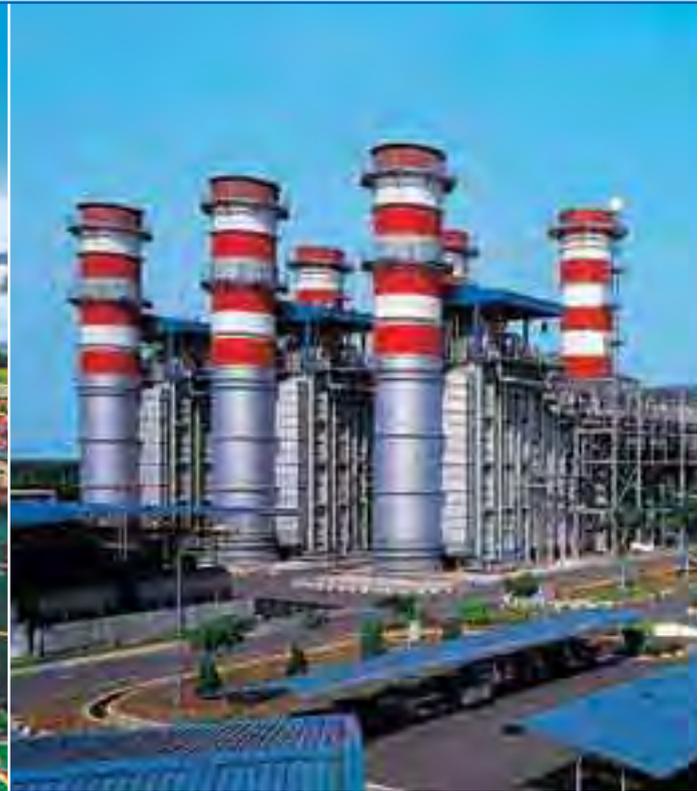




**GENTING BERHAD**  
(7916-A)



annual report **2005**



Celebrating  
**40**  
1965-2005 years  
 **GENTING**

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# GENTING GROUP

We are a leading multinational corporation committed to enhancing shareholder value and maintaining long-term sustainable growth in our core business.

## *Our Mission*

We will:

1. Be responsive to the changing demands of our customers and excel in providing quality products and services.
  2. Be committed to innovation and the adoption of new technology to achieve competitive advantage.
  3. Generate a fair return to shareholders.
  4. Pursue personnel policies that recognise and reward performance and contribution of employees and provide proper training, development and opportunities for career advancement.
  5. Be a responsible corporate citizen, committed to enhancing corporate governance and transparency.
- 



### **Resorts World**

*One of the world's leading leisure and hospitality corporations*



### **Star Cruises**

*The world's first global cruise line and Asia's leading cruise operator*



### **Genting Power**

*A fast growing regional power player in Asia*



### **Asiatic Development**

*One of Malaysia's lowest cost palm oil producers and a reliable property developer*



bringing you our **expertise** in...

leisure & hospitality • global cruising • power • plantation • property • manufacturing • oil & gas



### **Genting Sanyen Paper & Packaging**

*Malaysia's largest integrated recycled paper and packaging manufacturer*



### **Genting Oil & Gas**

*The only private Malaysian oil and gas production and exploration company*

# About Genting Group



Genting Group is Malaysia's leading multinational corporation and one of Asia's best managed companies. The Group has over 40,000 employees globally, 11,000 acres of prime resort land and more than 164,000 hectares of choice plantation land. The Group is renowned for its strong management leadership, financial prudence and sound investment discipline.

Genting Group ([www.genting.com](http://www.genting.com)) is a collective name for Genting Berhad and its subsidiaries and associates that comprises five listed entities with a combined market capitalisation of over US\$12 billion.

With its leisure and entertainment businesses ranging from land-based resorts to cruising on seas, the Group provides world-class integrated leisure and entertainment services at its best.

The Group via Genting International P.L.C. ([www.gentinginternational.com](http://www.gentinginternational.com)), is a leading resort development specialist. It has global gaming expertise and experience in developing, operating and marketing internationally acclaimed resorts and integrated entertainment landmarks in Asia, the United Kingdom, Australia and the Americas.

Genting International owns and operates Maxims Casino Club ([www.maximsclub.com](http://www.maximsclub.com)), an exclusive high-end casino in London. It has equity interests in Stanley Leisure plc (one of UK's largest casino operators) and in London Clubs International (operator of casinos in the UK, Egypt and South Africa). In addition, Genting International has a joint venture with Stanley Leisure plc to develop regional casinos in the UK. More recently, Genting International acquired several prime properties within the vicinity of Maxims Casino Club in Kensington, London.

Genting was founded in 1965 by Tan Sri Lim Goh Tong. Genting's primary asset is Genting Highlands Resort ([www.genting.com.my](http://www.genting.com.my)), located about 58 kilometres from Kuala Lumpur, Malaysia. This award-winning resort is now one of the world's leading integrated entertainment resorts, attracting 18.7 million visitors in 2005.

Genting Highlands Resort offers over 10,000 rooms, 60 fun rides, 170 dining and shopping outlets, mega shows, international business convention facilities and a myriad of exciting entertainment activities for all. First World Hotel, the resort's newest hotel was fully completed in December 2005 and is the world's largest hotel with 6,200 rooms.

Genting Highlands Resort is owned by Resorts World Bhd ([www.resortsworld.com](http://www.resortsworld.com)). In addition, Resorts World owns and manages the Awana chain of hotel resorts in Malaysia

([www.awana.com.my](http://www.awana.com.my)), comprising Awana Genting Highlands Golf & Country Resort, Awana Kijal Golf, Beach & Spa Resort, Terengganu and Awana Porto Malai, Langkawi.

Star Cruises Limited ([www.starcruses.com](http://www.starcruses.com)), is the world's third largest cruise operator and Asia-Pacific's leading cruise line. Star Cruises began its operations in 1993 in Singapore and has since expanded its presence globally - operating under internationally recognised brands of Star Cruises, Norwegian Cruise Line, NCL America, Orient Lines and Cruise Ferries.

Backed by over 40 years of experience, management expertise and strong financials, the Genting Group has successfully expanded beyond leisure and hospitality operations to the activities of power generation, plantation, property, paper manufacturing, oil & gas and environmental-focused ventures.

Asiatic Development Bhd ([www.asiatic.com.my](http://www.asiatic.com.my)) is one of Malaysia's lowest cost palm oil producers and a reliable property developer of several major residential and commercial properties in Malaysia. It has recently made its presence overseas with a joint venture to develop 98,300 hectares of land into oil palm plantation in Indonesia over a 10-year period.

Genting Power ([www.gentingsanyen.com](http://www.gentingsanyen.com)) is a fast growing regional power player with interests in seven power plants in China, India and Malaysia (with a total net attributable capacity of close to 1,500 MW). Its 720MW gas-fired combined cycle Kuala Langat power plant is one of the most efficient power plants in Malaysia which uses Asia's first environmental-friendly hybrid cooling tower that produces no visible plume.

