

8. PROPERTY, PLANT AND EQUIPMENT

No.	Property Address / Title Identification	Tenure of Property / Approximate Age of Building (years)	Description and Existing Use	Land area / Built up Area (Sq feet)	Name of Project / type of development	Restriction in Interest / Major Encumbrances	Audited Net Book Value as at 30 April 2009 (RM'000)	Market Value / valuation method (RM'000)
17.	- / Lot 24552, Section 20, Bandar Serendah, District Of Ulu Selangor, Selangor Darul Ehsan (A 3,360-Square Metre Parcel Of Commercial Land Located Along Jalan Kasturi, B88, Bandar Bukit Beruntung)	Freehold / -	Land Held for Development	36,167 / -	N/A	Nil / Nil	171	360 / Comparison Approach
18.	- Lots 1266, 1267 And 1268, Section 57, In The City Of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur (Three Contiguous Parcels Of Commercial Land Along Jalan Ceylon)	Freehold / -	Land Held for Development	30,709 / -	N/A	Nil / Nil	11,910	23,650 / Comparison Approach
19.	- / Lot 677, In The Mukim Of Empang, District Of Hulu Langat, Selangor Darul Ehsan (A 1,2773-Hectare Parcel Of Land With Residential Development Potential, Located Off The Middle Ring Road II, Along Jalan Tebu, Ukey Heights Hulu Kelang, Selangor Darul Ehsan)	Freehold / -	Land Held for Development	137,487 / -	N/A	Nil / Nil	12,373	12,370 / Comparison Method of Valuation
20.	- / Lot 653, In The Mukim And District Of Kluang, Johor Darul Takzim (A 38.5083-Hectare Parcel Of Land With Residential Development Potential Located Off Jalan Mersing, Along Jalan Sri Langit Lambak, Adjacent To Taman Ria, Kluang)	Freehold / -	Land Held for Development	4,144,993 / -	N/A	Nil / Nil	7,521	18,650 / Comparison Approach
21.	- / Lot 203, Section 89A, City Of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur (A 2,443.21-Square Metre Detached House Lot Along Jalan Taman U-Thant 1, Taman U-Thant)	Freehold / -	Land Held for Development	26,299 / -	U-Thant / Residential (low rise condominium)	Nil / Nil	15,704	15,000 / Comparison Approach
22.	- / Lots 211 And 212, Section 89A, City Of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur (House No. 6, Jalan Taman U-Thant 1, Taman U-Thant, Kuala Lumpur)	Freehold / -	Land held for development	34,329 / -		Nil / Nil	18,591	20,700 / Comparison Approach and Cost Approach
23	- / Lots 1233, 1951, 1954, 1957, 4457, 4459 And 4461 To 4465, In The Mukim Of Serendah, District Of Ulu Selangor, Selangor Darul Ehsan (A 1,022.615-Acre Parcel Of Development Land Located Along Both Sides Of The North/South Expressway, Near The Townships Of Bukit Beruntung And Bukit Sentosa, Serendah) ^a	Freehold	Land Held for Development	44,921,673 (el, (e), (f) / -	N/A	Nil / ^ ±	98,830	150,000 / Comparison Approach

8. PROPERTY, PLANT AND EQUIPMENT

Notes:

- # Charged in favour of Aseambankers (M) Berhad vide presentation number 30794/1994 and registered on 21 July 1994.
- ** The land is non transferable or chargeable without the State Authorities permission.
- @ This land is leased to Orchard Park vide Presentation No. 914/1995, Volume 1, Folio 11 dated 28 May 1984 for a term of 60 years commencing on 5 December 1981. The unexpired term is about 33.45 years
- ^ Charged to Bank Utama (Malaysia) Berhad vide Presentation 32789 / 1999, Volume 47, Folio 80 dated 11 August 1999
- ‡ Charged to Bank Utama (Malaysia) berhad vide Presentation 1286 / 2000, Volume 14, Folio 49 dated 19 January 2000
- (a) 21 square meter of Lot26 was acquired by the authorities vide Presentation No. 83 / 2000, Pengambilan Sebahagian Tanah – Borang K dated14 September 1995.
- (b) 702 square meter of Lot77 was acquired by the authorities vide Presentation No. 83 / 2000, Pengambilan Sebahagian Tanah – Borang K dated14 September 1995.
- (c) 98 square meter of Lot174 was acquired by the authorities vide Presentation No. 23 / 1998, Pengambilan Sebahagian Tanah – Borang K dated14 September 1995.
- (d) 5.0167 acres of Lot1951 was acquired by State Government vide Presentation No. 1698 / 1997, Volume 1, Folio 21, Pengambilan Sebahagian Tanah – Borang K dated 20 January 1997.
- (e) 3.628 acres of Lot 1957 was acquired by State Government vide Presentation No. 1698 / 1997, Volume 1, Folio 21, Pengambilan Sebahagian Tanah – Borang K dated 20 January 1997
- (f) 7.7576 acres of Lot 4461 was acquired by State Government vide Presentation No. 456 / 2002, under Section 11, Akta Bekalan Elektrik 1990 dated 21 November 2002
- ∅ The beneficial owner is Ample Equities as the land title have not been changed to the company's name as at the date of this Prospectus.
- ♣ The beneficial owner is Ample Era as the land title have not been changed to the company's name as at the date of this Prospectus
- ∅ The lessee is Orchard Park. The lease is for 60 years starting from 5 December 1981 to 4 December 2041.
- ⚙ This property is owned by Panca Resmi Sdn Bhd, which is a wholly owned subsidiary of Dinar Ehsan Sdn Bhd, which in turn is an associated company of TA Properties, which in turn is a wholly owned subsidiary of TA Global. Hence, effectively, TA Global Group only has 25% equity interest in Panca Resmi Sdn Bhd.

Company No: 828855-P

8. PROPERTY, PLANT AND EQUIPMENT

8.2 Buildings

No	Property Address / Title Identification	Tenure of Property / Approximate Age of Building (years)	Description and Existing Use	Land area / Built up Area (Sq feet)	Number of storeys	Restriction in Interest / Major Encumbrances	Ave. % of Occupancy as at the date of valuation	Lettable space (Sq feet) / ##	Market Value / valuation methods (RM'000)	Audited Net Book Value as at 30 April 2009 (RM'000)
1.	Developer's Parcel No. GM081-2, Mukim Of Pasir Panjang, District Of Port Dickson Negeri Sembilan Darul Khulus (Townhouse No. 081-2, First Floor, Block G, Palm Springs Golf Resort, Batu 13, Jalan Pantai, Port Dickson)	Freehold / 6	Property Held for Internal Use	- / 1,367	3 1/2 Storeys ^a	Nil / Nil	Nil	1,367	110 / Comparison Approach and Income Approach	103
2.	Lot PT 11502, Mukim Of Damansara, District Of Petaling, Selangor Darul Ehsan (Shop/Office No. 29, Jalan USJ 10/1E, USJ 10, Subang Jaya)	Freehold / 15	Property with Rental Income	1,760 / 5,166	3 storeys	Nil / Nil	100.0	5,166	1,700 / Comparison Approach and Income Approach	729
3.	Unit Nos. 16, 31, 46, 61, 76, 91 And 106, Levels 1 To 7, Block M1-A And Unit Nos. 107, 120, 132, 144, 156, 168, 180, 108, 121, 133, 145, 157, 169 And 181, Levels 1 To 7, Block M1-B, Lot 50530, Pekan Subang Jaya, District Of Petaling, Selangor Darul Ehsan (A 7-Storey Stratified Shop/Offices Bearing Address Nos. 29-1 To 29-6, Ground To Sixth Floors, Jalan USJ 9/5Q And Two 7-Storey Stratified Shop/Offices Bearing Address Nos. 2-1 To 2-6 And 4-1 To 4-6, Ground To Sixth Floors, Jalan USJ 9/5T, Subang Business Centre, Subang Jaya)	Freehold / 12	Properties with Rental Income	- / 47,146	7 storeys	Nil / Nil	95.2	47,145	11,380 / Comparison Approach and Income Approach	8,257
4.	Lots PT 11253 To 11258 (Inclusive), Mukim And District Of Klang, Selangor Darul Ehsan (Shophouse Nos. 9, 11, 13, 15, 17 And 19, Lengkok Selat Selatan, Pandamaran, Port Klang)	Freehold / 8	For internal storage	9,624 / 19,214	2 storeys	Nil / @	100.0	19,214	1,750 / Comparison Method of Valuation and Investment Method of Valuation	682

