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MACAU SUCCESS LIMITED

澳門實德有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00487)

ANNOUNCEMENT OF FINAL RESULTS FOR THE FIFTEEN MONTHS ENDED 31 DECEMBER 2008

RESULTS

The board of directors (the “Board” or the “Director(s)”) of Macau Success Limited (“Macau Success” or the “Company”) announces the consolidated results of the Company and its subsidiaries (the “Group”) for the fifteen months ended 31 December 2008 together with the comparative figures for the financial year ended 30 September 2007.

CHANGE OF FINANCIAL YEAR END DATE

Reference is made to the announcement of the Company dated 31 October 2008 regarding the change of financial year end date of the Company from 30 September to 31 December commencing from the financial year 2007/2008. Accordingly, the current accounting period covered the Group’s fifteen months of operation from 1 October 2007 to 31 December 2008, which enabled the Group as well as the associates of the Company relating to the Group’s flagship investment project, Ponte 16, to have a coterminous year end date. The comparative amounts for the consolidated income statement, consolidated balance sheet and related notes may not entirely comparable.

* *For identification purpose only*

CONSOLIDATED INCOME STATEMENT

For the period from 1 October 2007 to 31 December 2008

	<i>Notes</i>	Period from 1.10.2007 to 31.12.2008 HK\$'000	Year ended 30.9.2007 HK\$'000
Turnover	3, 4	627,254	103,754
Cost of sales		<u>(492,697)</u>	<u>(8,069)</u>
Gross profit		134,557	95,685
Other revenue	5	34,817	15,972
Other net income	5	298	14,721
Administrative expenses		(194,316)	(92,309)
Other operating expenses		<u>(42,948)</u>	<u>–</u>
(Loss)/profit from operations		(67,592)	34,069
Finance costs	6	(335)	(1,675)
Share of results of associates		<u>(170,292)</u>	<u>(15,450)</u>
(Loss)/profit before taxation	6	(238,219)	16,944
Income tax	7	<u>(859)</u>	<u>(672)</u>
(Loss)/profit for the period/year		<u>(239,078)</u>	<u>16,272</u>
Attributable to:			
Equity shareholders of the Company		(238,304)	2,314
Minority interests		<u>(774)</u>	<u>13,958</u>
(Loss)/profit for the period/year		<u>(239,078)</u>	<u>16,272</u>
Dividends payable to equity shareholders of the Company attributable to the period/year	8	<u>–</u>	<u>–</u>
(Loss)/earnings per share			
– Basic	9	<u>(9.87) HK cents</u>	<u>0.11 HK cents</u>
– Diluted	9	<u>(9.87) HK cents</u>	<u>0.11 HK cents</u>

CONSOLIDATED BALANCE SHEET

As at 31 December 2008

		At 31.12.2008 HK\$'000	At 30.9.2007 HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment		85,711	87,945
Goodwill		7,723	1,313
Intangible assets		34,608	–
Interest in associates		1,119,892	886,930
Deposit for acquisition of properties		2,290	–
Deposit for acquisition of a company	10	60,384	–
Deferred tax assets		1,190	–
		<hr/>	<hr/>
		1,311,798	976,188
CURRENT ASSETS			
Inventories		1,160	1,323
Trade and other receivables	11	31,183	18,398
Tax recoverable		1,369	–
Pledged bank deposits		6,762	751
Cash and cash equivalents		66,675	200,719
		<hr/>	<hr/>
		107,149	221,191
CURRENT LIABILITIES			
Trade and other payables	12	23,457	106,422
Profit guarantee liabilities		12,892	–
Deferred income		807	–
Financial guarantee contract		12,600	12,600
Tax payable		968	961
		<hr/>	<hr/>
		50,724	119,983
NET CURRENT ASSETS		<hr/>	<hr/>
		56,425	101,208
TOTAL ASSETS LESS CURRENT LIABILITIES		1,368,223	1,077,396
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	–
Deferred tax liabilities		83	83
Financial guarantee contract		31,500	50,400
		<hr/>	<hr/>
		437,064	50,483
NET ASSETS		<hr/>	<hr/>
		931,159	1,026,913
CAPITAL AND RESERVES			
Share capital		24,390	21,995
Reserves		860,448	954,935
		<hr/>	<hr/>
TOTAL EQUITY ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY		884,838	976,930
MINORITY INTERESTS		<hr/>	<hr/>
		46,321	49,983
TOTAL EQUITY		<hr/>	<hr/>
		931,159	1,026,913

Notes:

1. 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 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.

