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 stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Get Nice Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

GET NICE HOLDINGS LIMITED
結好控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 0064)

MAJOR AND CONNECTED TRANSACTIONS RELATING TO ACQUISITION OF GROUP SUCCESS INTERNATIONAL LIMITED, ACQUISITION OF 50% INTEREST IN GRAND WALDO ENTERTAINMENT LIMITED AND FINANCIAL ASSISTANCE TO GRAND WALDO ENTERTAINMENT LIMITED

AND

TERMINATION OF LEASE AGREEMENT, BUILDING MANAGEMENT AGREEMENT AND MINIMUM RENTAL INCOME GUARANTEE IN RELATION TO GRAND WALDO HOTEL

Independent Financial Advisors to the Independent Board Committee and the Independent Shareholders

寶橋 BRIDGE PARTNERS

BRIDGE PARTNERS CAPITAL LIMITED

A letter from the Board is set out on pages 8 to 33 of this circular.

A notice convening an extraordinary general meeting of the Company to be held at 10/F., Cosco Tower, Grand Millennium Plaza, 183 Queen's Road Central, Hong Kong on Monday, 18 May 2009 at 10:30 a.m. is set out on pages 215 to 217 of this circular. A form of proxy for use at the meeting is enclosed herewith. Whether or not you propose to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar, Tricor Secretaries Ltd, 26/F, 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 holding such meeting or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting or any adjourned meeting thereof should you so wish.

30 April 2009

CONTENTS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

"Ace Win"	Ace Win Global Limited, a company incorporated in BVI and wholly owned by Mr. Cheung
"Ace Wisdom"	Ace Wisdom Group Limited, a company incorporated in BVI and wholly owned by Mr. Cheung
"Acquisition Agreements"	the GSI Agreement and the GW Entertainment Agreement
"Announcement"	the announcement of the Company dated 5 March 2009 in relation to, inter alia, the GSI Agreement, the GW Entertainment Agreement, the Loan Agreement and the Deeds of Release
"associate(s)"	has the meaning ascribed to it in the Listing Rules
"Bridge Partners" or "Independent Financial Advisor"	Bridge Partners Capital Limited (寶橋融資有限公司), a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Acquisition Agreements and the Loan Agreement and the transactions contemplated thereunder
"Board"	the board of Directors
"Building Management Agreement"	the building management agreement (樓宇管理協議) entered into between Great China and Grand Waldo dated 1 February 2007 relating to the management of the Hotel
"Business Agreement"	the agreement (協議書) made between Galaxy and GW Entertainment
"Business Day"	a day (excluding Saturday and any day on which a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a "black" rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong and Macau are open for business
"BVI"	the British Virgin Islands
"Carnival"	Carnival Club Limited, a commercial company incorporated in Macau with limited liability and a wholly owned subsidiary of FPI

"Carnival Agreement"	the agreement for sale and purchase for the entire shareholding and equity interest in and shareholder's loans due by Carnival entered into between FPI as vendor and Great China as purchaser dated 12 February 2009
"Casino"	Grand Waldo Casino (金都娛樂場), the casino operated by Galaxy and located, under lease, at the Hotel
"Clever Switch"	Clever Switch Limited, a company incorporated in BVI and a wholly owned subsidiary of the Company
"Company"	Get Nice Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose issued Shares are listed on the Main Board of the Stock Exchange
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Deed of Termination and Release (Building Management Agreement)"	the deed of termination and release in relation to the Building Management Agreement to be executed by Great China and Grand Waldo on completion of the Great China Agreement
"Deed of Termination and Release (Lease Agreement)"	the deed of termination and release in relation to the Lease Agreement to be executed by Great China and Grand Waldo on completion of the Great China Agreement
"Deed of Termination and Release (Minimum Rental Income Guarantee)"	the deed of termination and release in relation to the Minimum Rental Income Guarantee to be executed by More Profit, Great China, FPI and Grand Waldo on completion of the Great China Agreement
"Deeds of Release"	collectively, the Deed of Termination and Release (Building Management Agreement), the Deed of Termination and Release (Lease Agreement) and the Deed of Termination and Release (Minimum Rental Income Guarantee)
"Director(s)"	Director(s) of the Company
"Dragon Rainbow"	Dragon Rainbow Limited, a company incorporated in BVI and a wholly owned subsidiary of the Company, which is the owner of 40% of the entire issued share capital of More Profit
"EGM"	the extraordinary general meeting of the Company to be held at 10/F., Cosco Tower, Grand Millennium Plaza, 183 Queen's Road Central, Hong Kong on 18 May 2009 at 10:30 a.m. or any adjourned meeting to approve the GSI Agreement and the GW Entertainment Agreement (including the provision of shareholder's loans of up to HK$100 million by Clever Switch to GW Entertainment) and to ratify the Loan Agreement and the transactions respectively contemplated therein

"Enlarged Group"	the Group immediately after the completion of the Acquisition Agreements
"Facility"	the loan facility granted under the Facility Agreement
"Facility Agreement"	the facility agreement dated 31 January 2007 made between, among other parties, Industrial and Commercial Bank of China (Asia) Limited as facility agent and Great China as borrower relating to a HK$1,250 million loan facility provided by the lenders named therein to Great China
"FPI"	Fast Profit Investments Limited, a company incorporated in BVI
"Gainventure"	Gainventure Holdings Limited, a company incorporated in BVI and a wholly owned subsidiary of the Company
"Galaxy"	Galaxy Casino, S.A., which possesses a gaming concession awarded by the Government of Macau for a term until June 2022 to operate casinos in Macau and is an independent third party of the Company
"GC Shareholders Agreement (2007)"	the shareholders agreement entered into between More Profit, FPI and Great China dated 1 February 2007 in relation to the management of Great China, details of which have been disclosed in the circular of the Company dated 30 November 2006
"Grand Waldo"	Grand Waldo Hotel Limited, a commercial company incorporated in Macau with limited liability and is a wholly owned subsidiary of FPI
"Grand Waldo Agreement"	the agreement for sale and purchase for the entire shareholding and equity interest in and shareholder's loans due by Grand Waldo entered into between FPI as vendor and Great China as purchaser dated 12 February 2009
"Great China"	Great China Company Limited (大中華有限公司), a company incorporated in Macau with limited liability by quotas, and is now owned as to 50% by More Profit and 50% by FPI
"Great China (2006) Acquisition"	the acquisition of 50% shareholding and equity interest in and corresponding shareholder's loans due by Great China pursuant to an agreement entered into on 6 October 2006 between FPI and Topmore Limited as vendors and More Profit as purchaser, details of which have been disclosed in the circular of the Company dated 30 November 2006

"Great China Agreement"	the agreement for sale and purchase of a 15% shareholding and equity interest in Great China and the corresponding shareholder's loans due by Great China entered into between FPI as vendor and Ace Win as purchaser dated 12 February 2009
"Group"	the Company and its subsidiaries
"GSI"	Group Success International Limited, a company incorporated in BVI, which is the owner of 10% of the entire issued share capital of More Profit
"GSI Agreement"	the agreement for sale and purchase of the GSI Sale Shares and the GSI Sale Loan entered into between Mr. Cheung as vendor and Gainventure as purchaser dated 12 February 2009
"GSI Sale Loan"	the entire shareholder's loans owed by GSI to Mr. Cheung as at completion of the GSI Agreement
"GSI Sale Shares"	1 share in GSI, representing the entire issued share capital of GSI
"GW Entertainment"	Grand Waldo Entertainment Limited (金都娛樂有限公司), a commercial company incorporated in Macau with limited liability by quotas, and a wholly owned subsidiary of Wise Gain
"GW Entertainment Agreement"	the agreement for sale and purchase of the GW Sale Shares and the GW Sale Loan entered into between Wise Gain as vendor and Clever Switch as purchaser dated 12 February 2009
"GW Sale Loan"	such portion of the shareholder's loans due by GW Entertainment which shall on completion of the GW Entertainment Agreement represent 50% of all shareholder's loans due by GW Entertainment
"GW Sale Shares"	50% of the entire issued share capital of and equity interest in GW Entertainment
"GWE Shareholders Agreement"	the shareholders agreement to be entered into between Wise Gain, Clever Switch and GW Entertainment on completion of the GW Entertainment Agreement for the purpose of, inter alia, regulating the management of GW Entertainment
"Guarantee"	the guarantee dated 1 February 2007 executed by Mr. Cheng and Mr. Yeung (the ultimate controlling shareholders of FPI) in favour of Industrial and Commercial Bank of China (Asia) Limited as security under the Facility Agreement

"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Hotel"	the Grand Waldo complex, a five star hotel resort complex erected on the Land (of which the Grand Waldo Hotel (金都酒店) forms a part) (comprising 4 blocks and certain ancillary open space but excluding any part of the Land for further development)
"Independent Board Committee"	the independent board committee of the Company, comprising all the independent non-executive Directors namely, Mr. Liu Chun Ning, Wilfred, Mr. Chung Wai Keung, Mr. Man Kong Yui and Mr. Kwong Chi Kit Victor
"Independent Shareholders"	Shareholders of the Company other than Mr. Cheung, Mr. Cheng and Mr. Yeung and their respective associates
"Land"	the piece or parcel of land held by Great China by way of land lease concession situated at Sul da Marina Taipa-Sul Junto à Rotunda do Dique Oeste (with a total area of approximately 36,640 square metres) and identified as "A1" in the cadastral plan no. 5284/1996 issued by the Macau Cartography and Cadastre Bureau on 31 October 2001 and registered with the Real Estate Registry of Macau under nos. 23132 and on which the Hotel was erected with portion of the Land still under construction
"Latest Practicable Date"	27 April 2009, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
"Lease Agreement"	the head lease agreement entered into between Great China as landlord and Grand Waldo as tenant dated 1 February 2007 in relation to the leasing of the Hotel (other than those parts leased out directly by Great China), details of which have been disclosed in the circular of the Company dated 30 November 2006
"Loan"	the principal sum of HK$100 million advanced by the Company to GW Entertainment pursuant to the Loan Agreement
"Loan Agreement"	the agreement entered into between the Company as lender and GW Entertainment as borrower in relation to the Loan dated 12 February 2009
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Macau"	the Macao Special Administrative Region of the People's Republic of China

"Material Adverse Change"	any change, the consequence of which is to materially and adversely affect the financial position, business, results of operations, prospects, assets or liabilities of the relevant company
"Minimum Rental Income Guarantee"	the deed of guarantee dated 1 February 2007 executed by FPI and Grand Waldo as guarantors in favour of More Profit and Great China pursuant to which the guarantors guarantee to More Profit and Great China that the rental income derived from the leasing of the Hotel for the guaranteed period therein stated will not be less than certain guaranteed minimum amount, details of which have been disclosed in the circular of the Company dated 30 November 2006
"More Profit"	More Profit International Limited, a company incorporated in BVI and a non-wholly owned subsidiary of the Company
"Mr. Cheng"	Mr. Cheng Kwee
"Mr. Cheung"	Mr Cheung Chung Kiu, the sole owner of the entire issued share capital of GSI, Ace Win and Ace Wisdom
"Mr. Yeung"	Mr. Yeung Chi Hang
"New GC Shareholders Agreement"	the new shareholders agreement to be entered into between FPI, More Profit, Ace Win and Great China on completion of the Great China Agreement for the purpose of regulating the management of Great China
"Property"	the Hotel and the Land collectively
"SFO"	Securities and Futures Ordinance, Cap 571 of the Laws of Hong Kong
"Shares"	shares of the Company
"Shareholder(s)"	holder(s) of Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Wise Gain"	Wise Gain Profits Limited, a company incorporated in BVI
"Wise Gain Acquisition"	the intended transfer of 30% of the entire issued share capital of and shareholder's loans due by Wise Gain to Ace Wisdom at the total consideration of HK$1.00, on which, to the best of the Directors knowledge, information and belief, no written agreement has been entered into as at the Latest Practicable Date

"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"MOP"	Macau Patacas, the lawful currency of Macau
"%"	per cent.

GET NICE HOLDINGS LIMITED
結好控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 0064)

Executive Directors:
Mr. Hung Hon Man *(Chairman)*
Mr. Cham Wai Ho, Anthony
Mr. Shum Kin Wai, Frankie
Mr. Wong Sheung Kwong
Mr. Cheng Wai Ho

Independent non-executive Directors:
Mr. Liu Chun Ning, Wilfred
Mr. Chung Wai Keung
Mr. Man Kong Yui
Mr. Kwong Chi Kit Victor

Registered office:
Century Yard
Cricket Square
Hutchins Drive, P.O. Box 2681 GT
George Town
Grand Cayman
Brithish West Indies

Principal place of business in Hong Kong:
10th Floor, Cosco Tower
Grand Millennium Plaza
183 Queen's Road Central
Hong Kong

30 April 2009

To the Shareholders,

Dear Sir or Madam,

MAJOR AND CONNECTED TRANSACTIONS RELATING TO ACQUISITION OF GROUP SUCCESS INTERNATIONAL LIMITED, ACQUISITION OF 50% INTEREST IN GRAND WALDO ENTERTAINMENT LIMITED AND FINANCIAL ASSISTANCE TO GRAND WALDO ENTERTAINMENT LIMITED

AND

TERMINATION OF LEASE AGREEMENT, BUILDING MANAGEMENT AGREEMENT AND MINIMUM RENTAL INCOME GUARANTEE IN RELATION TO GRAND WALDO HOTEL

I. INTRODUCTION

On 5 March 2009, the Directors announced that, after trading hours on 12 February 2009: (i) Gainventure, a wholly owned subsidiary of the Company, entered into the GSI Agreement with Mr. Cheung pursuant to which Gainventure conditionally agreed to acquire and Mr. Cheung conditionally agreed to sell the entire issued share capital of GSI and all shareholder's loans due by GSI for a total consideration of HK$100 million; (ii) Clever Switch, a wholly owned subsidiary of the Company, entered into the GW Entertainment Agreement with Wise Gain pursuant to which Clever Switch conditionally agreed to acquire and Wise Gain conditionally agreed to sell 50% shareholding and equity interest in and corresponding amount of shareholder's loans due by GW Entertainment for the total consideration of HK$2; and (iii) the Company entered into the Loan Agreement with GW Entertainment whereby the Company agreed to lend to GW Entertainment the sum of HK$100 million repayable on or before 12 May 2009 with no interest but secured by a personal guarantee by Mr. Cheng.

Also on 12 February 2009, FPI, the legal and beneficial owner of 50% of the equity interest in Great China, of which More Profit holds the other 50%, entered into the Great China Agreement with Ace Win pursuant to which FPI conditionally agreed to sell and Ace Win conditionally agreed to purchase 15% of the equity interest in and corresponding shareholder's loans due by Great China.

The Independent Board Committee has been established to advise and give recommendation to the Independent Shareholders regarding the Acquisition Agreements and the Loan Agreement. The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders on the Acquisition Agreements and the Loan Agreement.

The purpose of this circular is to provide you with, among other things, details of the Acquisition Agreements and the Loan Agreement, the recommendation of the Independent Board Committee on the Acquisition Agreements and the Loan Agreement, a letter of advice from the Independent Financial Adviser on the terms of the Acquisition Agreements and the Loan Agreement, financial information of GSI, GW Entertainment and More Profit together with a notice to convene the EGM and other information as required under the Listing Rules.

II. ACQUISITION AGREEMENTS AND LOAN AGREEMENT

1. GSI AGREEMENT

Date

12 February 2009

Parties

(i) Mr. Cheung (as vendor);

(ii) Gainventure (as purchaser), a wholly owned subsidiary of the Company.

Mr. Cheung is the legal and beneficial owner of the entire issued share capital of GSI which in turn holds a 10% shareholding in More Profit of which the Company, through its wholly owned subsidiaries Gainventure and Dragon Rainbow, holds the other 90%. Accordingly, Mr. Cheung is a connected person of the Company.

Assets to be acquired

The assets to be acquired comprise:

(i) the GSI Sale Shares, being 1 share of GSI, representing the entire issued share capital of GSI; and

(ii) the GSI Sale Loan, being the entire shareholder's loans due by GSI to Mr. Cheung as at completion, which is interest free, unsecured and has no fixed repayment date. The principal amount of the GSI Sale Loan was approximately HK$62 million as at 31 December 2008 and approximately HK$63.5 million as at the Latest Practicable Date.

Consideration

The consideration for the GSI Sale Shares and the GSI Sale Loan is HK$100 million (with the portion attributable to the consideration for the GSI Sale Loan being the face value thereof and the balance attributable to the consideration for the GSI Sale Shares) which shall be satisfied as follows:

(i) HK$50 million has been paid by Gainventure in cash to Mr. Cheung as deposit on signing of the GSI Agreement; and

(ii) the balance of HK$50 million shall be paid by Gainventure in cash to Mr. Cheung on completion.

There will not be any adjustment to the total consideration for the GSI Sale Shares and the GSI Sale Loan arising from any change in the amount of the GSI Sale Loan, but the portion of such total consideration attributable to the GSI Sale Shares will be adjusted depending on the final amount of the GSI Sale Loan.

If the GSI Agreement is terminated due to the default of Mr. Cheung, the deposit paid shall be refunded by Mr. Cheung to Gainventure forthwith (without interest) and if the GSI Agreement is terminated due to the default of Gainventure, HK$10 million of the deposit paid shall be forfeited by Mr. Cheung and the balance shall be refunded to Gainventure, in each case without prejudice to any other claims and remedies the innocent party may have under the GSI Agreement.

The deposit has been settled by internal resources of the Group. It is intended that the payment of the remaining balance of the consideration payable on completion will also be financed by internal resources of the Group.

The consideration has been arrived at after arm's length negotiations between the Company and Mr. Cheung with reference to (i) the valuation of the Property of approximately HK$3,000 million as at 31 December 2008 (the valuation of the Property remained the same as at 31 January 2009) by an independent professional valuer and the net book value of the Property of approximately HK$3,000 million as at 31 December 2008 in Great China's books; (ii) the outstanding loan amount under the Facility of approximately HK$1.02 billion as at 31 December 2008 in Great China's books; (iii) the latest audited net asset value of More Profit of approximately HK$394.7 million as at 31 March 2008; (iv) the principal amount of the GSI Sale Loan of approximately HK$62 million as at 31 December 2008; and (v) the unaudited net asset value of Great China of approximately HK$1.5 billion as at 31 December 2008. The Directors (including the independent non-executive Directors) consider the consideration to be fair and reasonable.

Conditions of the GSI Agreement

Completion of the GSI Agreement is conditional upon fulfilment of, among other things, the following conditions:

(a) the warranties, representation and indemnity given by Mr. Cheung under the GSI Agreement remaining true and accurate, and not misleading, in all material respects as at completion;

(b) Mr. Cheung having delivered a legal opinion (subject to the usual assumptions and qualifications but otherwise in such form and substance as is acceptable to Gainventure) issued by a firm of lawyers practicing the laws of BVI and dated not earlier than 7 days before the completion date, confirming, inter alia, that GSI is validly existing under the laws of BVI and in good standing;

(c) approval by the Independent Shareholders of the GSI Agreement and the transactions contemplated thereunder, in compliance with the requirements of the Listing Rules;

(d) all other relevant requirements under the Listing Rules and/or all necessary approvals and processes of the relevant authorities for the entry into and implementation of the GSI Agreement and the transactions contemplated thereunder have been fulfilled, obtained and/or complied with by Gainventure and/ or the Company and/or GSI;

(e) no Material Adverse Change relating to GSI having occurred;

(f) the Great China Agreement becoming unconditional (other than any condition requiring the GSI Agreement or the GW Entertainment Agreement to become unconditional);

(g) the GW Entertainment Agreement becoming unconditional (other than any condition requiring the GSI Agreement or the Great China Agreement to become unconditional);

(h) there being no breach of any terms, conditions, agreements, representations, warranties or undertakings under the Great China Agreement by FPI in any material respect;

(i) there being no breach of any terms, conditions, agreements, representations, warranties or undertakings under the GW Entertainment Agreement by Wise Gain in any material respect; and

(j) Ace Wisdom becoming a 30% shareholder of Wise Gain.

Gainventure may at its absolute discretion at any time waive any of the conditions (other than conditions (c) and (d) above) by notice in writing to Mr. Cheung. Conditions (c) and (d) cannot be waived.

If the conditions of the GSI Agreement are not fulfilled or waived (as the case may be) on or before the date falling 120 days after the date of the GSI Agreement and/ or conditions (a), (e), (h) and (i) do not remain, and condition (j) does not become, fulfilled (and is not waived by Gainventure) on completion, the rights and obligations of the parties under the GSI Agreement shall lapse and be of no further effect except for antecedent breach and the deposit paid by Gainventure to Mr. Cheung shall be returned to Gainventure forthwith without interest.

Information on the Great China Agreement and the GW Entertainment Agreement are set out in the sections headed "Great China Agreement" and "GW Entertainment Agreement" below.

In the event that condition (f) and/or (g) fail to become unconditional, Gainventure is entitled at its discretion to decide whether or not to waive such condition. Gainventure may consider waiving such condition but has not yet made any determination on the same.

As at the Latest Practicable Date, none of conditions (b), (c), (d), (f), (g) or (j) has been fulfilled.

Completion

Completion shall take place on the third Business Day after fulfillment (or waiver) of the last of the above conditions (except conditions (a), (e), (h) and (i) which shall remain, and condition (j) which shall become, fulfilled on completion, unless waived by Gainventure) and shall take place simultaneously with the Great China Agreement and the GW Entertainment Agreement (unless waived by Gainventure) such that:

(a) if FPI shall fail to complete the Great China Agreement, Gainventure may (i) proceed to completion of the GSI Agreement or (ii) rescind the GSI Agreement whereupon the deposit paid thereunder shall be refunded to Gainventure without interest;

(b) any breach by Ace Win under the Great China Agreement shall be deemed a breach by Mr. Cheung under the GSI Agreement;

(c) if Wise Gain shall fail to complete and perform its obligations under the GW Entertainment Agreement in accordance with the terms and conditions therein, Gainventure may (i) proceed to completion of the GSI Agreement or (ii) rescind the GSI Agreement whereupon the deposit paid thereunder shall be refunded to Gainventure without interest; and

(d) any breach by Clever Switch under the GW Entertainment Agreement shall be deemed a breach by Gainventure under the GSI Agreement.

Furthermore, as disclosed in the section headed "Carnival Agreement and Grand Waldo Agreement" below, FPI and Great China entered into the Carnival Agreement and the Grand Waldo Agreement. Accordingly, on completion of the GSI Agreement (unless waived by Gainventure) Grand Waldo and Carnival shall become wholly owned subsidiaries of Great China.

INFORMATION ON GSI

GSI is a company incorporated in BVI on 25 August 2006. It is an investment holding company and was established to hold and acquire the 10% issued shares of More Profit, which in turn is the legal and beneficial owner of 50% shareholding and equity interest in Great China. Great China is the legal and beneficial owner of the Property which includes Grand Waldo Hotel in Macau, a five-star hotel complex comprising four portions namely, the hotel block, the casino block, the leisure block and the car park. The other 90% interest of More Profit is already held by the Group through Gainventure and Dragon Rainbow. The total investment costs of Mr. Cheung in GSI was approximately HK$62.7 million as at the date of the Announcement and approximately HK$63.5 million as at the Latest Practicable Date. The difference between such total investment costs and the net asset value of GSI as at 31 December 2008 as disclosed in Appendix II to this circular was attributable to the shareholder's loans of approximately HK$62 million due to Mr. Cheung and deemed interest receivable of approximately HK$7.6 million. The audited profit (both before and after taxation and extraordinary items) of GSI for the years ended 31 December 2007 and 31 December 2008 was HK$4.3 million and HK$3.3 million respectively. The audited net asset value of GSI as at 31 December 2007 and 31 December 2008 was HK$4.3 million and HK$7.6 million respectively.

Set out in Appendix II to this circular is the financial information of GSI for the period from its incorporation to 31 December 2008.

Set out in Appendix III to this circular is the financial information of More Profit for the period from 25 August 2006 (date of incorporation) to 31 December 2008.

Waiver has been granted on 28 April 2009 by the Stock Exchange to the Company from strict compliance with the relevant requirements under Rule 4.06(1)(a) of the Listing Rules such that this circular only needs to include the accountants' report of More Profit from 25 August 2006 (its date of incorporation) to 31 December 2008.

The only asset of More Profit is its shareholding in Great China which in turn is also a single purpose company holding the Property (the valuation of which has already been updated to 31 January 2009 in compliance with the Listing Rules). The Directors confirm that they have performed sufficient due diligence on More Profit to ensure that up to the date of this circular, there has been no material adverse change in the financial position or prospects of More Profit since 31 December 2008 and there is no event since 31 December 2008 which would materially adversely affect the information shown in Appendix III. As mentioned in the section headed "Reasons for the Acquisition Agreements and the Loan Agreement", the Directors emphasized that there would be short term fluctuations of the operating results of the acquired businesses and assets, but are optimistic of such investments in the long run. Therefore, the Directors are of the view that the said accountants' report on More Profit (even though not made up to 31 March 2009 in strict compliance with the Listing Rules) together with other financial information and other information included in this circular including that of GSI, provide sufficient and relevant financial information and other information for the Independent Shareholders to assess the GSI Agreement and to decide whether or not to approve the GSI Agreement at the EGM and that the omission of the information of More Profit for the period from 1 January 2009 to 31 March 2009 should not influence the assessment of the assets and liabilities, financial position, profits and losses and the prospects of More Profit for the Independent Shareholders to consider whether or not to approve the GSI Agreement at the EGM.

2. GW ENTERTAINMENT AGREEMENT

Date

12 February 2009

Parties

(i) Wise Gain (as vendor);

(ii) Clever Switch (as purchaser), a wholly owned subsidiary of the Company.

Wise Gain is the legal and beneficial owner of the entire shareholding and equity interest of GW Entertainment. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries Mr. Cheng and Mr. Yeung are (i) the only ultimate beneficial owners of Wise Gain and (ii) the controlling shareholders of FPI holding an approximately 84% effective interest in FPI.

As the GSI Agreement, the GW Entertainment Agreement and the Loan Agreement are inter-related and involved Mr. Cheung, who is a connected person of the Company, Mr. Cheng and Mr. Yeung have been deemed connected persons of the Company under Rule 14A.11(4)(a) of the Listing Rules.

Wise Gain currently does not have any business other than its shareholding in GW Entertainment.

Assets to be acquired

The assets to be acquired comprise:

(a) the GW Sale Shares, being a quota with nominal value of MOP500,000 in the capital of GW Entertainment, representing 50% of the entire issued capital of and equity interest in GW Entertainment; and

(b) the GW Sale Loan, being 50% of all shareholders' loans due by GW Entertainment on completion of the GW Entertainment Agreement. The amount of the GW Sale Loan (unaudited) as at 31 December 2008 was approximately MOP 98.6 million.

Consideration

The consideration for the GW Sale Shares is HK$1 and the consideration for the GW Sale Loan is HK$1, which shall be satisfied by Clever Switch to Wise Gain in cash upon completion. There will not be any adjustment to the consideration for the GW Sale Loan arising from any change in the amount of the GW Sale Loan.

The consideration has been arrived at after arm's length negotiation between Wise Gain and Clever Switch with reference to various factors including the unaudited net liabilities of GW Entertainment of approximately MOP78 million as at 31 December 2008 and the unaudited net loss before taxation of GW Entertainment of approximately MOP91 million for the year ended 31 December 2008. The audited profit before taxation and extraordinary items of GW Entertainment was MOP1.3 million while the profit after taxation and extraordinary items was MOP1.2 million for the year ended 31 December 2007. The audited loss (both before and after taxation and extraordinary item) for the year ended 31 December 2008 was MOP90.4 million. The audited net asset value of GW Entertainment as at 31 December 2007 was approximately HK$4.7 million and the audited net liabilities of GW Entertainment as at 31 December 2008 was approximately HK$86.7 million. Based on the audited financial information of GW Entertainment set out in Appendix IV, the total investment costs of Wise Gain in GW Entertainment was approximately MOP138.8 million as at 31 December 2008. The Directors consider the consideration is fair and reasonable.

Conditions of the GW Entertainment Agreement

Completion of the GW Entertainment Agreement is conditional upon fulfilment of, among other things, the following conditions:

(a) Clever Switch being satisfied with the results of a due diligence review and investigation on GW Entertainment including without limitation to its assets, liabilities, contracts, commitments and business and financial and legal and taxation aspects;

(b) the warranties, representations and undertaking given by Wise Gain under the GW Entertainment Agreement remaining true and accurate, and not misleading, in all material respects as at completion;

(c) Wise Gain having delivered a legal opinion (subject to the usual assumptions and qualifications but otherwise is such form and substance as is acceptable to Clever Switch) issued by a firm of lawyers practicing the laws of BVI and dated not earlier than 7 days before the completion date, confirming that Wise Gain is validly existing under the laws of BVI and in good standing, that Wise Gain has the full power and authority to execute the instrument of transfer and enter into the deed of assignment and the deed of tax indemnity and the GWE Shareholders Agreement, and that the same when executed constitutes legal and binding obligations on Wise Gain;

(d) Clever Switch having obtained a legal opinion (subject to the usual assumptions and qualifications but otherwise in such form and substance as is acceptable to Clever Switch) issued by a firm of lawyers practicing the laws of Macau and dated not earlier than 7 days before the completion date, confirming, inter alia, (i) that GW Entertainment is validly existing under the laws of Macau and in good standing; (ii) the legality and validity of the Business Agreement and that all relevant requirements from and all necessary approvals and processes of the relevant authorities for the entry into and implementation thereof and the transactions contemplated thereunder have been fulfilled, obtained and/or complied with;

(e) if applicable, approval by the Shareholders of the GW Entertainment Agreement and the transactions contemplated thereunder in compliance with the requirements of the Listing Rule;

(f) all other relevant requirements under the Listing Rules and/or all necessary approvals and processes of the relevant authorities for the entry into and implementation of the GW Entertainment Agreement and the transactions contemplated thereunder have been fulfilled, obtained and/or complied with by Clever Switch and/or the Company and/or GW Entertainment;

(g) no Material Adverse Change relating to GW Entertainment having occurred;

(h) any third party consent which may be required to be obtained by Wise Gain and/or its associates in relation to the GW Entertainment Agreement and the transactions contemplated thereunder having been obtained;

(i) the GSI Agreement becoming unconditional (other than any condition requiring the GW Entertainment Agreement or the Great China Agreement to become unconditional);

(j) the Great China Agreement becoming unconditional (other than any condition requiring the GW Entertainment Agreement or the GSI Agreement to become unconditional);

(k) there being no breach of any terms, conditions, agreements, representations, warranties or undertakings under the Great China Agreement by FPI in any material respect;

(l) Ace Wisdom becoming a 30% shareholder of Wise Gain; and

(m) FPI being released of the corporate guarantee given by it to Galaxy in relation to performance of certain provision of the Business Agreement.

Clever Switch may at its absolute discretion at any time waive any of the conditions (other than conditions (e), (f) and (m) above) by way of notice in writing to Wise Gain. Conditions (e), (f) and (m) cannot be waived. The corporate guarantee referred to in condition (m) is only for the payment of the rental deposit payable under the lease agreement between Galaxy and Great China for the Casino. It is not expected that a replacement guarantee from another party is required.

If the conditions of the GW Entertainment Agreement are not fulfilled or waived (as the case may be) on or before the date falling 120 days after the date of the GW Entertainment Agreement and/or conditions (b), (g), and (k) do not remain, and condition (l) does not become, fulfilled (and is not waived by Clever Switch) on completion, the rights and obligations of the parties under the GW Entertainment Agreement shall lapse and be of no further effect except for antecedent breach.

In the event that condition (i) and/or (j) fail to become unconditional, Clever Switch is entitled at its discretion to decide whether or not to waive such condition. Clever Switch may consider waiving such condition but has not yet made any determination on the same.

As at the Latest Practicable Date, none of the above conditions (a), (c), (d), (e), (f), (h), (i), (j), (l) or (m) has been fulfilled.

Other terms

Wise Gain undertook with Clever Switch that on completion, the realizable tangible asset value of GW Entertainment shall not be less than the liabilities (other than the shareholder's loan due by GW Entertainment to Wise Gain) of GW Entertainment and Wise Gain shall indemnify and keep fully indemnified GW Entertainment and Clever Switch on demand from and against all liabilities (other than the shareholder's loan due by GW Entertainment to Wise Gain) incurred by GW Entertainment prior to completion whether or not disclosed, over and above the realizable tangible assets of GW Entertainment on completion. Based on the audited accounts of GW Entertainment as at 31 December 2008 as set out in Appendix IV to this circular, the tangible asset value of GW Entertainment was more than the total liabilities (other than the shareholder's loan due by GW Entertainment to Wise Gain) of GW Entertainment.

Completion

Completion shall take place simultaneously with the GSI Agreement and the Great China Agreement (unless waived by Clever Switch) such that:

1. if Mr. Cheung shall fail to complete the GSI Agreement in accordance with the terms and conditions therein, Clever Switch may (i) proceed to completion of the GW Entertainment Agreement or (ii) rescind the GW Entertainment Agreement; and

2. a breach by FPI under the Great China Agreement shall be deemed a breach of the GW Entertainment Agreement by Wise Gain under the GW Entertainment Agreement.

GWE Shareholders Agreement

Upon completion of the GW Entertainment Agreement, GW Entertainment will be held as to 50% by Wise Gain and 50% by Clever Switch and it is a term of the GW Entertainment Agreement that Wise Gain and Clever Switch shall on completion enter into the GWE Shareholders Agreement.

The principal terms of the GWE Shareholders Agreement are set out below:

Parties:

(i) Wise Gain;

(ii) Clever Switch;

(iii) GW Entertainment.

Objects:

The sole object of GW Entertainment shall be the implementation of the Business Agreement and matters incidental thereto.

Board composition:

The board of directors of GW Entertainment shall consist of a maximum of six directors, with Wise Gain and Clever Switch each having the right to nominate and appoint 3 directors.

Quorum:

The quorum for meetings of the board of directors of GW Entertainment shall be the presence of at least two directors and one of which shall be a director appointed by Wise Gain and the other one appointed by Clever Switch.

Voting:

Each director present in person or by alternate shall have one vote at each board meeting. In the event of an equality of votes, the chairman of the board meeting shall not be entitled to a second or casting vote.

Transfer of shares:

The transfer of shares in GW Entertainment by a shareholder is subject to the other shareholder(s)' pre-emptive rights.

Financing:

If GW Entertainment shall require any financing for its business, the board of directors of GW Entertainment may from time to time resolve (subject to the approval of all shareholders) to require the shareholders to provide shareholders' loans to GW Entertainment (pro-rata according to their respective shareholding percentage in GW Entertainment). Subsequent to the signing of the GW Entertainment Agreement, it was proposed that each of Clever Switch and Wise Gain shall undertake to provide shareholder's loans to GW Entertainment after completion of the GW Entertainment Agreement as general working capital provided that the amount to be contributed by Clever Switch and Wise Gain shall not exceed HK$100 million each (i.e. a total of HK$200 million in aggregate). The Directors are of the view that this will improve the cashflow position of GW Entertainment and is in the interest of the Company and the Shareholders as a whole. It is intended that the amount(s) to be contributed by Clever Switch be financed by internal resources of the Group.

The shareholders' loans to be provided by Clever Switch and Wise Gain shall be unsecured, bear no interest and have no fixed repayment date.

INFORMATION ON GW ENTERTAINMENT

GW Entertainment is a company incorporated in Macau on 29 July 2005 and its only business at present is the implementation of the Business Agreement.

The Casino is located in the casino block of the Hotel. It currently has 48 games tables including 24 games tables located in 6 VIP rooms and 24 games tables in the main gaming floor as well as 93 slot machines. Under the terms of the Business Agreement, the number of games tables and slot machines is variable by mutual agreement between Galaxy and GW Entertainment.

Pursuant to the Business Agreement, Galaxy will be responsible for the operation and management of the Casino, and GW Entertainment shall be responsible for marketing and administration of business promotion of the Casino. The terms of the Business Agreement shall be reviewed from time to time and, upon mutual agreement, adjusted according to market practice. Under the current terms of the Business Agreement, GW Entertainment is responsible to cover any cash deficit in case of a net operating loss, and is entitled to receive the balance of the gross revenue of the Casino after deducting a fee for Galaxy to operate the Casino and payment of all operating costs of the Casino, including gaming tax and levies payable to the Macau Government, commissions and allowances payable to promoters and other expenses. The Directors have conducted extensive research on the gaming business in Macau and are of the view that the terms of the Business Agreement, taking into account the responsibility of Galaxy for operation and management of the Casino, the costs of operation of the Casino and potential return to GW Entertainment, are in line with market practice. The Business Agreement is for a term equal to the life of Galaxy's gaming concession granted by the Government of Macau.

Having duly considered the relevant laws of Hong Kong, including the Gambling Ordinance (Cap. 148), the Company's legal advisers are of the view that upon completion of the GW Entertainment Agreement and the Loan Agreement, the Company will not become involved directly or indirectly in any gambling activities under the Gambling Ordinance. The Business Agreement does not provide for GW Entertainment carrying out, and to the best of the Directors' knowledge, information and belief after making all reasonable enquiries, GW Entertainment does not carry out, any gaming, betting or bookmaking activities. Likewise, the entering into of the Loan Agreement will not result in the Group directly or indirectly engaging in gambling activities and operation of such gambling activities under the Gambling Ordinance as the Loan Agreement merely provides a loan to GW Entertainment.

The Company confirms that in the event that it will become involved directly or indirectly in gambling activities, it will observe the requirements as set out in paragraph B.1 of the guidelines issued by the Stock Exchange in relation to "Gambling activities undertaken by listing applicants and/or listed issuers" dated 11 March 2003 and paragraphs 30 and 31 of The Listing Committee Annual Report 2006, and will use its best endeavours to ensure that the operation of GW Entertainment will (i) comply with the applicable laws in Macau and (ii) not contravene the Gambling Ordinance.

Further, the Macau legal advisers of the Company which is an independent third party, having considered the Business Agreement and the applicable laws, rules and regulations, have opined that the activities carried out by GW Entertainment and the arrangements under the Business Agreement all comply with the applicable laws in Macau.

Set out in Appendix IV to this circular is the financial information of GW Entertainment for the three financial years ended 31 December 2006, 2007 and 2008.

3. LOAN AGREEMENT

Date

12 February 2009

Parties

(i) the Company (as lender);

(ii) GW Entertainment (as borrower).

Wise Gain is the legal and beneficial owner of the entire shareholding and equity interest of GW Entertainment and to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Mr. Cheng and Mr. Yeung are the only ultimate beneficial owners of Wise Gain.

As the GSI Agreement, the GW Entertainment Agreement and the Loan Agreement are inter-related and involved Mr. Cheung, who is a connected person of the Company, Mr. Cheng and Mr. Yeung have therefore been deemed connected persons of the Company under Rule 14A.11(4)(a) of the Listing Rules.

Principal Term

Loan amount:	a principal sum of HK$100 million
Repayment Date:	on or before 12 May 2009
Interest:	interest free
Securities:	personal guarantee by Mr. Cheng, a director of GW Entertainment. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Mr. Cheng together with Mr. Yeung are the ultimate controlling shareholders of Wise Gain.

The loan amount was determined by the parties after arm's length negotiations with reference to the estimated operating capital requirement of GW Entertainment under the Business Agreement.

In view of the potential acquisition of interests in GW Entertainment by the Group, the Directors are of the view that the terms of the Loan Agreement are fair and reasonable and the entering into of the Loan Agreement is in the interest of the Company and the Shareholders as a whole.

The Loan amount has been fully drawn down by GW Entertainment on 12 February 2009. Since the repayment date of the Loan is 12 May 2009, which is prior to the date of the EGM, whether or not the resolution to approve and ratify the Loan Agreement to be proposed at the EGM is passed by the Independent Shareholders, the Loan shall have become repayable by 12 May 2009.

III. GREAT CHINA AGREEMENT

On 12 February 2009, FPI and Ace Win entered into the Great China Agreement whereby FPI agreed to sell and Ace Win agreed to purchase a 15% equity interest in and corresponding shareholder's loan due by Great China at the total consideration of HK$300 million. The Great China Agreement is conditional upon fulfilment of, among other things, the following conditions:

(a) the warranties, representations and undertaking given by FPI remaining true and accurate, and not misleading, in all material respects as at completion;

(b) FPI having delivered a legal opinion (subject to the usual assumptions and qualifications but otherwise in such form and substance as is acceptable to Ace Win) issued by a firm of lawyers practicing the laws of BVI and dated not earlier than 7 days before the completion date, confirming that FPI is validly existing under the laws of BVI and in good standing, that FPI has the full power and authority to enter into the Great China Agreement and to execute the instrument of transfer, the deed of assignment, the deed of tax indemnity and the New GC Shareholders Agreement, and that the same when executed constitutes legal and binding obligations on FPI;

(c) Ace Win having obtained a legal opinion (subject to the usual assumptions and qualifications but otherwise in such form and substance as is acceptable to Ace Win) issued by a firm of lawyers practicing the laws of Macau and dated not earlier than 7 days before the completion date, confirming, among other things (i) that Great China is validly existing under the laws of Macau and in good standing, that Great China has the full power and authority to execute, inter alia, the Deed of Termination and Release (Building Management Agreement), the Deed of Termination and Release (Lease Agreement) and the Deed of Termination and Release (Minimum Rental Income Guarantee), and that the same when executed constitutes legal and binding obligations on Great China; (ii) that Grand Waldo has the full power and authority to execute the Deed of Termination and Release (Building Management Agreement), the Deed of Termination and Release (Lease Agreement) and the Deed of Termination and Release (Minimum Rental Income Guarantee), and that the same when executed constitutes legal and binding obligations on Grand Waldo; (iii) that the hotel license and the spa license held by Grand Waldo and Carnival respectively are valid and subsisting and in full force and effect; (iv) that Great China is the legal and beneficial owner of the Property and free from encumbrances other than those created pursuant to the Facility;

(d) all necessary approval or consent for the entry into and implementation of the Great China Agreement required under the Facility Agreement and Facility having been obtained without condition or if subject to condition, that the same be acceptable to Ace Win and having been complied with;

(e) release by Guangdong Development Bank. Co. Ltd (one of the lenders under the Facility Agreement) of a pledge (which was executed as one of the securities for the Facility) on the subject shares having been obtained without condition or if subject to condition, that the same be acceptable to Ace Win and having been complied with;

(f) no Material Adverse Change relating to Great China having occurred;

(g) the liability of the guarantors under the Guarantee be reduced in proportion to the reduction of FPI's equity interest in Great China without condition or if subject to condition, that the same be acceptable to FPI and having been complied with;

(h) any third party consent which may be required to be obtained by FPI and/or its associates in relation to the Great China Agreement and the transactions contemplated thereunder having been obtained;

(i) the GSI Agreement becoming unconditional (other than any condition requiring the Great China Agreement to become unconditional);

(j) the GW Entertainment Agreement becoming unconditional (other than any condition requiring the Great China Agreement or the GSI Agreement to become unconditional);

(k) the Grand Waldo Agreement becoming unconditional (other than any condition requiring the Great China Agreement, the GSI Agreement, the GW Entertainment Agreement or the Carnival Agreement to become unconditional);

(l) the Carnival Agreement becoming unconditional (other than any condition requiring the Great China Agreement, the GSI Agreement, the GW Entertainment Agreement or the Grand Waldo Agreement to become unconditional); and

(m) there being no breach of any terms, conditions, agreements, representations, warranties or undertakings under the Grand Waldo Agreement or the Carnival Agreement by FPI in any material respect.

Ace Win may at its absolute discretion at any time waive any of the conditions (other than conditions (d), (g) and (h) above) by notice in writing to FPI. FPI may at its absolute discretion at any time waive the condition (g) by notice in writing to Ace Win. Conditions (d) and (h) cannot be waived.