Genting Sanyen Paper and Packaging is Malaysia's largest integrated recycled paper and packaging manufacturer. The Manufacturing division ([www.gentingsanyen.com](http://www.gentingsanyen.com)) recently expanded its operations to include new innovative breakthrough recycling technologies such as Genting Bio-Oil (which converts waste material such as oil palm empty fruit bunches into high-grade liquid bio-oil) and Rite Wood (which converts wood and plastic waste into wood plastic composites).

The Oil & Gas division via Genting Oil & Gas ([www.gentingoil.com](http://www.gentingoil.com)) is the only private Malaysian oil and gas production and exploration company. It has successfully ventured into oil production activities in China and is undertaking oil & gas exploration activities in Indonesia.

The Genting Group will continue to grow from strength to strength as a leading Asian multinational corporation.

# Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Thirty-Eighth Annual General Meeting of the Company will be held at 26th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur on Wednesday, 21 June 2006 at 4.15 p.m.

## AS ORDINARY BUSINESS

1. To receive and adopt the Financial Statements for the financial year ended 31 December 2005 and the Directors' and Auditors' Reports thereon. (Resolution 1)
2. To sanction the declaration of a final dividend. (Resolution 2)
3. To approve Directors' fees of RM595,000 for the financial year ended 31 December 2005 (2004: RM594,000). (Resolution 3)
4. To re-elect the following persons as Directors of the Company pursuant to Article 99 of the Articles of Association of the Company:
  - i) Tun Mohammed Hanif bin Omar (Resolution 4)
  - ii) Dr. R. Thillainathan (Resolution 5)
5. To consider and, if thought fit, pass the following resolutions pursuant to Section 129 of the Companies Act, 1965 :
 

"That Tan Sri Mohd Amin bin Osman, retiring in accordance with Section 129 of the Companies Act, 1965, be and is hereby re-appointed as a Director of the Company to hold office until the next Annual General Meeting." (Resolution 6)

"That Tan Sri Gunn Chit Tuan, retiring in accordance with Section 129 of the Companies Act, 1965, be and is hereby re-appointed as a Director of the Company to hold office until the next Annual General Meeting." (Resolution 7)
6. To re-appoint Auditors and to authorise the Directors to fix their remuneration. (Resolution 8)

## AS SPECIAL BUSINESS

To consider and, if thought fit, pass the following Resolutions:

### Ordinary Resolutions

7. **Authority to issue and allot shares pursuant to Section 132D of the Companies Act, 1965**

"THAT, subject always to the Companies Act, 1965, the Articles of Association of the Company and the approval of any relevant governmental and/or regulatory authorities, where such approval is required, the Directors be and are hereby authorised and empowered pursuant to Section 132D of the Companies Act, 1965 to issue and allot shares in the Company, at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten (10) per centum of the issued and paid-up share capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company." (Resolution 9)
8. **Proposed renewal of the authority for the purchase of own shares**

"THAT, subject to compliance with the Companies Act, 1965, the Articles of Association of the Company, regulations and guidelines issued from time to time by Bursa Malaysia Securities Berhad ("Bursa Malaysia") or any other regulatory authorities, approval be and is hereby given to the Company to utilise

## Notice of Annual General Meeting (cont'd)

an amount not exceeding the total retained profits and share premium of the Company to purchase such amount of ordinary shares of RM0.50 each in the Company as may be determined by the Directors of the Company from time to time on Bursa Malaysia upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares to be purchased pursuant to this resolution does not exceed 70,538,000 ordinary shares of RM0.50 each representing ten (10) per centum of the issued and paid-up share capital of the Company as at 2 May 2006. Based on the audited financial statements for the financial year ended 31 December 2005, the Company's retained profits and share premium accounts were RM3,573.3 million and RM111.7 million respectively;

AND THAT such authority shall commence upon the passing of this resolution and shall remain in force until the conclusion of the next Annual General Meeting of the Company unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting;

AND THAT authority be and is hereby given to the Directors of the Company to decide in their discretion to retain the ordinary shares in the Company so purchased by the Company as treasury shares and/or cancel them and/or resell the treasury shares or to distribute them as share dividend and/or subsequently cancel them;

AND FURTHER THAT authority be and is hereby given to the Directors of the Company to take all such steps as are necessary (including the appointment of up to two (2) Participating Organisations as defined in the Bursa Malaysia Listing Requirements and the opening and maintaining of Central Depository Accounts designated as Share Buy-Back Accounts) and to enter into any agreements and arrangements with any party or parties to implement, finalise and give full effect to the aforesaid with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities.”

**(Resolution 10)**

9. To transact any other business of which due notice shall have been given.

By Order of the Board

**TAN WOUI MENG**

Secretary

Kuala Lumpur

30 May 2006

### NOTES

*A member entitled to attend and vote at this meeting is entitled to appoint a proxy or proxies (but not more than two) to attend and vote instead of him. A proxy need not be a member of the Company but in accordance with Section 149 of the Companies Act, 1965, a member shall not be entitled to appoint a person who is not a member of the Company as his proxy unless that person is an advocate, an approved company auditor or a person approved by the Registrar of Companies in a particular case. Where a member appoints two proxies, the appointments shall be invalid unless he specifies the proportions of his holding to be represented by each proxy. The instrument appointing a proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time set for holding the meeting or at any adjournment thereof.*

### EXPLANATORY NOTES ON SPECIAL BUSINESS

- (1) Ordinary Resolution 9, if passed, will give authority to the Directors of the Company, from the date of the above Annual General Meeting, to issue and allot shares in the Company up to and not exceeding in total ten (10) per centum of the issued and paid-up share capital of the Company for the time being, for such purposes as they consider would be in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.
- (2) Ordinary Resolution 10, if passed, will empower the Directors of the Company to purchase the Company's shares up to ten (10) per centum of the issued and paid-up share capital of the Company ("Proposed Share Buy-Back") by utilising the funds allocated which shall not exceed the total retained profits and share premium of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

*Further information on the Proposed Share Buy-Back are set out in the Share Buy-Back Statement of the Company dated 30 May 2006 which is despatched together with the Company's 2005 Annual Report.*

# Statement Accompanying Notice of Annual General Meeting

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

1. The following are the Directors standing for re-election at the Thirty-Eighth Annual General Meeting of the Company to be held at 26th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur on Wednesday, 21 June 2006 at 4.15 p.m. :
  - (a) Pursuant to Article 99 of the Articles of Association of the Company
    - (i) Tun Mohammed Hanif bin Omar
    - (ii) Dr. R. Thillainathan
  - (b) Pursuant to Section 129 of the Companies Act, 1965
    - (i) Tan Sri Mohd Amin bin Osman
    - (ii) Tan Sri Gunn Chit Tuan
2. Number of Board Meetings held during the financial year ended 31 December 2005 : **6**
3. Attendances of Directors at Board Meetings held during the financial year ended 31 December 2005 are set out on page 54 of this Annual Report.
4. Further details on the Directors standing for re-election at the Thirty-Eighth Annual General Meeting are set out on pages 11 to 12 of this Annual Report.

# Group Corporate Structure



and its Principal Subsidiaries and Associates  
as at 18 May 2006



\* Listed on Bursa Malaysia Securities Berhad.

