



Treyo Leisure and Entertainment Ltd
Level 1, 263 City Road
South Melbourne Victoria 3205
Australia

COMMENTARY ON THE HALF YEAR REPORT 30 JUNE 2009

The Board of Treyo Leisure and Entertainment Ltd has pleasure in submitting to the ASX its first Appendix 4D Interim Financial Report since listing in January 2009.

Through this report, the Board seeks to provide a brief update to its shareholders and the market on the results achieved for the first half 2009. It should be noted, due to the timing of the Chinese financial year, the Treyo Financial Year is from January to December each year, hence this report covers the half-year period to 30 June 2009.

Despite the global financial crisis and market pressures Treyo realised sales revenues for the half year of \$AUD34.758 million and an after tax profit attributable to ordinary equity holders of \$AUD3.431 million. This represents an increase in sales revenue on the previous year of \$AUD3.328 million (or 11%) and an increase in after tax profit of \$AUD0.440 million (or 15%). In addition, Treyo continues to maintain strong cash reserves with \$AUD\$35.7 million in reserve at the end of June 2009.

The first half of 2009 presented many market and economic challenges to companies around the world although the Chinese economy continues to experience solid growth. The Chinese domestic market, which is Treyo's primary market, has not suffered from the global economic crisis to the extent of many other countries. This, combined with the domestic stimulus package announced earlier this year by the Chinese Government, will ensure continued growth for Treyo. As the world's largest manufacturer of automatic mahjong tables, Treyo's focus is on the premium sector of the domestic Chinese market. The Company has only a minor exposure to export markets.

Although revenues are down on prospectus forecasts due to increased price cutting in the market, net profit continues to grow as evidenced in the 15% increase over the previous corresponding period. This is due to a significant reduction in manufacturing and administration costs and strong management of the Company's cash reserves.

Treyo continues to dominate the premium end of the automatic mahjong table market and continues to grow its market share despite competitive pressures. The Company strongly markets its range of products throughout China where the estimated total market for automatic Mahjong tables exceeds \$AUD1.6 billion per annum.

The next six months in the Company's development brings with it the peak selling period for automatic mahjong tables. As a result Treyo has a high expectation of continuing its growth and profitability to the end of 2009.

The Company's marketing strategies, the introduction of new products and strong quality control, will continue to promote the mahjong culture and in turn drive sales growth.

From an operational perspective, management of the Company will continue to drive the manufacturing and administrative efficiencies achieved in the first half of 2009 improving profitability while at the same time increasing market share.

COMMENTARY ON THE HALF-YEAR REPORT (CONTINUED)

About Treyo Leisure and Entertainment Limited

Treyo Leisure and Entertainment Ltd (Treyo) was listed on the Australian Stock Exchange (ASX) on 2 January 2009. Prior to Treyo's listing, the Company operated as Matsuoka Mechatronics (China) Co. ("Matsuoka"). Matsuoka, now a wholly owned subsidiary of Treyo, is a wholly foreign-owned limited liability company incorporated in the People's Republic of China.

From its modern purpose built production facility ideally located in the Xiaoshan Business District near Shanghai, Matsuoka designs, manufactures and markets automatic mahjong tables under the trade mark "Treyo".

Treyo through its subsidiary Matsuoka, is an industry leader. The Company has grown rapidly to become the largest automatic mahjong table manufacturer in China. Matsuoka was founded in March 2003 and carries on the business of manufacturing Treyo automatic mahjong tables.

Treyo holds approximately 65% of the premium end of the market for automatic mahjong tables. The Company's success is a result of its innovation, technical excellence, environmental standards, investment in advanced production lines, manufacturing processes, commitment to quality, outstanding customer service and brand development.

For further information please contact:

Jo-Anne Dal Santo
Company Secretary

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Name of Entity	Treyo Leisure and Entertainment Ltd
ABN	93 131 129 489
Reporting Period	Half Year ended 30 June 2009
Previous Corresponding Period	Half Year ended 30 June 2008

The following information is given to ASX under listing rule 4.2A.3.

1 The Reporting period is the half year ended 30 June 2009 including comparative information for the half year ended 30 June 2008.

