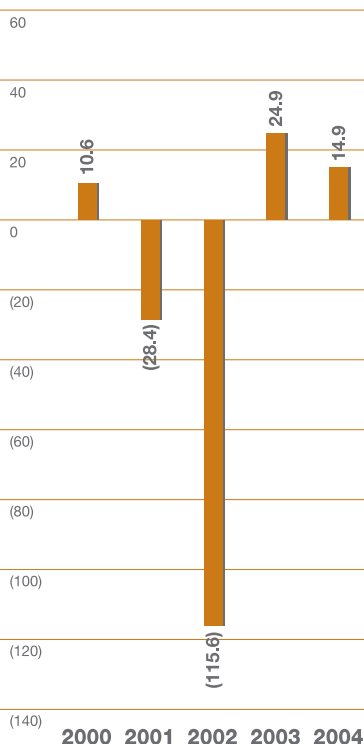
Revenue

(RM Million)



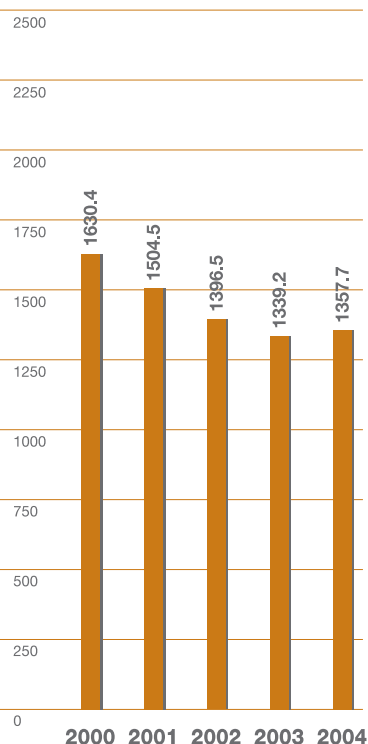
Profit/(Loss) Before Taxation

(RM Million)



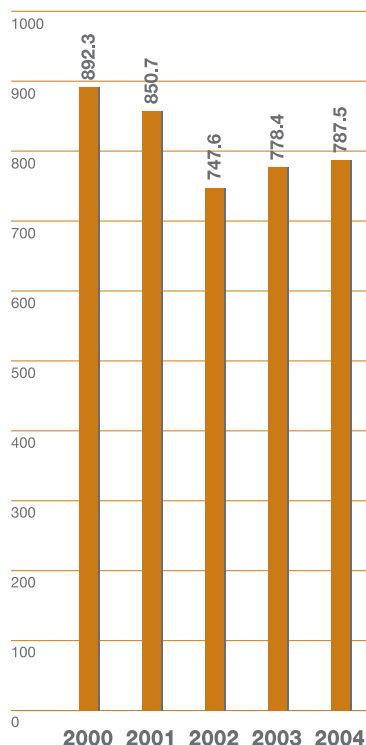
Total Assets

(RM Million)



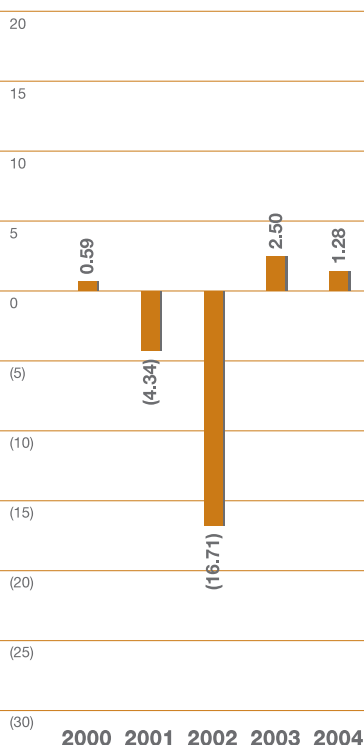
Shareholders' Equity

(RM Million)



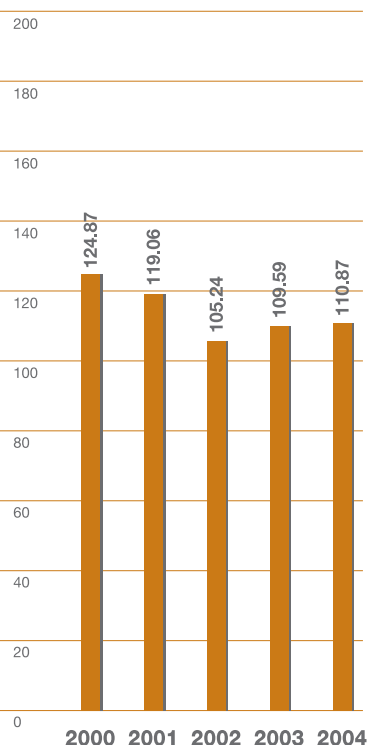
Basic Earnings/(Loss) Per Share

(Sen)