\*\* Listed on the Singapore Exchange Securities Trading Limited and on the Euro MTF Market of the Luxembourg Stock Exchange and 54.78%-owned by Genting Overseas Holdings Ltd and 6.53%-owned by Resort World Limited.

\*\*\* Listed on The Stock Exchange of Hong Kong Limited and quoted on CLOB International, Singapore.

^ Subsidiary of Resorts World Bhd.

^^ A 36.0%-owned associate of Resorts World Bhd.

# Subsidiary of Asiatic Development Berhad.

## Subsidiary of Genting International P.L.C.

# Corporate Diary

## 2005

### 17 January

Announcement of the acquisition by Genting Oil Salawati Pte Ltd, an indirect 95% owned subsidiary of the Company, of a 49.99% participating interest in the Indonesia West Salawati PSC from Pearl-Oil (Salawati) Limited on 15 January 2005.

### 26 January

Announcement of the successful testing and placing onto production of a newly drilled development well 'ZG10-18' in the Zhuangxi Buried Hill Oilfield, China by Genting Oil & Gas (China) Limited, an indirect 95% owned subsidiary of the Company.

### 25 February

Announcement of the Consolidated Results of the Group for the fourth quarter and the Audited Results for the financial year ended 31 December 2004.

### 13 April

Announcement of the Entitlement Date for the Proposed Final Dividend in respect of the financial year ended 31 December 2004 and the Thirty-Seventh Annual General Meeting.

Announcement of the Proposed Renewal of Mandate for the Proposed Share Buy-Back.

### 6 May

Announcement of the disposal of 3,620,086 ordinary shares of 25p each in Stanley Leisure plc by Genting Overseas Holdings Limited ("GOHL"), a wholly-owned subsidiary of the Company to Palomino Limited, a wholly-owned subsidiary of Genting International P.L.C. ("Genting International"), which in turn is a subsidiary of GOHL.

### 13 May

Announcement of the proposed disposal by GOHL of its entire equity interest in Sedby Limited to Genting International for a consideration of USD18.4 million (approximately RM69.92 million).

### 27 May

Announcement of the Consolidated Unaudited Results of the Group for the first quarter ended 31 March 2005.

### 31 May

Notice to shareholders of the Thirty-Seventh Annual General Meeting.

### 23 June

Announcement of the proposed acquisitions of interests in four power plants located in China.

### 28 June

Thirty-Seventh Annual General Meeting.

### 26 August

Announcement of the Consolidated Unaudited Results of the Group for the second quarter ended 30 June 2005.

Announcement of the Entitlement Date for the Interim Dividend in respect of the half year ended 30 June 2005.

### 25 November

Announcement of the Consolidated Unaudited Results of the Group for the third quarter ended 30 September 2005.

### 9 December

Announcement of the successful acquisitions of interest in four power plants in China from the subsidiaries of El Paso Corporation.

## 2006

### 22 February

Announcement of the Consolidated Results of the Group for the fourth quarter and the Audited Results for the financial year ended 31 December 2005.

### 27 March

Announcement of the proposed acquisitions of the remaining 73.8% stake in Meizhou Wan Power Plant in China and a 100% stake in its project management company.

### 19 April

Announcement of the Entitlement Date for the Proposed Final Dividend in respect of the financial year ended 31 December 2005 and the Thirty-Eighth Annual General Meeting.

Announcement of the Proposed Renewal of Mandate for the Proposed Share Buy-Back.

## DIVIDENDS

|   | Announcement     | Entitlement Date | Payment         |
|---|------------------|------------------|-----------------|
| 2004 Final - 16.0 sen less tax          | 25 February 2005 | 8 July 2005      | 29 July 2005    |
| 2005 Interim - 10.0 sen less tax        | 26 August 2005   | 7 October 2005   | 28 October 2005 |
| 2005 Proposed Final - 19.0 sen less tax | 22 February 2006 | 5 July 2006      | 28 July 2006*   |

\* Upon approval of Shareholders at the Thirty-Eighth Annual General Meeting.

## Corporate Information

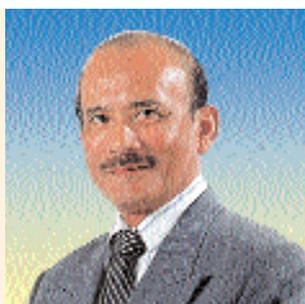


**TAN SRI LIM GOH TONG**  
*Founder &  
 Honorary Life Chairman*

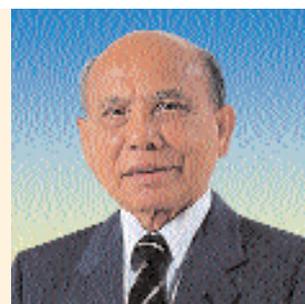
## Board of Directors



**TAN SRI LIM KOK THAY**  
*Chairman, President &  
 Chief Executive*



**TUN MOHAMMED HANIF BIN OMAR**  
*Deputy Chairman*



**TAN SRI MOHD AMIN BIN OSMAN**  
*Executive Director*



**DR. R. THILLAINATHAN**  
*Executive Director &  
 Chief Operating Officer*



**MR QUAH CHEK TIN**  
*Executive Director*



**DATO' PADUKA NIK HASHIM  
 BIN NIK YUSOFF**  
*Independent Non-Executive Director*



**TAN SRI GUNN CHIT TUAN**  
*Independent Non-Executive Director*



**TAN SRI DR. LIN SEE YAN**  
*Independent Non-Executive Director*

## Corporate Information (cont'd)

### PRINCIPAL EXECUTIVE OFFICERS

Tan Sri Lim Kok Thay  
*Chairman, President & Chief Executive*

Tun Mohammed Hanif bin Omar  
*Deputy Chairman*

Tan Sri Mohd Amin bin Osman  
*Executive Director*

Dr. R. Thillainathan  
*Executive Director & Chief Operating Officer*

Mr Quah Chek Tin  
*Executive Director*

Mr Chong Kin Leong  
*Executive Vice President - Finance*

Mr Justin Leong Ming Loong  
*Head of Strategic Investments*

Mr Tan Wooi Meng  
*Executive Vice President - Group Secretariat and Legal*

Encik Azmi bin Abdullah  
*Group Treasurer*

### AUDIT COMMITTEE

Tan Sri Gunn Chit Tuan  
*Chairman/Independent Non-Executive Director*

Dato' Paduka Nik Hashim bin Nik Yusoff  
*Member/Independent Non-Executive Director*

Tan Sri Dr. Lin See Yan  
*Member/Independent Non-Executive Director*

Tan Sri Lim Kok Thay  
*Member/Chairman, President & Chief Executive*

Mr Quah Chek Tin  
*Member/Executive Director*

### NOMINATION COMMITTEE

Tan Sri Dr. Lin See Yan  
*Chairman/Independent Non-Executive Director*

Tan Sri Gunn Chit Tuan  
*Member/Independent Non-Executive Director*

Dato' Paduka Nik Hashim bin Nik Yusoff  
*Member/Independent Non-Executive Director*

### REMUNERATION COMMITTEE

Dato' Paduka Nik Hashim bin Nik Yusoff  
*Chairman/Independent Non-Executive Director*