2 Results for announcement to the market

	%	Change \$	30-Jun-09 \$	30-Jun-08 \$
2.1 The amount and percentage change up or down from the previous corresponding period of revenue from ordinary activities.	up by 11%	3,327,697	to 34,758,099	from 31,430,402
2.2 The amount and percentage change up or down from the previous corresponding period of profit (loss) from ordinary activities after tax attributable to members.	up by 15%	439,831	to 3,430,719	from 2,990,888
2.3 The amount and percentage change up or down from the previous corresponding period of net profit (loss) for the period attributable to members.	up by 15%	439,831	to 3,430,719	from 2,990,888
2.4 The amount per security and franked amount per security of final and interim dividends or a statement that it is not proposed to pay dividends.	Nil			
2.5 The record date for determining entitlements to the dividends (if any).	Not applicable			

2.6 A brief explanation of any of the figures in 2.1 to 2.4 necessary to enable the figures to be understood.

Review of principal business activities

A review of the significant developments in the operating units of the consolidated entity is detailed on page 1 of the Appendix 4D.

3 Net tangible assets per security with the comparative figure for the previous corresponding period.

Net tangible assets per security in cents ⁽¹⁾

30-Jun-09 Cents per share	30-Jun-08 Cents per share
10.92	447.76

(1) Number of securities amounted to 311,000,000 at 30 June 2009 and 8,000,000 sat 30 June 2008.

4 Details of entities over which control has been gained or lost during the period, including the following.

4.1 Name of the entity.

4.2 The date of the gain of control.

4.3 Where material to an understanding of the report – the contribution of such entities to the reporting entity's profit from ordinary activities during the period and the profit or loss of such entities during the whole of the previous corresponding

Not applicable

5 Details of individual and total dividends or distributions and dividend or distribution payments. The details must include the date on which each dividend or distribution is payable, and (if known) the amount per security of foreign sourced dividend or distribution.

No dividends or distributions were made during the period and none as planned. In the year ended 31 December 2008 a dividend of \$9,191,914 was paid by Matsuoka Mechatronics (China) Co., Ltd to Songgang International Group Co. Ltd, prior to acquisition.

6 Details of any dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan.

Not applicable

7 Details of associates and joint venture entities including the name of the associate or joint venture entity and details of the reporting entity's percentage holding in each of these entities and – where material to an understanding of the report - aggregate share of profits (losses) of these entities, details of contributions to net profit for each of these entities, and with comparative figures for each of these disclosures for the previous corresponding period.

Not applicable

- 8 For foreign entities, which set of accounting standards is used in compiling the report (e.g. International Accounting Standards).

The half year financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards including AASB 134 "Interim Financial Reporting" and other mandatory professional reporting requirements. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with international accounting standards

- 9 For all entities, if the accounts are subject to audit dispute or qualification, a description of the dispute or qualification.

Not applicable

Dated this 28th day of August 2009



Ling (Allan) Mao
Executive Chairman



**TREYO LEISURE AND ENTERTAINMENT LTD
AND ITS CONTROLLED ENTITIES**

ABN 93 131 129 489

HALF YEAR FINANCIAL REPORT

**FOR THE SIX MONTHS ENDED
30 JUNE 2009**

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Corporate Information

ABN 93 131 129 489

Directors

Ling (Allan) Mao (Chairman)
Roger Smeed (Deputy Chairman)
Guohua Wei
Weiyun Chen
Jieliang Wang
Kwong Fat Tse
Edward Byrt

Company Secretary

Jo-Anne Dal Santo

Registered Office

Level 1, 263 City Road
South Melbourne, Victoria 3205, Australia

Share Registry

Computershare Investor Services Pty Ltd
Yarra Falls, 452 Johnstone Street
Abbotsford, Victoria 3067, Australia
Phone: 1300 850 505

Treyo Leisure and Entertainment Limited Shares are listed on the Australian Stock Exchange (ASX)

ASX Code: TYO

Bankers

Westpac Banking Corporation Limited
360 Collins Street
Melbourne, Victoria 3000

Auditors

Grant Thornton Audit Pty Ltd
Level 1, 67 Greenhill Road
Wayville, South Australia 5034

Legal Advisors

Deacons
RACV Tower, 485 Bourke Street
Melbourne, Victoria 3000

Website Address

www.Treyo.com.au

All monetary amounts in this Report are in Australian dollars unless stated otherwise
The financial year begins on 1 January and ends on 31 December each year

Directors' Report

Your directors submit their report for the half year ended 30 June 2009.