Net Tangible Assets Per Share

(Sen)



5 YEARS' FINANCIAL HIGHLIGHTS & SHARE MARKET INFORMATION

In RM'000	2004	2003	2002	2001	2000
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RESULTS

Revenue	169,216	240,355	173,820	222,067	245,853
Profit/(Loss) before taxation	14,863	24,940	(115,590)	(28,416)	10,550
Taxation	(5,803)	(7,158)	(3,125)	(2,407)	(6,379)
Profit/(Loss) after taxation	9,060	17,782	(118,715)	(30,823)	4,171

BALANCE SHEETS

Property, plant & equipment	468,627	465,954	556,888	626,858	731,329
Investment properties	473,356	473,356	473,100	520,676	520,570
Other investment	50	50	50	50	50
Land held for development	149,406	139,194	138,708	131,108	149,005
Goodwill on consolidation	-	-	-	4,950	5,358
Deferred tax assets	18,579	20,382	24,502	24,033	21,072
Current assets	247,691	240,236	203,268	196,799	203,011
Total assets	1,357,709	1,339,172	1,396,516	1,504,474	1,630,395
Current liabilities	(202,447)	(204,108)	(215,270)	(296,951)	(316,175)
	1,155,262	1,135,064	1,181,246	1,207,523	1,314,220

FINANCED BY

Share capital	710,341	710,341	710,341	710,341	710,341
Reserves	77,189	68,089	37,211	140,324	181,987
Shareholders' equity	787,530	778,430	747,552	850,665	892,328
Deferred tax liability	50,133	50,089	50,465	41,607	41,599
Long term borrowings	317,599	306,545	383,229	315,251	380,293
	1,155,262	1,135,064	1,181,246	1,207,523	1,314,220

FINANCIAL RATIOS

Basic earnings/(loss) per share	(sen)	1.28	2.50	(16.71)	(4.34)	0.59
Net tangible assets per share	(sen)	110.87	109.59	105.24	119.06	124.87
Return on equity	(%)	1.16	2.33	(14.86)	(3.54)	0.47
Return on total assets	(%)	0.67	1.33	(8.50)	(2.05)	0.26
Debt/equity	(%)	49.06	49.43	59.76	53.43	61.82

SHARE MARKET INFORMATION

* Share price	- High (RM)	0.340	0.350	0.440	0.435	1.040
	- Low (RM)	0.225	0.200	0.245	0.235	0.400
* Last transacted price	(RM)	0.260	0.275	0.255	0.305	0.435
Market capitalisation	(RM'mil)	184.69	195.34	181.14	216.65	309.00
Net price earnings ratio	(times)	20.31	11.00	n/a	n/a	73.73
* Volume traded during the financial year	('000)	148,041	279,845	89,427	118,859	181,880

* Source: Bloomberg

QUARTERLY RESULTS OF THE GROUP FOR YEAR 2004

In RM'000	YEAR 2004			
	Quarter 1	Quarter 2	Quarter 3	Quarter 4

RESULTS

Revenue

Hotel	7,595	8,096	9,835	9,164
Property Development	33,033	35,858	10,139	23,830
Property Investment	6,679	6,453	6,806	7,004
Others	1,222	1,176	1,284	1,042
	48,529	51,583	28,064	41,040

Profit Before Taxation

Hotel	218	(188)	1,116	696
Property Development	924	2,080	1,313	1,453
Property Investment	2,818	2,054	2,604	3,017
Others	(1,455)	(695)	(421)	(671)
	2,505	3,251	4,612	4,495

Profit After Taxation

	1,584	1,922	2,667	2,887
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BALANCE SHEETS

Property, plant and equipment	466,092	465,946	464,496	468,627
Investment properties	473,406	473,356	473,356	473,356
Other investment	50	50	50	50
Land held for development	147,706	138,547	156,559	149,406
Deferred tax assets	20,419	19,738	19,175	18,579
Current assets	231,591	241,865	225,768	247,691
Total assets	1,339,264	1,339,502	1,339,404	1,357,709
Current liabilities	(200,559)	(218,765)	(207,446)	(202,447)
	1,138,705	1,120,737	1,131,958	1,155,262

FINANCED BY

Share capital	710,341	710,341	710,341	710,341
Reserves	69,713	71,581	74,318	77,189
Shareholders' equity	780,054	781,922	784,659	787,530
Deferred tax liability	50,310	50,138	50,402	50,133
Long term borrowings	308,341	288,677	296,897	317,599
	1,138,705	1,120,737	1,131,958	1,155,262
Borrowings	381,307	373,680	375,172	386,351

FINANCIAL RATIOS

Basic earnings per share	(sen)	0.22	0.27	0.38	0.41
Net tangible assets per share	(sen)	109.81	110.08	110.46	110.87
Return on equity	(%)	0.20	0.25	0.34	0.37
Return on total assets	(%)	0.12	0.14	0.20	0.21
Debt/equity	(%)	48.88	47.79	47.81	49.06

Corporate Profile

ASIA PACIFIC LAND BERHAD or **AP LAND** as it is popularly known, is one of the largest property groups in Malaysia with significant interests in residential property development, shopping centre, commercial office and hotels.