Tan Sri Gunn Chit Tuan  
*Member/Independent Non-Executive Director*

Tan Sri Dr. Lin See Yan  
*Member/Independent Non-Executive Director*

Tan Sri Lim Kok Thay  
*Member/Chairman, President & Chief Executive*

### SECRETARY

Mr Tan Wooi Meng

### GENTING BERHAD

A public limited liability company  
Incorporated and domiciled in Malaysia  
Company No. 7916-A

### REGISTERED OFFICE

24th Floor Wisma Genting,  
Jalan Sultan Ismail,  
50250 Kuala Lumpur  
Tel : (603) 2178 2288/2333 2288  
Fax : (603) 2161 5304  
E-mail : gbinfo@genting.com

### REGISTRARS

Genting Management and Consultancy Services Sdn Bhd  
23rd Floor Wisma Genting,  
Jalan Sultan Ismail,  
50250 Kuala Lumpur  
Tel : (603) 2178 2288/2333 2266  
Fax : (603) 2161 5304

### STOCK EXCHANGE LISTING

Main Board of Bursa Malaysia Securities Berhad  
(28 December 1971)

### AUDITORS

PricewaterhouseCoopers  
(Chartered Accountants)

### INTERNET HOMPAGE

www.genting.com

## Directors' Profile

**Tan Sri Lim Kok Thay** (Malaysian, aged 54), appointed on 17 August 1976, is the Chairman, President & Chief Executive. He holds a Bachelor of Science Degree in Civil Engineering from the University of London. He attended the advanced management programme of Harvard Business School, Harvard University in 1979. He is also the Chairman, President & Chief Executive of Resorts World Bhd ("Resorts World"), the Joint Chief Executive and a Director of Asiatic Development Berhad ("Asiatic") and the Executive Chairman of Genting International P.L.C. ("Genting International").

In addition, he sits on the Boards of other Malaysian and foreign companies. He has served in various positions within the Group since 1976. He also sits on the Board of trustees of several charitable organisations in Malaysia.

Tan Sri Lim holds a total of 3,433,800 ordinary shares in the Company, 50,000 ordinary shares in Resorts World, 144,000 ordinary shares in Asiatic and 20,000 ordinary shares in Genting International; and has a share option to subscribe for 1,000,000 ordinary shares in the Company, a share option to subscribe for 750,000 ordinary shares in Resorts World, a share option to subscribe for 825,000 ordinary shares in Asiatic and a share option to subscribe for 5,000,000 ordinary shares in Genting International.

Tan Sri Lim is a Director of Kien Huat Realty Sdn Bhd ("KHR"), a substantial shareholder of the Company and has a deemed interest in KHR only by virtue of being a beneficiary of the Lim Kok Thay Trust which owns 60% of the non-voting preference shares in KHR.

Tan Sri Lim is the Chairman, President and Chief Executive Officer of Star Cruises Limited ("Star Cruises"), a company listed on The Stock Exchange of Hong Kong Limited. He also has an interest in the securities of Star Cruises. The Star Cruises group engages in cruise and cruise related businesses. As the cruise industry forms a segment of the leisure industry there may be indirect competition between the Company and Star Cruises.

**Tun Mohammed Hanif bin Omar** (Malaysian, aged 67), appointed on 23 February 1994, is the Deputy Chairman. He was Inspector-General of The Royal Malaysian Police for 20 years before retiring in January 1994, having joined as an officer in 1959. He holds a Bachelor of Arts Degree from the University of Malaya, Singapore, Bachelor of Law (Honours) Degree from Buckingham University and the Certificate of Legal Practice (Honours) from the Legal Qualifying Board.

He is also the Deputy Chairman of Resorts World Bhd ("Resorts World") and the Chairman on the Board of public-listed General Corporation Berhad. He is a Director of AMMB Holdings Berhad, AMFB Holdings Berhad, Fullmark Manufacturing Bhd and AmBank (M) Berhad (formerly

known as AmFinance Berhad). He is the President of the Malaysian Institute of Management.

Tun Mohammed Hanif holds 200 ordinary shares in the Company and 1,000 ordinary shares in Resorts World; and has a share option to subscribe for 500,000 ordinary shares in the Company and Resorts World respectively and a share option to subscribe for 1,000,000 ordinary shares in Genting International P.L.C.

**Tan Sri Mohd Amin bin Osman** (Malaysian, aged 78), appointed on 12 May 1986, was appointed an Executive Director on 1 May 2003 upon the expiry of his consultancy contract with the Company on 30 April 2003. He is also the Chairman of Asiatic Development Berhad ("Asiatic").

He had a distinguished career with the Royal Malaysian Police Force for a period of over 36 years where he retired as the Acting Inspector General of Police, Malaysia. In between, he had served as Deputy Commissioner of Police, Sabah; Brigade Commander, Police Field Force, East Malaysia; Chief of City Police, Kuala Lumpur; and Director of the Special Branch, Malaysia. He has won various awards including the Panglima Setia Mahkota and Sri Indera Mahkota Pahang. He also sits on the Board of Shangri-la Hotels (Malaysia) Berhad.

Tan Sri Mohd Amin holds 134,000 ordinary shares in the Company, 122,000 ordinary shares in Resorts World Bhd and 164,000 ordinary shares in Asiatic; and has a share option to subscribe for 374,000 ordinary shares in the Company, a share option to subscribe for 825,000 ordinary shares in Asiatic and a share option to subscribe for 1,000,000 ordinary shares in Genting International P.L.C.

**Dr. R. Thillainathan** (Malaysian, aged 61), appointed on 15 January 2003, is an Executive Director & Chief Operating Officer. He holds a Class 1 Honours in Bachelor of Arts (Economics) Degree from the University of Malaya, obtained his Masters and PhD in Economics from the London School of Economics and is a Fellow of the Institute of Bankers Malaysia. He has been with the Genting Group since 1989 and also holds directorships in other companies within the Group. He also sits on the Boards of Petronas Dagangan Berhad and Bursa Malaysia Berhad. Dr. R. Thillainathan has extensive years of experience in finance and banking. He is the immediate past President of Malaysian Economic Association.

Dr. R. Thillainathan has a share option to subscribe for 186,000 ordinary shares in the Company and a share option to subscribe for 1,500,000 ordinary shares in Genting International P.L.C.

**Mr Quah Chek Tin** (Malaysian, aged 54), appointed on 12 April 1999, is an Executive Director. He holds a Bachelor of Science (Honours) Degree in Economics from the London School of Economics and is a Fellow of the Institute of Chartered Accountants in England and Wales.

He is also an Executive Director & Chief Operating Officer of Resorts World Bhd ("Resorts World") and a Director of Asiatic Development Berhad.

He has been with the Genting Group since 1979 and also holds directorships in other companies within the Group which include three public companies, Genting Golf Course Bhd, Genting Highlands Berhad and Awana Vacation Resorts Development Berhad.

Mr Quah holds 1,000 ordinary shares in the Company and Resorts World respectively and has a share option to subscribe for 374,000 ordinary shares in the Company and a share option to subscribe for 1,500,000 ordinary shares in Genting International P.L.C.

