THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Macau Success Limited, you should at once hand this circular, together with the accompanying form of proxy, to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

MACAU SUCCESS LIMITED

澳門實德有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00487)

MAJOR TRANSACTION – FINANCIAL ASSISTANCE

Financial adviser to Macau Success Limited

taifook

TAIFOOK CAPITAL LIMITED

A letter from the Board is set out on pages 4 to 12 of this circular. A notice convening the SGM to be held at 3:00 p.m. or as soon thereafter as the annual general meeting of the Company held at 2:30 p.m. shall have been concluded or adjourned (whichever is later) on Tuesday, 26 May 2009 at Salon IV, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai, Hong Kong is set out on pages 118 and 119 of this circular.

A form of proxy for use at the SGM is enclosed with this circular. Whether or not you are able to attend the SGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the office of the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

8 May 2009

* *For identification purpose only*

CONTENTS

DEFINITIONS

In this circular, the following expressions have the meanings respectively set out below unless the context otherwise requires:

"Acquisition"	:	the acquisition by the Group of 12.25% equity interest in, and the related shareholder's loan to, Pier 16 – Property Development pursuant to the sale and purchase agreement entered into by World Fortune on 30 November 2006
"Acquisition Completion"	:	completion of the Acquisition
"associate(s)"	:	has the meaning ascribed to it under the Listing Rules
"Board"	:	the board of Directors
"Company"	:	Macau Success Limited (Stock Code: 00487), a company incorporated in Bermuda with limited liability whose issued Shares are listed on the main board of the Stock Exchange
"controlling shareholder(s)"	:	has the meaning ascribed to it under the Listing Rules
"Director(s)"	:	the director(s) of the Company
"Group"	:	the Company and its subsidiaries from time to time
"HK$"	:	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	:	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	:	person(s) or company(ies) who/which is(are) independent of the Company and its connected persons (as defined under the Listing Rules)
"Jade Travel Group"	:	the non wholly-owned subsidiaries of the Company incorporated in either Canada or the United States of America, which conduct the business of air travel consolidator, travel agent, tour provider and provider of related services in Canada and the United States of America
"Latest Practicable Date"	:	7 May 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information set out in this circular

"Listing Rules"	:	the Rules Governing the Listing of Securities on the Stock Exchange
"Macau"	:	the Macau Special Administrative Region of the PRC
"Mr. Yeung"	:	Mr. Yeung Hoi Sing, Sonny, an executive Director, the Chairman of the Company and a controlling Shareholder
"Pier 16 – Property Development"	:	Pier 16 – Property Development Limited, a company incorporated in Macau with limited liability which was beneficially held as to 51% by SJM-IL, an Independent Third Party, and as to 49% by World Fortune as at the Latest Practicable Date
"Ponte 16"	:	a world-class integrated casino-entertainment resort situated at the Property comprising a five-star luxury hotel, a casino, a shopping arcade, food and beverage functions as well as recreational facilities
"PRC"	:	the People's Republic of China
"Property"	:	the land parcel of approximately 23,066 square meters in Macau located at Rua das Lorchas and Rua do visconde Paço de Arcos, and between Pontes-cais no. 12A and 20, Porto interior (Inner Harbour), together with all structures and buildings constructed or built or to be constructed or built thereon
"SFO"	:	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"SGM"	:	the special general meeting of the Company to be held on 26 May 2009 to consider and, if thought fit, to approve, confirm and ratify (as appropriate) the provision of the Additional Financial Assistance and the Further Financial Assistance

"Share(s)"	:	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	:	holder(s) of Share(s)
"SJM-IL"	:	SJM-Investimentos Limitada, a company incorporated under the laws of Macau with limited liability and a wholly-owned subsidiary of SJM Holdings Limited (Stock Code: 00880), which is a company incorporated in Hong Kong with limited liability whose issued shares are listed on the main board of the Stock Exchange
"Stock Exchange"	:	The Stock Exchange of Hong Kong Limited
"World Fortune"	:	World Fortune Limited, a company incorporated in Hong Kong with limited liability and an indirect subsidiary of the Company as at the Latest Practicable Date
"%"	:	per cent.

MACAU SUCCESS LIMITED
澳 門 實 德 有 限 公 司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00487)

Executive Directors:
Mr. Yeung Hoi Sing, Sonny *(Chairman)*
Mr. Ma Ho Man, Hoffman *(Deputy Chairman)*

Non-executive Director:
Mr. Choi Kin Pui, Russelle

Independent non-executive Directors:
Mr. Luk Ka Yee, Patrick
Mr. Yim Kai Pung
Ms. Yeung Mo Sheung, Ann

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head office and principal place of business in Hong Kong:
Suite 1601-2 & 8-10
16th Floor
Great Eagle Centre
23 Harbour Road
Wanchai
Hong Kong

8 May 2009

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION – FINANCIAL ASSISTANCE

INTRODUCTION

On 20 April 2009, the Company announced that, among others, the Group had provided the Additional Financial Assistance (as defined below) and proposed to provide the Further Financial Assistance (as defined below) to Pier 16 – Property Development. Reference is also made to (i) the circular dated 29 January 2007 (the "**Acquisition Circular**") issued by the Company to its Shareholders in relation to the Acquisition and the possible provision of shareholder's loan by the Group to Pier 16 – Property Development; and (ii) the announcement of the Company dated 28 June 2007 (the "**Announcement**") in relation to the execution of the MS Guarantee (as defined below) by the Company.

* *For identification purpose only*

The purpose of this circular is to provide the Shareholders with further information on the Additional Financial Assistance and the Further Financial Assistance, a notice of the SGM and all other information as required by the Listing Rules.

BACKGROUND

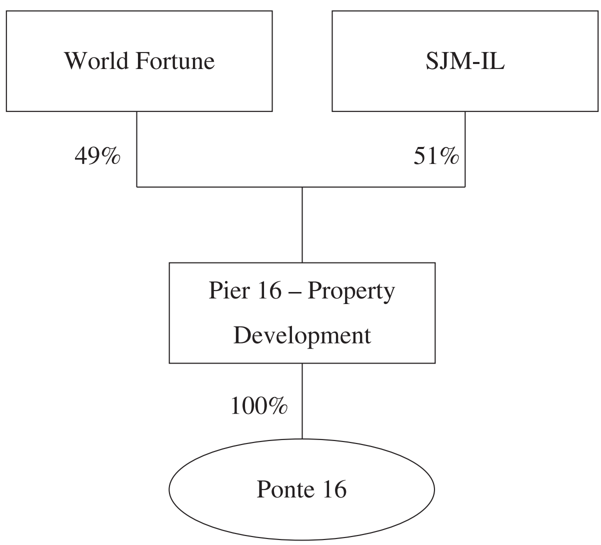
As mentioned in the Acquisition Circular, the then total expected investment amount to be made by Pier 16 – Property Development for the development of Ponte 16 was approximately HK$2.43 billion which was intended to be financed by external loans to be arranged by Pier 16 – Property Development. However, if no external loans could be arranged, the shareholders of Pier 16 – Property Development would have to advance shareholder's loans pro rata to their respective shareholdings therein to enable Pier 16 – Property Development to complete the development of Ponte 16.

As such, upon Acquisition Completion, World Fortune, an indirect subsidiary of the Company which owned 49% equity interest in Pier 16 – Property Development as at the Latest Practicable Date, might have to provide shareholder's loan to Pier 16 – Property Development up to a maximum amount of approximately HK$1.19 billion, which represented 49% (being the Group's shareholding in Pier 16 – Property Development immediately after Acquisition Completion) of the aforesaid total expected investment amount to be made by Pier 16 – Property Development of approximately HK$2.43 billion, and comprised (i) shareholders' loan of approximately HK$180 million which had been advanced by the Group and the vendor of the Acquisition to Pier 16 – Property Development for the development of Ponte 16 as at the date of the sale and purchase agreement dated 30 November 2006 in relation to the Acquisition; and (ii) further shareholder's loan in a maximum amount of approximately HK$1.01 billion which the Group might have to provide to Pier 16 – Property Development for the development of Ponte 16 after 30 November 2006. The possible provision of such shareholder's loan (the "**MS Shareholder's Loan**") up to a maximum amount of approximately HK$1.19 billion by the Group (the "**Approved Financial Assistance**"), together with the Acquisition, was duly approved by the Shareholders at a special general meeting of the Company held on 15 February 2007.

As mentioned in the Announcement, Pier 16 – Property Development obtained syndicated loan facilities (the "**Syndicated Loan Facility**") granted by a group of financial institutions on 28 June 2007 and a corporate guarantee was executed by the Company to guarantee the payment obligation of Pier 16 – Property Development in respect of the Syndicated Loan Facility subject to a maximum principal amount of HK$860 million (the "**MS Guarantee**"). The Group's possible obligation to provide the MS Shareholder's Loan to Pier 16 – Property Development for the development of Ponte 16 was therefore partially replaced by the execution of the MS Guarantee by the Company.

After the execution of the MS Guarantee, it was expected that the Approved Financial Assistance would be made by way of the provision of the MS Shareholder's Loan which is unsecured, interest-free and has no fixed term of repayment, and the MS Guarantee, which principal terms had been set out in the Announcement.

The following was the simplified shareholding structure of Pier 16 – Property Development as at the Latest Practicable Date:



THE HISTORICAL FINANCIAL ASSISTANCE

After the approval of the Approved Financial Assistance in February 2007, the Group has provided financial assistance to Pier 16 – Property Development by way of the provision of the MS Shareholder's Loan and the MS Guarantee from time to time (the "**Actual Aggregate FS**").

Set out below were the amounts of the MS Shareholder's Loan and the MS Guarantee for the period from 1 March 2007 to the Latest Practicable Date, together with the additional amount of the Actual Aggregate FS in excess of the Approved Financial Assistance (the "**Additional Financial Assistance**"):

(In HK$' million)	**MS Shareholder's Loan**	**MS Guarantee**	**Actual Aggregate FS**	**Additional Financial Assistance**
As at 1 March 2007	284.7	–	284.7	–
Additions, net	269.8	860.0	1,129.8	223.8
As at 31 December 2007	554.5	860.0	1,414.5	223.8
Additions, net	346.0	–	346.0	346.0
As at 31 December 2008	900.5	860.0	1,760.5	569.8
Additions, net	49.0	–	49.0	49.0
As at the Latest Practicable Date	949.5	860.0	1,809.5	618.8

As at the Latest Practicable Date, the Syndicated Loan Facility had been utilised to the extent that the MS Guarantee had reached the maximum amount of HK$860 million.

The Actual Aggregate FS did not exceed the Approved Financial Assistance to the extent that the provision of the Additional Financial Assistance would constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules until 29 June 2007, on which the Actual Aggregate FS amounted to approximately HK$1.28 billion and the Additional Financial Assistance amounted to approximately HK$91.8 million. Based on the then relevant percentage ratios on 29 June 2007 calculated pursuant to Rule 14.07 of the Listing Rules, the provision of the Additional Financial Assistance constituted a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

On 29 June 2007, Pier 16 – Property Development made an initial draw down of the Syndicated Loan Facility amounting to HK$775 million, of which HK$213.15 million was used by Pier 16 – Property Development for the sole purpose of repaying the MS Shareholder's Loan which was subsequently received by the Group on 6 July 2007. The difference between the respective dates of the aforesaid draw down and repayment was mainly caused by the time required by Pier 16 – Property Development to arrange the aforesaid repayment. Should the amount of the aforesaid repayment of HK$213.15 million be netted off against the amount of the aforesaid draw down of HK$775 million, which would accordingly reduce the amount of the Additional Financial Assistance on 29 June 2007 by HK$213.15 million, the provision of the Additional Financial Assistance would not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules until 13 November 2007.

Based on the amounts of the Additional Financial Assistance from time to time and the then relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules since 29 June 2007, the provision of the Additional Financial Assistance did not constitute a major transaction for the Company under Chapter 14 of the Listing Rules until 29 February 2008, on which the Actual Aggregate FS amounted to approximately HK$1.63 billion and the Additional Financial Assistance amounted to approximately HK$437.8 million. In addition, based on the amounts of the Additional Financial Assistance from time to time and the then relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules since 29 February 2008 and up to the Latest Practicable Date, the provision of the Additional Financial Assistance constitutes and remains as a major transaction for the Company under Chapter 14 of the Listing Rules. The provision of the Additional Financial Assistance should have been subject to the notification, announcement and the Shareholders' approval requirements as set out in Chapter 14 of the Listing Rules.

Based on the then assets ratio of the Group as defined under Rule 14.07(1) of the Listing Rules, a general disclosure obligation of the Group in relation to the provision of the Additional Financial Assistance should have arisen under Rules 13.13 and 13.16 of the Listing Rules on 29 June 2007 whereas a general disclosure obligation in relation to the provision of the Additional Financial Assistance should have arisen under Rule 13.14 of the Listing Rules since 13 November 2007.

The Company should have complied with the relevant provisions of the Listing Rules as mentioned above for the provision of the Additional Financial Assistance, but the Company has not done so. The omission by the Company to comply with the Listing Rules requirements to make timely disclosure and to obtain Shareholders' approval for the provision of the Additional Financial Assistance was due to an inadvertent mistake. The Company only became aware of the Listing Rules requirements for the provision of the Additional Financial Assistance upon recent review by the management of the Company during the course of preparing the audit of the consolidated financial statements of the Group for the financial period ended 31 December 2008. The Company wishes to apologize for the late disclosure of and the late seeking of the Shareholders' approval for the provision of the Additional Financial Assistance in accordance with the relevant provisions of Chapter 14, Rules 13.13, 13.14 and 13.16 of the Listing Rules. In the interest of the Shareholders as a whole, the Company proposes to seek the Shareholders' approval, confirmation and ratification in respect of the provision of the Additional Financial Assistance at the SGM.

To avoid similar delay in the future and to tighten the Group's internal control procedures, the Company is in the course of finalising a complete set of compliance manuals. The management of the Company will also continue to review and oversee the legal and regulatory compliance procedures and internal controls of the Group to ensure that all future transactions to be conducted by the Group will be in compliance with the Listing Rules. In addition, the Company will provide further training to the management personnel of the Company to enhance their understanding of the requirements of the Listing Rules.

THE PROVISION OF THE FURTHER FINANCIAL ASSISTANCE

According to the cash flow projection of Ponte 16 prepared by Pier 16 – Property Development, an additional shareholder's loan in the amount of approximately HK$430 million mainly to finance the construction cost of and the repayment of the bank loan by Pier 16 – Property Development is required from its shareholders for the period up to 31 December 2009, of which World Fortune's 49% sharing would be approximately HK$210.7 million. As such, the Directors expect that the Group may have to provide further MS Shareholder's Loan in a maximum amount of approximately HK$210.7 million (the "**Further Financial Assistance**"). The provision of the Further Financial Assistance has, subject to the approval of the Shareholders at the SGM, been approved by the Board on 16 April 2009 and will be financed by the Company's internal resources and/or external borrowings.

INFORMATION ON PIER 16 – PROPERTY DEVELOPMENT AND PONTE 16

As at the Latest Practicable Date, Pier 16 – Property Development was owned as to 49% by World Fortune and as to 51% by SJM-IL. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Pier 16 – Property Development, SJM-IL and its holding company, namely SJM Holdings Limited, and the controlling shareholders of SJM Holdings Limited, are Independent Third Parties. SJM Holdings Limited is a company whose issued shares are listed on the main board of the Stock Exchange. Pier 16 – Property Development is the registered and beneficial owner of the Property and is principally engaged in the investment, development and, through its subsidiaries, operation of Ponte 16, a world-class integrated casino-entertainment resort situated at the Property comprising a five-star luxury hotel, a casino, a shopping arcade, food and beverage functions as well as recreational facilities. The casino in Ponte 16 has started operation in February 2008 and the operation of the hotel has commenced in August 2008.

REASONS FOR, BENEFITS OF AND EFFECTS OF, THE PROVISION OF THE FURTHER FINANCIAL ASSISTANCE

The Group is principally engaged in the leasing and management of cruise and other tourist-related businesses.

As mentioned in the second interim report of the Company for the twelve months period ended 30 September 2008, Ponte 16 is one of the popular destinations for the locals and tourists in Macau and the Group plans to launch more marketing and branding programmes to promote the unique advantages of Ponte 16. Since the opening of the hotel in August 2008 to December 2008, the key operation indicators including the number of visitors to the casino at Ponte 16 and the occupancy rate have improved steadily over time, and the business performance of Ponte 16 has improved with more new facilities coming on-stream.