8. PROPERTY, PLANT AND EQUIPMENT

No	Property Address / Title Identification	Tenure of Property / Approximate Age of Building (years)	Description and Existing Use	Land area / Built up Area (Sq feet)	Number of storeys	Restriction in Interest / Major Encumbrances	Ave. % of Occupancy as at the date of valuation	Lettable space (Sq feet)	Market Value / valuation methods (RM'000)	Audited Net Book Value as at 30 April 2009 (RM'000)
5.	Lot 37717 (Formerly Lot PT 22), Mukim Of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur (A 4½-Storey Detached House Bearing Address No. 30, Persiaran Duta, Taman Duta, Kuala Lumpur)	Lease with 64 years remaining / 10	TA Official Guest House with partial rental income	55,693 / 64,541	4 ½ storeys	^ / Nil	100.0	64,541	21,900 / Comparison Approach and Income Approach	13,010
6.	Lot 37716, Mukim Of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur (Two 2-Storey Split-Level Linked Detached Houses Bearing Address Nos. 28 And 28A, Persiaran Duta, Taman Duta, Kuala Lumpur)	Lease with 64 years remaining / 23	Property with Rental Income	32,725 / 8,342	2 storeys	^ / Nil	100.0	No 28 : 4,171 No 28A : 4,171	5,000 / Comparison Approach and Income Approach	1,069
7.	No.22 Jalan P. Ramlee 50250 Kuala Lumpur / Menara TA One (Formerly Menara Budaya) Standing On Lot 1261, Section 57, City Of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur (A 37-Storey Office Building With A 7½-Level Car Park Located Along Jalan P. Ramlee, Kuala Lumpur)	Freehold / 13	TA Corporate Head Office and Rental Income	44,056.7 / 418,502	37 storeys	Nil / **	90.5	373,672	233,900 / Income Approach and Comparison Approach	214,543
8.	1111 West Georgia Street, Downtown Area of Vancouver, British Columbia / The Terassen Centre Located At 1111 West Georgia Street Downtown Area Of Vancouver, British Columbia (A 24-Storey Class "AAA" Office Building With A 4½-Level Basement Car Park Located Along West Georgia Street)	Fee Simple / 17	Property with Rental Income	43,540 / 400,000	24 storeys	Nil / #	97.6	349,390	CAD175,000 / RM566,000 / Income Approach and Comparison Approach	180,697

PROPERTIES HELD IN AUSTRALIA AND CANADA

8. PROPERTY, PLANT AND EQUIPMENT

No	Property Address / Title Identification	Tenure of Property / Approximate Age of Building (years)	Description and Existing Use	Land area / Built up Area (Sg feet)	Number of storeys	Restriction in Interest / Major Encumbrances	Ave. % of Occupancy as at the date of valuation	Lettable space (Sg feet)	Market Value / valuation methods (RM'000)	Audited Net Book Value as at 30 April 2009 (RM'000)
9.	Aava Whistler Hotel (f.k.a The Coast Whistler Hotel) on Lot 59, along Whistler Way, Town Centre of Whistler, British Columbia, Vancouver Canada	Fee Simple / 22	Property for future Rental Income	110,355 / 87,180***	4 storeys hotel block (2 wings and a single storey detached restaurant)	Nil / Nil	Under renovation	193 rooms upon completion of renovation works	CAD35,000/RM113,200 / Discounted Cash Flow Approach and Comparison Approach	135,750
10.	The Radisson Plaza Hotel Standing On Lot No. 1, City Of Sydney, New South Wales, Australia (A 362-Room 5-Star Hotel Located Along O'Connell Street, Sydney)	Fee Simple / 153 ⁽¹⁾	Property with Rental Income	18,514 / 301,389	17 storeys	Restriction on the land use / +	81.3	362 rooms	AUD 120,000 / RM 376,596 / Discounted Cash Flow Approach and Comparison Approach	224,831
11.	Westin Melbourne Hotel ^(b) 205, Collins Street, Melbourne, VIC 3000, Australia	Fee simple / 9 years	Property with Rental Income	32,292 / 269,098	14 storeys ^(b)	(c)	79.1	262 rooms	AUD 145,000 / RM389,659 / Discounted Cash Flow Approach	352,288

Notes:

(1) The building was built in 1856.

⊕ Although the building is 3½ storeys, however TA Properties only owned one unit on the first floor of the building.

@ Lot PT 11253, 11254, 11255 is charged to D&C Finance Berhad Vide Presentation No. 51717 / 1993 Volume 94, Folio 70 dated 5 December 1993

^ The land title is not transferable or chargeable for a period of 15 consecutive years except with the consent of the State Government.

* The valuation was conducted by Khong & Jaafar Sdn Bhd, an Independent Registered Valuer on 30 June 2008.

∞ The property was only used to store the archived documents of TAE and TA Securities, a wholly owned subsidiary of TAE.

This property is currently unoccupied and TA Global intends to use this property for the purpose of staff leisure and sporting activities

8. PROPERTY, PLANT AND EQUIPMENT

- ** Charged to AmBank (M) Berhad for a maximum value of up to RM130 million, vide Presentation No. 17457/2008 dated 16 June 2008, for a revolving credit facility granted to TAE.
- *** Upon completion of the renovation works, the built up area of this property will be 96,016.70 square feet
- # The property has the following encumbrances:-
- (i) Mortgage – Charge No. BX604470 dated 28 December 2005 by Canada Limited Incorporation No. 63670
 - (ii) Assignment of Rents – Charge No. BX604471 dated 28 December 2005 by Canada Limited Incorporation No. 63670
- + The property has following encumbrances:-
- (i) Reservation and conditions in the Crown Grant
 - (ii) 5517617 Restriction(s) on the use of land
 - (iii) 6604717 Mortgage to National Australia Bank Limited
 - (iv) 9055898 Lease to Energy Australia of Substation Premises No. 4765 together with rights of way and basements for electricity purposes designated R1, R2, R3, R4 C & E in plans with 9055898 over another part of the land. Expires : 31 December 2021. Option of Renewal: 30 Years.
- (a) The building was completed on March 2000.
- (b) Although the building is a 14 storey building, The Westin Melbourne Hotel occupies 7 storeys of the building, the basement and part of the car park.
- (c) The restriction in interest / major encumbrances are as follows:-
- (i) AD824051Q Mortgage to Australia and New Zealand Banking Group Limited and registered on 19 August 2005.
 - (ii) AD251341W Caveat by TA Covenant Pty Ltd (formerly known as TA Covenant Ltd) in their capacity as purchaser of fee simple registered on 16 December 2008.
 - (iii) X201509J Agreement under Section 173 of the Planning and Environment Act 1987 and registered on 8 December 2000.
 - (iv) X233303D Agreement under Section 173 of the Planning and Environment Act 1987 and registered on 28 December 2000.
 - (v) Encumbrances created by Section 98 Transfer of Land Act 1958 or Section 24 Subdivision Act 1988 and registered on 13 December 2000.

