



Exclusively designed bungalows with well-guarded security

“ I am pleased to report the results of operations of the AP Land Group for the year under review in respect of its main divisions - Property Development, Retail and Commercial Property and Hotel. ”

### Group Performance

The year 2001 was yet another challenging year for the group amidst a global economic slow-down and drastic events that caused travel and tourism business to momentarily 'freeze' in the third quarter of the year. Consumer and business confidence were greatly affected and sentiments remained cautious in the last quarter of the year. Although our group started the year on a positive note, our efforts to improve business

performance became more difficult especially with our Hotel Division.

The Group suffered a loss of RM28.4 million before tax of which the exceptional loss of RM25.9 million was attributed to the disposal of Hotel Fairlane Kuala Lumpur and certain of its related assets. In the previous year, the Group achieved a profit before tax of RM10.6 million on a higher turnover of RM245.9 million. In 2001, total turnover recorded was RM222.1 million registering a drop of 10% mainly due to lower billings recognised in the Property Development Division and lesser turnover contribution following the disposal of Hotel Fairlane Kuala Lumpur in the third quarter of the year. However, total Group interest expense for the year was reduced from RM23.7 million in the previous year to RM19.6 million. Interest savings was mainly due to the reduction in loans.

Prudent cashflow management and allocation of resources continued to be the main focus. Total Group borrowings reduced by RM95.7 million from a total of RM547.4 million in the previous year to RM451.7 million at year-end 2001.

## Property Development

The Property Development Division achieved a total turnover of RM145.9 million and a profit before tax of RM8.5 million. In year 2000, the total turnover was RM167.3 million and profit before tax was RM22.1 million. Overall, the Property Division performance remains strong for 2001 with commendable sales from its projects at Bandar Tasik Puteri and Marina One in Sydney though profitability has been eroded by high interest expense and fixed overheads.

Bandar Tasik Puteri (BTP) continued to be the main contributor to this division and to the Group revenue and cashflow. During the year, 1,487 units of houses and apartments were sold and a total sales value of RM208.9 million was recorded. With a progress billing of RM99.7 million, BTP made a net profit before tax of RM13.9 million. Progress billings were lower during the year as compared to the previous year due to slower construction progress arising out of labour shortages experienced by the contractors.

During the year, 590 units of houses and 280 units of low medium cost apartments were completed and delivered to buyers, bringing the total number of units handed over to buyers to a total of 2,453 units. To date, 1,189 families have

moved into their new homes. A primary and secondary school respectively have been completed and will be fully operational by the middle of 2002. Other facilities provided include shuttle bus service, security patrols, police kiosk, interactive park and club facilities at the Tasik Puteri Golf and Country Club. The property management team also initiated the organising and provision of sites for daily 'Pasar Tani' and 'Pasar Malam' marketing conveniences. Shops are expected to open for business in the second half of 2002.

The outlook for BTP development remains bullish. As this urban regional centre matures over time, with the present foreseeable environment of attractive incentives given by the government to home buyers, low interest rates, easier credit accessibility and higher loan margin, we expect continuation of good demand for our properties at BTP. We will focus on the creation of a pleasant living environment catered to the modern lifestyle requirements of housebuyers.

In Teluk Bahang, Penang, completion of our 168 units low and medium cost apartments is on schedule. As expected, this social project incurred a marginal loss for the year but has no significant impact on the Group's performance.

A perspective of MNM Shops with dual frontage



In Sydney Australia, sales of our up-market Marina One apartments totalled RM33.1 million and is almost sold-out. Though sales of these apartments did not contribute any profits to the Group, the sale proceeds were used to reduce the term loan. After fixed overheads, our Sydney property division incur a loss of RM2.1 million.

## Retail And Commercial Property

Our retail and commercial properties at City-Square Centre continued to show improvement in performance. Profit before tax increase by 17% to RM6 million as compared to RM5.1 million in the previous year. With the completion of the public road works at Jalan Tun Razak, vehicle traffic congestion and inconvenience is no longer an issue, which had for several years adversely affected our business.

City-Square Shopping Complex enjoyed an occupancy of 77% despite the general oversupply in the retail space in the Klang Valley. We will continue to target the niche market, improve our tenancy mix and make the complex a place for shopping in comfort, convenience and leisure. We have set our targets to regain optimum average rental rates and occupancy within three years.

Our Grade A office building, Empire Tower increased its occupancy from 65% to 72% during the year, securing tenancies of reputable and sizeable multi-national companies and Government agencies. There was a slight decrease in average rental rate due to keen competition in the oversupplied market for office space. Likewise, we target to reach full occupancy at competitive rates in the medium term.

## Hotel

Our Hotel Division incurred a loss of RM15.1 million, compared to the previous year loss of RM16.2 million. Before interest, the division managed to breakeven, compared to a profit of RM2.2 million in the previous year. This is attributable



The Taj Restaurant at 11th Floor, Crown Princess Kuala Lumpur



YB Dato' Abdul Kadir Bin Haji Sheikh Fadzir, Minister of Culture, Arts And Tourism presenting the Malaysia Tourism Award 2000 Best Indian Cuisine Restaurant to Cik Rohana Ibrahim, Director of Sales & Marketing, Crown Princess Kuala Lumpur and Chef Krishan Lal of The Taj Restaurant

to the reduced lower contribution from Rushcutters Harbourside Hotel Sydney and Hotel Fairlane Kuala Lumpur. Disposal of Hotel Fairlane Kuala Lumpur resulted in interest savings of RM3 million.

Our continuous efforts in aggressive marketing, effective cost and yield management, improving efficiency and productivity through staff training all contributed to the division's ability to remain resilient in a very competitive business environment.

The Crown Princess Kuala Lumpur showed improvement in its performance with an increase in occupancy of 11% and slight increase in average room rate as compared to the previous year. This was mainly due to the management's efforts to boost sales through remarketing of another 175 rooms which was previously closed off. Average occupancy for the year was 31% compared to 28% in the previous year. Food and beverage revenue also increased slightly.

The Ferringhi Beach Hotel Penang being a resort hotel and more dependent on foreign tourists, suffered a 13% drop in average occupancy. Average occupancy for the year was 45% as compared to 52% in the previous year. Though average room rate increased slightly, it is expected to remain suppressed in the short term. With the current large stock of hotel rooms in Penang, this hotel performance is unlikely to improve.

The Malaysian Government has been very aggressive in its effort to promote tourism in the domestic and foreign markets. Tourist arrivals from the Middle East, China and India have increased substantially and benefited the leisure segment of most hotels' business-mix. Barring unforeseen circumstances, we expect our hotels to continue to increase their market share and break-even in the medium term.



Rushcutters Harbourside Hotel Sydney, Australia



Mr Remko Kroesen, Hotel Manager of Rushcutters Harbourside Hotel Sydney receiving the Best Mid-Market Hotel in Sydney for 2002, Australian Hotels (NSW) Awards of Excellence from Mr Tony Copper, Business Development Manager for Coca Cola, Sponsor of the Event

The Rushcutters Harbourside Hotel Sydney increased its occupancy for the year by 8% but was unable to sustain the higher average room rate achieved during the Sydney Olympic Games 2000 period. Occupancy rate rose from 58% to 63% but average room rate dropped by 21% due to the unsustainable number of new hotels opened for business in time for the Sydney Olympics. Continuous emphasis will be made to increase our business share of hotel rooms in the Sydney market. We are optimistic that Sydney will continue to be the preferred international tourist destination.

## Others

Our plantations in East Malaysia have not commenced significant production and is not expected to generate any material amount of revenue for the Group in the year 2002.

Subsequent to year end, the proposed joint venture cement manufacturing project with Lembaga Kemajuan Perusahaan Pertanian Negeri Pahang (LKPP) and Bintang Tower Sdn. Bhd. has been mutually terminated due to LKPP's direction to concentrate on the agriculture sector. The original Memorandum of Understanding on the joint venture was signed in October, 1996.

We are actively reviewing all existing landbank and our joint venture projects with a view to progressively launch these residential products into the market by 2003 onwards. With our experience and expertise, property development will be our engine of growth in profitability for the Group.

DATO' JEFFREY NG TIONG LIP

Managing Director

10 May 2002



## A. THE MALAYSIAN CODE ON CORPORATE GOVERNANCE

In March 2000, the Finance Committee on Corporate Governance issued the Malaysian Code on Corporate Governance ("The Code on CG"). The Code on CG sets out principles and best practices on structures and processes that companies may use in their operations towards achieving the optimal governance framework. The Board of Directors of AP Land recognises the importance of the Code on CG and is continually evaluating the corporate governance practices adopted by the Group and taking the necessary steps in enhancing its management practices and systems to be in line with the underlying tenets of the principles and the best practices of the Code on CG.