AP Land was incorporated in Malaysia on 19 January 1961 as a private limited company under the name of Min Ngai Knitting Factory (Malaya) Sdn. Bhd.

The Company was converted into a public limited company on 9 May 1969 and its shares were listed on the Kuala Lumpur Stock Exchange (KLSE) (now known as Bursa Malaysia Securities Berhad) and the Stock Exchange of Singapore Ltd. on 3 July 1969.

In compliance with the policy of the Malaysian Government and the requirements of the Stock Exchange that was then known as the KLSE, the Board of Directors of AP Land resolved on 1 December 1989 to delist the Company from the Official List of the Stock Exchange of Singapore Ltd. with effect from 1 January 1990.

The Company was initially involved in the textile business and on 18 December 1973, the Company changed its name to Public Textile Bhd. Since 1981, it has diversified into property development and subsequently changed its name to Public Corporation Bhd. on 12 November 1982. In 1983, the Company acquired several properties from Makok Development Sdn. Bhd. and the entire issued and paid-up share capital in Mount Pleasure Corporation Sdn. Bhd. (now known as Island Bay Resorts Sdn Bhd). To reflect the acquisition of Mount Pleasure Corporation Sdn. Bhd., the Company's name was changed to Mount Pleasure Holdings Berhad on 14 May 1984.

The Company completed the development of its first hotel, the 350-room Ferringhi Beach Hotel Penang in 1988 and was the developer of Mount Pleasure Resort, Batu Ferringhi, Penang, comprising luxurious upmarket condominiums.

The Company became a major property investor in 1990 when it embarked on the acquisition of the following properties at City~Square Centre, the first fully integrated commercial development in Malaysia, which is strategically located within the vicinity of the Embassy belt of Kuala Lumpur:

- the City~Square Shopping Complex, an 11-storey building comprising three levels of basement car-parking and eight levels of shopping/commercial and car-parking space in 1990;
- the Crown Princess Kuala Lumpur, a 571-room 5-star deluxe hotel which is sited atop City~Square Shopping Complex, in 1990;

- the Empire Tower, a 50-level Grade-A high-rise office building - then the tallest office building in Kuala Lumpur, which sits on the podium of City~Square Centre and two levels of car-parking space, in 1994.

The Company assumed its present name, Asia Pacific Land Berhad on 1 August 1990.

AP Land was honoured by the International Real Estate Federation (FIABCI), Malaysia Chapter, with the Commercial Development Award 1994 for City~Square Centre and Property Man of the Year Award 1994 for its former Chairman, Tan Sri Dato' Low Yow Chuan.

In 1993, AP Land ventured into property investment and development in Sydney, Australia by acquiring a commercial property in the exclusive eastern suburb of Rushcutters Bay, Sydney for redevelopment into prime residential apartments and a hotel. Several adjoining properties were subsequently acquired from 1996 to 1997 for the extension to the hotel project. The resultant developments, the Marina One apartments which comprise 78 units of luxurious upmarket apartments and the Rushcutters Harbourside Hotel Sydney ("RHHS"), a 260-room 4-star, boutique hotel were completed in 1999. The Group disposed of the RHHS in 2003.

In 1994, AP Land further expanded its property development division with the acquisition of 2,670 acres of plantation land in Rawang, Selangor for the development of an integrated Urban Regional Centre, Bandar Tasik Puteri ("BTP"). BTP is currently being developed in phases and when completed will have residential homes and a commercial town centre complete with business institutions, entertainment and recreational amenities to serve the North Klang Valley's population.

In 1996, AP Land went on further to acquire the Hotel Fairlane Kuala Lumpur, a 258-room 4-star, boutique hotel located in the vicinity of Jalan Bukit Bintang, a popular shopping and entertainment destination. It was subsequently disposed of in 2001.