The properties as listed in Sections 8.1 and 8.2 above have been valued by an independent registered valuer, Khong and Jaafar Sdn Bhd, on 30 June 2008. The valuation report for the Westin Melbourne Hotel was prepared on 25 May 2009 as the acquisition of the said hotel was only completed on 21 April 2009. The valuation surplus (before deferred tax) will be incorporated in the financial statements of TA Global Group for the FYE2010.

8. PROPERTY, PLANT AND EQUIPMENT

Certificate of Fitness for Occupation for buildings item nos. 1,2, 5 and 6 have not been extended to the respective owners at the point of acquisition of the said properties. However, our Directors wishes to highlight that to the best of their knowledge, there is no material non-compliance with current statutory requirements, land rules or building regulations.

Save as disclosed above, in respect of the land and buildings of our Group, the Directors of our Company have confirmed that:-

- (i) There are no other restrictions in interest or encumbrances;
- (ii) The existing use on land is in accordance with the land use conditions;
- (iii) The properties above are in compliance with the relevant land use and building regulations;
- (iv) The properties above are in compliance with the express conditions attached; and
- (v) All the buildings above have been issued with a Certificate of Fitness for Occupation.

For information, on 26 May 2009 an SPA was entered into between TA First Credit and Europlus Corporation Sdn Bhd to acquire the following property, details of which are as follows:-

No.	Property Address / Title Identification	Tenure of Property / Approximate Age of Building (years)	Description and Existing Use	Land area / Built up Area (Sq feet)	Name of Project / type of development	Restriction in Interest / Major Encumbrances	Purchase Price (RM'000)	Market Value / valuation method (RM'000)
1.	- / Title no. geran 54344, Lot 15207, Bandar Serendah Daerah Ulu Selangor Negeri Selangor Darul Ehsan	Freehold / -	Land held for development	3,428,172 /	N/A	κ	44,890	N/A. Newly acquired in the financial year 2010

Note:-

- κ The issue document of title to the property is charged to Aseambankers Malaysia Bhd on 21 July 1994 vide presentation no. 30794/1994 Jilid 63 Folio 124. While Europlus Corporation Sdn Bhd has repaid the loan in full, this charge will only be discharged upon completion of the SPA. There is an existing private caveat bearing presentation no. 10421/2006 which was lodged by IJM Construction Sdn Bhd on the issue document of title to the property on 20 March 2006.

The above agreement is pending completion.

8. PROPERTY, PLANT AND EQUIPMENT

8.3 SUBSEQUENT EVENTS AFTER 30 JUNE 2008, BEING THE DATE OF THE VALUATION REPORTS FOR THE PROPERTIES SET OUT IN SECTIONS 8.1 AND 8.2

Idaman Residence Project

Gross development value in accordance with the valuation report prepared by Khong & Jaafar Sdn Bhd as at 30 June 2008 was RM294,153,734 (comprising unbilled sales of RM194,849,259 and unsold units of RM99,304,475) The unbilled gross development cost was RM77,804,486.

Since the last valuation on 30 June 2008, the vacant possession has been given to the unit purchasers in March 2009. As at the LPD, the gross development value has been reduced to RM67,896,184 (comprising of unsold units of RM67,896,184). The unbilled gross development cost is RM6,623,655.

Given the above, there is a reduction in the gross development value for valuation purposes. However the reduction in gross development value is compensated by an increase in retained profits and NTA of TA Properties Group when the previously unbilled sales have been translated into cash and receivables, resulting in no change in the total purchase consideration.

Damansara Idaman Project

Gross development value in accordance with the valuation report prepared by Khong & Jaafar Sdn Bhd as at 30 June 2008 was RM214,332,408 (comprising unbilled sales of RM26,412,676 and unsold units of RM187,919,732). The unbilled gross development cost was RM63,933,906.

Since the last valuation on 30 June 2008, the vacant possession has been given to the unit purchasers in March 2009. As at the LPD, the gross development value has been reduced to RM151,424,401 (comprising unbilled sales of RM26,009,401 and unsold units of RM125,415,000). The unbilled gross development cost is RM51,930,604.

Given the above, there is a reduction in the gross development value for valuation purposes. However the reduction in gross development value is compensated by an increase in retained profits and NTA of TA Properties Group when the previously unbilled sales have been translated into cash and receivables, resulting in no change in the total purchase consideration.

Seri Suria Project in Sri Damansara

Since June 2008, Indo Aman Bina Sdn Bhd received a revised development order dated 10 August 2009. The conditions of the revised development order are as follows:-

- (i) an increased plot ratio from 4.0 to 4.5. thus permitting a total gross built-up area of 9.4 million square feet; and
- (ii) the land owner to seek approval from Lembaga Lebuhraya Malaysia to construct 3 flyovers for ingress and egress to and from the property.

Given the above, the management of TA Global is of the opinion that there is no downside risk of a lower value than as reported in Khong & Jaafar Sdn Bhd's valuation report dated 30 June 2008.

8. PROPERTY, PLANT AND EQUIPMENT**TA 3 and TA 4 Project**

Since 30 June 2008, an approval-in-principle has been obtained from the local authorities which granted a plot ratio of 1:10 for the commercial development of the property. However if the proposed development is certified as a "GOLD" rating based on the "Green Building Index" of Singapore, then the plot ratio can be increased to 1:11. This approval-in-principle brings greater certainty to the development potentiality of the property.

Nova Square

Since 30 June 2008, TA Properties Group has addressed all technical queries raised by the local authorities pertaining to the revised drawings submitted for an amendment to the original development order. In view that all the technical queries raised has been addressed, the management of TA Global anticipates to receive the relevant development order for two (2) 30-storey and a 34-storey service apartment block.

Menara TA One

Since 30 June 2008, there are indications that the office market has softened and this may impact the rental yield and the valuation of the said property. Although there are indications of a slight decrease in the value of the property, the management of TA Global is of the view that such decrease will not significantly impair the market value of the property as per the valuation report prepared by Khong & Jaafar Sdn Bhd as at 30 June 2008.

As at the LPD, with the occupancy rate of approximately 96%, the recent tenancy renewals at higher rental rates and the average tenancy leases of two (2) years, the management of TA Global is of the opinion that Menara TA One will be able to sustain its yield and maintain its market value.

Radisson Plaza Hotel

Since June 2008, deteriorating economic fundamentals across Asia Pacific has indirectly affected the performance of Radisson Plaza Hotel. The hotel experienced some downward pressure on its average occupancy rate and average room rate. As illustrated below, the property average occupancy rate and average room rate has declined by approximately 6.97% and 1.1% respectively.