The HKICPA has issued certain amendment and interpretations which are or have become effective. It 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 2 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

Change of Financial Year End Date

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

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.

2. 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 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.

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*.

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 to 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.

3. 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	Year ended	Period ended	Year ended	Period ended	Year ended
	31.12.2008	30.9.2007	31.12.2008	30.9.2007	31.12.2008	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	<u>118,225</u>	<u>96,085</u>	<u>514,171</u>	<u>7,925</u>	<u>632,396</u>	<u>104,010</u>
Results						
Segment results	<u>(1,703)</u>	<u>32,035</u>	<u>2,707</u>	<u>(513)</u>	1,004	31,522
Interest income					4,851	10,048
Gain on disposal of property, plant and equipment					298	-
Gain on disposal of security					-	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					<u>(239,078)</u>	<u>16,272</u>
					At	At
					31.12.2008	30.9.2007
Balance Sheet						
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					<u>1,418,947</u>	<u>1,197,379</u>
Liabilities						
Segment liabilities	5,671	5,603	41,578	170	47,249	5,773
Unallocated liabilities					440,539	164,693
Consolidated total liabilities					<u>487,788</u>	<u>170,466</u>

	Cruise leasing and management		Travel		Unallocated		Consolidated		
	Period ended	Year ended	Period ended	Year ended	Period ended	Year ended	Period ended	Year ended	
	31.12.2008	30.9.2007	31.12.2008	30.9.2007	31.12.2008	30.9.2007	31.12.2008	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	-	
- client list	-	-	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 airline ticket sales and tour package sales.

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	Year	Period	Year	Period	Year	Period	Year	Period	Year
	ended	ended	ended	ended	ended	ended	ended	ended	ended	ended
	31.12.2008	30.9.2007	31.12.2008	30.9.2007	31.12.2008	30.9.2007	31.12.2008	30.9.2007	31.12.2008	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

4. 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 service fee income. The amount of each significant category of revenue recognised in turnover during the period is as follows:

	Period ended 31.12.2008 <i>HK\$'000</i>	Year ended 30.9.2007 <i>HK\$'000</i>
Cruise leasing and management fee income	118,000	95,901
Travel-related agency service fee income		
– Sales of air tickets	470,409	–
– Travel and related service fee income	38,845	7,853
	<u>509,254</u>	<u>7,853</u>
	<u><u>627,254</u></u>	<u><u>103,754</u></u>

5. OTHER REVENUE AND OTHER NET INCOME

	Period ended 31.12.2008 <i>HK\$'000</i>	Year ended 30.9.2007 <i>HK\$'000</i>
Other revenue		
Interest income on bank deposits	<u>4,851</u>	<u>10,197</u>
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	–
Other income	1,215	63
Amortisation of financial guarantee contract	<u>18,900</u>	<u>–</u>
	<u><u>34,817</u></u>	<u><u>15,972</u></u>
	Period ended 31.12.2008 <i>HK\$'000</i>	Year ended 30.9.2007 <i>HK\$'000</i>
Other net income		
Gain on disposal of securities	–	4,391
Gain on disposal of available-for-sale investment	–	10,330
Gain on disposal of property, plant and equipment	<u>298</u>	<u>–</u>
	<u><u>298</u></u>	<u><u>14,721</u></u>

6. (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	<u>335</u>	<u>–</u>
	<u>335</u>	<u>1,675</u>

b) 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 a subsidiary	(13)	–
Amortisation on 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	–
– client list*	676	–
– other receivables*	22,763	–
– interest in associates*	<u>18,900</u>	<u>–</u>

[#] Included within administrative expenses

* These amounts are included in “other operating expenses” on the face of the consolidated income statement

7. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

Taxation in the consolidated income statement represents:

	Period ended 31.12.2008 <i>HK\$'000</i>	Year ended 30.9.2007 <i>HK\$'000</i>
Current Tax – Hong Kong Profits Tax		
– Charge for the period/year	1,708	804
– Over-provision in respect of prior years	<u>(25)</u>	<u>–</u>
	1,683	804
Current Tax – Overseas Profits Tax		
– Over-provision in respect of prior years	<u>(327)</u>	<u>–</u>
	<u>1,356</u>	<u>804</u>
Deferred taxation relating to the origination and reversal of temporary differences	<u>(497)</u>	<u>(132)</u>
	<u><u>859</u></u>	<u><u>672</u></u>

On 26 June 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 and reduced corporate profit 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.