If the conditions of the Great China Agreement are not fulfilled or waived (as the case may be) on or before the date falling 120 days after the date of the Great China Agreement and/or conditions (a), (f), and (m) do not remain fulfilled (and is not waived by Ace Win) on the completion date, the rights and obligations of the parties under the Great China Agreement shall lapse and be of no further effect except for antecedent breach.

Carnival Agreement and Grand Waldo Agreement

FPI and Great China have also on 12 February 2009 entered into agreements whereby FPI will sell and Great China will purchase (i) the entire issued share capital of, and all shareholder's loans due by, Carnival and (ii) the entire issued share capital of, and all shareholder's loans due by, Grand Waldo. Under both the Carnival Agreement and the Grand Waldo Agreement, the consideration for the relevant sale loan shall be HK$1 and the consideration for the relevant sale shares shall be HK$1. Carnival is the holder of a spa and beauty license for operating the spa within the Hotel whereas Grand Waldo is the holder of a hotel license for operating the Hotel.

The Carnival Agreement and the Grand Waldo Agreement are conditional upon fulfillment of, among other things, the following conditions:

(a) Great China being satisfied with the results of a due diligence review and investigation on Carnival and Grand Waldo including without limitation to their respective assets, liabilities, contracts, commitments and business and financial and legal and taxation aspects;

(b) all relevant requirements under the Listing Rules and/or all necessary approvals and processes of the relevant authorities for the entry into and implementation of the Carnival Agreement and the Grand Waldo Agreement have been fulfilled, obtained and/or complied with by the Company;

(c) no Material Adverse Change relating to Carnival and Grand Waldo having occurred;

(d) the Great China Agreement becoming unconditional (other than any condition requiring the Carnival Agreement and the Grand Waldo Agreement to become unconditional);

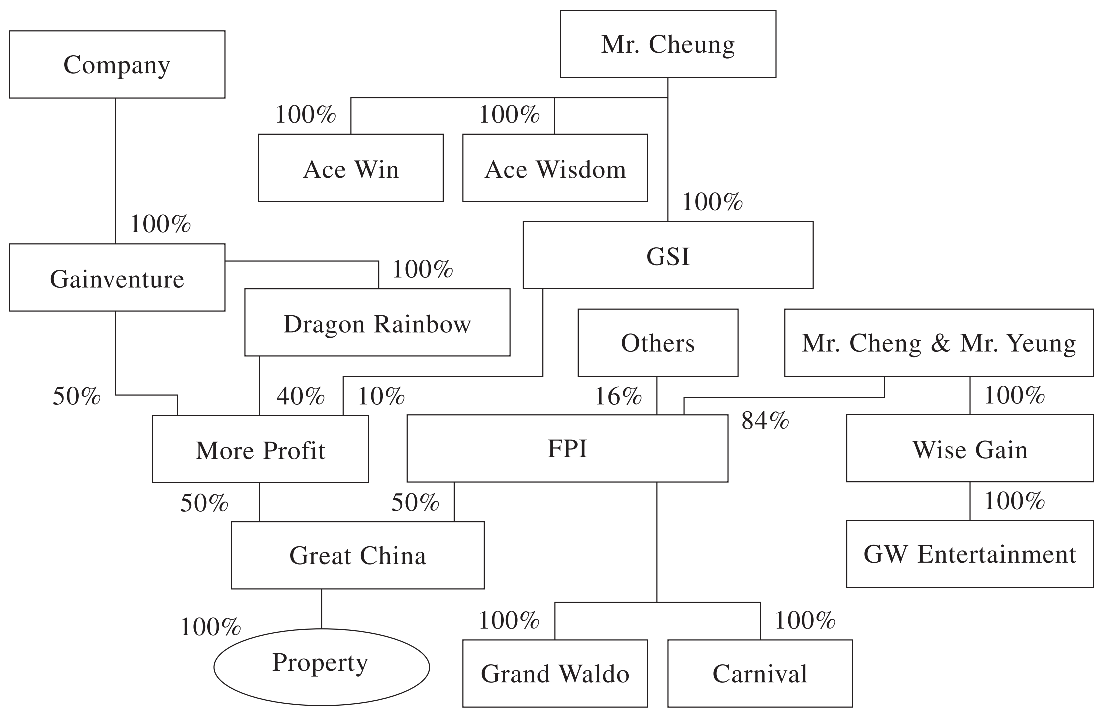
(e) there being no breach of any terms, conditions, agreements, representations, warranties or undertakings under the Great China Agreement or the Carnival Agreement or the Grand Waldo Agreement by FPI in any material respect.

FPI further agreed that it shall indemnify and keep fully indemnified Grand Waldo and Carnival and Great China on demand from and against all liabilities (other than the sale loan) incurred by Grand Waldo and Carnival respectively prior to completion whether or not disclosed.

GROUP STRUCTURE

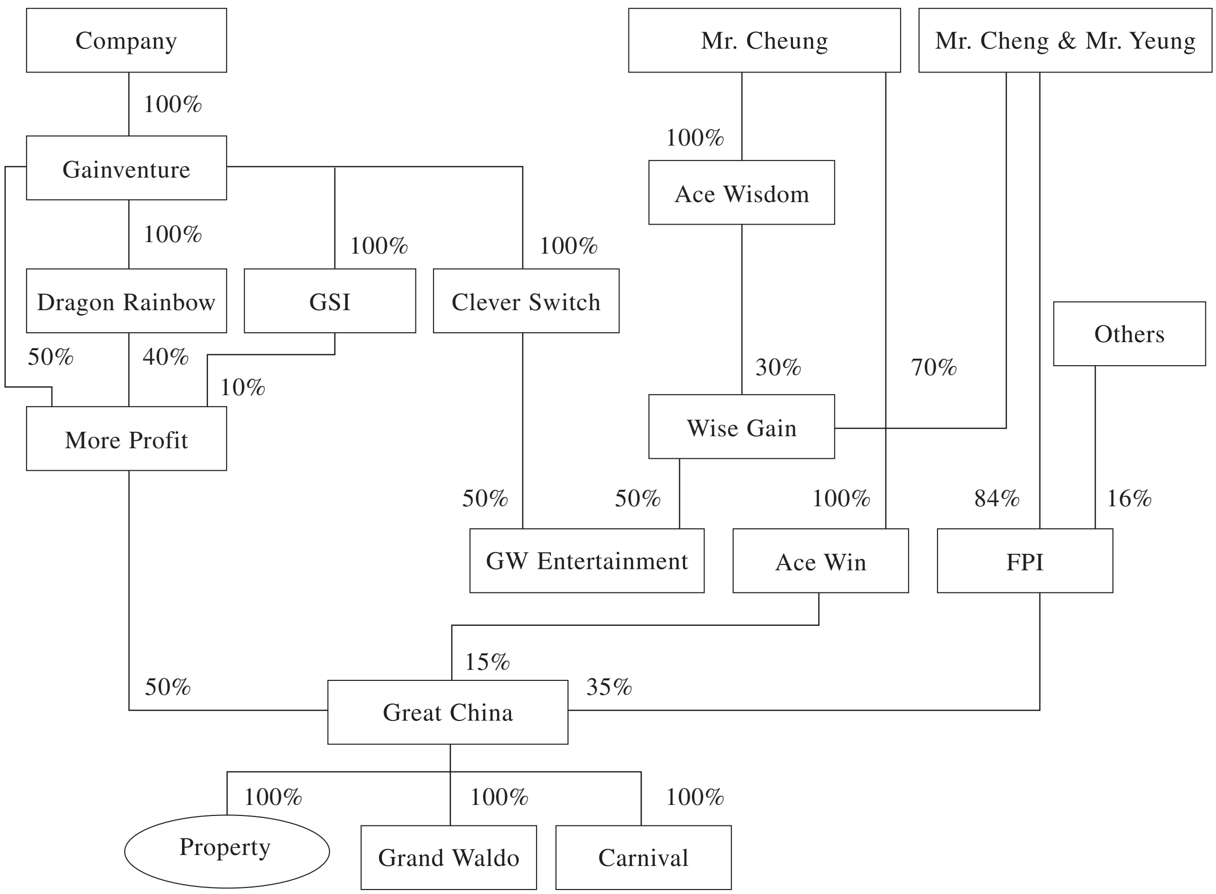
Before

Set out below is a chart showing the shareholding of various companies before completion of the GSI Agreement, the GW Entertainment Agreement, the Great China Agreement, the Carnival Agreement, the Grand Waldo Agreement and the Wise Gain Acquisition:



After

Set out below is a chart showing the shareholding of various companies immediately after completion of the GSI Agreement, the GW Entertainment Agreement, the Great China Agreement, the Carnival Agreement, the Grand Waldo Agreement and the Wise Gain Acquisition:



NEW GC SHAREHOLDERS AGREEMENT

Upon completion of the Great China Agreement, Great China will be held as to 50% by More Profit, 15% by Ace Win and 35% by FPI and it is a term of the Great China Agreement that FPI, More Profit, Ace Win and Great China shall enter into the New GC Shareholders Agreement.

The principal terms of the New GC Shareholders Agreement are the same as the GC Shareholders Agreement (2007) as disclosed in the Company's circular dated 30 November 2006, with the only major difference being that instead of having the right to appoint 3 directors to the board of Great China, FPI will only have the right to appoint 2 directors whereas Ace Win will have the right to nominate and appoint 1 director. More Profit has the right to appoint 3 directors to the board of Great China both under the New GC Shareholders Agreement and the GC Shareholders Agreement (2007).

IV. TERMINATION OF LEASE AGEEMENT, BUILDING MANAGEMENT AGREEMENT AND MINIMUM RENTAL INCOME GUARANTEE

As disclosed by the Company in its circular dated 30 November 2006: (i) the Lease Agreement was executed by Great China as lessor and Grand Waldo as lessee pursuant to which Great China granted a lease of the Hotel (other than those parts leased out directly by Great China) to Grand Waldo for a period of five years from 1 February 2007, i.e. the date of completion of the Great China (2006) Acquisition to 31 January 2012 at the maximum annual rent of HK$200 million (i.e. if any of the direct tenancies with Great China terminates, the area let to such direct tenant shall then be covered by the Lease Agreement and the rental payable by Grand Waldo will increase correspondingly up to a maximum amount of HK$200 million); and (ii) the Minimum Rental Income Guarantee was executed by FPI and Grand Waldo as guarantors in favour of More Profit and Great China pursuant to which FPI and Grand Waldo jointly and severally undertook to More Profit and Great China that for a period of five years commencing on 1 February 2007 to 31 January 2012, the rental income derived from the leasing of the Hotel and received by Great China would not be less than HK$200 million per annum. Great China also entered into the Building Management Agreement with Grand Waldo pursuant to which Great China granted management rights in relation to the Hotel to Grand Waldo. It is a term of the Great China Agreement, and it was proposed to More Profit, that the Lease Agreement, the Building Management Agreement and the Minimum Rental Income Guarantee be terminated upon completion of the Great China Agreement and that the Deeds of Release be executed.

All rent payable by Grand Waldo under the Lease Agreement has been paid up to 31 January 2009. Since the rent paid by Grand Waldo under the Lease Agreement up to 31 January 2009 was the same as the guaranteed amount under the Minimum Rental Income Guarantee, no payment has been required to be made to Great China under the Minimum Rental Income Guarantee. The Lease Agreement and the Minimum Rental Income Guarantee cover the period until 31 January 2012 and therefore have approximately 3 years to run. The rental payable by Grand Waldo under the Lease Agreement for the remaining period is therefore HK$600 million and assuming that Great China cannot lease out any part of the Hotel available for letting for the entirety of the remaining period, the amount payable by Grand Waldo and FPI under the Minimum Rental Income Guarantee for the remaining period will also amount to HK$600 million.

More than 50% of the space of the Hotel available for leasing is either used by the Hotel for its own operation or vacant. Termination of the Lease Agreement will therefore allow Great China to revamp the whole strategy on leasing of the Hotel and the operation of the Hotel (on Grand Waldo becoming a wholly owned subsidiary of Great China), which may further lead to a potential capital gain on the Property. Since all decisions on leasing of the Hotel will vest with Great China on termination of the Lease Agreement, FPI and Grand Waldo therefore also propose that the Minimum Rental Income Guarantee be terminated.

Details of the Deeds of Release are set out below.

Deed of Termination and Release (Building Management Agreement)

Parties:

(i) Great China;

(ii) Grand Waldo.

The parties shall agree to terminate the Building Management Agreement with effect from completion of the Great China Agreement and release one another from any and all obligations thereunder.

Deed of Termination and Release (Lease Agreement)

Parties:

(i) Great China;

(ii) Grand Waldo.

The parties shall agree to terminate the Lease Agreement with effect from completion of the Great China Agreement and release one another from any and all obligations thereunder, including an agreement by Great China to waive all arrears of rent and other charges payable by Grand Waldo under the Lease Agreement accrued on and after 1 February 2009.

Deed of Termination and Release (Minimum Rental Income Guarantee)

Parties:

(i) FPI;

(ii) Grand Waldo;

(iii) More Profit;

(iv) Great China.

The parties shall agree to terminate the Minimum Rental Income Guarantee with effect from completion of the Great China Agreement and release one another from any and all obligations thereunder, including an agreement by More Profit and Great China to waive all and any amounts payable by Grand Waldo and FPI under the Minimum Rental Income Guarantee accrued on and after 1 February 2009.

V. REASONS FOR THE ACQUISITION AGREEMENTS AND THE LOAN AGREEMENT

The principal activities of the Group are the provision of financial services including securities dealing and broking, futures and options broking, securities margin financing, corporate finance services, and brokerage of mutual funds and insurance-linked investment plans and products in Hong Kong as well as property investments.

The property market and gaming industry in Macau has quiet down since the third quarter of 2008 and the Board believes it is opportune time for the Company to increase its property investment in Macau and/or to look for new investment opportunities in Macau at reasonable prices.

Following completion of the GSI Agreement (if materialised), the Company's shareholding in More Profit will increase from 90% to 100%. As More Profit holds 50% of the equity interest in Great China, the GSI Agreement will also effectively increase the attributable interest of the Company in Great China and therefore the Property from 45% to 50%. Whether or not the Great China Agreement, the Grand Waldo Agreement and/or the Carnival Agreement materialized, this increase in the effective interest of the Property will enable the Group to further capture future capital gain when the property market in Macau recovers.

Secondly, on completion of the Great China Agreement (if materialised) whether or not the GSI Agreement materialized, Grand Waldo, which holds the license for operating the Hotel granted by the Tourist Office of the Government of Macau with validity until 31 December 2009 renewable annually, and Carnival, which holds a spa and beauty license for operating the spa within the Hotel granted by the Tourist Office of the Government of Macau with validity until 27 September 2009 renewable annually, will become wholly owned subsidiaries of Great China. Therefore, through More Profit's shareholding in Great China, the Group will have the opportunity to diversify its investment into the hotel business in Macau.

Thirdly, whether or not the GSI Agreement, the Great China Agreement, the Grand Waldo Agreement and/or the Carnival Agreement materialized, the acquisition of interests in GW Entertainment under the GW Entertainment Agreement (if materialised) will offer the Group the prospect to invest in Macau's gaming business. On the other hand, the Loan Agreement provides short term funding to GW Entertainment for its operation requirement. The Loan has been fully drawn down by GW Entertainment on 12 February 2009. Since the repayment date of the Loan is 12 May 2009, which is prior to the date of the EGM, whether or not the Independent Shareholders vote down the resolution to approve and ratify the Loan Agreement to be proposed at the EGM, the Loan shall have become repayable by the EGM date. However, as mentioned in the section headed "GWE Shareholders Agreement" above, after completion of the GW Entertainment Agreement, Clever Switch and Wise Gain may from time to time be required to advance shareholders' loans to GW Entertainment for its general working capital up to an aggregate amount of HK$200 million, i.e. up to HK$100 million for each of Clever Switch and Wise Gain.

The provision of the Loan is to facilitate the working capital requirement of GW Entertainment before completion of the GW Entertainment Agreement, forming a good financial platform for future operation. After completion of the Acquisition Agreements, the Great China Agreement and termination of the Lease Agreement, Building Management Agreement and Minimum Rental Income Guarantee, the Group will have opportunities to enhance its investment in the Property and diversify its investments to hotel operation and gaming business in Macau. The Board would like to emphasize that there would be short term fluctuation of the operating results of the acquired businesses and assets but believe that the diversification to such investments in Macau would be beneficial to the Company and its Shareholders in the long run.

As shown in Appendix V to this circular, the impairment for the GW Sale Loan is a pro forma adjustment which was derived after taking into account the net deficits position of GW Entertainment at the time of completion. It is not directly related to whether further impairment will be provided to either the Loan or the GW Sale Loan as further impairment will depend on various factors including but not limited to the financial position of GW Entertainment at each of future balance sheet date and its estimated future cash flow, which the Directors consider optimistic in the long run. In other words, the initial recognition of the impairment for the GW Sale Loan does not imply there would be similar impairment necessary for the Loan and hence the Directors are of the view that the provision of the Loan is fair and reasonable and in the interest of the Company and the Shareholders as a whole.

As for the termination of the Minimum Rental Income Guarantee and the Lease Agreement, as mentioned in the section headed "TERMINATION OF LEASE AGEEMENT, BUILDING MANAGEMENT AGREEMENT AND MINIMUM RENTAL INCOME GUARANTEE" above, more than 50% of the space of the Hotel available for leasing is either used by the Hotel for its own operation or vacant, termination of the Lease Agreement will afford Great China the flexibility to revamp the overall planning and strategy on the leasing of the Hotel and the operation of the Hotel (on Grand Waldo becoming a wholly owned subsidiary of Great China) and negotiate with tenants directly, which may further lead to a potential capital gain on the Property. Furthermore, whilst the Minimum Rental Income Guarantee and the Lease Agreement provide for a minimum return to Great China, there is no upward adjustment should the total rental which can be derived from the Hotel exceeds the amount payable to Great China under these agreements. The Board also believes that the potential return from the hotel business and capital gain on the Property in the long run will outweigh any short term loss in rental income which may result from the termination of the Lease Agreement and the Minimum Rental Income Guarantee. The Directors therefore are of the view that the termination of the Lease Agreement is fair and reasonable and in the interest of the Shareholders as a whole. Since all decisions on leasing of the Hotel will vest with Great China on termination of the Lease Agreement, which termination is to be effective only at the same time as termination of the Minimum Rental Income Guarantee, the Directors also believe it is fair and reasonable and in the interest of the Shareholders as a whole that the Minimum Rental Income Guarantee be terminated.

Despite the recent slow down of the economy in Macau, the Board is optimistic about the long term potential of the economy in Macau and thus considers that the entering into of the GSI Agreement and the GW Entertainment Agreement (if materialized) is in the interests of the Company and the Shareholders as a whole.

The Directors (including the independent non-executive Directors) consider that the terms of the GSI Agreement are on normal commercial terms, fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

The Directors consider that the terms of the GW Entertainment Agreement (including the provision of shareholder's loans of up to HK$100 million to GW Entertainment by Clever Switch) are fair and reasonable and in the interest of the Company and the Shareholders as a whole. The Directors consider that, although the Loan is non-interest bearing, after taking into account of various factors including but not limited to the consideration under the GW Entertainment Agreement and the potential return to the Group in the long run from GW Entertainment, the terms of the Loan Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The view of the Independent Board Committee on the GSI Agreement, the GW Entertainment Agreement (including the provision of shareholder's loans of up to HK$100 million to GW Entertainment by Clever Switch) and the Loan Agreement is set out on pages 34 to 35 of this circular.

VI. FINANCIAL EFFECTS OF THE ACQUISITION AGREEMENTS AND THE LOAN AGREEMENT

Upon completion of the GSI Agreement, GSI and More Profit will become indirect wholly owned subsidiaries of the Company. The entire results and assets and liabilities of GSI and the entire results and assets and liabilities of More Profit (same as before the acquisition) will be consolidated in the accounts of the Group.

Upon completion of the GW Entertainment Agreement, GW Entertainment will be held as to 50% by Wise Gain and 50% by Clever Switch and the results of GW Entertainment will be equity accounted for in the Group's financial statements.

Based on the unaudited pro forma financial information of the Enlarged Group set out in Appendix V to this circular, the financial effects of the Acquisition Agreements and the Loan Agreement are summarised below:

Balance sheet effect

The following are major balance sheet items which will have material effect after the cash advance under the Loan Agreement and upon the completion of the Acquisition Agreements:

Assets

Upon completion of the Acquisition Agreements and based on the information set out in Appendix V to this circular, the Group's total assets will decrease by approximately HK$71.1 million. The Loan Agreement has no impact on the total assets of the Group.

Liabilities

Upon completion of the GSI Agreement and based on the information set out in Appendix V to this circular, the Group's total liabilities will decrease by approximately HK$69.6 million mainly due to elimination of shareholders' loan in GSI's books.

The Loan Agreement has and completion of the GW Entertainment Agreement (including the provision of shareholder's loans of up to HK$100 million by Clever Switch to GW Entertainment) will have no impact on the total liabilities of the Group.

Gearing ratio

Based on the Group's unaudited financial statements for the six-month period ended 30 September 2008 and the information set out in Appendix V to this circular, the gearing ratio will change from 0.108 times (total liabilities over total assets) to 0.088 times immediately after completion of the Acquisition Agreements.

The Loan Agreement has no impact on the gearing ratio of the Group.

Income statement effect

Earnings

Upon completion of the GW Entertainment Agreement (including the provision of shareholder's loans of up to HK$100 million by Clever Switch to GW Entertainment) and based on the information set out in Appendix V to this circular, the Group's earnings will increase by approximately HK$25.3 million as a result of a discount arising from acquisition of the GW Sale Loan.

Upon completion of the GSI Agreement, the Group will save annual interest expenses of approximately HK$3.1 million in respect of shareholder's loans advanced to More Profit.

Since the Loan is interest-free, it has no significant effect on the earnings of the Group.

VII. LISTING RULES IMPLICATIONS

Mr. Cheung, by virtue of him being an associate of a substantial shareholder of More Profit, is a connected person of the Company and the GSI Agreement is therefore a connected transaction under Chapter 14A of the Listing Rules which is subject to the approval of the Independent Shareholders.

As the GSI Agreement, the GW Entertainment Agreement (including the provision of shareholder's loans of up to HK$100 million by Clever Switch to GW Entertainment) and the Loan Agreement are inter-related and involved Mr. Cheung, who is a connected person of the Company, Mr. Cheng and Mr. Yeung have been deemed connected persons of the Company under Rule 14A.11(4)(a) of the Listing Rules. Accordingly, the GW Entertainment Agreement (including the provision of shareholder's loans of up to HK$100 million by Clever Switch to GW Entertainment) and the Loan Agreement are also connected transactions of the Company which are subject to the approval of the Independent Shareholders.

Furthermore, as Mr. Cheung, Mr. Cheng and Mr. Yeung are connected or deemed connected persons of the Company, Mr. Cheung, Wise Gain and GW Entertainment, being the counterparties to the GSI Agreement, the GW Entertainment Agreement and the Loan Agreement, are deemed connected or otherwise associated with one another and the GSI Agreement, the GW Entertainment Agreement and the Loan Agreement are aggregated pursuant to Rule 14.23(1) and Rule 14A.26(1) of the Listing Rules. On such aggregated basis, the applicable percentage ratios for the GSI Agreement, the GW Entertainment Agreement and the Loan Agreement exceeds 25% but is less than 100% and thus the GSI Agreement, the GW Entertainment Agreement and the Loan Agreement on aggregation also constitute a major transaction of the Company pursuant to Rule 14.08 of the Listing Rules and subject to Shareholders' approval.

On 30 November 2006, the Company dispatched a circular to its shareholders in relation to, amongst other matters, details of the Great China (2006) Acquisition which included the terms of the Lease Agreement and the Minimum Rental Income Guarantee. As the proposed termination of the Lease Agreement and the Minimum Rental Income Guarantee constitutes material changes, the Company has a general disclosure obligation to inform the Shareholders of the proposed termination.

VIII. EGM

The notice convening the EGM to be held at 10/F., Cosco Tower, Grand Millennium Plaza, 183 Queen's Road Central, Hong Kong on Monday, 18 May 2009 at 10:30 a.m., at which ordinary resolutions will be proposed to approve the GSI Agreement, the GW Entertainment Agreement (including the provision of shareholder's loans of up to HK$100 million by Clever Switch to GW Entertainment) and to ratify the Loan Agreement and the respective transactions contemplated thereunder is set out on pages 215 to 217 of this circular.

Mr. Cheung, Mr. Cheng and Mr. Yeung and their respective associates shall abstain from voting on the resolutions to approve the Acquisition Agreements and to ratify the Loan Agreement. Save as aforesaid, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, neither Mr. Cheung, Mr. Cheng, Mr. Yeung nor any of their respective associates has any shareholders' interest in the Company and there are no Shareholders who have material interest in the Acquisition Agreements and the Loan Agreement and shall abstain from voting on the resolutions to approve the Acquisition Agreements and to ratify the Loan Agreement.

A form of proxy for use at the EGM is enclosed herewith. Whether or not you propose to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar, Tricor Secretaries Ltd, 26/F, 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 holding such meeting or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting or any adjourned meeting thereof should you so wish.

IX. RECOMMENDATION

The Board (with the view of the Independent Board Committee set out in the paragraph below) considers that the terms of the Acquisition Agreements (including the provision of shareholder's loans of up to HK$100 million by Clever Switch to GW Entertainment) and the Loan Agreement and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable and the entering into of the Acquisition Agreements and the Loan Agreement is in the interests of the Company and the Shareholders as a whole and recommends the Independent Shareholders to vote in favour of the resolutions in respect of the Acquisition Agreements (including the provision of shareholder's loans of up to HK$100 million by Clever Switch to GW Entertainment) and the Loan Agreement to be proposed at the EGM.

The Independent Board Committee, having taken into account the advice of Bridge Partners, is of the opinion that the terms of the GSI Agreement and the GW Entertainment Agreement (including the provision of shareholder's loans of up to HK$100 million by Clever Switch to GW Entertainment) are fair and reasonable and in the interests of the Company and the Shareholders as a whole and whilst the terms of the Loan Agreement are not on normal commercial terms, however, in view of the potential acquisition of interest in GW Entertainment under the GW Entertainment Agreement, they are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Therefore, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the ordinary resolutions in respect of the GSI Agreement, the GW Entertainment Agreement (including the provision of shareholder's loans of up to HK$100 million by Clever Switch to GW Entertainment) and the Loan Agreement to be proposed at the EGM.

Your attention is drawn to the letter from the Independent Board Committee set out on pages 34 to 35 of this circular which contains its recommendation to the Independent Shareholders in relation to the Acquisition Agreements (including the provision of shareholder's loans of up to HK$100 million by Clever Switch to GW Entertainment) and the Loan Agreement. Your attention is also drawn to the letter of advice from Bridge Partners set out on pages 36 to 52 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in relation to the Acquisition Agreements and the Loan Agreement and the principal factors and reasons taken into account in arriving at its recommendation. You are advised to read the said letters from the Independent Board Committee and the Independent Financial Advisers before deciding how to vote at the EGM.

X. ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
For and on behalf of the Board
Get Nice Holdings Limited
Hung Hon Man
Chairman

GET NICE HOLDINGS LIMITED
結 好 控 股 有 限 公 司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 0064)

30 April 2009

To the Independent Shareholders

Dear Sirs,

MAJOR AND CONNECTED TRANSACTIONS RELATING TO ACQUISITION OF GROUP SUCCESS INTERNATIONAL LIMITED, ACQUISITION OF 50% INTEREST IN GRAND WALDO ENTERTAINMENT LIMITED AND FINANCIAL ASSISTANCE TO GRAND WALDO ENTERTAINMENT LIMITED

We refer to the circular of the Company dated 30 April 2009 (the "Circular"), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

We have been appointed as members of the Independent Board Committee to advise you as to whether, in our opinion, the terms of the Acquisition Agreements and the Loan Agreement and the transactions contemplated thereunder (including the provision of shareholder's loans of up to HK$100 million to GW Entertainment by Clever Switch) are on normal commercial terms, fair and reasonable so far as the interests of the Independent Shareholders are concerned and in the interests of the Company and the Independent Shareholders as a whole.

Bridge Partners has been appointed as the independent financial adviser to advise us and you regarding the terms of the Acquisition Agreements and the Loan Agreement and the transactions contemplated thereunder. Details of its advice, together with the principal factors and reasons it has taken into consideration in giving its advice, are set out in its letter on pages 36 to 52 of the Circular. Your attention is also drawn to the letter from the Board set out on pages 8 to 33 of the Circular and the additional information set out in the Appendices to the Circular.

Having considered the terms of the Acquisition Agreements and the Loan Agreement and the advice of Bridge Partners and the other principal factors contained in the letter from the Board, we are of the opinion that (i) the terms of the Acquisition Agreements and the transactions contemplated thereunder (including the provision of shareholder's loans of up to HK$100 million to GW Entertainment by Clever Switch) are on normal commercial terms and fair and reasonable so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and the Independent Shareholders as a whole; (ii) whilst the terms of the Loan Agreement are not on normal commercial terms, however, in view of the potential acquisition of interest in GW Entertainment under the GW Entertainment Agreement, they are fair and reasonable so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and the Independent Shareholders as a whole. We therefore recommend that the Independent Shareholders vote in favour of the ordinary resolutions to be proposed at the EGM to approve the Acquisition Agreements and the transactions contemplated thereunder and to ratify the Loan Agreement.

Yours faithfully,
The Independent Board Committee

Mr. Kwong Chi Kit Victor	Mr. Liu Chun Ning, Wilfred	Mr. Chung Wai Keung
Independent Non-executive Director	*Independent Non-executive Director*	*Independent Non-executive Director*

Mr. Man Kong Yui
Independent
Non-executive Director

The following is the text of a letter of advice to the Independent Board Committee and the Independent Shareholders from Bridge Partners relating to the GSI Agreement, the GW Entertainment Agreement, the Loan Agreement and the transactions contemplated thereunder, dated 30 April 2009 prepared for the purpose of incorporation in this circular:

寶橋 BRIDGE PARTNERS

BRIDGE PARTNERS CAPITAL LIMITED

Bridge Partners Capital Limited
Unit 605, 6/F, Grand Millennium Plaza
181 Queen's Road Central
Central, Hong Kong

30 April 2009

To the independent board committee
and the independent shareholders of Get Nice Holdings Limited

Dear Sirs,

MAJOR AND CONNECTED TRANSACTIONS RELATING TO ACQUISITION OF GROUP SUCCESS INTERNATIONAL LIMITED, ACQUISITION OF 50% INTEREST IN GRAND WALDO ENTERTAINMENT LIMITED AND FINANCIAL ASSISTANCE TO GRAND WALDO ENTERTAINMENT LIMITED

INTRODUCTION

We refer to our appointment as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the (i) acquisition of the entire issued share capital of GSI and all shareholder's loans due by GSI; (ii) acquisition of 50% shareholding and equity interest in and corresponding amount of shareholder's loans due by GW Entertainment (collectively, the "Acquisitions") and (iii) the provision of financial assistance to GW Entertainment (collectively, the "Transactions"), details of which are set out in the "Letter from the Board" contained in the circular of the Company dated 30 April 2009 (the "Circular"), of which this letter forms part. Terms defined in the Circular shall have the same meanings in this letter unless the context otherwise requires.

On 12 February 2009, the Group entered into (i) the GSI Agreement with Mr. Cheung pursuant to which Gainventure, a wholly-owned subsidiary of the Company, conditionally agreed to acquire from Mr. Cheung the entire issued share capital of GSI and all shareholder's loans due by GSI to Mr. Cheung for a total consideration of HK$100 million; (ii) the GW Entertainment Agreement with Wise Gain pursuant to which Clever Switch, a wholly-owned subsidiary of the Company, conditionally agreed to acquire from Wise Gain the 50% of the shareholding and equity interest in and corresponding amount of shareholder's loans due by GW Entertainment in the total consideration of HK$2; and (iii) the Loan Agreement with GW Entertainment whereby the Company agreed to lend to GW Entertainment the sum of HK$100 million repayable on or before 12 May 2009 with no interest and secured by a personal guarantee by Mr. Cheng.

Mr. Cheung, by virtue of him being an associate of a substantial shareholder of More Profit, is a connected person of the Company and the GSI Agreement is therefore a connected transaction under Chapter 14A of the Listing Rules which is subject to the approval of the Independent Shareholders. Since the GSI Agreement, the GW Entertainment Agreement (including the provision of shareholder's loans of up to HK$100 million by Clever Switch to GW Entertainment) and the Loan Agreement (collectively, the "Agreements") are inter-related, and Mr. Cheung, Mr. Cheng and Mr. Yeung have been deemed as connected persons of the Company under Rule 14A.11(4)(a) of the Listing Rules and the GW Entertainment Agreement and the Loan Agreement constitute connected transactions of the Company which are subject to, amongst other things, the approval of the Independent Shareholders by way of poll at the EGM.

Furthermore, since Mr. Cheung, Mr. Cheng and Mr. Yeung are connected or deemed as connected persons of the Company under the Listing Rules, Mr. Cheung, Wise Gain and GW Entertainment (being the counterparties to the GSI Agreement, the GW Entertainment Agreement and the Loan Agreement) are deemed connected or otherwise associated with one another, the GSI Agreement, the GW Entertainment Agreement and the Loan Agreement are aggregated pursuant to Rule 14.23(1) and Rule 14A.26(1) of the Listing Rules. On such aggregated basis, the Agreements and the transactions contemplated thereunder constitute a major transaction of the Company pursuant to Rule 14.08 of the Listing Rules and shall be subject to Independent Shareholders' approval. Mr. Cheung, Mr. Cheng and Mr. Yeung and their respective associates shall abstain from voting on the resolutions to approve the Acquisition Agreements and the Loan Agreement.

The Independent Board Committee, comprising Mr. Liu Chun Ning, Wilfred, Mr. Chung Wai Keung, Mr. Man Kong Yui and Mr. Kwong Chi Kit Victor (all being independent non-executive Directors), has been established to advise the Independent Shareholders and give recommendation to the Independent Shareholders in relation to the voting of the relevant resolution(s) at the EGM.

We, Bridge Partners, have been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of each of the Agreements are on normal commercial terms and the transactions contemplated therein are fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole, and to advise the Independent Shareholders on how to vote, in compliance with Rule 13.39 (6)(b) of the Listing Rules.

BASIS OF OUR OPINION

In arriving at our opinion and recommendation, we have relied on the information supplied, the opinion and representations expressed by the Directors and the management of the Company. We have reviewed, amongst others, the annual report and interim report of the Company, the audited accounts of GSI and More Profit for the period from their incorporation to 31 December 2008 and GW Entertainment for the three years ended 31 December 2008 as well as the valuation report conducted by the independent valuer, Vigers Appraisal & Consulting Limited ("Vigers") as at 31 December 2008 and 31 January 2009. In addition to the information provided by the Company, we have reviewed the statistics and information published on the official website of the Macau Government. We have also discussed with the Directors and/or management of the Group with respect to the terms of and reasons for the Acquisitions and the provision of the financial assistance. Further, we have discussed with Vigers regarding their valuation method, approach and assumptions on the Property. We consider that we have taken sufficient and necessary steps to form a reasonable basis and an informed view for our recommendation which are in compliance with Rule 13.80 of the Listing Rules.

We have assumed that the information and representations contained or referred to in the Circular and the information and representations that have been provided by the Company and/or the Directors and/or the management of the Company, for which they are solely and wholly responsible, are true, accurate and complete at the time they were made and continue to be true up to and including the date of the EGM.

We consider that we have been provided with sufficient information to form a reasonable basis of our opinion. We have no reason to suspect that any material fact or information has been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Having made all reasonable enquiries, the Directors have collectively and individually accepted full responsibility for the accuracy of the information contained in the Circular and further confirmed that, to their best knowledge, they believe there are no other facts or representations the omission of which would make any statement in the Circular, including this letter, misleading.

We have not, however, carried out any independent verification on the information provided by the Directors and the management of the Company, nor have we conducted an independent investigation into the business and affairs of the Company, Gainventure and Wise Gain, their respective associates and subsidiaries of the Company, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Transactions.

This letter is issued for the information for the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the Agreements and the transactions contemplated thereunder and, except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent. We have no obligation to update this letter after the date of this letter. Nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation to the Independent Board Committee and the Independent Shareholders in respect of the Transactions, we have taken the following principal factors and reasons into consideration:

1. Background of the Group, GSI, More Profit, GW Entertainment and the Hotel

Business of the Group and background of the Group's investment in the Hotel

The principal activities of the Group are the provision of financial services, including securities dealing and broking, futures and options broking, securities margin financing, corporate finance services, money lending and brokerage of mutual funds and insurance-linked investment plans and products, as well as properties development in Hong Kong.

In response to the strong momentum and the robust economic growth in Macau, the Group has entered into the real estate sector in Macau since 2006 to diversify its income stream. In October 2006, with a view to optimize its revenue from the traditional brokerage business of the Group, the Group acquired an effective interest of 25% in Great China and its corresponding shareholder's loans from FPI and Topmore Limited. The transaction was completed in February

2007 and the major source of income of Great China is derived from the Lease Agreement. Galaxy is a major tenant of the Hotel and the only casino operator within the Hotel who occupies a substantial portion of the casino block. In order to further strengthen the Group's investment portfolio in Macau, the Group further increased its participation from 50% to 90% interest in More Profit through the acquisition of Dragon Rainbow in June 2007, and the attributable interest of the Group in the Property increased from 25% to 45%.

Financial Information of the Group

The following table sets out the summarized financial performance of the Group for the two years ended 31 March 2008 and for the six months ended 30 September 2007 and 2008.

	For the year ended 31 March 2007 (audited) *HK$'000*	**For the year ended 31 March 2008 (audited)** *HK$'000*	**For the six months ended 30 September 2007 (unaudited)** *HK$'000*	**For the six months ended 30 September 2008 (unaudited)** *HK$'000*
Turnover	213,763	644,659	436,628	140,365
Profit (loss) before taxation	203,586	538,864	237,311	(7,699)
Profit (loss) after taxation	180,234	477,111	200,039	(23,071)

As shown from the above, the net profit of the Group increased from approximately HK$180.23 million in 2007 to HK$477.11 million in 2008. Such increase in net profit was mainly attributable from the growth in the financial services sector, the net gain from the disposal of the Group's property development in Lomond Road in Hong Kong of approximately HK$83 million and a gain in net profit of approximately HK$172 million contributed by the fair value gain and operation profit on the Group's investment in the Hotel.

We understood from the management of the Company that the Group's turnover has been affected by the recent financial turmoil. According to the interim report of the Company for the six months ended 30 September 2008 (the "Interim Report"), the turnover of the Group dropped approximately 67.8% from HK$436.6 million in 2007 to approximately HK$140.4 million in 2008 and the Group recorded net loss of approximately HK$23.1 million. The net loss was mainly due to the following factors: (i) the Group did not record any income or profit from the property development segment (other than interest income from financial institution) and (ii) the share of the loss of approximately HK$115.5 million from Great China mainly attributable to the decrease in fair value of the Hotel. The underlying profit attributable to the equity holders of the Company for the six months ended 30 September 2008, excluding the effect of fair-value changes on investment property, was HK$105.1 million. Being optimistic about the property market in Macau, the Directors believe that the decrease in fair value of its investment property may not persist in the future.

Background of GSI, More Profit and the Hotel

GSI is an investment holding company incorporated in BVI on 25 August 2006 to hold and acquire the 10% issued share capital of More Profit. At the Latest Practicable Date, More Profit through its 50% equity interest in Great China, held the Property, including the Hotel in Macau.

The Hotel, located in the heart of Taipa, Macau, has a site area of 36,640 square meter and 316 guest rooms with convenient transportation provided for its guests and other tourists. It is neighboring the Macao International Airport and the Taipa Ferry Terminal. The Hotel is a five-star hotel complex comprising four portions namely, the hotel block of 12 floors, the casino block of 6 floors, the leisure block of 6 floors and the car park of 6 floors.

The Group currently holds the other 90% interest of More Profit through Gainventure and Dragon Rainbow. Upon completion of the GSI Agreement, GSI and More Profit will become indirect wholly-owned subsidiaries of the Company. The Group through Gainventure, Dragon Rainbow and GSI, will hold an effective interest of 50% in Great China upon completion.

The table below sets out the audited financial information of GSI and More Profit:

GSI:

	From the date of incorporation to 31 December 2006 (audited) *HK$'000*	**For the year ended 31 December 2007 (audited)** *HK$'000*	**For the year ended 31 December 2008 (audited)** *HK$'000*
Profit after tax	0	4,291	3,345

	As at 31 December 2006 (audited) *HK$'000*	**As at 31 December 2007 (audited)** *HK$'000*	**As at 31 December 2008 (audited)** *HK$'000*
Net asset value	0	4,291	7,636

More Profit:

	From the date of incorporation to 31 March 2007 (audited) *HK$'000*	**For the year ended 31 March 2008 (audited)** *HK$'000*	**For the nine months ended 31 December 2008 (audited)** *HK$'000*
Profit/(Loss) after tax	230,367	164,315	(130,477)

	As at 31 March 2007 (audited) *HK$'000*	**As at 31 March 2008 (audited)** *HK$'000*	**As at 31 December 2008 (audited)** *HK$'000*
Net asset value	230,445	394,760	264,283

As shown by the above, the audited net profit of GSI decreased from approximately HK$4.3 million for the year ended 31 December 2007 to approximately HK$3.3 million for the year ended 31 December 2008. The revenue of GSI was derived from the interest income charged to More Profit and the decrease of net profit in year 2008 was mainly attributable to the decrease in average interest income receivable for an unsecured shareholder's loan advanced to More Profit and the decrease in average interest rate for the year ended 31 December 2008.

The audited net profit of More Profit decreased around 28.7% from approximately HK$230.37 million from the date of incorporation to 31 March 2007 to approximately HK$164.32 million for the year ended 31 March 2008. The net profit of More Profit for 2007 was mainly derived from a negative goodwill of HK$229.7 million arising from the acquisition of 50% equity interest in Great China, whilst the net profit of More Profit for year 2008 mainly arise from a share of 50% post-acquisition profit of Great China arising from the increase in revaluation of the Property. As illustrated in the above table, More Profit recorded an audited net loss of HK$130.48 million for the nine months ended 31 December 2008, mainly caused by 50% sharing of net loss of Great China due to a decrease in revaluation on the Property in Macau. The Directors remain optimistic about the property market in Macau albeit with caution and believe that the decrease in fair value of its investment property may not persist in the future.

Background of GW Entertainment

The sole business of GW Entertainment at present is the implementation of the Business Agreement. According to the Business Agreement, GW Entertainment shall be responsible for marketing and administration of the business promotion of the Casino. Upon completion of the GW Entertainment Agreement, GW Entertainment will be held as to 50% by Wise Gain and 50% by Clever Switch. Details of the Business Agreement is set out under the sub-section headed "GW Entertainment Agreement" below. According to the information set out in Appendix IV of the Circular, the audited net loss of GW Entertainment for the year ended 31 December 2008 is MOP90.4 million (equivalent to HK$87.8 million) and it was caused by the heavy marketing and advertising expenditures to promote the Casino and the Hotel and heavy administrative and overhead costs incurred in year 2008.

2. Background of and reasons for the Acquisitions

We noted from the management of the Company that it has always been the Group's strategy to capture the market opportunities and pursue strategic direct investment projects in order to optimize the returns for the Company and its Shareholders. Since 2005, the Group has been exploring properties investment opportunities in Hong Kong, Macau and Taiwan.