The Board of Directors of AP Land is pleased to report on the manner the Company has applied the principles and best practices of corporate governance set out in Part 1 and Part 2 of the Code on CG.

## B. BOARD OF DIRECTORS

### 1. Board Composition, Duties And Responsibilities

The Board of the Company consists of 7 members comprising the Chairman, three Executive Directors, including the Managing Director and three Independent Non-Executive Directors.

The Board composition complies with the Listing Requirements of the Kuala Lumpur Stock Exchange ("the Listing Requirements") which requires at least one third of the Board to consist of independent directors. The profiles of the Board of Directors are set out on pages 7 to 8 of this Annual Report.

The Board is of the view that three independent directors out of seven directors fairly reflect the interests in the Company by the minority shareholders and its current composition brings the required mix of skills and core competencies required for the Board to discharge its duties effectively.

The Board has overall responsibility for corporate governance, strategic direction, formulation of policies and overseeing the resources, investments and businesses of the Group.

The following are specific areas of responsibilities of the Board:

- Strategic plan of the Group
- Monitoring the conduct and management of the Group's business
- Identification of risks and ensure appropriate systems for risk management
- Succession planning for senior management
- Investor relations programme and shareholder communications policy
- Internal control system

The Board is headed by the Executive Chairman, Tan Sri Dato' Low Yow Chuan and is assisted by an Executive Committee which comprise an experienced management team made up of professionals from relevant backgrounds to manage the Group's business operations.

The Executive Committee led by the Managing Director, Dato' Jeffrey Ng are primarily responsible for managing the day to day affairs of the Group and for making operational decisions and implementing strategic directions and policies of the Group.

The three Independent Directors, Tan Sri Datuk Seri Chong Hon Nyan, Tan Sri Dato' Hanafiah Hussain and Tan Sri Dato' Lee Kim Sai are persons of calibre, credibility, seniority and with vast exposure and experience and play a supporting role in providing a broader

view, independent and balanced assessment and opinions of proposals from the Executive Directors. All the Independent Directors are independent of Management and free from any business or other relationship that would materially interfere with the exercise of their independent judgement.

There is a clear division of responsibility between the Executive Chairman and Managing Director to ensure there is a balance of power and authority. The Chairman is responsible for ensuring board effectiveness, conduct and general strategic business directions.

The Board has identified Tan Sri Datuk Seri Chong Hon Nyan, Tan Sri Dato' Hanafiah Hussain and Tan Sri Dato' Lee Kim Sai as the directors to whom concerns of the management and directors may be conveyed.

### 2. Board Meetings And Supply Of Information

The Board has at least 5 scheduled meetings annually. Additional meetings are held as and when required.

The Chairman is responsible for organising the Agenda for the Board Meetings and providing the necessary information to the Board on a timely basis.

The members of the Board are provided in advance of the Board meeting with a Board Agenda and a set of papers comprising reports and other relevant information to enable the Board to discharge its responsibilities.

During the financial year, 6 Board meetings were held on 26 February 2001, 23 April 2001, 28 May 2001, 14 June 2001, 28 August 2001 and 26 November 2001. The following is a record of the attendance of the Board of Directors:

Name of Directors	Attendance at Board Meetings
Tan Sri Dato' Low Yow Chuan	4/6
Tan Sri Datuk Seri Chong Hon Nyan	6/6
Tan Sri Dato' Hanafiah Hussain	5/6
Tan Sri Dato' Lee Kim Sai	5/6
Dato' Jeffrey Ng Tiong Lip	6/6
Low Gee Tat @ Gene Low	5/6
Low Gee Teong	6/6

The Board papers included amongst others, the Quarterly financial report, minutes of the Audit Committee meetings, a review of the operations and performance of the various divisions, the Group's annual budget, acquisition and disposals of properties of a substantial value and corporate plans and proposals.

The Directors have access to the advice and services of the Company Secretaries in carrying out their duties. The Company Secretaries are responsible for ensuring that the Board Meetings are properly convened, conducted and applicable rules and regulations pertaining thereto are complied with.

Where necessary the Directors may obtain independent professional advice in furtherance of their duties, at the Company's expense.

### 3. Appointment And Re-election

The Remuneration & Nomination Committee (R&N Committee) which was established in the last quarter of year 2001 is responsible for recommending candidates for appointment to the Board. The actual decision as to who shall be appointed to the Board shall be the responsibility of the full Board after considering the recommendation of the R&N Committee.

The Company's Articles of Association provide that at least one third of the Board of Directors shall retire from office provided always that all directors shall retire from office at least once in every three years. A director who is retiring by rotation is eligible for re-appointment. Directors over the age of 70 years are required to submit themselves for re-appointment annually in accordance with Section 129 of the Companies Act, 1965.

There were no new appointment of director during the year 2001.

At the 40th Annual General Meeting held on 28 June 2001, Tan Sri Dato' Low Yow Chuan and Mr Low Gee Teong who retired by rotation pursuant to Article 80 of the Articles of Association of the Company were re-elected to the Board. Tan Sri Datuk Seri Chong Hon Nyan and Tan Sri Dato' Hanafiah Hussain who are over the age of 70, retired pursuant to Section 129 of the Companies Act, 1965 and offered themselves for re-appointment, were re-appointed to the Board.

The Managing Director, Dato' Jeffrey Ng Tiong Lip, whose service contract expires prior to the 41st Annual General Meeting and renewable in accordance to the terms of the contract, shall retire by rotation in accordance to the Articles of Association of the Company at the forthcoming 41st Annual General Meeting to be held on 27 June 2002. Dato' Jeffrey Ng offers himself for re-election.

#### 4. Board Committees

The existing Executive Committee comprises the Managing Director, 4 Executive Directors and 2 Senior Management Divisional Directors. The Committee is responsible for overseeing the day to day operations and affairs of the Group and making operational decisions. It also assist the Board in implementing the strategic plans and policies of the Group, identifying business risks, formulating the broad framework of key policies and procedures and monitoring performance results and budgets, financial decisions, major capital expenditure, major investments or divestment or any other significant operational processes affecting the Group. It reports to the Board its activities and make appropriate recommendations for the Board's approval.

The members of the Executive Committee are as follows:

Dato' Jeffrey Ng Tiong Lip, *Managing Director (Chairman)*  
Mr Low Gee Tat @ Gene Low, *Executive Director*  
Mr Low Gee Teong, *Executive Director*  
Mdm Low Su Ming, *Executive Director*  
Mr Low Gee Soon, *Executive Director*  
Mdm Woon Siew Choo, *Director of Finance*  
Mdm Oh Leen May, *Group Company Secretary and Director of Corporate Affairs & Administration*

An Audit Committee had been established on 23 May 1994 to assist the Board in fulfilling its responsibilities relating to financial reporting and internal audit functions. Further details on the composition, terms of reference and the report of the activities of the Audit Committee are as set out in pages 21 to 22 of the Annual Report.

The Remuneration and Nomination Committee (R&N Committee) was established on 26 November 2001. The Committee comprises wholly Independent Non-Executive Directors. Under the terms of reference of the R&N Committee, its functions include recommending candidates for appointment to the Board and for Directors to fill up the seats on Board Committees, assisting the Board in annually reviewing the effectiveness of the Board as a whole, the Committee of the Board, and the contribution of each individual director and annually reviewing the required mix of skills and experience and other qualities which Directors should bring to the Board and also recommending to the Board on the remuneration package to be extended to Executive Directors.

As the Committee was newly established in November 2001, it has not carried out the abovementioned functions during the remaining part of the year. It held its first meeting in the first quarter of year 2002.

The members of the Committee are as follows:

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

The ESOS Committee was established on 26 November 2001. The committee comprise of two Independent Non-Executive Directors, and two Executive Directors. The Committee is primarily responsible for administering the Employees Share Option Scheme (ESOS) in such manner as it shall deem fit in accordance to the terms and conditions of the ESOS Bye-Laws.

The Committee officially commenced its duties in the first quarter of year 2002.

The members of the Committee are as follows:

Tan Sri Datuk Seri Chong Hon Nyan  
Tan Sri Dato' Hanafiah Hussain  
Mr Low Gee Teong  
Mr Low Gee Soon

#### 5. Directors' Training And Orientation Of New Directors

It is mandatory for the Directors of Asia Pacific Land Berhad to attend the Mandatory Accreditation Programme for directors conducted by the Kuala Lumpur Stock Exchange (KLSE) and any continuing education programme that the KLSE may require directors of public listed companies to attend from time to time.

All the Directors of the Company including the members of the Executive Committee had attended the Mandatory Accreditation Programme conducted by the Research Institute of Investment Analyst Malaysia by January 2002.

As part of the Board policy, it is the responsibility of the Chairman of the Board to ensure that newly appointed directors are provided with the appropriate orientation involving briefing to the new director on the corporate structure and business of the Group and introduction to the other directors and senior management staff.