8. 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).

9. (LOSS)/EARNINGS PER SHARE

a) Basic (loss)/earnings per share

The calculation of basic (loss)/earnings per share is based on the loss for the period 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

Diluted (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.

10. 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. An extension letter to further extend the Long Stop Date to 30 September 2009 has been signed on 31 March 2009.

11. TRADE AND OTHER RECEIVABLES

	Group	
	At	At
	31.12.2008	30.9.2007
	HK\$'000	HK\$'000
Trade receivables	21,731	996
Other receivables	25,553	17,402
Less: Impairment loss provision	(22,763)	–
	<u>2,790</u>	<u>17,402</u>
Trade and other receivables	24,521	18,398
Prepayment and deposits	6,662	–
	<u>31,183</u>	<u>18,398</u>

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

Aging analysis

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

	Group	
	At	At
	31.12.2008	30.9.2007
	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
	<u>21,731</u>	<u>996</u>

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

12. TRADE AND OTHER PAYABLES

	Group	
	At	At
	31.12.2008	30.9.2007
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade payables	7,259	163
Consideration received for partial disposal of a subsidiary	–	100,000
Accrued charges and other payables	<u>16,198</u>	<u>6,259</u>
Financial liabilities measured at amortised cost	<u><u>23,457</u></u>	<u><u>106,422</u></u>

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	
	At	At
	31.12.2008	30.9.2007
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current	4,918	149
31 to 60 days	881	1
61 to 90 days	444	–
Over 90 days	<u>1,016</u>	<u>13</u>
	<u><u>7,259</u></u>	<u><u>163</u></u>

MANAGEMENT DISCUSSION AND ANALYSIS

The year 2008 marks a number of milestones for the Group as it continued to deliver results on its three-pronged strategy by leveraging on synergies among its core businesses: travel, cruise, gaming and entertainment. The Group officially commenced the casino operations and the hotel operations of its flagship investment project Ponte 16 in February 2008 and August 2008 respectively. The Group also embarked on a number of strategic initiatives and successfully paved the way for future growth.

During the reporting period, the Board resolved to change the financial year end date of the Company from 30 September to 31 December in order to enable the Group, as well as the associates of the Company relating to the Group's flagship investment project, Ponte 16 (the "Associates") to have a coterminous year end date. Accordingly, the financial period under review covered the fifteen months from 1 October 2007 to 31 December 2008, which may not be comparable with the results of the Group for the twelve months ended 30 September 2007 (the "last corresponding year").

The following discussion should be read in conjunction with the consolidated financial statements and the related notes included in this announcement.

Results

For the fifteen months ended 31 December 2008, the turnover of the Group was approximately HK\$627.3 million, compared to the last corresponding year of approximately HK\$103.8 million. Gross profit was approximately HK\$134.6 million (2007: approximately HK\$95.7 million). Loss attributable to equity shareholders of the Company amounted to approximately HK\$238.3 million, compared to a profit attributable to equity shareholders of the Company of approximately HK\$2.3 million in the last corresponding year. Loss per share for the reporting period was HK9.87 cents (earnings per share in 2007: HK0.11 cents).

The substantial increase in turnover of the Group for the period under review was mainly attributable to the contribution from the Jade Travel Group (as defined below under sub-section headed "Travel Business") in which 80% equity interest was acquired by the Group in July 2008.

The loss incurred during the period under review was mainly attributable to loss incurred by the cruise business which has been adversely affected by high fuel oil price and operating costs and impairment of other receivables, as well as the loss shared by the Group from the Associates. The loss shared by the Group from the Associates for the period under review amounted to approximately HK\$170.3 million (2007: approximately HK\$15.5 million), which was mainly attributable to the depreciation charges and high operating costs in the initial stage of operation of the business of Ponte 16. The Company issued a profit warning announcement on 20 February 2009 to convey these messages to its shareholders and potential investors.