	<u>Average occupancy rate (%)</u>	<u>Average room rate (AUD)</u>
July 2007 – June 2008	81.33	204.77
July 2008 – June 2009	74.36	202.50

Although the hotel is experiencing some short term decline in its yield, the management of TA Global is confident that the medium and long term market fundamentals of the Sydney hospitality market will continue to remain strong due to the lack of new hotel rooms supply over the next two (2) years, as such the management of TA Global expects the hotel to be able to sustain its value as per the valuation report prepared by Khong & Jaafar Sdn Bhd as at 30 June 2008.

8. PROPERTY, PLANT AND EQUIPMENT**Terasen Centre, Vancouver, Canada**

Since 30 June 2008, with the ongoing decline in economic growth and commodity prices excess space for sub lease and vacant sub lease space in downtown market Vancouver has increased.

Notwithstanding the above, the management of TA Global is of the view that the property is expected to remain resilient as it is currently 99% tenanted with remaining tenancy tenure ranging from three (3) to six (6) years. The demand for office space is expected to remain steady in Vancouver downtown core due to the city's geographical location, strong business diversity and the lack of new supply throughout the downtown core. This will limit the degree to which the valuation of the property will potentially weaken.

Aava Whistler Hotel

In the past, the hotel was operational with 193 rooms and in the proposed renovation plan of the property, the room configuration on certain guest floors will be changed to allow for construction of suites, thus reducing the existing 193 existing rooms to 180 saleable rooms as reported in the valuation report prepared by Khong & Jaafar Sdn Bhd as at 30 June 2008. However, after June 2008, the proposed plan to reduce the existing rooms to 180 rooms was subsequently revised and upon completion of the renovations in November 2009, the property will be operational with 193 rooms.

As Aava Whistler Hotel is under-going renovation and is expected to reopen for business at the end of 2009 and with the Winter Olympics scheduled in February and March 2010, the foreseeable future of the property remains positive. The management of TA Global is of the opinion that the Winter Olympics would be a major catalyst to spur tourism revenue and demand for hotel rooms in Whistler which will minimise any downside risk in valuation for this property.

Save as mentioned above, the management of TA Global is of the opinion that there is generally no legal or physical changes nor any downside risk for lower values than as reported on 30 June 2008 unless the economy and/or the property market deteriorates further.

8.4 MATERIAL PLANT AND EQUIPMENT

As at LPD, aside from the land and buildings as disclosed in Sections 8.1.1 and 8.1.2 above, the material plant and equipment used and owned by our Group are as follows: -

Description	Net Book Value RM'000
Lift	10,998
Air Conditioning	12,583
	23,581

8. PROPERTY, PLANT AND EQUIPMENT

8.5 REGULATORY REQUIREMENT AND ENVIRONMENTAL ISSUE

Our Group believes that it is in compliance in respect to all material regulatory requirements and environmental issues which may materially affect our Group's operations and/or utilisation of assets. As at LPD, our Group is not aware of any environmental proceedings or investigations to which it is or might become a party to.

8.6 MATERIAL PLANS TO CONSTRUCT, EXPAND OR IMPROVE FACILITIES

As at LPD, our Group has no immediate plans to construct, expand or improve on existing facilities, save for the following:-

- (a) Aava Whistler Hotel, which is currently undergoing extensive renovation as disclosed in Section 2.6; and
- (b) A three percent (3%) of the total annual revenue generated by our hotels in Australia, that is Radisson Plaza Hotel and The Westin Melbourne Hotel, will be provided for the purchase and upgrade of the hotels' furniture, fittings and equipment as disclosed in Section 9.4.8(i).

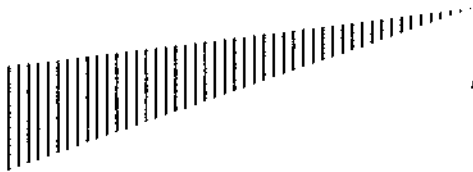
All other construction or development works carried out by our Group are in the ordinary course of our Group's business.

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9. FINANCIAL INFORMATION

9.1 REPORTING ACCOUNTANTS' LETTER ON THE PROFORMA CONSOLIDATED FINANCIAL INFORMATION

(Prepared for inclusion in the Prospectus)



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REPORTING ACCOUNTANTS' LETTER ON THE PROFORMA CONSOLIDATED FINANCIAL INFORMATION

(Prepared for inclusion in the Prospectus of TA Global Berhad to be dated 30 October 2009)

The Board of Directors
TA Global Berhad
34th Floor Menara TA One
22 Jalan P. Ramlee
50250 Kuala Lumpur

6 October 2009

TA Global Berhad ("TA Global") Proforma Consolidated Financial Information

Dear Sirs:

We report on the proforma consolidated financial information of TA Global and its subsidiaries ("TA Global Group") as set out in the accompanying notes, which we have stamped for the purpose of identification. The proforma consolidated financial information have been prepared for illustrative purposes only on the basis of assumptions as set out in the accompanying notes and after making certain adjustments to show what:

- (a) the financial results of TA Global Group for the three (3) financial years ended 31 January 2009 and the three-month period ended 30 April 2009 would have been, if the group structure as at the date of the Prospectus had been in place throughout the financial years/period being reported thereon;
- (b) the financial position of TA Global Group as at 30 April 2009 would have been, if the group structure as at the date of the Prospectus had been in place on that date; after adjusting for the acquisitions of shares and trust units, acquisition of properties, rights issue and capitalisation of inter-company balances; and
- (c) the cash flows of TA Global Group for the three-month period ended 30 April 2009 would have been, if the group structure as at the date of the Prospectus had been in place since the beginning of the financial period, after adjusting for the acquisition of shares and trust units, acquisition of properties, rights issue and capitalisation of inter-company balances.

This letter is required by and is given for the purpose of complying with the Prospectus Guidelines issued by Securities Commission and for no other purpose.

9. FINANCIAL INFORMATION

TA Global Berhad
6 October 2009
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The proforma consolidated financial information, because of its nature, may not be reflective of TA Global Group's actual financial results, financial position and cash flows.

Responsibilities

It is the responsibility of the Board of Directors of TA Global to prepare the proforma consolidated financial information in accordance with the Prospectus Guidelines of the Securities Commission.

It is our responsibility to form an opinion as required by the Prospectus Guidelines of the Securities Commission as to the proper compilation of the proforma consolidated financial information and to report that opinion to you.