As mentioned in the final results announcement ("**Results Announcement**") of the Company dated 16 April 2009 for the financial period ended 31 December 2008, the management of the Company expects that the performance of the casino and the hotel businesses in Ponte 16 will be improved upon the opening of more new amenities in the future. The Directors believe that the unique attractions of Ponte 16 would stand Ponte 16 in good stead for growth and become the Company's primary growth driver in the foreseeable future. It was also mentioned in the Results Announcement that an impairment loss on interest in associates amounting to HK$18.9 million was made during the financial period ended 31 December 2008. Such impairment loss on the deemed capital contributions to Pier 16 – Property Development arose merely from the amortisation of MS Guarantee that was recognised by the Group as financial guarantee contract in its financial statements, which is a pure accounting treatment and is not an impairment due to the business and the operation of Pier 16 – Property Development. In addition, the impairment loss was offset by the amortisation of such financial guarantee contract with no effect on the net loss of the Group, The Directors consider that the provision of the Further Financial Assistance, which is the Group's possible obligation according to its pro rata shareholding in Pier 16 – Property Development, will enable Pier 16 – Property Development to have the necessary funding for the development of Ponte 16 and accordingly can enhance the future prospects of Ponte 16. In view of the substantial amount of investment made by the Group in Pier 16 – Property Development, the Board has assessed and will continue to assess the business risk of this investment from time to time, and the Directors are currently upbeat on the prospects of Pier 16 – Property Development.

Should the Further Financial Assistance be financed by the Group's internal resources, save for a reclassification of assets of the Group, the provision of the Further Financial Assistance will not have material impact on the assets and liabilities of the Group. Should the Further Financial Assistance be financed by the Group's external borrowings, there will be a corresponding increase in both the assets and liabilities of the Group. The provision of the Further Financial Assistance, which is interest-free, will not have any immediate impact on the earnings of the Group.

The Directors are of the view that the terms of the Additional Financial Assistance and the Further Financial Assistance are fair and reasonable and the provision of the Additional Financial Assistance and the Further Financial Assistance is in the interests of the Group and the Shareholders as a whole.

GENERAL

The provision of the Further Financial Assistance of approximately HK$210.7 million constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. The aggregate provision of the Additional Financial Assistance in the amount of approximately HK$618.8 million as at the Latest Practicable Date and the Further Financial Assistance constitutes a major transaction for the Company under the Listing Rules and is therefore subject to the approval of the Shareholders under Chapter 14 of the Listing Rules. As no Shareholder has any material interest in the provision of the Additional Financial Assistance and the Further Financial Assistance, no Shareholder will be required to abstain from voting at the SGM in respect of the proposed resolution approving, confirming and ratifying (as appropriate) the provision of the Additional Financial Assistance and the Further Financial Assistance.

Mr. Yeung, who beneficially owned approximately 41.45% equity interest in the Company as at the Latest Practicable Date and is an executive Director and the Chairman of the Company, has indicated that he will vote in favour of the proposed resolution to approve, confirm and ratify (as appropriate) the provision of the Additional Financial Assistance and the Further Financial Assistance at the SGM. Therefore, the Directors consider that it is very likely that such proposed resolution will be approved by the Shareholders. Nevertheless, in the event that such proposed resolution is not approved by the Shareholders at the SGM, the Group will negotiate with SJM-IL and Pier 16 – Property Development in relation to the settlement of the financial assistance to Pier 16 – Property Development to the extent that the provision of the Additional Financial Assistance and the Further Financial Assistance will not constitute a breach of the Listing Rules.

SGM

The SGM will be convened and held to consider and, if thought fit, to approve, confirm and ratify (as appropriate) the provision of the Additional Financial Assistance and the Further Financial Assistance. A notice convening the SGM to be held at 3:00 p.m. or as soon thereafter as the annual general meeting of the Company held at 2:30 p.m. shall have been concluded or adjourned (whichever is later) on Tuesday, 26 May 2009, at Salon IV, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai, Hong Kong is set out on pages 118 and 119 of this circular. A form of proxy for use at the SGM is enclosed with this circular. Whether or not you are able to attend the SGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the office of the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish and in such event, the instrument appointing the proxy shall be deemed to have been revoked.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting of the Company must be taken by poll. Accordingly, voting on the proposed resolution at the SGM will be taken by poll.

RECOMMENDATIONS

The Directors consider that the terms of the Additional Financial Assistance and the Further Financial Assistance are fair and reasonable and the provision of the Additional Financial Assistance and the Further Financial Assistance is in the interests of the Group and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolution to be proposed at the SGM to approve, confirm and ratify (as appropriate) the provision of the Additional Financial Assistance and the Further Financial Assistance.

ADDITIONAL INFORMATION

Your attention is drawn to the financial information relating to the Group as set out in Appendix I to this circular, and the other information as set out in the Appendix II to this circular.

Yours faithfully,
For and on behalf of the Board of
MACAU SUCCESS LIMITED
Ma Ho Man, Hoffman
Deputy Chairman

1. FINANCIAL SUMMARY

The following is the audited consolidated income statements of the Group for the financial period ended 31 December 2008 and the year ended 30 September 2007, and the audited consolidated balance sheets as at 31 December 2008 and 30 September 2007, as extracted from the published annual report of the Company for the financial period ended 31 December 2008, and the audited consolidated income statement of the Group for the year ended 30 September 2006, and the audited consolidated balance sheet as at 30 September 2006, as extracted from the published annual report of the Company for the year ended 30 September 2007. Certain figures for the year ended 30 September 2007 have been reclassified to conform with current presentation requirements.

CONSOLIDATED INCOME STATEMENT

	For the financial period ended 31 December	For the year ended 30 September	
	2008	**2007**	**2006**
	HK$'000	*HK$'000*	*HK$'000*
Turnover	627,254	103,754	103,530
Cost of sales	(492,697)	(8,069)	(7,871)
Gross profit	134,557	95,685	95,659
Other revenue	34,817	15,972	24,983
Other net income	298	14,721	–
Administrative expenses	(194,316)	(92,309)	(71,725)
Other operating expense	(42,948)	–	–
(Loss)/profit from operations	(67,592)	34,069	48,917
Finance costs	(335)	(1,675)	–
Share of results of associates	(170,292)	(15,450)	(386)
(Loss)/profit before taxation	(238,219)	16,944	48,531
Income tax	(859)	(672)	(372)
(Loss)/profit for the period/year	(239,078)	16,272	48,159
Attributable to:			
Equity shareholders of the Company	(238,304)	2,314	28,380
Minority interests	(774)	13,958	19,779
(Loss)/profit for the period/year	(239,078)	16,272	48,159
Dividends payable to equity shareholders of the Company attributable to the period/year:			
Interim dividend declared during the period/year	–	–	3,209
(Loss)/earnings per share			
– Basic	(9.87) HK cents	0.11 HK cents	1.41 HK cents
– Diluted	(9.87) HK cents	0.11 HK cents	N/A

CONSOLIDATED BALANCE SHEET

	At 31 December 2008 HK$'000	At 30 September 2007 HK$'000	2006 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	85,711	87,945	91,536
Goodwill	7,723	1,313	1,313
Intangible assets	34,608	–	–
Interest in associates	1,119,892	886,930	376,015
Available-for-sale investment	–	–	25,239
Deposit for acquisition of properties	2,290	–	–
Deposit for acquisition of a company	60,384	–	–
Deferred tax assets	1,190	–	–
	1,311,798	976,188	494,103
CURRENT ASSETS			
Inventories	1,160	1,323	1,178
Trade and other receivables	31,183	18,398	13,509
Tax recoverable	1,369	–	–
Pledged bank deposits	6,762	751	729
Cash and cash equivalents	66,675	200,719	468,876
	107,149	221,191	484,292
CURRENT LIABILITIES			
Trade and other payables	23,457	106,422	6,047
Deferred income	807	–	–
Profit guarantee liabilities	12,892	–	–
Financial guarantee contract	12,600	12,600	–
Tax payable	968	961	157
	50,724	119,983	6,204
NET CURRENT ASSETS	56,425	101,208	478,088
TOTAL ASSETS LESS CURRENT LIABILITIES	1,368,223	1,077,396	972,191

	At 31 December 2008	At 30 September 2007	2006
	HK$'000	*HK$'000*	*HK$'000*
NON-CURRENT LIABILITIES			
Deferred income	294	–	–
Profit guarantee liabilities	32,608	–	–
Loans payables	167,957	–	–
Long-term payables	187,048	–	–
Due to a related company	17,574	–	–
Loans from minority shareholders	–	–	5,056
Deferred tax liabilities	83	83	215
Financial guarantee contract	31,500	50,400	–
	437,064	50,483	5,271
NET ASSETS	931,159	1,026,913	966,920
CAPITAL AND RESERVES			
Share capital	24,390	21,995	21,395
Reserves	860,448	954,935	905,221
TOTAL EQUITY ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY	884,838	976,930	926,616
MINORITY INTERESTS	46,321	49,983	40,304
TOTAL EQUITY	931,159	1,026,913	966,920

2. AUDITED CONSOLIDATED FINANCIAL STATEMENTS

Set out below are the audited consolidated income statement of the Group for the financial period ended 31 December 2008 together with the comparative figures for the year ended 30 September 2007, the audited consolidated balance sheet of the Group as at 31 December 2008 together with comparative figures as at 30 September 2007, the audited consolidated statement of changes in equity of the Group for the financial period ended 31 December 2008 together with the comparative figures for the year ended 30 September 2007, the audited consolidated cash flow statement of the Group for the financial period ended 31 December 2008 together with the comparative figures for the year ended 30 September 2007, together with the accompanying notes, as extracted from the annual report of the Company for the financial period ended 31 December 2008:

CONSOLIDATED INCOME STATEMENT

For the period from 1 October 2007 to 31 December 2008

	Notes	Period from 1.10.2007 to 31.12.2008 HK$'000	Year ended 30.9.2007 HK$'000
Turnover	*6, 7*	627,254	103,754
Cost of sales		(492,697)	(8,069)
Gross profit		134,557	95,685
Other revenue	*8*	34,817	15,972
Other net income	*8*	298	14,721
Administrative expenses		(194,316)	(92,309)
Other operating expenses		(42,948)	–
(Loss)/profit from operations		(67,592)	34,069
Finance costs	*9(a)*	(335)	(1,675)
Share of results of associates		(170,292)	(15,450)
(Loss)/profit before taxation	*9*	(238,219)	16,944
Income tax	*10*	(859)	(672)
(Loss)/profit for the period/year		(239,078)	16,272

	Notes	Period from 1.10.2007 to 31.12.2008 *HK$'000*	Year ended 30.9.2007 *HK$'000*
Attributable to:			
Equity shareholders of the Company		(238,304)	2,314
Minority interests		(774)	13,958
(Loss)/profit for the period/year		(239,078)	16,272
Dividends payable to equity shareholders of the Company attributable to the period/year	*14*	–	–
(Loss)/earnings per share	*15*		
– Basic		(9.87) HK cents	0.11 HK cents
– Diluted		(9.87) HK cents	0.11 HK cents

CONSOLIDATED BALANCE SHEET

As at 31 December 2008

	Notes	At 31.12.2008 HK$'000	At 30.9.2007 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	16	85,711	87,945
Goodwill	17	7,723	1,313
Intangible assets	18	34,608	–
Interest in associates	20	1,119,892	886,930
Deposit for acquisition of properties	21	2,290	–
Deposit for acquisition of a company	22	60,384	–
Deferred tax assets	32(b)	1,190	–
		1,311,798	976,188
CURRENT ASSETS			
Inventories	23	1,160	1,323
Trade and other receivables	24	31,183	18,398
Tax recoverable		1,369	–
Pledged bank deposits	25	6,762	751
Cash and cash equivalents	25	66,675	200,719
		107,149	221,191
CURRENT LIABILITIES			
Trade and other payables	26	23,457	106,422
Deferred income	27	807	–
Profit guarantee liabilities	28	12,892	–
Financial guarantee contract	33	12,600	12,600
Tax payable	32(a)	968	961
		50,724	119,983
NET CURRENT ASSETS		56,425	101,208

	Notes	At 31.12.2008 HK$'000	At 30.9.2007 HK$'000
TOTAL ASSETS LESS CURRENT LIABILITIES		1,368,223	1,077,396
NON-CURRENT LIABILITIES			
Deferred income	*27*	294	–
Profit guarantee liabilities	*28*	32,608	–
Loans payables	*29*	167,957	–
Long-term payables	*30*	187,048	–
Due to a related company	*31*	17,574	–
Deferred tax liabilities	*32(b)*	83	83
Financial guarantee contract	*33*	31,500	50,400
		437,064	50,483
NET ASSETS		931,159	1,026,913
CAPITAL AND RESERVES			
Share capital	*34*	24,390	21,995
Reserves	*36*	860,448	954,935
TOTAL EQUITY ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY		884,838	976,930
MINORITY INTERESTS	*36*	46,321	49,983
TOTAL EQUITY		931,159	1,026,913

BALANCE SHEET
As at 31 December 2008

	Notes	At 31.12.2008 HK$'000	At 30.9.2007 HK$'000
NON-CURRENT ASSETS			
Investments in subsidiaries	19	1,072,805	687,244
CURRENT ASSETS			
Deposits, prepayments and other receivables	24	373	209
Pledged bank deposits	25	5,996	–
Cash and cash equivalents	25	7,309	181,045
		13,678	181,254
CURRENT LIABILITIES			
Other payables and accruals	26	65,937	51,659
Financial guarantee contract	33	12,600	12,600
		78,537	64,259
NET CURRENT (LIABILITIES)/ ASSETS		(64,859)	116,995
TOTAL ASSETS LESS CURRENT LIABILITIES		1,007,946	804,239
NON-CURRENT LIABILITIES			
Financial guarantee contract	33	31,500	50,400
NET ASSETS		976,446	753,839
CAPITAL AND RESERVES			
Share capital	34	24,390	21,995
Reserves	36	952,056	731,844
TOTAL EQUITY		976,446	753,839

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period from 1 October 2007 to 31 December 2008

	Attributable to equity shareholders of the Company									
	Share capital	Share premium	Distributable reserve	Capital redemption reserve	Property revaluation reserve	Exchange reserve	Retained profits/ (accumulated losses)	Total	Minority interests	Total equity
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 October 2006	21,395	612,516	52,333	976	187,065	–	52,331	926,616	40,304	966,920
Allotment of consideration shares *(note 34(a))*	600	47,400	–	–	–	–	–	48,000	–	48,000
Profit for the year	–	–	–	–	–	–	2,314	2,314	13,958	16,272
Interim dividend declared during the year	–	–	–	–	–	–	–	–	(4,279)	(4,279)
At 30 September 2007	21,995	659,916	52,333	976	187,065	–	54,645	976,930	49,983	1,026,913
At 1 October 2007	21,995	659,916	52,333	976	187,065	–	54,645	976,930	49,983	1,026,913
Allotment of subscription shares *(note 34(b))*	2,200	231,440	–	–	–	–	–	233,640	–	233,640
Allotment of consideration shares *(note 34(c))*	195	21,645	–	–	–	–	–	21,840	–	21,840
Share issuance costs	–	(4,216)	–	–	–	–	–	(4,216)	–	(4,216)
Exchange differences on translation of financial statements of subsidiaries	–	–	–	–	–	(4,235)	–	(4,235)	(1,001)	(5,236)
Share of associates' net loss recognized directly in equity	–	–	–	–	(100,817)	–	–	(100,817)	–	(100,817)
Acquisition of subsidiaries	–	–	–	–	–	–	–	–	4,863	4,863
Loss for the period	–	–	–	–	–	–	(238,304)	(238,304)	(774)	(239,078)
Dividend paid to minority shareholders	–	–	–	–	–	–	–	–	(6,750)	(6,750)
At 31 December 2008	24,390	908,785	52,333	976	86,248	(4,235)	(183,659)	884,838	46,321	931,159

CONSOLIDATED CASH FLOW STATEMENT

For the period from 1 October 2007 to 31 December 2008

	Notes	Period from 1.10.2007 to 31.12.2008 HK$'000	Year ended 30.9.2007 HK$'000
OPERATING ACTIVITIES			
(Loss)/profit before taxation		(238,219)	16,944
Adjustments for:			
Interest income		(4,851)	(10,197)
Finance costs		335	1,675
Depreciation		13,459	8,710
Amortisation of intangible assets		215	–
Amortisation of financial guarantee contract		(18,900)	–
Share of results of associates		170,292	15,450
Impairment loss on			
– goodwill		609	–
– client list		676	–
– other receivables		22,763	–
– interest in associates		18,900	–
Write back of trade payables		(3,858)	–
Dividend from available-for-sale investment		–	(1,133)
Gain on disposal of securities		–	(4,391)
Exchange alignment		(1,482)	–
(Gain)/loss on disposal of property, plant and equipment		(298)	175
Gain on disposal of available-for-sale investment		–	(10,330)
Gain on write off of a subsidiary under voluntary liquidation		(13)	–
OPERATING (LOSS)/PROFIT BEFORE CHANGES IN WORKING CAPITAL		(40,372)	16,903
Decrease/(increase) in inventories		163	(145)
Increase in trade and other receivables		(10,445)	(4,889)
(Decrease)/increase in trade and other payables		(108,680)	100,375
Increase in deferred income		540	–
Increase in due to a related company		292	–
CASH (USED IN)/GENERATED FROM OPERATIONS		(158,502)	112,244
Income tax paid			
– Hong Kong profits tax paid		(1,694)	–
– Overseas tax refund		38	–
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES		(160,158)	112,244

	Notes	Period from 1.10.2007 to 31.12.2008 HK$'000	Year ended 30.9.2007 HK$'000
INVESTING ACTIVITIES			
Payment for purchase of property, plant and equipment		(6,256)	(5,337)
Proceeds from disposal of property, plant and equipment		1,272	43
Payment of deposit for acquisition of properties		(2,290)	–
Payment of deposit for acquisition of a company		(60,384)	–
Payment for subscription of convertible bonds		–	(11,875)
Net proceeds from disposal of securities from exercise of convertible bonds		–	16,266
Further acquisition of 12.25% interest in associates		–	(153,231)
Net cash inflow from acquisition of subsidiaries	*41(b)*	5,063	–
Increase in amounts due from associates		(522,971)	(262,134)
Net proceeds from disposal of available-for-sale investment		–	35,569
Increase in pledged bank deposits		(6,011)	(22)
Interest income		4,851	10,197
Dividend from available-for-sale investment		–	1,133
NET CASH USED IN FROM INVESTING ACTIVITIES		(586,726)	(369,391)
FINANCING ACTIVITIES			
Net proceeds from issue of shares		229,424	–
Proceeds from loans payables	*29*	159,238	–
Proceeds from long-term payables	*30*	187,048	–
Proceeds from profit guarantee liabilities	*28*	45,500	–
Proceeds of loan from a financial institution		–	130,000
Repayment of loan from a financial institution		–	(130,000)
Finance costs		(335)	(1,675)
Repayments of loans from minority shareholders		–	(5,056)
Dividend paid to minority interests		(6,750)	(4,279)
NET CASH GENERATED/(USED IN) FROM FINANCING ACTIVITIES		614,125	(11,010)

	Notes	Period from 1.10.2007 to 31.12.2008 HK$'000	Year ended 30.9.2007 HK$'000
NET DECREASE IN CASH AND CASH EQUIVALENTS		(132,759)	(268,157)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD/YEAR		200,719	468,876
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		(1,285)	–
CASH AND CASH EQUIVALENTS AT END OF PERIOD/YEAR		66,675	200,719
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	25	66,675	200,719

Non-cash transaction

The principal non-cash transaction is the issue of consideration shares for the transaction disclosed in note 34(c).