#### 6. Directors' Remuneration

The Group's policy on Directors' remuneration is to ensure that the Directors are adequately remunerated for the services they render in light of their performance and experience.

The broad framework of the remuneration policy encompasses the following key elements:

- The component parts of the Executive Directors' remuneration scheme are linked to individual performance, seniority in service, experience and scope of responsibility. Performance shall be measured against performance targets set in the Company's annual budget plans.
- The level of directors' fees for the Non-Executive Directors reflect the experience and level of responsibilities undertaken by the particular Non-Executive Director.
- The determination of the directors' fees of Non-Executive Directors shall be decided by the Board as a whole. The remuneration package of the Executive Directors shall be recommended by the R&N Committee to the Board for its approval.
- Directors involved shall not participate in decisions by the Board on their own directors' fees or remuneration package.

In line with the Listing Requirements of the Kuala Lumpur Stock Exchange, a summary of the remuneration in the form of salaries, fees and benefits in-kind of the Directors of AP Land for the financial year ended 31 December 2001, received from subsidiary companies distinguishing between Executive and Non-Executive Directors in aggregate, with categorization into various components and the number of Directors whose remuneration falls into each successive bands of RM50,000 are set out below:

Directors	Salary RM	Benefits-in-kind RM	Directors' fees RM
Executive Directors	833,280	27,500	-
Non-Executive Directors	-	-	60,000

The number of Directors whose total remuneration falls within the following bands are as follows:

Remuneration bands	Number of Directors	
	Executive	Non-Executive
Nil	1	-
Less than RM50,000	-	3
RM250,001 to RM300,000	2	-
RM300,001 to RM350,000	1	-

## C. ACCOUNTABILITY AND AUDIT

### 1. Financial Reporting

In presenting the annual audited financial statements, quarterly results announcements and other press releases to shareholders, investors and regulatory authorities, the Directors aim to present a balanced and understandable assessment of the Group's position and prospects. The Statement of Directors' Responsibility in relation to preparing annual audited financial statements and the Statement by Directors pursuant to Section 169 of the Companies Act and are set out on pages 34 and 37 of the Annual Report respectively.

### 2. Internal Control

The Directors acknowledge their responsibility for the Group's system of internal controls covering not only financial controls but also operational and compliance controls as well as risk management. The internal control system involves each business and key management of each division from each business, including the Board, and is designed to meet the Group's particular needs and to manage the risks to which it is exposed. This system, by its nature, can only provide reasonable but not absolute assurance against misstatements or loss.

The key elements of the Group's internal control system that have been in place for the year under review are described below:

- Defined delegation of responsibilities to committees of the full Board and to operating units, including authorisation levels for all aspects of the business.
- Documented internal procedures set out in operation manuals, guidelines and directives issued and updated from time to time. The Group continuously updates the operational manuals and directives on practices and procedures to cater for the changing needs in the business environment.
- Regular internal audit visits which monitor compliance with procedures and assess the integrity of financial information.
- Regular and comprehensive information provided to management, covering financial performance and key business indicators, such as staff utilisation and cash flow performance.

- A detailed budgeting process where operating units prepare budgets for the coming year which are approved by the Board.
- Monthly monitoring of results against budget, with major variances being followed up and management action taken, where necessary.
- Regular visits to operating units by members of the Board and senior management.

### 3. Audit Committee

The Audit Committee comprising three Independent Non-Executive Directors and the Managing Director, has been established under approved terms of reference. The composition and revised terms of reference of the Committee and the Report of the Audit Committee are set out on pages 21 and 22 of the Annual Report. The recommendations of the Audit Committee are formally tabled to the Board for its approval for further action to be taken, where applicable.

### 4. Relationship With External Auditors

Through the Audit Committee, the Board has established a formal, transparent and appropriate relationship with the external auditors. The Audit Committee meets with the External Auditors at least once a year to facilitate exchange of views on issues requiring attention.

Further details relating to the meeting of the Audit Committee with the External Auditors are set out on page 22 of the Annual Report.

## D. RELATIONSHIP WITH SHAREHOLDERS

The Annual General Meeting (AGM) is the principal forum for dialogue with individual shareholders. At least 21 days prior to the AGM, the Annual Reports of the Company shall be mailed to the shareholders to inform them of the financial performance of the Company and other corporate information relating to the Group. The shareholders who attended the Company's 40th Annual General Meeting held on 28 June 2001 were given every opportunity to seek and clarify any pertinent and relevant issues raised in relation to the resolutions proposed the annual audited financial statements of the Group, the business and performance of the Group and to exchange views with the Board members in attendance. Suggestions given by the shareholders during the meeting were reviewed and considered for implementation, where applicable. The Company also issues quarterly unaudited financial results, circulars and announcements on significant transactions and events for release to its investors via the KLSE.

The corporate, financial and market information of the Company are accessible from the KLSE's website. The Company aims to set up its corporate website by the end of year 2002.

The Company shall hold an open dialogue with its institutional shareholders upon request or when the need arises. The Company will be mindful in ensuring that information to be disseminated during such dialogue sessions comply strictly to the listing requirements of the KLSE.

Any queries or concerns regarding the Company may be conveyed in writing to the following Director:

Managing Director  
Asia Pacific Land Berhad  
49th Floor, Empire Tower,  
Jalan Tun Razak,  
50400 Kuala Lumpur.

## 1. Utilization Of Proceeds

*Disposal of Hotel Fairlane Kuala Lumpur*

The gross proceeds arising from the disposal of Hotel Fairlane Kuala Lumpur ("the Disposal") has been utilised by AP Land Group in the following manner:

	RM'000
Repayment of bank borrowings	67,867
Working capital	7,315
Expenses of the Disposal	1,818
<b>Total</b>	<b>77,000</b>

## 2. Share Buy Back

The Company has not purchased any of the shares since the proposal to buy back its shares was initially approved by the shareholders on 4 May 1998. The Company has not purchased any of its shares during the financial year.

## 3. Options, Warrants Or Convertible Securities

The Company did not issue any options, warrants or convertible securities during the financial year.

## 4. American Depositary Receipt ("ADR")/Global Depositary Receipt ("GDR")

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

## 5. Sanctions And/or Penalties

There were no major sanction and/or penalties imposed on the Company or its subsidiaries, Directors or management by the relevant regulatory bodies so as to disrupt the business of the Company or its subsidiaries.

## 6. Non-Audit Fees

The non-audit fees paid to the external auditors for the financial year was as follows:

Auditors	Descriptions	Amount Paid
Horwath Mok & Poon	Fees charged for acting as the reporting accountants for a proposed corporate exercise of AP Land	RM53,550

## 7. Variation In Results

There is no variance between the results for the financial year and the unaudited results previously announced.

## 8. Profit Guarantee

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

## 9. Revaluation Policy

The Group's policy is to revalue its landed properties every five years. There was no revaluation of landed properties during the financial year ended 31 December 2001.

## 10. Material Contracts

The material contracts of AP Land and its subsidiaries involving Directors and major shareholders' interests that have been entered into since the end of the financial year ended 31 December 2001 and/or still subsisting at the end of the financial year are as follows:

- a) A joint-venture agreement dated 11 April 1997 between Sem Siong Industries Sdn Bhd ("SSI"), APL Construction Sdn Bhd ("APLC") and AP Land for the proposed development of three (3) blocks of apartment on the land located at 3rd mile Jalan Ipoh, Kuala Lumpur whereby SSI will be entitled to 20% of the sales value of the proposed development and APLC, a wholly-owned subsidiary of AP Land shall be entitled to the balance thereof;

The proposed joint-venture which commencement date has been deferred is still pending completion;

- b) A sale and purchase agreement dated 13 August 1997 between Oriental Development Sdn Bhd ("ODSB") and Elite Empire Sdn Bhd ("EESB"), a wholly-owned subsidiary of AP Land in relation to the acquisition by EESB of three (3) pieces of contiguous freehold land measuring approximately 4.463 acres held under No. G.M. 459 No Lot 2837, No. G.M. 460 No. Lot 2948 and No. G.M. 732 No. Lot 6848 all located in the Mukim of Setapak, District of the Federal Territory from ODSB for a total cash consideration of RM24 million.

The sale and purchase agreement, which completion date has been extended to 13 August 2002 is still pending completion.

The Directors and substantial shareholders of AP Land, Tan Sri Dato' Low Yow Chuan, Mr Low Gee Tat @ Gene Low and Mr Low Gee Teong and the substantial shareholder of AP Land, Mr Low Gee Soon have substantial interests in ODSB and SSI by virtue of Section 6A of the Companies Act, 1965.

- c) The significant recurrent and non-recurrent related party transactions and related party balances and advances disclosed on pages 67 to 71 of the Annual Report.