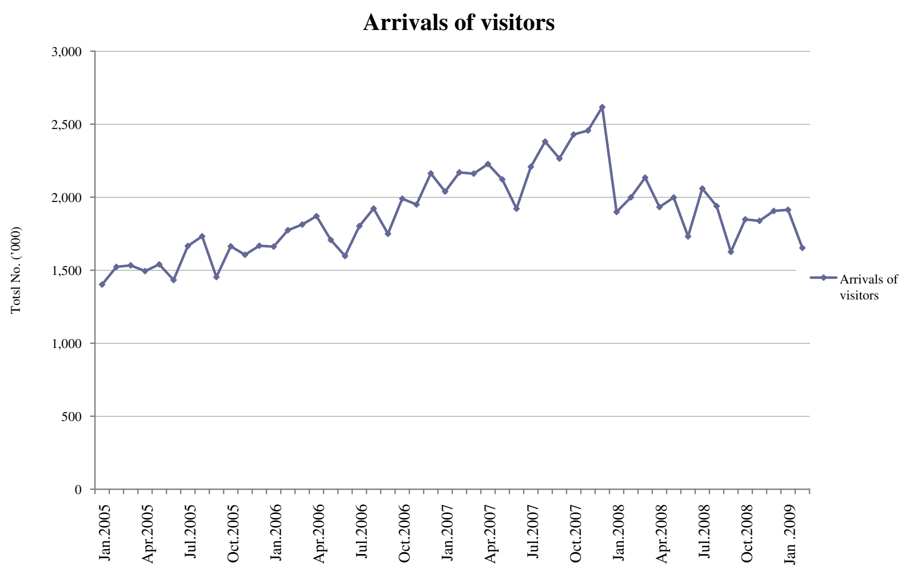
The Board considers that it is a right timing for the Group to increase its property investment in Macau and diversify its investment through the acquisition of 50% interest in GW Entertainment as this is a good opportunity to invest in Macau when the business environment is considered poor. The Group is expecting to capture the capital gain and investment return from the Acquisitions when Macau's overall economy pick up in the future. The Group remains optimistic about the long term potential of Macau's economy despite the recent financial turmoil.

Overview of economy of Macau

To form part of our analysis, we have studied Macau's official government website and research reports in order to evaluate the view of the Board and our findings are as follows:

i. Trend of the visitor arrivals

As shown in the below chart, we noted that the total number of visitor arrivals has been on an increasing trend since 2005 reaching a peak of 2.62 million in December 2007. However, subsequent to the implementation of visa restrictions from PRC in June 2008 and the outset of the global financial crisis, the number of visitor arrivals decreased from the first half of 2008 but still able to maintain above 1.6 million visitors in January 2009.



As noted from the 2008-2020 national plan for the Pearl River Delta (the "National Plan") announced by China's National Development and Reform Commission on 8 January 2009, Macau will be positioned and consolidated as an international tourism and leisure destination. This National Plan will enhance the development in Macau and, as a result, assist to promote tourism industry in Macau. Although the tourism sector in Macau showed a recent decrease in the number of visitors and a slow down of the economy in Macau, the Directors consider that the potential of the gaming and hotel industry in Macau remain positive in the long term.

ii. Massive infrastructure projects of Macau

As set out in the National Plan, the PRC government has committed to build a highly efficient transportation network in the Pearl River Delta by expanding capacities of roads, railways, ports and airports over the next 12 years, which will help bolster exchange among China's booming southern regions. These supportive policies including massive infrastructure projects, such as the Zhuhai-Hong Kong-Macau Bridge and the development on Hengqin Island will be beneficial to the overall economy of Macau. It is expected that the construction of the Hong Kong-Zhuhai-Macao Bridge will commence no later than 2010. The Directors consider that the bridge, which will take about four years for construction, will cut down driving time and costs from Hong Kong to Macau. We believe that the infrastructure projects will boost the economy and the property market in Macau in the long run.

Despite that there are some adverse factors affecting Macau's economy in the year 2008 ranging from the tightened PRC travel restrictions to visit Macau to the recent global financial tsunami, we consider that the supportive policies from the PRC government and the massive infrastructure projects in Macau could boost the economy and property market in Macau. In this connection, we concur with the Directors' optimistic view on Macau's economy and are of the view that it is beneficial for the Company to increase its property investment in Macau and to invest in GW Entertainment and the entering into of the GSI Agreement and GW Entertainment Agreement is in the interests of the Company and the Independent Shareholders as a whole.

3. GSI Agreement

i. Assets to be acquired

The assets to be acquired comprise (i) the GSI Sale Shares, being 1 share of GSI, representing the entire issued share capital of GSI and (ii) the GSI Sale Loan, being the entire shareholder's loans due by GSI to Mr. Cheung as at completion, which is interest free, unsecured and has no fixed repayment date. The principal amount of the GSI Sale Loan was approximately HK$62 million as at 31 December 2008. The assets being acquired indeed represent a 10% interest in More Profit since GSI has no other assets except investment in More Profit.

ii. Basis of the consideration and valuation methodology

Pursuant to the GSI Agreement, the consideration for the GSI Sale Shares and the GSI Sale Loan is HK$100 million (with the portion attributable to the consideration for the GSI Sale Loan being the face value thereof and the balance shall be attributed to the consideration for the GSI Sale Shares). As stated in the "Letter from the Board" in the Circular, the consideration has been arrived at after arm's length negotiations between the Company and Mr. Cheung with reference to (i) the valuation of the Property of approximately HK$3,000 million as at 31 December 2008 (the valuation of the Property remained the same as at 31 January 2009) by Vigers and the net book value of the Property of approximately HK$3,000 million as at 31 December 2008 in Great China's books; (ii) the outstanding loan amount under the Facility of approximately HK$1.02 billion as at 31 December 2008 in Great China's books; (iii) the latest audited net asset value of More Profit of approximately HK$394.7 million as at 31 March 2008; (iv) the principal amount of the GSI Sale Loan of approximately HK$62 million as at 31 December 2008; and (v) the unaudited net asset value of Great China of approximately HK$1.5 billion as at 31 December 2008.

We have reviewed the valuation report and enquired with Vigers regarding the methodology and the assumptions used in arriving at the market value of the Property. Based on our discussions with Vigers, we have not identified any major factors which cause us to doubt the fairness of the principal bases and assumptions used when arriving at the valuation of the Property. As stated in the valuation report, the market value of the Property as at 31 December 2008 and 31 January 2009 was approximately HK$3,000 million. We understand that the valuation of the Property has been made on a combination of the direct comparison approach with reference to market comparables and where appropriate, the basis of capitalization of the net rental income from the Property. Based on the above and our discussions with Vigers, we are of the view that the methodology adopted by Vigers is a reasonable approach in deriving the appraised value of the Property.

Based on the audited net asset value of More Profit which amounted to approximately HK$264 million as at 31 December 2008, the Directors estimated that 10% interest in More Profit will be valued at HK$26.4 million. As such, the underlying values of 10% interest in More Profit should be the aggregate of (i) GSI Sale Loan of approximately HK$62 million; (ii) net assets of GSI of approximately HK$7.6 million; and (iii) value of 10% of net assets value of More Profit amounting to HK$26.4 million. The total of these parameters amounted to HK$96 million, which is slightly lower than the consideration of HK$100 million by HK$4 million. Hence, we are of the view that the consideration of HK$100 million, with a slight premium of approximately HK$4 million, is fair and reasonable.

In view of the above, we consider the consideration of the acquisition for the GSI Sale Shares and the GSI Sale Loan is fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole.

iii. Payment terms

The consideration for the GSI Sale Shares and the GSI Sale Loan shall be paid in cash to Mr. Cheung as to (i) HK$50 million in cash as deposit on signing of the GSI Agreement and (ii) the balance of HK$50 million on completion. After discussion with the Directors, the Directors are of the view that the Company has sufficient internal resources to finance the acquisition of GSI Sale Shares and GSI Sale Loan.

We noted that the GSI Agreement shall lapse in the event that: (i) any of the conditions precedent as set out in the "Letter from the Board" in the Circular are not fulfilled or waived (as the case may be) on or before the date falling 120 days after the date of the GSI Agreement; and/or (ii) the conditions (a), (e), (h) and (i) under the GSI Agreement do not remain, and condition (j) does not become, fulfilled (and is not waived by Gainventure) on completion. In such case, the initial deposit of HK$50 million shall be refunded to the Gainventure in full.

On the other hand, the deposit paid shall be refunded by Mr. Cheung to Gainventure (without interest) in the event that the GSI Agreement is terminated due to the default of Mr. Cheung. Should the GSI Agreement be terminated due to the default of Gainventure, HK$10 million of the deposit paid shall be forfeited by Mr. Cheung. Save for the conditions relating to the Company, GW Entertainment Agreement and the representations and warranties under the Great China Agreement given by FPI, we understand that Mr. Cheung is the undertaking party to procure the fulfillment of the conditions precedent, including but not limited to, the representations and warranties of true and correctness of the GSI Agreement in all material respects as at the completion.

On the basis that (i) 50% of the total consideration will only become payable after the approval by the Independent Shareholders of the GSI Agreement (being one of the conditions under the GSI Agreement which cannot be waived); (ii) the initial deposit paid to Mr. Cheung will be fully refunded if the GSI Agreement lapses; and (iii) Mr. Cheung will be the undertaking party to procure the fulfillment of the conditions precedent, we are of the view that the above payment arrangements for the consideration are fair and reasonable so far as the Independent Shareholders are concerned.

iv. Other major terms of the GSI Agreement

The consideration for the GSI Sale Shares and the GSI Sale Loan is fixed to HK$100 million (with the portion attributable to the consideration for the GSI Sale Loan being the face value thereof and the balance shall be attributed to the consideration for the GSI Sale Shares) and no adjustment to the total consideration for the GSI Sale Shares and the GSI Sale Loan arising from any change in the amount of the GSI Sale Loan. As at the Latest Practicable Date, the principal amount of the GSI Sale Loan was approximately HK$63.5 million, representing an increase of 2.4% as compared to the principal amount of the GSI Sale Loan as at 31 December 2008.

Shareholders should note the total consideration for the GSI Sale Shares and the GSI Sale Loan is fixed and it is not subject to the variation of the GSI Sale Loan. We consider that it is beneficial for the Company to cap the total consideration for the GSI Sale Shares and the GSI Sale Loan so as to protect the interests of the Independent Shareholders in the event that the GSI Sale Loan exceeds the principal amount of the GSI Sale Loan of approximately HK$62 million as at 31 December 2008. As at the Latest Practicable Date, the principal amount of GSI Sale Loan has increased by approximately HK$1.5 million from HK$62 million to HK$63.5 million since 31 December 2008 as a result of further injection from Mr. Cheung. In addition, according to the GSI Agreement, Mr. Cheung undertakes that GSI shall not discharge any indebtedness or create any security before the completion of the GSI Agreement. Thus, we consider that it is unlikely that the book values of the GSI Sale Loan would fall short of the principal amount of the GSI Sale Loan as at 31 December 2008.

We have also reviewed other major terms of the GSI Agreement (including, but not limited to, “Pre-Completion Undertakings”, “Representations, Warranties and Guarantee by the Vendor”, “Remedies”, etc) and are not aware of any unusual terms. As such, we are of the view that the terms of the GSI Agreement are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned.

4. GW Entertainment Agreement

i. Assets to be acquired

The assets to be acquired comprise of (i) the GW Sale Shares, being a quota with nominal value of MOP500,000 (equivalent to approximately HK$485,400) in the capital of GW Entertainment, representing 50% of the entire issued capital of and equity interest in GW Entertainment and (ii) the GW Sale Loan, being 50% of all shareholders’ loans due by GW Entertainment on completion of the GW Entertainment Agreement. As at 31 December 2008, the unaudited amount of the GW Sale Loan was approximately MOP98.6 million (equivalent to HK$95.7 million).

GW Entertainment is solely engaged in the implementation of the Business Agreement entered into between Galaxy and GW Entertainment, pursuant to which Galaxy shall be responsible for the operation and management of the Casino and GW Entertainment shall be responsible for marketing and administration of business promotion of the Casino which is located in the casino block of the Hotel. GW Entertainment is also responsible to cover any cash deficit in case of a net operating loss, and is entitled to receive the balance of the gross revenue of the Casino after deducting a fee for Galaxy to operate the Casino and payment of all operating costs of the Casino. As mentioned in the "Letter from the Board" in the Circular, the Casino is located in the casino block of the Hotel currently with 48 games tables including 24 games tables located in 6 VIP rooms and 24 games tables in the main gaming floor as well as 93 slot machines. The number of games tables and slot machines is variable based on the mutual agreement between Galaxy and GW Entertainment.

ii. *Basis of the consideration*

The total consideration for the GW Sale Shares and GW Sale Loan is HK$2 and has been arrived at after arm's length negotiation between Wise Gain and Clever Switch with reference to various factors including the unaudited net liabilities of GW Entertainment of approximately MOP78 million (equivalent to approximately HK$75.7 million) as at 31 December 2008 and the unaudited loss before taxation of GW Entertainment of approximately MOP91 million (equivalent to approximately HK$88.3 million) for the year ended 31 December 2008. The net loss of GW Entertainment was mainly resulted from the heavy marketing and advertising expenditures to promote the Casino and the Hotel and heavy administrative and overhead costs incurred in year 2008.

Based on the unaudited pro forma financial information of the Enlarged Group set out in Appendix V to the Circular, the fair value of the GW Sale Shares and the GW Sale Loan was approximately HK$25.3 million (being the differences between the net book values of GW Sale Loan of approximately HK$66.9 million and the allowance for impairment loss for the GW Sale Loan of approximately HK$41.6 million). Since the consideration of the GW Sale Loan is only HK$1, a significant discount of approximately HK$25.3 million would be immediately recognized by the Group upon acquisition of the GW Sale Shares and the GW Sale Loan.

According to the Appendix IV to the Circular, the reporting accountants of GW Entertainment had given a modified opinion on GW Entertainment's accounts for the year ended 31 December 2008 as GW Entertainment incurred a deficit and has net current liabilities of MOP55.4 million (approximately HK$53.8 million) as at 31 December 2008. As stated in the Note 2 under the "Basis of Preparation" in the financial statement of GW Entertainment on page 182 of the Circular, the going concern of GW Entertainment is dependent upon the continual availability of adequate finance or attaining profitable operations in the future. Although GW Entertainment incurred a net loss of approximately MOP90.4 million (approximately HK$87.8 million) for the year ended 31 December 2008, the Directors believed that the operation of GW Entertainment would be sustainable as Clever Switch and Wise Gain intend to advance shareholders' loans to GW Entertainment for its general working capital up to an aggregate amount of HK$200 million.

We have also discussed with the Directors relating to the substantial loss of GW Entertainment and the material uncertainties in respect of the going concern of GW Entertainment, the Directors informed us that the existing management of GW Entertainment have implemented and will continue to introduce large scale costs cutting strategies and the new business program of GW Entertainment. Although the Directors believe that the financial results of GW Entertainment will turnaround in the foreseeable future, **the Independent Shareholders should note that there may not have an immediate positive effect on the financial and business performance of GW Entertainment after the implementation of the business reforms. Thus, Independent Shareholders should be aware of the market and industry risks and the possibility that the value of their existing investments in the Company may be eroded if the future performance of GW Entertainment continues to be unsatisfactory.**

iii. Payment terms and other major terms

The consideration for the GW Sale Shares and the GW Sale Loan shall be satisfied by Clever Switch to Wise Gain in cash upon completion. We understand that it is one of the conditions that the Company shall obtain the requisite approval from the Shareholders to approve the GW Entertainment Agreement and the transactions contemplated thereunder at the EGM. We further noted that Wise Gain agreed to undertake with Clever Switch that, on completion, the realizable tangible asset value of GW Entertainment shall not be less than the liabilities (other than the shareholder's loan due by GW Entertainment to Wise Gain) of GW Entertainment and Wise Gain shall indemnify and keep fully indemnified GW Entertainment and Clever Switch on demand from and against all liabilities (other than the shareholder's loan due by GW Entertainment to Wise Gain) incurred by GW Entertainment prior to completion. We consider that the mechanism of such undertaking can safeguard the interests of the Shareholders in the event that there occurs net liabilities value of GW Entertainment and there occurs any default or on demand from against all liabilities incurred by GW Entertainment prior to completion.

Upon completion of GW Entertainment Agreement, GW Entertainment will be held as to 50% by Wise Gain and 50% by Clever Switch and it is a term of the GW Entertainment Agreement that Wise Gain and Clever Switch will enter the GWE Shareholders Agreement upon completion. Pursuant to the GWE Shareholders Agreement, the board of directors shall consist of a maximum of 6 directors and their appointment is proportional to the shareholding percentage of Wise Gain and Clever Switch. Each of Wise Gain and Clever Switch is entitled to nominate and appoint 3 directors into the board of GW Entertainment. We also reviewed other terms of the GWE Shareholders Agreement and consider that there are no unusual terms and conditions on such agreement.

GW Entertainment shall become a jointly controlled entity of the Group and the results will be equity accounted for in the financial statements of the Group. According to the management of the Company, the parties to the GWE Shareholders Agreement will share the profit or loss of GW Entertainment equally.

Taking into consideration of the significant discount of the consideration and other major terms in the GW Entertainment Agreement, the proposed profit sharing and board composition pursuant to GWE Shareholders Agreement, we consider that the basis of the consideration, including the terms of the GW Entertainment Agreement, are fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole.

5. Loan Agreement

On 12 February 2009, the Company (as lender) and GW Entertainment (as borrower) entered into the Loan Agreement, pursuant to which the Company has agreed to lend to GW Entertainment the sum of HK$100 million repayable on or before 12 May 2009 with interest free. Mr. Cheng, a director of GW Entertainment, is the guarantor for the Loan. Wise Gain is the legal and beneficial owner of the entire shareholding and equity interest of GW Entertainment.

As mentioned in the "Letter from the Board" in the Circular, the loan amount was determined after arm's length negotiations and with reference to the estimated operating capital requirement of GW Entertainment under the Business Agreement. We consider that the provision of non-interest bearing loan is neither on normal commercial terms nor in the ordinary and usual course of business of the Company. However, the Directors are of the view that the Loan is not a standalone loan for interest earning purpose but rather to facilitate the operating cashflow of GW Entertainment before completion of the GW Entertainment Agreement. We consider that the Loan is necessary and important for forming a good platform for the operation of GW Entertainment even before the Group joins the management of GW Entertainment. In the absence of the Loan, the GW Entertainment may encounter insufficient working capital for few months before completion of the GW Entertainment Agreement which may affect its operation in the long run. As such, despite the Loan is non-interest bearing, we consider the provision of the Loan is in the interests of the Company and the Shareholders as a whole.

We have reviewed the financial information of GW Entertainment and enquired with the Directors relating to the non-interest bearing Loan advanced by the Company to GW Entertainment, the personal guarantee granted by Mr. Cheng and the repayment ability of GW Entertainment. The Directors had assessed the probabilities of the default risks of the Loan. Despite that the Loan has been fully drawn down on 12 February 2009, GW Entertainment shall repay the Loan to the Company by 12 May 2009 according to the Loan Agreement. We also noted that Clever Switch and Wise Gain intend to advance shareholders' loans to GW Entertainment for its general working capital up to an aggregate amount of HK$200 million. If the GW Entertainment Agreement (including the provision of shareholder's loans to GW Entertainment by Clever Switch) is approved by the Independent Shareholders, with the capital contribution by Clever Switch and Wise Gain after the completion of GW Entertainment Agreement, we are of the view that GW Entertainment should have sufficient working capital to repay the Loan and the financial risks can be shared among the business partners of GW Entertainment.

Even if the GW Entertainment Agreement is not approved by the Independent Shareholders, pursuant to the terms of the Loan Agreement, the Company will have the right to claim against GW Entertainment and Mr. Cheng (being the guarantor of the Loan Agreement) when there occurs any default or delinquency in the Loan. Mr. Cheng shall also fully indemnify the Company against all or any loss and damages the Company may sustain or incur as a result of GW Entertainment failing to comply with or to perform all the terms and conditions of the Loan Agreement. In this connection, we are of the view that the recoverability of the Loan is reasonably protected.

6. Financial impact of the Acquisition Agreements

i. Earnings

GSI Agreement

Upon completion of the GSI Agreement, GSI and More Profit will become indirect wholly-owned subsidiaries of the Group. Accordingly, the entire results and assets and liabilities of GSI and More Profit (same as before the Acquisitions) will be consolidated into the financial statements of the Company. Accordingly, annual interest expenses for the shareholders' loan of approximately HK$3.1 million (arrived by the unsecured loan due from More Profit of HK$62 million times 5% per annum, being average annual interest rate charged by GSI to More Profit) which used to be payable to the minority interest of More Profit will be saved.

The completion of GSI Agreement will increase the Group's effective interest in Great China from 45% to 50% and the profit or loss of Great China will be 50% accounted for in the Group's result. We would like to draw your attention that the Group's results had been significantly affected by the sharing of 50% result of Great China over the previous years since the investment in Great China in year 2007. Great China recorded from the net profit of approximately HK$390.2 million to the net loss of HK$227.4 million in the past years which mainly arose from the changes in revaluation of the Property.

Through the acquisition of GSI, the effective interest in Great China will increase 5% and will also increase the Group's future sharing of the result of Great China. The Directors expect that there will be similar financial impact in the financials of the Group in a short run. In view of the potential benefits of the Acquisitions, the increase in the interest in the Property may bring an advantageous effect to the Group in a long term.

GW Entertainment Agreement

As stated in the sub-section headed "Basis of the consideration" under the section "GW Entertainment Agreement", a discount of approximately HK$25.3 million (subject to changes according to the variation of the fair values of the net asset value of GW Entertainment and GW Sale Loan at completion date) will be recognized in the Group's income statement upon completion of the GW Entertainment Agreement.

After completion, GW Entertainment will become a 50% jointly controlled entity of the Group and 50% of its post-acquisition results will be incorporated in the consolidated financial statements of the Group using the equity method of accounting. According to the audited income statement of GW Entertainment for the year ended 31 December 2008, GW Entertainment recorded net loss of approximately MOP90.4 million (approximately HK$87.8 million). Shareholders should note that if GW Entertainment still incurs a net loss after the completion, the Group's result would be negatively affected by sharing 50% loss from GW Entertainment.

In light of the historical loss incurred by GW Entertainment, we have discussed with Directors and the key management of GW Entertainment and reviewed the recent business plans of GW Entertainment. After the proposed acquisition of GW Entertainment in February 2009, the existing management of GW Entertainment, together with the Group, has carried out a thorough review of the operation of GW Entertainment. GW Entertainment has and will implement a series of reforms, including but not limited to, new marketing program to boost visitors to the Hotel, costs reduction plans to decrease operating and overhead costs and implement restructuring programs to improve the gross profit of GW Entertainment. As discussed with the Directors, there are improvements in various aspects in the business operations of GW Entertainment in the recent months, such as the reduction in operating costs and rationalization of the business structure of GW Entertainment and the Directors are optimistic of the progress of reforms to stimulate visitors to the Hotel.

The Directors are confident that the acquisition of GW Entertainment may contribute to the Group's earnings in the long run due to the fact that (i) no further capital expenses in the near future is required; (ii) the new management of GW Entertainment who has years of experience in the management and investment in Macau would bring in new business strategies and (iii) the future recovery of Macau's economy could benefit the business operation of GW Entertainment.

Although it is difficult to predict the effects and quantify the impact from the reform plans implemented or to be implemented by GW Entertainment, we consider that the acquisition of GW Entertainment will be beneficial to the Group's earning in a long term based on the facts that (i) the consideration is only HK$2, with a discount from the acquisition of GW Sale Loan of approximately HK$25.3 million; (ii) the recent improvement of operation resulting from the reform plans; (iii) the experience and inputs from the new management team and (iv) the optimistic prospect of Macau economy as mentioned in the section headed "2. Background of and reasons for the Acquisitions".

Loan Agreement

The Loan Agreement has no direct impact on the Group's earning as the Loan carries no interest. The Loan was financed by internal resources of the Group and the non-interest bearing nature will forfeit the Group's bank deposit interest income. Based on the fixed deposit rate of 0.25% per annum as announced by the HSBC on the Latest Practicable Date, the 3 months fixed deposit interest income is estimated to be approximately HK$62,500 for the three months up to 12 May 2009. We concur with the Directors' view that the amount involved is insignificant and consider that the Loan has no material impact on the Group's earning.

ii. Gearing

According to the Interim Report, the Group had total liabilities of approximately HK$356.6 million and the gearing ratio of the Group (expressed as a percentage of the Company's total liabilities over total assets) was approximately was 0.108 times as at 30 September 2008. According to the unaudited pro forma consolidated balance sheet of the Enlarged Group, assuming the completion of the GSI Agreement took place on 30 September 2008, the total assets and total liabilities of the Group would be decreased to approximately HK$3,207 million and HK$287 million respectively. Based on the above, the gearing ratio of the Group would be decreased from 0.108 times to 0.089 times. The reduction of the total liabilities of the Group was mainly attributed by the elimination of an amount due to a minority shareholder of approximately HK$62 million and the accrued charges of approximately HK$7.64 million, which amounted to approximately HK$69.64 million in total.

In view of the fact the Loan and consideration for the GW Entertainment Agreement being only HK$2 was/will be financed by internal resources of the Group, there will be no impact on the gearing of the Group after the Acquisitions.

iii. Working Capital

As disclosed in the Interim Report, the Group had unaudited bank balances of approximately HK$442.9 million as at 30 September 2008. Assuming the Acquisitions and the Loan Agreement are completed on 30 September 2008, the bank balances of the Enlarged Group will be approximately HK$242.9 million, representing a decrease of approximately 45.2%, due to the cash consideration for the GSI Agreement of HK$100 million and cash advance to GW Entertainment of HK$100 million under the Loan Agreement.

As stated in the "Letter from the Board" in the Circular, the deposit for the acquisition of GSI Sale Shares and GSI Sale Loan of HK$50 million has been settled by internal resources of the Group and the remaining balance of the consideration will be financed by internal resources of the Group upon completion. We also note from the Circular that the Enlarged Group will have sufficient working capital for its present requirements for at least the next twelve months from the date of the Circular in the absence of any unforeseeable circumstances. On this basis, we consider that the Acquisitions would not lead to any material change in the working capital of the Group.

iv. Net Asset Value

Based on the unaudited pro forma balance sheet of the Enlarged Group set out in Appendix V to the Circular, the unaudited pro forma net assets value of the Enlarged Group would be increased by approximately 0.86% to approximately HK$2,920 million.

It should be noted that the aforementioned analysis is for illustrative purpose only and does not purport to represent how the financial position of the Group will be upon the completion of the GSI Agreement, GW Entertainment Agreement and the Loan Agreement.

RECOMMENDATION

Having considered the above principal factors and reasons, we are of the view that the terms of the GSI Agreement and the GW Entertainment Agreement and the transactions contemplated thereunder (including the provision of shareholder's loans of up to HK$100 million to GW Entertainment by Clever Switch) are on normal commercial terms, fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole; whilst the terms of the Loan Agreement are not on commercial terms, however, in light of the potential acquisition of interest in GW Entertainment under the GW Entertainment Agreement and the reasons and factors taken into consideration in forming our opinion as mentioned above, we consider that the Loan Agreement is fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole. Accordingly, we recommend the Independent Shareholders, as well as the Independent Board Committee to advise the Independent Shareholders, to vote in favour of the ordinary resolution(s) to be proposed at the EGM to approve the GSI Agreement, the GW Entertainment Agreement and the Loan Agreement and the transactions respectively contemplated thereunder.

Yours faithfully,
For and on behalf of
Bridge Partners Capital Limited
Monica Lin
Managing Director

1. SUMMARY OF FINANCIAL INFORMATION FOR THE THREE YEARS ENDED 31 MARCH 2008

Set out below is a summary of the audited consolidated results of the Group for the three years ended 31 March 2008 and the audited net assets values of the Group as at 31 March 2006, 31 March 2007, 31 March 2008.

RESULTS

	For the year ended 31 March		
	2008	**2007**	**2006**
	HK$'000	*HK$'000*	*HK$'000*
Turnover	644,659	213,763	151,168
Profit before taxation	538,864	203,586	72,535
Taxation	(61,753)	(23,352)	(12,453)
Net profit for the year	477,111	180,234	60,082
Attributable to:			
Equity holders of the Company	448,297	180,234	60,082
Minority interest	28,814	–	–
	477,111	180,234	60,082

ASSETS AND LIABILITIES

	31 March 2008	**31 March 2007**	**31 March 2006**
	HK$'000	*HK$'000*	*HK$'000*
Total assets	3,888,677	2,228,034	1,281,121
Total liabilities	(874,759)	(771,629)	(357,815)
Shareholders' funds	3,013,918	1,456,405	923,306
Attributable to:			
Equity holders of the Company	2,974,429	1,456,405	923,306
Minority interest	39,489	–	–
	3,013,918	1,456,405	923,306

2. AUDITED FINANCIAL INFORMATION

Set out below is a summary of the audited consolidated income statement of the Group for each of the two years ended 31 March 2007 and 2008 and the consolidated balance sheets as at 31 March 2007 and 2008 of the Group together with the relevant notes to the accounts as extracted from the audited financial statements of the Group for the year ended 31 March 2008.

Consolidated Income Statement
For the year ended 31 March, 2008

	Notes	2008 HK$'000	2007 HK$'000
Turnover	7	644,659	213,763
Other operating income	9	23,406	5,247
Depreciation		(4,354)	(2,948)
Release from prepaid lease payments		(2,450)	(2,450)
Impairment on intangible assets	20	–	(71)
Development costs of sold property		(122,079)	–
Commission expense		(81,925)	(37,121)
Finance costs	10	(30,247)	(10,208)
Staff costs	11	(20,004)	(15,071)
Other operating expenses		(46,424)	(22,460)
Convertible note redemption gain	36	5,585	–
Fair value gain (loss) of derivatives		609	(40,718)
Share of result of an associate	22	(9)	440
Share of results of jointly controlled entities	23	172,097	115,183
Profit before taxation	12	538,864	203,586
Taxation charge	14	(61,753)	(23,352)
Profit for the year		477,111	180,234
Attributable to:			
Equity holders of the Company		448,297	180,234
Minority interests		28,814	–
		477,111	180,234
Earnings per share	16		
– Basic		HK17.39 cents	HK15.87 cents
– Dilutive		HK16.41 cents	HK15.57 cents

Consolidated Balance Sheet
At 31 March, 2008

	Notes	2008 HK$'000	2007 HK$'000
Non-current assets			
Prepaid lease payments	17	93,781	96,231
Property and equipment	18	35,852	32,033
Investment properties	19	49,550	15,600
Intangible assets	20	8,004	8,004
Goodwill	21	15,441	15,441
Interest in an associate	22	–	9
Interest in jointly controlled entities	23	858,542	115,222
Other assets	25	4,386	5,436
Amount due from a jointly controlled entity	26	209,368	310,739
Loans and advances	27	28,418	85,784
		1,303,342	684,499
Current assets			
Accounts receivable	28	1,919,323	1,113,916
Loans and advances	27	125,922	57,041
Prepaid lease payments	17	2,450	2,450
Properties under development for sale	29	40,537	136,509
Prepayment, deposits and other receivables		2,594	6,503
Taxation recoverable		28	251
Bank balances – client accounts	30	307,845	127,995
Bank balances – general accounts and cash	31	186,636	98,870
		2,585,335	1,543,535
Current liabilities			
Accounts payable	32	485,299	258,069
Accrued charges and other accounts payable		14,955	12,666
Amounts due to minority shareholders	33	83,466	32,242
Derivatives	34	13,653	39,163
Taxation payable		46,070	11,722
Borrowings	35	133,000	412,300
		776,443	766,162
Net current assets		1,808,892	777,373
Total assets less current liabilities		3,112,234	1,461,872

	Notes	2008 HK$'000	2007 HK$'000
Non-current liabilities			
Convertible notes	36	93,120	–
Deferred tax liabilities	37	5,196	5,467
		98,316	5,467
		3,013,918	1,456,405
Capital and reserves			
Share capital	38	316,888	153,537
Reserves	38	2,657,541	1,302,868
Equity attributable to equity holders of the Company		2,974,429	1,456,405
Minority interests		39,489	–
Total equity		3,013,918	1,456,405

Consolidated Statement of Changes in Equity

For the year ended 31 March, 2008

		Attributable to equity holders of the Company								
	Notes	**Share capital** *HK$'000*	**Share premium** *HK$'000*	**Special reserve** *HK$'000* *(Note)*	**Convertible note equity reserve** *HK$'000*	**Share option reserve** *HK$'000*	**Retained profits** *HK$'000*	**Total** *HK$'000*	**Minority interests** *HK$'000*	**Total** *HK$'000*
Balances at 1 April, 2006		97,771	564,656	123,337	–	425	137,117	923,306	–	923,306
Profit and total recognised income for the year		–	–	–	–	–	180,234	180,234	–	180,234
Dividends paid	15	–	–	–	–	–	(41,044)	(41,044)	–	(41,044)
Recognition of equity component of convertible note		–	–	–	8,460	–	–	8,460	–	8,460
Issue of shares by top-up placement		21,913	142,435	–	–	–	–	164,348	–	164,348
Issue of shares by exercise of share options		4,441	29,169	–	–	(425)	–	33,185	–	33,185
Issue of shares by conversion of convertible notes	36(i)	29,412	166,964	–	(8,460)	–	–	187,916	–	187,916
Balances at 31 March, 2007		153,537	903,224	123,337	–	–	276,307	1,456,405	–	1,456,405
Profit and total recognised income for the year		–	–	–	–	–	448,297	448,297	28,814	477,111
Dividends paid	15	–	–	–	–	–	(109,019)	(109,019)	–	(109,019)
Dividend paid to minority interests		–	–	–	–	–	–	–	(13,620)	(13,620)
Recognition of employee share option benefits		–	–	–	–	3,899	–	3,899	–	3,899
Recognition of equity component of convertible note		–	–	–	17,956	–	–	17,956	–	17,956
Release from redemption of convertible note	36(i)	–	–	–	(10,227)	–	(4,014)	(14,241)	–	(14,241)
Issue of shares by top-up placement	38	125,868	742,073	–	–	–	–	867,941	–	867,941
Issue of shares by exercise of share options		24,857	174,064	–	–	(3,899)	–	195,022	–	195,022
Issue of new shares for acquisition of subsidiary	39	12,626	95,543	–	–	–	–	108,169	–	108,169
Arising from acquisition of subsidiary	39	–	–	–	–	–	–	–	24,295	24,295
Balances at 31 March, 2008		316,888	1,914,904	123,337	7,729	–	611,571	2,974,429	39,489	3,013,918

Note:

The special reserve of the Group arose as a result of the group reorganisation ("Reorganisation") completed on 16 May, 2002, which principally involved the exchange of shares of the Company with all the issued share capital of Get Nice Incorporated. The details are set out in the prospectus dated 24 May, 2002 issued by the Company.

The special reserve represents the difference between the nominal value of the shares of the subsidiaries together with the net book value of a subordinated loan capitalised at the date on which they were acquired by the Company and the nominal amount of the Company's shares issued for the acquisition at the time of the Reorganisation prior to the listing of the Company's shares, as well as the difference between the consolidated shareholders' funds of the acquired subsidiaries and the nominal value of the Get Nice Incorporated's shares issued for the acquisition at the time of the Reorganisation prior to the listing of the Company's shares.

Consolidated Cash Flow Statement
For the year ended 31 March, 2008

	Notes	2008 HK$'000	2007 HK$'000
Operating activitie			
Profit before taxation		538,864	203,586
Adjustments for:			
Allowance for impairment loss on loans to securities margin clients		10,704	1,781
Share of result of an associate		9	(440)
Share of results of jointly controlled entities		(172,097)	(115,183)
Depreciation		4,354	2,948
Release from prepaid lease payments		2,450	2,450
(Surplus) deficit on revaluation of property and equipment		(584)	22
(Reversal of) allowance for impairment loss in respect of loans and advances		(20)	48
Bad debt on loans and advances written off directly (net)		55	115
Impairment loss on intangible assets		–	71
Share-based payment expenses		3,899	–
Fair value change on investment property		(5,027)	(600)
Loss on disposal of investment property		1,600	–
Interest expenses		30,047	9,409
Interest income		(209,752)	(97,985)
Convertible note redemption gain	36	(5,585)	–
Fair value (gain) loss of derivatives		(609)	40,718
Gain on disposal of property and equipment		(1)	(4)
Operating cash flows before movements in working capital		198,307	46,936
Increase in accounts receivable		(816,111)	(678,414)
Increase in loans and advances		(11,550)	(75,267)
Decrease (increase) in properties under development for sale		95,972	(115,592)
Decrease in prepayments, deposits and other receivables		13,883	1,657
(Increase) decrease in bank balances – client accounts		(179,850)	114,924
Increase (decrease) in accounts payable		227,230	(69,265)
Increase (decrease) in accrued charges and other accounts payable		2,289	(5,881)

	Notes	2008 HK$'000	2007 HK$'000
Net cash used in operations		(469,830)	(780,902)
Interest income received		191,344	94,092
Hong Kong Profits Tax paid		(27,453)	(16,657)
Net cash used in operating activities		(305,939)	(703,467)
Investing activities			
Acquisition of a subsidiary	39	(149,852)	–
Proceeds on disposal of property and equipment		1	4
Proceeds on disposal of investment property		14,000	–
Dividend received from an associate		–	431
Repayment from an associate		–	4,631
Investment in a jointly controlled entity		–	(39)
Purchase of club membership		–	(250)
Decrease (increase) in other assets		1,050	(368)
Purchase of property and equipment		(7,589)	(3,430)
Purchase of investment property		(44,523)	–
Advance to a jointly controlled entity		(13,949)	(306,846)
Net cash used in investing activities		(200,862)	(305,867)
Financing activities			
Proceeds on issue of option derivatives		–	2,000
Proceeds from issue of shares on exercise of share options		170,121	29,630
(Decrease) increase in amounts due to minority shareholders		(13,929)	32,242
Proceeds on issue of shares by top-up placement		867,941	164,348
Proceeds on issue of convertible notes		250,000	196,376
Bank loans raised		95,000	1,408,770
Interest paid		(27,627)	(9,409)
Dividends paid		(109,019)	(41,044)
Dividends paid to minority shareholder		(13,620)	–
Repayment of bank loans		(224,300)	(996,470)
Repayment of other loans		(150,000)	–
Redemption of convertible notes		(250,000)	–
Net cash from financing activities		594,567	786,443
Net increase (decrease) in cash and cash equivalents		87,766	(222,891)
Cash and cash equivalents at beginning of the year		98,870	321,761
Cash and cash equivalents at end of the year		186,636	98,870
Being:			
Bank balances – general accountsand cash		186,636	98,870

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2008

1. GENERAL

The Company is an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and its shares are listed on the Stock Exchange of Hong Kong Limited.

The address of the registered office of the Company is disclosed in the corporate information of the annual report.

The consolidated financial statements are presented in Hong Kong dollars, which is also the functional currency of the Company.

The Company is an investment holding company. The principal activities of its principal subsidiaries are set out in note 44.

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied, for the first time, a number of new standard, amendments and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") that are effective for the Group's financial year beginning 1 April, 2007.

HKAS 1 (Amendment)	Capital disclosures
HKFRS 7	Financial instruments: Disclosures
HK(IFRIC) – INT 8	Scope of HKFRS 2
HK(IFRIC) – INT 9	Reassessment of embedded derivatives
HK(IFRIC) – INT 10	Interim financial reporting and impairment
HK(IFRIC) – INT 11	HKFRS 2: Group and treasury share transactions

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

The Group has applied the disclosure requirements under HKAS 1 (Amendment) and HKFRS 7 retrospectively. Certain information presented in prior years under the requirements of HKAS 32 has been removed and the relevant comparative information based on the requirements of HKAS 1 (Amendment) and HKFRS 7 has been presented for the first time in the current year.

The Group has not early applied the following new and revised standards, amendments and interpretations that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of financial statements [1]
HKAS 23 (Revised)	Borrowing costs [1]
HKAS 27 (Revised)	Consolidated and separate financial statements [4]
HKAS 32 & 1 (Amendments)	Puttable financial instruments and obligations arising on liquidation [1]
HKFRS 2 (Amendment)	Vesting conditions and cancellations [1]
HKFRS 3 (Revised)	Business combinations [4]
HKFRS 8	Operating segments [1]
HK(IFRIC) – INT 12	Service concession arrangements [2]
HK(IFRIC) – INT 13	Customer loyalty programmes [3]
HK(IFRIC) – INT 14	HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction [2]

1 Effective for annual periods beginning on or after 1 January, 2009.
2 Effective for annual periods beginning on or after 1 January, 2008.
3 Effective for annual periods beginning on or after 1 July, 2008.
4 Effective for annual periods beginning on or after 1 July, 2009.

The directors of the Company anticipate that the application of these standards, amendments or interpretations will have no material impact on the results and the financial position of the Group except for the adoption of HKFRS 3 (Revised) Business Combinations and HKAS 27 (Revised) Consolidated and Separate Financial Statements. 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 on changes in parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments and properties which are measured at fair values, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange of Hong Kong Limited and by the Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Business combinations

The acquisition of business 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.

Goodwill arising on acquisition is recognised as an asset and is 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.

Goodwill

Goodwill arising on acquisitions prior to 1 January, 2005

Goodwill arising on an acquisition of net assets and operations of another entity for which the agreement date is before 1 January, 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the relevant subsidiary at the date of acquisition.

For previously capitalised goodwill arising on acquisition of net assets and operations of another entity, the Group has discontinued amortisation from 1 April, 2005 onwards, and such goodwill is tested for impairment annually, and whenever there is an indication that the cash generating unit to which the goodwill relates may be impaired (see the accounting policy below).

Goodwill arising on acquisitions on or after 1 January, 2005

Goodwill arising on an acquisition of a business for which the agreement date is on or after 1 January, 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the relevant business at the date of acquisition. Such goodwill is carried at cost less any accumulated impairment losses.

Capitalised goodwill arising on an acquisition of a business is presented separately in the consolidated balance sheet.

For the purposes of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the income statement. An impairment loss for goodwill is not reversed in subsequent periods.

On subsequent disposal of the relevant cash-generating unit, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

Investments in associates

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

Jointly controlled entities

Joint venture arrangements that involve the establishment of a separate entity in which venturers have joint control over the economic activity of the entity are referred to as jointly controlled entities.

The results and assets and liabilities of jointly controlled entities are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in jointly controlled entities are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the profit or loss and of changes in equity of the jointly controlled entities, less any identified impairment loss. When the Group's share of losses of a jointly controlled entity equals or exceeds its interest in that jointly controlled entity, the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that jointly controlled entity.

When a group entity transacts with a jointly controlled entity of the Group, profits or losses are eliminated to the extent of the Group's interest in the jointly controlled entity.

Revenue recognition

Revenue arising from financial services is recognised on the following basis:

- Commission income for broking business is recorded as income on a trade date basis.

- Underwriting commission income, sub-underwriting commission income, placing commission and sub-placing commission are recognised as income in accordance with the terms of the underlying agreement or deal mandate when the relevant significant act has been completed.

- Advisory, clearing and handling fees income are recognised when the relevant transactions have been arranged or the relevant services have been rendered.

- Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Revenue from sale of properties under development in the ordinary course of business is recognised when all of the following criteria are met:

- the significant risks and rewards of ownership of the properties are transferred to buyers;
- neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the properties are retained;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

The above criteria are met when the legal title of the properties has been transferred and the collectability of related receivables is reasonably assumed.

Property and equipment

Property and equipment are stated at cost or fair value less subsequent accumulated depreciation and accumulated impairment losses.

Buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated balance sheet at their fair value at the date of revaluation less any subsequent accumulated depreciation and amortisation and any subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the balance sheet date.

Any revaluation increase arising on revaluation of buildings is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised as an expense, in which case the increase is credited to the consolidated income statement to the extent of the decrease previously charged. A decrease in net carrying amount arising on revaluation of an asset is dealt with as an expense to the extent that it exceeds the balance, if any, on the revaluation reserve relating to a previous revaluation of that asset. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus is transferred to retained profits.

Depreciation is provided to write off the cost or fair value of items of property and equipment over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising from derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated income statement in the year in which the item is derecognised.

Prepaid lease payments

Prepaid lease payments are stated at cost and released to consolidated income statement over the period of the lease on a straight-line basis.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or when no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated income statement in the year in which the item is derecognised.

Properties under development for sale

Properties under development for sale are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated cost necessary to make the sale.

The cost of properties under development for sale includes land cost, construction cost and other direct development expenditure.

Retirement benefit costs

Payments to the Group's defined contribution retirement benefit scheme are charged as an expense when employees have rendered service entitling them to the contributions.

Borrowing costs

All borrowing costs are recognised as and included in finance costs in the consolidated income statement in the period in which they are incurred.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The measurement of deferred tax liabilities and deferred tax assets reflects the tax consequences that would follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amount of its assets and liabilities. When the recovery (settlement) of the carrying amount of an asset (liability) affects the tax base of the asset (liability), the Group measures deferred tax liabilities and deferred tax assets using the tax base that is consistent with the expected manner of recovery or settlement.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Intangible assets

On initial recognition, intangible assets acquired are recognised at cost. Intangible assets of the Group which have indefinite useful lives are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses below).

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated income statement when the asset is derecognised.

Intangible assets with indefinite useful lives are tested for impairment annually by comparing their carrying amounts with their recoverable amounts, irrespective of whether there is any indication that they may be impaired. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

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 as 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 accounts receivable, loans and advances, deposits, amount due from a jointly-controlled entity and bank balances are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment of financial assets below).

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 on 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.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, 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.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty;

- 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 loans and advances and accounts receivable arising from the business of dealing in securities with margin clients, 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 Group's past experience of collecting payments and observable changes in national or local economic conditions that correlate with default on receivables.

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. 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 losses 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.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of accounts receivable and loans and advances 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 the accounts receivable and loans and advances are considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or 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 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 financial liabilities

Other financial liabilities including accounts payables, other accounts payable, borrowings and amounts due to minority shareholders are subsequently measured at amortised cost, using the effective interest rate method.

Equity instruments

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

Convertible notes

Convertible notes with liability and equity components and early redemption options

Convertible notes issued by the Group contain liability, conversion option and early redemption options. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is classified as an equity instrument. The early redemption options which are closely related to the host liability component are not separated and are accounted for together with the host liability component. At the date of issue, the liability component is measured at fair value. The difference between the gross proceeds of the issue of the convertible notes and the fair values assigned to the liability component, representing the conversion option for the holder to convert the notes into equity, is included in equity (convertible note equity reserve).

In subsequent periods, the liability component of the convertible notes is carried at amortised cost using the effective interest method. The equity component, representing the option to convert the liability component into ordinary shares of the Company, will remain in convertible note equity reserve until the embedded conversion option is exercised (in which case the balance stated in convertible note equity reserve will be transferred to share premium). Where the conversion option remains unexercised at the expiry date, the balance stated in convertible note equity reserve will be released to the retained profits. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible notes using the effective interest method.

Embedded derivatives

Derivatives embedded in non-derivative host contracts are separated from the relevant host contracts and deemed as held-for-trading when the economic characteristics and risks of the embedded derivatives are not closely related to those of the host contracts, and the combined contracts are not measured at fair value through profit or loss. In all other circumstances, derivatives embedded are not separated and are accounted for together with the host contracts in accordance with appropriate standards.

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.

Except for share options under share-based payment transactions to which HKFRS 2 "Share-based Payment" applies, share options written by the Company which may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instrument is a derivative and is accounted for as such.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised directly in equity is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Equity-settled share-based payment transactions (Share options granted to employees)

The fair value of services received determined by reference to the fair value of share options granted at the grant date is recognised as an expense in full at the grant date when share options granted vest immediately, with a corresponding increase in equity (share option reserve).

At the time when the share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited subsequent to vesting or are not exercised at the expiry date, the amount previously recognised in share option reserve will continue to be held in other reserve.

Impairment losses of non-financial assets (other than goodwill and intangible assets with indefinite useful lives)

At each balance sheet date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately unless the relevant asset is carried at a revalued amount under another standard, in which case the impairment loss is treated as a revaluation decrease under that standard.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount under another standard, in which case the reversal of the impairment loss is treated as a revaluation increase under that standard.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in the consolidated income statement on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

The Group as lessee

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

Leasehold land and building

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification. Leasehold land, the title of which is not expected to pass to the lessee by the end of the lease term, is classified as an operating lease unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire lease is classified as a finance lease.

Foreign currencies

At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the exchange differences are also recognised directly in equity.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of these consolidated financial statements require the management to make significant estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses as well as the related disclosures. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

Impairment losses on loans and advances and accounts receivable

The Group periodically reviews its loans and advances and accounts receivable to assess whether impairment losses exist. In determining whether impairment losses should be recorded in the consolidated income statement, the Group has individually evaluated its loans and advances and accounts receivable for impairment after taking into account the value of the underlying collateral of each borrower, and the latest financial position of those borrowers in default of settlement to determine the net present value of expected future cash inflow. If the financial conditions of the clients of the Group were to deteriorate, resulting in an impairment of their ability to make repayments, additional impairment losses may be required.

5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, which includes the borrowings and convertible notes as disclosed in notes 35 and 36 respectively, and equity attributable to equity holders of the Company, comprising issued share capital as disclosed in note 38, reserves and retained earnings as disclosed in consolidated statement of changes in equity. The management reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt. The Group's overall strategy remains unchanged throughout the year.

Certain group entities are regulated by the Securities and Futures Commission ("SFC") and are required to comply with certain minimum capital requirements according to the Securities and Futures Ordinance. Management closely monitors, on a daily basis, the liquid capital level of these entities to ensure compliance with the minimum liquid capital requirements under the Securities and Futures (Financial Resources) Rules.

6. FINANCIAL INSTRUMENTS

Categories of financial instruments

	2008	**2007**
	HK$'000	*HK$'000*
Financial assets		
Loans and receivables (including cash and cash equivalents)	2,778,182	1,794,927
Financial liabilities		
Amortised cost	800,095	704,404
Derivatives	13,653	39,163

Financial risk management objectives and policies

The Group's major financial instruments include amount due from a jointly controlled entity, accounts receivable, loans and advances, bank balances, accounts payable, derivatives, amounts due to minority shareholders, borrowings and convertible notes. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate loans and advances, accounts receivable, amount due from a jointly controlled entity, bank balances and borrowings. The Group currently does not have a cash flow interest rate hedging policy. However, the Group is closely monitoring its exposure arising from margin financing and other lending activities undertaken by allowing an appropriate margin on the interest received and paid by the Group.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Hong Kong Prime Rate and HIBOR arising from the Group's variable interest rate instruments.

For the year ended 31 March, 2008, if the interest rate of borrowings, loans and advances, amount due from a jointly controlled entity and loans to margin clients had been 50 basis point higher/lower, the Group's profit would increase/decrease by HK$10,501,000 (2007: HK$5,343,000). This is mainly attributable to the bank interest expenses under finance costs or interest income under revenue.

Other price risk

The Group is exposed to equity price risk as a result of changes in fair value of the option derivative set out in note 34. The fair value adjustment will be affected either positively or negatively, amongst others, by the changes in market interest rate, the Company's share market price and share price volatility.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to the Company's share price risk at the reporting date only as the directors of the Company consider that the change in other factors, for instance, market interest may not have significant financial impact on the fair value of option derivative.

If the Company's share price had been 10% higher/lower and all other variables were held constant, the Group's profit for the year (as a result of changes in fair value of the option derivative) would decrease by HK$5,559,000/ increase by HK$4,547,000 (2007: decrease by HK$16,284,000/increase by HK$12,537,000). The option price risk has decreased as at 31 March, 2008 as compared to 31 March, 2007 because the outstanding option derivative has decreased as at 31 March, 2008.

In management's opinion, the sensitivity analyses are unrepresentative of the inherent market risk as the pricing model used in the fair value valuation of the option derivative involve multiple variables and certain variables are interdependent.

Currency risk

As most of the transactions and financial assets and liabilities of the group entities are denominated in the functional currency of the respective entities, the Group is not exposed to significant currency risk. Accordingly, no sensitivity analysis has been presented on the currency risk.

Credit risk

As at 31 March, 2008, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failures to discharge an obligation by the counterparties. The carrying amount of the respective recognised financial assets as stated in the consolidated balance sheet.

The Group takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Impairment allowances are made for losses that have been incurred at the balance sheet date. Significant changes in the economy, or in the health of a particular industry segment, could result in losses that are different from those provided for at the balance sheet date. Management therefore carefully manages its exposure to credit risk.

The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and to geographical and industry segments. Such risks are monitored on a revolving basis and subject to a quarterly or more frequent review.

Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and principal repayment obligations and by changing these lending limits where appropriate. Exposure to credit risk is also managed in part by obtaining collateral and corporate and personal guarantees.

The credit risk on bank balances is limited as the counterparties are banks with high credit rating assigned by international credit-rating agencies.

Apart from the exposure to concentration of credit risk from amount due from a jointly controlled entity which amounted to HK$209,368,000 (2007: HK$310,739,000) as at balance sheet date, the Group has no other significant concentration of credit risk on accounts receivable and loans and advances, with exposure spread over a number of counterparties and customers.

Liquidity risk

As part of its ordinary broking activities, the Group is exposed to liquidity risk arising from timing difference between settlement with clearing house or brokers and customers. To address the risk, the treasury team works closely with the settlement division on monitoring the liquidity gap. In addition, for contingency purposes, clean loan facilities are put in place.

Liquidity and interest risk tables

The following tables detail the Group's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. The difference between the "Total undiscounted cash flows" column and the "Carrying amount at balance sheet date" column represents the possible future cash flows attributable to the instrument included in the maturity analysis which are not included in the carrying amount of the financial liability on the consolidated balance sheet.

	Weighted average effective interest rate	Repayable on demand	Less than 1 month	Between 1 to 3 months	3 months to 1 year	Between 2 – 5 years	Total undiscounted cash flows	Carrying amount at balance sheet date
	%	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 31 March, 2008								
Non-derivative financial liabilities								
Accounts payable	0% – 0.25%	307,845	177,472	–	–	–	485,317	485,299
Other accounts payable	–	–	5,210	–	–	–	5,210	5,210
Amounts due to minority shareholders	0% – 5.5%	83,466	–	–	–	–	83,466	83,466
Borrowings	*Note 1*	–	5,020	33,322	97,316	–	135,658	133,000
Convertible bonds	7.24%	–	–	–	–	113,346	113,346	93,120
		391,311	187,702	33,322	97,316	113,346	822,997	800,095

	Weighted average effective interest rate	Repayable on demand	Less than 1 month	Between 1 to 3 months	3 months to 1 year	Between 2 – 5 years	Total undiscounted cash flows	Carrying amount at balance sheet date
	%	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 31 March, 2007								
Non-derivative financial liabilities								
Accounts payable	0 – 2.5%	128,275	130,037	–	–	–	258,312	258,069
Other accounts payable	–	–	1,793	–	–	–	1,793	1,793
Amounts due to minority shareholders	–	32,242	–	–	–	–	32,242	32,242
Borrowings	*Note 2*	–	155,949	190,820	71,899	–	418,668	412,300
		160,517	287,779	190,820	71,899	–	711,015	704,404

Notes:

1. For those fixed rate instruments, the interest rate ranged from 4.7% to 5.3%; and for those variable rate instruments, the interest rate ranged from HIBOR + 0.8% to HIBOR + 1%.

2. For those fixed rate instruments, the interest rate ranged from 6.7% to 8%, and for those variable rate instruments, the interest rate charged from HIBOR + 1% to HIBOR + 1.2% or at Hong Kong prime rate.

The following table details the Group's expected maturity for its financial assets. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Group anticipates that the cash flow will occur in a different period. The difference between the "Total undiscounted cash flows" column and the "Carrying amount at balance sheet date" column represents the possible future cash flows attributable to the instrument included in the maturity analysis which are not included in the carrying amount of the financial asset on the consolidated balance sheet.

	Weighted average effective interest rate	Repayable on demand	Less than 1 month	Between 1 to 3 months	3 months to 1 year	Between 1 to 2 years	Between 2 – 5 years	Undated	Total undiscounted cash flows	Carrying amount at balance sheet date
	%	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 31 March, 2008										
Non-derivative financial assets										
Accounts receivable	Hong Kong Prime Rate + 4%	1,817,543	100,764	1,542	–	–	–	–	1,919,849	1,919,323
Bank balance – client accounts	0.84%	–	308,039	–	–	–	–	–	308,039	307,845
Bank balance – general accounts and cash	0.84%	–	174,123	12,626	–	–	–	–	186,749	186,636
Loans and advances	*Note 1*	–	31,884	58,243	24,726	41,600	9,386	–	165,839	154,340
Amount due from a jointly controlled entity	Hong Kong Prime Rate	–	–	–	–	–	–	209,368	209,368	209,368
Deposits	–	–	670	–	–	–	–	–	670	670
		1,817,543	615,480	72,411	24,726	41,600	9,386	209,368	2,790,514	2,778,182

	Weighted average effective interest rate	Repayable on demand	Less than 1 month	Between 1 to 3 months	3 months to 1 year	Between 1 to 2 years	Between 2 – 5 years	Undated	Total undiscounted cash flows	Carrying amount at balance sheet date
	%	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 31 March, 2007										
Non-derivative financial assets										
Accounts receivable	Hong Kong Prime Rate + 3%	992,565	129,801	538	–	–	–	–	1,122,904	1,113,916
Bank balance – client accounts	2.75%	–	128,275	–	–	–	–	–	128,275	127,995
Bank balance – general accounts and cash	2.75%	–	76,269	22,873	–	–	–	–	99,142	98,870
Loans and advances	*Note 2*	–	16,650	23,576	56,926	28,182	36,030	–	161,364	142,825
Amount due from a jointly controlled entity	Hong Kong Prime Rate	–	–	–	–	–	–	310,739	310,739	310,739
Deposits	–	–	582	–	–	–	–	–	582	582
		992,565	351,577	46,987	56,926	28,182	36,030	310,739	1,823,006	1,794,927

Notes:

1. For those fixed rate instruments, the interest rate ranged from 10% to 24%; and for those variable rate instruments, the interest rate ranged from Hong Kong prime rate to Hong Kong Prime Rate + 4%.

2. For those fixed rate instruments, the interest rate ranged from 12% to 24%; and for those variable rate instruments, the interest rate ranged from Hong Kong prime rate to Hong Kong Prime Rate + 4%.

Fair value

The fair value of financial assets and financial liabilities is determined as follows:

- the fair value of financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as input; and

- the fair value of derivative instruments is calculated using the option pricing models.

Apart from convertible notes as disclosed in note 36, the directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

7. TURNOVER

	2008	2007
	HK$'000	*HK$'000*
Commission and brokerage	226,419	100,405
Underwriting and placing commission	13,317	12,301
Other commission	660	4,135
Interest income from:		
– clients	161,863	72,757
– financial institutions	6,483	4,528
– clearing house	332	348
– loans and advances	22,666	16,459
Clearing and handling fee income	6,394	1,392
Advisory fee income	1,235	982
Property rental income	290	456
Proceeds from sales of properties under development	205,000	–
	644,659	213,763

8. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

For management purposes, the Group is currently organised into six operating divisions, namely, broking, securities margin financing, money lending, corporate finance, property development and investments. These divisions are the basis on which the Group reports its primary segment information. The principal activities of these divisions are as follows:

Broking	–	provision of stockbroking, futures and options broking, and mutual funds and insurance-linked investment plans and products broking
Securities margin financing	–	provision of securities margin margin financing
Money lending	–	provision of mortgage and consumer loans
Corporate finance	–	provision of corporate advisory services
Property development	–	development of properties for sale
Investments	–	holding of investment properties

Segment information about these businesses is presented below.

Consolidated income statement for the year ended 31 March, 2008

	Broking	Securities margin financing	Money lending	Corporate finance	Property development	Investments	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
REVENUE							
Turnover	253,100	161,288	22,801	2,180	205,000	290	644,659
RESULTS							
Segment profit	113,138	145,984	21,508	1,324	82,921	3,196	368,071
Other operating income							23,406
Unallocated corporate expenses							(24,701)
Share of result of an associate							(9)
Share of results of jointly controlled entities						172,097	172,097
Profit before taxation							538,864
Taxation							(61,753)
Profit for the year							477,111

Consolidated balance sheet as at 31 March, 2008

	Broking	Securities margin financing	Money lending	Corporate finance	Property development	Investments	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
ASSETS							
Segment assets	335,439	2,085,276	156,047	7,708	55,387	49,664	2,689,521
Interest in a joint controlled entity							858,542
Amount due from a jointly controlled entity							209,368
Unallocated corporate assets							131,246
Consolidated total assets							3,888,677
LIABILITIES							
Segment liabilities	215,399	316,630	5,408	3	16,352	288	554,080
Unallocated corporate liabilities							320,679
Consolidated total liabilities							874,759

Other information for the year ended 31 March, 2008

	Broking	Securities margin financing	Money lending	Corporate finance	Property development	Investments	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Additions of property and equipment	7,387	–	200	2	–	–	7,589
Depreciation of property and equipment	4,157	–	195	2	–	–	4,354
Reversal of allowance for impairment in respect of loans and advances	–	–	20	–	–	–	20
Gain on disposal of property and equipment	1	–	–	–	–	–	1
Loss on disposal of investment property	–	–	–	–	–	1,600	1,600
Impairment loss recognised in respect of loans to securities margin clients	–	10,704	–	–	–	–	10,704
Surplus on revaluation o property and equipment	584	–	–	–	–	–	584

Consolidated income statement for the year ended 31 March, 2007

	Broking	Securities margin financing	Money lending	Corporate finance	Property development	Investments	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
REVENUE							
Turnover	119,573	71,997	16,493	5,244	–	456	213,763
RESULTS							
Segment profit	53,646	62,176	15,324	4,614	–	964	136,724
Other operating income							4,430
Unallocated corporate expenses							(53,191)
Share of result of an associate							440
Share of result of a jointly controlled entity						115,183	115,183
Profit before taxation							203,586
Taxation							(23,352)
Profit for the year							180,234

Consolidated balance sheet as at 31 March, 2007

	Broking	Securities margin financing	Money lending	Corporate finance	Property development	Investments	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
ASSETS							
Segment assets	260,956	1,090,092	144,072	7,577	140,713	15,608	1,659,018
Interest in an associate							9
Interest in a jointly controlled entity						115,222	115,222
Amount due from a jointly controlled entity						310,739	310,739
Unallocated corporate assets							143,046
Consolidated total assets							2,228,034
LIABILITIES							
Segment liabilities	132,399	324,724	536	2	32,242	76	489,979
Unallocated corporate liabilities							281,650
Consolidated total liabilities							771,629

Other information for the year ended 31 March, 2007

	Broking	Securities margin financing	Money lending	Corporate finance	Property development	Investments	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Additions of property and equipment	3,253	–	177	–	–	–	3,430
Depreciation of property and equipment	2,812	–	135	1	–	–	2,948
Deficit on revaluation of property and equipment	22	–	–	–	–	–	22
Impairment losses recognised in respect of loans and advances	–	–	48	–	–	–	48
Gain on disposal of property and equipment	4	–	–	–	–	–	4
Impairment loss recognised in respect of loans to securities margin clients	–	1,781	–	–	–	–	1,781
Impairment loss on trading rights	71	–	–	–	–	–	71

Geographical segments

All of the activities of the Group are based in Hong Kong and all of the Group's turnover and profit before taxation are derived from Hong Kong. In addition, the Group's assets are all located in Hong Kong.

9. OTHER OPERATING INCOME

	2008	**2007**
	HK$'000	*HK$'000*
Fair value change on investment property	3,427	600
Gain on disposal of property and equipment	1	4
Interest income from jointly controlled entities	18,408	3,893
Net realised gains on error trades	561	213
Reversal of allowance for impairment in respect of loans and advances	20	–
Sundry income	405	537
Surplus on revaluation of property and equipment	584	–
	23,406	5,247

10. FINANCE COSTS

	2008	**2007**
	HK$'000	*HK$'000*
Interest on bank loans and overdrafts wholly repayable within five years	13,177	6,967
Interest on clients' accounts	3,548	1,547
Interest on convertible notes	11,288	895
Interest on amount due to a minority shareholder	2,034	–
Bank charges	200	799
	30,247	10,208

11. STAFF COSTS

	2008	**2007**
	HK$'000	*HK$'000*
Salaries and other benefits	15,452	14,481
Contributions to retirement benefits scheme	653	590
Share option expenses *(note 40)*	3,899	–
	20,004	15,071

12. PROFIT BEFORE TAXATION

	2008 HK$'000	2007 HK$'000
Profit before taxation has been arrived at after charging (crediting):		
Auditor's remuneration	1,678	1,382
(Surplus) deficit on revaluation of property and equipment	(584)	22
Loss on disposal of investment property	1,600	–
(Reversal of) allowance for impairment loss in respect of loans and advances	(20)	48
Allowance for impairment loss on loans to securities margin clients	10,704	1,781
Bad debt on loans and advances written off directly (net)	55	115
Operating lease rentals in respect of rented premises	935	802
Rental income from investment property net of outgoings of approximately HK$16,000 (2007: HK$67,000)	(274)	(389)

13. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

The remuneration paid or payable to each of the 9 (2007: 9) directors were as follows:

	Hung Hon Man HK$'000	Cham Wai Wo, Anthony HK$'000	Shum Kin Wai, Frankie HK$'000	Wong Sheung Kwong HK$'000	Cheng Wai Ho HK$'000	Liu Chun Ning, Wilfred HK$'000	Chung Wai Keung HK$'000	Man Kong Yui HK$'000	Kwong Chi Kit, Victor HK$'000	Total 2008 HK$'000
2008										
Fees	–	–	–	–	–	–	–	37	37	74
Other emoluments:										
Salaries and other benefits	126	318	325	269	325	–	–	–	–	1,363
Contributions to retirement benefit scheme	6	12	12	12	12	–	–	–	–	54
Commission	–	–	760	12,596	1,210	–	–	–	–	14,566
Total remuneration	132	330	1,097	12,877	1,547	–	–	37	37	16,057

	Hung Hon Man HK$'000	Cham Wai Wo, Anthony HK$'000	Shum Kin Wai, Frankie HK$'000	Wong Sheung Kwong HK$'000	Cheng Wai Ho HK$'000	Liu Chun Ning, Wilfred HK$'000	Chung Wai Keung HK$'000	Man Kong Yui HK$'000	Kwong Chi Kit, Victor HK$'000	Total 2007 HK$'000
2007										
Fees	–	–	–	–	–	–	–	36	36	72
Other emoluments:										
Salaries and other benefits	126	315	307	255	311	–	–	–	–	1,314
Contributions to retirement benefit scheme	6	12	12	11	12	–	–	–	–	53
Commission	–	–	296	1,189	525	–	–	–	–	2,010
Total remuneration	132	327	615	1,455	848	–	–	36	36	3,449

Employees' emoluments

The five highest paid individuals of the Group included one (2007: one) Director of the Company, details of whose emoluments are set out above. The details of the emoluments of the remaining four (2007: four) individuals are as follows:

	2008	2007
	HK$'000	*HK$'000*
Salaries, commission and other benefits	13,460	6,469
Contributions to retirement benefit scheme	7	12
	13,467	6,481

The emoluments of the five highest paid individuals of the Group were within the following bands:

	Number of employees	
	2008	**2007**
HK$1,000,001 to HK$1,500,000	–	2
HK$1,500,001 to HK$2,000,000	–	3
HK$2,000,001 to HK$2,500,000	1	–
HK$2,500,001 to HK$3,000,000	1	–
HK$3,000,001 to HK$3,500,000	1	–
HK$5,000,001 to HK$5,500,000	1	–
HK$12,500,001 to HK$13,000,000	1	–
	5	5

During the year, no emoluments were paid by the Group to the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensations for loss of office.

14. TAXATION CHARGE

	2008	2007
	HK$'000	*HK$'000*
Hong Kong Profits Tax:		
Current tax	62,452	22,170
(Over)underprovision in prior years	(428)	853
	62,024	23,023
Deferred taxation *(note 37)*	(271)	329
	61,753	23,352

Hong Kong Profits Tax is calculated at 17.5% (2007: 17.5%) on the estimated assessable profit for both years.

The taxation charge for the year can be reconciled to the profit before taxation per the consolidated income statement as follows:

	2008	2007
	HK$'000	*HK$'000*
Profit before taxation	538,864	203,586
Taxation at Hong Kong Profits Tax of 17.5%	94,301	35,628
Tax effect of share of result of an associate	(1)	(77)
Tax effect of share of results of jointly controlled entities	(30,117)	(20,157)
Tax effect of expenses not deductible for tax purpose	4,746	9,343
Tax effect of income not taxable for tax purpose	(5,460)	(2,546)
Tax effect of estimated tax losses not recognised	29	50
Tax effect of utilisation of estimated tax losses previously not recognised	(22)	(85)
(Over)underprovision in prior years	(428)	853
Reversal of deferred tax liabilities arising from change in intention of investment properties disposed	(1,567)	–
Others	272	343
Taxation charge for the year	61,753	23,352

15. DIVIDENDS

	2008	2007
	HK$'000	*HK$'000*
Final dividend for prior year, paid – HK1.8 cents (2007: HK2 cents) per share	45,640	21,913
Interim, paid – HK2.0 cents (2007: HK1.6 cents) per share	63,379	19,131
Dividend recognised as distribution during the year	109,019	41,044

The final dividend for the current year of HK2 cents (2007: HK1.8 cents) per share has been proposed by the Directors and is subject to the approval by the equity holders in the forthcoming annual general meeting.

16. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following data:

	2008	2007
	HK$'000	*HK$'000*
Earnings		
Profit for the purposes of basic earnings per share	448,297	180,234
Effect of dilutive potential ordinary shares:		
Interest on convertible notes	11,288	895
Convertible note redemption gain	(5,585)	–
Profit for the purposes of diluted earnings per share	454,000	181,129

Number of shares

	2008	2007
	'000	*'000*
Weighted average number of ordinary shares for the purposes of basic earnings per share	2,577,877	1,135,364
Effect of dilutive potentialordinary shares:		
Share options *(note)*	9,614	–
Convertible notes	179,229	28,155
Weighted average number of ordinary shares for the purposes of diluted earnings per share	2,766,720	1,163,519

Note: The computation of dilutive earnings per share for the year ended 31 March, 2007 does not assume the exercise of the Company's outstanding share options as the exercise price of those options is higher than the average market price for shares for the year.

17. PREPAID LEASE PAYMENTS

	2008	2007
	HK$'000	*HK$'000*
Cost		
At beginning and end of the year	103,780	103,780
Release of prepaid lease payments		
At beginning of the year	5,099	2,649
Released for the year	2,450	2,450
At end of the year	7,549	5,099
Carrying value at end of the year	96,231	98,681
Less: Current portion	(2,450)	(2,450)
	93,781	96,231
Carrying value of leasehold interests in land comprises:		
Medium lease leasehold land in Hong Kong	96,231	98,681

The Group had pledged the prepaid lease payments of a carrying value of approximately HK$95,875,000 (2007: HK$98,316,000) to secure the bank loans granted to the Group as disclosed in note 35.

18. PROPERTY AND EQUIPMENT

	Buildings	Leasehold improvements	Motor vehicles	Office equipment	Furniture and fixtures	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
COST OR VALUATION						
At 1 April, 2006	24,370	6,262	2,860	10,702	1,175	45,369
Additions	–	1,506	536	1,388	–	3,430
Deficit on revaluation	(630)	–	–	–	–	(630)
Disposals	–	–	–	(1,259)	–	(1,259)
At 31 March, 2007	23,740	7,768	3,396	10,831	1,175	46,910
Additions	–	3,484	333	3,701	71	7,589
Disposals	–	–	–	(295)	–	(295)
At 31 March, 2008	23,740	11,252	3,729	14,237	1,246	54,204
Comprising:						
At cost	–	11,252	3,729	14,237	1,246	30,464
At valuation – 2008	23,740	–	–	–	–	23,740
	23,740	11,252	3,729	14,237	1,246	54,204
DEPRECIATION AND IMPAIRMENT						
At 1 April, 2006	–	2,243	2,297	8,413	843	13,796
Provided for the year	608	1,336	321	620	63	2,948
Eliminated on revaluation	(608)	–	–	–	–	(608)
Eliminated on disposals	–	–	–	(1,259)	–	(1,259)
At 31 March, 2007	–	3,579	2,618	7,774	906	14,877
Provided for the year	584	2,054	405	1,238	73	4,354
Eliminated on revaluation	(584)	–	–	–	–	(584)
Eliminated on disposals	–	–	–	(295)	–	(295)
At 31 March, 2008	–	5,633	3,023	8,717	979	18,352
NET BOOK VALUES						
At 31 March, 2008	23,740	5,619	706	5,520	267	35,852
At 31 March, 2007	23,740	4,189	778	3,057	269	32,033

The above items of property and equipment are depreciated on a straight-line basis at the following rates per annum:

Buildings	The shorter of the remaining lease terms of land on which the buildings are located and 50 years
Leasehold improvements	The shorter of the remaining lease terms of land on which the buildings are located and 5 years
Motor vehicles	4 years
Office equipment	3 to 5 years
Furniture and fixtures	5 to 6.67 years

The buildings of the Group were valued on 31 March, 2008 and 31 March, 2007 by Messrs. CB Richard Ellis, on an open market basis by means of depreciated replacement cost method. Messrs. CB Richard Ellis are not connected with the Group. Messrs. CB Richard Ellis are members of Estate Agents Authority, and have appropriate qualification and recent experience in the valuation of similar properties in the relevant locations.

If the buildings had not been revalued, they would have been included in these consolidated financial statements at historical cost less accumulated depreciation and accumulated impairment losses of HK$23,246,000 (2007: HK$23,830,000).

The Group had pledged buildings having a net book value of approximately HK$22,700,000 (2007: HK$22,700,000) to secure the bank loans granted to the Group as disclosed in note 35.

19. INVESTMENT PROPERTIES

	2008	**2007**
	HK$'000	*HK$'000*
FAIR VALUE		
At beginning of the year	15,600	15,000
Additions	44,523	–
Net increase in fair value recognised in consolidated income statement	3,427	600
Disposal	(14,000)	–
At end of the year	49,550	15,600

The fair values of the Group's investment properties as at 31 March, 2008 have been determined by the Directors of the Company. No valuation has been performed by independent qualified professional values. The valuation performed by the Directors of the Company was arrived at by reference to recent market prices for similar properties.

Investment property was valued at their open market value as at 31 March, 2007 by Messrs. CB Richard Ellis, an independent firm of professional valuers not connected with the Group. Messrs. CB Richard Ellis are members of Estate Agents Authority, and have appropriate qualification and recent experience in the valuation of similar properties in the relevant locations. The valuation was arrived at by reference to market evidence of transaction prices for similar properties.

All of the Group property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

Investment properties with fair value of HK$41,500,000 (2007: nil), have been pledged to secure banking facilities granted to the Group as disclosed in note 35.

The carrying value of investment properties shown above comprises properties:

	2008	2007
	HK$'000	*HK$'000*
In Hong Kong under:		
Long lease	8,050	15,600
Medium-term lease	41,500	–
	49,550	15,600

20. INTANGIBLE ASSETS

	Trading rights in Hong Kong exchanges	Club memberships	Total
	HK$'000	*HK$'000*	*HK$'000*
COST			
At 1 April, 2006	5,850	5,100	10,950
Additions	–	250	250
At 31 March, 2007 and 31 March, 2008	5,850	5,350	11,200
IMPAIRMENT			
At 1 April, 2006	3,125	–	3,125
Impairment loss recognised for the year on trading rights	71	–	71
At 31 March, 2007 and 31 March, 2008	3,196	–	3,196
CARRYING VALUES			
At 31 March, 2007 and 31 March, 2008	2,654	5,350	8,004

As at 31 March, 2007, management of the Group determined that certain trading rights amounting to approximately HK$1,124,000 were no longer utilised to generate profits to the Group. For the purpose of impairment testing on these trading rights, the recoverable amount has been determined based on prices quoted in the secondary market. The carrying values were estimated to be approximately HK$1,053,000 (2007: HK$1,053,000). Accordingly, no impairment (2007: HK$71,000) was made as at 31 March, 2008. The recoverable amounts of other trading rights with carrying value of approximately HK$1,601,000 (2007: HK$1,601,000) held by the Group have been determined with reference to the recoverable amounts of the Cash-Generating Unit ("CGU") of broking business based on a value in use calculation which was similar to the impairment testing on goodwill. Particulars regarding impairment testing on the other trading rights are disclosed in note 24.

Intangible assets amounting to HK$5,350,000 (2007: HK$5,350,000) represent club memberships. For the purpose of impairment testing on club memberships, the recoverable amount has been determined based on the second-hand market price less costs of disposal. During the year ended 31 March, 2008, management of the Group determines that there is no impairment of the club memberships since the recoverable amount of the club memberships exceeds its carrying amount.

In the opinion of the directors of the Company, the trading rights and club memberships have indefinite useful lives.

21. GOODWILL

	HK$'000
COST	
At 1 April, 2006, 1 April, 2007 and 31 March, 2008	15,441

Particulars regarding impairment testing on goodwill are disclosed in note 24.

22. INTEREST IN AN ASSOCIATE

	2008 HK$'000	2007 HK$'000
Cost of unlisted investment in an associate	4	4
Share of post-acquisition (loss) gain, net of dividends received	(4)	5
	–	9

As at 31 March, 2008 and 2007, the Group had interest in the following associate:

Name of entity	Form of business structure	Place of incorporation	Principal place of operations	Class of shares held	Proportion of nominal value of issued capital held by the Group 2008	2007	Proportion of voting power power held 2008	2007	Nature of business
Reality Profile Limited	Incorporated	British Virgin Islands	Hong Kong	Ordinary	45%	45%	45%	45%	Inactive

The summarised financial information in respect of the Group's associate is set out below:

	2008 HK$'000	2007 HK$'000
Total assets	6	33
Total liabilities	(19)	(13)
Net assets	(13)	20
Group's share of net assets of associate	–	9
Revenue	–	1,068
(Loss) profit for the year	(32)	1,034
Group's share of (loss) profit of associate for the year	(9)	440

As at 31 March, 2008, the Group has discontinued recognition of its share of loss of Reality Profile Limited. The amount of unrecognised share of loss of the associate is insignificant.

23. INTEREST IN JOINTLY CONTROLLED ENTITIES

	2008	**2007**
	HK$'000	*HK$'000*
Cost of unlisted investment in jointly controlled entities	692,696	39
Share of post-acquisition profits	165,846	115,183
	858,542	115,222

As at 31 March, 2008, the Group had interest in the following jointly controlled entity:

Name of entity	**Form of business structure**	**Place of incorporation**	**Principal place of operations**	**Class of share held**	**Proportion of nominal value of issued capital held by the Group**	**Proportion of voting power held**	**Nature of business**
Great China Company Limited	Incorporated	Macau	Macau	Quota capital	50%	50%	Property holding

Particulars of the transaction related to acquisition of Great China Company Limited are set in note 39.

As at 31 March, 2007, the Group had interest in the following jointly controlled entity:

Name of entity	**Form of business structure**	**Place of incorporation**	**Principal place of operations**	**Class of share held**	**Proportion of nominal value of issued capital held by the Group**	**Proportion of voting power held**	**Nature of business**
More Profit International Limited ("More Profit")	Incorporated	British Virgin Islands	Hong Kong	Ordinary	50%	50%	Investment holding

During the year, More Profit became an indirectly 90% owned subsidiary of the Group. Particulars of the transaction related to the acquisition of an additional interest of 40% of More Profit are set in note 39. The profit of More Profit shared by the Group up to the date of its ceasing to be the jointly controlled entity of the Group amounted to HK$6,251,000.

The summarised financial information in respect of the jointly controlled entities attributable to the Group which are accounted for using the equity method is set out below:

	2008	**2007**
	HK$'000	*HK$'000*
Current assets	39,096	1,311
Non-current assets	1,690,000	428,273
Current liabilities	49,809	3,889
Non-current liabilities	861,018	310,473
Rental income	100,000	–
Fair value change on investment property	166,060	–
Total income	266,354	119,597
Total expenses	71,253	4,414

As at 31 March, 2008, the Group issued financial guarantees to banks in respect of banking facilities granted to Great China Company Limited. The aggregate amounts that could be required to be paid if the guarantees were called upon amounted to HK$507,563,000 (2007: HK$308,364,000).

24. IMPAIRMENT TESTING ON GOODWILL AND OTHER TRADING RIGHTS

As explained in note 8, the Group uses business segments for reporting its primary segment information. For the purposes of impairment testing, goodwill and certain trading rights with indefinite useful lives set out in notes 21 and 20 respectively have been allocated to the broking CGU, including four subsidiaries engaged in broking operations. The carrying amounts of goodwill (net of accumulated impairment losses) and certain trading rights as at 31 March, 2008 allocated to the broking unit are as follows:

	Goodwill	**Trading rights**
	HK$'000	*HK$'000*
Broking	15,441	2,654

The recoverable amounts of the above CGU containing goodwill and certain trading rights have been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a 5-year period and at a discount rate of 10%. A key assumption for the value in use calculation is the budgeted growth rate, which is determined based on past performance and management's expectations for the market development. Management believes that any reasonably possible change in any of the assumptions would not cause the aggregate recoverable amount of the above CGU to fall below the aggregate carrying amount of the above CGU.

25. OTHER ASSETS

Other assets represent statutory and other deposits with various exchanges and clearing houses. They are non-interest bearing.

26. AMOUNT DUE FROM A JOINTLY CONTROLLED ENTITY

The amount due from a jointly controlled entity at 31 March, 2008 and 2007 is unsecured and carries interest at Hong Kong Prime Rate. The loan is only repayable upon approval by the Board of Directors of the jointly-controlled entity. No dividends will be declared by the jointly controlled entity until and unless the amount due from the jointly-controlled entity has been fully repaid.

27. LOANS AND ADVANCES

	2008	**2007**
	HK$'000	*HK$'000*
Fixed-rate loan receivables	126,099	118,252
Variable-rate loan receivables	28,337	24,689
Less: Specific allowance for impaired debts	(96)	(116)
	154,340	142,825
Secured	30,481	24,672
Unsecured	123,859	118,153
	154,340	142,825
Analysed as:		
Current	125,922	57,041
Non-current	28,418	85,784
	154,340	142,825
Effective interest rate:		
Fixed-rate loan receivables	10% – 24%	12% – 24%
Variable-rate loan receivables	Hong Kong Prime rate to Hong Kong Prime rate + 4%	Hong Kong Prime rate to Hong Kong Prime rate + 4%

The loans and advances are secured by pledged investment properties with a fair value at 31 March, 2008 of HK$147,070,000 (2007: HK$34,345,000).

The Group determines the allowance for impaired debts based on the evaluation of collectability and aging analysis of accounts and on management's judgment, including assessment of change of credit quality, collaterals and the past collection history of each client. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the directors believe that no specific credit allowance in excess of the allowance for impaired debts in required.

Movement in the allowance for impaired debts is as follows:

	2008	**2007**
	HK$'000	*HK$'000*
Balance at the beginning of the year	116	68
(Decrease) increase during the year		
Charge for the year	–	48
Reversal for the year	(20)	–
Balance at the end of the year	96	116

Included in the Group's loans and advances are debtors with a carrying amount of HK$15,088,000 (2007: HK$3,214,000) which are past due at the reporting date. The directors of the Company considered such debts as recoverable since the amounts are either fully secured by investment properties of HK$58,020,000 (2007: nil) pledged by the debtors or were subsequently settled and thus no impairment allowance is considered necessary.

In respect of loans and advances which are past due but not impaired at the respective balance sheet date, the ageing analysis (from due date) is as follows:

	2008	**2007**
	HK$'000	*HK$'000*
0 – 30 days	1,294	3,208
31 – 60 days	45	6
Over 90 days	13,749	–
	15,088	3,214

The loans and advances with a carrying amount of HK$139,252,000 (2007: HK$139,611,000) are neither past due nor impaired at the reporting date. In view of the repayment history of these customers and collateral security, the directors of the Company consider the amount to be recoverable and of good credit quality.

28. ACCOUNTS RECEIVABLE

	2008	**2007**
	HK$'000	*HK$'000*
Accounts receivable arising from the business of dealing in securities:		
– Cash clients	83,889	95,505
– Margin clients:		
– Directors and their associates	3,633	110
– Other margin clients	1,831,733	991,234
– Clearing houses	–	25,046
Accounts receivable from futures clearing houses arising from the business of dealing in futures contracts	18,266	9,077
Accounts receivable from providing financial advisory services	–	85
Commission receivable from brokerage of mutual funds and insurance-linked investment plans and products	98	451
	1,937,619	1,121,508
Less: allowance for impaired debts	(18,296)	(7,592)
	1,919,323	1,113,916

Commission receivable from brokerage of mutual funds and insurance-linked investment plans and products is settled within 60 days after the Group has submitted the subscription application/policies to the fund managers/policy issuers. The age of this balance is within 60 days.

The normal settlement terms of accounts receivable from cash clients and securities clearing houses are two days after trade date, and from futures clearing houses is one day after trade date.

Included in the accounts receivable from cash clients are debtors with a carrying amount of HK$10,929,000 (2007: HK$18,535,000) which are past due at the reporting date for which the directors of the Company consider not to be impaired as there has not been a significant change in credit quality and a substantial portion of the carrying amount is subsequently settled.

In respect of accounts receivable from cash clients which are past due but not impaired at the respective balance sheet date, the ageing analysis (from settlement date) is as follows:

	2008	**2007**
	HK$'000	*HK$'000*
0 – 30 days	9,423	18,011
31 – 60 days	1,506	524
	10,929	18,535

The accounts receivable from cash clients with a carrying amount of HK$72,960,000 (2007: HK$76,970,000) are neither past due nor impaired at the reporting date for which the directors of the Company are of the opinion that the amounts are considered recoverable.

Loans to securities margin clients are secured by clients' pledged securities with fair value of HK$5,811,240,000 (2007: HK$5,135,421,000). The loans are repayable on demand and carry interest at Hong Kong prime rate + 4% (2007: Hong Kong prime rate + 3%). No ageing analysis is disclosed as in the opinion of Directors, the ageing analysis does not give additional value in view of the nature of business of securities margin financing.

The Group determines the allowance for impaired debts based on the evaluation of collectability and ageing analysis of accounts and on management's judgement including the assessment of change in credit quality, collaterals and the past collection history of each client.

Movement in the allowance for impaired debts in respect of loans to securities margin clients is as follows:

	2008	**2007**
	HK$'000	*HK$'000*
Balance at the beginning of the year	7,592	5,811
Charge for the year	10,704	1,781
Balance at the end of the year	18,296	7,592

In determining the allowance for impaired debts of loans to securities margin clients, management of the Group considers the margin shortfall by comparing the market value of stock portfolio and the outstanding balance of loan of margin clients individually. Impairments are made for those clients with margin shortfall as at year end without subsequent recovery.