This half-year report covers the consolidated entity comprising Treyo Leisure and Entertainment Ltd ('Treyo') and its subsidiaries (the Group). Treyo's functional is AUD (\$) and the Group's presentation currency is AUD (\$). The functional currency of the subsidiary Matsuoka Mechatronics (China) Co., Ltd is Chinese Renminbi ("RMB").

DIRECTORS

The names and details of the Company's directors in office during the financial period and until the date of this report are as follows (Directors were in office for this entire period unless otherwise stated):

Directors

Ling (Allan) Mao	Chairman (Executive)
Roger Smeed	Deputy Chairman (Independent, Non-Executive)
Guohua Wei	Director (Executive)
Weiyun Chen	Director (Executive)
Jieliang Wang	Director (Independent, Non-Executive)
Kwong Fat Tse	Director (Non-Executive)
Edward Michael Byrt	Director (Independent, Non-Executive)

COMPANY SECRETARY

Jo-Anne Dal Santo

REVIEW AND RESULTS OF OPERATIONS

The Board and Management of Treyo Leisure and Entertainment Ltd ('Treyo') are pleased to announce that the Company has delivered a positive net profit result for the half-year period in spite of difficult market dynamics.

Nature of operation and principal activity

The Company was listed on the Australian Stock Exchange on 2 January 2009. The principal activity of the Group during the course of the financial year was the manufacture of automatic Mahjong tables. The Group currently operates in one business segment with all goods being manufactured and distributed from a single facility in China. The Group currently operates in three geographical segments; refer to Note 3 for further details.

Pursuant to a share purchase and sale agreement dated 31 October 2008, Treyo International Holding Ltd became a wholly owned subsidiary of Treyo Leisure and Entertainment Ltd on 31 October 2008. Through this transaction effective control of Treyo Leisure and Entertainment Ltd was passed to the existing shareholders of Treyo International Holding Ltd. The transaction is one referred to in AASB 3 "Business Combination" as a reverse acquisition, where the acquirer is Treyo International Holding Ltd (i.e. the entity whose equity interests have been acquired) and Treyo Leisure and Entertainment Ltd is seen to be acquiree (i.e. the issuing entity).

There were no significant changes in the nature of the Consolidated Group's principal activities during the financial year.

Directors' Report (continued)

Auditor's Independence Declaration

The lead auditor's independence declaration under s 307C of the *Corporations Act 2001* is set out on page 5 for the half year ended 30 June 2009.

Signed in accordance with a resolution of the directors.

A handwritten signature in black ink, appearing to be 'Ling (Allan) Mao', written in a cursive style.

Ling (Allan) Mao

Executive Chairman

Dated this 28th day of August 2009



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AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF TREYO LEISURE AND ENTERTAINMENT LIMITED

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Treyo Leisure and Entertainment Limited for the half-year ended 30 June 2009, I declare that, to the best of my knowledge and belief, there have been:

- a No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b No contraventions of any applicable code of professional conduct in relation to the review.

GRANT THORNTON
South Australian Partnership
Chartered Accountants



S J Gray
Partner

Signed at Wayville on this 28th day of August 2009

Consolidated Statement of Comprehensive Income FOR THE HALF YEAR ENDED 30 JUNE 2009

	Notes	Consolidated Group June 2009 \$	June 2008 \$
Revenue		34,758,099	31,430,402
Cost of goods sold		<u>(26,779,198)</u>	<u>(24,750,941)</u>
Gross Profit		7,978,901	6,679,461
Interest income		267,223	128,264
Other income	4	58,125	520,699
Distribution and selling expenses		(2,625,670)	(1,079,128)
Administration expenses		(1,583,745)	(2,333,386)
Depreciation and amortisation	4	(288,047)	(389,500)
Finance costs	4	(11,638)	(253,749)
Profit before income tax		<u>3,795,149</u>	<u>3,272,661</u>
Income tax (expense)/benefit		(364,430)	(281,773)
Profit for the half year attributable to ordinary equity holders		<u>3,430,719</u>	<u>2,990,888</u>
Other comprehensive income			
Exchange differences on translation of foreign operations		(5,374,791)	(449,145)
Total comprehensive income for the half year		<u>(1,944,072)</u>	<u>2,541,743</u>
 Earnings per share (on profit attributable to ordinary equity holders)			
Basic profit/(loss) per share (cents per share)		1.10	N/A
Diluted profit/(loss) per share (cents per share)		1.10	N/A