## 11. Disclosure Of Recurrent Related Party Transactions Of A Revenue Or Trading Nature In Respect Of The Year Ended 31 December 2001

Details of recurrent related party transactions of a revenue or trading in nature involving the interests of Directors, major shareholders or persons connected with Directors and/or major shareholders of the Company and/or its subsidiary companies ("Related Parties") for the year ended 31 December 2001 are disclosed under Note 35 of the Audited Financial Statement of the Group and Company for the year ended 31 December 2001 on page 67 of the Annual Report.



## The Audit Committee of Asia Pacific Land Berhad is pleased to present its report for the year ended 31 December 2001.

### COMPOSITION

The Audit Committee was established by the Board of Directors of AP Land on 23 May 1994. The Audit Committee comprises 4 Directors, a majority of whom are independent.

#### Members Of The Committee:

1. Tan Sri Datuk Seri Chong Hon Nyan - *Chairman, Independent Non-Executive Director*
2. Tan Sri Dato' Hanafiah Hussain - *Member, Independent Non-Executive Director*
3. Tan Sri Dato' Lee Kim Sai @ Lee Hoo - *Member, Independent Non-Executive Director*
4. Dato' Jeffrey Ng Tiong Lip - *Member, Managing Director*

### TERMS OF REFERENCE

The terms of reference of the Audit Committee are as follows:

1. Objectives Of The Committee
  - Assist the Board of Directors in discharging its fiduciary responsibilities relating to corporate accounting, system of internal controls and management and financial reporting practices of the Group;
  - Evaluate the scope and quality of the audits conducted by the internal and external Auditors;
  - Provide assurance that the financial information presented by management is relevant, reliable and timely;
  - Oversee compliance with laws and regulations and observance of a proper code of conduct;
  - Determine the adequacy of the Company's control environment;
  - Provide assurance that the assets, liabilities, revenue, expenses and cash flow of the Group are properly managed.

2. Size And Composition

The Board shall by resolution appoint members to the Audit Committee, which shall comprise at least three directors, the majority of whom shall be independent non-executive directors. At least one member of the Committee must be a member of Malaysian Institute of Accountants or has such other qualifications and working experience as stipulated in the Kuala Lumpur Stock Exchange Listing Requirements.

No alternate directors shall be appointed as a member of the Committee. The members of the Audit Committee shall elect a Chairman from amongst their number who shall be an Independent Director.

3. Term Of Membership

Members of the Committee shall be appointed for an initial term of 3 years after which they will be reappointed on such terms as may be determined by the Board of Directors.

Any vacancy in the office of an Audit Committee resulting in the size of the Audit Committee falling below the minimum required shall be filled within 3 months from the date of the vacancy occurs.

The term of office and the performance of each of its members shall be reviewed at least once every three years by the Board of Directors.

4. Meetings

The Committee shall hold at least five regular meetings per year, and such additional meetings as the Chairman shall decide in order to fulfill its duties or if requested to do so by any committee member, the management or the internal or external Auditors. The Committee may invite any director, employee or any other person to be in attendance to assist it in its deliberations. The Committee shall meet with the External Auditors without any Executive Director present at least once a year.

Unless otherwise determined by the Audit Committee from time to time, notice of all Audit Committee's meetings shall be given to all the members at least 3 days before the meeting either personally or by electronic or facsimile transmission.

A quorum shall consist of a majority of independent Non-Executive Directors and shall not be less than two.

The Chairman of the Audit Committee shall preside as a Chairman at every Audit Committee meeting of the Company or if the Chairman is absent from the meeting, the members present shall elect a Chairman from amongst the Independent Directors.

The Company Secretary or any person appointed by the Committee for this purpose shall act as secretary of the Committee.

Any question arising at any Meeting shall be decided by a majority of votes and a determination by a majority of members shall be for all purposes a determination of the Committee.

Minutes of the Meeting shall be kept and circulated to each member. The Chairman of the Committee shall report on each meeting to the Board.

5. Authority

The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.

6. Resources And Access

The Committee shall be entitled to such resources as may be adequately provided by the Board of Directors for the performance of the Committee's duties.

The Committee shall have full and unrestricted access to all information and documents pertaining to the Group that are relevant to its activities and direct communication channels with the internal and external Auditors and to the senior management of the Group. The Committee is also authorised to take such independent professional, legal or other advice as it considers necessary.

7. Delegation Of Duties

The Audit Committee shall have the power to delegate to a sub-committee any of the duties of the Committee.

8. Scope And Functions

The scope and functions of the Audit Committee shall be:

- a) To discuss with the external Auditors, where necessary the nature and scope of the Audit, the Audit plan and ensure co-ordination where more than one Audit firm is involved;

- b) To review with the External Auditor:
  - his evaluation of the system of the internal controls;
  - the assistance given by the Group's employees to the external Auditors;
- c) To discuss problems and reservations arising from the interim and final Audit findings and any matters reported by the external Auditors;
- d) To review the Audit reports prepared by the External Auditors, the major findings and management's responses thereto;
- e) To review the quarterly results and year end financial statements, prior to the approval by the Board, focusing particularly on:
  - i) Changes in or implementation of major accounting policies and practices changes;
  - ii) Significant and unusual events;
  - iii) Significant adjustment arising from the Audit;
  - iv) Compliance with accounting standards and other regulatory requirements; and
  - v) The going concern assumption.
- f) To consider the appointment and any questions of resignation or dismissal of the External Auditors;
- g) In relation to internal Audit functions:
  - i) To 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 work;
  - ii) To review and consider the scope and results of the internal Audit programme and procedures;
  - iii) To consider any significant Audit findings reported by the Internal Auditor and management's response thereto and to ensure appropriate actions are taken on their recommendation;
  - iv) To approve any appointment or termination of senior internal Audit staff;
  - v) To review any appraisal or assessment of the performance of senior internal Audit staff and provide to resigning staff an opportunity to submit his/her reason for resignation.
- h) To review recurrent related party transaction of revenue or trading nature entered into by the Group, to prescribe guidelines and review procedures in respect of such transactions and to ascertain that such transactions are in compliance with the prescribed guidelines and review procedures;
- i) To review 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;
- j) To prepare the Audit Committee Report in accordance with the listing requirements of the Kuala Lumpur Stock Exchange for publication in the Annual Report;
- k) To carry out such other responsibilities, functions or assignments as may be agreed to by the Committee and the Board;
- l) To report regularly to the Board its activities, significant results and findings.

#### 9. Internal Audit Function

The Group has an Internal Audit Department, which reports to the Audit Committee and is independent of the activities it audits.

Their principal role is to examine, evaluate and ensure compliance with the Group's policies, guidelines, procedures and system of internal controls. The internal audit activities are carried out in accordance with the annual audit plan or special reviews requested by the management or the Audit Committee.

The Internal Audit Department conducts periodic audits on key business units of the Group and issue audit reports. Management is required to respond to the non-compliance and to the auditors' recommendations as well as corrective actions instituted within the required time frame. In addition, the Internal Audit Department will also assess and evaluate the effectiveness of the internal control systems and to anticipate any potential risks and suggests any improvements required.

#### 10. Report Of The Activities Of The Audit Committee For The Year Ended 31 December 2001

During the year, five Audit Committee meetings were held on 26 February 2001, 23 April 2001, 28 May 2001, 28 August 2001 and 26 November 2001.

The details of the attendance of the Committee members are as follows:

Name	No. of meetings held	Attendance of meeting
Tan Sri Datuk Seri Chong Hon Nyan	5	5/5
Tan Sri Dato' Hanafiah Hussain	5	4/5
Tan Sri Dato' Lee Kim Sai	5	4/5
Dato' Jeffrey Ng Tiong Lip	5	5/5

The Audit Committee members reviewed the Quarterly Report of AP Land Group for the financial quarter ended 31 December 2000, the Audited Accounts of the Group for the year ended 31 December 2000, the Quarterly Reports of the Group for the financial quarters ended 31 March 2001, 30 June 2001 and 30 September 2001. The Audit Committee recommended to the Board to approve the financial statements for release to the KLSE.

The Committee had met with all the External Auditors of the Group once in year 2001 without executive board members present. The Committee discussed with the External Auditors the scope of their audit, their respective Auditors' Audit Planning Memorandum, the results of their examination, the External Auditors' evaluation of the internal controls of the Group, issues highlighted by the External Auditors in the course of their audit, co-ordination of the subsidiaries' External Auditors with the holding company's External Auditor and the External Auditor's management letter to the Company and management's response.

The Audit Committee also reviewed and approved the internal audit plan for 2001. They also reviewed the internal audit reports together with the Internal Auditor and consider the major findings of internal audit.

Related party transactions between the Group and its directors and any other person connected to the directors of the Group are also reviewed by the Audit Committee in accordance to the review procedures established by the Group.

In carrying out the scope of their duties, the Audit Committee has reported to the Board its activities and made the appropriate recommendations to the Board for the necessary actions to be taken, where appropriate.