On 29 October 2007, the Company through its wholly-owned subsidiary, Golden Sun Profits Limited (“Golden Sun”), disposed to Maruhan Corporation (“Maruhan”) of 10.2% of the entire issued share capital of, and related shareholder’s loan to, World Fortune Limited (“World Fortune”) for a consideration of approximately HK\$208.5 million. World Fortune mainly owns a 49% equity interest in Pier 16 – Property Development Limited (“Pier 16 – Property Development”).

In connection with preparing the unaudited interim results for the six months ended 31 March 2008 and the twelve months ended 30 September 2008, the Directors referred to the valuation report issued for the put option, valued at HK\$198,000, the option of which was granted to Maruhan at the date of completion of the disposal on 29 October 2007. The Directors considered that the fair value of the put option to be nominal and therefore made a critical accounting judgement that substantially all the risks and rewards of ownership of the 10.2% equity interest in World Fortune had been transferred to Maruhan. Accordingly, the Group recognized a gain of HK\$116,992,000 on partial disposal of World Fortune for the six months ended 31 March 2008 and the twelve months ended 30 September 2008.

However, in connection with preparing the financial statements for the period ended 31 December 2008, the directors took into consideration the state of economy which was highly volatile. The updated valuation for the put option on completion date was HK\$3,599,000 and was used by the auditors of the Company for audit purpose. The updated valuation and the volatile economy point to the possibility of Maruhan exercising the put option to be not remote.

In view of the above matters, the Directors therefore made a critical accounting judgement that all the risks and rewards of ownership of the 10.2% equity interest in World Fortune had not been substantially transferred to Maruhan. Accordingly, the Group retains substantially all the risks and rewards of ownership of the 10.2% equity interest in World Fortune and therefore accounts for World Fortune as a wholly-owned subsidiary of the Group. Accordingly, the consideration received has been recognised as liabilities and classified under long-term payables in the consolidated balance sheet.

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).

Review of Operations

Travel Business

The Group’s travel business spans across Asia and North America. In addition to Travel Success Limited and Travel Success (Macau) Limited which Macau Success owns and operates in Hong Kong and Macau respectively, the Group also owns 80% of the equity interest in certain companies in Canada and the United States of America (“US”) which conduct the business of air travel consolidator, travel agent, tour provider and provider of related services in Canada and US (the “Jade Travel Group”) following the completion of the acquisition of the Jade Travel Group in July 2008. With an extensive

office network in Vancouver, Calgary, Toronto, Montreal in Canada and also New York in US, the Jade Travel Group offers sophisticated travel plans and tailor-made inbound and outbound tour packages to customers. Through these companies, the Group is able to provide one-stop travel services to local and multinational corporations and up-market leisure travelers.

The Group's travel business became the major contributor to the Group's total turnover during the period under review, accounting for 81.2%, or approximately HK\$509.3 million, of the Group's total turnover. That represents a surge of approximately HK\$501.4 million, or 6,384.8% over the last corresponding year. Segment profit from travel business was approximately HK\$2.7 million (2007: loss of approximately HK\$0.5 million).

The tremendous growth in turnover for the period under review was mainly attributable to the contribution from the Jade Travel Group, in which 80% equity interest was acquired by the Group in July 2008.

In line with the Group's strategy to build a stronger platform to create synergies among the Group's core businesses, the Group acquired the Jade Travel Group through its acquisition of the entire issued share capital of Smart Class Enterprises Limited ("Smart Class"), which owns as to 80% equity interest in the Jade Travel Group, a major air travel consolidator, travel agent, tour provider and provider of related services with extensive office network in Canada and US. The acquisition of the Jade Travel Group not only has enhanced the Group's travel business platform with inbound and outbound tours to and from North America, but also facilitates cross-selling with Ponte 16, thereby broadening the customer base of the integrated casino-entertainment resort and the Group's cruise ship, M.V. Macau Success.

The Group has a very clear focus on providing high-end customers with a wide range of one-stop travel services. Moreover, the travel agencies provide the Group a platform to promote and offer exclusive packages on Ponte 16 and the cruise trips. Going forward, the Group will heighten its effort in tour packages promotions for growth potential.

Cruise Business

Macau Success engages in the cruise business through leasing and management of the Group's cruise ship, M.V. Macau Success, a luxury cruise ship with world-class casino and various entertainment facilities. The cruise has 230 passenger rooms and can accommodate as many as 512 passengers. The cruise ship operates on a daily basis from Hong Kong to various locations in international waters.