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

AS AT 30 JUNE 2009

		Consolidated Group	
	Notes	June 2009 \$	December 2008 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	35,732,232	40,265,989
Trade and other receivables		2,645,985	3,490,284
Prepayments and other current assets		394,109	14,998
Inventories		5,681,941	6,068,970
TOTAL CURRENT ASSETS		44,454,267	49,840,241
NON-CURRENT ASSETS			
Property, plant and equipment		11,516,097	13,955,699
Intangible assets		230,281	315,748
Deferred tax asset		397,784	565,606
TOTAL NON-CURRENT ASSETS		12,144,162	14,837,053
TOTAL ASSETS		56,598,429	64,677,294
CURRENT LIABILITIES			
Trade and other payables		16,787,075	21,074,196
Notes payable		5,384,005	7,116,137
Current tax liabilities		234,666	350,206
TOTAL CURRENT LIABILITIES		22,405,746	28,540,539
TOTAL NON CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		22,405,746	28,540,539
NET ASSETS		34,192,683	36,136,755
EQUITY			
Issued capital	8	23,302,770	23,302,770
Foreign exchange translation reserve		(1,290,803)	4,083,988
Retained earnings		11,048,194	7,617,475
Statutory reserves		1,132,522	1,132,522
TOTAL EQUITY		34,192,683	36,136,755

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

FOR THE HALF YEAR ENDED 30 JUNE 2009

	Consolidated Group	
Notes	June 2009 \$	June 2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	42,270,454	54,709,529
Payments to suppliers and employees	(40,400,048)	(33,240,612)
Interest paid	(11,638)	(253,749)
Income taxes paid	(427,857)	(109,817)
Interest received	267,223	128,264
NET CASH FLOWS FROM OPERATING ACTIVITIES	1,698,134	21,233,615
CASHFLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(70,553)	(289,632)
Payments for intangible assets	-	(9,192)
Loans to non-related parties	(12,361,200)	-
Loans repaid by non-related parties	10,648,200	-
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(1,783,553)	(298,824)
CASH FLOWS FROM FINANCING ACTIVITIES		
Transaction costs from issue of shares	(154,666)	-
Net proceeds of borrowings	-	2,916,347
Dividend paid	-	(9,191,913)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	(154,666)	(6,275,566)
NET DECREASE IN CASH HELD	(240,085)	14,659,225
Cash and cash equivalents at beginning of period	40,265,989	11,625,591
Effect of exchange rates on cash holdings in foreign currencies	(4,293,672)	(189,335)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	5 35,732,232	26,095,481

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity FOR THE HALF YEAR ENDED 30 JUNE 2009

	Issued Capital \$	Retained Earnings \$	Foreign Exchange Reserve \$	Statutory General Reserves \$	Total \$
At 1 January 2008	11,216,446	11,325,457	(1,367,619)	-	21,174,284
Profit for the period	-	2,990,888		-	2,990,888
Transfer of profit to statutory reserve		(1,132,522)	-	1,132,522	-
Dividend	-	(9,191,914)		-	(9,191,914)
Exchange differences on translation of foreign operations	-	-	(449,145)	-	(449,145)
At 30 June 2008	11,216,446	3,991,909	(1,816,764)	1,132,522	14,524,113
At 1 January 2009	23,302,770	7,617,475	4,083,988	1,132,522	36,136,755
Profit for the period	-	3,430,719		-	3,430,719
Exchange differences on translation of foreign operations	-	-	(5,374,791)	-	(5,374,791)
At 30 June 2009	23,302,770	11,048,194	(1,290,803)	1,132,522	34,192,683

The accompanying notes form part of these financial statements.

Notes to the Half Year Financial Statements FOR THE HALF YEAR ENDED 30 JUNE 2009

1 BASIS OF PREPARATION

These general purpose financial statements for the interim half-year reporting period ended 30 June 2009 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Treyo Leisure and Entertainment Ltd ("Treyo" or "the Company") and its controlled entities ("the Group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2008, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements except for the adoption of the following new and revised Accounting Standards.

2 ACCOUNTING STANDARDS NOT PREVIOUSLY APPLIED

The Group has adopted the following new and revised Australian Accounting Standards issued by the AASB which are mandatory to apply to the current interim period. Disclosures required by these Standards that are deemed material have been included in this financial report on the basis that they represent a significant change in information from that previously made available.