In providing this opinion we are not responsible in updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the proforma consolidated financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Basis of Opinion

We conducted our work in accordance with Malaysian Approved Standard on Assurance, ISAE 3000 - Assurance Engagements Other Than Audit or Review of Historical Information. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the proforma consolidated financial information to the audited financial statements as listed below:

- the audited financial statements of TA Properties for the three (3) financial years ended 31 January 2009 and the three-month period ended 30 April 2009;
- the audited financial statements of TA Global for the first financial period from 8 August 2008 (date of incorporation) to 30 April 2009;
- the audited financial statements of TA Ascents (M) Sdn. Bhd. (formerly known as TA Dotcom Sdn. Bhd.) for the three (3) financial years ended 31 January 2009 and the three-month period ended 30 April 2009;
- the audited financial statements of Raintree Amalgamated Sdn. Bhd. for the first financial period from 10 October 2008 (date of incorporation) to 30 April 2009;
- the audited financial statements of Ascents Hotel Pty. Ltd. for the first financial period from 15 December 2008 (date of incorporation) to 31 January 2009 and the three-month period ended 30 April 2009;
- the audited financial statements of Ascents Trust for the first financial period from 15 December 2008 (date of inception) to 31 January 2009 and the three-month period ended 30 April 2009; and
- the audited financial statements of TA Covenant Pty. Ltd. for the first financial period from 2 December 2008 (date of incorporation) to 31 January 2009 and the three-month period ended 30 April 2009;

9. FINANCIAL INFORMATION



TA Global Berhad
6 October 2009
Page 3 of 3

considering the evidence supporting the adjustments and discussing the proforma consolidated financial information with the directors of TA Global.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the proforma consolidated financial information have been properly compiled on the basis stated using financial statements prepared in accordance with Financial Reporting Standards in Malaysia, and in a manner consistent with both the format of the financial statements and the accounting policies of TA Global. Our work also involves assessing whether each material adjustment made to the information used in the preparation of the proforma consolidated financial information is appropriate for the purposes of preparing the proforma consolidated financial information.

In our opinion

- (i) the proforma consolidated financial information which have been prepared by the directors of TA Global have been properly compiled on the basis stated in the accompanying notes using financial statements prepared in accordance with the applicable Financial Reporting Standards in Malaysia and in a manner consistent with both the format of the financial statements and the accounting policies adopted by TA Global; and
- (ii) each material adjustment made to the information used in the preparation of the proforma consolidated financial information is appropriate for the purposes of preparing the proforma consolidated financial information.

Yours faithfully,

A stylized signature of an Ernst & Young representative, written in black ink.

Ernst & Young
AF: 0039
Chartered Accountants

Kuala Lumpur, Malaysia

A handwritten signature of Chan Hooi Lam, written in black ink.

Chan Hooi Lam
No. 2844/02/10(J)
Chartered Accountant

9. FINANCIAL INFORMATION**TA GLOBAL BERHAD
(Incorporated in Malaysia)****NOTES TO THE PROFORMA CONSOLIDATED FINANCIAL INFORMATION****1. Introduction**

The proforma consolidated financial information, comprising the proforma summarised consolidated income statements for the three(3) financial years ended 31 January 2009 and the three-month period ended 30 April 2009, the proforma summarised consolidated balance sheets as at 30 April 2009, and the proforma summarised consolidated cash flow statement for the three-month period ended 30 April 2009 have been prepared for inclusion in the Prospectus of TA Global Berhad ("TA Global") in connection with the proposed listing of TA Global on the Main Market of Bursa Malaysia Securities Berhad.

2.0 ABBREVIATIONS

Unless the context otherwise requires, the following words and abbreviations shall apply throughout this report:

FPE	Financial period ended 30 April
FYE	Financial year ended 31 January
TAE	TA Enterprise Berhad
TA Global	TA Global Berhad
TA Global Group	TA Global and its subsidiaries
TA Properties	TA Properties Sdn. Bhd.
TA Properties Group	TA Properties Sdn. Bhd. and its subsidiaries

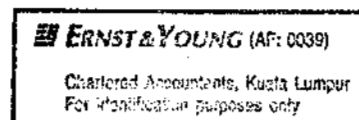
3.0 Proposed Listing scheme

As part of the proposed listing scheme, TA Global has undertaken or proposed to undertake the following:

3.1 Acquisitions of shares and trust units

TA Global entered into Sale and Purchase Agreement on 4 September 2008 for the following acquisition of shares and trust units:

- (i) Purchase of 10,000,000 ordinary shares of RM1.00 each and 689,489 non cumulative redeemable preference shares of RM1.00 each in TA Properties, representing 100% equity interest in TA Properties from TAE. The disposal of 1 ordinary share of HK\$1.00 each and 2,881 non-cumulative redeemable shares of HK\$1.00 each, representing 100% equity interest in Ace Fit International Limited held by TA Properties to TAE ;
- (ii) Purchase of 25,000 ordinary shares of RM1.00 each in Sanjung Padu (M) Sdn. Bhd. ("Sanjung Padu"), representing 49% equity interest in Sanjung Padu from TAE;



9. FINANCIAL INFORMATION

3.0 Proposed listing scheme (Contd.)

3.1 Acquisitions of shares and trust units (Contd.)

- (iii) Purchase of 63,522,320 trust units in Wales House Trust ("Wales Trust") representing 50% equity interest in Wales Trust from TAE;

for an aggregate purchase consideration of RM1,725,781,814 (net) satisfied by the issuances of 2,236,199,996 new ordinary shares of RM0.50 each in TA Global at an issue price of RM0.50 per share and 1,215,363,632 new irredeemable convertible preference shares ("ICPS") of RM0.50 each in TA Global at an issue price of RM0.50 per ICPS.

The above acquisitions of shares and trust units have been completed on 5 October 2009.

3.2 Acquisition of properties

TA Global entered into Sale and Purchase Agreement on 4 September 2008 for the acquisition of properties, referred to as Taman Duta Residences located at Nos 28, 28A and 30, Persiaran Duta, Taman Duta, which are 2 pieces of leasehold land with residential house No. 30 situated on Lot 37717 (formerly PT22) HS(D) 63, Mukim and District of Kuala Lumpur and houses Nos 28 and 28A situated on Lot 37716 PN 10009, Mukim and District of Kuala Lumpur from TAE for a total consideration of RM26,900,000, satisfied by the issuance of 53,800,000 new ordinary shares of RM0.50 each in TA Global at an issue price of RM0.50 per share.

The above acquisition of properties has been completed on 5 October 2009.

3.3 Rights issue

The rights issue of 269,974,638 new ordinary shares of RM0.50 each in TA Global to TAE at an issue price of RM0.50 per share, on the basis of 1 new ordinary share for approximately every existing 8.48 ordinary shares held by TAE, for a total cash consideration of RM134,987,319 which has been completed on 5 October 2009. The proceeds from the rights issue are to be utilised for:

	RM'000
Renovation of Aava Whistler Hotel *	70,620
General working capital purposes	54,367
Listing expenses	10,000
	<u>134,987</u>

- * Included RM11,634,847 incurred and capitalised between 1 February 2009 to 30 April 2009

9. FINANCIAL INFORMATION

3.0 Proposed listing scheme (Contd.)

3.4 Capitalisation of inter-company balances

The issuance of 1,040,025,362 new ordinary shares of RM0.50 each in TA Global to TAE at an issue price of RM0.50 per share for capitalisation of a total amount of inter-company balances of RM520,012,681, which has been completed on 5 October 2009.

The inter-company balances capitalised comprise an amount of RM224,726,552 owing by TA Properties to TA Centre Berhad, a wholly-owned subsidiary of TAE for the purchase of Menara TA One; and an amount of RM295,286,129 owing by TA Global to TAE for the purchase of Westin Melbourne Hotel. Both Menara TA One (presently owned by Menara TA Sdn. Bhd., a subsidiary of TA Properties) and Westin Melbourne Hotel (presently owned by Ascents Trust) are properties held by TA Global Group.