## 26 February 2001

Announcement of the Quarterly Report on consolidated results for the fourth financial quarter ended 31 December 2000.

## 5 April 2001

Announcement in relation to the Proposed Employees' Share Option Scheme for eligible employees of AP Land and its subsidiaries.



Children from Eden Handicap Service Centre were entertained by "Pipi The Clown" at an event organised by Ferringhi Beach Hotel Penang

## 25 April 2001

Announcement in relation to the:

- Renewal of shareholders' mandate for Proposed purchase of own shares by the Company
- Proposed amendments to the Articles of Association to be in line with the provisions of other relevant regulatory and statutory requirements
- Proposed shareholders mandate for Recurrent related party transactions



Guests from the Sisters Of The Poor were feted by the Ferringhi Beach Hotel Penang on Mother's Day, 13 May 2001

## 28 May 2001

Announcement of the Quarterly Report on consolidated results for the first quarter ended 31 March 2001.



Fun, games and laughter at the AP Land - Family Day Carnival held at Bandar Tasik Puteri on 9 June 2001

## 19 June 2001

Announcement in relation to the Proposed Disposal of a property held under Geran No. 34343 Lot 1264 Seksyen 67, Bandar Kuala Lumpur together with the hotel building erected thereon known as Hotel Fairlane Kuala Lumpur for a total cash consideration of RM77 million.

## 27 June 2001

Announcement in relation to the execution of a Memorandum of Understanding with Special Administrators of Abrar Corporation Berhad ("ACB") to regulate and record the basic understanding of the key areas of agreement in relation to the corporate and debt restructuring of ACB.

## 28 June 2001

- 40th Annual General Meeting
- Extraordinary General Meeting ("EGM")

Shareholders' mandate for the proposed share buy back of 39 million shares in AP Land at RM1.00 each and recurrent related party transactions was given at the EGM.

The shareholders approved the proposed amendments to the Articles of Association of AP Land and the establishment of the Employees' Share option scheme for eligible employees of AP Land Group.

## 20 August 2001

- Extraordinary General Meeting

The shareholders approved the Proposed Disposal of Hotel Fairlane Kuala Lumpur.

## 28 August 2001

Announcement of the Quarterly Report on consolidated results for the second quarter ended 30 June 2001.

## 11 September 2001

Announcement in relation to the acquisition of a dormant company, Platinum Landmark Sdn Bhd with a total issued and paid-up share capital of RM2.00.



YB Dato' Seri Rafidah Aziz, Minister of International Trade & Industry officiated the opening of the Thai Fair 2001 at City-Square Centre on 28 September 2001

## 15 October 2001

Announcement in relation to the execution of a conditional share sale agreement for the acquisition of Wira Azimat Sdn Bhd by Rawang Lakes Sdn Bhd, a wholly-owned subsidiary of the Company.



KL Staff having fun at the Ferringhi Beach during the Staff Trip to Penang on 26 - 28 October 2001

## 5 November 2001

Announcement in relation to the extension of implementation period for the proposed Employees' Share Option Scheme for another six months expiring on 25 April 2002.

## 26 November 2001

Announcement of the Quarterly Report on consolidated results for the third quarter ended 30 September 2001.

## 28 November 2001

Announcement advising that the participation by AP Land and/or the vendors in the corporate and debt restructuring of Abrar Corporation Berhad contemplated by the Memorandum of Understanding was not being proceeded with as certain conditions to the signing of the definitive agreements could not be met.

Location	Description/ Existing Use	Land Area (Sq.Metres)	Tenure	Approximate Age Of Building (Years)	Net Book Value 31 Dec 2001 (RM Million)	Year of acquisition/ revaluation
<b>INVESTMENT PROPERTIES</b>						
City-Square Centre Jalan Tun Razak 50400 Kuala Lumpur - City-Square	Integrated Commercial Shopping Centre  Shopping Complex	  74,841 (Gross built up Area)	Freehold	12	201.2	1993*
- Empire Tower	Office Tower - 50-storey office building - additional 59th to 61st floor together with rooftop	73,550 (Gross built up Area)	Freehold	10	314.3	1994 1999
Marina Terrace Sports & Recreational Complex Jalan Low Yat 11100 Batu Ferringhi Penang	Sports Complex	3,076	Freehold	11	5.2	1993*
<b>PROPERTY, PLANT &amp; EQUIPMENT</b>						
<u><b>HOTEL PROPERTIES</b></u>						
Crown Princess Kuala Lumpur Jalan Tun Razak 50400 Kuala Lumpur	Hotel (formed part of the integrated Commercial Shopping Centre)	51,309 (Gross built up Area)	Freehold	11	264.9	1993*
Ferringhi Beach Hotel Penang Jalan Low Yat 11100 Batu Ferringhi Penang	Hotel	11,273	Freehold	15	61.3	1993*
Rushcutters Harbourside Hotel Sydney Rushcutters Bay Sydney, Australia	Hotel	3,616	Freehold	3	117.0	1999
<u><b>OTHER PROPERTIES</b></u>						
No.34, Jalan Sultan Ahmad Shah 10050 Penang	Land approved for hotel development	5,760	Freehold Leasehold expiring 25.7.2033	-	9.7	1993*
Lots 0496 & 0585 11100 Batu Ferringhi Penang	Land held for investment	11,385	Freehold	-	5.2	1993*
Lot 400 Bukit Bendera Penang	Land held for investment	12,140	Leasehold expiring 26.8.2036	-	0.8	1993*
Lot 135318062 Keningau, Tulid 89009 Sabah	Oil Palm Plantation including staff quarters	23,216,815	Leasehold expiring 31.12.2077	-	33.6	1993*
Malaing Dalit District of Keningau, Sabah	Oil Palm Plantation including staff quarters	15,772,056	Freehold	-	9.9	2001



Location	Description/ Existing Use	Land Area (Sq.Metres)	Tenure	Approximate Age Of Building (Years)	Net Book Value 31 Dec 2001 (RM Million)	Year of acquisition/ revaluation
<b>PROPERTY, PLANT &amp; EQUIPMENT (cont'd)</b>						
Signal Hill Kota Kinabalu Sabah	Land held for investment	29,581	Leasehold expiring 3.8.2915 17.12.2912	-	1.9	1993*
Lot 817, Section 67 Jalan Walter Grenier 55100 Kuala Lumpur	Land held for investment & development	391	Freehold	-	2.1	1998
Bandar Tasik Puteri Kundang Mukim of Rawang 48020 Selangor	Land held for investment & development including - site sale office	1,759,510 291 (BUILT up area)	Leasehold expiring 11.7.2060	- 4	29.7 0.5	1995 1998
	property management office	428 (BUILT up area)		2	0.1	2000
Tasik Puteri Golf & Country Club Kundang Mukim of Rawang 48020 Selangor	Golf & country clubs	675,825	Leasehold expiring 11.7.2060	3	30.7	1999
Lots 123 - 126 Jalan Aman 55000 Kuala Lumpur	Land held for investment & development - Lot 125-126 - Lot 123-124	5,754	Freehold	-	29.8	1999 2000
17-2-19 the Palladium Jalan Gurney 2 54000 Kuala Lumpur	Apartment	88 (BUILT up area)	Freehold	9	0.2	1997
17-5-16 the Palladium Jalan Gurney 2 54000 Kuala Lumpur	Apartment	90 (BUILT up area)	Freehold	9	0.2	1996

**LAND HELD FOR DEVELOPMENT**

Mount Pleasure Resort 11100 Batu Ferringhi Penang	Land held for development	103,965	Freehold	-	26.3	1993*
Bandar Tasik Puteri Kundang Mukim of Rawang 48020 Selangor	Land held for development	3,176,438	Leasehold expiring 11.7.2060	-	104.8	1995

**PROPERTY UNDER DEVELOPMENT**

Bandar Tasik Puteri Kundang Mukim of Rawang 48020 Selangor	Residential properties under development	1,817,514	Leasehold expiring 11.7.2060	-	72.6	1995
Lots 715 & 716 Mukim 1 Teluk Bahang Penang	Apartments under development	10,914	Freehold	-	3.0	1997

\* - Year of revaluation.



Birch Homes at Bandar Tasik Puteri

## Bandar Tasik Puteri

*An Urban Regional Centre (URC), in the Mukim of Rawang, Selangor*

Bandar Tasik Puteri (BTP), a 2,670 acres fully integrated Urban Regional Centre (URC) for North Klang Valley, is located just 34 km out of Kuala Lumpur and about 20 minutes drive away.

Planned with complete modern lifestyle facilities to cater to a 21st century community, Bandar Tasik Puteri is being developed into 5 distinct corridors; Value Corridor, Quality Corridor, Business Corridor, Recreation Corridor and Premier Corridor.