During the reporting period, the cruise business continued to contribute stable turnover to the Group. For the fifteen months ended 31 December 2008, turnover from the cruise business amounted to approximately HK\$118.0 million (2007: approximately HK\$95.9 million), accounting for 18.8% of the Group's total turnover. Segment loss from the cruise business was approximately HK\$1.7 million (2007: profit of approximately HK\$32.0 million), which was mainly due to the increase in fuel oil price and operating costs and impairment of other receivables during the period under review.

Investment Project – Ponte 16

Ponte 16 is a world-class integrated casino-entertainment resort located in the Inner Harbour of Macau, comprising a five-star luxury hotel – Sofitel Macau At Ponte 16, a casino, a shopping arcade, and food and beverage facilities. Featuring a unique European theme infused with Chinese elements, Ponte 16 situates on the original location of Pier 16, which has been in operation since the early 20th century and is now one of Macau's historical landmarks. Ponte 16 is the only resort situated in Macau's Inner Harbour just across a five-minute ferry ride to Wanzai, Zhuhai and with close proximity to Gongbei bridge border crossing, making it conveniently accessible to tourists.

As the Group's flagship project, Ponte 16 achieved a number of milestones during the period under review. The casino operation of Ponte 16 officially commenced in February 2008. Its five-star hotel Sofitel Macau At Ponte 16 and the high-limit betting area also opened in August and September in the same year respectively. As the only integrated casino-entertainment resort featuring historical and cultural elements in the Inner Harbour of Macau, Ponte 16 has been well-received by tourists from all over the world.

As at 31 December 2008, the casino had 97 gaming tables, eight of which were high-roller tables, plus 278 slot machines. During the period under review, the average number of visitor per day since the opening of Ponte 16 was around 10,000 with the highest number of visitors recorded in one single day amounted to 30,000 during the Chinese New Year period in 2008. Average daily mass drop during the period under review was approximately HK\$13 million. With the opening of the VIP hall of the casino and the VIP mansion The Mansion At Sofitel at Sofitel Macau At Ponte 16 in the second half of 2009, management of the Company (the "Management") expects the performance of the casino to be improved further.

Managed by the world-renowned hotel management group, the Accor Group, Sofitel Macau At Ponte 16 has 408 guest rooms, including 363 guest rooms, 26 suites and an exclusive block of The Mansion at Sofitel with 19 units. Since its opening, Sofitel Macau At Ponte 16 has attracted high-end guests with its top-class services and high-end hotel facilities, with a steady growth in its occupancy rate. The Management expects occupancy rate to be improved further with the opening of more new amenities in the future.

To tie-in the launch of Ponte 16, considerable effort had been put in marketing and promotion. Coupled with higher operating costs incurred in the initial stage of operation and depreciation charges, the loss incurred by Ponte 16 shared by the Group during the period under review amounted to approximately HK\$170.3 million. The six-month delay in obtaining the hotel license for Sofitel Macau At Ponte 16 also had a negative impact on Ponte 16's profitability during the reporting period. Nonetheless, the Management believes the unique attractions of Ponte 16 and the marketing efforts of both Ponte 16 and the Accor Group would stand Ponte 16 in good stead for growth and become the Group's primary growth driver in the foreseeable future.

Financial Review

Liquidity, Financial Resources and Gearing

As at 31 December 2008, the Group had net current assets of approximately HK\$56.4 million (30 September 2007: approximately HK\$101.2 million) and had net assets of approximately HK\$931.2 million (30 September 2007: approximately HK\$1,026.9 million).

As at 31 December 2008, the Group did not have any interest-bearing bank borrowings and financial lease obligations (30 September 2007: Nil). As at 31 December 2008, the Group had interest-bearing loan from a related company of approximately HK\$17.6 million (30 September 2007: Nil). The loan is unsecured and charged with interest at the rate of 4% per annum on the principal amount and have no fixed terms of repayment.

As at 31 December 2008, there were loans from minority shareholders of approximately HK\$8.7 million (30 September 2007: Nil) and other loan payable of approximately HK\$159.2 million (30 September 2007: Nil). The loans are interest-free, unsecured and will not be repaid within the next twelve months.

Equity attributable to equity shareholders of the Company as at 31 December 2008 was approximately HK\$884.8 million (30 September 2007: approximately HK\$976.9 million).