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 October 2007 to 31 December 2008

1. Organisation and principal activities

The Company was incorporated as an exempted company with limited liability in Bermuda on 27 May 2004 under the Companies Act (1981) of Bermuda and is listed on The Stock Exchange of Hong Kong Limited.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are set out in note 19 to the financial statements.

2. Significant accounting policies

a) Statement of Compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. A summary of the significant accounting policies adopted by the Group is set out below.

The HKICPA has issued certain new and revised HKFRSs, amendments and interpretations which are or have become effective. It has also issued certain new and revised HKFRSs which are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 3 provides information on initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

b) Basis of Preparation of the Financial Statements

(i) Going Concern

The consolidated financial statements for the period ended 31 December 2008 comprise the Company, its subsidiaries and the Group's interest in associates.

The Group incurred a loss attributable to equity shareholders of the Company of approximately HK$238,304,000 and net decrease in cash and cash equivalents of approximately HK$132,759,000 for the period ended 31 December 2008.

In preparing these financial statements, the directors of the Company have given careful consideration to the impact of the current and anticipated future liquidity of the Group and the ability of the Group to attain profitable and positive cash flow operations in the immediate and longer term.

In order to strengthen the capital base of the Group and to improve the Group's liquidity and cash flows in the immediate foreseeable future, and to sustain the Group as a going concern, the Company has entered into a term loan facility agreement with Mr. Yeung Hoi Sing, Sonny ("Mr. Yeung"), a director and the controlling shareholder of the Company, on 1 December 2008. Pursuant to the facility agreement, Mr. Yeung agreed to provide a credit facility of up to HK$200 million to the Company. The credit facility is available to the Company during the period from 1 December 2008 until the earlier of (i) the date falling one month before the final repayment date, i.e. on or before 30 June 2010; and (ii) the date on which the credit facility is reduced to zero. On 14 April 2009, the Company and Mr. Yeung has entered into an agreement to increase the credit facility up to HK$290 million. In addition, Mr. Yeung undertakes not to demand an early repayment of the loan and all other sums owing to Mr. Yeung before 30 June 2010. After the balance sheet date and up to the date of approval of these financial statements, the Company had utilized the credit facility amounted to HK$3.5 million.

In the opinion of the directors, taking into account of the credit facility and financial undertaking from Mr. Yeung, the Group will have sufficient working capital for its current requirements. Accordingly, the directors consider that it is appropriate to prepare the financial statements on a going concern basis.

Should the Group be unable to continue as a going concern, adjustments would have to be made to restate the values of assets to their recoverable amounts, to provide for any further liabilities which might arise and to classify non-current assets and liabilities as current assets and liabilities, respectively. The effects of these potential adjustments have not been reflected in the financial statements.

(ii) Change of financial year end date

The consolidated financial statements for the current period cover the 15-month period ended 31 December 2008. The corresponding comparative amounts shown for the consolidated income statement, consolidated statements of changes in equity, consolidated cash flow statement and related notes cover a 12-month year ended 30 September 2007 and therefore may not be comparable with amounts shown for the current period. The period covered by the 2008 consolidated financial statements was greater than twelve months because the directors of the Company determined to bring the balance sheet date in line with that of the subsidiaries and associates and therefore facilitating the preparation of the Group's consolidated financial statements.

(iii) Basis of measurement

The measurement basis used in the preparation of the financial statements is the historical cost basis except for derivative financial instruments which are stated at their fair value explained in the accounting policies set out below.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 5.

c) Subsidiaries and Minority Interests

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases.

Intra-group balances and transactions and any unrealised profits arising from intra group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent there is no evidence of impairment.

Minority interests represent the portion of the net assets of subsidiaries attributable to interests that are not owned by the Company, whether directly or indirectly through subsidiaries, minority interests are presented in the consolidated balance sheet and statement of changes in equity within equity, separately from equity attributable to the equity shareholders of the Company. Minority interests in the results of the Group are presented on the face of the consolidated income statement as an allocation of the total profit or loss for the year between minority interests and the equity shareholders of the Company.

Where losses applicable to the minority exceed the minority's interest in the equity of a subsidiary, the excess, and any further losses applicable to the minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make additional investment to cover the losses. If the subsidiary subsequently reports profits, the Group's interest is allocated all such profits under the minority's share of losses previously absorbed by the Group has been recovered.

Loans from holders of minority interest and other contractual obligations towards these holders are presented as financial liabilities in the consolidated balance sheet in accordance with note 2(n).

In the Company's balance sheet, an investment in a subsidiary is stated at cost less impairment losses *(see note 2(k))*.

d) Associates

An associate is an entity in which the Group has significant influence, but not control over its management, including participation in the financial and operating policy decisions.

An investment in an associate is accounted for in the consolidated financial statements under the equity method and is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the associate's net assets, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). The consolidated income statement includes the Group's share of the post-acquisition, post-tax results of the associates for the year, including any impairment loss on goodwill relating to the investment in associates for the year *(see notes 2(f) and (k))*.

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. For this purpose, the Group's interest in the associate is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate.

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associate, except where unrealized losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

e) Business combinations

The acquisition of businesses is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 Business Combinations are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations, which are recognised and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

f) Goodwill

Goodwill represents the excess of the cost of a business combination or an investment in an associate over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Goodwill is stated at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units and is tested annually for impairment *(see note 2(k))*. In respect of associates, the carrying amount of goodwill is included in the carrying amount of the interest in the associates.

Any excess of the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of a business combination or an investment in an associate is recognised immediately in profit or loss.

On disposal of a cash-generating unit or an associate, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

g) Financial instruments

Financial assets and financial liabilities are recognised on the balance sheet when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified into one of the four categories, including financial assets at fair value through profit or loss ("FVTPL"), loans and receivables, held-to-maturity investments and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest basis for debt instruments other than those financial assets designated as at FVTPL, of which interest income is included in net gains or losses.

Financial assets at fair value through profit or loss

Financial assets at FVTPL has two subcategories, including financial assets held for trading and those designated as at FVTPL on initial recognition.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or

- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or

- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Groups documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- it forms part of a contract containing one or more embedded derivatives, and permits the entire combined contract (asset or liability) to be designated as at FVTPL.

At each balance sheet date subsequent to initial recognition, financial assets at FVTPL are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial assets.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade receivables, loan receivables, other receivables, pledged bank deposits, bank balances and cash, amount due from directors and finance lease receivables) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy in respect of impairment loss on financial assets below).

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. The Group designated certain debt securities as held-to-maturity investments. At each balance sheet date subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy in respect of impairment loss on financial assets below).

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at FVTPL, loans and receivables or held-to-maturity investments. In addition to equity investments, the Group has also designated certain debt securities as available-for-sale financial assets.

At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss (see accounting policy in respect of impairment loss on financial assets below).

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment losses at each balance sheet date subsequent to initial recognition (see accounting policy in respect of impairment loss on financial assets below).

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered as uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Impairment losses on available-for-sale equity investments will not be reversed in profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised directly in equity. For available-for-sale debt investments, impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. The Group's financial liabilities are generally classified into financial liabilities at FVTPL and other financial liabilities.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Interest expense is recognised on an effective interest basis other than those financial liabilities designated as at FVTPL, of which the interest expense is included in net gains or losses.

Financial liabilities at fair value through profit or loss

Financial liabilities at FVTPL has two subcategories, including financial liabilities held for trading and those designated as at FVTPL on initial recognition.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

At each balance sheet date subsequent to initial recognition, financial liabilities at FVTPL are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss includes any interest paid on the financial liability.

Other financial liabilities

Other financial liabilities (including bank and other borrowings, trade payables and other payables) are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

h) Property, Plant and Equipment

Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and impairment losses *(see note 2(k))*.

Gain or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds on disposal and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

Freehold land and building	2.5%
Cruise	5%
Leasehold improvements	Over lease terms
Plant and machinery	20%
Furniture, fittings and office equipment	20% – $33\frac{1}{3}$%
Motor vehicles	30% – $33\frac{1}{3}$%
Motor yacht	20%

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

i) Intangible Assets (Other than Goodwill)

Intangible assets, other than goodwill, identified on business combinations are capitalised on their fair values. They represent mainly trademarks and relationship with customers. Subsequent to initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided a straight-line basis from the date of acquisition over their estimated useful lives as follows:

Client list	15 years

The asset's useful lives and their amortisation method are reviewed annually.

Intangible assets with indefinite useful lives are not amoritsed. The intangible asset and its status are reviewed annually to determine whether events and circumstances continue to support indefinite useful life. Should the useful life of an intangible asset change from infinite to finite, the change would be accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives as set out above.

j) Operating Lease Charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

k) Impairment of Assets

i) Impairment of investments in debt and equity securities and other receivables

Investments in debt and equity securities and other current and non-current receivables that are stated at cost or amortised cost or are classified as available-for-sale securities are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. If any such evidence exists, any impairment loss is determined and recognised as follows:

– For unquoted equity securities and current receivables that are carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for current receivables are reversed if in a subsequent period the amount of the impairment loss decreases. Impairment losses for equity securities are not reversed.

– For financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets).

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

– For available-for-sale securities, the cumulative loss that had been recognised directly in equity is removed from equity and is recognised in profit or loss. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss.

Impairment losses recognised in profit or loss in respect of available-for-sale equity securities are not reversed through profit or loss. Any subsequent increase in the fair value of such assets is recognised directly in equity.

Impairment losses in respect of available-for-sale debt securities are reversed if the subsequent increase in fair value can be objectively related to an event occurring after the impairment loss was recognised. Reversals of impairment losses in such circumstances are recognised in profit or loss.

ii) Impairment of other assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

– property, plant and equipment;
– intangible assets;
– investments in subsidiaries and associates; and
– goodwill

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, the recoverable amount is estimated annually whether or not there is any indication of impairment.

– Calculation of recoverable amount

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

– Recognition of impairment losses

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

– Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

l) Inventories

Inventories are carried at the lower of cost and net realizable value.

Cost is calculated using the first-in, first-out formula and comprises all costs of purchase in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are consumed, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write down of inventories to net realizable value and all losses of inventories are recognised as an expense in the period the write down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

m) Trade and Other Receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost less impairment losses for bad and doubtful debts *(see note 2(k))*, except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts *(see note 2(k))*.

n) Trade and Other Payables

Trade and other payables are initially recognised at fair value and thereafter stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

o) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement.

p) Employee Benefits

i) Short term employee benefits and contributions to defined contribution retirement plans.

Salaries, annual bonuses, paid annual leave, contributions to defined contribution plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

ii) Termination benefits

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

q) Income Tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised directly in equity, in which case they are recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial report purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in period into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilized.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences related to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reserve in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

– in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously; or

– in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either;

  – the same taxable entity; or

  – different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realize the current tax assets and settle the current tax liabilities on a net basis or realize and settle simultaneously.

r) Financial Guarantees Issued, Provisions and Contingent Liabilities

i) Financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee (being the transaction price, unless the fair value can otherwise be reliably estimated) is initially recognised as deferred income within trade and other payables. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note 2(r)(ii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

ii) Other provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

s) Revenue Recognition

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

i) Cruise Leasing and management fee income

– Cruise leasing income is recognised on an accrual basis in accordance with the terms of the leasing agreement.

– Cruise management fee income, revenue from travel agent services and management income is recognised when the management services, travel agent services are rendered.

ii) *Travel-related agency services fee income*

– Revenue from sale of airline ticket is recognized when the tickets are issued.

– Revenue from the sale of tour package is recognized when travel arrangements have been booked and confirmed with customers. Deposits from customers are reported as liabilities.

– Revenue from the sale of group tour is recognized at the point of group departure. Deposits from customers are reported as liabilities until the tour departs.

– Other income consists of revenue earned based on volume sales through various on-line ticket processing systems. Other income is recognised when it is measurable and all contractual obligation have been fulfilled.

iii) Management fee income is recognised when the amounts are measurable and the ultimate collections are reasonably assumed.

iv) Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.

v) Interest income is recognised as it accrues using the effective interest method.

vi) Services income are recognised when services provided.

t) Translation of Foreign Currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the balance sheet date. Exchange gains and loses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was determined.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Balance sheet items, including goodwill arising on consolidation of foreign operations acquired on or after 1 January 2005, are translated into Hong Kong dollars at the foreign exchange rates ruling at the balance sheet date. The resulting exchange differences are recognised directly in a separate component of equity. Goodwill arising on consolidation of a foreign operation acquired before 1 January 2005 is translated at the foreign exchange rate that applied at the date of acquisition of the foreign operation.

On disposal of a foreign operation, the cumulative amount of the exchange differences recognised in equity which relate to that foreign operation is included in the calculation of the profit or loss on disposal.

u) Borrowing Costs

Borrowing costs are expensed in profit or loss in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

v) Related Parties

For the purposes of these financial statements, a party is considered to be related to the Group if:

i) the party has the ability, directly or indirectly through one or more intermediaries, to control the Group or exercise significant influence over the Group in making financial and operating policy decisions, or has joint control over the Group;

ii) the Group and the party are subject to common control;

iii) the party is an associate of the Group or a joint venture in which the Group is a venturer;

iv) the party is a member of key management personnel of the Group or the Group's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence or such individuals;

v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals; or

vi) the party is a post-employment benefit plan which is for the benefit of employees of the Group or of any entity that is a related party of the Group.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

w) Segment Reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal financial reporting, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format for the purposes of these financial statements.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. For example, segment assets may include inventories, trade receivables and property, plant and equipment. Segment revenue, expenses, assets, and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between Group enterprises within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets (both tangible and intangible) that are expected to be used for more than one period.

Unallocated items mainly comprise financial and corporate assets, interest-bearing loans, borrowings, tax balances, corporate and financing expenses.

3. Application of new and revised Hong Kong Financial Reporting Standards ("HKFRSs")

In the current period, the Company has where applicable applied the following amendments and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") which are or have become effective.

HKFRS 7	Financial Instruments: Disclosures
HKAS 1 Amendment	Presentations of Financial Statements: Capital Disclosures

The amendment to HKAS 1 introduces additional disclosure requirements to provide information about the level of capital and the Group's and the Company's objectives, policies and process for managing capital. These new disclosures are set out in below.

HKAS 39 & HKFRS 7 (Amendments)	Reclassification of Financial Assets
HK(IFRIC) – Int 11	HKFRS 2: Group and Treasury Share Transactions
HK(IFRIC) – Int 12	Service Concession Arrangements
HK(IFRIC) – Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their interaction

As a result of the adoption of HKFRS 7, the financial statements include expanded disclosure about the significant of the Group's financial instruments and the nature and extent of risks arising from those instruments, compared with the information previously required to be disclosed by HKAS 32, *Financial Instruments: Disclosure and Presentation*. These disclosures are provided throughout these financial statements, in particular in note 4.