In addition to the individually assessed allowance for impaired debts, the Group has also provided, on a collective basis, a loan impairment allowance for accounts receivable arising from the business of dealing in securities with margin clients that are individually insignificant or accounts receivable where no impairment has been identified individually. Objective evidence of collective impairment could include Group's past experience of collecting payments, internal credit rating and observable changes in national or local economic conditions that correlate with default on receivables.

In determining the recoverability of the accounts receivable, the Group considers any change in the credit quality of the trade receivable from the date the credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the large customer base. Accordingly, the directors believe that there is no credit allowance in excess of the allowance for impaired debts is required.

Included in accounts receivable from margin clients arising from the business of dealing in securities are amounts due from certain related parties. The details are as follows:

Name	**Balance at 1 April**	**Balance at 31 March**	**Maximum amount outstanding during the year**	**Market value of pledged securities at fair value at 31 March**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Directors of the Company				
Mr. Wong Sheung Kwong				
2007	–	–	–	–
2008	–	862	1,285	1,002
Mr. Cheng Wai Ho and associates				
2007	–	110	254	794
2008	110	2,771	3,000	5,731

The above balances are repayable on demand and bear interest at commercial rates which are similar to the rates offered to other margin clients.

29. PROPERTIES UNDER DEVELOPMENT FOR SALE

	2008	**2007**
	HK$'000	*HK$'000*
Cost:		
At beginning of year	136,509	20,917
Additions	26,107	115,592
Disposal	(122,079)	–
At end of year	40,537	136,509

The management of the Group expects the whole amount of properties under development to be completed and released to market between 2 to 3 years.

Location	Lease expiry	Type	Gross floor (square meter)	Effective % held	Stage of completion	Anticipated completion
No. 520 Tuen Tsz Wai Tuen Mun New Territories	2047	Residential	3,965	60	Piling in progress	March 2010

30. BANK BALANCES – CLIENT ACCOUNTS

The Group receives and holds money deposited by clients and other institutions during the course of conducting its ordinary regulated activities. Such clients' monies are maintained in one or more segregated bank accounts. The Group has recognised the corresponding account payables to respective clients and other institutions. The average effective interest rate of the related bank balances at 31 March, 2008 is 0.84% (2007: 2.75%).

31. BANK BALANCES – GENERAL ACCOUNTS AND CASH

The amounts comprise cash held by the Group and short-term bank deposits at market interest rates with an original maturity of three months or less. The average effective interest of the bank balances at 31 March, 2008 is 0.84% (2007: 2.75%).

32. ACCOUNTS PAYABLE

	2008 *HK$'000*	2007 *HK$'000*
Accounts payable arising from the business of dealing in securities:		
– Cash clients	111,252	107,980
– Margin clients	283,816	136,735
– Clearing houses	43,105	–
Accounts payable to clients arising from the business of dealing in futures contracts	47,060	13,354
Commission payable for brokerage of mutual funds and insurance-linked investment plans and products	66	–
	485,299	258,069

The normal settlement terms of accounts payable to cash clients and securities clearing houses are two days after trade date. The age of these balances is within 30 days.

Amounts due to securities margin clients are repayable on demand and carry interest at 0.25% (2007: 2.5%). No ageing analysis is disclosed as in the opinion of directors, the ageing analysis does not give additional value in view of the nature of business of securities margin financing.

Accounts payable to clients arising from the business of dealing in futures contracts are margin deposits received from clients for their trading of futures contracts on the Hong Kong Futures Exchange Limited ("HKFE"). The excesses of the outstanding amounts over the required initial margin deposits stipulated by the HKFE are repayable to clients on demand. No ageing analysis is disclosed as in the opinion of directors, the ageing analysis does not give additional value in view of the nature of business of futures contract dealing.

Commission payable for brokerage of mutual funds and insurance-linked investment plans and products is settled immediately once the Group has received payments from fund managers/policy issuers. The age of this balance is within 60 days.

33. AMOUNTS DUE TO MINORITY SHAREHOLDERS

The amounts due to minority shareholders are unsecured and repayable on demand. The amounts are interest-free except for an amount of HK$67,186,000 (2007: nil) which bears interest at Hong Kong Prime Rate.

34. DERIVATIVES

On 19 April, 2006, the Company entered into an option agreement with Honeylink Agents Limited ("Honeylink") pursuant to which the Company has agreed to grant share options to Honeylink, at a consideration of HK$2,000,000, to subscribe for up to 400,000,000 option shares at the subscription price of HK$0.68 within the first 12 months from the date of option granted, HK$0.70 within the next 12 months from the first anniversary of the date of option granted and HK$0.72 within the next 12 months from second anniversary of the date of option granted (the "Honeylink Options"). Honeylink is committed to subscribe at least HK$20,000,000 worth of option shares before the expiry of the option agreement. The option agreement was approved by the independent shareholders in the extraordinary general meeting held on 7 June, 2006. During the year ended 31 March, 2008, 139,000,000 (2007: 29,411,764) option shares were issued at HK$0.68 per share as a result of the partial exercise of the options.

The fair value changes of the Honeylink Options during the year, amounting to HK$609,000 (2007: HK$40,718,000) was recognised in the consolidated income statement. As at 31 March, 2008, 231,588,236 (2007: 370,588,236) option shares remained outstanding under the option agreement.

The fair values are calculated by using the Trinomial Option Pricing Model or Black-Scholes-Merton Option Pricing Model at 31 March, 2007, 9 May, 2007, 23 May, 2007, 4 June, 2007, 31 March, 2008. The inputs into the model were as follows:

	31 March, 2008	**4 June, 2007**	**23 May, 2007**	**9 May, 2007**	**31 March, 2007**
Spot market price	HK$0.59	HK$0.82	HK$0.79	HK$0.76	HK$0.69
Exercise price	HK$0.72	HK$0.70	HK$0.70	HK$0.70	HK$0.68
Expected volatility	48.58%	47.11%	45.94%	45.89%	45.91%
Average expected life	1.05 year	0.87 year	0.91 year	0.95 year	0.7 year
Risk-free rate	0.91%	4.41%	3.94%	3.91%	3.64%
Dividend yield	6.23%	4.84%	4.84%	4.82%	4.29%
Dilution factor	86%	86%	86%	86%	71%

35. BORROWINGS

	2008	**2007**
	HK$'000	*HK$'000*
Bank loans	133,000	262,300
Other loans	–	150,000
	133,000	412,300
Secured and variable – rate borrowings	128,000	257,300
Unsecured and fixed – rate borrowings	5,000	155,000
	133,000	412,300

The maturity of all the above borrowings is on demand or within one year.

The ranges of effective interest rates (which are also equal to contracted interest rates) of Group's borrowings are analysed as follows:

	2008	2007
Fixed-rate borrowings	4.7% – 5.3%	6.7% – 8%
Variable-rate borrowings	HIBOR + 0.8 to HIBOR + 1%	HIBOR + 1% to HIBOR + 1.2% or Hong Kong prime rate

The details of the security of the borrowings of the Group are set out as below:

(i) Bank loan of HK$33,000,000 (2007: HK$188,000,000) is secured by a charge over clients' pledged securities of HK$1,062,509,000 (2007: HK$638,208,000) and corporate guarantees issued by the Company; and

(ii) Bank loan of HK$95,000,000 (2007: HK$69,300,000) is secured by a charge over land use rights, building and investment properties as disclosed in notes 17, 18 and 19 respectively and corporate guarantees issued by the Company.

36. CONVERTIBLE NOTES

(i) Convertible note with liability and equity components

The Company issued a convertible note amounting to HK$100,000,000 at a conversion price of HK$0.907 per share (which is subject to adjustment for anti-dilutive effect for issued share capital) on 20 September, 2007. The convertible note, which can be converted into ordinary shares of the Company at any time prior to maturity date, was issued at par value, bears interest at a rate of 5% per annum payable quarterly in arrears, and is repayable at par in three years. The holders of the note are not entitled to vote at general meetings of the Company. After the expiry of 18 months following the issue date, the holders may request the Company to redeem the outstanding convertible note held by them, and the Company, if considered appropriate, can choose to redeem the outstanding convertible note at 100% of the principal amount together with interest accrued up to the date of redemption. The Company has the right to repay part or all of the convertible notes at the 100% of the principal amount and the accrued interest thereon 18 months after the issue date. The note is transferable with the written consent of the Company.

The convertible note contains two components, liability component with early redemption options which are closely related to the host instrument, and conversion option which is equity. The equity element is presented in equity under the heading "convertible note equity reserve". The effective interest rate of the liability component of the convertible note is 7.24%. The fair value of the liability component as at the balance sheet date is HK$91,907,000.

On 16 April, 2007, the Company also issued a convertible note amounting to HK$250,000,000 at the conversion price of HK$1.0 within the first 12 months from the date of issue, HK$1.1 within the next 12 months from the first anniversary of the date of issue and HK$1.2 within the next 12 months from the second anniversary of the date of issue. The convertible note bears interest at a rate of 5% per annum and matures at par within three years of issue. The holder of the note has the right to demand for repayment of any principal amount of the note prior to its maturity and the accrued interest of the note prior to the interest payment date, and is not entitled to vote at general meetings of the Company. The Company has the right to early repay part or all of the principal and the accrued interest of the note at any time prior to the maturity date. The note is transferable with the prior written consent of the Company.

The convertible note contains two components, liability component with early redemption options which are closely related to the host instrument, and conversion option which is equity. The equity element is presented in equity under the heading "convertible note equity reserve". The effective interest rate of the liability component of the convertible note is 6.52%. In October 2007, the holder of the note requested the Company to early redeem the entire convertible note of HK$250,000,000. No convertible note was outstanding as at 31 March, 2008. The fair value of the liability component, on the date of redemption determined with reference to the discount rate of 7.40% representing the then prevailing borrowing rate of the Company, is HK$235,759,000. The excess of the carrying amount over the fair value of the liability component resulted in a gain of HK$5,585,000 from the redemption of the convertible note and is recognised in the consolidated income statement.

(ii) Convertible note contains liability and equity components, and early redemption option derivatives

The Company also issued convertible notes amounting to HK$50,000,000, HK$34,000,000, HK$34,000,000 and HK$82,000,000 on 9 June, 2006, 4 September, 2006, 8 September, 2006 and 26 January, 2007 respectively. These convertible notes, which can be converted into ordinary shares of the Company at any time prior to maturity date, were issued at par values, bear interest at a rate of 4% per annum and mature within three years of issue or any other date to be mutually agreed between the Company and the counterparties. The conversion price is fixed at HK$0.68 per share. The holders of the notes are not entitled to vote at general meetings of the Company. The holders may request the Company to redeem the outstanding convertible notes held by them, and the Company, if considered appropriate, can choose to redeem the outstanding convertible notes at the principal amount together with interest accrued up to the date of redemption. The Company has the right to early repay part or all of the convertible notes at 110% of the principal amount and the accrued interest thereon six months after the issue date. The notes are transferable with the written consent of the Company.

On initial recognition, the early redemption option derivative and liability component are recognised at fair value. The difference between the proceeds of the issue of the convertible notes and the fair value assigned to the liability component and the early redemption option derivative, representing the conversion option for the holder to convert the notes into equity, is included in equity (convertible notes equity reserve). The range of the effective interest rate of the liability component of the convertible notes is 5.45% – 6.05%. The Directors had assessed the fair value of the early redemption rights and considered the fair value to be insignificant. All the convertible notes were converted as at 31 March, 2007.

The movement of the liability component of the convertible notes for the year is set out below:

	2008	**2007**
	HK$'000	*HK$'000*
At the beginning of the year	–	–
New issue	332,044	187,916
Effective interest	11,288	895
Interest payment	(8,868)	(895)
Conversion	–	(187,916)
Redemption	(241,344)	–
At the end of the year	93,120	–

37. DEFERRED TAX LIABILITIES

The following are the major deferred tax liabilities (assets) recognised and movements thereon during the current and prior years:

	Accelerated tax depreciation	**Revaluation of properties**	**Collective impairment on loans and advances**	**Tax losses**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 April, 2006	227	5,084	(8)	(165)	5,138
Charge to income for the year	178	117	1	33	329
At 31 March, 2007	405	5,201	(7)	(132)	5,467
Credit to income for the year	389	(793)	1	132	(271)
At 31 March, 2008	794	4,408	(6)	–	5,196

At the balance sheet date, the Group had unrecognised tax losses of HK$14,146,000 (2007: HK$14,106,000) available to offset against future profits. The tax losses have not been recognised due to uncertainty of future profit stream. The unrecognised tax losses may be carried forward indefinitely.

38. SHARE CAPITAL

	Number of shares	
	'000	*HK$'000*
Ordinary shares of HK$0.10 each		
Authorised:		
At 1 April, 2007 and 31 March, 2008	2,000,000	200,000
Issued and fully paid:		
At 1 April, 2006	977,714	97,771
Issue of shares *(Note i)*	219,130	21,913
Issue of shares by conversion of convertible notes *(Note 36)*	294,118	29,412
Exercise of share options *(Notes 34 and 40)*	44,412	4,441
At 31 March, 2007 and 1 April 2007	1,535,374	153,537
Issue of shares *(Note ii)*	1,258,674	125,868
Issue of shares for acquisition of subsidiary *(Note iii)*	126,263	12,626
Exercise of share options *(Notes 34 and 40)*	248,565	24,857
At 31 March, 2008	3,168,876	316,888

Notes:

(i) Pursuant to the placement agreement dated 9 March, 2007, 219,130,000 shares of HK$0.10 each were placed by a major shareholder to independent third parties at a price of HK$0.75 per share. Pursuant to the top-up subscription agreement on the same date, the major shareholder subscribed for 219,130,000 shares at a price of HK$0.75 per share.

(ii) (a) Pursuant to the placement agreement dated 30 May, 2007, 328,987,000 shares of HK$0.10 each were placed by a major shareholder to independent third parties at a price of HK$0.75 per share. Pursuant to the top-up subscription agreement on the same date, the major shareholder subscribed 328,987,000 shares at a price of HK$0.75 per share.

(b) Pursuant to the placement agreement dated 19 July, 2007, 422,585,000 shares of HK$0.10 each were placed by a major shareholder to independent third parties at a price of HK$0.75 per share. Pursuant to the top-up subscription agreement on the same date, the major shareholder subscribed 422,585,000 shares at a price of HK$0.75 per share.

(c) Pursuant to the placement agreement dated 26 October, 2007, 507,102,000 shares of HK$0.10 each were placed by a major shareholder to independent third parties at a price of HK$0.6 per share. Pursuant to the top-up subscription agreement on the same date, the major shareholder subscribed 507,102,000 shares at a price of HK$0.6 per share.

(iii) Pursuant to the acquisition agreement dated 26 June, 2007, 126,262,626 shares of HK$0.10 each were issued on 20 September, 2007 at a price of HK$0.66 each as part of the consideration for acquisition of the entire share capital of Dragon Rainbow Limited. Details are set out in note 39.

39. ACQUISITION OF A SUBSIDIARY

In August 2006, the Group acquired 50% equity interest in More Profit which was then accounted for as an interest in jointly controlled entity. On 26 June, 2007, the Group entered into an agreement with Macau Prime Properties Holdings Limited to acquire an additional 40% interest in More Profit, through the acquisition of the entire issued share capital and shareholders' loan of Dragon Rainbow Limited. On 20 September, 2007, the transaction was completed and thereafter the Group held a 90% equity interest in More Profit. The Group's effective interest in the Macau investment properties held by Great China Company Limited, the jointly controlled entity of More Profit, has increased from 25% to 45% as a result of this transaction. The fair value of Group's share of the interest in the jointly controlled entity has been determined based on the fair value of such property interest at the date of acquisition, which was valued by CB Richard Ellis Limited at open market value determined by reference to sales evidence as available in the market.

The assets and liabilities acquired in the transaction are as follows:

	HK$'000
Net assets acquired:	
Interest in a jointly controlled entity	692,696
Amount due from a jointly controlled entity	193,111
Bank balance	148
Other receivables	9,974
Amount due to a minority shareholder	(65,153)
Amount due to the Group	(326,839)
Loan from former shareholder	(242,698)
	261,239
Shareholder's loan assigned to the Group	242,698
Minority interest	(24,295)
Interest in a jointly controlled entity	(121,473)
Total consideration	358,169
Total consideration satisfied by:	
Cash consideration paid	150,000
Share capital issued *(Note 38(iii))*	108,169
Convertible note issued *(Note 36(i))*:	
– liability component	92,271
– equity component	7,729
	358,169
Net cash outflow arising on acquisitions:	
Cash consideration	(150,000)
Bank balance acquired	148
	(149,852)

As part of the consideration for the acquisition of Dragon Rainbow Limited, 126,262,626 shares of the Company of HK$0.10 each were issued.

Dragon Rainbow Limited contributed profit of HK$85,075,000 to the Group's profit for the period between the date of acquisition and the balance sheet date.

40. SHARE OPTION SCHEME

The share option scheme (the "Option Scheme") of the Company was adopted by the Company pursuant to a resolution passed on 16 May, 2002. The major terms of the Option Scheme are summarised as follows:

(i) The purpose of the Option Scheme is to provide incentives or rewards to the participants for their contribution to the Group.

(ii) The participants of the Option Scheme include: (a) any employee or director (including executive director, non-executive director and independent non-executive director) of any member of the Group; (b) supplier or potential supplier of goods and services; (c) customer or potential customer; (d) person or entity that provides research, development or other technological support; (e) shareholder of any member of the Group; and (f) adviser or consultant to or any joint venture partner or business alliance of any member of the Group or any counterparty to any transaction of any member of the Group.

(iii) The maximum number of shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Option Scheme and any other share option scheme of the Group must not in aggregate exceed 30% of the relevant class of securities of the issued share capital of the Company from time to time.

(iv) The total number of shares which may be issued upon exercise of all share options to be granted under the Option Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the shares of the Company in issue.

(v) The total number of shares issued and which may fall to be issued upon exercise of the share options granted under the Option Scheme and any other share option scheme of the Group (including both exercised or outstanding options) to each participant in any twelve-month period shall not exceed 1% of the issued share capital of the Company for the time being.

(vi) There is no minimum period required for the holding of a share option before it can be exercised.

(vii) A share option may be exercised at any time during a period to be determined by the directors, the period may commence on a day after the date upon which the offer for the grant of share options is made but shall not be later than ten years from the date of grant of the share option.

(viii) The acceptance of a share option, if accepted, must be made within 21 days from the date of the offer of grant of the share option.

(ix) The exercise price of a share option must be the higher of:

(a) the closing price of the share of the Company as stated in the Stock Exchange's daily quotations on the date of the offer of the grant;

(b) the average closing price of the share of the Company as stated in the Stock Exchange's daily quotations for the five trading days immediately preceding the date of the offer of the grant; and

(c) the nominal value of the share of the Company.

(x) The Option Scheme will expire on 5 June, 2012.

The following table discloses details of the Company's share options held by directors and movements in such holdings:

Option grant date	Exercise price per share *HK$*	Outstanding as at 1 April, 2006	Granted during the year	Exercised during the year	Outstanding as at 1 April, 2007	Granted during the year	Exercised during the year	Outstanding as at 31 March, 2008
		Number of share option						
Directors								
28 February, 2006	0.642	15,000,000	–	(15,000,000)	–	–	–	–

No share option was granted during the year (2007: 15,000,000 share options were granted).

During the year ended 31 March, 2007, the granted 15,000,000 share options were exercised in fully resulting in the issue of 15,000,000 shares of HK$0.1 each for a total consideration of HK$9,630,000. The closing price of the Company's share immediately before the date on which the share options were exercised was HK$0.64 per share.

The following table discloses details of the Company's share options held by employees and movements in such holdings:

Option grant date	Exercise price per share *HK$*	Outstanding as at 1 April, 2006	Granted during the year	Exercised during the year	Outstanding as at 1 April, 2007	Granted during the year	Exercised during the year	Outstanding as at 31 March, 2008
		Number of share option						
Employees								
2 April, 2007	0.690	–	–	–	–	109,565,000	(109,565,000)	–

The closing price of the Company's share immediately before the date of grant of share options and the date on which the share options were exercised during the current year was HK$0.69 per share and HK$0.70 per share respectively.

During the year ended 31 March, 2008 the granted 109,565,000 share options were exercised in full resulting in the issue of 109,956,000 shares of HK10 cents each for a total consideration of HK$75,599,850.

Total consideration received during the current year from employees for taking up the options granted amounted to HK$8.

During the year ended 31 March, 2008, options granted on 4 April, 2007 were fully vested at the same date. The estimated fair values of the options granted were HK$3,899,000. The Group recognised the total expenses of HK$3,899,000 during the year ended 31 March, 2008.

These fair values are calculated by using the Black-Scholes Option Pricing Model. The inputs into the model were as follows:

Share option grant date	**2008**	**2007**
	HK$'000	*HK$'000*
Weighted average share price	HK$0.69	HK$0.64
Exercise price	HK$0.69	HK$0.642
Expected volatility	45.82%	41.29%
Expected life	1 month	1 month
Risk-free rate	3.10%	3.68% – 3.69%
Dividend yield	4.82%	7.81%

Expected volatility was determined by using the historical volatility of the Company's share price over the previous 360 days. The expected life used in the model has been adjusted, based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioural consideration.

41. RETIREMENT BENEFITS SCHEME

The Group has operated a pension scheme under the rules and regulations of the Mandatory Provident Fund Schemes Ordinance ("MPF Scheme") for all qualifying employees in Hong Kong. The assets of the MPF Scheme are held separately in an independently managed fund. The Group has followed the minimum statutory contribution requirements of 5% of eligible employees' relevant aggregate income. The contributions are charged to the consolidated income statement as incurred.

42. LEASE COMMITMENTS

The Group as lessee

At balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of office premises which fall due as follows:

	2008	**2007**
	HK$'000	*HK$'000*
Within one year	935	382
In the second to fifth years inclusive	507	–
	1,442	382

Leases are mainly negotiated for an average term of two years and rentals are fixed for an average of two years.

The Group as lessor

At the balance sheet date, the Group had contracted with tenants for the following minimum lease payments:

	2008	**2007**
	HK$'000	*HK$'000*
Within one year	–	152
In the second to fifth years inclusive	–	–
	–	152

43. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed in notes 9, 26, 28 and 33 to the consolidated financial statements, the Group had the following related party transactions during the year:

Name of related party	Nature of transaction	2008 *HK$'000*	2007 *HK$'000*
Messrs. Shum Kin Wai, Frankie, Cham Wai Ho, Anthony, Cheng Wai Ho and their associates	Commission income *(Note i)*	909	215
Mr. Cheng Wai Ho and their associates	Interest income *(Note ii)*	71	–

Notes:

(i) Commission was charged at 0.125% (2007: 0.125%) on the total value of transactions.

(ii) Interest was charged at Hong Kong Prime Rate + 4% on the outstanding balance of margin loans.

Compensation of key management personnel

The remuneration of Directors and other members of key management during the year was as follows:

	2008 *HK$'000*	2007 *HK$'000*
Short-term employee benefits	18,307	5,138
Post-employment benefits	113	112
Share-based payment	1,067	–
	19,487	5,250

The remuneration of Directors and other members of key management is determined by the performance of individuals and market trends.

44. PARTICULARS OF SUBSIDIARIES

Name of subsidiary	Place of incorporation	Class of shares held	Issued and fully paid share capital	Proportion of ownership interest held by the Group 2008 %	2007 %	Principal activities
Get Nice Incorporated	British Virgin Islands	Ordinary	US$10,000 Ordinary shares	100	100	Investment holding
Get Nice Securities Limited (formerly known as Get Nice Investment Limited ("GNI"))	Hong Kong	Ordinary	HK$400,000,000 360,000,000 ordinary shares and 40,000,000 non-voting deferred shares *(Note)*	100	100	Securities dealing and broking and securities margin financing
Get Nice Futures Company Limited	Hong Kong	Ordinary	HK$20,000,000 Ordinary shares	100	100	Futures and options broking
Get Nice Capital Limited	Hong Kong	Ordinary	HK$10,000,000 Ordinary shares	100	100	Corporate finance services
Get Nice Asset Management Limited	Hong Kong	Ordinary	HK$2,000,000 Ordinary shares	100	100	Brokerage of mutual funds and insurance – linked investment plans and products
Quality Champion Limited	Hong Kong	Ordinary	HK$9,000 Ordinary shares	100	100	Property holding
Get Nice Finance Company Limited	Hong Kong	Ordinary	HK$2 Ordinary shares	100	100	Money lending
Allex International Limited	Hong Kong	Ordinary	HK$10,000 Ordinary shares	100	100	Holding of a motor vehicle
Steppington Holdings Limited	British Virgin Islands	Ordinary	US$10,000 Ordinary shares	100	100	Investment holding
Pacific Challenge Securities Limited	Hong Kong	Ordinary	HK$60,000,000 Ordinary shares	100	100	Inactive
Fortune On Engineering Limited	Hong Kong	Ordinary	HK$10 Ordinary shares	60	60	Property development

Name of subsidiary	Place of incorporation	Class of shares held	Issued and fully paid share capital	Proportion of ownership interest held by the Group 2008 %	2007 %	Principal activities
Pacific Challenge Futures Hong Kong Limited	Hong Kong	Ordinary	HK$10,000,000 Ordinary shares	100	100	Inactive
Pacific Challenge Corporate Finance Limited	Hong Kong	Ordinary	HK$5,000,000 Ordinary shares	100	100	Inactive
Pacific Challenge Management Services Limited	Hong Kong	Ordinary	HK$2 Ordinary shares	100	100	Property holding
Grace Field Limited	Hong Kong	Ordinary	HK$2 Ordinary shares	100	100	Property holding
Pacific Challenge Secretarial Services Limited	Hong Kong	Ordinary	HK$10,000 Ordinary shares	100	100	Property holding
Capital Mind Securities Limited	Hong Kong	Ordinary	HK$2 Ordinary shares	80	80	Property development
Gainventure Holdings Limited	British Virgin Islands	Ordinary	US$50,000 Ordinary shares	100	100	Investment holding
Get Nice Development Limited	Hong Kong	Ordinary	HK$1,000,000 Ordinary shares	100	100	Investment holding
Joyful Villa Limited	British Virgin Islands	Ordinary	US$50,000 Ordinary shares	100	100	Investment holding
Venturecorp Investment Limited	British Virgin Islands	Ordinary	US$50,000 Ordinary shares	100	100	Investment holding
Gain Huge Limited	British Virgin Islands	Ordinary	US$50,000 Ordinary shares	80	80	Investment holding
Rich Mount Limited	Hong Kong	Ordinary	HK$10,000 Ordinary shares	100	100	Property holding
NobleNet Limited	British Virgin Islands	Ordinary	US$1 Ordinary shares	100	100	Inactive

Name of subsidiary	Place of incorporation	Class of shares held	Issued and fully paid share capital	Proportion of ownership interest held by the Group 2008 %	2007 %	Principal activities
Superior Capital Assets Limited	British Virgin Islands	Ordinary	US$1 Ordinary shares	100	100	Inactive
Pacific Challenge On-Line Limited	British Virgin Islands	Ordinary	HK$1 Ordinary shares	100	100	Inactive
Get Nice International Limited (formerly known as Pacific Challenge Nominees Limited)	Hong Kong	Ordinary	HK$20 Ordinary shares	100	100	Inactive
eCapitalist.com (Asia) Limited	Hong Kong	Ordinary	HK$19,500,000 Ordinary shares	100	100	Inactive
Fullway Global Limited	British Virgin Islands	Ordinary	US$1 Ordinary shares	100	–	Inactive
Dragon Rainbow Limited	British Virgin Islands	Ordinary	US$1 Ordinary shares	100	–	Investment holding
More Profit International Limited	British Virgin Islands	Ordinary	US$50,000 Ordinary shares	90	50	Investment holding

Note: The non-voting deferred shares, which are held by two Directors of the Company, carry practically no rights to dividends nor to receive notice of nor to attend or vote at any general meeting of GNI and on liquidation, the assets of GNI available for distribution among the holders of ordinary shares and the holders of non-voting deferred shares shall be applied first in paying to the holders of ordinary shares the sum of HK$1,000,000,000,000 per ordinary share and secondly in repaying to the holders of non-voting deferred shares the nominal amount paid up or credited as paid up on such shares, and the balances of the GNI's assets shall belong to and be distributed among the holders of ordinary shares in proportion to the amount paid up or credited as paid up on such ordinary shares respectively.

3. UNAUDITED INTERIM RESULTS

Set out below is a summary of the unaudited condensed consolidated interim results of the Group for the six months ended 30 September 2008 together with comparative figures for the last corresponding period.

Unaudited Condensed Consolidated Income Statement

		Six months ended 30 September,	
		2008	**2007**
		(Unaudited)	**(Unaudited)**
	Notes	*HK$'000*	*HK$'000*
Turnover	2	140,365	436,628
Other operating income		5,112	20,524
Commission expense		(15,704)	(47,740)
Property development cost		–	(120,864)
Depreciation and amortisation of property and equipment		(1,530)	(2,529)
Release from prepaid lease payments		(1,225)	–
Finance costs		(5,176)	(19,513)
Staff costs		(7,257)	(11,596)
Convertible note redemption loss		(804)	–
Fair value change of derivative		13,649	(5,248)
Other operating expenses		(19,584)	(18,602)
Share of results of jointly controlled entities		(115,545)	6,251
(Loss) Profit before taxation		(7,699)	237,311
Taxation	3	(15,372)	(37,272)
(Loss) Profit for the period		(23,071)	200,039
(Loss) Profit attributable to:			
– Equity holders of the Company		(10,390)	186,407
– Minority interests		(12,681)	13,632
		(23,071)	200,039
Dividends	4	95,067	109,022
(Loss) Earnings per share	5		
Basic		(0.33) cents	8.91 cents
Diluted		(0.24) cents	7.58 cents

Condensed Consolidated Balance Sheet

	Notes	**At 30 September, 2008 (Unaudited)** *HK$'000*	**At 31 March, 2008 (Audited)** *HK$'000*
Non-current assets			
Prepaid lease payments		93,326	93,781
Property and equipment		34,804	35,852
Investment properties		79,873	49,550
Intangible assets		8,004	8,004
Goodwill		15,441	15,441
Interest in jointly controlled entities		742,997	858,542
Other assets		4,386	4,386
Amount due from a jointly controlled entity		214,451	209,368
Loans and advances	7	40,906	28,418
		1,234,188	1,303,342
Current assets			
Accounts receivable	6	1,201,337	1,919,323
Loans and advances	7	278,751	125,922
Prepaid lease payments		2,450	2,450
Properties under development for sale		41,397	40,537
Prepayment, deposits and other receivables		2,626	2,594
Taxation recoverable		28	28
Bank balances – client accounts		74,778	307,845
Bank balances – general accounts and cash		442,894	186,636
		2,044,261	2,585,335

Condensed Consolidated Balance Sheet ***(continued)***

	Notes	At 30 September, 2008 (Unaudited) HK$'000	At 31 March, 2008 (Audited) HK$'000
Current liabilities			
Accounts payable	8	170,977	485,299
Accrued charges and other accounts payable		16,794	14,955
Amounts due to minority shareholders		85,497	83,466
Derivatives		4	13,653
Taxation payable		56,573	46,070
Borrowings		22,011	133,000
		351,856	776,443
Net current assets		1,692,405	1,808,892
Total assets less current liabilities		2,926,593	3,112,234
Non-current liabilities			
Convertible notes		–	93,120
Deferred tax liabilities		4,719	5,196
		4,719	98,316
		2,921,874	3,013,918
Capital and reserves			
Share capital		316,888	316,888
Reserves		2,578,178	2,657,541
Equity attributable to equity holders of the Company		2,895,066	2,974,429
Minority interests		26,808	39,489
Total equity		2,921,874	3,013,918

Condensed Consolidated Statement of Changes in Equity
For the six months ended 30 September, 2008

	Attributable to equity holders of the Company										
	Share capital HK$'000	Share premium HK$'000	Convertible loan note equity reserve HK$'000	Special reserve HK$'000	Investment revaluation reserve HK$'000	Exchange reserve HK$'000	Retained profit HK$'000	Share option reserve HK$'000	Total HK$'000	Minority interests HK$'000	Total equity HK$'000
At 1 April, 2007	153,537	903,224	–	123,337	–	–	276,307	–	1,456,405	–	1,456,405
Issue of shares by exercise of share options	24,857	170,165	–	–	–	–	–	–	195,022	–	195,022
Issue of shares by top-up placement	87,783	575,896	–	–	–	–	–	–	663,679	–	663,679
Change in fair value of available-for-sale financial assets	–	–	–	–	(269)	–	–	–	(269)	–	(269)
Recognition of equity component of convertible loan note	–	–	21,703	–	–	–	–	–	21,703	–	21,703
Share options granted	–	–	–	–	–	–	–	3,899	3,899	–	3,899
Profit for the period	–	–	–	–	–	–	186,407	–	186,407	13,632	200,039
Dividend paid	–	–	–	–	–	–	(45,644)	–	(45,644)	–	(45,644)
Acquisition of subsidiary	–	–	–	–	–	–	–	–	–	24,295	24,295
At 30 September, 2007	266,177	1,649,285	21,703	123,337	(269)	–	417,070	3,899	2,481,202	37,927	2,519,129
Issue of shares by top-up placement	38,085	166,177	–	–	–	–	–	–	204,262	–	204,262
Issue of new shares	12,626	95,543	–	–	–	–	–	–	108,169	–	108,169
Issue of shares by exercise of share options	–	3,899	–	–	–	–	–	–	3,899	–	3,899
Change in fair value of available-for-sale financial assets	–	–	–	–	269	–	–	–	269	–	269
Recognition of equity component of convertible loan note	–	–	(3,747)	–	–	–	–	–	(3,747)	–	(3,747)
Share options granted	–	–	–	–	–	–	–	(3,899)	(3,899)	–	(3,899)
Release from redemption of convertible loan note	–	–	(10,227)	–	–	–	(4,014)	–	(14,241)	–	(14,241)
Dividend paid	–	–	–	–	–	–	(63,375)	–	(63,375)	–	(63,375)
Profit for the year	–	–	–	–	–	–	261,890	–	261,890	15,182	277,072
Dividend paid to minority interests	–	–	–	–	–	–	–	–	–	(13,620)	(13,620)
At 31 March, 2008	316,888	1,914,904	7,729	123,337	–	–	611,571	–	2,974,429	39,489	3,013,918
Release from redemption of convertible loan note	–	–	(7,729)	–	–	–	2,315	–	(5,414)	–	(5,414)
Exchange reserve	–	–	–	–	–	(181)	–	–	(181)	–	(181)
Loss for the period	–	–	–	–	–	–	(10,390)	–	(10,390)	(12,681)	(23,071)
Dividend paid	–	–	–	–	–	–	(63,378)	–	(63,378)	–	(63,378)
At 30 September, 2008	316,888	1,914,904	–	123,337	–	(181)	540,118	–	2,895,066	26,808	2,921,874

Unaudited Condensed Consolidated Cash Flow Statement

	Six months ended 30 September,	
	2008	**2007**
	HK$'000	*HK$'000*
Net cash from (used in) operating activities	572,669	(545,256)
Net cash used in investing activities	(39,562)	(491,266)
Net cash (used in) from financing activities	(276,849)	1,118,948
Net increase in cash and cash equivalents	256,258	82,426
Cash and cash equivalents at beginning of period	186,636	98,870
Cash and cash equivalents at end of period	442,894	181,296
Being:		
Bank balances – general accounts and cash	442,894	181,296

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September, 2008

1. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and are in compliance with the Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants.

The Company is an investment holding company. The principal activities of the Group are the provision of financial services, including securities dealing and broking, futures and options broking, securities margin financing, corporate finance services, money lending and brokerage of mutual funds and insurance-linked investment plans and products, as well as properties development in Hong Kong.

Principal accounting policies

The unaudited condensed consolidated interim financial statements have been prepared under the historical cost convention except for certain financial instruments and properties, which are measured at fair value as appropriate.

The accounting policies adopted are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March, 2008 except that in the current period, the Group has adopted the following new interpretations, which became effective for the financial year beginning on or after 1 January 2008:

HKAS (IFRIC) – Int 11	HKFRS2 – Group and Treasury Share Transactions
HKAS (IFRIC) – Int 12	Service Concession Arrangements
HKAS (IFRIC) – Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The adoption of these new interpretations has had no material impact on these financial statements.

2. SEGMENT INFORMATION

An analysis of the Group's unaudited turnover and segment results for the period by principal activities is as follows:

Business segments

For the six months ended 30 September, 2008

	Broking	Securities margin financing	Money lending	Corporate finance	Property development	Investments	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
REVENUE							
Turnover	57,676	67,578	13,296	1,568	99	148	140,365
RESULTS							
Segment profit (loss)	25,328	65,363	9,543	1,089	99	(3,627)	97,795
Other operating income							5,112
Unallocated income and expenses							4,939
Share of results of jointly controlled entities							(115,545)
(Loss) before taxation							(7,699)
Taxation							(15,372)
(Loss) for the period							(23,071)

For the six months ended 30 September, 2007

	Broking	Securities margin financing	Money lending	Property development	Corporate finance	Investments	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
REVENUE							
Turnover	140,444	77,963	11,719	205,000	1,356	146	436,628
RESULTS							
Segment profit/(loss)	74,096	68,018	11,304	84,136	945	(1,635)	236,864
Other operating income							20,241
Share of result of a jointly controlled entity							6,251
Unallocated income and expenses							(26,045)
Profit before taxation							237,311
Taxation							(37,272)
Profit for the period							200,039

Geographical segments

All the activities of the Group are based in Hong Kong and all of the Group's turnover and profit before taxation are derived from Hong Kong.

3. TAXATION

	Six months ended 30 September, 2008	2007
	HK$'000	*HK$'000*
Hong Kong Profits Tax		
Current period	15,849	38,942
Deferred taxation	(477)	(1,670)
	15,372	37,272

Hong Kong Profits Tax is calculated at 16.5% (2007: 17.5%) on the estimated assessable profit for the period.

4. DIVIDENDS

	Six months ended 30 September, 2008	2007
	HK$'000	*HK$'000*
Final dividend paid	63,378	45,644
Proposed interim dividend of HK1.0 cent (2007: HK2.0 cents) per share	31,689	63,378
	95,067	109,022

On 27 August, 2008, a dividend of HK2.0 cents per share was paid to shareholders as the final dividend for the year ended 31 March, 2008.

At a meeting held on 12 December, 2008, the Directors recommended an interim dividend of HK1.0 cent per share for the six months ended 30 September, 2008 to the shareholders whose names appear in the register of members on 31 December, 2008. This proposed dividend is not reflected as a dividend payable in these unaudited condensed consolidated interim financial statements, but will be reflected as an appropriation of retained earnings for the year ended 31 March, 2009.

5. (LOSS) EARNINGS PER SHARE

	Six months ended 30 September, 2008	2007
	HK$'000	*HK$'000*
(Loss) Earnings		
(Loss) profit for the purposes of basic earnings per share ((Loss) profit for the period attributable to equity holders of the Company)	(10,390)	186,407
Effect of dilutive potential ordinary shares:		
Interest on convertible notes	1,833	5,833
Convertible note redemption loss	804	–
(Loss) Profit for the purpose of diluted earnings per share	(7,753)	192,240

	2008	**2007**
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purposes of basic (loss) earnings per share	3,168,876	2,092,178
Effect of dilutive potential ordinary shares:		
Share options *(note)*	–	231,588
Convertible notes	80,570	213,316
Weighted average number of ordinary shares for the purposes of diluted (loss) earnings per share	3,249,446	2,537,082

Note: The computation of dilutive loss per share for the period ended 30 September, 2008 does not assume the exercise of the Company's outstanding share options as the exercise price of those options is higher than the average market price for shares for the period.

6. ACCOUNTS RECEIVABLE

	At 30 September, 2008 *HK$'000*	At 31 March, 2008 *HK$'000*
Accounts receivable arising from the business of dealing in securities:		
– Cash clients	59,031	83,889
– Margin clients:		
– Directors and their associates	2,184	3,633
– Other margin clients	1,148,013	1,831,733
– Clearing house	5,602	–
Accounts receivable from futures clearing houses arising from the business of dealing in futures contracts	4,469	18,266
Commission receivable from brokerage of mutual funds and insurance-linked investment plans and products	334	98
	1,219,633	1,937,619
Less: allowance for impaired debts	18,296	18,296
	1,201,337	1,919,323

The normal settlement terms of accounts receivable from cash clients and from securities clearing houses are two days after trade date, and from futures clearing house is one day after trade date.

Loans to securities margin clients are secured by clients' pledged securities with a fair value of HK$2,880,966,000 (31 March 2008: HK$5,811,240,000), repayable on demand and bear fixed and variable interest at commercial rates. No aged analysis is disclosed as in the opinion of Directors, the aged analysis does not give additional value in view of the nature of business of securities margin financing.

Commission receivable from brokerage of mutual funds and insurance-linked investment plans and products is settled within 60 days after the Group has submitted the subscription application/policies to the fund managers/policy issuers. The age of this balance is within 60 days.

The fair value of the accounts receivable at the balance sheet date was approximate the corresponding carrying amounts.

7. LOANS AND ADVANCES

	At 30 September, 2008 *HK$'000*	At 31 March, 2008 *HK$'000*
Fixed-rate loan receivables	294,421	126,099
Variable-rate loan receivables	28,567	28,337
Less: Specific allowance for impaired debts	(3,331)	(96)
	319,657	154,340
Secured	100,404	30,481
Unsecured	219,253	123,859
	319,657	154,340
Analysed as:		
Current assets	278,751	125,922
Non-current assets	40,906	28,418
	319,657	154,340
Effective interest rate:		
Fixed-rate loan receivables	10% – 40%	10% – 24%
Variable-rate loan receivables	Prime rate to Prime rate + 4%	Prime rate to Prime rate + 4%

The loan and advances are secured by investment properties with a fair value at 30 September 2008 of HK$321,240,000 (31 March 2008: 34,345,000).

Included in the carrying amount of loans and advances as at 30 September, 2008 is accumulated impairment loss of HK$3,331,000 (31 March 2008: HK$96,000).

8. ACCOUNTS PAYABLE

	At 30 September, 2008 *HK$'000*	At 31 March, 2008 *HK$'000*
Accounts payable arising from the business of dealing in securities:		
– Cash clients	57,589	111,252
– Margin clients:		
– Directors and their associates	963	–
– Other margin clients	101,399	283,816
– Clearing houses	–	43,105
Accounts payable to clients arising from the business of dealing in futures contracts	10,804	47,060
Commission payable for brokerage of mutual funds and insurance-linked investment plans and products	222	66
	170,977	485,299

The normal settlement terms of accounts payable to cash clients and clearing house are two days after trade date. The age of these balances is within 30 days.

Accounts payable to clients arising from the business of dealing in futures contracts are margin deposits received from clients for their trading of futures contracts on the Hong Kong Futures Exchange Limited ("HKFE"). The excesses of the outstanding amounts over the required initial margin deposits stipulated by the HKFE are repayable to clients on demand. No aged analysis is disclosed as in the opinion of directors, the aged analysis does not give additional value in view of the nature of business of futures contract dealing.

Amounts due to securities margin clients are repayable on demand. No aged analysis is disclosed as in the opinion of directors, the aged analysis does not give additional value in view of the nature of business of securities margin financing.

Commission payable for brokerage of mutual funds and insurance-linked investment plans and products is settled immediately once the Group has received payments from fund managers/policy issuers. The age of this balance is within 60 days.

The fair value of the Group's accounts payable was approximate to the corresponding amount.