**Dato' Paduka Nik Hashim bin Nik Yusoff** (Malaysian, aged 68), appointed on 8 June 1979, is an Independent Non-Executive Director. He holds a Bachelor of Arts (Honours) Degree from Melbourne University and also a Masters Degree in Public Administration from Harvard University, USA. He has been in the banking industry for more than 30 years. He is the Chairman of Utama Banking Group Berhad and sits on the Boards of Malayan United Industries Berhad, UBG Enterprise Bhd, CMS Trust Management Berhad and Rashid Hussain Berhad.

Dato' Paduka Nik Hashim bin Nik Yusoff has a share option to subscribe for 1,000,000 ordinary shares in Genting International P.L.C.

**Tan Sri Gunn Chit Tuan** (Malaysian, aged 77), appointed on 6 July 1994, is an Independent Non-Executive Director. He is the former Chief Justice of Malaya from where he retired on 20 May 1994. He holds a Master of Arts Degree, a Bachelor of Laws (Honours) Degree (redesignated as LLM in 1985) from University of Cambridge and is a Barrister-at-Law from Lincoln's Inn. He has been awarded both the Panglima Mangku Negara and Panglima Setia Mahkota and was recently conferred the Doctor of Science (Honorary) by University Putra Malaysia.

Tan Sri Gunn Chit Tuan has a share option to subscribe for 1,000,000 ordinary shares in Genting International P.L.C.

**Tan Sri Dr. Lin See Yan** (Malaysian, aged 66), appointed on 28 November 2001, is an Independent Non-Executive Director. He is an independent strategic and financial consultant and a chartered statistician. Tan Sri Dr. Lin received three degrees from Harvard University, including a PhD in economics. He is an Eisenhower Fellow and also the Professor of Economics (Adjunct) at Universiti Utara Malaysia.

Prior to 1998, Tan Sri Dr. Lin was Chairman/President and Chief Executive Officer of Pacific Bank Group and for 14 years since 1980, was the Deputy Governor of Bank Negara Malaysia, having been a central banker for 34 years. He continues to serve the public interest, including Member, National Economic Action Council (NEAC) Working Group; Pro-Chancellor, Universiti Sains Malaysia; Trustee, Malaysia University for Science & Technology and Monash University (Sunway Campus) Malaysia; and Governor, Asian Institute of Management, Manila as well as Member, Asian Financial Regulatory Shadow Committee based in the United States of America.

He is Chairman Emeritus of the Council of the Graduate School Alumni Association at Harvard University and Member, Visiting Committee on Asian Studies as well as Regional Director for Asia, Harvard Alumni Association at the University, in addition to being President of the Harvard Club of Malaysia and its Foundation. Tan Sri Dr. Lin advises and sits on the Boards of a number of publicly listed and private enterprises in Malaysia, Singapore and Indonesia, including as Independent Director of Resorts World Bhd, Ancom Berhad, Fraser & Neave Holdings Berhad, Wah Seong Corporation Berhad, Jobstreet Corporation Berhad and Kris Assets Holdings Berhad.

Tan Sri Dr. Lin See Yan has a share option to subscribe for 1,000,000 ordinary shares in Genting International P.L.C.

#### **Attendance at Board Meetings**

*The details of Directors' attendances at Board Meetings are set out in the Corporate Governance statement on page 54 of this Annual Report.*

# Chairman's Statement

*"We are committed to grow from strength to strength and achieve greater success."*



On behalf of the Board of Directors, I am pleased to present to you the Annual Report and Audited Financial Statements of the Genting Group of Companies ("Genting Group" or "Group") for the financial year ended 31 December 2005.

## PERFORMANCE REVIEW

The Malaysian economy posted a healthy GDP growth of 5.3% in 2005, despite global challenges such as rising oil prices and higher interest rates. In tandem with the nation's economic growth, the Group registered a stronger performance in 2005.

The Group's revenue increased by 17% to a record high of RM5.5 billion in 2005 (2004: RM4.6 billion). The Group's profit before tax rose by 37% to surpass the RM2 billion mark, registering a record high of RM2.4 billion in 2005 (2004: RM1.8 billion).

The stronger performance in 2005 was mainly attributable to higher contribution from the Leisure & Hospitality, Oil & Gas and Property Divisions.

The higher revenue and profit from the Leisure & Hospitality Division were primarily due to higher visitor arrivals and increased volume of the leisure gaming business. The Property Division benefited mainly from higher progress billings of properties sold in 2005 while the Oil & Gas Division gained from the higher average oil prices and increased production during the year.

The Plantation Division recorded lower revenue and profit due to lower selling prices of palm products in 2005 while the

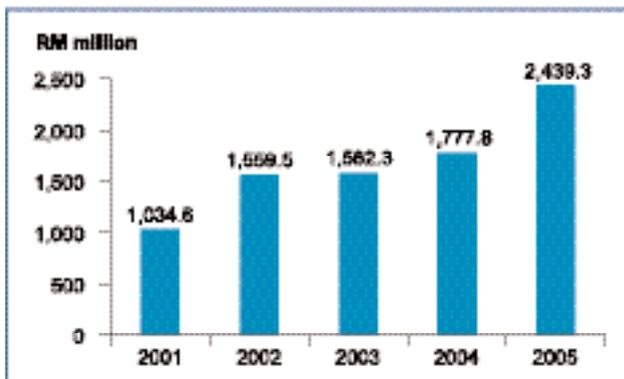
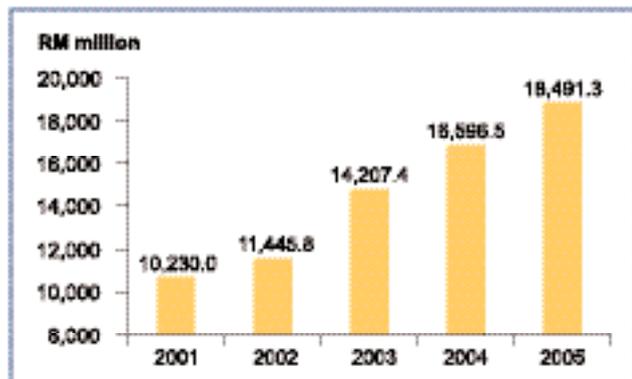
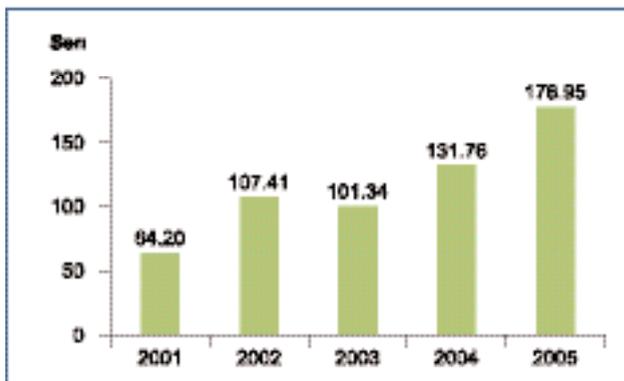
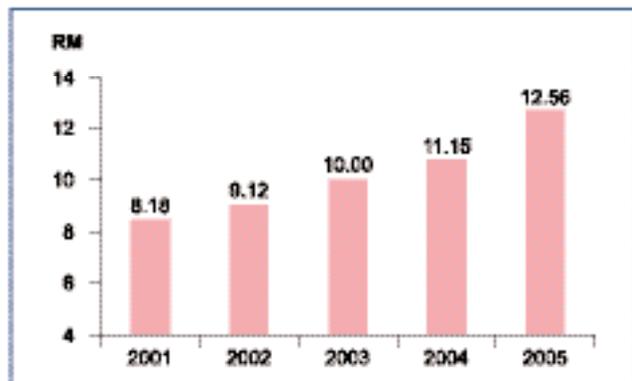
Power Division's lower revenue and profit were mainly due to fewer days of operations, arising from major inspections on all the gas turbines and maintenance work in its Malaysian Kuala Langat power plant. The Manufacturing Division generated higher revenue arising from higher selling prices of its products but registered lower profit mainly due to higher cost of production, repair and maintenance works.