The application of the new HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior adjustment is required.

The Group has not early applied any of the following new and revised standards, amendments or interpretations which have been issued but are not yet effective for annual periods beginning on 1 January 2008. The Group is in the process of making an assessment of the impact of these new standards, amendments and interpretations upon initial application but is not yet in a position to state whether these new standards, amendments and interpretations would have a significant impact on the group's results of operations and financial position.

HKFRSs (Amendments)	Improvements to HKFRSs [1]
HKAS 1 (Revised)	Presentation of Financial Statements [2]
HKAS 23 (Revised)	Borrowing Costs [2]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements [3]
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligation Arising on Liquidation [2]
HKAS 39 (Amendment)	Eligible hedged items [3]
HKFRS 1 and HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate [2]
HKFRS 1 (Revised)	First-time Adoption of Hong Kong Financial Reporting Standard [3]
HKFRS 2 (Amendments)	Vesting Conditions and Cancellations [2]
HKFRS 3 (Revised)	Business Combinations [3]
HKFRS 8	Operating Segments [2]
HK(IFRIC) – Int 13	Customer Loyalty Programmes [4]
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate [2]
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation [5]
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners [3]
HK(IFRIC) – Int 18	Transfer of Assets from Customers [6]

[1] *Effective for annual periods beginning on or after 1 January 2009 except for the amendments to HKFRS 5, effective for annual periods beginning on or after 1 July 2009*

[2] *Effective for annual periods beginning on or after 1 January 2009*

[3] *Effective for annual periods beginning on or after 1 July 2009*

[4] *Effective for annual periods beginning on or after 1 July 2008*

[5] *Effective for annual periods beginning on or after 1 October 2008*

[6] *Effective for transfer of assets from customers received on or after 1 July 2009*

The application of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009.

HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary.

4. Financial risk management

a) *Financial risk factors*

The Group has exposure to credit risk, liquidity risk and market risk (including currency risk and interest rate risk) from its use of financial instruments. This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and the Group's credit risk is primarily attributable to the trade and other receivables and cash and cash equivalents. Management has a credit policy in a place and the exposures to these credit risks are monitored on an ongoing basis.

The management has established a credit policy under which credit evaluations are performed on all customers requiring credit. Trade receivables are normally due within 30 days from the date of billing. Debtors with balances that are more than 3 months are requested to settle all outstanding balance before any further credit is granted. Normally, the Group does not obtain collateral from customers.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. At the balance sheet date, the Group has a certain concentration of credit risk as 38.8% (2007: 3.3%) of the total trade and other receivables was due from the Group's largest customer.

The maximum exposure to credit risk without taking account of any collateral held is represented by the carrying amount of each financial asset, including derivative financial instruments, in the consolidated balance sheet after deducting any impairment allowance. Except for the financial guarantees given by the Company as set out in notes 33 to 38, the Group does not provide any other guarantees which would expose the Group or the Company to credit risk. The maximum exposure to credit risk in respect of this financial guarantee at the Company's balance sheet is disclosed in notes 33 to 38.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 24.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's policy is to regularly monitor its current and expected liquidity requirement and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following table details the remaining contractual maturities at the balance sheet date of the Group's financial liabilities, which are based on the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the balance sheet date) and the earliest date the Group can be required to pay:

Group

	At 31.12.2008				
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total contractual undiscounted cash flow	Carrying amount
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Trade and other payables	23,457	–	–	23,457	23,457
Profit guarantee liabilities	3,792	9,100	32,608	45,500	45,500
Loans payables	–	128,471	39,486	167,957	167,957
Long-term payables	–	–	295,632	295,632	187,048
Due to a related company	–	18,277	–	18,277	17,574
	27,249	155,848	367,726	550,823	441,536

Group

	At 30.9.2007				
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total contractual undiscounted cash flow	Carrying amount
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Trade and other payables	106,422	–	–	106,422	106,422

Company

	At 31.12.2008				
	Within 1 year or on demand	**More than 1 year but less than 2 years**	**More than 2 years but less than 5 years**	**Total contractual undiscounted cash flow**	**Carrying amount**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Trade and other payables	65,937	–	–	65,937	65,937

	At 30.9.2007				
	Within 1 year or on demand	**More than 1 year but less than 2 years**	**More than 2 years but less than 5 years**	**Total contractual undiscounted cash flow**	**Carrying amount**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Trade and other payables	51,659	–	–	51,659	51,659

Group

As at 31 December 2008, it was not probable that the counter parties to the financial guarantee will claim under the contracts. Consequently, the carrying amount of the financial guarantee contract of HK$44,100,000 (2007: HK$63,000,000) has not been presented above.

	At 31.12.2008		**At 30.9.2007**	
	HK$'000	*Expiry period*	*HK$'000*	*Expiry period*
Guarantee given to a bank in respect of banking facilities granted to an associate	860,000	2012	860,000	2012

(iii) Currency risk

Presently, there is no hedging policy with respect to the foreign exchange exposure. The Group's transactional currency are Hong Kong dollars, Canadian dollars and United States dollars as substantially all the turnover are in Hong Kong dollars, Canadian dollars and United States dollars. The Group's and the Company's transactional foreign exchange exposure was insignificant.

(iv) Interest rate risk

The Group's exposure to market risk for changes in interest rates. Interest rate risk arises primarily from the amount due to a related company. Borrowings issued at variable rates and fixed rates exposure the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group does not use financial derivatives to hedge against the interest rate risk. The Company has no significant exposure to interest rate risk.

At 31 December 2008, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would increase/decrease the Group's loss before tax by approximately HK$176,000 (2007: N/A).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the exposure to interest rate risk for the financial liabilities in existence at that date. The 100 basis points increase or decrease represents management's assessment of reasonably possible change in interest rates over the period until the next annual balance sheet date. The analysis is performed, on the same basis for 2007.

b) Capital risk management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher level of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of a net debt-to-adjusted capital ratio. For this purpose, the Group defines net debt as total debt (which includes interest bearing bank and other borrowings) less bank deposits and cash. Adjusted capital comprises all components of equity less unaccrued proposed dividends.

During the period ended 31 December 2008, the Group's strategy, which was unchanged from 2007, was to maintain the net debt-to-adjusted capital ratio as low as feasible. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. As at 31 December 2008 and 30 September 2007, the Group did not have net debt.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

c) Fair value

The fair values of the Group's financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions. The directors consider that the carrying amounts of the financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements are not materially different from their fair values as at 31 December 2008 and 30 September 2007.

5. Accounting estimates and judgements

a) Key sources of estimation uncertainty

In the process of applying the Group's accounting policies which are described in note 2, management has made certain key assumptions concerning the future, and other key sources of estimated uncertainty at the balance sheet date, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, as discussed below.

i) Impairment of property, plant and equipment and freehold land and buildings

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, which requires significant judgement relating to the level of revenue and the amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions and projections of revenue and operating costs. Changes in these estimates could have a significant impact on the carrying amount of the assets and could result in additional impairment charge or reversal of impairment in future periods.

ii) Impairment of receivables

The Group maintains impairment allowance for doubtful accounts based upon evaluation of the recoverability of the trade receivables and other receivables, where applicable, at each balance sheet date. The estimates are based on the aging of the trade receivables and other receivables balances and the historical write-off experience, net of recoveries. If the financial condition of the debtors were to deteriorate, additional impairment allowance may be required.

iii) Impairment of intangible assets

The Group performs annual test on whether there has been impairment of intangible assets in accordance with the accounting policy stated in note 2(k). The recoverable amounts of cash-generating units are determined based on value-in-use calculations. These calculation require the use of estimates and assumptions made by management on the future operation of the business, pre-tax discount rates, and other assumptions underlying the value-in-use calculations.

iv) Amortisation of intangible assets

Intangible assets are amortised on a straight-line basis over their estimated useful lives. The determination of the useful lives involves management's estimation. The Group reassesses the useful life of the intangible assets and if the expectation differs from the original estimate, such a difference may impact the amortisation in the year and the estimate will be changed in the future period.

b) Critical accounting judgements in applying the Group's accounting policies

In determining the carrying amounts of some assets and liabilities, the Group makes assumptions for the effects of uncertain future events on those assets and liabilities at the balance sheet date. These estimates involve assumptions about such items as cash flows and discount rates used. The Group's estimates and assumptions are based on historical experience and expectations of future events and are reviewed periodically. In addition to assumptions and estimations of future events, judgements are also made during the process of applying the Group's accounting policies.

i) Going concern

As mentioned in note 2(b)(i) to the financial statements, the directors are satisfied that the Group will be able to meet its financial obligations in full as and when they fall due in the foreseeable future. As the directors are confident that the Group will be able to continue in operational existence in the foreseeable future, the financial statements have been prepared on a going concern basis.

If the going concern basis is not appropriate, adjustment would have to be made to provide for any further liabilities which might arise. Such adjustments may have a significant consequential effect on the loss for the period and net assets of the Group.

(ii) Maruhan Put Option

On 1 October 2007, Golden Sun, a wholly-owned subsidiary of the Company as vendor and the Company as Golden Sun's guarantor entered into a sale and purchase agreement with Maruhan Corporation ("Maruhan"), an independent third party, as purchaser to dispose of (i) 10.2% interest in the entire issued share capital (the "World Fortune Sale Shares") of World Fortune Limited ("World Fortune"), a wholly-owned subsidiary of Golden Sun; and (ii) the shareholder's loan of approximately HK$66,468,000 due by World Fortune to Golden Sun for a total consideration of approximately HK$208,501,000 (the "World Fortune Disposal"). The World Fortune Disposal was completed on 29 October 2007.

On the date of completion of the World Fortune Disposal, Golden Sun, the Company and Maruhan entered into a shareholders' agreement (the "World Fortune Shareholders' Agreement"). Pursuant to the terms of the World Fortune Shareholders' Agreement, (i) Golden Sun, in consideration of HK$1 paid by Maruhan, granted to Maruhan the right to require Golden Sun to purchase or procure the purchase of Maruhan's entire equity interest in World Fortune and the entire amount of shareholder's loans provided by Maruhan to World Fortune (the "Maruhan Put Option") and (ii) Maruhan shall advance to World Fortune a further sum of approximately HK$116,369,000 by way of shareholder's loan to World Fortune which will on-lend the same to Pier 16 – Property Development Limited ("Pier 16 – Property Development") for the purpose of financing and completing the development of the integrated casino-resort project "Ponte 16".

The Maruhan Put Option shall be exercised at any time on any business day during the period commencing from the fifth anniversary of 29 October 2007 and ending on the day falling six months thereafter. The Maruhan Put Option purchase price shall be determined based on Maruhan's effective interest of 4.998% in the properties held by Pier 16 – Property Development (the "Property") and with reference to a 30% discount to the then prevailing market value of the Property to be determined by an independent professional valuer to be agreed by the shareholders of World Fortune. If the value of the Property as determined by the valuer after taking into account a 30% discount exceeds HK$6,500 million or is below HK$3,900 million, the Maruhan Put Option purchase price shall be HK$6,500 million or HK$3,900 million (as the case may be).

The directors considered that after the completion of the World Fortune Disposal, the Group still retains substantially all the risks and rewards of ownership of the World Fortune Sale Shares. Therefore, the Group continues to account for World Fortune as a wholly-owned subsidiary of the Group. The consideration of approximately HK$208,501,000 received has been recognised as liabilities and classified under loans payables *(note 29)* and long-term payables *(note 30)* in the consolidated balance sheet. As the Group does not have the unconditional rights to avoid settlement under the Maruhan Put Option, the Group has to recognise the relevant financial liabilities at the amount of the present value of the estimated future cash outflows when it is required to acquire the World Fortune Sale Shares.

(iii) SBI Macau Put Option

On 7 July 2008, Favor Jumbo Limited ("Favor Jumbo"), a wholly-owned subsidiary of the Company, as vendor and the Company as Favor Jumbo's guarantor entered into a sale and purchase agreement with SBI Macau Holdings Limited ("SBI Macau"), an independent third party, as purchaser to (i) dispose of 910 shares (the "Sale Shares") of Golden Sun Profits Limited ("Golden Sun"), being 4.55% of the entire issued share capital of Golden Sun, a wholly-owned subsidiary of Favor Jumbo; and (ii) assign all the rights, title, interests and benefits of 4.55% of the entire amount of the interest free shareholder's loan amounted to approximately HK$39,486,000 due by Golden Sun to SBI Macau at face value (collectively "the Golden Sun Disposal"). The total consideration for the Golden Sun Disposal was HK$130,000,000. In addition, Favor Jumbo guaranteed that SBI Macau shall be entitled to a return of not less than HK$9,100,000 for each full fiscal year for a period of sixty successive months immediately after the date of completion of the Golden Sun Disposal. The details of the profit guarantee have been set out in note 28 to the financial statements.

The Golden Sun Disposal was completed on 8 August 2008. On the date of completion of the Golden Sun Disposal, Favor Jumbo, the Company, SBI Macau, SBI Holdings, Inc. (SBI Macau's holding company) and Golden Sun entered into a shareholders' agreement (the "Golden Sun Shareholders' Agreement"). Pursuant to the terms of the Golden Sun Shareholders' Agreement, Favor Jumbo, in consideration of HK$1 paid by SBI Macau, granted to SBI Macau the right to require Favor Jumbo to purchase or procure the purchase of the entire equity interest in Golden Sun and the entire amount of the shareholder's loans owing by Golden Sun to SBI Macau (the "SBI Macau Put Option").

The SBI Macau Put Option purchase price shall be HK$99,465.77 per ordinary share in the share capital of Golden Sun held by SBI Macau as at completion of the SBI Macau Put Option plus the face value of the entire amount of the shareholder's loan owing by Golden Sun to SBI Macau as at completion of the SBI Macau Put Option, and the reserve as calculated in accordance with the terms of the Golden Sun Shareholders' Agreement.

The SBI Macau Put Option can be exercised at any time on any business day during the period commencing from the fifth anniversary of 8 August 2008, the date of entering into the Golden Sun Shareholders' Agreement and ending on the day falling two months thereafter.

The directors of the Company considered that after the completion of the Golden Sun Disposal, the Group still retains substantially all the risks and rewards of ownership of the Sale Shares. Therefore, the Group accounts for Golden Sun as a wholly-owned subsidiary of the Group. The consideration of HK$130,000,000 received has been recognised as liabilities and classified under profit guarantee liabilities *(note 28)*, the loans payables *(note 29)* and long-term payables *(note 30)* in the consolidated balance sheet. As the Group does not have the unconditional rights to avoid settlement under the SBI Macau Put Option, the Group has to recognise the relevant financial liabilities at the amount of the present value of the estimated future cash outflow when it is required to acquire the Sale Shares.

6. Segment reporting

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

a) Business segment

The Group's operating business are structured and managed separately according to the nature of their operations and the products and services provided. Each of the Group's business segments represents a strategic business unit that offers:

– Cruise leasing and management business: the leasing of cruise and the provision of management services to the cruise.

– Travel business: the provision of travel-related agency services.

	Cruise leasing and management		Travel		Consolidated	
	Period ended 31.12.2008	Year ended 30.9.2007	Period ended 31.12.2008	Year ended 30.9.2007	Period ended 31.12.2008	Year ended 30.9.2007
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue						
Turnover	118,000	95,901	509,254	7,853	627,254	103,754
Other revenue	225	184	4,917	72	5,142	256
Total revenue	118,225	96,085	514,171	7,925	632,396	104,010
Results						
Segment results	(1,703)	32,035	2,707	(513)	1,004	31,522
Interest income					4,851	10,048
Gain on disposal of property, plant and equipment					298	–
Gain on disposal of securities					–	4,391
Gain on disposal of available-for-sale investment					–	10,330
Unallocated operating income					24,824	5,668
Unallocated operating expenses					(98,569)	(27,890)
(Loss)/profit from operations					(67,592)	34,069
Finance costs					(335)	(1,675)
Share of results of associates					(170,292)	(15,450)
(Loss)/profit before taxation					(238,219)	16,944
Income tax					(859)	(672)
(Loss)/profit for the period/year					(239,078)	16,272
Balance Sheet					**At 31.12.2008**	**At 30.9.2007**
Assets						
Segment assets	95,394	119,204	72,175	1,432	167,569	120,636
Interest in associates					1,119,892	886,930
Unallocated assets					131,486	189,813
Consolidated total assets					1,418,947	1,197,379
Liabilities						
Segment liabilities	5,671	5,603	41,578	170	47,249	5,773
Unallocated liabilities					440,539	164,693
Consolidated total liabilities					487,788	170,466

	Cruise leasing and management		Travel		Unallocated		Consolidated	
	Period ended 31.12.2008	Period ended 30.9.2007	Period ended 31.12.2008	Period ended 30.9.2007	Period ended 31.12.2008	Period ended 30.9.2007	Period ended 31.12.2008	Period ended 30.9.2007
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Other information:								
Amortisation of intangible assets	–	–	215	–	–	–	215	–
Impairment loss on								
– goodwill	–	–	609	–	–	–	609	–
– intangible assets	–	–	676	–	–	–	676	–
– other receivables	22,763	–	–	–	–	–	22,763	–
– interest in associates	–	–	–	–	18,900	–	18,900	–
Depreciation	9,142	7,325	837	20	3,480	1,365	13,459	8,710
Capital expenditure	117	25	7,305	1	5,964	5,311	13,386	5,337

b) *Geographical segment*

The Group's business is managed on a worldwide basis, but participates in four principal economic environments. The cruise leasing and management income is mainly derived from South China Sea, other than in Hong Kong. In Hong Kong, the main business is the provision of travel-related agency services. The income from North America mainly derived from sale of air tickets and tour packages.