Presentation of Financial Statements

AASB 101 prescribes the contents and structure of the financial statements. Changes reflected in this financial report include:

- the replacement of Income Statement with Statement of Comprehensive Income. Items of income and expense not recognised in profit or loss are now disclosed as components of 'other comprehensive income'. In this regard, such items are no longer reflected as equity movements in the Statement of Changes in Equity;
- the adoption of the separate income statement single statement approach to the presentation of the Statement of Comprehensive Income; and
- other financial statements are renamed in accordance with the Standard.

Operating Segments

From 1 January 2009, operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the group's chief operating decision makers which, for the Group, is the executive directors. In this regard, such information is provided using different measures to those used in preparing the Statement of Comprehensive Income and Statement of Financial Position. Reconciliations of such management information to the statutory information contained in the interim financial report have been included.

Notes to the Half Year Financial Statements (continued) FOR THE HALF YEAR ENDED 30 JUNE 2009

3 OPERATING SEGMENTS

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Executive Directors (chief operating decision makers) in accessing performance and determining the allocation of resources.

Similar to the last reporting period ended 31 December 2008, the Group is currently managed primarily on the basis of geographical segments as the Group only has one business segment, being the business of manufacturing automatic Mahjong tables. The Geographical segments relate to three different countries, being China, Australia and Hong Kong.

Segment information provided to executive directors

	China	Australia	Hong Kong	Total
	\$	\$	\$	\$
For the six months ended 30 June 2009				
REVENUE				
Total revenue -external sales	34,758,099	-	-	34,758,099
RESULT				
Segment result	3,730,391	155,496	(79,100)	3,806,787
Finance costs	(11,350)	(175)	(113)	(11,638)
Profit/(loss) before income tax	3,719,041	155,321	(79,213)	3,795,149
Income tax expense	(364,430)	-	-	(364,430)
Profit after income tax	3,354,611	155,321	(79,213)	3,430,719
ASSETS				
Segment assets	51,595,036	1,273,140	3,730,253	56,598,429
LIABILITIES				
Segment liabilities	22,344,573	61,173	-	22,405,746
Reconciliation of segmental assets to group				
Inter-segment eliminations				-
Total group assets from continuing operations				<u>56,598,429</u>
OTHER				
Depreciation and amortisation of segment	288,047	-	-	288,047
For the six months ended 30 June 2008				
REVENUE				
Total revenue -external sales	31,430,402	-	-	31,430,402
RESULT				
Segment result	3,526,410	-	-	3,526,410
Finance costs	(253,749)	-	-	(253,749)
Profit/(loss) before income tax	3,272,661	-	-	3,272,661
Income tax expense	(281,773)	-	-	(281,773)
Profit after income tax	2,990,888	-	-	2,990,888
ASSETS				
Segment assets	64,677,294	-	-	64,677,294
LIABILITIES				
Segment liabilities	28,540,539	-	-	28,540,539
Reconciliation of segmental assets to group				
Inter-segment eliminations				-
Total group assets from continuing operations				<u>64,677,294</u>
OTHER				
Depreciation and amortisation of segment	389,500	-	-	389,500

Notes to the Half Year Financial Statements (continued)

FOR THE HALF YEAR ENDED 30 JUNE 2009

3 OPERATING SEGMENTS (CONTINUED)

Segment revenues and expenses are those directly attributable to the segments. Segment assets include all assets used by a segment and consist principally of cash, receivables, inventories, intangibles and property, plant and equipment, net of allowances and accumulated depreciation and amortisation. While most such assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities consist principally of payables, employee benefits, accrued expenses, provisions and borrowings.

30 June	30 June
2009	2008
\$	\$

4 REVENUE AND EXPENSES

The following revenue and expense items are relevant in explaining the financial performance for the interim period:

(i) Other Revenue

Sale of raw material and parts, net	58,125	487,675
Other	-	33,024
	<u>58,125</u>	<u>520,699</u>

(ii) Finance costs

Finance costs	11,638	253,749
	<u>11,638</u>	<u>253,749</u>

(iii) Depreciation and amortisation included in income statement

Depreciation of fixed assets	202,580	360,117
Amortisation of intangible assets	85,467	29,383
Total depreciation and amortisation	<u>288,047</u>	<u>389,500</u>

Dividends

Treyo Leisure and Entertainment Pty Ltd's Board has not recommended the payment of any dividend for the half year ended 30 June 2009. In the year ended 31 December 2008 a dividend of \$9,191,914 was paid by Matsuoka Mechatronics (China) Co., Ltd to Songgang International Group Co. Ltd, prior to acquisition.