9. RELATED PARTY TRANSACTIONS

Name of related party	Nature of transaction	Six months ended 30 September, 2008 HK$'000	2007 HK$'000
Messrs. Shum Kin Wai, Frankie, Cham Wai Ho, Anthony, Cheng Wai Ho, and Wong Sheung Kwong, and their associates	Commission income *(Note i)*	81	620
Messrs. Cheng Wai Ho, Wong Sheung Kwong, and their associates	Interest income *(Note ii)*	137	–

Notes:

(i) Commission was charged at 0.125% (2007: 0.125%) on the value of transactions. The rates were similar to rates offered to other clients of the Group.

(ii) Interest was charged at Hong Kong Prime Rate +2% on the outstanding balance of margin loans.

4. MANAGEMENT DISCUSSION AND ANALYSIS OF THE GROUP FOR THE THREE YEARS ENDED 31 MARCH 2008

Set out below is the management discussion and analysis of the performance of the Group for each of the three years ended 31 March 2008 and on some general financial information on the Group:

(a) For the financial year ended 31 March 2006

Review of operations

Hong Kong economy maintained the momentum of development through the financial year 2005-06, with the unemployment rate continuing to fall and personal income levels continuing to rise. Inflation remained benign despite record prices of crude oil and commodities. The rate of growth of the P.R.C. economy has remained firm and staunch support to Hong Kong's polices from the Central Government have contributed to the recovery of the Hong Kong economy.

In view of the upward trend of the Hong Kong market's asset price, the influx of foreign capital and the improvement in the financial condition of local households and individuals, the Group has made satisfactory progress in business with its effort in expending the market shares of the local retail clients.

The Group recorded a consolidated turnover of approximately HK$151 million, significantly increased by 91% over the previous year and the net profit up by 104% to approximately HK$60 million compared to the result a year ago. The impressive growth of turnover and net profit were partly attributed to the acquisition of a financial services business in March 2005.

While we continue to grow our income from the brokerage business, we concurrently look for new opportunities. To capture the management experience and skills, in early 2006, the Group launched the money lending business which is provision of consumer and mortgage loans, to complement our strategy of providing a full suite of services to our clients. This new business unit has made encourage result in its first year operation.

Brokerage income and interest income from securities margin financing

The average stock market turnover rose of approximately 31% during the year as compared with previous year. The average stock market daily turnover leaped from HK$16 billion for the financial year 2004-05 to HK$21 billion for the financial year 2005-06 and the benchmark Hang Seng Index was closed at 15,805 at 31 March 2006, up by 14% as compared to the Index closed at 31 March 2005. These upward trend was party due to the influx of liquidity and strong buying interest in China-related stocks.

A significant portion of the equity capital raised through the local stock market is raised by P.R.C. companies or by companies expanding into China. Brokerage income and interest income from securities margin financing again formed the principal source of our income. During the year ended 31 March 2006, the turnover for the broking business recorded HK$91 million, up by 97% compared to last year and the segmental result of broking sector has achieved a profit of HK$35 million, increase by 210% over the previous year. The Group's strong performance in its broking business is mainly attributed to the acquisition of a brokerage arm in March 2005 which produced a strong income stream through their account executives and customers added throughout the year.

The segmental result of securities margin financing increased by 104% compared with last year, mainly due to the increase in average level of margin financing. The Group will continue to exercise caution in the granting of share margin loans to clients and carry regular reviews and assessments of the share portfolio and on the individual borrower basis.

Placing and underwriting of rights issue and shares

Managed by a small but efficient team of professionals, the placing and underwriting activities posted a remarkable growth this year. The relevant commission income for the sector was HK$16 million, up by 1.5 times compared to last year. During the year, the Group completed 24 shares placements and underwriting assignments. To large extents, the earning performance of this sector depend on market conditions.

Money lending

In early 2006, the Group set up an office outside its headoffice for a new business, the money lending services which is provision of consumer and mortgage loans. Net profit of approximately HK$5 million was recorded this year.

Corporate finance

We continue to focus on the provision of financial advice services to listed issuers. The corporate finance department this year completed 14 financial advice assignments in relation to Listing Rules and Takeover Code, a net profit of approximately HK$2 million was recorded this year.

Financial review

The Group has always maintained a high level of liquid assets for operation. The Group's net current assets as at 31 March 2006 were amounted to approximately HK$741 million, representing an increase of approximately 107%. As a result of new capital injection by way of issuing of shares by placement, issuing convertible notes and exercise of share options, the Group had no outstanding borrowings at 31 March 2006 (HK$129 million at 31 March 2005). As at 31 March 2006, the Group had a cash holdings HK$321 million.

The gearing ratio of the Group (total liabilities over total shareholders' funds) was decreased to 0.4 time as at 31 March 2006 compared to 0.7 time as at 31 March 2005. The decrease was mainly due to new capital injection and decrease in bank borrowings for financing clients' securities margin loans.

The business activities of the Group had not exposed to material fluctuation in exchange rates as majority of the transactions are denominated in Hong Kong dollars. As at 31 March 2006, the Group had available and unutilised banking facilities amounting to HK$426 million. The bank facilities were secured by clients' pledged securities and corporate guarantees provided by the Company.

As at 31 March 2006, the Group had no material contingent liabilities and no capital commitment.

Material acquisition of subsidiaries

The Group had no material acquisitions and disposals of subsidiaries and associates for the year ended 31 March 2006.

Convertible Notes

On 6 April 2005, 25 November 2005, 20 December 2005, 13 January 2006 and 13 March 2006, the Company issued convertible notes with an aggregated principal amount of HK$500,000,000 at the conversion prices of HK$1.80 – HK$2.80 per share for HK$200,000,000 and HK$0.68 per share for HK$300,000,000. The convertible notes bear an interest rate of 2% to 3% per annum from the date of issue. During the year, the Company had made early partial repayment of the convertible note in the total amount of HK$200,000,000. Convertible notes amounted to HK$341,000,000 (including HK$41,000,000 convertible notes at HK$1.30 per share brought forward from last year) were converted into 472,714,924 shares at the initial conversion price of HK$1.30 per share (HK$41,000,000) and HK$0.68 per share (HK$300,000,000). There are no convertible note outstanding as at 31 March 2006.

Staff

As at 31 March 2006, the Group had a total of 47 full time employees (2005: 45) and 87 account executives (2005: 84), 23 of whom were also employed as full time employees of the Group. The Group remunerated employees based on the industry practice and individual's performance.

Prospects

In the coming year, the Group will pay close attention to the development of the Hong Kong economy and adopt active and prudent business strategies based on the prevailing market environment and industry competition. While we continue to grow our revenue from our traditional brokerage business, we concurrently look for new investment opportunities. On 3 April 2006, the Group entered into a provisional agreement to purchase a land situated at 20-22 Lomond Road, Kowloon Inland Lot No. 4164 section F & Remaining Portion with a site area of about 847 sq. metres for a consideration of HK$107,000,000. It is intended that the existing 3-storey residential buildings erected on the land will be demolished and a 32-storey residential building of a total gross floor area of about 4,200 sq. metres will be built.

(b) For the year ended 31 March 2007

Review of operations

The global economies were remarkably resilient and their performances were generally solid through the financial year of 2006-07. Chinese Mainland's economic growth was the greatest support to the economic recovery of Hong Kong and the revitalization of its securities market. The Hand Seng Index rose 25% over the past year, while the H-shares index soared 34%. IPO activities in Hong Kong reached a climax in the second half of 2006. In October 2006, the largest global IPO in history, the Industrial and Commercial Bank of China successfully listed on the Hong Kong Stock Exchange. The performance of our core businesses is highly correlated to market performance and investment sentiment. The Group took full advantage of the corresponding sharp increase in our local market activities and the Group is well established in the local securities broking industry, with a sizeable retail client base who have shown rising interest in investing in the mainland – related shares.

In 2006-07, the Group was able to capitalize on the opportunity resulting from the momentous changes in the stock market of Hong Kong to achieve the best results since the Group's listing on the main board of the Hong Kong Stock Exchange in 2002. Significant achievements have been made in the Group's operations, such as securities broking, margin financing, money lending and corporate finance. The Group recorded a consolidated turnover of approximately HK$214 million, representing an increase of 42% over previous year and the net profit up by 200% to approximately HK$180 million compared to the results a year ago.

While we continue to grow our income from brokerage business, we concurrently look for new opportunities. In February 2007, the Group through its 50% equity interest in More Profit International Limited ("More Profit") acquired 25% interest in Great China Company Limited ("Great China"). Great China is the owner of Grand Waldo Hotel in Macau. Profit of HK$115,183,000 was recognized through equity accounting of More Profit as included in the share of results of a jointly controlled entity for the year.

Brokerage income and interest income from securities margin financing

The average stock market turnover rose approximately 86% during the year as compared with previous year. The average stock market daily turnover leaped from HK$21 billion for the financial year of 2005-06 to HK$39 billion for the financial year of 2006-07 and the benchmark Hang Seng Index was closed at 19,804 at 31 March 2007, up by 25% as compared to the Hang Seng Index closed at 31 March 2006. This upward trend was partly due to the influx of liquidity and strong buying interest in China-related stocks. A significant portion of the equity capital raised through the local stock market was raised by P.R.C. companies or by companies expanding into China.

Brokerage income and interest income from securities margin financing again formed the principal source of our income. During the year ended 31 March 2007, the turnover for the broking business recorded HK$120 million, up by 31% compared to last year and the segmental result of broking sector has achieved a profit of HK$54 million, increased by 51% over the previous year. The Group's strong performance in its broking business was mainly attributed to the corresponding sharp increase in our local market activities and strong investment sentiment throughout the year.

The segmental result of securities margin financing increased by 42% compared with last year, which was mainly due to the increase in average level of margin financing. The Group will continue to exercise caution in the granting of share margin loans to clients and carry regular reviews and assessments of the share portfolio and on an individual borrower basis.

Placing and underwriting of rights issue and shares

The placing and underwriting activities recorded relevant commission income for the sector of HK$12 million, down by 23% compared to last year. During the year, the Group completed 21 shares placements and underwriting assignments. To a large extent, the earning performance of this sector depend on market conditions.

Money lending

The money lending vehicle which is mainly engaged in the provision of consumer and mortgage loans posted a net profit of approximately HK$15 million this year up by 200% compared to last year and no material impairment loss was made.

Corporate finance

We continue to focus on the provision of financial advice services to listed issuers. The corporate finance department completed 8 financial advisory assignments in relation to Listing Rules and Takeover Code, a net profit of approximately HK$5 million was recorded this year.

Financial review

The Group has always maintained a high level of liquid assets for operations. The Group's net current assets as at 31 March 2007 were amounted to approximately HK$777 million, representing an increase of approximately 5%. The Group had HK$412,300,000 outstanding borrowings at 31 March 2007 comprising bank and other loans (2006: nil). As at 31 March 2007, the Group had a cash holdings of HK$99 million.

The gearing ratio of the Group (total liabilities over total shareholders' funds) was 0.5 time (2006: 0.4 time) as at 31 March 2007.

The business activities of the Group had not exposed to material fluctuation in exchange rates as majority of the transactions are denominated in Hong Kong dollars.

As at 31 March 2007, the Group had available and unutilised banking facilities amounting to HK$188 million. The banking facilities were secured by clients' pledged securities and prepaid lease payments and building as well as corporate guarantees provided by the Company.

As at 31 March 2007, the Group had no material contingent liabilities and no capital commitment.

Material acquisition of subsidiaries, associated companies and jointly controlled entities

In February 2007, the Group through its 50% equity interest in More Profit acquired 25% interest in Great China. Great China is the owner of Grand Waldo Hotel in Macau which is destined as a five-star hotel complex comprised four portions namely, the hotel block, the casino block, the leisure block and the car park. The hotel is leased to an operator for a fixed annual rental income of HK$200 million for 5 years. The interest in this jointly controlled entity had a carrying value of HK$115 million as at 31 March 2007.

Convertible Notes

During the year, the Company issued convertible notes with an aggregate principal amount of HK$200,000,000. The convertible notes bear interest of 4% per annum. Convertible notes issued during the year were converted into 294,117,645 shares at the conversion price of HK$0.68 per share. There was no convertible note outstanding as at 31 March 2007.

Staff

As at 31 March 2007, the Group had a total of 45 full time employees (2006: 47) and 88 account executives (2006: 87), 22 of whom were also employed as full time employees of the Group. The Group remunerated employees based on the industry practice and individual's performance.

Prospects

The Group is well placed to capitalize on the upward trend of the Hong Kong economy through the steady expansion, both in its broking business through our increased presence and property investment. The Group will like to launch online securities trading and to open one branch conducting brokerage business in Macau in near future. In respect of the Group's investment in Grand Waldo Hotel, the Group is in the stage of increasing its interest. With the enlarged capital, the Group will continue to look for potential investment opportunities. Looking forward, the Board expects the Group will grow in line with the rapid economic growth in Hong Kong and the PRC. The Stock markets in these areas will definitely benefit by allowing more companies to be listed and the Group will be capable of capturing more business opportunities.

(c) For the year ended 31 March 2008

Review of operations

For the year under review, it witnessed the up and down of the stock market. Dominant by the China concept, Hong Kong stock market benefited from the good expectation of investors for the future prospect of China economy. Further spurred by the release of the news on deregulation of China QDII policy and the so-called "through train" pilot programme, Hang Seng Index soared to an all-time closing high of 31,638 on 30 October 2007. However in the second half of the year, the impact of the US subprime mortgage fallout on its economy, the US and European liquidity crunch, the falling US dollar, rising commodity prices and escalating inflation, halt of the through train programme as well as the decline of the mainland equity market were intensified. All these have unavoidably affected Hong Kong's economy as it is an international financial center and the Hang Seng Index fell to 22,849 at 31 March 2008.

In general, our businesses were resilient throughout the past year. The Group posted the best business performance in its history. Various businesses such as broking, securities margin financing and money lending all performed well. Taking advantage of the active stock market of the year, the Group's brokerage income and margin loan volume had a rather substantial increase as compared with the previous year. The Group recorded a consolidated turnover of approximately HK$645 million, representing an increase of 202% over previous year and the net profit has been up by 165% to approximately HK$477 million compared to the results a year ago.

Apart from the robust growth from the financial services sector, another highlight of the year was undoubtedly the disposal of the Group's property development in Lomand Road in Hong Kong, which has realized a net profit of approximately HK$83 million. In addition, the share of fair value gain and operation profit on the Group's investment in Grand Waldo Hotel in Macau through its interest in a jointly controlled entity, had contributed a net profit of approximately HK$172 million.

Brokerage income and interest income from securities margin financing

The average stock market turnover rose by approximately 151% during the year as compared with previous year. The average stock market daily turnover leaped from HK$39 billion for the financial year of 2006-07 to HK$98 billion for the financial year of 2007-08 and the benchmark Hang Seng Index was closed at 22,849 at 31 March 2008, up by 15% as compared to the Hang Seng Index closed at 31 March 2007. This upward trend was partly due to the influx of liquidity and strong buying interest in China-related stocks. In addition, a significant portion of the equity capital raised through the local stock market was raised by P.R.C. companies or by companies expanding into China.

Brokerage income and interest income from securities margin financing again formed the principal source of our income. During the year ended 31 March 2008, the turnover for the broking business recorded HK$253 million, up by 112% compared to last year and the segmental result of broking sector has achieved a profit of HK$113 million, increased by 111% over the previous year. The Group's strong performance in its broking business was mainly attributed to the corresponding sharp increase in our local market activities and strong investment sentiment throughout the year.

The segmental result of securities margin financing recorded a profit of HK$146 million, increased by 135% compared with last year, which was mainly due to the increase in the average level of margin financing. The Group will continue to exercise caution in the granting of share margin loans to clients and carry regular reviews and assessments of the share portfolio and on an individual borrower basis.

Placing and underwriting of rights issue and shares

The placing and underwriting activities recorded relevant commission income for the sector of HK$13 million, up by 8% compared to last year. During the year, the Group completed 23 shares placements and underwriting assignments. To a large extent, the earning performance of this sector depend on market conditions.

Money lending

The money lending vehicle which is mainly engaged in the provision of consumer and mortgage loans posted a net profit of approximately HK$22 million this year, up by 40% compared to last year and no material impairment loss was made.

Corporate finance

We continue to focus on the provision of financial advisory services to listed issuers. The corporate finance department completed 14 financial advisory assignments in relation to Listing Rules and Takeover Code, a net profit of approximately HK$1 million was recorded this year.

Property Development

During the year, the Group disposed of a property suited at Lomond Road in Hong Kong which contributed to the Group an one-off net gain of HK$83 million.

Financial review

The Group has always maintained a high level of liquid assets for operations. The Group's net current assets as at 31 March 2008 amounted to approximately HK$1,809 million, representing an increase of approximately 133%. The Group had HK$133 million outstanding borrowings at 31 March 2008 comprising bank loans (2007: HK$412 million). As at 31 March 2008, the Group had a cash holdings of HK$187 million.

The gearing ratio of the Group (total liabilities over total shareholders' funds) was 0.3 time (2007: 0.5 time) as at 31 March 2008.

The business activities of the Group had not exposed to material fluctuation in exchange rates as majority of the transactions are denominated in Hong Kong dollars.

As at 31 March 2008, the Group had available and unutilized banking facilities amounting to HK$578 million. The banking facilities were secured by clients' pledged securities and prepaid lease payments and building as well as corporate guarantees provided by the Company.

As at 31 March 2008, the Group had no material contingent liabilities and no capital commitment.

Material acquisition of subsidiaries, associated companies and jointly controlled entities

In August 2006, the Group acquired 50% equity interest in More Profit International Limited ("More Profit") which was then accounted for as an interest in jointly controlled entity. On 26 June 2007, the Group entered into an agreement with Macau Prime Properties Holdings Limited to acquire an additional 40% interest in More Profit, through the acquisition of the entire issued share capital and shareholders' loan of Dragon Rainbow Limited. On 20 September 2007, the transaction was completed and thereafter the Group held a 90% equity interest in More Profit. The Group's effective interest in Great China Company Limited, the jointly controlled entity of More Profit, has increased from 25% to 45% as a result of this transaction. Great China Company Limited is the owner of Grand Waldo Hotel in Macau which is destined as a five star hotel complex. The hotel is leased to an operator for a fixed annual rental income of HK$200 million for five-years effective from 2007. The interest in this jointly controlled entity had a carrying value of HK$859 million as at 31 March 2008.

Convertible Notes

During the year, the Company issued convertible notes with an aggregate principal amount of HK$350,000,000 at the conversion prices of HK$1 – HK$1.2 per share for HK$250,000,000 and HK$0.907 per share for HK$100,000,000. The convertible notes bear interest of 5% per annum. During the year, the Company had made early repayment of the convertible note in the total amount of HK$250,000,000. The convertible note of HK$100,000,000 was outstanding as at 31 March 2008.

Staff

As at 31 March 2008, the Group had a total of 44 full time employees (2007: 45) and 88 account executives (2007: 88), 22 of whom were also employed as full time employees of the Group. The Group remunerated employees based on the industry practice and individual's performance.

Prospects

Hong Kong will be unavoidably sensitive to changing conditions in the global economy, though China's economic performance has become increasingly relevant for both the local economy and its financial market. Worries of a recession in the US plus the threat of an overheating China economy may continue to dampen investment sentiment in the local stock market. The Group should be on the alert for more violent fluctuations in the global financial market.

Despite the challenge environment, both the Central Government and Hong Kong Government has shown strong confidence and active support to further strengthen Hong Kong as one of the world-class financial centers, the Group believes the Hong Kong stock market will continue its growth with this tremendous opportunity. The Group will continue its expansion of the financial service sector and will make use of its professional brokerage team to further strengthen the customer base and market share. Meanwhile, with a strong financial position, the Group will also continue to look for potential investment opportunities through an active and prudent approach to maximize return for its stakeholders.

5. WORKING CAPITAL

The Directors are of the opinion that, taking into account the cash flows generated from the operating activities, the financial resources available to the Enlarged Group including internally generated funds and the available credit, the Enlarged Group has sufficient working capital for its present requirements, that is for at least the next 12 months from the date of this circular.

6. INDEBTEDNESS

At the close of business on 28 February 2009, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Enlarged Group had outstanding unsecured borrowings of approximately of HK$17,022,000 comprising an amount due to a minority shareholder of approximately HK$17,000,000 and a related company of approximately HK$22,000 respectively.

The Enlarged Group's banking facilities were secured by charges over its assets, including land and buildings, prepaid land lease payments and listed securities belonging to margin clients. As at 28 February 2009, no facilities had been utilized.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, at the close of business on 28 February 2009, the Enlarged Group did not have any loan capital (issued and outstanding, or agreed to be issued), bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, finance leases, hire purchase commitments, guarantees or other material contingent liabilities.

The Directors confirmed that there has been no material adverse change in the indebtedness and contingent liabilities of the Enlarged Group since 28 February 2009 up to the Latest Practicable Date.

7. FINANCIAL AND TRADING PROSPECTS OF THE ENLARGED GROUP

In 2008, the global economy is encountering significant challenges. The US subprime crisis leading to general credit crunch and intensified stock market volatility is expected to continue for the rest of the year 2009. However, the prospect of the China economy and its capital markets continue to be Hong Kong's major focus. China's open-up policy is unlikely to change course and the Group believes the magnitude of macro control by the Central Government in the PRC will be gradually relaxed in view of the major changes in the global economic and financial situations. The growth momentum in China is still attractive despite the unfavorable economic environment. As both the Central Government and the Hong Kong Government have shown strong confidence and active support to further strengthen Hong Kong as one of the world-class financial centers, the Group remains cautiously optimistic about the future development of the financial market in Hong Kong.

The Group intends to adopt a practical business strategy, to capture market opportunities and to improve its service quality and cost efficiency to maintain its competitiveness. Meanwhile, with a strong financial position, the Group will continue to pursue strategic direct investment projects aiming to optimize its returns to the Company and its shareholders.

1. ACCOUNTANTS' REPORT ON GSI

The following is the text of a report on the financial information of GSI for the period from 25 August 2006 (date of incorporation) to 31 December 2006 and each of the financial years ended 31 December 2007 and 2008 (the "Relevant Periods"), for which the independent reporting accountants of GSI, W.H. Tang & Partners CPA Limited, expressed an unqualified opinion.

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W.H. TANG & PARTNERS CPA LIMITED

30 April 2009

The Directors
Get Nice Holdings Limited
10th Floor,
Cosco Tower,
Grand Millennium Plaza,
183 Queen's Road Central,
Hong Kong.

Dear Sirs,

We set out below our report on the financial information (the "Financial Information") of Group Success International Limited ("Group Success") for the period from 25 August 2006 (date of incorporation) to 31 December 2006, for the years ended 31 December 2007 and 2008 (the "Relevant Periods"), including the balance sheets as at 31 December 2006, 2007 and 2008, the income statements and statements of changes in equity for the Relevant Periods, and notes thereto, for inclusion in the circular of Get Nice Holdings Limited dated 30 April 2009 (the "Circular") in connection with, inter alia, the acquisition of 100% equity interest in Group Success.

Group Success is a limited liability company incorporated in the British Virgin Islands on 25 August 2006 and was principally engaged in investment holding during the Relevant Periods. Business of Group Success commenced on 6 October 2006.

No audited financial statements of Group Success have been prepared since its incorporation date as there are no statutory requirements for Group Success to prepare audited financial statements.

BASIS OF PREPARATION

The Financial Information has been prepared by the sole director of Group Success based on the financial statements for the Relevant Periods, on the basis as set out in Note 2 of Section II below. The Financial Information has been prepared in accordance with Hong Kong Financial Reporting Standards, which also include Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and accounting principles generally accepted in Hong Kong.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL INFORMATION

The sole director of Group Success is responsible for the preparation and the true and fair presentation of the Financial Information in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and the true and fair presentation of the Financial Information that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

REPORTING ACCOUNTANTS' RESPONSIBILITY

Our responsibility is to express an opinion on the Financial Information based on our audit. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the Financial Information is free from material misstatement. We have also carried out additional procedures as necessary in accordance with Auditing Guideline 3.340 "Prospectuses and the Reporting Accountant" issued by the HKICPA.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of the risks of material misstatement of the Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to Group Success's preparation and true and fair presentation of the Financial Information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Group Success's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Financial Information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, for the purpose of this report, the Financial Information gives a true and fair view of the state of affairs of Group Success as at 31 December 2006, 2007 and 2008 and of the results of Group Success for the Relevant Periods then ended in accordance with Hong Kong Financial Reporting Standards.

I. FINANCIAL INFORMATION OF GSI

INCOME STATEMENTS

		For the year ended		25-8-2006 to
		31-12-2008	**31-12-2007**	**31-12-2006**
	Note	*HK$'000*	*HK$'000*	*HK$'000*
Revenue	8	3,350	4,296	–
Administrative expenses		(5)	(5)	–
Profit before taxation	9	3,345	4,291	–
Income tax expenses	10	–	–	–
Profit for the year/period		3,345	4,291	–

BALANCE SHEETS

		As at 31 December		
		2008	**2007**	**2006**
	Note	*HK$'000*	*HK$'000*	*HK$'000*
Non-current assets				
Available-for-sale financial asset	13	8	8	–
Other receivable	14	69,615	66,265	–
		69,623	66,273	–
Current assets				
Deposit paid		–	–	20,000
Current liabilities				
Amount due to a shareholder	15	61,987	61,982	20,000
Net current liabilities		(61,987)	(61,982)	–
		7,636	4,291	–
Capital and reserve				
Share capital	16	–	–	–
Retained profits		7,636	4,291	–
		7,636	4,291	–

STATEMENTS OF CHANGES IN EQUITY

	Share capital	**Retained profits**	**Total**
	HK$'000	*HK$'000*	*HK$'000*
Issue of share	–	–	–
Profit for the period	–	–	–
At 31 December 2006 and at 1 January 2007	–	–	–
Profit for the year	–	4,291	4,291
At 31 December 2007 and at 1 January 2008	–	4,291	4,291
Profit for the year	–	3,345	3,345
At 31 December 2008	–	7,636	7,636

II. NOTES TO THE FINANCIAL INFORMATION

1. General information

Group Success International Limited ("Group Success") is a limited liability company incorporated in the British Virgin Islands. Group Success's registered office is located at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands. The principal activity of Group Success is investment holding.

The financial statements are presented in Hong Kong Dollars, being the functional currency of Group Success.

2. Summary of significant accounting policies

The Financial Information has been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), and accounting principles generally accepted in Hong Kong (which also include Hong Kong Accounting Standards and Interpretations), accounting principles generally accepted in Hong Kong and the applicable disclosure required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Hong Kong Companies Ordinance.

The measurement basis used in the preparation of the Financial Information is historical cost.

The presentation of the Financial Information in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are 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 that are 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 recognized in the period, 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.

Group Success has not yet early applied the following new standards, amendments and interpretations that have been issued but are not yet effective.

Group Success is not yet in a position to determine whether these standards, amendments and interpretations will have significant impact on how the results of operations and financial position are prepared and presented. These amendments and interpretations may result in changes in the future as to how the results and financial position are prepared and presented.

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 Obligations Arising on Liquidation[2]
HKAS 39 (Amendments)	Financial Instruments: Recognition and Measurement – Eligible hedged items[3]
HKFRS 1 & HKAS 27 (Amendment)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate[3]
HKFRS 2 (Amendment)	Share-Based Payment – Vesting Conditions and Cancellations[2]
HKFRS 3 (Revised)	Business Combination[3]
HKFRS 7 (Amendments)	Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments[2]

HKFRS 8	Operating Segments[2]
HK(IFRIC) – Int 13	Customer Loyalty Programmes[4]
HK(IFRIC) – Int 15	Agreement for the Construction of Real Estate[2]
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operations[5]
HK(IFRIC) – Int 17	Distribution of Non-cash Assets to Owner[3]
HK(IFRIC) – Int 18	Transfers 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.

The sole director of Group Success expect that the adoption of the above new standards, amendments and interpretations will not have any significant impact on Group Success's financial statements in the period of initial application.

The accounting policies set out below has been applied consistently to the Relevant Periods presented in the Financial Information.

Basis of preparation

A cash flow statement has not been presented as all expenses are paid by the sole shareholder and Group Success does not operate a bank or cash account or hold any cash equivalents and has had no cash transactions during the years. Accordingly, such presentation of a cash flow statement would provide no additional useful information to the users of the financial statements.

Revenue recognition

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Impairment of assets

At each balance sheet date, Group Success reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimated of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the assets in prior years. A reversal of an impairment loss is recognized as income immediately.

Foreign currencies

In preparing the financial statements of each individual entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, is recognized in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary item in respect of which gains and losses are recognized directly in equity, in which cases, the exchange differences are also recognized directly in equity.

Provision, contingent liabilities and contingent assets

Provisions are recognized when Group Success has a present legal or obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate amount can be made. Where Group Success expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Group Success. It can also be a present obligation arising from past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognized but is disclosed in the notes to the financial statements. When a change in probability of an outflow occurs so that outflow is probable, they will then be recognized as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of Group Success. Contingent assets are not recognized but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognized.

Taxation

Income tax expenses represent the sum of tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in income statement because it excluded items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Group Success's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arisen from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Related parties

A party is related to Group Success if:

(a) directly, or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, Group Success; or has an interest in Group Success that gives it significant influence over Group Success; or has joint control over Group Success;

(b) the party is an associate of Group Success;

(c) the party is a joint venture in which Group Success is a venturer;

(d) the party is a member of the key management personnel of Group Success or its parent;

(e) the party is a close member of the family of any individual referred to in (a) or (d);

(f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or

(g) the party is a post-employment benefit plan for the benefit of employees of Group Success, or of any entity that is a related party of Group Success.

Financial instruments

Financial assets and financial liabilities are recognized on the balance sheet when Group Success 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 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 and loss are recognized immediately in profit or loss.

Financial assets

Group Success's financial assets are classified into loans and receivables. All regular way purchases or sales of financial assets are recognized and derecognized 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. The accounting policies adopted in respect of each category of financial assets are set out below.

Effective interest method

The effective interest method is a method of calculating the amortized 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 on 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.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at Fair Value Through Profit or Loss ("FVTPL"), loans and receivables or held-to-maturity investments. At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognized in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognized in equity is removed from equity and recognized in profit or loss.

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.

Impairment of financial assets

Financial assets 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.

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-organization.

For financial assets carried at amortized cost, an impairment loss is recognized 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 recognized in profit or loss. When the trade receivable is considered 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 amortized 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 losses was recognized, the previously recognized 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 amortized cost would have been had the impairment not been recognized.

Financial liabilities and equity

Financial liabilities and equity instruments issued by an 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 Group Success after deducting all of its liabilities. Group Success's financial liabilities are generally classified into financial liabilities at fair value through profit or loss and other financial liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

Effective interest method

The effective interest method is a method of calculating the amortized 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 recognized on an effective interest basis.

Other financial liabilities

Other financial liabilities including amount due to the sole shareholder is subsequently measured at amortized cost, using the effective interest rate method.

Equity instruments

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

Derecognition

Financial assets are derecognized when the rights to receive cash flows from the assets expire or, the financial assets are transferred and Group Success has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized directly in equity is recognized in profit or loss.

Financial liabilities are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3. Critical accounting judgements and key sources of estimation uncertainty

In the process of applying the entity's accounting policies, which are described in Note 2 to the financial statements, management has made the following judgments that have significant effect on the amounts recognized in the financial statements. The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are also discussed below.

Fair value estimation

The carrying amounts of Group Success's financial assets, which mainly included deposit paid, and financial liabilities, which mainly included amount due to the sole shareholder were approximate to their fair values.

Income tax expenses

In the opinion of the director, profit of Group Success was wholly derived outside Hong Kong and not subject to Hong Kong Profits Tax.

4. Capital risk management

The Group Success manages its capital to ensure that Group Success will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. Group Success's overall strategy remains unchanged during the Relevant Periods.

The capital structure of Group Success consists of debts, which includes amount due to a shareholder disclosed in Note 15, equity attributable to equity holders of Group Success, comprising issued share capital and retained profits.

The sole director of Group Success regularly reviews the capital structure of Group Success. As part of review, the director considers the cost of capital and the risks associates with each class of capital. Based on the recommendations of the director, Group Success will balance its overall capital structure through the issue of new debt or the redemption of existing debt.

5. Financial instruments

Categories of financial instruments

	2008	2007	2006
	HK$'000	*HK$'000*	*HK$'000*
Financial assets			
Loans and receivables (including cash and cash equivalents)	69,615	66,265	20,000
Available-for-sales financial assets	8	8	–
Financial liabilities			
Amortized cost	61,987	61,982	20,000

6. Financial risk factors

Group Success's activities expose it to a variety of financial risks : interest rate risk and liquidity risk. Group Success's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on Group Success's financial performance.

(i) Interest rate risk

Group Success's exposure to market risk for changes in interest rates relates primarily to Group Success's loan to the investee company, which are mainly based on the prevailing market rate. Group Success does not have a specific policy in place but the exposure to the interest rate risk in relation to these financial instruments is monitored on an ongoing basis.

Sensitivity analysis

At 31 December 2008, 2007 and 2006, if interest rates had been 100 basic point higher/lower and all other variables were held constant, Group Success's profit for the period ended 31 December 2006 would increase/decrease by approximately HK$Nil and profit for the year ended 31 December 2007 and 2008 would increase/decrease by HK$620,000 and HK$620,000. This is mainly attributable to Group Success's exposure to interest rates on its loan to the investee company.

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 all financial instruments in existence at that date. The 100 basis point increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period/year until the next annual balance sheet date. The analysis is performed on the same basis for 2007 and 2006.

(ii) Liquidity risk

Group Success will consistently implement a prudent liquidity risk management and ensure that it maintains sufficient cash and cash equivalents to meets its liquidity requirements.

The table below summarizes the maturity profile of Group Success's financial liabilities at Relevant Periods based on contractual undiscounted payments.

	On demand	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
2008					
Amount due to a shareholder	61,987	–	–	–	–
	61,987	–	–	–	–

	On demand	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
2007					
Amount due to a shareholder	61,982	–	–	–	–
	61,982	–	–	–	–

	On demand	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
2006					
Amount due to a shareholder	20,000	–	–	–	–
	20,000	–	–	–	–

7. Segment information

During the Relevant Periods, Group Success's revenue and assets were derived from the loan to its investee company which is a company incorporated in British Virgin Islands. Accordingly no detailed analysis of Group Success's business segment and geographical segment is disclosed.

8. Revenue

Revenue is recognized when it is probable that the economic benefits will flow to Group Success :

	For the year ended 31-12-2008	For the year ended 31-12-2007	25-8-2006 to 31-12-2006
	HK$'000	*HK$'000*	*HK$'000*
Revenue for the year/period comprised :			
Interest income	3,350	4,296	–

9. Profit before taxation

	For the year ended		25-8-2006 to
	31-12-2008	**31-12-2007**	**31-12-2006**
	HK$'000	*HK$'000*	*HK$'000*
Profit before taxation has been arrived at after charging :			
Auditor's remuneration	–	–	–
Director's remuneration	–	–	–

10. Income tax expenses

In the opinion of the sole director, provision for Hong Kong Profits Tax for the Relevant Periods are consider not necessary as the profit is wholly derived outside Hong Kong. Group Success did not have significant unprovided deferred taxation.

Reconciliation between profit before taxation at applicable tax rate is as follows :

	For the year ended		25-8-2006 to
	31-12-2008	**31-12-2007**	**31-12-2006**
	HK$'000	*HK$'000*	*HK$'000*
Profit before taxation	3,345	4,291	–
Income tax at applicable tax rate of 16.5% (2006-2007: 17.5%)	552	750	–
Income not subject to tax	(552)	(750)	–
	–	–	–

11. Dividends

No dividends have been paid or proposed by Group Success since its incorporation.

12. Earnings per share

No earnings per share information is presented as it is not considered meaningful for the purpose of this report.

13. Available-for-sale financial asset

	2008	**2007**	**2006**
	HK$'000	*HK$'000*	*HK$'000*
Unlisted shares, at cost	8	8	–

14. Other receivable

	2008	2007	2006
	HK$'000	*HK$'000*	*HK$'000*
Loan receivable	61,969	61,969	–
Interest receivable	7,646	4,296	–
	69,615	66,265	–

Loan receivable is unsecured, interest charged at Hong Kong prime rate per annum and has no fixed repayment term.

15. Amount due to a shareholder

	2008	2007	2006
	HK$'000	*HK$'000*	*HK$'000*
CHEUNG Chung Kiu	61,987	61,982	20,000

The amount due to a shareholder is unsecured, interest-free and has no fixed repayment term. At the balance sheet date, the carrying amount was approximates to the fair value.

16. Share capital

	2008	2007	2006
	HK$'000	*HK$'000*	*HK$'000*
Authorized:			
50,000 ordinary shares of US$1 each	390	390	390
Issued and fully paid:			
	HK$	*HK$*	*HK$*
1 ordinary share of US$1 each	8	8	8

17. Commitments under operating leases

Group Success did not have any lease commitments during the Relevant Periods.

18. Subsequent events

No significant events took place subsequent to 31 December 2008.

III. SUBSEQUENT FINANCIAL INFORMATION

No audited financial statements have been prepared for Group Success in respect of any period subsequent to 31 December 2008.

Yours faithfully,
W. H. Tang & Partners CPA Limited
Certified Public Accountants
Hong Kong

2. MANAGEMENT DISCUSSION AND ANALYSIS OF GSI

For the period from 25 August 2006 (date of incorporation) to 31 December 2006

The only transaction incurred during the period was a deposit of HK$20 million paid in relation to the subscription of 10% interest in More Profit, which was financed by the loan from its sole shareholder.

For the year ended 31 December 2007

Revenue

The revenue amounting to HK$4.3 million represents interest income receivable from More Profit for an unsecured loan advanced to More Profit.

Available-for-sale financial asset and other receivable

During the period under review, GSI acquired 10% interest in More Profit. Therefore, an investment cost of HK$7,800 and an interest bearing loan due from More Profit of HK$61.9 million were stated at 31 December 2007. Other receivable also comprised interest receivable from More Profit of HK$4.3 million.

Liquidity and capital resources

At 31 December 2007, GSI had a loan from its sole shareholder amounting to HK$61.9 million, which is unsecured, non-interest bearing and has no fixed repayment term and was the sole source of funding for GSI's investment.

Since GSI had no external debts at 31 December 2007, computation of gearing ratio is not applicable.

Others

The business activities of GSI had not exposed to material fluctuations in exchange rates as GSI has no monetary assets/liabilities denominated in foreign currencies.

At 31 December 2007, GSI has no contingent liabilities nor capital commitment.

GSI had no staff for the period under review.

No segmental information is disclosed since the sole business of GSI is investment in More Profit.

There was no charge on GSI's assets.

GSI has no future plans for material investments or capital assets.

For the year ended 31 December 2008

Revenue

The revenue amounting to HK$3.3 million (2007: HK$4.3 million) represents interest income receivable from More Profit for an unsecured loan advanced to More Profit. Decrease in interest income is mainly due to decrease in average interest rate during the year.

Available-for-sale financial asset and other receivable

The investment cost in More Profit and the interest bearing loan due from More Profit remained at HK$7,800 and HK$61.9 million respectively at 31 December 2008. Other receivable also comprised interest receivable from More Profit which increased to HK$7.6 million (2007: HK$4.3 million) as the result of interest incurred during the year and there is no repayment from More Profit.

Liquidity and capital resources

At 31 December 2008, the loan from its sole shareholder remained at HK$61.9 million (2007: HK$61.9 million), which is unsecured, non-interest bearing and has no fixed repayment term and was the sole source of funding for GSI's investment.

Since GSI had no external debts at 31 December 2008, computation of gearing ratio is not applicable.

Others

The business activities of GSI had not exposed to material fluctuations in exchange rates as GSI has no monetary assets/liabilities denominated in foreign currencies.

At 31 December 2008, GSI has no contingent liabilities nor capital commitment.

GSI had no staff for the year under review.

No segmental information is disclosed since the sole business of GSI is investment in More Profit.

There was no charge on GSI's assets.

GSI has no future plans for material investments or capital assets.

1. ACCOUNTANTS' REPORT ON MORE PROFIT

The following is the text of a report on the financial information of More Profit for the period from 25 August 2006 (date of incorporation) to 31 March 2007, the year ended 31 March 2008 and for the nine months ended 31 December 2008 (the "Relevant Periods"), for which the independent reporting accountants of More Profit, W.H. Tang & Partners CPA Limited, expressed an unqualified opinion.

Level 7 Parkview Centre,
7 Lau Li Street,
Causeway Bay, Hong Kong

W.H. TANG & PARTNERS CPA LIMITED

Tel: (852) 2342 6130
Fax: (852) 2342 6006

30 April 2009

The Directors
Get Nice Holdings Limited
10th Floor,
Cosco Tower,
Grand Millennium Plaza,
183 Queen's Road Central,
Hong Kong.

Dear Sirs,

We set out below our report on the financial information (the "Financial Information") of More Profit International Limited ("More Profit") for inclusion in the circular of Get Nice Holdings Limited (the "Company") dated 30 April 2009 (the "Circular") in connection with, inter alia, the acquisition of 100% equity interest in Group Success International Limited. The Financial Information comprises the balance sheets of More Profit as at 31 March 2007, 2008 and 31 December 2008, and the income statements, the statements of changes in equity and the cash flow statements of More Profit for the period from 25 August 2006 (date of incorporation) to 31 March 2007, for the year ended 31 March 2008 and for the nine months ended 31 December 2008 (the "Relevant Periods") and a summary of significant accounting policies and other explanatory notes.

More Profit is a limited liability company incorporated in the British Virgin Islands on 25 August 2006 and was principally engaged in investment holding during the Relevant Periods. Business of More Profit commenced on 6 October 2006.

No audited financial statements of More Profit have been prepared since its incorporation date as there are no statutory requirements for More Profit to prepare audited financial statements.

BASIS OF PREPARATION

The Financial Information has been prepared by the directors of More Profit based on the financial statements for the Relevant Periods, on the basis as set out in Note 2 of Section II below. The Financial Information has been prepared in accordance with Hong Kong Financial Reporting Standards, which also include Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and accounting principles generally accepted in Hong Kong.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL INFORMATION

The directors of More Profit are responsible for the preparation and the true and fair presentation of the Financial Information in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and the true and fair presentation of the Financial Information that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

REPORTING ACCOUNTANTS' RESPONSIBILITY

Our responsibility is to express an opinion on the Financial Information based on our audit. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the Financial Information is free from material misstatement. We have also carried out additional procedures as necessary in accordance with Auditing Guideline 3.340 "Prospectuses and the Reporting Accountant" issued by the HKICPA.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of the risks of material misstatement of the Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to More Profit's preparation and true and fair presentation of the Financial Information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of More Profit's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Financial Information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, for the purpose of this report, the Financial Information gives a true and fair view of the state of affairs of More Profit as at 31 March 2007, 2008 and 31 December 2008 and of the results and cash flows of More Profit for the Relevant Periods in accordance with Hong Kong Financial Reporting Standards.