In presenting information on the basis of geographical segment, segment revenue is based on the geographical location of customers. Segment assets and capital expenditure are based on the geographical location of the assets.

	South China Sea, other than in Hong Kong		Hong Kong		Macau		North America		Consolidated	
	Period ended 31.12.2008	**Year ended 30.9.2007**	**Period ended 31.12.2008**	**Year ended 30.9.2007**	**Period ended 31.12.2008**	**Year ended 30.9.2007**	**Period ended 31.12.2008**	**Year ended 30.9.2007**	**Period ended 31.12.2008**	**Year ended 30.9.2007**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue										
Turnover	118,000	95,901	5,121	7,853	–	–	504,133	–	627,254	103,754
Segment assets	94,259	119,211	134,003	190,689	1,121,165	887,479	69,520	–	1,418,947	1,197,379
Capital expenditure	117	25	5,633	5,312	–	–	7,636	–	13,386	5,337

7. Turnover

The principal activities of the Group are leasing and management of cruise and tourist-related business.

Turnover represents cruise leasing and management fee income and travel-related agency services fee income. The amount of each significant category of revenue recognised in turnover during the period/year is as follows:

	Period ended 31.12.2008	**Year ended 30.9.2007**
	HK$'000	*HK$'000*
Cruise leasing and management fee income	118,000	95,901
Travel-related agency services fee income		
– sale of air tickets	470,409	–
– travel and related service fee income	38,845	7,853
	509,254	7,853
	627,254	103,754

8. Other revenue and other net income

	Period ended 31.12.2008 *HK$'000*	Year ended 30.9.2007 *HK$'000*
Other revenue		
Interest income on bank deposits	4,851	10,197
Total interest income on financial assets not at fair value through profit or loss	4,851	10,197
Commission income	74	45
Dividend from available-for-sale investment	–	1,133
Management fee income from an associate	5,919	4,534
Write back of trade payables#	3,858	–
Amortisation of financial guarantee contract	18,900	–
Other income	1,215	63
	34,817	15,972

This amount represents write back of long-outstanding trade payables

	Period ended 31.12.2008 *HK$'000*	Year ended 30.9.2007 *HK$'000*
Other net income		
Gain on disposal of securities *(note)*	–	4,391
Gain on disposal of available-for-sale investment	–	10,330
Gain on disposal of property, plant and equipment	298	–
	298	14,721

Note: During the year ended 30 September 2007, Better Talent Limited, an indirect wholly-owned subsidiary of the Company, as subscriber, entered into a subscription agreement with an independent third party, China Star Entertainment Limited ("China Star"), a company listed on the Stock Exchange, for the subscription of China Star's zero coupon unsecured convertible bonds at the subscription price of approximately HK$11.9 million. The convertible bonds were exercised and converted into ordinary shares of China Star and such shares were subsequently disposed in the open market during the year ended 30 September 2007. The net proceeds received were approximately HK$16.3 million.

9. (Loss)/profit before taxation

(Loss)/profit before taxation is arrived at after charging/(crediting):

a) Finance costs

	Period ended 31.12.2008 *HK$'000*	**Year ended 30.9.2007** *HK$'000*
Interest expenses on other borrowings wholly repayable within five years	–	1,675
Interest expenses paid to a related company	335	–
Total interest expenses on financial liabilities not at fair value through profit or loss	335	1,675

b) Staff costs

	Period ended 31.12.2008 *HK$'000*	**Year ended 30.9.2007** *HK$'000*
Salaries, wages and other benefit (including directors' emoluments)	59,928	35,394
Contribution to defined contribution retirement plan	990	629
	60,918	36,023

c) Other items

	Period ended 31.12.2008 *HK$'000*	**Year ended 30.9.2007** *HK$'000*
Auditors' remuneration		
– audit services	1,267	837
– other services	590	110
Depreciation on owned fixed assets	13,459	8,710
Gain on write off of a subsidiary under voluntary liquidation	(13)	–
Amortisation of intangible assets	215	–
Operating lease rentals		
– properties	6,365	4,398
– plant and machinery	272	40
Net exchange loss/(gain)	546	(37)
Cost of inventories#	36,044	17,044
Impairment loss on		
– goodwill*	609	–
– intangible assets*	676	–
– other receivables*^	22,763	–
– interest in associates*	18,900	–

\# *Included within administrative expenses*

* *These amounts are included in "other operating expresses" on the face of the consolidated income statement.*

^ *This represents impairment on debts due by a debtor which has been long-outstanding. The directors considered that the amounts due could not be recovered. Therefore, full impairment has been made (note 24(d)).*

10. Income tax in the consolidated income statement

a) Taxation in the consolidated income statement represents:

	Period ended 31.12.2008 *HK$'000*	Year ended 30.9.2007 *HK$'000*
Current tax-Hong Kong Profits Tax		
– charge for the period/year	1,708	804
– over-provision in respect of prior years	(25)	–
	1,683	804
Current tax-Overseas Profits Tax		
– over-provision in respect of prior years	(327)	–
	1,356	804
Deferred taxation relating to the origination and reversal of temporary differences *(note 32 (b))*	(497)	(132)
	859	672

On 26 June 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 and reduced corporate profits tax rate from 17.5% to 16.5% which is effective from the year of assessment 2008/2009. Hong Kong Profits Tax is calculated at 16.5% (2007: 17.5%) of the estimated assessable profit for the period/year.

Taxation arising in other jurisdictions are calculated at the rates prevailing in the relevant jurisdictions.

b) Reconciliation between tax expense and accounting (loss)/profit at applicable tax rates:

	Period ended 31.12.2008 *HK$'000*	**Year ended 30.9.2007** *HK$'000*
(Loss)/profit before taxation	(238,219)	16,944
Notional tax on (loss)/profit before taxation, calculated at the rates applicable to (loss)/profit in the countries concerned	(10,495)	5,669
Tax effect of share of results of associates	(28,098)	(2,730)
Tax effect of non-deductible expenses	9,607	3,976
Tax effect of non-taxable revenue	(4,052)	(9,280)
Tax effect of unrecognised tax losses	32,944	3,319
Unrecognised temporary differences	1,881	(282)
Tax effect on utilisation of previously unrecognised tax losses	(576)	–
Overprovision for tax in prior years	(352)	–
Tax charge	859	672

11. Directors' remuneration

Directors' remuneration disclosed pursuant to Section 161 of the Hong Kong Companies Ordinance is as follows:

Name	Directors' fees Period ended 31.12.2008 HK$'000	Directors' fees Year ended 30.9.2007 HK$'000	Salaries, allowances and benefits in kind Period ended 31.12.2008 HK$'000	Salaries, allowances and benefits in kind Year ended 30.9.2007 HK$'000	Retirement scheme contributions Period ended 31.12.2008 HK$'000	Retirement scheme contributions Year ended 30.9.2007 HK$'000	Performance related incentive payment *(note)* Period ended 31.12.2008 HK$'000	Performance related incentive payment *(note)* Year ended 30.9.2007 HK$'000	Total Period ended 31.12.2008 HK$'000	Total Year ended 30.9.2007 HK$'000
Executive Directors										
Yeung Hoi Sing, Sonny	–	–	–	–	–	–	–	–	–	–
Lee Siu Cheung (resigned on 1 June 2008)	–	–	360	889	8	12	187	–	555	901
Ma Ho Man, Hoffman (appointed on 20 March 2007)	–	–	970	210	15	6	112	–	1,097	216
Non-executive Director										
Choi Kin Pui, Russelle	129	100	–	–	–	–	–	–	129	100
Independent Non-executive Directors										
Luk Ka Yee, Patrick	129	100	–	–	–	–	–	–	129	100
Yim Kai Pung	129	100	–	–	–	–	–	–	129	100
Yeung Mo Sheung, Ann	129	100	–	–	–	–	–	–	129	100
	516	400	1,330	1,099	23	18	299	–	2,168	1,517

Note: The performance related incentive payment is determined by reference to the individual performance of the directors and approved by remuneration committee.

12. Individuals with highest emoluments

The five individuals with the highest emoluments, one (2007: one) is a director whose emoluments is disclosed in note 11. The aggregate of the emoluments in respect of the other four (2007: four) individuals are as follows:

	Period ended 31.12.2008 *HK$'000*	Year ended 30.9.2007 *HK$'000*
Salaries, allowances and benefits in kind	3,171	2,272
Performance related incentive payment	118	–
Retirement benefit scheme contributions	52	45
	3,341	2,317

The emoluments of the four (2007: four) individuals with the highest emoluments are within the following band:

	Number of individuals	
	Period ended 31.12.2008	**Year ended 30.9.2007**
HK$Nil – HK$1,000,000	4	4

13. (Loss)/profit attributable to equity shareholders of the company

The (loss)/profit attributable to equity shareholders of the Company includes a loss of approximately HK$28,657,000 (2007: profit HK$4,279,000) which has been dealt within the financial statements of the Company.

14. Dividends

No interim dividend was paid during the period under review (2007: Nil). The Directors do not recommend any payment of a final dividend for the fifteen months ended 31 December 2008 (2007: Nil).

15. (Loss)/earnings per share

a) Basic (loss)/earnings per share

The calculation of basic (loss)/earnings per share is based on the (loss)/profit for the period/year attributable to equity shareholders of the Company of approximately HK$238,304,000 (2007: profit HK$2,314,000) and on the weighted average number of 2,414,012,000 (2007: 2,174,642,000) shares in issue during the period/year.

b) Diluted (loss)/earnings per share

Dilutive (loss)/earnings per share equals to the basic (loss)/earnings per share as there were no potential dilutive ordinary shares outstanding for the period/year presented.

16. Property, plant and equipment

Group

	Freehold land and building HK$'000	Cruise HK$'000	Leasehold improvements HK$'000	Plant and machinery HK$'000	Furniture, fittings and office equipment HK$'000	Motor vehicles HK$'000	Motor yacht HK$'000	Total HK$'000
Cost								
At 1 October 2006	–	93,600	2,796	9,853	3,923	230	–	110,402
Additions	–	–	2,798	–	938	1,601	–	5,337
Disposals	–	–	(1,746)	–	(386)	–	–	(2,132)
At 30 September 2006 and 1 October 2007	–	93,600	3,848	9,853	4,475	1,831	–	113,607
Additions	–	–	59	–	713	784	4,700	6,256
Disposals	(766)	–	(365)	–	(111)	(230)	–	(1,472)
Acquisition of subsidiaries	3,838	–	1,057	–	1,985	250	–	7,130
Write off of a subsidiary	–	–	(226)	–	(113)	–	–	(339)
Exchange alignment	(662)	–	(681)	–	(1,794)	(185)	–	(3,322)
At 31 December 2008	2,410	93,600	3,692	9,853	5,155	2,450	4,700	121,860
Accumulated depreciation								
At 1 October 2006	–	12,870	2,051	2,003	1,744	198	–	18,866
Charge for the year	–	4,680	947	1,970	845	268	–	8,710
Written back on disposals	–	–	(1,684)	–	(230)	–	–	(1,914)
At 30 September 2007 and 1 October 2007	–	17,550	1,314	3,973	2,359	466	–	25,662
Charge for the period	19	5,850	1,665	2,464	1,666	777	1,018	13,459
Written back on disposals	–	–	(220)	–	(48)	(230)	–	(498)
Write off of a subsidiary	–	–	(222)	–	(102)	–	–	(324)
Exchange alignment	(14)	–	(512)	–	(1,479)	(145)	–	(2,150)
At 31 December 2008	5	23,400	2,025	6,437	2,396	868	1,018	36,149
Net book value								
At 31 December 2008	2,405	70,200	1,667	3,416	2,759	1,582	3,682	85,711
At 30 September 2007	–	76,050	2,534	5,880	2,116	1,365	–	87,945

The analysis of carrying amount of property is as follows:

	At 31.12.2008 *HK$'000*	At 30.9.2007 *HK$'000*
Outside Hong Kong		
Freehold land	2,405	–

17. Goodwill

Group

	HK$'000
Cost	
At 1 October 2006 and 30 September 2007	1,313
At 1 October 2007	1,313
Acquisition of subsidiaries *(note 40(a))*	7,019
At 31 December 2008	8,332
Accumulated impairment losses	
At 1 October 2006 and 30 September 2007	–
At 1 October 2007	–
Impairment loss	(609)
At 31 December 2008	(609)
Carrying amount	
At 31 December 2008	7,723
At 30 September 2007	1,313

Goodwill is allocated to the Group's cash-generating units ("CGUs") identified according to business segment as follows:

	At 31.12.2008	At 30.9.2007
	HK$'000	*HK$'000*
Cruise management CGU	1,313	1,313
Travel CGU	6,410	–
	7,723	1,313

The recoverable amount of the cash-generating unit ("CGU") is determined on value-in-use calculations. These calculations use cash flow projections based on the financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

Key assumptions used for value-in-use calculations:

	Travel CGU		Cruise management CGU	
	2008	2007	2008	2007
	%	%	%	%
– Growth rate	4	N/A	zero	5
– Discount rate	11.8	N/A	5	5

The discount rates reflect specific risks relating to the relevant segment.

The goodwill of HK$7,019,000 was arising on the acquisition of 100% interest in Smart Class Enterprises Limited ("Smart Class") in July 2008. Based on the impairment tests performed, the carrying amount of the goodwill of HK$6,410,000 allocated to the travel CGU has been impaired by HK$609,000 as at 31 December 2008 because the market condition of the travel agent business changed significantly subsequent to the financial crisis since the last quarter of 2008. The recoverable amount of the cruise management CGU is higher than its carrying amount based on value-in-use calculations. Accordingly, no impairment loss is recognised for the period (2007: Nil).

Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cruise management CGU.

18. Intangible assets

	Trademark	**Client list**	**Total**
	HK$'000	*HK$'000*	*HK$'000*
Cost			
At 1 October 2006 and 30 September 2007	–	–	–
At 1 October 2007	–	–	–
Acquisition of subsidiaries *(note 41(a))*	33,044	9,238	42,282
Exchange alignment	(5,301)	(1,482)	(6,783)
At 31 December 2008	27,743	7,756	35,499
Accumulated amortisation and impairment losses			
At 1 October 2006 and 30 September 2007	–	–	–
At 1 October 2007	–	–	–
Charge for the period	–	(215)	(215)
Impairment loss	–	(676)	(676)
At 31 December 2008	–	(891)	(891)
Carrying amount			
At 31 December 2008	27,743	6,865	34,608
At 30 September 2007	–	–	–

The trademark and client list were purchased as part of the business combination of Smart Class. The amortisation charge for the period is included in the "administrative expenses" in the consolidated income statement. The Group's titles to these intangible assets are not restricted and they are not pledged as securities for liabilities.

Trademark

The Group classified the acquired trademark as an intangible asset with infinite life in accordance with HKAS 38 *Intangible Assets*. This is supported by the fact that the legal rights of the trademark are capable of being renewed indefinitely at insignificant cost and are therefore perpetual in duration. Based on the anticipated future financial performance of the travel CGU, the trademark is expected to generate positive cash flows indefinitely. Under HKAS 38, the Group re-evaluates the useful life of the trademark each year to determine whether events or circumstances continue to support the view of the indefinite useful life of the asset.

The trademark will not be amortised until its useful life is determined to be finite. Instead it will be tested for impairment annually and whenever there is an indication that it may be impaired.

In accordance with HKAS 36 *Impairment of Assets*, the Group completed its annual impairment test for the trademark by comparing its recoverable amount to its carrying amount as at 31 December 2008. The Group has conducted a valuation of the trademark based on the value in use calculations. With reference to the valuations carried out by Roma Appraisal Limited ("Roma"), an independent professional valuer, who has among their staff, fellow members of the Hong Kong Institute of Surveyors, the recoverable amount of the trademarks is higher than its carrying value, therefore, no impairment loss is recognized for the period.

The valuation of the trademark uses cash flow projections based on financial estimates covering a five-year period, the expected sales deriving from the trademark in the travel CGU and a discount rate of 14.8%. The cash flows beyond the five-year period are extrapolated using a steady 4% growth rate. This growth rate does not exceed the long term average growth rate for travel markets in which the Group operates. Management has considered the above assumptions and valuation and also taken into account the business plan going forward.