Accordingly, the gearing ratio, which was measured on the basis of the interest-bearing borrowings of the Group over equity attributable to equity shareholders of the Company, was 1.99% as at 31 December 2008 (30 September 2007: Nil).

Pledge of Assets

As at 31 December 2008, the Group pledged the time deposits of approximately HK\$6.8 million (30 September 2007: approximately HK\$0.8 million) to certain banks for issuance of several bank guarantees of approximately HK\$8.4 million (30 September 2007: approximately HK\$0.8 million) for operation of the Group.

As at 31 December 2008, the Company pledged the time deposits of CAD0.9 million (equivalent to approximately HK\$6.0 million) (30 September 2007: Nil) to a bank for issuance of a standby letter of credit facility of up to CAD1.2 million (equivalent to approximately HK\$7.7 million) (30 September 2007: Nil) for operation of Jade Travel Ltd. (Canada).

As at 31 December 2008, World Fortune pledged all (30 September 2007: 100%) 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.

Contingent Liabilities

As at 31 December 2008, the Group gave the following undertaking:

Syndicated loan facilities granted to an associate held by a subsidiary of the Company was HK\$1,600 million (30 September 2007: HK\$1,600 million). The maximum guarantee amount borne by the Company was HK\$860 million (30 September 2007: HK\$860 million). The total loan outstanding for the syndicated loan facilities of the associate at the balance sheet date was HK\$1,260 million (30 September 2007: HK\$1,010 million).

As at 31 December 2008, the Company issued 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.

Human Resources

As at 31 December 2008, the Group had a total of 440 employees. Remuneration is determined on the basis of qualification, experience, responsibility and performance.

Apart from the basic remuneration, staff benefits include medical insurance and retirement benefits under the Mandatory Provident Fund Scheme. Share options might also be granted to eligible employees of the Group as a long-term incentive.

Corporate Initiatives

During the period under review, the Group had made several strategic moves to build a stronger business platform for its future development.

Partnership with Maruhan

On 29 October 2007, the Company through its wholly-owned subsidiary, Golden Sun, disposed to Maruhan of 10.2% of the entire issued share capital of, and related shareholder's loan to, World Fortune for a consideration of approximately HK\$208.5 million. World Fortune mainly owns a 49% equity interest in Pier 16 – Property Development.

Yet, after taking into consideration the state of economy which is highly volatile, the updated valuation of the put option on completion date was HK\$3,599,000 and was used by the auditors of the Company for audit purpose, this indicates the possibility of Maruhan exercising the put option is not remote. Therefore, the above transaction, together with the option granted, does not constitute a disposal as the Group still retains substantially all the risks and rewards of ownership of the sale shares after completion of this transaction. Accordingly, the Group shall continue to recognise the 10.2% equity interest in World Fortune after completion of this transaction.

The Company and Maruhan also entered into a subscription agreement in October 2007, pursuant to which Maruhan has subscribed for and the Company has allotted and issued 220 million new shares of the Company at a subscription price of HK\$1.062 each. Besides, Maruhan also acquired 220 million shares of the Company from the market in October 2007.

Consequently, Maruhan currently holds approximately 18% interest in the Company and has become a strategic investor of the Company.

Maruhan, a leading Japanese company in the pachinko industry with more than 1 million memberships and extensive business network in Japan, is expected to bring more Japanese and Korean customers to Ponte 16.

Acquisition of the Jade Travel Group

On 31 July 2008, the Company acquired the entire issued share capital of Smart Class for CAD2.9 million (equivalent to approximately HK\$22.6 million), which was settled by the allotment and issue of 19.5 million new shares of the Company at an agreed issue price of HK\$1.16 per share on the same date pursuant to a conditional sale and purchase agreement dated 5 May 2008. The fair value of the shares allotted on 31 July 2008 was HK\$1.12 per share. The principal asset of Smart Class is its 80% equity interest in the Jade Travel Group. Since then, the Company has indirectly held 80% equity interest in the Jade Travel Group.

With the extensive office network of the Jade Travel Group in Vancouver, Calgary, Toronto, Montreal in Canada and New York in US, the Group's international network in the travel business has been strengthened substantially, paving the way for the Company to create synergies for other business segments by cross-selling integrated casino-entertainment resort and tour packages.