Notes to the Half Year Financial Statements (continued) FOR THE HALF YEAR ENDED 30 JUNE 2009

5 CASH AND CASH EQUIVALENTS

30 June 2009	31 December 2008
\$	\$

For the purpose of the half-year cash flow statement, cash and cash equivalents are comprised of the following:

Cash at bank and in hand	35,732,232	40,265,989
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At 30 June 2009, \$2,692,002 [31 December 2008: \$3,558,068] was held in an interest bearing short term deposit as guarantees.

6 SIGNIFICANT EVENTS AND TRANSACTIONS

On 2 January 2009 Treyo leisure and Entertainment Ltd listed on the Australian Securities Exchange ("ASX") raising \$12,702,000 from the issue of 50,800,000 ordinary shares at \$0.25.

7 PROPERTY, PLANT AND EQUIPMENT

Acquisitions and disposals

During the half-year ended 30 June 2009, the Group acquired assets with a cost of \$70,553 [30 June 2008: \$289,632].

No assets were disposed of by the Group during the half year ended 30 June 2009 [30 June 2008: \$nil].

8 CONTRIBUTED EQUITY

30 June 2009	31 December 2008
\$	\$

Ordinary shares

Issued and fully paid

23,302,770	23,302,770
------------	------------

Number of Shares	\$
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Movements in ordinary shares on issue

At 1 January 2009

311,008,000	23,302,770
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Shares issued during the period

-	-
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At 30 June 2009

311,008,000	23,302,770
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Notes to the Half Year Financial Statements (continued) FOR THE HALF YEAR ENDED 30 JUNE 2009

9 RELATED PARTY DISCLOSURES

a. Related parties

	30 June 2009 \$	30 June 2008 \$
Transactions		
Purchase from related parties	2,099,980	1,804,742
Rental paid to related parties	-	69,828

	30 June 2009 \$	31 December 2008 \$
Balances		
Other receivables	1,529,032	1,648,280
Trade and other payables	632,196	333,495

b. Key Management Personnel

	30 June 2009 \$	31 December 2008 \$
Trade and other payables		
- IPO costs to be reimbursed to executive director, Mr Guohua Wei	-	804,797

10 CONTINGENT LIABILITIES

As at 30 June 2009, the group is not aware of any other contingent assets or liabilities that should be disclosed in accordance with AASB 137.

11 EVENTS AFTER BALANCE SHEET DATE

There were no events after the balance sheet date.

Directors' Declaration

The directors of the company declare that:

- (a) the financial statements and notes, as set out on pages 6 to 14 are in accordance with the *Corporations Act 2001*, including:
- (i) comply with Accounting Standard AASB 134 *Interim Financial Reporting*; and
 - (ii) give a true and fair view of the financial position as at 30 June 2009 and the performance for the half year ended on that date.
- (b) In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

On behalf of the Board

A handwritten signature in black ink, appearing to be 'Ling Mao' in Chinese characters, written in a cursive style.

Ling (Allan) Mao - Executive Chairman

Dated this 28th day of August 2009



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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF TREYO LEISURE AND ENTERTAINMENT LIMITED

We have reviewed the accompanying half-year financial report of Treyo Leisure and Entertainment Limited, which includes the consolidated financial statements being the statement of financial position as at 30 June 2009, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity, comprising both the company and the entities it controlled at the half-year's end or from time to time during that half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards including the Australian Accounting Interpretations and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report 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.

Auditor's responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagement ASRE 2410: Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the consolidated entity's financial position as at 30 June 2009 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Treyo Leisure and Entertainment Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Treyo Leisure and Entertainment Limited is not in accordance with the Corporations Act 2001, including:

- 1 giving a true and fair view of the consolidated entity's financial position as at 30 June 2009 and of its performance for the half-year ended on that date; and
- 2 complying with Accounting Standard AASB 134: Interim Financial Reporting and Corporations Regulations 2001.

GRANT THORNTON
South Australian Partnership
Chartered Accountants



S J Gray
Partner

Signed at Wayville on this 28th day of August 2009