3.5 Offer for Sale of TA Global shares held by TAE

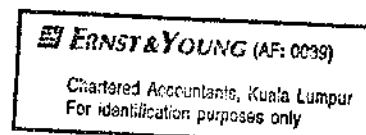
The Proposed Offer for Sale of up to 460,000,000 existing ordinary shares of RM0.50 each in TA Global by TAE, representing up to 12.78% equity interest in TA Global, at an issue price of RM0.50 per share, including 90,000,000 shares to Malaysian Bumiputera Public, 360,000,000 shares to approved Bumiputera institutions and investors approved by the Ministry of International Trade and Industry, and 10,000,000 shares to eligible directors and employees of TA Global Group and TAE Group and/or business associates of TA Global Group.

3.6 Proposed Listing

TA Global will seek the listing of and quotation of its entire enlarged issued and paid-up share capital of TA Global ordinary shares and TA Global ICPS on the Main Market of Bursa Malaysia Securities Berhad.

Based on the Proposed Listing Scheme above i.e. from Sections 3.1, 3.2, 3.3 and 3.4 above, TA Global's enlarged share capital would be as follows:

Proposed Listing Scheme:	Section	Number of ordinary shares issued	Number of ICPS issued
Acquisitions of shares and trust units	3.1	2,236,199,996	1,215,363,632
Acquisition of properties	3.2	53,800,000	-
Rights issue	3.3	269,974,638	-
Capitalisation of inter-company balances	3.4	1,040,025,362	-
		<u>3,599,999,996</u>	<u>1,215,363,632</u>



9. FINANCIAL INFORMATION

4 Basis of preparation of proforma consolidated financial information

4.1 The proforma consolidated financial information has been prepared to illustrate:

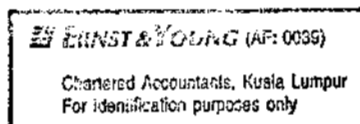
- (i) the financial results of TA Global Group for the past three financial years ended 31 January 2009 and the three-month period ended 30 April 2009, had TA Global Group existed and the structure as at the date of the Prospectus been in existence throughout the financial years/period reported thereon;
- (ii) the financial position of TA Global Group as at 30 April 2009, had the group structure as of the date of the Prospectus been in place on that date, adjusted for the acquisitions of shares and trust units, acquisition of properties, rights issue, capitalisation of inter-company balances and payment of the estimated listing expenses and renovation of Aava Whistler Hotel;
- (iii) the cash flows of TA Global Group for the three-month period ended 30 April 2009, had the group structure as of the date of the Prospectus been in place since the beginning of the period, adjusted for the acquisitions of shares and trust units, acquisition of properties, rights issue, capitalisation of inter-company balances, payment of the estimated listing expenses and renovation of Aava Whistler Hotel.

The above proforma consolidated financial information has been prepared using merger accounting on the basis that TA Global, TA Properties and other entities and the assets involved in the proposed listing scheme are under common control of TAE.

4.2 Sources of information and assumptions for the proforma TA Global Group

For the purpose of illustration only, as TA Global does not exist until its incorporation on 8 August 2008, the proforma consolidated financial information has been prepared based primarily on the audited consolidated financial statements of TA Properties. The historical financial information and the main assumptions used are as summarised below:

- (i) the management financial statements of TA Global for the financial period ended 31 January 2009 since its incorporation date of 8 August 2008 and the management financial statements of TA Global for the three-month period ended from 1 February 2009 to 30 April 2009;
- (ii) the audited financial statements of TA Ascents (M) Sdn. Bhd. (formerly known as TA Dotcom Sdn. Bhd.), Raintree Amalgamated Sdn. Bhd. Ascents Hotel Pty. Ltd., Ascents Trust and TA Covenant Pty. Ltd. for the financial year/period ended 31 January 2009 and/or the three-month period ended 30 April 2009 (audited by firms of auditors other than Ernst & Young);



9. FINANCIAL INFORMATION

4.0 Basis of preparation of proforma consolidated financial information (contd.)

4.2 Sources of information and assumptions for the proforma TA Global Group (Contd.)

- (iii) the audited financial statements of TA Dotcom Sdn. Bhd. for the financial years ended 31 January 2007 to 2008 (audited by firms of auditors other than Ernst & Young); and
- (iv) the audited consolidated financial statements of TA Properties for the three financial years ended 31 January 2007 to 2009 and the three-month period ended 30 April 2009 (audited by Ernst & Young).

and the assumptions as stated below:

- i) Financial Reporting Standards issued by Malaysian Accounting Standards Board which are applicable for the latest three-month period ended 30 April 2009 were adopted retrospectively for the three financial years ended 31 January 2007 to 31 January 2009;
- ii) The operating results of TA Global since its date of incorporation on 8 August 2008 to 31 January 2009 and from 1 February 2009 to 30 April 2009 were included in the proforma TA Global Group's results for the financial year ended 31 January 2009 and the three-month period ended 30 April 2009 respectively for the purpose of illustration only;
- iii) The operating results of TA Ascents (which was a subsidiary of TAE prior to disposal to TA Global on 15 April 2009) for the three financial years ended 31 January 2009 and the three-month period ended 30 April 2009 respectively were included in the proforma TA Global Group's results respectively for the purpose of illustration only;
- iv) All subsidiaries of TA Properties remain in TA Global Group with the exception of Ace Fit International Limited and TA Ace Fit Investment Management (Kunming) Co. Ltd. that have been sold to TAE and hence are excluded from TA Global Group in the proforma consolidated financial information;
- v) TA Global had purchased the remaining 49% stake in Sanjung Padu held by TAE and thus Sanjung Padu had become a wholly owned subsidiary in the proforma consolidated financial information;
- vi) TA Global had purchased the remaining 50% stake in Wales Trust held by TAE and thus Wales Trust had become a wholly owned trust in the proforma consolidated financial information;
- vii) Adjustments in respect of over or underprovision of tax in the respective financial years or period had been reflected in the financial years or period they relate to for the purpose of comparability.

9. FINANCIAL INFORMATION

4.3 Applicable financial reporting standards

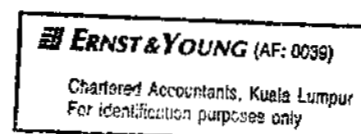
The abovementioned audited financial statements in respect of companies incorporated in Malaysia have been prepared in accordance with the applicable Financial Reporting Standards in Malaysia.

The abovementioned audited financial statements in respect of companies incorporated in Australia have been prepared in accordance with the applicable accounting standards in Australia. Appropriate consolidation adjustments have been made for conforming with the accounting policies of TA Global Group and TA Properties Group in all material areas.

4.4 Auditors' opinions

- (i) The audited financial statements of TA Global for the first financial period from 8 August 2008 (date of incorporation) to 30 April 2009 were reported on without qualification or modification by Ernst & Young.
- (ii) The audited financial statements of TA Ascents (M) Sdn. Bhd. (formerly known as TA Dotcom Sdn. Bhd.), Raintree Amalgamated Sdn. Bhd. Ascents Hotel Pty. Ltd., Ascents Trust and TA Covenant Pty. Ltd. for the financial year/period ended 31 January 2009 and the financial period ended 30 April 2009 were reported on without qualification or modification by firms of auditors other than Ernst & Young;
- (iii) The audited financial statements of TA Dotcom Sdn. Bhd. for the three financial years ended 31 January 2007 to 2008 were reported on without qualification or modification by firms of auditors other than Ernst & Young; and
- (iv) The audited financial statements of TA Properties for the financial year ended 31 January 2007 were reported on without qualification by Ernst & Young but with an emphasis of matter in relation to the comment in the auditors' report of a subsidiary, Binaprestij Maju Sdn. Bhd. ("Binaprestij"). The audited financial statements of TA Properties Sdn. Bhd. for the financial years ended 31 January 2008 and 2009 were reported on without any qualification by Ernst & Young.