The Group's profit from jointly controlled entities and associates increased by 32% to RM45.8 million in 2005. This included a share of profit of RM15.4 million from Star Cruises Limited ("Star Cruises"), compared to RM12.8 million in 2004. In addition, the Group's profit in 2005 included a one-off gain of RM136.7 million arising from the dilution of the Group's shareholding in Genting International P.L.C. ("Genting International") and a one-off investment gain of RM113.5 million.

## FINANCIAL HIGHLIGHTS

| Year ended 31 December  | 2005       | 2004       | Change % |
|---|------------|------------|----------|
|   | RM million | RM million |          |
| Operating revenue   | 5,454.1    | 4,647.0    | 17       |
| Profit before taxation  | 2,439.3    | 1,777.8    | 37       |
| Profit after taxation   | 1,811.7    | 1,434.1    | 26       |
| Net profit for the year   | 1,247.0    | 928.0      | 34       |
| Shareholders' equity  | 9,002.0    | 7,868.5    | 14       |
| Total assets employed   | 18,491.3   | 16,596.5   | 11       |
| Basic earnings per share [sen] *  | 176.95     | 131.76     | 34       |
| Diluted earnings per share [sen] *  | 176.05     | 131.32     | 34       |
| Net dividend per share [sen]  | 20.88      | 17.28      | 21       |
| Dividend cover [times] *  | 8.5        | 7.6        | 12       |
| Net assets per share [RM]   | 12.76      | 11.17      | 14       |
| Net tangible assets per share [RM]  | 12.56      | 11.15      | 13       |
| Return (after tax and minority interests) on average shareholders' equity [%] | 14.78      | 12.45      | 19       |

\* Computed based on profit after taxation and minority interest.

**PROFIT BEFORE TAXATION****TOTAL ASSETS EMPLOYED****BASIC EARNINGS PER SHARE****NET TANGIBLE ASSETS PER SHARE****DIVIDENDS**

It is the intention of the Group to maintain a reasonable balance between dividend payouts and the setting aside of funds for financial prudence as well as for future business expansion. An interim dividend of 10.0 sen per share less 28% tax, amounting to RM50.7 million was paid on 28 October 2005. In line with the overall improved performance of the Group, the Board has recommended an increase in the final gross dividend for 2005 to 19.0 sen per share from 16.0 sen per share in the previous financial year, less income tax of 28%.

The final dividend amounting to RM96.5 million will require the approval of shareholders at the forthcoming Thirty-Eighth Annual General Meeting. Total gross dividend per share for 2005 would increase to 29.0 sen from 24.0 sen in the previous year.

**BUSINESS DEVELOPMENTS**

As one of Asia's best-managed and leading multinationals, the Genting Group is committed to strengthen and grow its core businesses. 2005 was a special and memorable year as the Genting Group celebrated its 40th anniversary. It was another exciting year as the Group charted several milestone achievements and executed key corporate exercises to position itself for further growth.

Genting Highlands Resort, the crown jewel of the Group's Leisure & Hospitality Division, was awarded the *World's Leading Casino Resort* and *Asia's Leading Casino Resort* by World Travel Awards 2005. This stands as a testimony of its world-class service excellence and global recognition. As much as the Group is proud and honoured with these accolades, Genting Highlands Resort is more than just a casino resort. It is a 'city of entertainment' and one of Malaysia's iconic tourist destinations.

Genting Highlands Resort is an integrated leisure and entertainment resort which caters to all market segments of the leisure and hospitality industry - ranging from indoor and outdoor theme parks, mega entertainment shows and events, shopping, food, spa, golfing, cable car rides, eco-nature activities and many more. The integrated resort attracted a new record high of 18.7 million visitors in 2005.

It has been a wonderful year of celebrations with *Genting - City of Entertainment* providing fun and memorable moments for all. A record total of 988 show days were attained in 2005, showcasing world-class entertainment and star-studded concerts while entertaining more than 800,000 patrons. Superb performances from internationally acclaimed artistes including Robin Gibb, Michael Bolton, Engelbert Humperdinck, Sheena Easton, Laura Fygi, Michael Learns to Rock and all-time classics such as The Platters were held at

the integrated resort. Visitors, both the young and the adults, were entertained with West-End musicals such as *Oliver* and stunt extravaganzas like the “*Xtreme*” and “*Xtreme II*”.

**First World Hotel & Plaza**, Malaysia's largest and highest hotel, shopping and entertainment plaza recorded another milestone achievement in 2005. Tower 2 of First World Hotel, comprising about 3,000 rooms was completed in December 2005. With this completion, I am pleased to announce that First World Hotel is now the **world's largest hotel** with 6,200 rooms.

**Maxims Club** was further enhanced with 6-star accommodation and premium services in 2005. Four floors of Genting Hotel were converted into Maxims club rooms and mega suites. *Maxims Residences*, located on the 17th and 18th floor of Genting Hotel, features a 13,000 square feet *Royal Suite* with luxurious and state-of-the-art facilities. The elegantly designed *M Spa & Fitness*, which offers the latest gym equipment and a variety of spa treatments, has become a favourite place to de-stress and relax. These facilities further entrenched Maxims Club as the No. 1 choice for premium customers of the Resort to enjoy the finest of luxury comfort.

The Division has constantly upgraded the road and infrastructure to ensure that visitors are able to travel to Genting Highlands Resort safely and comfortably. The 4.5-kilometre two-lane bypass road between the hilltop and Chin Swee Caves temple, which works began in 2004, was completed in August 2005. This road serves as an alternative route to the hilltop of the integrated resort and eases traffic flow during peak visitor seasons. The construction of a new residential staff complex began in May 2005 to cater to the increasing staff population and is scheduled for completion in 2007.

To date, the Leisure & Hospitality Division has invested over RM5 billion to develop Genting Highlands Resort and the Group is committed to reinvest for continuous improvements.

During the year, **Genting Theme Park** won the **Best Family Resort** award at the Hospitality Asia Platinum Awards 2005-2006. This prestigious award further reinforces the popularity of the Resort and the high standard of its services and products. In addition, Genting Theme Park became the first theme park in the region to be certified with the Quality Management System Standards ISO 9001:2000 from Lloyd's Register Quality Assurance Ltd.