Family Day for Bandar Tasik Puteri residents held on 1 May 2002

### Value Corridor

Comprising apartments, double storey and single storey terrace houses, the Value Corridor offers value for money and affordable housing. As at end of April 2002, more than 4,057 units have been sold with a value of approximately RM408 million.

### Quality Corridor

Comprising terrace houses, cluster houses, semi-detached bungalows and bungalows, the Quality Corridor homes are marketed at prices between RM180,000 and RM500,000 per unit.

A total of 250 plots of bungalow land in Phase 1A ranging from 4,000 sq ft to 10,000 sq ft was sold out during the initial launch in 1996.

The Company is currently marketing and developing terrace houses, semi-detached bungalows and bungalows at the Quality Corridor.

Quality Corridor homes are differentiated from Value Corridor homes in terms of the larger living space in view of larger built-ups, larger land area, better finishes, more generous detailing and landscaping, better location at higher terrain and therefore better views and ambience and lower density.

### Business Corridor

As an URC, BTP is planned to have one-stop facilities for retailing, wholesaling, food, leisure, entertainment and a host of business services.

The Business Corridor therefore will be developed with a range of properties comprising 3 to 4 storey shop-office-apartments, commercial buildings, shopping complexes, hotels, markets, piazza shoppes, etc to serve not only the residents of BTP but also the surrounding population.

The MNM Shops located at Block 8A have been completed and will soon be opened for business.



Children playground - ready facilities for residents of Birch Homes at Bandar Tasik Puteri

### Recreation Corridor

The Recreation Corridor which comprises Tasik Puteri Golf & Country Club, the interactive park and various recreation parks and facilities will provide opportunity for healthy sports and recreation for residents and surrounding population.



Ready for occupation - Sekolah Rendah BTP (1) and the neighbouring school, Sekolah Menengah BTP (1)

### Premier Corridor

The Premier Corridor will feature exclusive housing for the top-end of the market. It is currently under planning.

## Tasik Puteri Golf & Country Club

*Resort Homes, Lakes & Parks*



Tasik Puteri Golf & Country Club, offers healthy recreation amongst others, to residents and the public

Tasik Puteri Golf & Country Club located in Bandar Tasik Puteri, Rawang comprises a friendly 18-hole golf course which offers an interesting course layout with a few signature holes and a resort styled clubhouse.

The clubhouse features a 24-bay Driving Range, a Golfers' Terrace, Changing rooms, Bar, a Multipurpose room, a Pro-shop and a Swimming/Wading pool. A restaurant serving local delicacies, chinese cuisine and light snacks ideal for corporate and family enjoyment, is also available.

## Crown Princess Kuala Lumpur

A 5-star hotel incorporating 528 luxurious and spacious guest rooms, the hotel is strategically located at the junction of Jalan Tun Razak and Jalan Ampang within the prestigious Embassy Row and a short walk to the Kuala Lumpur City Centre (KLCC) and the Central Business District.



The Crown Princess Kuala Lumpur with its spacious ballroom that can cater up to 2,000 people for conferences and banqueting

Crown Princess Kuala Lumpur offers everything a guest could possibly desire from a premier 5-star international standard hotel ranging from luxuriously designed rooms and restaurant and bar facilities to fitness & recreational centre, meeting rooms, ballrooms, business and secretarial services, helicopter and limousine on port transfer and the City-Square Shopping Complex with its 150 exclusive specialty shops.

Crown Princess Kuala Lumpur is only 50 minutes drive away from KL International Airport (KLIA) and 15 minutes to Kuala Lumpur City Air Terminal at Kuala Lumpur Sentral Station.

The Ferringhi Beach Hotel Penang with swimming pool facilities

The Rushcutters Harbourside Hotel Sydney  
Inset: Interior decor of a Suite



## Ferringhi Beach Hotel Penang

Ferringhi Beach Hotel Penang, distinctively recognised by its cascading stepped roof against a tropical hill setting, sits on a 3-acre site at Mount Pleasure Resort, Batu Ferringhi, with full commanding views of the North Channel Sea. This 4-star resort hotel has 350 guest rooms and suites with private balconies. The ground and first floors are home to the hotel's restaurants and dining facility.

The Hotel has a ballroom and 5 other well designed function rooms ideal for business discussions, seminars, presentations and meetings. It is 25 minutes by car to Georgetown and 45 minutes to Bayan Lepas International Airport.



## Rushcutters Harbourside Hotel Sydney

*The Best Mid-Market Hotel in Sydney  
Australian Hotels Association (NSW)  
Awards of Excellence 2002*

*2001 Australian Achiever Awards for  
Excellence in Customer Service*

*Listed in Condé Nast Traveler's Fourth  
Annual Hot List 2000 Global Guide of  
the year's 36 top New Hotels*

Rushcutters Harbourside Hotel Sydney is a sleek, contemporary low-rise 4½-star boutique hotel located in Sydney's prestigious Eastern suburbs, next to the Rushcutters Bay Park and the famous Cruising Yacht Club of Australia. It is only 7 minutes drive to the city centre and 20 minutes to the Sydney International Airport.

The Hotel is also close to the upmarket shopping precincts of Double Bay, Woollahra and Castlereagh Street, and the famed art galleries and street life of Paddington and Kings Cross. With 245 guest rooms offering king and twin share accommodation including 14 suites, the guest rooms and public areas are luxurious yet understated. The hotel also provides superb cuisine and wine at its fashionable Curve Restaurant and adjacent cocktail bar.





Aerial view of Mount Pleasure Resort, Penang

## Mount Pleasure Resort, Penang

*Resort Development*

Mount Pleasure Resort is a premier residential precinct, borne out of careful planning and architectural creativity. It has superior location within the Batu Ferringhi Tourist Belt as an exclusive private and self-contained township, offering hill and panoramic sea views.

The exclusive private residential homes also enjoy the benefits of recreation, sporting and business facilities. Mount Pleasure Corporation Sdn Bhd has more than a decade of track record in providing quality lifestyle homes with emphasis on good architectural designs, landscaping and environmental conservation.

## Desa Marina, Penang

*Low and Medium Cost Apartments*

Desa Marina is located within the upcoming township of Teluk Bahang and consists of 2 Blocks of low-density 5-storey walk-up apartments, a community hall and shoplots.



Desa Marina, low and medium costs apartments

## Marina One, Sydney, Australia

*Luxurious Apartments*

Marina One is an exclusive collection of 78 luxurious apartments located within 7 minutes drive from the heart of Sydney's Central Business District, close to Sydney's top restaurants as well as its sports and recreational centres.

Homeowners at Marina One can enjoy conveniences and luxurious surroundings set alongside the Rushcutters Bay Park and the Cruising Yacht Club of Australia.



The Marina One Apartments, Rushcutters Bay, Sydney, Australia

Each apartment unit has a full-open concept kitchen, laundry and storage facilities, top level residences have their own roof-top gardens and jacuzzis. Besides the exclusive use of the swimming pool and the beautiful landscaped gardens, Marina One residents are assured of a high level of security and privacy.

## Empire Tower Kuala Lumpur

*Grade-A Office Building*

The Empire Tower Kuala Lumpur is a Grade-A office building which forms part of the award-winning City-Square Centre, the first integrated 3-in-1 development in Malaysia. Empire Tower offers flexible floor layout and excellent corporate facilities and conveniences which include, amongst others:

- Fibre-optic cabling
- 14 high speed lifts
- 24-hour security
- Individually controlled

- air-conditioning
- Ample parking space
- Helipad facilities
- Access to business and secretarial services
- Proximity to food and entertainment outlets, LRT Station and bus stop

## City-Square Shopping Complex, Kuala Lumpur

City-Square Shopping Complex, an 11-level shopping podium with 3 levels of basement car parking and 8-level of retail/commercial and car park spaces within the integrated City-Square Centre at Jalan Tun Razak, is a premier shopping centre that is home to some of the most renowned names in home furnishing, lifestyle products and audio-visual collections. Since its re-positioning as a Destination Shopping Centre for families, it has been drawing more clientele from the middle to up-market residential neighbourhood of Ampang, Jalan Tun Razak, Jalan Jelatek and Jalan Gurney in addition to the office catchment along Jalan Ampang. The complex currently accommodates more than 150 retail specialty shops that cater to all age groups and interests in addition to a food court at its lower ground floor.