The audited financial statements of TA Properties for the financial period ended 30 April 2009 were reported on without qualification by Ernst & Young, other than emphasis of matter on the fact that the comparatives for income statements, statements of changes in equity and cash flow statements are in respect of the comparable interim period of the immediate preceding financial year from 1 February 2008 to 30 April 2008 in accordance with Financial Reporting Standard 134: Interim Financial Reporting and are unaudited.



9. FINANCIAL INFORMATION

5.0 Proforma summarised consolidated income statements of TA Global Group

5.1 The proforma consolidated financial performances for the past three (3) financial years ended 31 January 2009 and the three-month period ended 30 April 2009, which have been prepared solely for illustrative purposes only to show the aggregate results of the proforma TA Global Group, are based on accounting policies consistent with those adopted in the preparation of the audited financial statements of TA Global Group and TA Properties Group and are prepared on the assumption that the proforma group structure of TA Global as at the Prospectus date had existed throughout the financial years/period reported thereon.

Proforma TA Global Group	Year ended 31 January 2007 RM'000	Year ended 31 January 2008 RM'000	Year ended 31 January 2009 RM'000	Three-month period ended 30 April 2009 RM'000
Revenue	208,603	286,945	440,705	49,234
Other income	15,416	36,328	13,853	1,127
Purchase of inventories	(4,252)	(6,539)	(6,005)	(1,810)
Cost of properties sold	(51,417)	(62,707)	(131,406)	(5,989)
Contract cost	-	(9,973)	(13,138)	(371)
Personnel costs	(27,973)	(35,550)	(35,619)	(8,418)
Depreciation	(16,513)	(21,994)	(21,642)	(5,429)
Foreign exchange (losses)/gains, net	(3,576)	277	(4,518)	268
Other expenses	(23,262)	(39,002)	(98,837)	(6,538)
Profit from operations	97,026	147,785	143,393	22,074
Finance costs	(7,577)	(7,198)	(6,434)	(1,442)
Share of losses of associated companies, net of tax	(17)	(147)	(24)	(9)
Profit before tax	89,432	140,440	136,935	20,623
Income tax expense	(16,950)	(29,802)	(44,066)	(4,848)
Profit for the financial year/period	72,482	110,638	92,869	15,775
Attributable to:				
Equity holders of TA Global	72,482	110,638	92,869	15,775
Minority interests	-	-	-	-
	72,482	110,638	92,869	15,775

ERNST & YOUNG (AF: 0039)

Chartered Accountants, Kuala Lumpur
For identification purposes only

9. FINANCIAL INFORMATION

5.0 Proforma summarised consolidated income statements of TA Global Group (Contd.)

The above proforma summarised consolidated income statements of TA Global Group are set out based on the assumptions as stated in Section 3.0, Section 4.1 and Section 4.2. Below is a reconciliation to the proforma results from TA Properties and TA Global's results as stated in their audited and management financial statements:

Proforma TA Global Group	Year ended 31 January 2007 RM'000	Year ended 31 January 2008 RM'000	Year ended 31 January 2009 RM'000	Three-month period ended 30 April 2009 RM'000
Profit after tax as per audited consolidated financial statements of TA Properties	77,092	110,716	95,243	16,580
Profit after tax based on consolidated management financial statements of TA Global	-	-	(2,629)	(1,987)
Proforma adjustments:				
- Inclusion of TA Ascents Sdn. Bhd. (formerly known as TA Dotcom Sdn. Bhd.)	(174)	(6)	-	-
- Deconsolidation of Ace Fit Group	(27)	(80)	195	23
- Exclusion of impairment loss on goodwill on consolidation*	-	-	-	1,159
- Reallocation of (under)/over provision of tax to respective years they relate to: <i>TA Properties Sdn. Bhd.</i>				
- Overprovision in YA06 adjusted in YA07	(128)	-	-	-
- Underprovision in YA07 adjusted in YA08	(8)	8	-	-
- Underprovision in YA06 adjusted in YA09 Orchard Park Sdn. Bhd.	-	-	60	-
- Overprovision in YA05 adjusted in YA07 TA Management Limited	(41)	-	-	-
- Overprovision in YA06 adjusted in YA07	(4,232)	-	-	-
	(4,409)	8	60	-
Profit for the financial year/period	72,482	110,638	92,869	15,775

* Relates to impairment loss on goodwill on consolidation of TA Ascents Group that was recognised in the audited consolidated financial statements of TA Global for the first financial period from 8 August 2008 to 30 April 2009. For the purpose of preparing the proforma consolidated summarised income statements of TA Global Group, this amount has been excluded as it is assumed that TA Global's group structure had been in existence throughout the financial years/period reported thereon.

9. FINANCIAL INFORMATION

5.0 Proforma summarised consolidated income statements of TA Global Group (Contd.)

	Year ended 31 January 2007 RM'000	Year ended 31 January 2008 RM'000	Year ended 31 January 2009 RM'000	Three-month period ended 30 April 2009 RM'000
<i>Profit before tax is analysed as follows:</i>				
Profit before depreciation, amortisation and interest expense	116,298	172,744	167,998	28,169
Depreciation	(16,513)	(21,994)	(21,642)	(5,429)
Amortisation	(2,783)	(3,117)	(2,987)	(675)
Interest expense	(7,570)	(7,193)	(6,434)	(1,442)
Profit before tax	89,432	140,440	136,935	20,623

5.2 The proforma performance indices of the proforma TA Global Group based on the proforma summarised consolidated income statements for the past three (3) financial years ended 31 January 2009 and the three-month period ended 30 April 2009 are as follow:

	Year ended 31 January 2007	Year ended 31 January 2008	Year ended 31 January 2009	Three-month period ended 30 April 2009
Enlarged number of ordinary shares of RM0.50 each in issue before conversion of ICPS to ordinary shares	3,600,000,000	3,600,000,000	3,600,000,000	3,600,000,000
Gross earnings per share (sen) (Note 1)	4,815,363,632	4,815,363,632	4,815,363,632	4,815,363,632
Net earnings per share (sen) (Note 2)	2.48	3.90	3.80	0.57
Fully diluted net earnings per share (sen) (Note 3)	2.01	3.07	2.58	0.44
Gross profit (Note 4)	1.51	2.30	1.93	0.33
Gross profit margin (%) (Note 5)	152,934	207,726	290,156	41,064
Profit before tax margin (%) (Note 6)	73.3%	72.4%	65.8%	83.4%
Profit after tax and after minority interests margin (%) (Note 7)	42.9%	48.9%	31.1%	41.9%
Effective tax rate (%) (Note 8)	34.7%	38.6%	21.1%	32.0%
	19.0%	21.2%	32.2%	23.5%

9. FINANCIAL INFORMATION

5.0 Proforma summarised consolidated income statements of TA Global Group (Contd.)

Note 1 The gross earnings per share is computed based on the proforma profit before tax divided by total number of ordinary shares TA Global assumed to have been in issue during the proforma financial years/period, before conversion of ICPS to ordinary shares.