Client list

The directors assessed that the client list having 15 years of useful lives. The Group has completed its annual impairment test for the client list by comparing the recoverable amount of the client list to its carrying amount as at 31 December 2008. The Group has conducted a valuation of the client list based on the value in use calculations. With reference to the valuations carried out by Roma the carrying amount of client list of HK$6,865,000 has been impaired by HK$676,000 because the market condition of the travel agent business changed significantly subsequent to the financial crisis since the last quarter of 2008.

The valuation of the client list is based on the contributory charge method and uses cash flow projections based on financial estimates covering a five-year period, the expected sales deriving from the client list in the travel CGU and a discount rate of 13.9%. The cash flows beyond the five-year period are extrapolated using a steady 4% growth rate. This growth rate does not exceed the long-term average growth rate for travel markets in which the Group operates. Management has considered the above assumptions and valuation and also taken into account the business plan going forward.

19. Investments in subsidiaries

Company

	At 31.12.2008 *HK$'000*	**At 30.9.2007** *HK$'000*
Unlisted shares, at cost	40,655	15,874
Deemed capital contributions *(note 33)*	63,000	63,000
Amounts due from subsidiaries	1,012,031	608,370
	1,115,686	687,244
Less: Impairment loss#	(42,881)	–
	1,072,805	687,244

\# *During the period ended 31 December 2008, after considering the poor operating performance of the relevant subsidiaries, the directors are of the opinion that impairment loss of approximately HK$42,881,000 (2007: Nil) should be recognised.*

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of share held is ordinary unless otherwise stated.

All of these are controlled subsidiaries as defined under note 2(c) and have been consolidated into the Group financial statements.

Name of subsidiary	Place of incorporation/ operation	Particulars of issued and paid up share capital	Proportion of ownership interest: Group's effective interest	Held by the Company	Held by subsidiaries	Principal activities
Macau Success (Hong Kong) Limited	Hong Kong	10,000,000 shares of HK$0.01 each	100	100	–	Investment holding
Access Success Developments Limited	British Virgin Islands	1 share of US$1	100	–	100	Investment holding
Better Talent Limited	British Virgin Islands	1 share of US$1	100	–	100	Investment holding
Capture Success Limited	British Virgin Islands/ South China Sea, other than in Hong Kong	100 shares of US$1 each	55	–	55	Cruise leasing
Favor Jumbo Limited	British Virgin Islands	1 share of US$1	100	–	100	Investment holding
Golden Sun Profits Limited	British Virgin Islands	20,000 shares of US$1 each	100	–	100	Investment holding
Hover Management Limited	Hong Kong/South China Sea, other than in Hong Kong	100 shares of HK$1 each	55	–	55	Provision of cruise management services
Macau Success Management Services Limited	Hong Kong	100 shares of HK$1 each	100	–	100	Provision of administration services

Name of subsidiary	Place of incorporation/ operation	Particulars of issued and paid up share capital	Proportion of ownership interest Group's effective interest	Held by the Company	Held by subsidiaries	Principal activities
Travel Success Limited	Hong Kong	500,000 shares of HK$1 each	100	–	100	Travel agency
Travel Success (Macau) Limited	Macau	3 shares of MOP750,000, MOP749,000 and MOP1,000 respectively	100	–	100	Travel agency
World Fortune Limited	Hong Kong	1,000 shares of HK$1 each	100	–	100	Investment holding
665127 British Columbia Ltd.	Canada	10,000 common shares with no par value and 1,400 Class A preferred shares with CAD0.01 par value (without voting right)	80	–	80	Investment holding
Jade Travel Ltd. ("Jade Travel Ltd. (Canada)")	Canada	7 common shares with no par value	80	–	80	Wholesale and retail business of selling airline tickets and tour package
Jade Travel Ltd. ("Jade Travel Ltd. (New York)")	United States of America	100 common shares with no par value	80	–	80	Wholesale and retail business of selling airline tickets and tour packages
Smart Class Enterprises Limited	British Virgin Islands	50,000 ordinary shares of US$1 each	100	100	–	Investment holding

20. Interest in associates

		Group	
		At	At
		31.12.2008	30.9.2007
	Note	*HK$'000*	*HK$'000*
Share of net assets		154,634	425,696
Deemed capital contributions	*33*	63,000	63,000
Goodwill	*(b)*	19,409	19,409
		237,043	508,105
Amounts due from associates	*(c)*	901,749	378,825
		1,138,792	886,930
Less: Impairment loss	*(d)*	(18,900)	–
		1,119,892	886,930

(a) The following list contains only the particulars of associates, all of which are unlisted corporate entities, which principally affected the results or assets of the Group:

Name of associate	Place of incorporation/ operation	Particulars of issued and paid up capital	Proportion of ownership interest: Group's effective interest	Held by the Company	Held by a subsidiaries	Principal activities
Pier 16 – Entertainment Group Corporation Limited	Macau	2 shares of MOP24,000 and MOP1,000 respectively	49%	–	49%	Provision of management service for casino operation
Pier 16 – Management Limited	Macau/ Hong Kong	2 shares of MOP24,000 and MOP1,000 respectively	49%	–	49%	Hotel operation
Pier 16 – Property Development Limited	Macau	100,000 shares of MOP100 each	49%	–	49%	Property holding

(b) Goodwill

Because goodwill included in the carrying amount of the interest in associates not separately recognized, it is not tested for impairment separately by applying the requirements for impairment testing in HKAS 36 Impairment of assets. Instead, the entire carrying amount of the interest in associates is tested for impairment as set out in note 20(d) below.

(c) The amounts due from associates are unsecured, interest free and have no fixed terms of repayment. Their carrying amounts are not materially different from their fair value.

(d) Impairment test for interest in associates

The Group completed its annual impairment test for interest in associates by comparing the recoverable amount of interest in associates to its carrying amount as at 31 December 2008. The Group has engaged Roma to carry out a valuation of the interest in associate as at 31 December 2008 based on the value-in-use calculations. The carrying value of the interest in associates is written down by approximately HK$18.9 million (2007: Nil). This valuation uses cash flow projections based on financial estimates covering a five-year period, and a discount rate of 12.9%. The cash flows beyond the five-year period are extrapolated using a steady 4% growth rate. This growth rate does not exceed the long-term average growth rate for the casino and hotel industries in which the Group operates. Management has considered the above assumptions and valuation and also taken into account the business plan going forward.

(e) The followings is summary of aggregate amounts of assets, liabilities, revenues, and results of the Group's associates:

	At 31.12.2008	**At 30.9.2007**
	HK$'000	*HK$'000*
Assets	3,654,950	2,748,553
Liabilities	3,339,370	1,879,786
Equity	315,580	868,767

	Period ended 31.12.2008 *HK$'000*	Year ended 30.9.2007 *HK$'000*
Revenues	221,341	–
Loss	(347,535)	(33,428)

21. Deposit for acquisition of properties

On 28 February 2008, Jade Travel Ltd., a 80% owned subsidiary of the Group entered into a sale and purchase agreement to purchase of properties located in Richmond Hill, Ontario, Canada for a total consideration of approximately CAD2,364,000 (equivalent to approximately HK$15,265,000). The properties will be used as office by the subsidiary. As at 31 December 2008, deposits of HK$2,290,000 had been paid and the outstanding balance of HK$12,975,000 was disclosed as capital commitment in note 37. The purchase of the properties will be completed on or before 31 October 2009.

22. Deposit for acquisition of a company

This represented a deposit of HK$60 million paid to上海永德投資有限公司 ("上海永德"), an independent third party, upon signing of a letter of intent and a confidentiality agreement on 10 January 2008 for the proposed acquisition by a wholly-owned subsidiary of the Company of at least 10% and not more than 51% of the entire issued share capital of 重慶林科物業發展有限公司, a 90% owned subsidiary of 上海永德. A letter agreement has been signed on 31 March 2009 to further extend the long stop date to 30 September 2009.

23. Inventories

Group

	At 31.12.2008 *HK$'000*	At 30.9.2007 *HK$'000*
Fuel oil	1,160	1,323

24. Trade and other receivables

		Group		Company	
		At	At	At	At
		31.12.2008	30.9.2007	31.12.2008	30.9.2007
	Note	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Trade receivables	*(a), (b), (c)*	21,731	996	–	–
Other receivables		25,553	17,402	79	209
Less: Impairment loss	*(d)*	(22,763)	–	–	–
		2,790	17,402	79	209
Trade and other receivables		24,521	18,398	79	209
Prepayment and deposits		6,662	–	294	–
		31,183	18,398	373	209

All of the trade and other receivables are expected to be recovered within one year.

(a) Aging analysis

Included in trade and other receivables are trade debtors with the following aging analysis as at the balance sheet date:

	Group		Company	
	At	At	At	At
	31.12.2008	30.9.2007	31.12.2008	30.9.2007
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Current	14,979	727	–	–
31 to 60 days overdue	6,239	165	–	–
61 to 90 days overdue	178	–	–	–
Over 90 days overdue	335	104	–	–
	21,731	996	–	–

The Group normally allows a credit period of 60 days to customers of cruise leasing and management (2007: 30 days) and 30 days to customers of travelling business (2007: 30 days).

(b) Impairment of trade receivables

Impairment loss in respect of trade receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly *(see note2(k))*. As at 31 December 2008, there were no impairment loss on the trade receivables.

(c) Trade receivables that are not impaired

The aging analysis of trade receivables that are neither individually nor collectively considered to be impaired are as follows:

	Group	
	At 31.12.2008	**At 30.9.2007**
	HK$'000	*HK$'000*
Neither past due nor impaired	14,979	727
Past due but not impaired		
– Less than 1 month past due	6,239	165
– 1 to 3 months past due	513	104
	6,752	269
	21,731	996

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

(d) Other receivables

	Group
	HK$'000
Movement in the impairment on other receivables	
At 1 October 2006 and 30 September 2007	–
At 1 October 2007	–
Impairment loss recognised on other receivables *(note 9(c))*	22,763
At 31 December 2008	22,763

25. Pledged bank deposits/bank balances

	Group		**Company**	
	At 31.12.2008	**At 30.9.2007**	**At 31.12.2008**	**At 30.9.2007**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Cash and bank balances	59,106	19,314	664	541
Non-pledged bank deposits	7,569	181,405	6,645	180,504
Pledged bank deposits	6,762	751	5,996	–
	73,437	201,470	13,305	181,045
Less: Pledged bank deposits	(6,762)	(751)	(5,996)	–
Cash and cash equivalents in cash flow statement	66,675	200,719	7,309	181,045

26. Trade and other payables

	Group		Company	
	At	**At**	**At**	**At**
	31.12.2008	**30.9.2007**	**31.12.2008**	**30.9.2007**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Trade payables	7,259	163	–	–
Consideration received for partial disposal of a subsidiary	–	100,000	–	–
Accrued charges and other payables	16,198	6,259	1,802	912
Amounts due to subsidiaries	–	–	64,135	50,747
Financial liabilities measured at amortised cost	23,457	106,422	65,937	51,659

The amounts due to subsidiaries are interest free, unsecured and without fixed terms of repayment.

All of the trade and other payables are expected to be settled within one year.

Aging analysis

Included in trade and other payables are trade creditors with the following aging analysis as of the balance sheet date:

	Group		Company	
	At	**At**	**At**	**At**
	31.12.2008	**30.9.2007**	**31.12.2008**	**30.9.2007**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Current	4,918	149	–	–
31 to 60 days	881	1	–	–
61 to 90 days	444	–	–	–
Over 90 days	1,016	13	–	–
	7,259	163	–	–

27. Deferred income

Deferred revenue comprises of a sign-up bonus for an on-line ticket processing system and is recognised as revenue in accordance with the terms of the agreements.

28. Profit guarantee liabilities

	HK$'000
Carrying amount	
At 1 October 2006 and 30 September 2007	–
At 1 October 2007	–
Profit guarantee issued to SBI Macau during the period	45,500
At 31 December 2008	45,500
Current liabilities	12,892
Non-current liabilities	32,608
	45,500

As mentioned in note 5(b)(iii), Favor Jumbo guaranteed that SBI Macau shall be entitled to a return of not less than HK$9.1 million ("Guaranteed Amount") for each full fiscal year for a period of sixty successive months immediately after the date of completion of the Golden Sun Disposal (the "Relevant Period").

In the event the amounts received by SBl Macau from the distribution of the profits of Golden Sun for any fiscal year during the Relevant Period falls short ("Shortfall") of the higher of the return as stipulated in the Golden Sun Shareholder's Agreement (the "Return") or the Guaranteed Amount (pro-rated, if necessary), Favor Jumbo shall pay to SBI Macau such Shortfall within six months from the end of the relevant fiscal year during the Relevant Period.

If the aggregate of the Return and the Shortfall payments received by SBI Macau from Golden Sun and/or Favor Jumbo in respect of the Relevant Period exceeds the total Guaranteed Amount (pro-rated, if necessary) for the Relevant Period (the "Excess"), SBI Macau shall refund and pay to Favor Jumbo the lesser of (a) the aggregate amount of the Shortfall paid by Favor Jumbo to SBI Macau during the Relevant Period; and (b) the Excess, within three months upon notice from Favor Jumbo the amount payable by SBI Macau after the expiry of the Relevant Period.

29. Loans payables

	Note	At 31.12.2008 HK$'000	At 30.9.2007 HK$'000
Loans from minority shareholders			
– Mrs. Yung Yuen Ping Kwok	*(i)*	2,247	–
– SABC Holdings Ltd.	*(ii)*	6,472	–
		8,719	–
Loan from Maruhan	*(iii)*	119,752	–
Loan from SBI Macau	*(iv)*	39,486	–
		167,957	–

(i) Mrs. Yung Yuen Ping Kwok is the minority shareholder of a 80% owned subsidiary of the Group, namely 665127 British Columbia Ltd. The loan was arising upon the acquisition of Smart Class and its subsidiaries.

(ii) SABC Holdings Ltd. is the minority shareholder of a 80% owned subsidiary of the Group, namely 665127 British Columbia Ltd. The loan was arising upon the acquisition of Smart Class and its subsidiaries.

(iii) The amount represented the shareholder's loan of approximately HK$66,468,000 due by World Fortune to Golden Sun taken up by Maruhan upon the completion of the World Fortune Disposal and further shareholder loan of approximately HK$53,284,000 advanced by Maruhan to World Fortune pursuant to the World Fortune Shareholders' Agreement as disclosed in note 5(b)(ii) to the financial statements.

(iv) Pursuant to a deed of assignment dated 8 August 2008, Favor Jumbo assigned the loan of approximately HK$39,486,000 due by Golden Sun to SBI Macau as disclosed in note 5(b)(iii) to the financial statements.

All the above loans are unsecured, interest free and not expected to be settled within one year.

30. Long-term payables

	At 31.12.2008	At 30.9.2007
	HK$'000	*HK$'000*
Present value of liabilities of		
– Maruhan Put Option *(Note 5(b)(ii))*	142,035	–
– SBI Macau Put Option *(Note 5(b)(iii))*	45,013	–
	187,048	–

31. Due to a related company

The amount due to a related company, which is an investment holding company beneficially wholly-owned by Mr. Yeung Hoi Sing, Sonny, a director and a controlling shareholder of the Company is unsecured, bearing interest at the rate of 4% per annum and not expected to be settled within one year.

32. Income tax in the consolidated balance sheet

a) Current taxation in the consolidated balance sheet represents:

	Group	
	Period ended 31.12.2008	Year ended 30.9.2007
	HK$'000	*HK$'000*
Provision for Hong Kong Profits tax for the period/year	1,708	672
Provisional Profits Tax paid	(1,694)	–
	14	672
Balance of Profits tax provision relating to prior years		
– Hong Kong	936	289
– Overseas	18	–
	968	961

b) Recognised deferred tax (assets)/liabilities

The movements of deferred tax (assets)/liabilities during the period/year were as follows:

	Group Accelerated depreciation
	HK$'000
At 1 October 2006	215
Charged to the income statement *(note 10(a))*	(132)
At 30 September 2007	83
At 1 October 2007	83
Arising from acquisition of subsidiaries	(888)
Credited to the income statement *(note 10(a))*	(497)
Exchange alignment	195
At 31 December 2008	(1,107)

	At 31.12.2008	**At 30.9.2007**
	HK$'000	*HK$'000*
Net deferred tax assets recognised on the consolidated balance sheet	(1,190)	–
Net deferred tax liabilities recognised on the consolidated balance sheet	83	83
	(1,107)	83

c) Unrecognised deferred tax assets

Deferred income tax assets are recognised for tax loss carried forward to the extent that the realisation of the related tax benefit through utilisation against future taxable profits is probable. At 31 December 2008, the Group had tax losses of approximately HK$103 million (2007: HK$86 million) that are available to carry forward indefinitely for offsetting against future taxable profits.

No deferred tax asset has been recognised in relation to tax losses as it is not probable that taxable profit will be available against which the tax losses can be utilised.