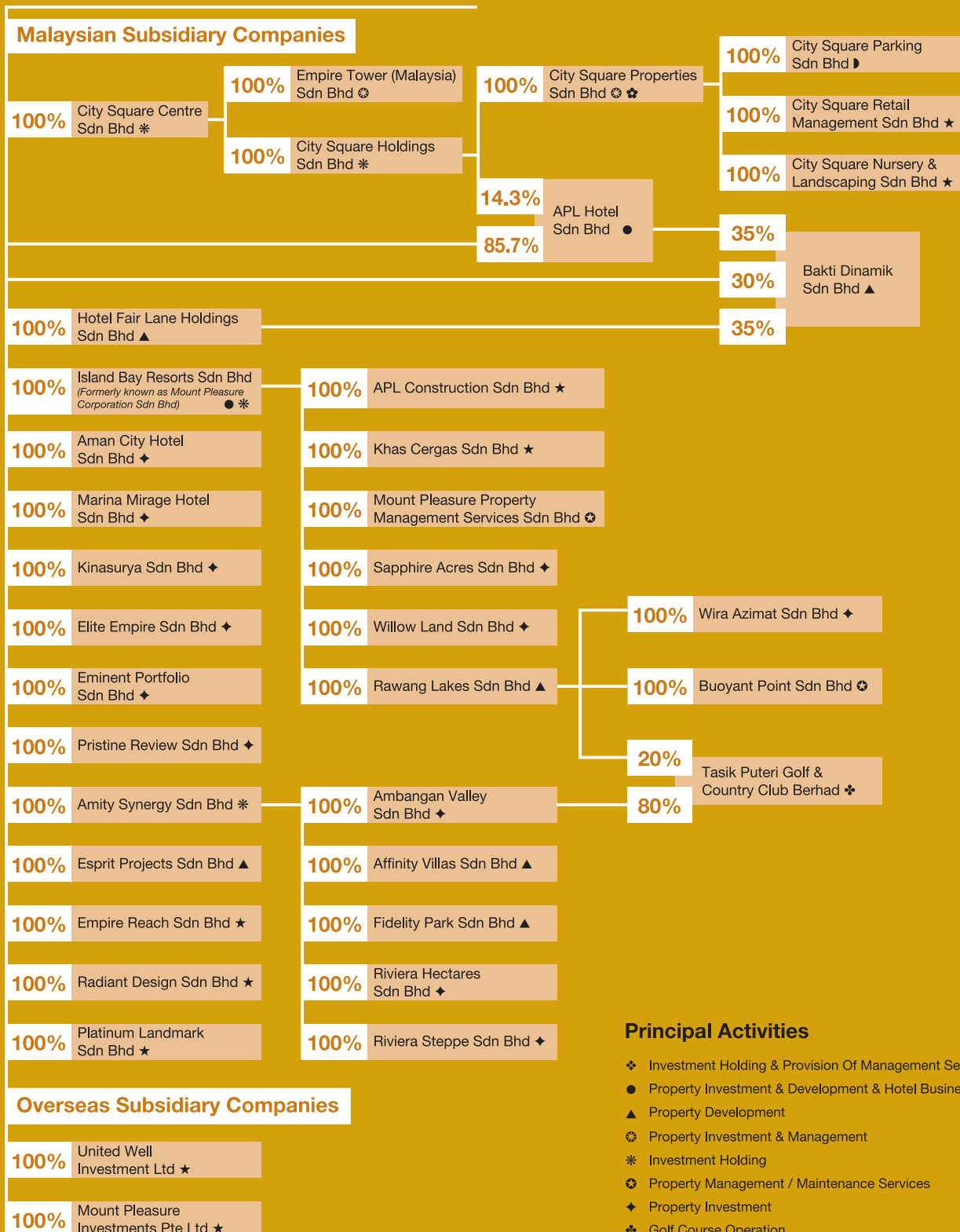
In 1997, the Group ventured into oil palm plantations in Sabah, and owned 9,700 acres of oil palm plantation in Sabah. AP Land disposed of all its unquoted investments in its two wholly-owned subsidiaries, APL Plantations Sdn. Bhd. and APL Resources Sdn. Bhd. which owned the oil palm plantations land in Sabah in 2002.

In 1999, AP Land acquired the 59th, 60th and 61st floors together with the rooftop helipad of Empire Tower, thus completing its acquisition and ownership of the entire Empire Tower building at the City~Square Centre.

Between 1999 and 2000, the Group acquired 4 adjoining parcels of land measuring approximately 1.4 acres located adjacent to City~Square Centre. Our venture into city residential development will be marked by the launching of the Group's maiden high-end development of 300 units of exclusive apartments on the land in year 2005.

Corporate Structure

ASIA PACIFIC LAND BERHAD ❖



Principal Activities

- ❖ Investment Holding & Provision Of Management Services
- Property Investment & Development & Hotel Business
- ▲ Property Development
- ⚙ Property Investment & Management
- ✱ Investment Holding
- ⚙ Property Management / Maintenance Services
- ◆ Property Investment
- ♣ Golf Course Operation
- ▶ Car Park Management
- ⚙ Car Park Operation
- ★ Dormant