The award winning City-Square Centre, an integrated 3-in-1 mixed commercial development  
Inset: The high zone lift lobby at Empire Tower



Authorised Share Capital	- RM1,000,000,000
Issued & Fully Paid-up Capital	- RM710,341,402
Class of Shares	- Ordinary Shares of RM1.00 each
Voting Rights	- 1 vote per share

#### DISTRIBUTION OF SHAREHOLDINGS AS PER REGISTER OF MEMBERS AND RECORD OF DEPOSITORS AS AT 29 APRIL 2002

Range	No. of Shareholders	% of Shareholders	No. of Shares held	% of Issued Capital
Less than 1,000	6,487	10.53	2,062,815	0.29
1,000 - 10,000	46,867	76.07	162,614,957	22.89
10,001 - 100,000	7,879	12.79	197,506,770	27.81
100,001 to less than 5% of issued shares	378	0.61	275,773,413	38.82
5% and above of issued shares	2	0.00	72,383,447	10.19
	61,613	100.00	710,341,402	100.00

#### 30 LARGEST SHAREHOLDERS AS PER REGISTER OF MEMBERS AND RECORD OF DEPOSITORS AS AT 29 APRIL 2002

Name of Shareholders	No. of Shares held	% of Issued Capital
1 LOW YAT CONSTRUCTION COMPANY SDN BERHAD	108,522,447	15.28
2 EB NOMINEES (TEMPATAN) SENDIRIAN BERHAD <i>Pledged Securities Account for Low Yat Construction Company Sdn Bhd</i>	31,000,000	4.37
3 HDM NOMINEES (TEMPATAN) SDN BHD <i>Pledged Securities Account for Low Yat Construction Company Sdn Bhd</i>	20,866,000	2.94
4 OSK NOMINEES (TEMPATAN) SDN BERHAD <i>Pledged Securities Account for Low Yat Construction Company Sdn Berhad</i>	17,759,000	2.50
5 MAYBAN NOMINEES (TEMPATAN) SDN BHD <i>Pledged Securities Account for Low Yat &amp; Sons Realty Sdn Bhd</i>	17,000,000	2.39
6 BUMIPUTRA-COMMERCE NOMINEES (TEMPATAN) SDN BHD <i>Pledged Securities Account for Low Yat Construction Company Sdn Berhad</i>	15,000,000	2.11
7 AMSEC NOMINEES (TEMPATAN) SDN BHD <i>Pledged Securities Account for Low Yat Construction Company Sdn Berhad</i>	12,798,000	1.80
8 BANK PEMBANGUNAN DAN INFRASTRUKTUR MALAYSIA BERHAD	7,200,050	1.01
9 LOW YAT AND SONS REALTY SDN BERHAD	5,500,000	0.78
10 LEMBAGA TABUNG ANGKATAN TENTERA	5,000,000	0.70
11 AMANAH RAYA NOMINEES (TEMPATAN) SDN BHD <i>Skim Amanah Saham Bumiputera</i>	5,000,000	0.70
12 MENTERI KEWANGAN MALAYSIA	4,432,158	0.62
13 PERMODALAN NASIONAL BERHAD	4,171,000	0.59
14 THE CENTRAL DEPOSITORY (PTE) LIMITED	2,946,455	0.41
15 GROWIN INVESTMENT PTE LTD	2,506,000	0.35
16 RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD <i>Pledged Securities Account for Elyas Bin Omar (CEB)</i>	2,284,000	0.32
17 YAYASAN ISLAM NEGERI KEDAH	2,020,500	0.28
18 HDM NOMINEES (ASING) SDN BHD <i>OUB Securities Pte Ltd for Pax Realty &amp; Development Pte Ltd</i>	1,813,000	0.26
19 LOW SIEW FUNG	1,500,000	0.21
20 VOON CHONG KIAN	1,000,000	0.14

30 LARGEST SHAREHOLDERS AS PER REGISTER OF MEMBERS AND RECORD OF DEPOSITORS AS AT 29 APRIL 2002 (cont'd)

Name of Shareholders	No. of Shares held	% of Issued Capital
21 MIDF SISMA NOMINEES (TEMPATAN) SDN BHD <i>Pledged Securities Account for Tan Sri Abu Sahid Bin Mohamed</i>	1,000,000	0.14
22 THONG & KAY HIAN NOMINEES (ASING) SDN BHD <i>UOB Kay Hian Pte Ltd for Lee Keng Hua Francis</i>	947,000	0.13
23 HDM NOMINEES (ASING) SDN BHD <i>Phillip Securities Pte Ltd for Ong Goon Hoi</i>	937,000	0.13
24 CITICORP NOMINEES (TEMPATAN) SDN BHD <i>KBNPL for Tan Tian Soon</i>	841,000	0.12
25 CHEAH KEONG PHOO SENDIRIAN BERHAD	826,000	0.12
26 KENANGA NOMINEES (TEMPATAN) SDN BHD <i>Pledged Securities Account for Koh Kai Ning</i>	820,000	0.12
27 KOK SIEW YING	817,732	0.12
28 HDM NOMINEES (ASING) SDN BHD <i>Phillip Securities Pte Ltd for Tan Ling San</i>	800,000	0.11
29 KUALA LUMPUR CITY NOMINEES (TEMPATAN) SDN BHD <i>Pledged Securities Account for Ng Hong Heng</i>	753,000	0.11
30 MAYBAN NOMINEES (TEMPATAN) SDN BHD <i>Pledged Securities Account for Ng Yune Teng (51401136363A)</i>	750,000	0.11
	<b>276,810,342</b>	<b>38.97</b>

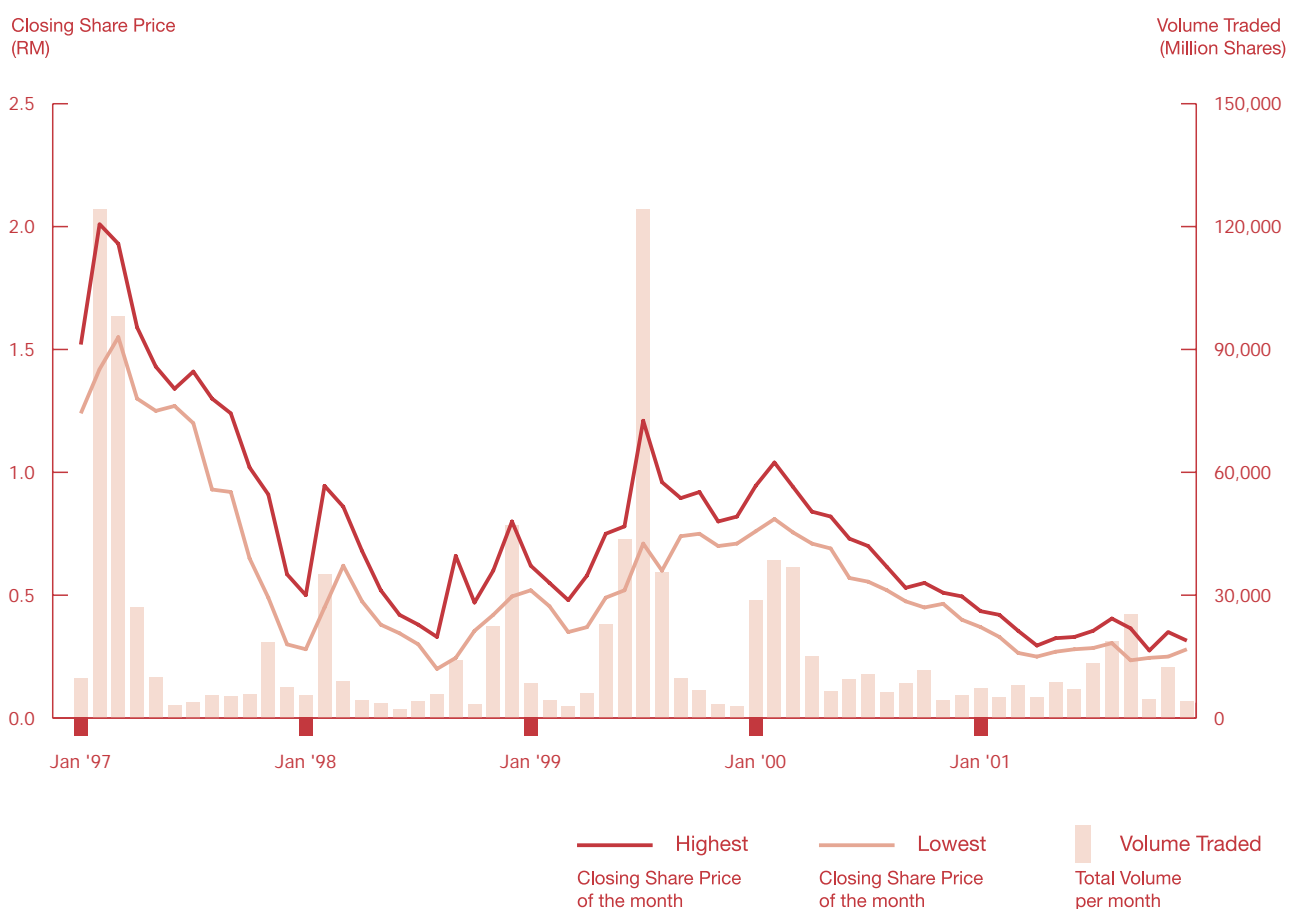
NAMES OF SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 29 APRIL 2002