Genting Theme Park will continue to emphasise on a '3E' strategy of Exciting, Extreme and Extraordinary. Its thrill rides, including the latest *Flying Coaster*, Asia's first hang gliding roller coaster, have proven to be very popular in attracting

millions of visitors every year. Another exciting new attraction is the *4D Motion Master Theater*, the first of its kind in Malaysia.

The Division introduced new and trendy dining concepts and refurbished outlets to provide a wider range of food and dining experience in 2005. *Coffee Terrace*, *Resort Café* and *Restoran Kampong* were re-conceptualised to exude a modern and refreshing ambience for the dining pleasure of its patrons. *The Olive*, the Resort's trendy and contemporary fine dining restaurant, won the **Restaurant Of The Year** award at the Hospitality Asia Platinum Awards in November 2005.

The Group via Genting International, assumed operational control of **Maxims Casino Club, London** in January 2005 and have embarked on a programme to improve its business efficiency, systems and controls. At the same time, Genting International pursued a gradual re-investment programme to refurbish the club premises and to undertake a reinvigorated marketing programme underpinned by close liaison wherever possible with Maxims Genting Highlands, Malaysia. Overall, the performance of Maxims Casino Club, London in 2005 was satisfactory.

On 3 February 2006, the Group via Genting International, expanded its presence in London by acquiring interests in three **Kensington-based properties**, namely 99-121 Kensington High Street, 1 Derry Street and 25 Kensington Square. The properties were acquired for a total value of £109.4 million by a joint venture company, 808 Holdings Pte Ltd in which Genting International has a one-third interest. The remaining interests are held by two other partners linked to CapitaLand Ltd and HPL Properties Limited. Each partner has a one-third interest respectively.

**WorldCard**, the Group's customer loyalty programme which is managed by eGENTING, grew to nearly 2.0 million members in 2005. An agreement with Star Cruises in January 2004 enabled WorldCard to jointly develop and grow the loyalty programme together. WorldCard members can enjoy cross-border values and recognition at some 270 merchants covering over 1,500 outlets in Malaysia, Singapore and Hong Kong from the leisure, dining, retail and entertainment segments.

The **Awana** chain of hotels and resorts with its innovative marketing promotions and great services performed well in 2005, despite the overall lower tourist arrivals to beachfront resorts in Malaysia due to concerns arising from the tsunami disaster in the Indian Ocean in December 2004. For a second consecutive year, Awana Kijal Golf, Beach & Spa Resort in Terengganu was named the **No. 1 Resort in the East Coast** in 2005 by the Hospitality magazine.

The Group's associate, **Star Cruises** won the award for **Best Cruise Operator in Asia-Pacific** for a **record eighth time** at the TTG Travel Awards 2005. In September 2005, Star Cruises extended its Asian operations to include India with the SuperStar Libra setting its pioneer homeport operations in Mumbai - a first in the cruise industry in India. SuperStar Libra offers regular and special cruises to destinations along the west coast of India. For the summer of 2006, which coincides with the monsoon months in the west coast of India, **SuperStar Libra** will be temporarily deployed to the Eastern Mediterranean and homeported in Valetta, Malta.

Star Cruises continued its fleet renewal strategy in 2005. It took delivery of two new vessels, the **Pride of America** and the **Norwegian Jewel** in June and August 2005 respectively. In April 2006, it took delivery of another new vessel, the **Pride of Hawaii**. Star Cruises is expected to take delivery of another two new vessels, the **Norwegian Pearl**, which is expected to be delivered in the later part of 2006 and **Norwegian Gem** in 2007. These new ships joining the fleet will excite the market with their innovative design and state-of-the-art features.

The **Power Division's** 36.26% owned 113MW **Aban** power plant in India commenced operations in August 2005. This power plant and together with the Division's 30% owned **Lanco Kondapalli** power plant in India, have contributed positively to the Group's earnings. With the acquisition of the four power plants in China, the Division now has seven power plants located in China, India and Malaysia with a total net attributable capacity of close to 1,500MW. The Division will soon be completing the acquisition of its first 100% owned power plant, which is the **Meizhou Wan** power plant in China. These power plants will be the platform for the Group to grow its presence as a strong regional power player in Asia.

The **Plantation Division** recorded improved yields and higher oil palm production but was weighed down by the lower palm oil prices in 2005. The improved yields were recorded, especially from the Division's oil palm estates in Sabah, East Malaysia. During the year, the Division continued with its oil palm planting activities on the land acquired in recent years. The Division planted 1,851 hectares of land in **Asiatic Jambangan Estate** in 2005 and is expected to plant another 1,469 hectares in 2006. Further planting of its land would continue over the next few years. At present, the Division owns six oil mills with a total milling capacity of 255 tonnes per hour. The Division is planning to construct another oil mill of 30 tonnes per hour capacity at its **Asiatic Indah Estate**, in anticipation of the surge in production as sizeable new areas come into maturity in the coming years.

The **Property Division** had a commendable performance in 2005 despite moderate property market sentiment in the areas of its property projects in Malaysia. The Division, with well-designed housing features, innovative marketing and promotional strategies, recorded better performances from **Asiatic Indahpura**, the Division's flagship project in Kulai, Johor and from the new launches of **Asiatic Cheng Perdana** in Melaka.

The Paper and Packaging business under the **Manufacturing Division** continued to benefit from improved demand and higher average selling prices in paper and corrugated products achieved in 2005. This environmentally focused Division is committed to research and development and has invested in start-up ventures. These ventures apply new recycling-based technologies to create and manufacture new innovative products such as **Genting Bio-Oil** and **Rite Wood**.

**Genting Bio-Oil** was officially launched in August 2005 in conjunction with the Genting Group's 40th Anniversary. This new product uses a breakthrough Pyrolysis technology to commercially produce Malaysia's first bio-oil from bio mass, by converting waste material such as oil palm fruit bunches into high grade liquid bio-oil. Genting Bio-Oil is a source of renewable energy that can be used as a substitute for fuel oil and diesel to generate heat and electricity. Its future applications include the use of bio-oil as a transportation fuel and the extraction of chemicals for industrial purposes. The Group is optimistic that these new ventures will create and capture new market segments and have tremendous growth potential.

The **Oil & Gas Division**, which operates the onshore **Zhuangxi Buried Hill Oilfield** in Shandong Province, China, produced 192,896 tonnes (1.32 million barrels) of oil (wellhead production) in 2005. This was a significant production increase from previous years and we expect this level or even higher production to be maintained for the next few years.

In Indonesia, the Division has interests in three Production Sharing Contracts ("PSCs") currently undertaking exploration, namely the **Anambas**, **Northwest Natuna** and the **West Salawati PSCs**. During 2005, 3D seismic surveys were acquired and processed in the offshore Anambas and Northwest Natuna blocks (both operated with 100% interests). In mid 2006, three exploration wells will be drilled within these two South China Sea blocks. A 49.99% interest in the West Salawati PSC in West Papua was acquired by the Division on 15 January 2005, for which new seismic surveys and one exploration well are planned for 2006.