33. Financial guarantee contract

	HK$'000
Carrying amount	
At 1 October 2006	–
Fair value of financial guarantee contract issued	63,000
At 30 September 2007	63,000
At 1 October 2007	63,000
Amortisation for the period	(18,900)
At 31 December 2008	44,100
Current liabilities	12,600
Non-current liabilities	31,500
	44,100

At the balance sheet date, the Company gave a corporate guarantee to a bank in respect of syndicated loan facilities of HK$1,600 million (2007: HK$1,600 million) granted to an associate *(note 38(a))*. The maximum guarantee amount borne by the Company was HK$860 million (2007: HK$860 million). Total loan outstanding for the syndicated loan facilities of the associate as at the balance sheet date was HK$1,260 million (2007: HK$1,010 million).

Based on the valuation performed by an independent firm of valuer, the directors considered that the fair value of the financial guarantee contract was approximately HK$63,000,000 at the date of issuance of the financial guarantee contract. The carrying amount of the financial guarantee contract recognised in the Group's and the Company's balance sheets was in accordance with HKAS 39 and HKFRS 4 (Amendments).

34. Share capital

	Notes	**Number of shares** *'000*	**Nominal value** *HK$'000*
Authorised:			
Ordinary shares of HK$0.01 each			
At 1 October 2006 and 30 September 2007		160,000,000	1,600,000
At 1 October 2007 and 31 December 2008		160,000,000	1,600,000
Issued and fully paid:			
Ordinary shares of HK$0.01 each			
At 1 October 2006		2,139,464	21,395
Allotment of consideration shares	*(a)*	60,000	600
At 30 September 2007		2,199,464	21,995
At 1 October 2007		2,199,464	21,995
Allotment of subscription shares and consideration shares	*(b), (c)*	239,500	2,395
At 31 December 2008		2,438,964	24,390

The movement in the issued share capital of the Company was as follows:

a) On 30 November 2006, World Fortune as purchaser entered into an agreement for the purchase of 12.25% equity interest in and the related loan to Pier 16 – Property Development at an aggregate consideration of HK$200 million. The consideration was settled partly by cash of HK$152 million and partly by the allotment and issue of 60 million shares of the Company at an agreed issued price of HK$0.80 per share. The Company allotted and issued the consideration shares on 28 February 2007.

b) On 1 October 2007, the Company entered into a subscription agreement with Maruhan as subscriber for the subscription of 220 million shares of the Company at HK$1.062 each. The Company allotted and issued such shares on 26 October 2007. The gross proceeds from the issue were approximately HK$233.6 million and were used as general working capital.

c) On 5 May 2008, the Company as purchaser entered into an agreement for the acquisition of the entire issued share capital of Smart Class at an agreed consideration of CAD2.9 million (equivalent to approximately HK$22.6 million). The consideration was settled by the allotment and issue of 19.5 million shares of the Company at an agreed issue price of HK$1.16 per share. The fair value of the shares allotted on 31 July 2008 was HK$1.12 per share. The gross proceeds from the issue were approximately HK$21.8 million, which represented the amount of consideration settled for the acquisition.

35. Employee retire benefits

a) Defined contribution retirement plan

The Group participates in a Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF Scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK$20,000. Contributions to the plan vest immediately.

b) Share option scheme

The Company participates in a share option scheme (the "Option Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Option Scheme include the Company's directors and other employees of the Group. The Option Scheme became effective on 8 November 2004 and, unless otherwise cancelled or amended, will remain in force for 10 years from the date of adoption of the Option Scheme, i.e. 20 August 2004. Under the Option Scheme, the directors of the Company are authorised at their absolute discretion, to invite any employee, executive or officer of any member of the Group or any entity in which the Group holds any equity interest (including any directors) and any consultant, agent, adviser, vendor, supplier or customer who is eligible to participate in the Option Scheme, to take up options to subscribe for shares of the Company (the "Share(s)").

There is no provision in the Option Scheme to require a grantee to fulfill any performance target or to hold the option for a certain period before exercising the option, but the Company may at its absolute discretion from time to time provide such requirements in the offer of grant of options.

The maximum number of Shares which may be issued upon exercise of all options to be granted under the Option Scheme and any other share option schemes of the Company shall not in aggregate exceed 10 per cent. of the total number of Shares in issue as at the date of adoption of the Option Scheme.

The Company may seek approval of the shareholders in general meeting for refreshing the 10 per cent. limit under the Option Scheme save that the total number of Shares which may be issued upon exercise of all options to be granted under the Option Scheme and any other share option schemes of the Company under the limit as "refreshed" shall not exceed 10 per cent. of the total number of Shares in issue as at the date of approval of the limit. Options previously granted under the Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with the other scheme(s) or exercised options) will not be counted for the purpose of calculating the limit as "refreshed".

Notwithstanding aforesaid in above, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Option Scheme and any other share option schemes of the Company must not exceed 30 per cent. of the total number of Shares in issue from time to time.

The total number of Shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1 per cent. of the total number of Shares in issue.

The exercise price in respect of any particular option shall be such price as determined by the board of directors of the Company in its absolute discretion at the time of the making of the offer but in any case the exercise price shall not be less than the highest of (i) the official closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange on the date of offer, which must be a business day; (ii) the average of the official closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the date of offer; and (iii) the nominal value of a share.

The offer of a grant of share options must be accepted not later than 28 days after the date of offer, upon payment of a consideration of HK$1 by the grantee. The exercise period of the share options granted is determined by the board of directors of the Company, save that such period shall not be more than a period of ten years from the date upon which the share options are granted or deemed to be granted and accepted.

As at the balance sheet date, no share options have been granted under the Option Scheme since its adoption.

36. Reserves

Group

	Attributable to equity shareholders of the Company								
	Share premium *HK$'000*	Distributable reserve *HK$'000*	Capital redemption reserve *HK$'000*	Property revaluation reserve *HK$'000*	Exchange reserve *HK$'000*	Retained profits/ (accumulated losses) *HK$'000*	Total *HK$'000*	Minority interests *HK$'000*	Total equity *HK$'000*
At 1 October 2006	612,516	52,333	976	187,065	–	52,331	905,221	40,304	945,525
Allotment of consideration shares *(note 34(a))*	47,400	–	–	–	–	–	47,400	–	47,400
Profit for the year	–	–	–	–	–	2,314	2,314	13,958	16,272
Interim dividend declared during the year	–	–	–	–	–	–	–	(4,279)	(4,279)
At 30 September 2007	659,916	52,333	976	187,065	–	54,645	954,935	49,983	1,004,918
At 1 October 2007	659,916	52,333	976	187,065	–	54,645	954,935	49,983	1,004,918
Allotment of subscription shares *(note 34(b))*	231,440	–	–	–	–	–	231,440	–	231,440
Allotment of consideration shares *(note 34(c))*	21,645	–	–	–	–	–	21,645	–	21,645
Share issuance costs	(4,216)	–	–	–	–	–	(4,216)	–	(4,216)
Exchange differences on translation of financial statements of subsidiaries	–	–	–	–	(4,235)	–	(4,235)	(1,001)	(5,236)
Share of associates' net loss recognised directly in equity	–	–	–	(100,817)	–	–	(100,817)	–	(100,817)
Acquisition of additional interests in subsidiaries	–	–	–	–	–	–	–	4,863	4,863
Dividend paid to minority shareholders	–	–	–	–	–	–	–	(6,750)	(6,750)
Loss for the period	–	–	–	–	–	(238,304)	(238,304)	(774)	(239,078)
At 31 December 2008	908,785	52,333	976	86,248	(4,235)	(183,659)	860,448	46,321	906,769
Reserves retained by									
Company and subsidiaries	908,785	52,333	976	–	(4,235)	2,481	960,340	46,321	1,006,661
Associates	–	–	–	86,248	–	(186,140)	(99,892)	–	(99,892)
At 31 December 2008	908,785	52,333	976	86,248	(4,235)	(183,659)	860,448	46,321	906,769
Company and subsidiaries	659,916	52,333	976	–	–	70,493	783,718	49,983	833,701
Associates	–	–	–	187,065	–	(15,848)	171,217	–	171,217
At 30 September 2007	659,916	52,333	976	187,065	–	54,645	954,935	49,983	1,004,918

Nature and purpose of reserves

a) Share premium

The application of the share premium account reserve is governed by section 40 of the Companies Act 1981 of Bermuda.

b) Property revaluation reserve

The amount represents the Group's share of revaluation surplus of a casino held by an associate.

c) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 2(t).

Company

	Share premium	**Retained profits**	**Total**
	HK$'000	*HK$'000*	*HK$'000*
At 1 October 2006	612,516	67,649	680,165
Allotment of consideration shares *(note 34(a))*	47,400	–	47,400
Profit for the year	–	4,279	4,279
At 30 September 2007	659,916	71,928	731,844
At 1 October 2007	659,916	71,928	731,844
Allotment of subscription shares *(note 34(b))*	231,440	–	231,440
Share issuance costs	(4,216)	–	(4,216)
Allotment of consideration shares *(note 34(c))*	21,645	–	21,645
Loss for the period	–	(28,657)	(28,657)
At 31 December 2008	908,785	43,271	952,056

Distributability of reserves

At 31 December 2008, the aggregate amount of reserves available for distribution to equity shareholders of the Company was HK$43,271,000 (2007: HK$71,928,000).

37. Commitments

a) Capital commitments outstanding at 31 December 2008 not provided for in the financial statements were as follows:

	Group		Company	
	At 31.12.2008	**At 30.9.2007**	**At 31.12.2008**	**At 30.9.2007**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Authorised but not contracted for	–	–	–	–
Contracted but not provided for				
– acquisition of properties *(note 21)*	12,975	–	–	–
– acquisition of plant and machinery	2,602	–	–	–
	15,577	–	–	–

b) At the balance sheet date, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

	Group		Company	
	At 31.12.2008	**At 30.9.2007**	**At 31.12.2008**	**At 30.9.2007**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Within one year	2,001	3,757	–	–
In the second to fifth years, inclusive	4,445	1,575	–	–
	6,446	5,332	–	–

The Group lease certain office premises under operating leases. The leases typically run for periods ranging from one to two years. None of the leases includes contingent rentals.

38. Contingent liabilities

At the balance sheet date, the Company gave the following undertakings:

(a) a corporate guarantee for syndicated loan facilities of HK$1,600 million (2007: HK$1,600 million) granted to an associate held by a wholly-owned subsidiary of the Company. The maximum guarantee amount borne by the Company was HK$860 million (2007: HK$860 million) *(note 33)*. The total loan outstanding for the syndicated loan facilities of the associate at the balance sheet date was HK$1,260 million (2007: HK$1,010 million).

(b) a guarantee of HK$7,749,000 in favor of a bank for banking facilities of HK$7,749,000 granted to a subsidiary. The maximum guarantee amount borne by the Company was HK$7,749,000. The directors do not consider it probable that a claim will be made against the Company.

39. Related party transactions

a) The Group had the following transactions with the related parties during the period/year:

		Group	
		Period ended	**Year ended**
		31.12.2008	**30.9.2007**
	Note	*HK$'000*	*HK$'000*
Travel service income received from			
– an associate	*(i) (ii)*	1,237	1,150
– key management	*(i) (ii)*	302	641
Management fee income received from			
– associates	*(i) (iii)*	5,919	4,534
Interest expenses paid to a related company	*(iv)*	335	–

Notes:

i) Mr. Yeung Hoi Sing, Sonny was the director of the associates during the year ended 30 September 2007 and the fifteen months ended 31 December 2008. The former director of the Company, Mr. Lee Siu Cheung, was the director of the said associates during the twelve months ended 30 September 2007 and he resigned as the director of the Company and the said associates on 1 June 2008. The director of the Company, Mr. Ma Ho Man, Hoffman, was appointed as the director of the said associates in place of Mr. Lee Siu Cheung and continued to hold office during the period from 1 June 2008 to 31 December 2008.

ii) The travel agent service fee was charged according to prices and conditions comparable to those offered to other customers.

iii) The management fee was charged on actual cost incurred by the Group for provision of management and technical services.

iv) The interest was charged at 4% per annum on the amount due to a related company, Star Spangle Corporation which is owned by Mr. Yeung Hoi Sing, Sonny.

b) The outstanding balances with related parties at balance sheet date are as follows:

		At	At
		31.12.2008	**30.9.2007**
	Note	*HK$'000*	*HK$'000*
Amounts due from associates	*20(c)*	901,749	378,825
Due to a related company	*31*	17,574	–

c) ***Key management personnel compensation***

Compensation for key management personnel, including amounts paid to the Company's directors as disclosed in note 11 and certain of the highest paid employees as disclosed in note 12 is as follows:

		Group	
		Period ended	**Year ended**
		31.12.2008	**30.9.2007**
	Note	*HK$'000*	*HK$'000*
Salaries and other short-term employee benefits		6,243	3,771
Retirement scheme contributions		90	63
Termination benefits		258	–
Total emoluments are included in "staff costs"	*9(b)*	6,591	3,834

d) On 1 December 2008, the Company as borrower entered into an unsecured term loan facility agreement (the "Facility Agreement") with Mr. Yeung as lender. Pursuant to the Facility Agreement, Mr. Yeung provided a facility of up to HK$200 million (the "Loan Facility") to the Company. The rate of interest on the entire principal amount drawn and outstanding under the Loan Facility was the prime rate quoted for Hong Kong dollars loans by The Hongkong and Shanghai Banking Corporation Limited. The Loan Facility was available to the Company during the period from 1 December 2008 until whichever is the earlier of (i) the date falling 1 month before the final repayment date, ie. on or before 30 June 2010; and (ii) the date on which the Loan Facility is reduced to zero. On 14 April 2009, the Company as borrower and Mr. Yeung as lender also entered into an agreement to increase the Loan Facility up to HK$290 million. In addition, Mr. Yeung undertakes not to demand an early repayment of the loan and all other sums owing to Mr. Yeung before 30 June 2010. In the opinion of the directors, the borrowing of the Loan Facility was for the benefit of the Company and on normal commercial terms where no security over the assets of the Company was granted.

40. Pledge of assets

a) As at 31 December 2008, the Group pledged the time deposits of approximately HK$6.8 million (2007: HK$0.8 million) to certain banks for bank facilities of approximately HK$8.4 million (2007: HK$0.8 million) granted to the Group.

b) As at 31 December 2008 and 2007, World Fortune pledged all of its shares in Pier 16 – Property Development to a bank, for and on behalf of the syndicate of lenders, in respect of the syndicated loan facilities granted to Pier 16 – Property Development.

41. Business combination

a) On 31 July 2008, the Group acquired the entire issued share capital of Smart Class for a consideration of approximately HK$22.6 million from Star Spangle Corporation, a company beneficially wholly-owned by Mr. Yeung. Smart Class is an investment holding company and is indirectly interested in 80% equity interest in a number of travel agency companies located in Canada and the United States of America ("US") (collectively "Jade Travel Group"). Jade Travel Group has offices located in Vancouver, Calgary, Toronto and Montreal in Canada and New York in US and is engaged in the wholesale and retail of airline tickets and tour packages.

Smart Class and its subsidiaries contributed revenue of approximately HK$504 million and profit of approximately HK$3.6 million to the Group for the period between the date of acquisition to 31 December 2008. If the acquisition had been completed on 1 October 2007, the Group revenue for the period would have been approximately HK$1,653.8 million, and loss for the period would have been approximately HK$36.4 million. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 October 2007, nor is it intended to be a projection of future results.

Details of net assets acquired and goodwill are as follows:

	HK$'000
Purchase consideration	
Fair value of the 19,500,000 consideration shares at the closing market price of HK$1.12 per share at the date of completion	21,840
Direct costs relating to the acquisition	2,941
Total purchase consideration	24,781
Less: Fair value of net identified assets acquired	(17,762)
Goodwill *(Note)*	7,019

Note: The goodwill represents the benefits of enhanced efficiency and the expected synergies arising from interaction between the Group's existing travel business in Hong Kong and the travel agent business of Smart Class in Canada and US.

The consolidated assets and liabilities of Smart Class as of 31 July 2008 were as follows:

	Acquiree's carrying amount before combination	Fair value adjustment	Fair value
	HK$'000	*HK$'000*	*HK$'000*
Property, plant and equipment	5,460	1,670	7,130
Client list	–	9,238	9,238
Trademark	22,845	10,199	33,044
Trade and other receivables	29,961	(15)	29,946
Tax recoverable	1,338	–	1,338
Deferred tax assets	1,456	–	1,456
Trade and other payables	(35,454)	40	(35,414)
Due to a related company	(20,585)	–	(20,585)
Loans from minority shareholders	(10,385)	–	(10,385)
Deferred income	(561)	–	(561)
Tax payable	(18)	–	(18)
Deferred tax liabilities	–	(568)	(568)
Cash and cash equivalents	8,004	–	8,004
Total net assets	2,061	20,564	22,625
Shared by minority shareholders			(4,863)
Net assets acquired			17,762

b) Analysis of the net cash inflow on acquisition of subsidiaries:

	HK$'000
Direct costs relating to the acquisition paid in cash	(2,941)
Cash and cash equivalents in subsidiaries acquired	8,004
Net cash inflow on acquisition of subsidiaries	5,063

42. Write off of a subsidiary under voluntary liquidation

	HK$'000
Net liabilities written off:	
Property, plant and equipment	15
Trade and other receivables	41
Trade and other payables	(69)
Fair value of net liabilities	(13)

An analysis of the net outflow of cash and cash equivalents in respect of the write off as follows:

	HK$'000
Cash and cash equivalents	–

43. Post balance sheet events

On 14 April 2009, the Company as borrower and Mr. Yeung as lender also entered into an agreement to increase the Loan Facility up to HK$290 million. In addition, Mr. Yeung undertakes not to demand an early repayment of the loan and all other sums owing to Mr. Yeung before 30 June 2010.