Name of Shareholders	Direct	No. of Ordinary Shares of RM1.00 each held		
		%	Indirect	%
Low Yat Construction Company Sdn Bhd.	205,945,447	28.99	-	-
Selangor Holdings Sdn Bhd.	-	-	205,945,447	28.99
Low Yat And Sons Realty Sdn Bhd.	22,500,000	3.17	205,945,447	28.99
Sem Siong Industries Sdn Bhd.	-	-	205,945,447	28.99
Low Chuan Holdings Sdn Bhd.	-	-	228,445,447	32.16
Low Chuan Securities Sdn Bhd.	-	-	205,945,447	28.99
Tan Sri Dato' Low Yow Chuan	-	-	228,445,447	32.16
Low Gee Tat @ Gene Low	-	-	228,445,447	32.16
Low Gee Teong	-	-	228,445,447	32.16
Low Gee Soon	-	-	228,445,447	32.16

### THE NUMBER OF SHARES HELD BY THE DIRECTORS BASED ON THE REGISTER OF DIRECTORS' SHAREHOLDING AS AT 29 APRIL 2002

Name of Directors	No. of Ordinary Shares of RM1.00 each held			
	Direct	%	Indirect	%
Tan Sri Dato' Low Yow Chuan	-	-	228,445,447	32.16
Tan Sri Datuk Seri Chong Hon Nyan	-	-	5,500	Negligible
Low Gee Tat @ Gene Low	-	-	228,445,447	32.16
Low Gee Teong	-	-	228,445,447	32.16
Tan Sri Dato' Hanafiah Hussain	-	-	-	-
Tan Sri Dato' Lee Kim Sai	-	-	-	-
Dato' Jeffrey Ng Tiong Lip	-	-	-	-

### 5 YEARS' SHARE PRICE & VOLUME TRADED



In RM'000	12 Months to 31 Dec 01	12 Months to 31 Dec 00	12 Months to 31 Dec 99	11 Months to 31 Dec 98	12 Months to 31 Jan 98
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## Results

Revenue	222,067	245,853	284,979	63,338	114,347
Profit/(Loss) before taxation	(28,416)	10,550	(2,047)	(13,297)	15,524
Taxation	(5,360)	(5,063)	(292)	(2,809)	(11,499)
Profit/(Loss) after taxation	(33,776)	5,487	(2,339)	(16,106)	4,025

## Balance Sheets

Property, plant & equipment	626,858	731,329	721,854	629,886	609,074
Investment properties	520,676	520,570	520,072	493,069	493,069
Other investment	50	50	50	50	50
Land held for development	131,108	149,005	145,921	191,804	138,980
Goodwill on consolidation	4,950	5,358	5,765	6,172	6,579
Current assets	196,799	203,011	233,512	183,992	181,711
Total assets	1,480,441	1,609,323	1,627,174	1,504,973	1,429,463
Current liabilities	(296,951)	(316,175)	(234,221)	(164,255)	(166,029)
	1,183,490	1,293,148	1,392,953	1,340,718	1,263,434

## Financed by

Share capital	710,341	710,341	710,341	710,341	710,341
Reserves	151,602	196,218	200,550	205,587	235,191
Shareholders' equity	861,943	906,559	910,891	915,928	945,532
Deferred taxation	6,296	6,296	6,296	6,296	6,296
Long term liabilities	315,251	380,293	475,766	418,494	311,606
	1,183,490	1,293,148	1,392,953	1,340,718	1,263,434

## Financial Ratios

Basic earnings/(loss) per share	(sen)	(4.75)	0.77	(0.33)	(2.27)	0.57
Net tangible assets per share	(sen)	120.65	126.87	127.42	128.07	132.18
Return on equity	( % )	(3.82)	0.61	(0.26)	(1.76)	0.43
Debt/equity	( % )	52.73	60.85	65.05	54.46	42.35

## Share Market Information

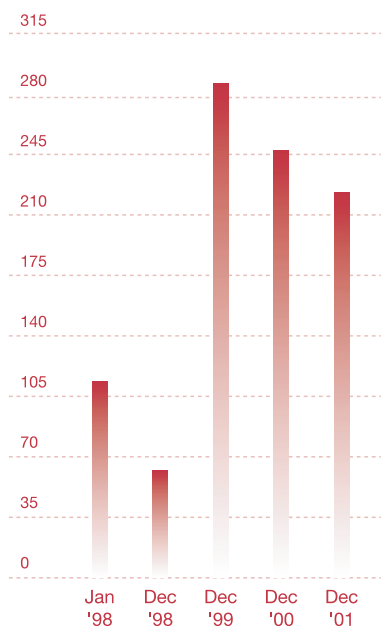
Share price - High	(RM)	0.435	1.04	1.21	0.945	2.01
- Low	(RM)	0.235	0.400	0.350	0.200	0.280
Last transacted price	(RM)	0.305	0.435	0.800	0.565	0.430
Market capitalisation	(RM mil)	216.65	309.00	568.27	401.34	305.45
Net price earnings ratios	(times)	n/a	56.31	n/a	n/a	75.89
Volume traded during the financial year/period	('000)	119,010	181,038	270,356	150,266	314,135

Note: Hotel properties, which were shown under "Hotel and investment properties" previously, have been reclassified to "Property, plant & equipment" to conform with current financial year presentation.



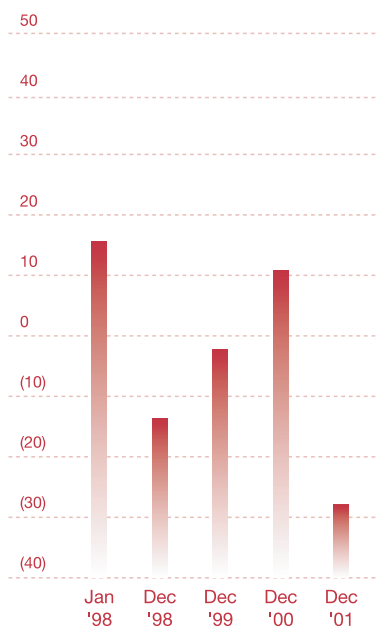
## Revenue

(RM Million)



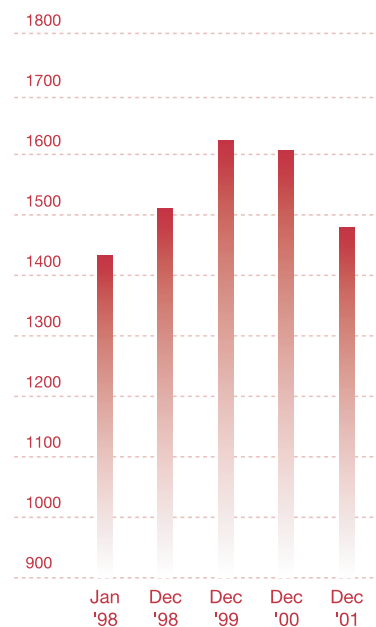
## Profit Before Taxation

(RM Million)



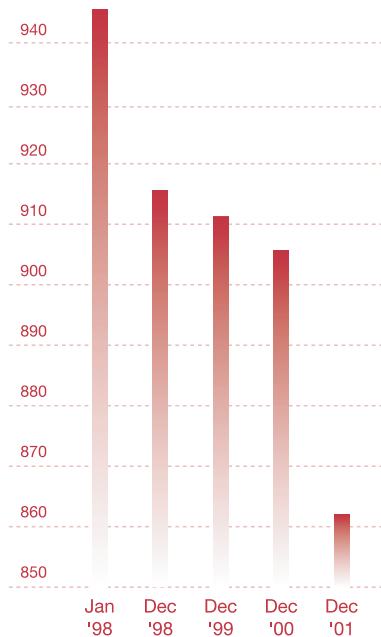
## Total Assets

(RM Million)



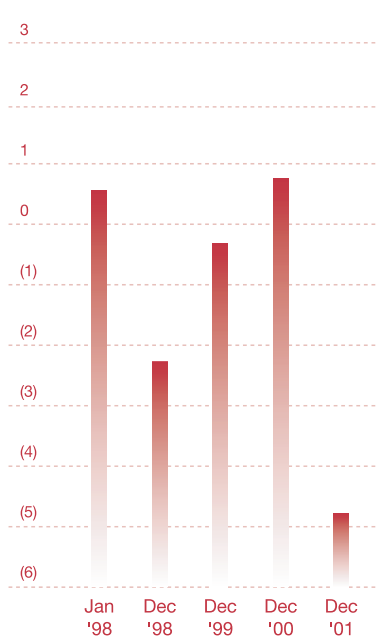
## Shareholders' Equity

(RM Million)



## Basic Earnings Per Share

(Sen)



## Net Tangible Assets Per Share

(Sen)