The Division continued to monitor developments at the Muturi PSC and the Tangguh Liquefied Natural Gas ("LNG") project. Its subsidiary Laila Limited has retained rights (a deferred consideration) to long-term cash flows from the Muturi PSC and the Tangguh LNG project. The deferred consideration and construction of the Tangguh LNG plant and two Vorwata Field production platforms are on course to be on stream by the end of 2008, at which time the monthly deferred consideration payments will begin. These are expected to last for the duration of the Muturi PSC, which has been extended by BPMIGAS, Indonesia's oil and gas regulatory body, until the end of 2035.

### CORPORATE DEVELOPMENTS

During the year, the Group successfully undertook a series of strategic acquisitions and capital raising exercises to strengthen the Group's existing businesses and to increase its presence globally.

On 12 January 2005, the Group via Genting International acquired 100% of **Maxims Casino Club**, one of a select number of high-end casinos in London, UK. Subsequently, 50% interest of Maxims Casino Club was sold to Stanley Leisure plc as part of a joint venture arrangement with the latter to develop regional casinos in the UK. On 9 March 2006, Genting International re-acquired the aforesaid 50% interest for £8.5 million. Genting International now fully owns and operates Maxims Casino Club, London.

In April 2005, the renounceable rights issue offering in which Genting International undertook in November 2004 was completed. The funds raised from the rights issue enabled Genting International to repay all its outstanding loans in 2005.

During the year, the Group rationalised its overseas leisure and gaming related businesses under the corporate umbrella of its subsidiary Genting International. As part of this rationalisation strategy, Genting International acquired a 2.8% equity stake in Stanley Leisure plc from Genting Berhad and a 11.9% equity stake in London Clubs International ("LCI") from Resorts World Bhd in May 2005. Genting International currently has a 20% equity interest in Stanley Leisure plc, one of UK's largest casino operators and a 29.8% equity interest in LCI, a reputable operator of casinos in the UK, Egypt and South Africa. These stakes are part of the Group's portfolio of strategic investments, primarily in shares of listed companies in the leisure, hospitality and gaming industries. Genting International is now one of the largest foreign investors in the UK gaming market.

In June 2005, the Group further restructured Genting International via Genting International's acquisition of a 100%

stake in E-Genting Holdings Sdn Bhd, the holding company of eGENTING from the Group. This rationalisation will enable Genting International to spearhead the Group's strategic position in the gaming industry in the UK and strengthen the Group's position as a leading global leisure and hospitality corporation.

In April 2005, the Government of Singapore gave its approval to proceed with the development of two integrated resorts at the Marina Bay and Sentosa sites respectively. Genting International is one of the four remaining bidders for the Marina Bay site. Genting International will work closely with other international leisure and entertainment brand partners for its proposed integrated resorts development. One of the brand partners is Universal Parks and Resorts, a leading theme park operator that develops the world - renowned Universal Studios theme parks.

On 29 March 2006, Genting International and Star Cruises jointly submitted a proposal to the Singapore Tourism Board for the development of a world-class iconic integrated resort at the Marina Bay site. The Genting International and Star Cruises partnership with equity stakes of 75% and 25% respectively, plans to invest more than S\$5 billion for the development of this unique integrated resort.

The iconic proposal will be known as the **Singapore Entertainment & Events Destination** ("S.E.E.D"). If selected, S.E.E.D will be destined to be Asia's must-visit destination for entertainment, business and unique experience. The winner of this bid will be announced by mid 2006.

On 2 December 2005, the **Genting International Initial Public Offer** ("IPO") was successfully launched in Singapore and raised about S\$350 million in gross proceeds. Genting International was listed on the Main Board of the Singapore Exchange ("SGX") on 12 December 2005. The funds raised will further strengthen the financial standing of Genting International and ensure that the Group is well positioned to tap on new opportunities in the leisure, hospitality and gaming industries.

The **Power Division** achieved a significant milestone when it acquired four power plants in China in 2005. The acquisitions for a 26.2% interest in 724MW **Meizhou Wan** power plant, a 60% interest in 109MW **Suzhou** power plant, an 80% interest in 76MW **Nanjing** power plant and a 60% interest in 42MW Wuxi power plant for US\$70 million began in June 2005 and were completed on 8 December 2005. The Division will soon be completing the acquisition of the remaining 73.8% interest in Meizhou Wan and a 100% interest in its project management company for about US\$155.3 million.

The **Plantation Division** will soon achieve another significant milestone for the Group when its proposed joint venture with an Indonesian partner in June 2005 to acquire and develop some 98,300 hectares of jungle land in West Kalimantan, Indonesia, is completed. This would be the Division's first oil palm plantation development venture outside Malaysia. The acquisition of the joint venture's first parcel of land measuring 14,500 hectares is scheduled for completion in the second quarter of 2006.

#### CORPORATE SOCIAL RESPONSIBILITY

The Group strongly embraces its corporate social responsibility and extends its support towards various charitable bodies, non-governmental organisations, sports associations and other worthy causes in the country.

The Group donated more than RM3.5 million to the tsunami-related disaster aid funds. In striving to improve healthcare in Malaysia, the Group donated RM1 million to PRIDE, an organisation that aims to increase awareness and improve health standard and treatment of breast cancer in Malaysia and RM108,600 to Mercy Malaysia Organisation, a medical relief organisation. Other worthy causes included a donation of RM 700,000 to the Yayasan Budi Penyayang Malaysia, a charitable foundation that fosters family values.

#### PROSPECTS

The Genting Group will remain vigilant in developing effective and competitive strategies to further strengthen its business activities. The various positive developments in the leisure, entertainment and gaming industries in the UK and the Asian region as well as in the power, plantation and oil & gas industries present opportunities for the Group to continue expanding its presence globally.

With an experienced management team, financial strength and a sound track record, the Group is confident of building new income streams that will secure long-term growth and enhance value for our shareholders.

#### APPRECIATION

On behalf of the Board, I would like to take this opportunity to thank our stakeholders including our customers, shareholders, business associates and various authorities for your continued confidence in our Group. I would like to commend and thank my Management and Staff for their relentless dedication and hard work in making all our achievements in 2005 possible. The Genting Group was named the **No. 1 leading company in Malaysia** by Asian Wall Street Journal for an impressive tenth year in January 2005.

My gratitude is extended to our distinguished fellow members of the Board, who have always been supportive and provided valuable insights to the Group throughout the year.

Over the last four decades, the Group has grown and contributed positively to the nation's economic development. In celebrating Genting's 40th Anniversary in 2005, I would like to take this opportunity to honour our Founder and Honorary Life Chairman Tan Sri Lim Goh Tong, who was acknowledged as the **Travel Entrepreneur of the Year** at the Travel Trade Gazette Awards 2005. This special award pays tribute to our Founder's outstanding achievements and positive contributions to the tourism and travel industry in this region.

I was also humbled and honoured to receive the award as the **Most Outstanding Hospitality Developer** at the Hospitality Asia Platinum 2005. These awards of excellence are a great acknowledgement of our efforts and contributions to the nation and the tourism industries.

I pledge to dedicate my work to further grow and achieve greater heights of success for the Genting Group.

#### TAN SRI LIM KOK THAY

Chairman

18 May 2006