In the opinion of the directors, the borrowing of the Loan Facility was for the benefit of the Company and on normal commercial terms where no security over the assets of the Company was granted.

44. Comparative figures

As a result of adopting HKFRS 7, *Financial instruments: Disclosures*, and the amendments to HKAS 1, *Presentation of financial statements: Capital disclosures*, certain comparative figures have been adjusted to conform with changes in disclosures in the current year and to show separately comparative amounts in respect of items disclosed for the first time in 2007. Further details of these developments are disclosed in note 4.

3. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2008, being the date to which the latest published audited consolidated financial statements of the Group were made up.

4. WORKING CAPITAL

The Directors are of the opinion that in the absence of unforeseen circumstances and after taking into account the internal generated funds and financial resources of the Group, the Group has sufficient working capital for its present requirements for at least the next 12 months from the date of this circular.

5. INDEBTEDNESS

Borrowings

As at the close of business on 31 March 2009, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, apart from intra-group liabilities, the Group had outstanding unsecured borrowings of approximately HK$380.22 million as follows:

	HK$'000
Loans payables	172,616
Long-term payables	187,048
Amount due to related parties	20,556
Total outstanding unsecured borrowings	380,220

Guarantee

As at 31 March 2009, the Group gave the following guarantee:

(a) a corporate guarantee for the Syndicated Loan Facility of HK$1,600 million granted to Pier 16 – Property Development held as to 49% by World Fortune, a subsidiary of the Company. The maximum guarantee amount borne by the Company was HK$860 million. The total outstanding amount under the Syndicated Loan Facility as at 31 March 2009 was HK$1,210 million; and

(b) a guarantee in favor of a bank for the banking facilities of HK$7.4 million granted to a subsidiary of the Company. The maximum guarantee amount borne by the Company was HK$7.4 million.

Pledge of assets

(a) As at 31 March 2009, the Group pledged time deposits of approximately HK$6.5 million to certain banks for banking facilities of approximately HK$8.2 million granted to the Group.

(b) As at 31 March 2009, World Fortune pledged all its shares in Pier 16 – Property Development with a carrying value of approximately HK$149.4 million according to the unaudited consolidated management accounts of the Group as at 31 March 2009 to a bank, for and on behalf of the syndicate of lenders, in respect of the Syndicated Loan Facility granted to Pier 16 – Property Development as mentioned in the paragraph "Guarantee" above.

Save as aforesaid and apart from intra-group liabilities, as at the close of business on 31 March 2009, the Group had no debt securities issued and outstanding, and authorised or otherwise created but unissued, term loans, distinguishing between guaranteed, unguaranteed, secured and unsecured, bank borrowings including, bank loans and overdrafts or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credits, hire purchase or finance lease commitments, mortgages, charges, guarantees or other material contingent liabilities.

6. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

In 2009, the Group will continue to adopt its three-pronged strategy to maximise its growth potential in travel, cruise, gaming and entertainment businesses. The Group will focus on developing its travel business into a unique platform to create synergies among the core businesses of the Group. With an extensive network in Canada and the United States of America, the Jade Travel Group is expected to bring synergetic benefits to Ponte 16. The next step for the Group would be to leverage on the extensive experience and connection of its Japanese partners to expand the Group's travel and gaming businesses to Japan and Taiwan markets in the future. The expanded travel platform and network can enrich customer mix of Ponte 16.

As Ponte 16 is the flagship project of the Group, the Company will take proactive measures to increase traffic to Ponte 16. Maruhan Corporation's involvement will induce ample sources of Japanese and Korean visitors and further broaden the Group's customer base. With the construction works of the Hong Kong-Zhuhai-Macau Bridge expected to commence in late 2009 and the tighter collaboration among Hong Kong, Guangdong and Macau governments, such initiatives are expected to boost traffic and tourism in these cities.

Ponte 16 will also benefit from the Macau government's policies and plans to preserve and revitalize the neighborhoods of Ponte 16 which is Macau's historical centre. The Group is also dedicated to promote Ponte 16 as a distinctive landmark for celebration in festive seasons through organizing various events. Amid the challenging operating environment, the management will strengthen the cost control on the operation of Ponte 16 and enhance efficiency to improve operating margins.

Leveraging on the strategic partnerships with Maruhan Corporation and SBI Holdings, Inc., the Group will further explore gaming and entertainment business opportunities in the Asia-Pacific region.

Amid the global economy slowdown, the Company would be prudent in the formation and implementation of corporate strategies. With an enhanced and diversified platform which comprises travel, cruise, gaming and entertainment businesses, the Directors consider that the Group is in a good position to weather the challenges ahead and to seize upcoming opportunities.

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

2. DISCLOSURE OF INTERESTS

(a) Interests and short positions of Directors in the shares, underlying shares and debentures of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Interest in the Shares

Name of Director	Long position/ Short position	Nature of interest	Number of Shares interested or deemed to be interested	Approximate percentage of the total issued share capital of the Company as at the Latest Practicable Date *(Note 2)* %
Mr. Yeung *(Note 1)*	Long position	Corporate interest	1,010,953,432	41.45

Notes:

1. Mr. Yeung, an executive Director and the Chairman of the Company, was deemed to have corporate interest in 1,010,953,432 Shares by virtue of the interest of the Shares held by Silver Rich Macau Development Limited, which is wholly-owned by a discretionary trust, the beneficiaries of which are family members of Mr. Yeung.

2. Calculated as a percentage of the total number of Shares interested or deemed to be interested to the total number of the issued Shares as at the Latest Practicable Date.

Mr. Yeung is a director of Silver Rich Macau Development Limited, which has an interest in the Shares that would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

(b) Interests and short positions in the Shares and underlying Shares discloseable under the provisions of Divisions 2 and 3 of Part XV of the SFO and interests of substantial shareholders in other members of the Group

As at the Latest Practicable Date, so far as is known to the Directors or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had, or were deemed or taken to have, an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group or had any option in respect of such capital:

Interest in the Shares

Name of substantial Shareholders	Long position/ Short position	Capacity	Number of Shares interested or deemed to be interested	Approximate percentage of the total issued share capital of the Company as at the Latest Practicable Date *(Note 3)* %
Silver Rich Macau Development Limited	Long position	Beneficial owner	1,010,953,432	41.45
Trustcorp Limited *(Note 1)*	Long position	Trustee	1,010,953,432	41.45

Name of substantial Shareholders	**Long position/ Short position**	**Capacity**	**Number of Shares interested or deemed to be interested**	**Approximate percentage of the total issued share capital of the Company as at the Latest Practicable Date** *(Note 3)* %
Newcorp Ltd. *(Note 1)*	Long position	Interest of controlled corporation	1,010,953,432	41.45
Ms. Liu Siu Lam, Marian *(Note 2)*	Long position	Interest of spouse	1,010,953,432	41.45
Maruhan Corporation	Long position	Beneficial owner	440,000,000	18.04

Notes:

1. The entire issued share capital of Silver Rich Macau Development Limited is held by Trustcorp Limited, being a trustee of a discretionary trust, the beneficiaries of which are family members of Mr. Yeung. Trustcorp Limited is a wholly-owned subsidiary of Newcorp Ltd.. Accordingly, each of Trustcorp Limited and Newcorp Ltd. was deemed to be interested in 1,010,953,432 Shares held by Silver Rich Macau Development Limited.

2. Ms. Liu Siu Lam, Marian, being the spouse of Mr. Yeung, was deemed to be interested in 1,010,953,432 Shares in which Mr. Yeung had a deemed interest.

3. Calculated as a percentage of the total number of Shares interested or deemed to be interested to the total number of the issued Shares as at the Latest Practicable Date.

Long positions in other members of the Group

Name of non wholly-owned subsidiaries of the Company	Name of substantial shareholders	Number of issued shares held	Percentage of the total issued share capital of the non wholly-owned subsidiaries of the Company as at the Latest Practicable Date
			%
Capture Success Limited	Summit Global International Limited	21	21
Capture Success Limited	Mantovana Holdings Limited	15	15
World Fortune Limited	Maruhan Corporation	102	10.2
665127 British Columbia Ltd.	SABC Holdings Ltd.	1,400	14

Save as disclosed above, so far as is known to the Directors or chief executive of the Company, as at the Latest Practicable Date, no other person (other than a Director or chief executive of the Company) had, or was deemed or taken to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group or held any option in respect of such capital.

3. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation, arbitration or claim of material importance and there was no litigation, arbitration or claim of material importance known to the Directors to be pending or threatened against the Company or any of its subsidiaries.

4. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors and their respective associates were interested in any business, apart from the Group's business, which competes or is likely to compete, either directly or indirectly, with the Group's business, other than such business where the Directors were appointed as directors to represent the interests of the Group.

5. INTEREST IN ASSETS AND CONTRACTS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been, since 31 December 2008 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

Save for the unsecured term loan facility letter dated 1 December 2008 of up to HK$200 million and the revised term loan facility letter dated 14 April 2009 increasing the loan facility up to HK$290 million both entered into between Mr. Yeung as lender and the Company as borrower, which shall be repaid in full on or before 30 June 2010, no contract or arrangement in which any of the Directors is materially interested and which is significant in relation to the business of the Group subsisted as at the Latest Practicable Date.

6. SERVICE CONTRACT

As at the Latest Practicable Date, there was no existing or proposed service contract between any of the Directors and the Company or any of its subsidiaries other than contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation).

7. MATERIAL CONTRACTS

As at the Latest Practicable Date, the following contracts of significance (not being contracts entered into in the ordinary course of business) have been entered into by members of the Group within the two years preceding the issue of this circular and are or may be material:

(1) the MS Guarantee dated 28 June 2007 provided by the Company as guarantor in favour of Banco Weng Hang, S.A. ("**Banco Weng Hang**") as security agent to secure the Syndicated Loan Facility;

(2) a funding undertaking dated 28 June 2007 provided by Pier 16 – Property Development as borrower, Sociedade de Jogos de Macau S.A. ("**SJM**") and the Company as guarantors in favour of Banco Weng Hang as security agent for the purpose of meeting the project costs of Ponte 16;

(3) a completion undertaking dated 28 June 2007 provided by SJM and the Company as guarantors in favour of Banco Weng Hang as security agent for the purpose of ensuring completion of the construction of the development of Ponte 16;

(4) a share pledge dated 28 June 2007 entered into between SJM – IL as the first pledgor, World Fortune as the second pledgor, Banco Weng Hang as security agent and Pier 16 – Property Development in relation to a pledge over the shares in Pier 16 – Property Development in favour of Banco Weng Hang as security agent;

(5) a sale and purchase agreement dated 1 October 2007 entered into between Golden Sun Profits Limited ("**Golden Sun**"), an indirect subsidiary of the Company, as vendor and Maruhan Corporation ("**Maruhan**") as purchaser and the Company as Golden Sun's guarantor in respect of the sale and purchase of 10.2% of the entire issued share capital of, and the related shareholder's loan to, World Fortune, for an aggregate consideration of approximately HK$208.5 million;

(6) a subscription agreement dated 1 October 2007 entered into between Maruhan as subscriber and the Company as issuer in respect of the subscription of 220 million Shares at HK$1.062 per Share;

(7) a shareholders' agreement dated 29 October 2007 and a supplemental agreement to the shareholders' agreement dated 10 July 2008 entered into, among others, the Company, Golden Sun and Maruhan to set out their respective rights and obligations in relation to World Fortune;

(8) a sale and purchase agreement dated 5 May 2008 entered into between the Company as purchaser, Star Spangle Corporation as vendor and Mr. Yeung as the vendor's guarantor in respect of the sale and purchase of the entire issued share capital of Smart Class Enterprises Limited at a consideration of CAD2.9 million which was satisfied by the issue of 19,500,000 new Shares at an agreed issue price of HK$1.16 per Share;

(9) a sale and purchase agreement dated 7 July 2008 entered into between Favor Jumbo Limited ("**Favor Jumbo**"), an indirect wholly-owned subsidiary of the Company, as vendor, SBI Macau Holdings Limited ("**SBI Macau**") as purchaser and the Company as Favor Jumbo's guarantor in respect of the sale and purchase of 4.55% of the entire issued share capital of, and related shareholder's loan to, Golden Sun, for an aggregate consideration of HK$130 million; and

(10) a shareholders' agreement dated 8 August 2008 entered into, among others, the Company, Favor Jumbo, SBI Macau and SBI Holdings, Inc. (SBI Macau's holding company) to set out their respective rights and obligations in relation to Golden Sun, being the registered and beneficial owner of 89.8% of the entire issued share capital of World Fortune.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the principal place of business of the Company in Hong Kong at Suite 1601-2 & 8-10, 16th Floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong from the date of this circular up to and including the date of the SGM:

(a) the memorandum of association and the bye-laws of the Company;

(b) the annual reports of the Company for the financial year ended 30 September 2007 and the financial period ended 31 December 2008 respectively; and

(c) copies of the material contracts as referred to under the paragraph headed "7. Material contracts" in this appendix.

9. MISCELLANEOUS

(a) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The head office and principal place of business of the Company in Hong Kong is at Suite 1601-2 & 8-10, 16th Floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong.

(b) The principal share registrar and transfer office of the Company is Butterfield Fulcrum Group (Bermuda) Limited at Rosebank Centre, 11 Bermudiana Road, Pembroke, HM 08, Bermuda. The branch share registrar and transfer office of the Company in Hong Kong is Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.

(c) The secretary of the Company is Ms. Chiu Nam Ying, Agnes, a qualified solicitor and an associate member of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators. The qualified accountant of the Company is Mr. Wong Chi Keung, Alvin, a fellow member of the Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants and an associate member of The Chartered Institute of Management Accountants.

(d) In the event of inconsistency, the English texts of this circular and the accompanying form of proxy shall prevail over their respective Chinese texts.

MACAU SUCCESS LIMITED
澳門實德有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00487)

NOTICE OF THE SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of Macau Success Limited (the "**Company**") will be held at 3:00 p.m. or as soon thereafter as the annual general meeting of the Company held at 2:30 p.m. shall have been concluded or adjourned (whichever is later) on Tuesday, 26 May 2009 at Salon IV, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai, Hong Kong for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution of the Company:–

ORDINARY RESOLUTION

"**THAT**:–

(a) the provision of additional financial assistance by the Company and its subsidiaries (collectively the "**Group**") to Pier 16 – Property Development Limited ("**Pier 16 – Property Development**"), a company which is beneficially held as to 49% by an indirect subsidiary of the Company, in the amount of HK$618.8 million as at 7 May 2009 for the development of Ponte 16, as detailed in the circular of the Company dated 8 May 2009 (the "**Circular**") issued to its shareholders containing the notice convening this meeting, a copy of the Circular has been produced to this meeting marked "A" and signed by the Chairman of this meeting for the purpose of identification, be and is hereby approved, confirmed and ratified;

(b) the provision of further financial assistance by the Group to Pier 16 – Property Development up to a maximum amount of HK$210.7 million mainly to finance the construction cost of and the repayment of the bank loan by Pier 16 – Property Development for the period up to 31 December 2009, as detailed in the Circular, be and is hereby approved; and

* *For identification purpose only*

(c) any one director of the Company be and is hereby authorised for and on behalf of the Company to do all acts and things and execute and deliver all documents whether under the common seal of the Company or otherwise as may be necessary, desirable or expedient to carry out or to give effect to any or all transactions contemplated in this resolution."

By Order of the Board of
MACAU SUCCESS LIMITED
Chiu Nam Ying, Agnes
Company Secretary

Hong Kong, 8 May 2009

Notes:

1. Any shareholder of the Company entitled to attend and vote at the meeting of the Company may appoint another person as his proxy to attend and vote instead of him. A shareholder of the Company who is the holder of two or more shares may appoint more than one proxy to attend and vote on his behalf at the meeting. A proxy need not be a shareholder of the Company. In addition, a proxy or proxies representing either a shareholder of the Company who is an individual or a shareholder of the Company which is a corporation shall be entitled to exercise the same powers on behalf of the shareholder of the Company which he or they represent as such shareholder of the Company could exercise.

2. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the fact.

3. To be valid, the instrument appointing a proxy and (if required by the board of directors of the Company) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the Company's Hong Kong branch share registrar, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjourned meeting thereof at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of the meeting or any adjourned meeting thereof, not less than twenty-four (24) hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.

4. Delivery of an instrument appointing a proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and in such event, the instrument appointing a proxy shall be deemed to have been revoked.

5. Where there are joint holders of any share of the Company, any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.