Partnership with SBI Macau

On 7 July 2008, the Company entered into a letter of intent with SBI Holdings, Inc. ("SBI Holdings") in relation to the future investment or carrying on of any casino and related entertainment and resort business as well as real estate business in Japan.

On 8 August 2008, the Company through its wholly-owned subsidiary, Favor Jumbo Limited, sold and assigned to SBI Macau Holdings Limited ("SBI Macau"), a wholly-owned subsidiary of SBI Holdings, 4.55% of the entire issued share capital of, and related shareholder's loan to, Golden Sun for a total consideration of HK\$130 million, pursuant to a conditional sale and purchase agreement dated 7 July 2008.

Yet, according to HKAS 39, this transaction, together with the option granted, does not constitute a disposal as the Group still retains substantially all the risks and rewards of ownership of the sale shares after completion of this transaction. Accordingly, the Group shall continue to recognise the 4.55% equity interest in Golden Sun after completion of this transaction.

SBI Holdings and its subsidiaries are principally engaged in asset management, brokerage and investment banking, housing and real estate businesses and the provision of other financial services. The Company will benefit from SBI Macau's extensive experience in asset management and real estate development and SBI Holdings can provide funding and investment recommendations to Ponte 16.

Prospects

Looking ahead, despite the uncertain global economic environment, the Group, with its enhanced platform, is prepared to take on challenges and opportunities ahead.

In 2009, the Group will continue to adopt its three-pronged strategy to maximise its growth potential. 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 US, the Jade Travel Group is expected to bring synergetic benefits to the Ponte 16 project. 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, Macau Success will take proactive measures to increase traffic to Ponte 16. Maruhan's involvement will induce ample sources of Japanese and Korean visitors and further broaden our 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 the Ponte 16 project and enhance efficiency to improve operating margins.

Leveraging on the strategic partnerships with Maruhan and SBI Holdings, the Group will further explore gaming and entertainment business opportunities in the Asia-Pacific region. This initiative will accelerate the Group's future growth in the region and bring it closer to its goal of becoming a major player in the gaming, entertainment and tourist-related businesses in the Asia-Pacific region.

The Board is upbeat on the prospects of the Group. The Group will stay on track and continue to execute its three-pronged strategy. Amid the global economy slowdown, the Management 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 Group is in a good position to weather the challenges ahead and to seize upcoming opportunities.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the fifteen months ended 31 December 2008, there was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the listed securities of the Company.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the Directors, the Company has applied the principles and complied with all the code provisions as set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") during the fifteen months ended 31 December 2008.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors (the "Code of Conduct") on terms no less exacting than the required standard of the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules.

Having made specific enquiry of all Directors, each of whom has confirmed his/her compliance with the required standard set out in the Code of Conduct and the Model Code throughout the fifteen months ended 31 December 2008.

REVIEW OF FINAL RESULTS

The consolidated results for the fifteen months ended 31 December 2008 (the "Period") have been audited by the Company's auditors, CCIF CPA Limited and reviewed by the audit committee of the Board which were of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosures have been made.

The figures in respect of this preliminary announcement of the Group's results for the Period have been agreed by CCIF CPA Limited, to the amounts set out in the Group's consolidated financial statements for the Period. The work performed by CCIF CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagement issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by CCIF CPA Limited on the preliminary announcement.

PUBLICATION OF FINAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT 2008

This final results announcement is published on the website of The Stock Exchange of Hong Kong Limited at www.hkex.com.hk and on the Company's website at www.macausuccess.com. The Annual Report 2008 of the Company will also be published on the aforesaid websites in due course.

ACKNOWLEDGEMENTS

The Board would like to express its deepest gratitude to all investors, business partners, customers and employees for their loyal support and contributions to the Group, and their confidence in the Board.

On behalf of the Board of
MACAU SUCCESS LIMITED
Yeung Hoi Sing, Sonny
Chairman

Hong Kong, 16 April 2009

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Yeung Hoi Sing, Sonny (Chairman) and Mr. Ma Ho Man, Hoffman (Deputy Chairman); one non-executive Director, namely Mr. Choi Kin Pui, Russelle; and three independent non-executive Directors, namely Mr. Luk Ka Yee, Patrick, Mr. Yim Kai Pung and Ms. Yeung Mo Sheung, Ann.