



Treyo Leisure and Entertainment Ltd
Level 2, 371 Spencer Street
Melbourne Vic 3000
Australia

Chair's Address to the Annual General Meeting 28 May 2010

Good afternoon Ladies and Gentlemen

My name is Allan Mao. I have the honour to be the Chairman and Managing Director of Treyo Leisure and Entertainment Limited.

I would like to welcome you to Treyo's Annual General Meeting for the Financial Year 2009 – our second AGM. As you are aware, Treyo listed on the ASX in January 2009, and we are very proud to be a listed Australian company.

As outlined in more detail in our Annual Report, Treyo has continued its success and market sector dominance for the 2009 financial year (ended 31 December 2009). The Company has realised an after tax profit of \$AUD7.19 million for the year, which represents a 9% increase on the previous year. Treyo's working capital has also improved from \$21.2 million in FY2008 to \$23.8 million in FY2009, a 12% increase. This result has been achieved despite increasing competition through desperate price cutting by our competitors, and the AUD/RMB exchange rate not being as favourable as in 2008, due to the strengthening of the Australian dollar.

I am pleased to advise that as at 31 March this year, the Company had strong reserves of cash and cash equivalents, amounting to over AUD\$31.4 million.

Treyo holds approximately 65% of the premium end of the growing market for automatic mahjong tables. The Company's continuing success is a result of innovation, technical excellence, commitment to quality and outstanding customer service.

Established in early 2003, in a market where the total annual sales for automated mahjong tables now exceeds \$AUD1.22 billion, the Company and its Treyo brand, have grown rapidly to become the largest and most respected automatic mahjong table manufacturer in the world.

With a forecast increase in GDP of 8% for 2010, the Chinese economy continues to experience solid growth. To date, the Chinese domestic market, Treyo's primary market focus, has not been affected to the same degree as many other countries, by the Global Financial Crisis.

Treyo's domestic market sector continues to experience strong growth and, with the introduction of new products, strong quality and cost control, and our extensive and growing distributor network throughout China, Treyo will continue to drive sales growth.

I am also pleased to advise that Treyo's gross profit margins for the first quarter 2010 have exceeded forecast expectations and prior year results. In part, this is due to improved distribution and strong controls over manufacturing overheads and raw material costs.

In conclusion, I would like to thank my fellow Board members, the Company's senior management, our distributors and, most importantly, all of Treyo's employees, for their outstanding efforts over the last year.

As in previous years, I would like to thank all of Treyo's shareholders, for continuing to show your confidence in the Company and its future.

I now hand over the meeting to my fellow director Roger Smeed, who will chair rest of the AGM.

Thank You.