I. FINANCIAL INFORMATION

INCOME STATEMENTS

	Note	For the nine months ended 31-12-2008	For the year ended 31-3-2008	25-8-2006 to 31-3-2007
		HK$'000	*HK$'000*	*HK$'000*
Revenue	8	–	–	–
Other revenue	9	7,570	13,841	232,136
Administrative expenses		(2)	(133)	(1,049)
Share of results of Jointly controlled entity		(113,705)	195,102	7,057
Finance costs	10	(24,340)	(44,495)	(7,777)
(Loss) profit before taxation	11	(130,477)	164,315	230,367
Income tax expenses	12	–	–	–
(Loss) profit for the year/period		(130,477)	164,315	230,367

BALANCE SHEETS

		At 31 December	At 31 March	
		2008	**2008**	**2007**
	Note	*HK$'000*	*HK$'000*	*HK$'000*
Non-current assets				
Interest in a jointly controlled entity	15	961,770	1,067,905	858,965
Current assets				
Other receivable		–	–	200
Bank balance and cash	16	150	150	2
		150	150	202
Current liabilities				
Amounts due to shareholders	17	76,612	52,272	7,777
Amount due to ultimate holding company	18	80	78	–
		76,692	52,350	7,777
Net current liabilities		(76,542)	(52,200)	(7,575)
Non-current liabilities				
Loan from shareholders	19	620,945	620,945	620,945
		264,283	394,760	230,445
Capital and reserve				
Share capital	20	78	78	78
Retained profits		264,205	394,682	230,367
		264,283	394,760	230,445

STATEMENTS OF CHANGES IN EQUITY

	Share capital *HK$'000*	**Retained profits** *HK$'000*	**Total** *HK$'000*
Issue during the period	78	–	78
Profit for the period	–	230,367	230,367
At 31 March 2007 and at 1 April 2007	78	230,367	230,445
Profit for the year	–	164,315	164,315
At 31 March 2008 and at 1 April 2008	78	394,682	394,760
Loss for the period	–	(130,477)	(130,477)
At 31 December 2008	78	264,205	264,283

CASH FLOW STATEMENTS

		For the nine months ended 31-12-2008	For the year ended 31-3-2008	25-8-2006 to 31-3-2007
	Note	*HK$'000*	*HK$'000*	*HK$'000*
OPERATING ACTIVITIES				
(Loss) Profit before taxation		(130,477)	164,315	230,367
Adjustment for:				
Share of results of a jointly controlled entity		113,705	(195,102)	(7,057)
Interest income		(7,570)	(13,841)	(2,419)
Finance costs		24,340	44,495	7,777
Negative goodwill		–	–	(229,717)
Operating cash flows before movements In working capital		(2)	(133)	(1,049)
(Increase) decrease in other receivable		–	200	(200)
Cash (used in) from operations		(2)	67	(1,249)
Net cash (used in) from operating activities		(2)	67	(1,249)
INVESTING ACTIVITIES				
Acquisition of a jointly controlled entity		–	–	(426,661)
Interest received		–	3	–
Net cash (used in) from investing activities		–	3	(426,661)
FINANCING ACTIVITIES				
Issue of shares		–	–	78
Loan to a jointly controlled entity		–	–	(193,111)
Loan from shareholders		–	–	620,945
Amount due to ultimate holding company		2	78	–
Net cash from financing activities		2	78	427,912
Net increase in cash and cash equivalents		–	148	2
Cash and cash equivalents at the beginning		150	2	–
Cash and cash equivalents at the ending		150	150	2
Cash and cash equivalents, representing by				
Bank balance and cash	16	150	150	2

II. NOTES TO FINANCIAL INFORMATION

1. General information

More Profit International Limited ("More Profit") is a private company incorporated in the British Virgin Islands with limited liability. The registered address of More Profit is located at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands. In the opinion of the directors of More Profit, its ultimate holding company is Get Nice Holdings Limited, an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited.

The financial statements are presented in Hong Kong Dollars, being the functional currency of More Profit.

More Profit is an investment holding company.

2. Summary of significant accounting policies

The Financial Information has been prepared in accordance with all applicable Hong Kong Financial Reporting Standards issued by the HKICPA, accounting principles generally accepted in Hong Kong ("HKFRSs") (which also include Hong Kong Accounting Standards and Interpretations), accounting principles generally accepted in Hong Kong and the applicable disclosure required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Hong Kong Companies Ordinance.

The measurement basis used in the preparation of the Financial Information is historical cost convention accounting.

The presentation of the Financial Information in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are 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 that are 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, 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.

More Profit has not yet early applied the following new standards, amendments and interpretations that have been issued but are not yet effective.

More Profit is not yet in a position to determine whether these standards, amendments and interpretations will have significant impact on how the results of operations and financial position are prepared and presented. These amendments and interpretations may result in changes in the future as to how the results and financial position are prepared and presented.

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 Obligations Arising on Liquidation[2]
HKAS 39 (Amendments)	Financial Instruments: Recognition and Measurement – Eligible hedged items[3]
HKFRS 1 & HKAS 27 (Amendment)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate[3]
HKFRS 2 (Amendment)	Share-Based Payment – Vesting Conditions and Cancellations[2]
HKFRS 3 (Revised)	Business Combination[3]
HKFRS 7 (Amendments)	Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments[2]
HKFRS 8	Operating Segments[2]
HK(IFRIC) – Int 13	Customer Loyalty Programmes[4]
HK(IFRIC) – Int 15	Agreement for the Construction of Real Estate[2]
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operations[5]
HK(IFRIC) – Int 17	Distribution of Non-cash Assets to Owner[3]
HK(IFRIC) – Int 18	Transfers 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.

The directors of More Profit expect that the adoption of the above new standards, amendments and interpretations will not have any significant impact on More Profit's financial statements in the period of initial application.

The accounting policies set out below has been applied consistently to the Relevant Periods presented in the Financial Information.

Business combinations

The acquisition of business 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 More Profit 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 recognized at their fair values at the acquisition date.

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

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to More Profit and the revenue and costs, if applicable, can be measured reliably and on the following basis:

Interest income is accrued on a time apportionment basis on the principal outstanding and at the interest rate applicable.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Impairment of assets

At each balance sheet date, More Profit reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimated of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the assets in prior years. A reversal of an impairment loss is recognized as income immediately.

Jointly controlled entities

Joint venture arrangements that involve the establishment of a separate entity in which venturers have joint control over the economic activity of the entity are referred to as jointly controlled entities.

The results and assets and liabilities of jointly controlled entities are incorporated in the financial statements using the equity method of accounting. Under the equity method, investments in jointly controlled entities are carried in the balance sheet at cost as adjusted for post-acquisition changes in More Profit's share of the profit or loss and of changes in equity of the jointly controlled entities, less any identified impairment loss. When More Profit's share of losses of a jointly controlled entity equals or exceeds its interest in that jointly controlled entity, More Profit discontinues recognizing its share of further losses. An additional share of losses is provided for and a liability is recognized only to the extent that More Profit has incurred legal or constructive obligations or made payments on behalf of that jointly controlled entity.

When an entity transacts with a jointly controlled entity of More Profit, profits or losses are eliminated to the extent of More Profit's interest in the jointly controlled entity.

Borrowing costs

All borrowing costs are recognized as and included in finance costs in the income statement in the period in which they are incurred.

Provision, contingent liabilities and contingent assets

Provisions are recognized when More Profit has a present legal or obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate amount can be made. Where More Profit expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of More Profit. It can also be a present obligation arising from past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognized but is disclosed in the notes to the financial statements. When a change in probability of an outflow occurs so that outflow is probable, they will then be recognized as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of More Profit. Contingent assets are not recognized but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognized.

Taxation

Income tax expenses represent the sum of tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in income statement because it excluded items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. More Profit's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arisen from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet and cash flow statements comprise cash at banks and on hand, including short term deposits, which are not restrict to use.

Related parties

A party is related to More Profit if:

(a) directly, or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, More Profit; or has an interest in More Profit that gives it significant influence over More Profit; or has joint control over More Profit;

(b) the party is an associate of More Profit;

(c) the party is a joint venture in which More Profit is a venturer;

(d) the party is a member of the key management personnel of More Profit or its parent;

(e) the party is a close member of the family of any individual referred to in (a) or (d);

(f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or

(g) the party is a post-employment benefit plan for the benefit of employees of More Profit, or of any entity that is a related party of More Profit.

Financial instruments

Financial assets and financial liabilities are recognized on the balance sheet when More Profit 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 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 and loss are recognized immediately in profit or loss.

Financial assets

More Profit's financial assets are classified into loans and receivables. All regular way purchases or sales of financial assets are recognized and derecognized 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. The accounting policies adopted in respect of each category of financial assets are set out below.

Effective interest method

The effective interest method is a method of calculating the amortized 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 on 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.

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 other receivables) are carried at amortized cost using the effective interest method, less any identified impairment losses, if any.

Impairment of financial assets

Financial assets 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 financial assets carried at amortized cost, an impairment loss is recognized 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 recognized in profit or loss. When the trade receivable is considered 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 amortized 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 losses was recognized, the previously recognized 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 amortized cost would have been had the impairment not been recognized.

Financial liabilities and equity

Financial liabilities and equity instruments issued by an 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 More Profit after deducting all of its liabilities. More Profit's financial liabilities are generally classified into financial liabilities at fair value through profit or loss and other financial liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

Effective interest method

The effective interest method is a method of calculating the amortized 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 recognized on an effective interest basis.

Other financial liabilities

Other financial liabilities including loan from shareholders, amount due to shareholders and amount due to ultimate holding company are subsequently measured at amortized cost, using the effective interest rate method.

Equity instruments

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

Derecognition

Financial assets are derecognized when the rights to receive cash flows from the assets expire or, the financial assets are transferred and More Profit has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized directly in equity is recognized in profit or loss.

Financial liabilities are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3. Critical accounting judgements and key sources of estimation uncertainty

In the process of applying More Profit's accounting policies, which are described in Note 2, management has made the following judgments that have significant effect on the amounts recognized in the financial statements. The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are also discussed below.

Fair value estimation

The carrying amounts of More Profit's financial assets, which mainly include cash and bank balances, other receivable; and financial liabilities, which mainly include amount due to shareholders, amount due to ultimate holding company and loans from shareholders were approximate to their fair values.

Income tax expenses

In the opinion of the directors, provision for taxation has not been made as More Profit's income neither arises in, nor is derived from Hong Kong.

4. Capital risk management

More Profit manages its capital to ensure that More Profit will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. More Profit's overall strategy remains unchanged during the Relevant Periods.

The capital structure of More Profit consists of debts, which includes cash and cash equivalents, loans from shareholders as disclosed in Note 19 and equity attributable to equity holders of More Profit, comprising issued share capital and retained profits.

The directors of More Profit regularly review the capital structure of More Profit. As part of review, the directors consider the cost of capital and the risks associates with each class of capital. Based on the recommendations of the directors, More Profit will balance its overall capital structure through the issue of new debt or the redemption of existing debt.

5. Financial instruments

Categories of financial instruments

	31-12-2008	**31-3-2008**	**31-3-2007**
	HK$'000	*HK$'000*	*HK$'000*
Financial assets			
Loans and receivables (including cash and cash equivalents)	150	150	202
Financial liabilities			
Amortized cost	697,637	673,295	628,722

6. Financial risk factors

More Profit's activities expose it to a variety of financial risks: credit risk, interest rate risk and liquidity risk. More Profit's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on More Profit's financial performance.

(i) Credit risk

More Profit has no significant concentrations of credit risk. The carrying amount of bank balances and cash represent More Profit's maximum exposure to credit risk in relation to its financial activities. The credit risk on liquid funds is limited because the counterparties are banks of good standing.

(ii) Interest rate risk

More Profit's exposure to market risk for changes in interest rates relates primarily to More Profit's bank balances, which are mainly based on the bank saving account rate. More Profit does not have a specific policy in place but the exposure to the interest rate risk in relation to these financial instruments is monitored on an ongoing basis.

Sensitivity analysis

At 31 March 2007, 2008 and 31 December 2008, if interest rates had been 100 basic point higher/lower and all other variables were held constant, More Profit's profit for the period ended 31 March 2007 and for the year ended 31 March 2008 would decrease/increase by approximately HK$713,000, HK$4,300,000 and loss for the period ended 31 December 2008 would increase/decrease by approximately HK$3,200,000. This is mainly attributable to More Profit's exposure to interest rates on its loan to jointly controlled entity and amount due to shareholders.

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 all financial instruments in existence at that date. The 100 basis point increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period/year until the next annual balance sheet date. The analysis is performed on the same basis for the Relevant Periods.

(iii) Liquidity risk

More Profit will consistently implement a prudent liquidity risk management and ensure that it maintains sufficient cash and cash equivalents to meets its liquidity requirements.

The table below summarizes the maturity profile of More Profit's financial liabilities at Relevant Periods based on contractual undiscounted payments.

	On demand	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
31-12-2008					
Amounts due to shareholders	76,612	–	–	–	–
Amount due to ultimate holding company	80	–	–	–	–
Loan from shareholders	–	–	–	620,945	–
	76,692	–	–	620,945	–

	On demand	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
31-3-2008					
Amount due to shareholders	52,272	–	–	–	–
Amount due to ultimate holding company	78	–	–	–	–
Loan from shareholders	–	–	–	620,945	–
	52,350	–	–	620,945	–

	On demand	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
31-3-2007					
Amount due to shareholders	7,777	–	–	–	–
Loan from shareholders	–	–	–	620,945	–
	7,777	–	–	620,945	–

7. Segment information

During the Relevant Periods, More Profit's revenue and assets were derived from its investment in jointly controlled entity and the loan to the jointly controlled entity which is a company incorporated in Macau. Accordingly no detailed analysis of the More Profit's business segment and geographical segment is disclosed.

8. Revenue

More Profit did not have any business turnover during the Relevant Periods.

9. Other revenue

	For the nine months ended 31-12-2008	For the year ended 31-3-2008	25-8-2006 to 31-3-2007
	HK$'000	*HK$'000*	*HK$'000*
Interest income	7,570	13,841	2,419
Negative goodwill recognized	–	–	229,717
	7,570	13,841	232,136

10. Finance costs

	For the nine months ended 31-12-2008	For the year ended 31-3-2008	25-8-2006 to 31-3-2007
	HK$'000	*HK$'000*	*HK$'000*
Interest on loan from shareholders	24,340	44,495	7,777

11. (Loss) profit before taxation

	For the nine months ended 31-12-2008	For the year ended 31-3-2008	25-8-2006 to 31-3-2007
	HK$'000	*HK$'000*	*HK$'000*
(Loss) profit before taxation has been arrived at after charging :			
Auditors' remuneration	–	–	–
Directors' remuneration	–	–	–

12. Income tax expenses

No provision for taxation has been made as More Profit's income neither arises in, nor is derived from Hong Kong.

Reconciliation between (loss) profit before taxation at applicable tax rate is as follows :

	For the nine months ended 31-12-2008	For the year ended 31-3-2008	25-8-2006 to 31-3-2007
	HK$'000	*HK$'000*	*HK$'000*
(Loss) Profit before taxation	(130,477)	164,315	230,367
At Hong Kong statutory tax rate	(21,528)	28,755	40,314
Tax effect of income not subject to tax	–	(28,755)	(40,314)
Tax effect of expenses not deducted	21,528	–	–
Income tax expenses	–	–	–

13. Dividends

No dividends have been paid or proposed by More Profit since its incorporation.

14. Earnings per share

No earnings per share information is presented as it is not considered meaningful for the purpose of this report.

15. Interest in a jointly controlled entity

	At 31 December 2008	At 31 March 2008	At 31 March 2007
	HK$'000	*HK$'000*	*HK$'000*
Cost of unlisted investment in a jointly controlled entity	656,378	656,378	656,378
Loan to a jointly controlled entity	193,111	193,111	193,111
Interest receivable from a jointly controlled entity	23,827	16,257	2,419
Share of results	88,454	202,159	7,057
	961,770	1,067,905	858,965

Loan to the jointly controlled entity is unsecured, interest charges at Hong Kong prime rate per annum and has no fixed repayment term.

In February 2007, More Profit acquired 50% equity interest in the jointly control entity as follows:

Name of entity	Form of business structure	Place of incorporation	Principal place of operations	Class of shares held	Proportion of nominal value of issued capital held by More Profit	Proportion of voting power held	Nature of business
Great China Company Limited	Incorporated	Macau	Macau	Quota capital	50%	50%	Property holding

Negative goodwill of approximately HK$229,717,000 was arisen from the acquisition and the negative goodwill was recognized in profit and loss for the period ended 31 March 2007.

The financial information in respect of the jointly controlled entity attributable to More Profit which are accounted for using equity method is set out below:

Assets and liabilities of Great China attributable to More Profit

	At 31-12-2008 *HK$'000*	At 31-3-2008 *HK$'000*	At 31-3-2007 *HK$'000*
Non-current assets			
Investment property	1,500,000	1,690,000	1,523,500
Current assets			
Amount due from related parties	21,137	26,764	19,389
Other debtors, deposits and prepayment	1,708	1,973	2,188
Bank balances and cash	7,920	10,361	26,683
	30,765	39,098	48,260
Current liabilities			
Amount due to related parties	20,053	14,656	35,715
Other payable and accrual charges	18,262	35,153	19,015
	38,315	49,809	54,730
Net current liabilities	(7,550)	(10,711)	(6,470)
Non-current liabilities			
Bank loans	513,574	563,958	616,728
Shareholders' loans	193,111	193,111	193,111
Deferred tax liabilities	81,201	103,949	84,021
	787,886	861,018	893,860
Total assets less total liabilities	704,564	818,271	623,170

Profit and loss of Great China attributable to More Profit

	For the nine months ended 31-12-2008 HK$'000	For the year ended 31-3-2008 HK$'000	25-8-2006 to 31-3-2007 HK$'000
Revenues			
Rental income	75,000	100,000	16,668
Interest and other income	72	294	120
	75,072	100,294	16,788
Expenses			
Bank loan interest expenses	(16,221)	(35,509)	(6,304)
Shareholders' loans interest expenses	(3,785)	(13,908)	(2,349)
Fair value change on investment property	(190,000)	166,060	–
Other operating expenses	(1,571)	(1,902)	(1,078)
	(211,577)	114,741	(9,731)
(Loss)/profit before taxation	(136,505)	215,035	7,057
Taxation	22,800	(19,933)	–
Net (loss)/ profit for the period/year	(113,705)	195,102	7,057

16. Cash and cash equivalents

	At 31-12-2008 HK$'000	At 31-3-2008 HK$'000	At 31-3-2007 HK$'000
Deposits with banks	150	150	2
Cash and cash equivalents in the balance sheet and cash flow statement	150	150	2

17. Amounts due to shareholders

	At 31-12-2008 HK$'000	At 31-3-2008 HK$'000	At 31-3-2007 HK$'000
Gainventure Holdings Limited	38,340	26,160	3,893
Dragon Rainbow Limited	30,626	20,895	3,108
Group Success International Limited	7,646	5,217	776
	76,612	52,272	7,777

The amounts are unsecured, non-interest bearing and have no fixed repayment terms.

18. Amount due to ultimate holding company

	At 31-12-2008 HK$'000	At 31-3-2008 HK$'000	At 31-3-2007 HK$'000
Get Nice Holdings Limited	80	78	–

The amount is unsecured, interest free and has no fixed repayment term.

19. Loan from shareholders

	At 31-12-2008 HK$'000	At 31-3-2008 HK$'000	At 31-3-2007 HK$'000
Gainventure Holdings Limited	310,739	310,739	310,739
Dragon Rainbow Limited	248,237	248,237	248,237
Group Success International Limited	61,969	61,969	61,969
	620,945	620,945	620,945

The loans are unsecured, interest charged at Hong Kong prime rate per annum and have no fixed repayment terms.

20. Share capital

	At 31-12-2008 US$'000	At 31-3-2008 US$'000	At 31-3-2007 US$'000
Authorized :			
50,000 ordinary shares of US$1 each	50	50	50
Issued and fully paid :			
10,000 ordinary shares of US$1 each	10	10	10
As stated in HK$'000 in balance sheets	78	78	78

21. Commitments under operating leases

More Profit did not have any lease commitments during the Relevant Periods.

22. Related party transactions

Transaction with connected or related parties

	For the nine months ended 31-12-2008 HK$'000	For the year ended 31-3-2008 HK$'000	25-8-2006 to 31-3-2007 HK$'000
Interest income from a jointly controlled entity	7,570	13,838	2,419
Interest expenses paid to shareholders	24,340	44,495	7,777

In the opinion of the directors, the above transactions were undertaken in the normal course of business activities and on normal commercial terms.

Balances with related parties are disclosed in Notes 17, 18 and 19 to the financial statements.

23. Subsequent event

No significant event took place subsequent to 31 December 2008.

III. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared in respect of any period subsequent to 31 December 2008.

Yours faithfully,
W. H. Tang & Partners CPA Limited
Certified Public Accountants
Hong Kong

2. MANAGEMENT DISCUSSION AND ANALYSIS OF MORE PROFIT

Business Overview

During the period ended 31 March 2007, More Profit acquired 50% equity interest in Great China. Great China is the registered owner of the Land and the Hotel. More Profit continued to hold its interest in Great China during the year ended 31 March 2008 and nine-month period ended 31 December 2008.

For the period from 25 August 2006 (date of incorporation) to 31 March 2007

Revenue

During the period, More Profit has booked interest income receivable of HK$2.4 million in relation to an unsecured shareholder's loan due from Great China.

At the time of acquisition of the 50% equity interest in Great China, More Profit has accounted for a negative goodwill of HK$229.7 million.

In addition, More Profit has recorded a share of 50% post-acquisition profit of Great China amounting to HK$7 million using equity accounting method.

Finance costs

During the period, interest expenses of HK$7.8 million were incurred in relation to its shareholders' loans.

Other expenses

During the period, professional fees of HK$1 million were incurred in relation to the acquisition of 50% interest in Great China.

Interest in a jointly controlled entity

During the period, More Profit acquired a 50% equity interest in Great China at an acquisition cost of HK$426.7 million. After taking into account the negative goodwill arising from the acquisition and share of post-acquisition profit of Great China during the period, interest in Great China became HK$663.4 million at 31 March 2007.

Loan to a jointly controlled entity

Balance at 31 March 2007 amounting to HK$193 million represents an interest bearing loan due from Great China.

Interest receivable

Balance at 31 March 2007 amounting to HK$2.4 million represents interest receivable from Great China.

Amount due to shareholders

Balance at 31 March 2007 amounting to HK$7.8 million represents interest payable in relation to shareholders' loans.

Liquidity and capital resources

At 31 March 2007, More Profit had loans from its shareholders amounting to HK$620.9 million, which are unsecured, interest bearing and have no fixed repayment term. More Profit's investment was solely financed by its shareholders' loans.

Since More Profit had no external debts at 31 March 2007, computation of gearing ratio is not applicable.

Others

The business activities of More Profit had not exposed to material fluctuations in exchange rates as More Profit has no monetary assets/liabilities denominated in foreign currencies.

At 31 March 2007, More Profit has no contingent liabilities nor capital commitment.

More Profit had no staff for the period under review.

No segmental information is disclosed since More Profit's sole business is investment in Great China.

There was no charge on More Profit's assets.

More Profit has no future plans for material investments or capital assets.

For the year ended 31 March 2008

Revenue

During the year, More Profit has booked interest income receivable of HK$13.8 million (2007: HK$2.4 million) in relation to an unsecured shareholder's loan due from Great China. Increase in interest income is due to the fact the interest incurred in the period ended 31 March 2007 represented two months only.

In addition, More Profit has recorded a share of 50% post-acquisition profit of Great China amounting to HK$195 million (2007: HK$7 million) using equity accounting method. The substantial increase is due to the fact that (i) the share of profit in 2007 represented two-month result only; and (ii) the net profit of Great China surged as a result of increase in revaluation of the Hotel and Land.

Finance costs

During the year, interest expenses of HK$44.5 million (2007: HK$7.8 million) were incurred in relation to its shareholders' loans. The substantial increase in interest expenses is due to the fact the interest incurred in the period ended 31 March 2007 represented two months only.

Interest in a jointly controlled entity

At 31 March 2008, the balance amounted to HK$858.5 million as compared to HK$663.4 million at 31 March 2007. The increase is due to share of 50% profit of Great China amounting to HK$195 million for the year ended 31 March 2008 using equity accounting method.

Loan to a jointly controlled entity

Both the balances at 31 March 2007 and 31 March 2008 amounted to HK$193 million since no loan was advanced/repaid to/from Great China.

Interest receivable

Balance at 31 March 2008 increased to HK$16.2 million compared to HK$2.4 million at 31 March 2007, resulting from interest receivable incurred during the year and no repayment from Great China.

Amount due to shareholders

Balance at 31 March 2008 increased to HK$52.2 million compared to HK$7.8 million at 31 March 2007, resulting from interest payable incurred during the year and no repayment to the shareholders.

Liquidity and capital resources

Both at 31 March 2007 and 31 March 2008, More Profit had loans from its shareholders amounting to HK$620.9 million, which are unsecured, interest bearing and have no fixed repayment term. More Profit's investment was solely financed by its shareholders' loans.

Since More Profit had no external debts at 31 March 2008, computation of gearing ratio is not applicable.

Others

The business activities of More Profit had not exposed to material fluctuations in exchange rates as More Profit has no monetary assets/liabilities denominated in foreign currencies.

At 31 March 2008, More Profit has no contingent liabilities nor capital commitment.

More Profit had no staff for the year under review.

No segmental information is disclosed since More Profit's sole business is investment in Great China.

There was no charge on More Profit's assets.

More Profit has no future plans for material investments or capital assets.

For the nine-month period ended 31 December 2008

Revenue

During the period, More Profit has booked interest income receivable of HK$7.6 million (year ended 31 March 2008: HK$13.8 million) in relation to an unsecured shareholder's loan due from Great China. The decrease in interest income is due to the fact that (i) there was a decrease in average interest rate; and (ii) the interest incurred in the period under review comprised nine months only.

In addition, More Profit has recorded a share of 50% post-acquisition loss of Great China amounting to HK$113.7 million (2008: profit of HK$195 million) using equity accounting method. Turnaround from profit to loss is mainly due to decrease in revaluation of the Hotel and Land.

Finance costs

During the period, interest expenses of HK$24.3 million (year ended 31 March 2008: HK$44.5 million) were incurred in relation to its shareholders' loans. The substantial decrease in interest expenses is due to the fact that (i) there was a decrease in average interest rate; and (ii) the interest incurred in the period under review comprised nine months only.

Interest in a jointly controlled entity

At 31 December 2008, the balance amounted to HK$744.8 million as compared to HK$858.5 million at 31 March 2008. The decrease is due to share of 50% loss of Great China amounting to HK$113.7 million for the nine-month period ended 31 December 2008 using equity accounting method.

Loan to a jointly controlled entity

Both the balances at 31 December 2008 and 31 March 2008 amounted to HK$193 million since no loan was advanced/repaid to/from Great China.

Interest receivable

Balance at 31 December 2008 increased to HK$23.8 million compared to HK$16.2 million at 31 March 2008, resulting from interest receivable incurred during the period and no repayment from Great China.

Amount due to shareholders

Balance at 31 December 2008 increased to HK$76.6 million compared to HK$52.2 million at 31 March 2008, resulting from interest payable incurred for the nine-month period ended 31 December 2008 and no repayment to the shareholders.

Liquidity and capital resources

Both at 31 December 2008 and 31 March 2008, More Profit had loans from its shareholders amounting to HK$620.9 million, which are unsecured, interest bearing and have no fixed repayment term. More Profit's investment was solely financed by its shareholders' loans.

Since More Profit had no external debts at 31 December 2008, computation of gearing ratio is not applicable.

Others

The business activities of More Profit had not exposed to material fluctuations in exchange rates as More Profit has no monetary assets/liabilities denominated in foreign currencies.

At 31 December 2008, More Profit has no contingent liabilities nor capital commitment.

More Profit had no staff for the period under review.

No segmental information is disclosed since More Profit's sole business is investment in Great China.

There was no charge on More Profit's assets.

More Profit has no future plans for material investments or capital assets.

1. ACCOUNTANTS' REPORT ON GW ENTERTAINMENT

The following is the text of a report on the financial information of GW Entertainment for each of financial years ended 31 December 2006, 2007 and 2008 (the "Relevant Periods"), for which the independent reporting accountants of GW Entertainment, W.H. Tang & Partners CPA Limited, expressed an unqualified opinion.

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Causeway Bay, Hong Kong

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W.H. TANG & PARTNERS CPA LIMITED

30 April 2009

The Directors
Get Nice Holdings Limited
10th Floor,
Cosco Tower,
Grand Millennium Plaza,
183 Queen's Road Central,
Hong Kong.

Dear Sirs,

We set out below our report on the financial information (the "Financial Information") of Grand Waldo Entertainment Limited ("Grand Waldo") for the years ended 31 December 2006, 2007 and 2008 (the "Relevant Periods"), including the balance sheets as at 31 December 2006, 2007 and 2008, the income statements, statements of changes in equity and cash flow statements for the Relevant Periods, and notes thereto, for inclusion in the circular of Get Nice Holdings Limited dated 30 April 2009 (the "Circular") in connection with, inter alia, the acquisition of 50% equity interest in Grand Waldo and financial assistance to Grand Waldo.

Grand Waldo was incorporated in Macau with limited liability on 29 July 2005 and principally engaged in the business of marketing and administration of business promotion of the Casino at Grand Waldo Hotel, Macau since commencing business on 14 August 2008.

No audited financial statements of Grand Waldo have been prepared since its incorporation date as there are no statutory requirements for Grand Waldo to prepare audited financial statements.

BASIS OF PREPARATION

The Financial Information has been prepared by the directors of Grand Waldo based on the financial statements for the Relevant Periods, on the basis as set out in Note 2 below. The Financial Information has been prepared in accordance with Hong Kong Financial Reporting Standards, which also include Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and accounting principles generally accepted in Hong Kong.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL INFORMATION

The directors of Grand Waldo are responsible for the preparation and the true and fair presentation of the Financial Information in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and the true and fair presentation of the Financial Information that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

REPORTING ACCOUNTANTS' RESPONSIBILITY

Our responsibility is to express an opinion on the Financial Information based on our audit. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the Financial Information is free from material misstatement. We have also carried out additional procedures as necessary in accordance with Auditing Guideline 3.340 "Prospectuses and the Reporting Accountant" issued by the HKICPA.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of the risks of material misstatement of the Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the Grand Waldo's preparation and true and fair presentation of the Financial Information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Grand Waldo's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Financial Information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, for the purpose of this report, the Financial Information gives a true and fair view of the state of affairs of Grand Waldo as at 31 December 2006, 2007 and 2008 and of the results and cash flows of Grand Waldo for the Relevant Periods then ended in accordance with Hong Kong Financial Reporting Standards.

MATERIAL UNCERTAINTIES RELATING TO THE GOING CONCERN OF GRAND WALDO

Without qualifying our opinion, we draw attention to Note 2 to the Financial Information of Section II below which indicates that Grand Waldo incurred deficit of approximately MOP86,744,000 and net liabilities of approximately MOP85,744,000 as at 31 December 2008. These conditions, along with other matters as set forth in Note 2 to the Financial Information of Section II below, indicate the existence of a material uncertainty, which may cast significant doubt about Grand Waldo's ability to continue as a going concern.

I. FINANCIAL INFORMATION

INCOME STATEMENTS

		For the year ended 31 December		
		2008	**2007**	**2006**
	Note	*MOP'000*	*MOP'000*	*MOP'000*
Revenue	8	458,610	–	–
Cost of sales		(531,727)	–	–
Gross loss		(73,117)	–	–
Other revenue	9	4,086	2,523	2,783
Administrative expenses		(21,436)	(1,218)	(618)
(Loss) profit before taxation	10	(90,467)	1,305	2,165
Income tax expenses	11	–	(130)	(242)
(Loss) profit for the year		(90,467)	1,175	1,923

BALANCE SHEETS

		As at 31 December		
		2008	**2007**	**2006**
	Note	*MOP'000*	*MOP'000*	*MOP'000*
Non-current assets				
Deferred expenditure	15	107,481	–	–
Current assets				
Deferred expenditure – current portion	15	8,482	–	–
Other receivables		380	10,102	9,876
Bank balance and cash	16	242	57,564	132,587
		9,104	67,666	142,463
Current liabilities				
Accruals and other payables		62,123	14,430	19,397
Taxation		372	372	242
Bank overdraft	16	2,054	–	302
		64,549	14,802	19,941
Net current (liabilities) assets		(55,445)	52,864	122,522
Non-current liabilities				
Amount due to an intermediate holding company	17	137,780	48,141	118,974
		(85,744)	4,723	3,548
Capital and reserve				
Quota capital	18	1,000	1,000	1,000
(Deficit) retained profits		(86,744)	3,723	2,548
		(85,744)	4,723	3,548

STATEMENTS OF CHANGES IN EQUITY

	Quota capital	Retained profits (Deficit)	Total
	MOP'000	*MOP'000*	*MOP'000*
At 1 January 2006	1,000	625	1,625
Profit for the year	–	1,923	1,923
At 31 December 2006 and at 1 January 2007	1,000	2,548	3,548
Profit for the year	–	1,175	1,175
At 31 December 2007 and at 1 January 2008	1,000	3,723	4,723
Loss for the year	–	(90,467)	(90,467)
At 31 December 2008	1,000	(86,744)	(85,744)

CASH FLOW STATEMENTS

	Note	2008 MOP'000	2007 MOP'000	2006 MOP'000
OPERATING ACTIVITIES				
(Loss) Profit before taxation		(90,467)	1,305	2,165
Adjustment for:				
Amortization of deferred expenditure		2,827	–	–
Interest income		(1,008)	(2,523)	(2,783)
Operating cash flows before movements in working capital		(88,648)	(1,218)	(618)
Decrease (Increase) in other receivables		10,457	(226)	42,273
Increase (Decrease) in other payables		47,693	(4,967)	19,397
Cash (used in) from operations		(30,498)	(6,411)	61,052
Net cash (used in) from operating activities		(30,498)	(6,411)	61,052
INVESTING ACTIVITIES				
Interest received		273	2,523	2,783
Net cash from investing activities		273	2,523	2,783
FINANCING ACTIVITIES				
Amount due to an intermediate holding company		(29,151)	(70,833)	11,017
Net cash (used in) from financing activities		(29,151)	(70,833)	11,017
Net (decrease) increase in cash and cash equivalents		(59,376)	(74,721)	74,852
Cash and cash equivalents at 1 January		57,564	132,285	57,433
Cash and cash equivalents at 31 December		(1,812)	57,564	132,285
Cash and cash equivalents, representing by				
Bank balance and cash	16	242	57,564	132,587
Bank overdraft	16	(2,054)	–	(302)
		(1,812)	57,564	132,285

II. NOTES TO FINANCIAL INFORMATION

1. General information

Grand Waldo Entertainment Limited ("Grand Waldo") is a private company incorporated in Macau with limited liability. The registered address and principal place of business of Grand Waldo is located at Sul da Marina Taipa – sul, junto à Rotunda do Dique Oeste, Taipa, Macau. In the opinion of the directors, its ultimate holding company is Wealth Access Holdings Limited, a company incorporated in the British Virgin Islands with limited liability.

The financial statements are presented in Macanese Pataca ("MOP") Dollars, being the functional currency of Grand Waldo.

Grand Waldo is principally engaged in the business of marketing and administration of business promotion of the casino at Grand Waldo Hotel, Macau since August 2008.

2. Summary of significant accounting policies

The Financial Information has been prepared in accordance with all applicable Hong Kong Financial Reporting Standards issued by the HKICPA, accounting principles generally accepted in Hong Kong ("HKFRSs") (which also include Hong Kong Accounting Standards and Interpretations), and accounting principles generally accepted in Hong Kong and the applicable disclosure required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Hong Kong Companies Ordinance.

The measurement basis used in the preparation of the Financial Information is historical cost convention accounting.

The presentation of the Financial Information in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are 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 that are 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, 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.

Grand Waldo has not yet early applied the following new standards, amendments and interpretations that have been issued but are not yet effective.

Grand Waldo is not yet in a position to determine whether these standards, amendments and interpretations will have significant impact on how the results of operations and financial position are prepared and presented. These amendments and interpretations may result in changes in the future as to how the results and financial position are prepared and presented.

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 Obligations Arising on Liquidation[2]
HKAS 39 (Amendments)	Financial Instruments: Recognition and Measurement – Eligible hedged items[3]
HKFRS 1 & HKAS 27 (Amendment)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate[3]

HKFRS 2 (Amendment)	Share-Based Payment – Vesting Conditions and Cancellations[2]
HKFRS 3 (Revised)	Business Combination[3]
HKFRS 7 (Amendments)	Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments[2]
HKFRS 8	Operating Segments[2]
HK(IFRIC) – Int 13	Customer Loyalty Programmes[4]
HK(IFRIC) – Int 15	Agreement for the Construction of Real Estate[2]
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operations[5]
HK(IFRIC) – Int 17	Distribution of Non-cash Assets to Owner[3]
HK(IFRIC) – Int 18	Transfers 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.

The directors of Grand Waldo expect that the adoption of the above new standards, amendments and interpretations will not have any significant impact on Grand Waldo's financial statements in the period of initial application.

The accounting policies set out below has been applied consistently to the Relevant Periods presented in the Financial Information.

Basis of preparation

Grand Waldo had net current liabilities of approximately MOP55,445,000 as at 31 December 2008. The Financial Information has been prepared in conformity with the principles applicable to a going concern. The applicability of these principles is dependent upon continued availability of adequate finance or attaining profitable operations in the future in view of the excess of current liabilities over current assets as at that date. The shareholder of Grand Waldo has confirmed its intention to make available adequate funds to Grand Waldo as and when required to maintain Grand Waldo as a going concern.

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to Grand Waldo and the revenue and costs, if applicable, can be measured reliably and on the following basis:

Services income is recognized when the corresponding services are performed.

Interest income from bank deposits is accrued on a time apportionment basis on the principal outstanding and at the interest rate applicable.

Impairment of assets

At each balance sheet date, Grand Waldo reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimated of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the assets in prior years. A reversal of an impairment loss is recognized as income immediately.

Foreign currencies

In preparing the financial statements of each individual entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, is recognized in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary item in respect of which gains and losses are recognized directly in equity, in which cases, the exchange differences are also recognized directly in equity.

Employee benefits

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

Retirement benefits scheme

Payments to the defined contribution retirement plans are charged as expenses when they fall due.

Provision, contingent liabilities and contingent assets

Provisions are recognized when Grand Waldo has a present legal or obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate amount can be made. Where Grand Waldo expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Grand Waldo. It can also be a present obligation arising from past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognized but is disclosed in the notes to the financial statements. When a change in probability of an outflow occurs so that outflow is probable, they will then be recognized as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of Grand Waldo. Contingent assets are not recognized but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognized.

Leasing

Leases are classified as finance leases whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Grand Waldo as lessee

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognized as a reduction of rental expenses over the lease term on a straight-line basis.

Taxation

Income tax expenses represent the sum of tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in income statement because it excluded items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Grand Waldo's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arisen from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand, including short term deposits, which are not restrict to use.

For the purpose of the cash flow statement, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

Related parties

A party is related to Grand Waldo if:

(a) directly, or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, Grand Waldo; or has an interest in Grand Waldo that gives it significant influence over Grand Waldo; or has joint control over Grand Waldo;

(b) the party is an associate of Grand Waldo;

(c) the party is a joint venture in which Grand Waldo is a venturer;

(d) the party is a member of the key management personnel of Grand Waldo or its parent;

(e) the party is a close member of the family of any individual referred to in (a) or (d);

(f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or

(g) the party is a post-employment benefit plan for the benefit of employees of Grand Waldo, or of any entity that is a related party of Grand Waldo.

Financial instruments

Financial assets and financial liabilities are recognized on the balance sheet when Grand Waldo 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 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 and loss are recognized immediately in profit or loss.

Financial assets

Grand Waldo's financial assets are classified into loans and receivables. All regular way purchases or sales of financial assets are recognized and derecognized 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. The accounting policies adopted in respect of each category of financial assets are set out below.

Effective interest method

The effective interest method is a method of calculating the amortized 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 on 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.

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 other receivables) are carried at amortized cost using the effective interest method, less any identified impairment losses, if any.

Impairment of financial assets

Financial assets 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 financial assets carried at amortized cost, an impairment loss is recognized 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 recognized in profit or loss. When the trade receivable is considered 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 amortized 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 losses was recognized, the previously recognized 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 amortized cost would have been had the impairment not been recognized.

Financial liabilities and equity

Financial liabilities and equity instruments issued by a 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 Grand Waldo after deducting all of its liabilities. Grand Waldo's financial liabilities are generally classified into financial liabilities at fair value through profit or loss and other financial liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

Effective interest method

The effective interest method is a method of calculating the amortized 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 recognized on an effective interest basis.

Other financial liabilities

Other financial liabilities including accruals and other payables, amount due to an intermediate holding company are subsequently measured at amortized cost, using the effective interest rate method.

Equity instruments

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

Derecognition

Financial assets are derecognized when the rights to receive cash flows from the assets expire or, the financial assets are transferred and Grand Waldo has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized directly in equity is recognized in profit or loss.

Financial liabilities are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3. Critical accounting judgements and key sources of estimation uncertainty

In the process of applying Grand Waldo's accounting policies, which are described in Note 2, management has made the following judgments that have significant effect on the amounts recognized in the financial statements. The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are also discussed below.

Going concern

The financial statements have been prepared on a going concern basis because the shareholders of Grand Waldo have agreed to provide adequate funds for Grand Waldo to meet its liabilities as they fall due.

Amortization of deferred expenditures

Deferred expenditures are amortized on a straight-line basis over the life of gaming concession agreement granted by the Government of Macau to the business partner of Grand Waldo.

Fair value estimation

The carrying amounts of Grand Waldo's financial assets, which mainly include bank balance and cash, and other receivables; and financial liabilities, which mainly include accruals and other payables, and amount due to an intermediate holding company approximate their fair values.

4. Capital risk management

Grand Waldo manages its capital to ensure that Grand Waldo will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. Grand Waldo's overall strategy remains unchanged during the Relevant Periods.

The capital structure of Grand Waldo consists of debts, which includes cash and cash equivalents, amount due to an intermediate holding company as disclosed in Note 17 and equity attributable to equity holders of Grand Waldo, comprising issued share capital and deficit.

The directors of Grand Waldo regularly review the capital structure of Grand Waldo. As part of review, the directors consider the cost of capital and the risks associates with each class of capital. Based on the recommendations of the directors, Grand Waldo will balance its overall capital structure through the issue of new debt or the redemption of existing debt.

5. Financial instruments

Categories of financial instruments

	2008	**2007**	**2006**
	MOP'000	*MOP'000*	*MOP'000*
Financial assets			
Loans and receivables (including cash and cash equivalents)	622	67,666	142,463
Financial liabilities			
Amortized cost	201,957	62,571	138,673

6. Financial risk factors

Grand Waldo's activities expose it to a variety of financial risks: foreign exchange risk, credit risk, interest rate risk and liquidity risk. Grand Waldo's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on Grand Waldo's financial performance.

(i) Foreign exchange risk

Grand Waldo operates in the Macau with most of the transactions denominated and settled in Macanese pataca and Hong Kong Dollars. Most of Grand Waldo's monetary assets and liabilities are also denominated in Macanese pataca. In the opinion of the directors, Grand Waldo has not exposed to any significant foreign exchange risk. Grand Waldo currently does not have a foreign currency hedging policy during the Relevant Periods.

(ii) Credit risk

Grand Waldo has no significant concentrations of credit risk. The carrying amount of bank balances and cash represent Grand Waldo's maximum exposure to credit risk in relation to its financial activities. The credit risk on liquid funds is limited because the counterparties are banks of good standing.

(iii) Interest rate risk

Grand Waldo's exposure to market risk for changes in interest rates relates primarily to Grand Waldo's bank balances, which are mainly based on the bank saving account rate. Grand Waldo does not have a specific policy in place but the exposure to the interest rate risk in relation to these financial instruments is monitored on an ongoing basis.

Sensitivity analysis

At 31 December 2008, 2007 and 2006, if interest rates had been 100 basic point higher/lower and all other variables were held constant, Grand Waldo's net loss for year ended 31 December 2008 would decrease/increase by approximately MOP2,420, net profit for year ended 31 December 2007 and 2006 would increase/decrease by approximately MOP570,000 and increase/decrease by approximately MOP1,326,000 respectively. This is mainly attributable to Grand Waldo's exposure to interest rates on its bank balances.

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 all financial instruments in existence at that date. The 100 basis point increase or decrease represents management's assessment of a reasonably possible change in interest rates over the year until the next annual balance sheet date. The analysis is performed on the same basis for the Relevant Periods.

(iv) Liquidity risk

Grand Waldo will consistently implement a prudent liquidity risk management and ensure that it maintains sufficient cash and cash equivalents to meets its liquidity requirements.

The table below summarizes the maturity profile of Grand Waldo's financial liabilities at Relevant Periods based on contractual undiscounted payments.

	Less than 1 year *MOP'000*	Between 1 to 2 years *MOP'000*	Between 2 to 5 years *MOP'000*	Over 5 years *MOP'000*
2008				
Accruals and other payables	62,123	–	–	–
Taxation	372	–	–	–
Bank overdraft	2,054	–	–	–
Amount due to an intermediate holding company	–	–	137,780	–
	64,549	–	137,780	–

	Less than 1 year *MOP'000*	Between 1 to 2 years *MOP'000*	Between 2 to 5 years *MOP'000*	Over 5 years *MOP'000*
2007				
Accruals and other payables	14,430	–	–	–
Taxation	372	–	–	–
Amount due to an intermediate holding company	–	–	48,141	–
	14,802	–	48,141	–

	Less than 1 year *MOP'000*	Between 1 to 2 years *MOP'000*	Between 2 to 5 years *MOP'000*	Over 5 years *MOP'000*
2006				
Accruals and other payables	19,397	–	–	–
Taxation	242	–	–	–
Bank overdraft	302	–	–	–
Amount due to an intermediate holding company	–	–	118,974	–
	19,941	–	118,974	–

7. Segment information

No business segment analysis is presented as the turnover and results of Grand Waldo are wholly contributed from its operation in Macau.

As at the respective balance sheet date, the identifiable assets of Grand Waldo are all located in Macau. Accordingly, no analysis on carrying amount of segment assets is presented.

8. Revenue

Revenue represents the amount received and receivable for services provided, during the Relevant Periods.

	2008	**2007**	**2006**
	MOP'000	*MOP'000*	*MOP'000*
Revenue for the year comprises:			
Services income	458,610	–	–

9. Other revenue

	2008	**2007**	**2006**
	MOP'000	*MOP'000*	*MOP'000*
Interest income	1,008	2,523	2,783
Sundry income	3,078	–	–
	4,086	2,523	2,783

10. (Loss) profit before taxation

	2008	**2007**	**2006**
	MOP'000	*MOP'000*	*MOP'000*
(Loss) profit before taxation has been arrived at after charging :			
Directors' remuneration	3,064	–	–
Amortization of deferred expenditures	2,827	–	–
Staff costs	1,565	–	–
Rental expenses under operating leases	303	–	–
and after crediting:			
Net foreign exchange gains	2	–	–

11. Income tax expenses

Macau Complementary Tax has been provided at the applicable tax rate on the estimated assessable profits for the year ended 31 December 2006 and 31 December 2007. No profits tax has been provided for year ended 31 December 2008, as Grand Waldo incurred tax losses. As at 31 December 2008, Grand Waldo has unused tax losses of approximately MOP90,467,000 available for offset against future profits. No deferred tax asset has been recognized in respect of the tax loss due to unpredictability of future profits stream. Tax losses will be expired in year 2011.

Reconciliation between (loss) profit before taxation at applicable tax rate is as follows :

	2008 *MOP'000*	2007 *MOP'000*	2006 *MOP'000*
(Loss) Profit before taxation	(90,467)	1,305	2,165
At Macau Complementary tax rate	(10,829)	130	242
Tax effect of unused tax loss not recognized	10,829	–	–
Income tax expenses	–	130	242

12. Individuals with highest remuneration

Of the five individuals with the highest emoluments, there were three directors of Grand Waldo for the year ended 31 December 2008 (2007: Nil and 2006: Nil), whose emoluments were disclosed in Note 10. The aggregate of the emoluments in respect of the remaining individuals were as follows:

	2008	2007	2006
Number of remaining individuals	2	–	–

	2008 *MOP'000*	2007 *MOP'000*	2006 *MOP'000*
Salaries and other benefits	1,608	–	–
Contributions to retirement schemes	18	–	–
	1,626	–	–

The emoluments fell with the following bands:

	2008 *No. of individuals*	2007 *No. of individuals*	2006 *No. of individuals*
Emolument bands			
Nil – MOP1,000,000	1	–	–
MOP1,000,001 – MOP2,000,000	1	–	–

13. Dividends

No dividends have been paid or proposed by Grand Waldo since its incorporation.

14. (Loss) Earnings per share

No (loss) earnings per share information is presented as it is not considered meaningful for the purpose of this report.

15. Deferred expenditure

	2008	2007	2006
	MOP'000	*MOP'000*	*MOP'000*
COST			
Additions	118,790	–	–
At 31 December	118,790	–	–
AMORTIZATION			
Amortized during the year	2,827	–	–
At 31 December	2,827	–	–
Carrying values			
At 31 December	115,963	–	–
Presented by :			
Non-current assets	107,481	–	–
Current assets	8,482	–	–

Deferred expenditure represents the acquisition of gaming equipment for the Casino and the ultimate owner of the equipment is the Macau government.

The deferred expenditure is amortized over the life of gaming concession agreement granted by Macau Government to Grand Waldo's business partner up to June 2022.

16. Cash and cash equivalents

	2008	2007	2006
	MOP'000	*MOP'000*	*MOP'000*
Deposits with banks	242	57,461	132,484
Cash in hand	–	103	103
Cash and cash equivalents in the balance sheet	242	57,564	132,587
Bank overdraft	(2,054)	–	(302)
Cash and cash equivalents in the cash flow statement	(1,812)	57,564	132,285

Included in cash and cash equivalents in the balance sheet are the following amounts denominated in a currency other than the functional currency of Grand Waldo to which they relate :

	2008	2007	2006
Hong Kong Dollar '000	(1,843)	55,456	127,455

17. Amount due to an intermediate holding company

	2008	2007	2006
	MOP'000	*MOP'000*	*MOP'000*
Wise Gain Profits Limited	137,780	48,141	118,974

The amount is unsecured, interest free and has no fixed repayment term.

18. Quota capital

	2008	2007	2006
	MOP'000	*MOP'000*	*MOP'000*
Authorized, issued and paid :	1,000	1,000	1,000

19. Non-cash transactions

For the year ended 31 December 2008, Grand Waldo acquired gaming equipment of MOP118,790,000 from an intermediate holding company.

20. Commitments under operating leases

Grand Waldo did not have any lease commitments during the Relevant Periods.

21. Related party transactions

(a) Transaction with connected or related parties

	2008	2007	2006
	MOP'000	*MOP'000*	*MOP'000*
Acquisition of gaming equipment from Wise Gain Profits Limited	118,790	–	–

In the opinion of the directors, the above transactions were undertaken in the normal course of business activities and on normal commercial terms.

Balance with related party is disclosed in Note 17 to the financial statements.

22. Subsequent events

No significant events took place subsequent to 31 December 2008.

III. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared for Grand Waldo has been prepared in respect of any period subsequent to 31 December 2008.

Yours faithfully,
W. H. Tang & Partners CPA Limited
Certified Public Accountants
Hong Kong

2. MANAGEMENT DISCUSSION AND ANALYSIS OF GW ENTERTAINMENT

For the year ended 31 December 2006

Business review

Grand Waldo Entertainment Limited ("GW Entertainment") was incorporated in Macau with limited liability in July 2005. GW Entertainment did not have any business activities except it during the year acted as a vehicle to receive funds and make payments on behalf of its holding company.

Financial result, financial position and capital structure

The revenue generated during the year was solely interest income of MOP2.8 million from bank deposits, while the major expenses incurred was entertainment of some MOP590,000. The current assets mainly comprised bank balances of MOP132.6 million. These cash largely came from advance from holding company amounting to MOP118.9 million, which is unsecured, non-interest bearing and has no fixed repayment term.

GW Entertainment had no significant investment, nor material acquisitions and disposal of subsidiaries and associated companies.

There was no charge on GW Entertainment's assets.

No segmental information is disclosed since GW Entertainment has no business operations during the year.

GW Entertainment had no contingent liabilities nor capital commitment.

GW Entertainment has no staff during the year.

Since GW Entertainment had most of the transactions, monetary assets and liabilities denominated in MOP or HK dollars, its exposure to foreign currency risk is minimal.

GW Entertainment had no external borrowing and hence computation of gearing ratio is not applicable.

For the year ended 31 December 2007

Business review

GW Entertainment remained inactive during the year and did not have any business activities except it acted as a vehicle to receive funds and make payment on behalf of its holding company.

Financial result, financial position and capital structure

The revenue generated during the year was solely interest income of MOP2.5 million from bank deposits, while the major expenses incurred was entertainment of some MOP1.2 million. The current assets mainly comprised bank balances of MOP57.6 million. These cash largely came from advance from holding company amounting to MOP48.1 million, which is unsecured, non-interest bearing and has no fixed repayment term.

GW Entertainment had no contingent liabilities nor capital commitment.

GW Entertainment has no staff during the year.

Since GW Entertainment had most of the transactions, monetary assets and liabilities denominated in MOP or HK dollars, its exposure to foreign currency risk is minimal.

GW Entertainment had no external borrowing and hence computation of gearing ratio is not applicable.

GW Entertainment had no significant investment, nor material acquisitions and disposal of subsidiaries and associated companies.

There was no charge on GW Entertainment's assets.

No segmental information is disclosed since GW Entertainment has no business operations during the year.

For the year ended 31 December 2008

Business review

In August 2008, GW Entertainment entered into the Business Agreement and its business was the implementation of the Business Agreement. No segmental information is disclosed as all the business transactions were derived from operations in Macau.

Financial result, financial position and capital structure

The turnover of MOP458.6 million represented service income generated from the implementation of the Business Agreement. As a result of intense competition in Macau, GW Entertainment experienced a gross loss of MOP73.1 million. Together with the administrative expenses of MOP21.4 million, GW

Entertainment suffered a net loss of MOP90.4 million for the year. During the year, GW Entertainment acquired certain gaming equipments from its holding company amounting to MOP118.8 million, which was reclassified as "deferred expenditure" and amortised over the gaming concession for the Casino granted by the Macau government to the business partner of the Business Agreement. The current assets comprised mainly current portion of the deferred expenditure of MOP8.5 million, while the current liabilities consisted of mainly other payables due to the business partners of the Casino. The major sources of funding came from a loan from holding company of MOP137.8 million, which is unsecured, non-interest bearing and has no fixed repayment term.

GW Entertainment had no contingent liabilities nor capital commitment.

Employment and remuneration policy

At 31 December 2008, number of employees was 33. Total staff costs for the year were MOP4.6 million. The remuneration policy was reviewed in line with the market conditions, current legislation and the performance of the individual employee.

Others

Since GW Entertainment had most of the transactions, monetary assets and liabilities denominated in MOP or HK dollars, its exposure to foreign currency risk is minimal.

GW Entertainment had no external borrowing and hence computation of gearing ratio is not applicable.

Future plan and prospects

Although GW Entertainment suffered huge loss during the year, the management is optimistic about the gaming activities in Macau in a long term. GW Entertainment will in the near future implement a series of promotion plans to boost visitors to the Casino while continuing to reduce operating costs in order to increase its competitive edge.

GW Entertainment had no significant investment, nor material acquisitions and disposal of subsidiaries and associated companies.

There was no charge on GW Entertainment's assets.

1. ACCOUNTANTS' REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP

The following is the text of a report, prepared for the sole purpose of incorporation in this circular, received from the independent reporting accountants, W. H. Tang & Partners CPA Limited:

Level 7 Parkview Centre,
7 Lau Li Street,
Causeway Bay, Hong Kong

Tel: (852) 2342 6130
Fax: (852) 2342 6006

W.H. TANG & PARTNERS CPA LIMITED

30 April 2009

The Directors
Get Nice Holdings Limited
10th Floor,
Cosco Tower,
Grand Millennium Plaza,
183 Queen's Road Central,
Hong Kong

Dear Sirs,

We report on the unaudited pro forma assets and liabilities of Get Nice Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group"), Group Success International Limited ("GSI") and Grand Waldo Entertainment Limited ("GW Entertainment") as set out in Appendix V entitled "Unaudited Pro Forma Financial Information of the Enlarged Group" to the circular dated 30 April 2009 (the "Circular"). The Unaudited Pro Forma Financial Information has been prepared by the directors of the Company for illustrative purposes only, to provide information about how the Acquisition Agreements and the Loan Agreement (as defined in the Circular) might have affected the assets and liabilities of the Group if the completion of the Acquisition Agreements and Loan Agreement had taken place at 30 September 2008. The basis of preparation of the unaudited pro forma financial information is set out on page 199 of the circular.

Respective responsibilities of the directors of the Company and the reporting accountants

It is the responsibility solely of the directors of the Company to prepare the Unaudited Pro Forma Financial Information in accordance with Rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants.

It is our responsibility to form an opinion, as required by Rule 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Basis of opinion

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 "Accountants' Reports on Pro Forma Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants. Our work consisted primarily of comparing the unadjusted financial information with source documents, considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Financial Information with the directors of the Company. This engagement did not involve independent examination of any of the underlying financial information.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated, that such basis is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to Rule 4.29(1) of the Listing Rules.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only, based on the judgments and assumptions of the directors of the Company, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of the financial position of the Enlarged Group as at 30 September 2008 or any future dates.

Opinion

In our opinion:

a. the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;

b. such basis is consistent with the accounting policies of the Group; and

c. the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to Rule 4.29(1) of the Listing Rules.

Yours faithfully,
W.H. Tang & Partners CPA Limited
Certified Public Accountants
Hong Kong

2. BASIS OF THE PREPARATION OF THE PRO FORMA STATEMENT OF ASSETS AND LIABILITIES OF THE ENLARGED GROUP

The unaudited pro forma statement of assets and liabilities of the Enlarged Group is prepared based on the unaudited consolidated balance sheet of the Group as at 30 September 2008, which has been extracted from the interim report of the Company for the period then ended, and the audited balance sheets of GSI and GW Entertainment as at 31 December 2008 as extracted from the accountants' reports thereon set out in Appendix II and Appendix IV to this circular as if the Acquisition Agreements had been completed on 30 September 2008.

The unaudited pro forma statement of assets and liabilities is prepared to provide information on the Enlarged Group as a result of the completion of the Acquisition Agreements and Loan Agreement. As it is prepared for illustration purpose only, it does not purport to represent what the financial position of the Enlarged Group will be on completion of the Acquisition Agreements and Loan Agreement.

3. UNAUDITED PRO FORMA STATEMENT OF ASSETS AND LIABILITIES OF THE ENLARGED GROUP

	The Group at 30-Sep-08	GSI at 31-Dec-08	pro forma adjustments	Notes	Pro forma Enlarged Group
	HK$'000	*HK$'000*	*HK$'000*	*Notes*	*HK$'000*
	(Unaudited)	(Audited)	(Unaudited)		(Unaudited)
Non-current assets					
Prepaid lease payments	93,326	–			93,326
Property and equipment	34,804	–			34,804
Investment properties	79,873	–			79,873
Intangible assets	8,004	–			8,004
Goodwill	15,441	–			15,441
Available-for sale financial asset	–	8	(8)	(c)(i)	–
Interest in jointly controlled entities	742,997	–	3,582	(b)	746,579
			–	(e)(i)	
Other assets	4,386	69,615	(69,615)	(c) (iv)	4,386
Amount due from a jointly controlled entity	214,451	–	25,260	(e)(ii)	239,711
Loans and advances	40,906	–			40,906
	1,234,188	69,623			1,263,030
Current assets					
Account receivable	1,201,337	–			1,201,337
Loans and advances	278,751	–	100,000	(a)	378,751
Prepaid lease payments	2,450	–			2,450
Properties under development for sale	41,397	–			41,397
Prepayment, deposits and other receivables	2,626	–			2,626
Taxation recoverable	28	–			28
Bank balances – client accounts	74,778	–			74,778
Bank balances – general accounts and cash	442,894	–	(200,000)	(f)	242,894
	2,044,261	–			1,944,261
Current liabilities					
Account payable	170,977	–			170,977
Accrued charges and other accounts payable	16,794	–	(7,646)	(c) (ii)	9,148
Amounts due to a shareholder	–	61,987	(61,987)	(c) (ii)	–
Amounts due to minority shareholders	85,497	–	(61,977)	(c) (ii)	23,520
Derivatives	4	–			4
Taxation payable	56,573	–			56,573
Borrowings	22,011	–			22,011
	351,856	61,987			282,233

	The Group at 30-Sep-08	GSI at 31-Dec-08	pro forma adjustments		Pro forma Enlarged Group
	HK$'000	*HK$'000*	*HK$'000*	*Notes*	*HK$'000*
	(Unaudited)	(Audited)	(Unaudited)		(Unaudited)
Net current assets/(liabilities)	1,692,405	(61,987)			1,662,028
Total assets less current liabilities	2,926,593	7,636			2,925,058
Non-current liabilities					
Deferred tax liabilities	4,719	–			4,719
	4,719	–			4,719
	2,921,874	7,636			2,920,339
Capital and reserves					
Share capital	316,888	–	–		316,888
Reserves	2,578,178	7,636	(7,636)	(d)	2,603,438
			25,260	(e) (iii)	–
Equity attributable to equity holders of the Company	2,895,066	7,636			2,920,326
Minority interest	26,808	–	(26,795)	(c) (iii)	13
Total equity	2,921,874	7,636			2,920,339

Notes:

(a) This represents cash payment of HK$100 million advanced to GW Entertainment pursuant to the Loan Agreement.

(b) The acquisition arising from the GSI Agreement will be accounted for as purchase of assets through the acquisition of GSI, as the acquisition of GSI is not a business. Therefore, the goodwill amounting to HK$3,582,000 arising from the completion of the GSI Agreement will be included as part of the cost of "interest in jointly controlled entities":

	HK$'000
Net assets of GSI at 31 December 2008	7,636
GSI Sale Loan at 31 December 2008	61,987
Share of net assets of More Profit upon consolidation	26,795
	96,418
Less: Cash consideration	100,000
Goodwill	3,582

(c) Upon completion of the GSI Agreement, GSI will become a wholly owned subsidiary of the Company. Pro forma adjustments reflect :

i. elimination of investment cost in More Profit amounting to HK$8,000.

ii. elimination of GSI Sale Loan of HK$61,987,000, loan from GSI and GSI's investment cost in More Profit in aggregate of HK$61,977,000, and interest payable to GSI amounting to HK$7,646,000.

iii. elimination of share of consolidated net assets of More Profit by GSI of HK$26,795,000.

iv. elimination of loan to and interest receivable from More Profit of HK$69,615,000.

(d) Elimination of pre-acquisition retained profit of GSI amounting to HK$7,636,000 upon completion of GSI Agreement.

(e) Under generally accepted accounting principles in Hong Kong, the Group will apply the purchase method to account for the acquisition under GW Entertainment Agreement. In applying the purchase method, the identifiable assets, liabilities and contingent liabilities of GW Entertainment will be recorded on the consolidated balance sheet of the Enlarged Group at fair values at the date of the completion of the GW Entertainment Agreement.

For the purpose of calculating the excess over the cost of acquisition of GW Sale Shares and GW Sale Loan, the book values of the assets and liabilities of the GW Entertainment as at 31 December 2008 as extracted from the accountants' report set out in Appendix IV to this circular have been used. Since the fair value of the identifiable assets, liabilities and contingent liabilities of GW Entertainment at the date of completion of the GW Entertainment Agreement may be substantially different from the fair values used in the preparation of this unaudited pro forma statement of assets and liabilities of the Enlarged Group, the final amount of the identifiable assets, liabilities and contingent liabilities, as well as negative goodwill and allowance for impairment recognized in connection with the GW Entertainment Agreement could be different from the estimated amount stated herein.

(i) As the pre-acquisition reserve of GW Entertainment is a net deficit of HK$83,246,000 (MOP85.7 million ÷ 1.03), under generally accepted accounting principles in Hong Kong, the Group will not recognize such pre-acquisition negative reserve and the interest in GW Entertainment will be stated at the Group's investment cost of HK$1.00 only.

(ii) Being initial recognition of GW Sale Loan of HK$66,883,000 (MOP137,780,000 ÷ 2 ÷ 1.03) upon completion of the GW Entertainment Agreement, less the allowance for impairment loss for the GW Sale Loan which is computed by reference to 50% of net deficit of GW Entertainment as at 31 December 2008, i.e. HK$83,246,000 x 50% = HK$41,623,000.

(iii) Net effect of excess of the net book values of GW Sale Loan of HK$66,883,000 (MOP137,780,000 ÷ 2 ÷ 1.03) over the cash consideration of HK$1.00, amounting to HK$66,883,000, which will be recognized immediately in the consolidated income statement; and impairment loss made for the GW Sale Loan amounting to HK$41,623,000.

(f) Being aggregate of cash consideration for the GSI Agreement of HK$100 million and cash advance to GW Entertainment of HK$100 million under the Loan Agreement.

The following is the text of a letter, summary of valuation prepared by Vigers Appraisal & Consulting Limited for the purpose of incorporation in this circular with its valuation as at 31 December 2008 and 31 January 2009:

Vigers Appraisal & Consulting Limited
10th Floor, The Grande Building
398 Kwun Tong Road
Kwun Tong
Kowloon

Date : 30 April 2009

The Directors
Get Nice Holdings Limited
10/F., Cosco Tower
183 Queen's Road Central
Hong Kong

Dear Sirs,

Re: Grand Waldo Hotel Complex, Cotai, Macau ("Property")

In accordance with your instructions for us to value the property interest held by Get Nice Holdings Limited and its subsidiaries (together referred as the Group), we confirm that we have carried out an inspection, made relevant enquiries and obtained such information as we consider necessary for the purpose of providing our opinion of the market value of the Property as at 31 December 2008 and 31 January 2009 ("the date of valuation").

Our valuation is our opinion of the market value, which is defined to mean:

"the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

Our valuation has been made on the assumption that the owner sold the Property on the open market without the benefit of a deferred terms contract, leaseback, management agreement or any similar arrangement which might serve to increase the value of the Property.

We have valued the Property at its going concern as an operational hotel complex which includes all the building structures, inventories, stocks, fittings and furniture and that approval and all the necessary licences from the relevant government authorities have been obtained for the continuous operation of the Property for this purpose.

Interest in the Property is held by the Group for investment purposes. We have valued the Property by direct comparison approach with reference to market comparables with due allowances for the differences between the comparables and the Property. Where appropriate, we have also valued the Property by capitalisation of the net rental income obtained from the Property with allowances for reversionary income potential.

We have relied to a considerable extent on information given by the Group and have accepted advice given to us on such matters such as title documents, planning approvals, statutory notices, easements, tenures, floor areas, operating incomes and expenditure, licences, tenancies, occupation, rental income, and all other relevant matters. All documents have been used for reference purposes only and all dimensions, measurements and areas are only approximate.

We have conducted searches of the Property in the Conservatória do Registo Predial, the land registry of Macau. But without exception, we have not scrutinized the original copies of the title search documents to verify the correctness of the information or to ascertain any subsequent amendments, if any, which may not appear on the copies handed to us.

We have inspected the Property to the extent for the purpose of this valuation. However, we have not carried out a structural survey. In the course of our inspection, we did not notice any serious defects. We are however, not able to report whether the Property was free from rot, infestation or other defects. No test had been carried out on any of the services.

No allowance has been made in our report for any charges, mortgages or amounts owing on the Property nor for any expenses or taxation which might be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Property was free from encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

This valuation is expressed in Hong Kong Dollars ("HK$"), whereas monetary values expressed or indicated the currency of Macau Pataca ("MOP") are necessary, the exchange rate used in this report is as the following being the prevailing exchange rate at the date of valuation:

HK$1 = MOP 1.03

In accordance with our standard practice, this certificate is for the use of the party to whom it is addressed and no responsibility is accepted to any third party for the whole or any part of the contents of this certificate.

Our valuations have been prepared in accordance with "The HKIS Valuation Standards on Properties (First Edition 2005)" published by The Hong Kong Institute of Surveyors, and the relevant provisions in the Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (Main Board).

Our valuation certificate is attached.

Yours faithfully,
For and on behalf of
Vigers Appraisal & Consulting Limited
Gilbert K. M. YUEN
MRICS MHKIS RPS (GP)
Executive Director

Note: Mr. Gilbert K. M. Yuen is a Registered Professional Surveyor in General Practice Division with about 7 years' valuation experience on properties in Macau.

VALUATION CERTIFICATE

Property	**Description and tenure**	**Particulars of occupancy**	**Capital Value in existing state as at 31 December 2008 and 31 January 2009**
Grand Waldo Hotel Complex, Cotai, Macau The property is identified as the Lote marked as "Letra A1" on planta n.º 5284/1996 dated 23 October 2003 prepared by Cartography and Cadastre Bureau at Sul da Marina Taipa-Sul, Junto à Rotunda do Dique Oeste	The Property comprises a hotel complex, namely Grand Waldo Hotel Complex erected on a piece of land with a site area of 36,640 sq.m. The hotel complex was completed in 2006. The hotel complex consists of 4 buildings including a 12-storey hotel building, a 6-storey casino building, a 6-storey leisure building and a 6-storey car parking building. According to the information provided to us, the hotel building has a total of 316 guest rooms including 2 presidential suites and 2 executive suites. Retail shops, ball rooms, function rooms and swimming pool are provided on the lowest three floors of the building. The leisure building accommodates facilities including a spa centre, restaurants, a gymnasium, children's play area, karaoke parlour, game room, a night club and sauna bath etc. The car parking building provides a total of 280 car parking spaces. According to the Ficha Técnica in respect of the development, the total gross construction area of the hotel complex extends to 101,402.98 sq.m.. In addition, the gross construction area of car parking is totally 18,376.48 sq.m. approximately.	According to the information provided to us, as at 31 December 2008 and 31 January 2009, the hotel and spa centre were operated by the related companies of FPI, a shareholder of Great China, which in turn is the registered owner of the Property. Portions of the retail shops in the hotel building, casino building and leisure building having a total area of approximately 19,628 sq.m. were vacant, the remaining units are leased to various tenants with the latest expiry on 31 March 2017. The monthly rental passing as at 31 December 2008 and 31 January 2009 was HK$1,626,197. The casino is leased at a monthly rent of HK$6,000,000 for a term ending on 30 June 2009.	HK$3,000,000,000

Property	Description and tenure	Particulars of occupancy	Capital Value in existing state as at 31 December 2008 and 31 January 2009
	The total number of car parking spaces and motor cycle parking spaces of the hotel complex in accordance with the Ficha Técnica is 349 and 105 respectively. The Property is held under land leases from the Macau Government for a term of 25 years from 12 May 2004. The lease term can be renewed for successive periods of 10 years until 19 December 2049 in accordance with the relevant legislation and conditions. The current annual ground rent is MOP1,849,245, which is revisable on every five years.		

Notes :

1. The registered owner of the Property is Companhia Great China, Limitada in Portuguese and Great China Company Limited ("Great China") in English.

2. The Property is subject to a mortgage (hipoteca voluntária) and an assignment of rental (consignação de rendimentos) in favour of Banco de Desenvolvimento de Cantão.

3. According to DESPACHO DO SECRETÁRIO P/OS TRANS. E OBRAS PÚBLICAS ("DESSTOP") 49/2004, the "Letra A1" has been permitted for the construction of a commercial and recreation area with areas as follows:
   Commercial Area: 7,200 sq.m.
   Car Parking Area: 2,500 sq.m.
   Outdoor area : 26,940 sq.m.

4. As advised by the Group, there is no intra-group lease granted to a subsidiary company on the property. We have not taken into account the head lease agreement entered into between Great China as landlord and Grand Waldo Hotel Limited as tenant dated 1 February 2007 in relation to the leasing of the hotel in arriving at the market value of the property.

5. According to the information provided by the Group, save and except the pre-emption right between the shareholders in relation to the shareholding in Great China as provided under the shareholders agreement between Fast Profit Investments Limited ("Fast Profit") and More Profit International Limited ("More Profit") dated 1 February 2007, there are no options or rights of pre-emption granted by Great China concerning or affecting the property. In our opinion, the existence of such pre-emption right will not materially affect the market value of the property.

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. 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

Interests of Directors and chief executives of the Company

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executives of the Company and their respective Associates in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which (a) 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 the director is taken or deemed to have under such provisions of the SFO, (b) the Model Code or (c) which were required to be entered into the register pursuant to section 352 of the SFO were as follows:

(i) Long positions in Shares in the Company

Name of director	Capacity	Number of issued Shares held	Percentage of the issued share capital of the Company
Hung Hon Man	Interest of controlled corporation *(Note)*	926,762,583	29.25%

Note: Mr. Hung Hon Man is deemed to be interested in 926,762,583 ordinary shares and 231,588,236 share options of the Company which are held by Honeylink Agents Limited ("Honeylink"), a company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is beneficially owned by Mr. Hung Hon Man.

(ii) Long positions in underlying shares – share options of the Company

Name of director	Capacity	Number of underlying shares
Mr. Hung Hon Man	Interest of controlled entity *(Note)*	231,588,236

Note: Mr. Hung Hon Man is deemed to be interested in 926,762,583 ordinary shares and 231,588,236 share options of the Company which are held by Honeylink Agents Limited ("Honeylink"), a company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is beneficially owned by Mr. Hung Hon Man.

(iii) Long positions in the non-voting deferred shares of HK$1.00 each in Get Nice Securities Limited (formerly known as Get Nice Investment Limited) ("GNS"), a wholly owned subsidiary of the Company

Name of director	Capacity	Number of issued shares held	Percentage of the issued non-voting deferred share of GNS
Hung Hon Man	Beneficial owner	36,000,000	90%
Shum Kin Wai, Frankie	Beneficial owner	4,000,000	10%
		40,000,000	100%

Note: The non-voting deferred shares carry practically no rights to dividends nor to receive notice of nor to attend or vote at any general meeting of GNS and on liquidation, the assets of GNS available for distribution among the holders of ordinary shares and the holders of non-voting deferred shares shall be applied first in paying to the holders of ordinary shares the sum of HK$1,000,000,000,000 per ordinary share and secondly in repaying to the holders of non-voting deferred shares the nominal amount paid up or credited as paid up on such shares, and the balances of the GNS's assets shall belong to and be distributed among the holders of ordinary shares in proportion to the amount paid up or credited as paid up on such ordinary shares respectively.

Saved as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executives of the Company and their respective Associates had any interests and short positions in Shares, underlying Shares and debentures of the Company or any associated corporation (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), the Model Code and where were required to be entered into the register required to be kept under section 352 of the SFO.

3. INTEREST OF SUBSTANTIAL SHAREHOLDER

Interests and short positions in Shares of substantial Shareholder

As at the Latest Practicable Date, so far as is known to the Directors and the chief executives of the Company, the following persons (other than a director or chief executive of the Company) had an interest or short position in Shares and underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or recorded in the register kept by the Company pursuant to Section 336 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 the Company or any other members of the Group.

(i) Long position in Shares and underlying Shares

Name of Shareholder	Capacity	Number of issued Share held	Percentage of the issued share capital of the Company
Honeylink *(Note)*	Beneficial owner	926,762,583	29.25%

Notes:

1. The entire issued share capital of Honeylink is solely and beneficially owned by Mr Hung Hon Man who is also a director of Honeylink. Mr Hung is deemed to be interested in all the interest in Shares held by Honeylink by virtue of the SFO.

2. The number of Shares held by Honeylink does not take into account any Shares which may fall to be allotted and issued upon exercise of the subscription right attaching to the option granted by the Company to Honeylink to subscribe for up to 400,000,000 new Shares under the option agreement dated 19 April 2006 made between the Company and Honeylink as announced by the Company in its announcement made between the Company and Honeylink in 2006. As at the Latest Practicable Date, there were 231,588,236 outstanding options under the option agreement.

(ii) Interests in other members of the Group

Name of non-wholly owned subsidiary of the Company	Name of registered substantial shareholders (other than members of the Group)	Number of shares held	Percentage of interest
Gain Huge Limited	Win Glory Properties Limited	10	10%
Gain Huge Limited	Capitol International Holdings Limited	10	10%
Fortune On Engineering Limited	Woodmont Profits Limited	4	40%
More Profit	GSI	1,000	10%

4. SERVICE CONTRACT

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Enlarged Group which does not expire or is not terminable by such member of the Enlarged Group within one year without payment of compensation (other than statutory compensation).

5. LITIGATION

As at the Latest Practicable Date, no member of the Enlarged Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance known to the Directors to be pending or threatened against any member of the Enlarged Group.

6. COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors were aware, none of the Directors or their respective associates were considered to have interest in any business which competes or may compete, either directly or indirectly, with the business of the Enlarged Group or have or may have any other conflicts of interest with the Enlarged Group pursuant to the Listing Rules.

7. DIRECTORS' INTERESTS IN CONTRACTS AND ASSETS

No contract or arrangement in which any of the Directors is materially interested and which is significant in relation to the business of the Enlarged Group subsisted as at the Latest Practicable Date. As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been, since 31 March 2008 (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 Enlarged Group, or are proposed to be acquired or disposed of by or leased to any member of the Enlarged Group.

8. EXPERT AND CONSENT

The following is the qualification of the experts whose letters and reports are contained in this circular:

Name	Qualification
Bridge Partners	Independent financial adviser and a licensed corporation to carry out types 1 and 6 regulated activities under SFO
W.H. Tang & Partners CPA Limited	Certified Public Accountants
Vigers Appraisal & Consulting Limited	Professional property valuers

Bridge Partners, W.H. Tang & Partners CPA Limited and Vigers Appraisal & Consulting Limited have given and have not withdrawn their written consent, dated 30 April 2009, 30 April 2009 and 30 April 2009 respectively, to the issue of this circular with the inclusion of their letter and report and the reference to their names in the form and context in which they respectively appear.

As at the Latest Practicable Date, neither Bridge Partners, W.H. Tang & Partners CPA Limited nor Vigers Appraisal & Consulting Limited have any shareholding in any member of the Enlarged Group or any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Enlarged Group.

As at the Latest Practicable Date, neither Bridge Partners, W.H. Tang & Partners CPA Limited nor Vigers Appraisal & Consulting Limited have any direct or indirect interest in any assets which have been, since 31 March 2008 (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 Enlarged Group, or are proposed to be acquired or disposed of by or leased to any member of the Enlarged Group.

9. MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business, have been entered by members of the Group after the date falling two years prior to the issue of this circular and up to the Latest Practicable Date and which are or may be material:

(a) the placing and subscription agreement dated 30 May 2007 made between the Company, Honeylink as vendor and Get Nice Investment Limited as placing agent in relation to the placing and subscription of 328,987,000 Shares at a placing price of HK$0.75 per Share as announced by the Company dated 30 May 2007;

(b) the agreement dated 26 June 2007 entered into between Gainventure (as purchaser), Macau Prime Property (Macau) Limited (as vendor), Macau Prime Properties Holdings Limited (as guarantor of Macau Prime Property (Macau) Limited) and the Company (as guarantor of Gainventure) in relation to the purchase of the entire issued share capital of and shareholder's loans due by Dragon Rainbow Limited for a consideration of HK$350 million;

(c) the placing and subscription agreement dated 26 October 2007 made between the Company, Honeylink as vendor and Get Nice Investment Limited as placing agent in relation to the placing and subscription of 507,102,000 Shares at a placing price of HK$0.60 per Share as announced by the Company in its announcement dated 26 October 2007;

(d) Letter of Intent dated 29 December 2008 entered into between Gainventure and FPI;

(e) Termination Agreement dated 12 February 2009 entered into between Gainventure and FPI;

(f) the GSI Agreement;

(g) the GW Entertainment Agreement; and

(h) the Loan Agreement.

10. MATERIAL ADVERSE CHANGE

As set out in the interim report of the Group for the six months ended 30 September 2008, the Group recorded an unaudited net loss of approximately HK$23.1 million and that there was a share of the loss of jointly controlled entities of approximately HK$115 million for the six months ended 30 September 2008.

Save as disclosed above, 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 March 2008, the date on which the latest published audited consolidated financial statements of the Company were made up.

11. CORPORATE INFORMATION

Registered office	Century Yard Cricket Square Hutchins Drive, P.O. Box 2681 GT George Town Grand Cayman Brithish West Indies
Head office and principal place of business in Hong Kong	10th Floor Cosco Tower Grand Millennium Plaza 183 Queen's Road Central Hong Kong

Company secretary	Mr. Hung Sui Kwan, *FCCA, CPA (Practising)* 10th Floor Cosco Tower Grand Millennium Plaza 183 Queen's Road Central Hong Kong
Auditors	Deloitte Touche Tohmatsu Certified Public Accountants 35/F One Pacific Place 88 Queensway Hong Kong
Hong Kong branch share registrar and transfer office	Tricor Secretaries Limited 26/F, Tesbury Centre 28 Queen's Road East, Wanchai Hong Kong

12. MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the head office and principal place of business of the Company in Hong Kong at 10th Floor, Cosco Tower, Grand Millennium Plaza, 183 Queen's Road Central, Hong Kong, up to and including the date of the EGM:

(a) the memorandum of association and articles of association of the Company;

(b) the annual reports of the Group for the three financial years ended 31 March 2008;

(c) the material contracts referred to in the section headed "Material contracts" in this appendix;

(d) the Building Management Agreement;

(e) the Lease Agreement;

(f) the Minimum Rental Income Guarantee;

(g) the Carnival Agreement;

(h) the Grand Waldo Agreement;

(i) the Great China Agreement;

(j) a copy of each circular issued by the Company pursuant to Chapter 14 or 14A of the Listing Rules since the latest published audited accounts of the Company;

(k) a letter from the Independent Board Committee, the text of which is set out on pages 34 to 35 of this circular;

(l) a letter from Bridge Partners, the text of which is set out on pages 36 to 52 of this circular;

(m) letters of consent from Bridge Partners, W.H. Tang & Partners CPA Limited and Vigers Appraisals & Consulting Limited referred to in the section headed "Expert and Consent" in this appendix;

(n) the accountants' report on GSI, the text of which is set out in Appendix II of this circular;

(o) the accountants report on More Profit, the text of which is set out in Appendix III of this circular;

(p) the accountant's report on GW Entertainment, the text of which is set out in Appendix IV of this circular;

(q) the valuation report of the Property, the text of which is set out in Appendix VI of this circular;

(r) the pro forma financial information of the Enlarged Group, the text of which is set out in Appendix V of this circular; and

(s) this circular.

GET NICE HOLDINGS LIMITED
結好控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 0064)

NOTICE IS HEREBY GIVEN that the extraordinary general meeting of Get Nice Holdings Limited (the "Company") will be held at 10/F., Cosco Tower, Grand Millennium Plaza, 183 Queen's Road Central, Hong Kong on Monday, 18 May 2009 at 10:30 a.m. for the passing, with or without amendments, the following ordinary resolutions:

ORDINARY RESOLUTIONS

(1) **THAT**:

(a) the sale and purchase agreement dated 12 February 2009 (the "**GSI Agreement**") (a copy of which, signed by the Chairman of the meeting for the purpose of identification, has been produced to the meeting marked "A") made between Mr. Cheung Chung Kiu as vendor ("**Mr. Cheung**") and Gainventure Holdings Limited as purchaser ("**Gainventure**") pursuant to which Mr. Cheung has agreed to sell and Gainventure has agreed to purchase the entire issued share capital of Group Success International Limited ("**GSI**") and the entire shareholder's loans due by GSI to Mr. Cheung and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified; and

(b) the board of directors of the Company ("**Board**") be and is hereby generally and unconditionally authorised to do all such acts and things and execute all such documents as it considers necessary or expedient or desirable in connection with or to give effect to the GSI Agreement and to implement the transactions contemplated thereunder and to agree to such variation, amendments or waivers of matters relating thereto as are, in the opinion of the Board, in the interest of the Company.

(2) **THAT**:

(a) the sale and purchase agreement dated 12 February 2009 (the "**GW Entertainment Agreement**") (a copy of which with the draft shareholders' agreement to be entered into between Wise Gain Profits Limited ("**Wise Gain**"), Clever Switch Limited ("**Clever Switch**") and Grand Waldo Entertainment Limited ("**GW Entertainment**") (the "**GWE Shareholders Agreement**") upon completion of the GW Entertainment Agreement annexed, signed by the Chairman of the meeting for the purpose of identification, has been produced to the meeting marked "B") made between Wise Gain as vendor and Clever Switch as purchaser pursuant to which Clever Switch has agreed to purchase 50% of the shareholding and equity interest in GW Entertainment and corresponding amount of shareholder's loans due by GW Entertainment to Wise Gain and the transactions contemplated thereunder (including the signing of the GWE Shareholders Agreement and the provision of shareholder's loans of up to HK$100 million by Clever Switch to GW Entertainment contemplated thereunder), be and are hereby approved, confirmed and ratified; and

(b) the Board be and is hereby generally and unconditionally authorised to do all such acts and things and execute all such documents as it considers necessary or expedient or desirable in connection with or to give effect to the GW Entertainment Agreement and to implement the transactions contemplated thereunder (including signing of the GWE Shareholders Agreement and the provision of shareholder's loans of up to HK$100 million by Clever Switch to GW Entertainment contemplated thereunder) and to agree to such variation, amendments or waivers of matters relating thereto as are, in the opinion of the Board, in the interest of the Company.

(3) **THAT**:

(a) the loan agreement (the "**Loan Agreement**") dated 12 February 2009 entered into between Grand Waldo Entertainment Limited as the borrower and the Company as the lender (a copy of which, signed by the Chairman of the meeting for the purpose of identification, has been produced to the meeting marked "C"), pursuant to which the Company has agreed to provide a facility in an aggregate principal amount of HK$100 million, which bears no interest and repayable on or before 12 May 2009, be and is hereby approved, confirmed and ratified; and

(b) the Board be and is hereby generally and unconditionally authorised to do all such acts and things and execute all such documents as it considers necessary or expedient or desirable in connection with or to give effect to the Loan Agreement and to implement the transactions contemplated thereunder and to agree to such variation, amendments or waivers of matters relating thereto as are, in the opinion of the Board, in the interest of the Company.

By Order of the Board
Get Nice Holdings Limited
Hung Hon Man
Chairman

Registered office:
Century Yard
Cricket Square
Hutchins Drive, P.O. Box 2681 GT
George Town
Grand Cayman
Brithish West Indies

Head office and principal place of business in Hong Kong:
10th Floor, Cosco Tower
Grand Millennium Plaza
183 Queen's Road Central
Hong Kong

Hong Kong, 30 April 2009

Notes:

(1) Any member entitled to attend and vote at the above meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a member of the Company.

(2) To be valid, a form of proxy, together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof, must be deposited as soon as possible to the Company's branch share registrar in Hong Kong, Tricor Secretaries Ltd, 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, and in any event not less than 48 hours before the time appointed for the holding of the Extraordinary General Meeting or any adjournment thereof.

(3) Completion and return of the proxy form will not preclude members from attending and voting in person at the meeting or at any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the instrument appointing a proxy shall be revoked.

(4) A form of proxy for use at the meeting is enclosed herewith.

(5) As at the date of this notice, the executive Directors are Mr. Hung Hon Man (Chairman), Mr. Cham Wai Ho, Anthony, Mr. Shum Kin Wai, Frankie, Mr. Wong Sheung Kwong and Mr. Cheng Wai Ho and the independent non-executive Directors are Mr. Liu Chun Ning, Wilfred, Mr. Chung Wai Keung, Mr. Man Kong Yui and Mr. Kwong Chi Kit Victor.