Note 2 The net earnings per share is computed based on the proforma profit after tax and after minority interests' share of profits divided by total number of ordinary shares of TA Global assumed to have been in issue during the proforma financial years/period, before conversion of ICPS to ordinary shares.

Note 3 Fully diluted net earnings per share is computed based on the proforma profit after tax and after minority interests' share of profits divided by the total number of ordinary shares of TA Global after full conversion of ICPS to ordinary shares of TA Global.

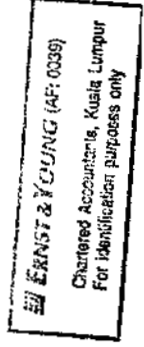
Note 4 Gross profit is computed by deducting purchase of inventories, cost of properties sold and contract costs from revenue.

Note 5 Gross profit margin is computed by dividing gross profit over revenue.

Note 6 Profit before tax margin is computed by dividing profit before tax over revenue.

Note 7 Profit after tax and after minority interests margin is computed by dividing profit after tax and after minority interests' share of profits over revenue.

Note 8 Effective tax rate is computed by dividing income tax expense over profit before tax.



9. FINANCIAL INFORMATION

6.0 Proforma summarised consolidated balance sheets of TA Global Group

The proforma consolidated financial positions as at 30 April 2009 as set out below have been prepared solely for illustrative purposes only to show the effects of the acquisitions of shares and trust units, acquisition of properties, rights issue and capitalisation of inter-company balances referred to in Section 3 had these transactions been completed on 30 April 2009.

Proforma TA Global Group	Audited Consolidated Balance Sheet of TA Properties Group as at 30 April 2009 RM'000	Audited Consolidated Balance Sheet of Disposal of Ace Fit Group RM'000	Acquisitions of Shares and Trust Units RM'000	(I) Proforma Group after Acquisitions Net of Disposal RM'000		(II) Proforma Group after Acquisition of Properties RM'000		(III) Proforma Group after Pro Forma I & Rights Issue RM'000		(IV) Proforma Group after Pro Forma I, II, III and Capitalisa- tion of Inter- company Balances RM'000	
				RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
	583,617	352,275	(3,382)	932,510	15,850	948,360	58,985	1,007,345	-	1,007,345	
	189,786	-	-	189,786	-	189,786	-	189,786	-	189,786	
	428,819	-	-	428,819	-	428,819	-	428,819	-	428,819	
	240	-	-	240	11,050	11,290	-	11,290	-	11,290	
	74	56,236	-	56,310	-	56,310	-	56,310	-	56,310	
	14,866	-	-	14,866	-	14,866	-	14,866	-	14,866	
	899	-	-	899	-	899	-	899	-	899	
	4,271	717	-	4,988	-	4,988	-	4,988	-	4,988	
	1,222,572	409,228	(3,382)	1,628,418	26,900	1,655,318	58,985	1,714,303	-	1,714,303	

ASSETS

Non-current assets

Property, plant and

equipment

Investment

properties

Land held for property

development

Prepaid land lease

payments

Intangible assets

Associated

companies

Other investments

Deferred tax

assets

9. FINANCIAL INFORMATION

6.0 Proforma summarised consolidated balance sheets of TA Global Group (Contd.)

Proforma TA Global Group	Audited Consolidated Balance Sheet of TA Properties Group as at 30 April 2009	Audited Consolidated Balance Sheet of TA Global Group as at 30 April 2009	Disposal of Ace Fit Group	Acquisitions of Shares and Trust Units	Proforma Group after Acquisitions Net of Disposal	Proforma Group after Acquisition of Properties	Rights Issue	Proforma Group after Proforma I & II & Rights Issue	Proforma Group after Capitalisa- tion of Inter- company Balances	Proforma Group after Proforma I, II, III and Capitalisa- tion of Inter- company Balances
Current assets										
Property development costs	33,812	-	-	-	33,812	33,812	-	33,812	-	33,812
Properties held for resale	682	-	-	-	682	682	-	682	-	682
Land held for resale	6,279	-	-	-	6,279	6,279	-	6,279	-	6,279
Inventories	532	490	-	-	1,022	1,022	-	1,022	-	1,022
Financial receivables	131,075	-	-	-	131,075	131,075	-	131,075	-	131,075
Trade receivables	54,654	2,767	-	-	57,421	57,421	-	57,421	-	57,421
Other receivables	39,044	1,042	(4)	-	40,082	40,082	-	40,082	-	40,082
Tax recoverable	10,130	-	-	-	10,130	10,130	-	10,130	-	10,130
Due from related companies	143,288	46,701	(8,617)	(181,073)	299	299	-	299	-	299
Due from an associated company	12	-	-	-	12	12	-	12	-	12
Short term funds	170,963	36,188	(1,427)	-	205,724	205,724	66,002	271,726	-	271,726
	590,471	87,188	(10,048)	(181,073)	486,538	486,538	66,002	552,540	-	552,540
TOTAL ASSETS	1,813,043	496,416	(13,430)	(181,073)	2,114,956	2,141,856	124,987	2,266,843	-	2,266,843

9. FINANCIAL INFORMATION

6.0 Proforma summarised consolidated balance sheets of TA Global Group (Contd.)

Proforma TA Global Group	Audited Consolidated Balance Sheet of TA Properties Group as at 30 April 2009	Audited Consolidated Balance Sheet of TA Global Group as at 30 April 2009	Disposal of Ace Fit Group	Acquisitions of Shares and Trust Units	Proforma Group after Acquisitions Net of Disposal	Proforma Group after Acquisition & Properties	Rights Issue	Proforma Group after Proforma I & II & Rights Issue	Capitalisa- tion of Inter- company Balances	Proforma Group after I, II, III and Capitalisa- tion of Inter- company Balances
EQUITY AND LIABILITIES										
Equity attributable to equity holders of the Company										
Share capital	10,689	10,689	-	1,107,411	1,118,100	1,145,000	134,987	1,279,987	520,013	1,800,000
Irredeemable convertible preference shares	-	-	-	607,682	607,682	607,682	-	607,682	-	607,682
Share premium	688,800	688,800	-	(688,800)	-	-	-	-	-	-
Exchange translation reserve	58,824	-	(88)	625	59,361	59,361	-	59,361	-	59,361
Exchange differences recognised in equity	44,496	-	-	-	44,496	44,496	-	44,496	-	44,496
Capital redemption reserve	214	-	-	-	214	214	-	214	-	214
Merger deficit	-	-	(13,392)	(917,971)	(931,363)	(931,363)	-	(931,363)	-	(931,363)
Retained profits/ (accumulated loss)	112,834	(4,083)	88	78,363	187,202	187,202	(10,000)	177,202	-	177,202
Minority interests	915,857	(4,083)	(13,392)	187,310	1,085,692	1,112,592	124,987	1,237,579	520,013	1,757,592
Preference shares issued by subsidiaries	187,310	-	-	(187,310)	-	-	-	-	-	-
Total equity	57,988	(4,083)	(13,392)	-	57,988	57,988	-	57,988	-	57,988
	1,161,155	(4,083)	(13,392)	-	1,143,680	1,170,580	124,987	1,295,567	520,013	1,815,580

^ Share capital is RM2

9. FINANCIAL INFORMATION

6.0 Proforma summarised consolidated balance sheets of TA Global Group (Contd.)

	Audited Consolidated Balance Sheet of TA Properties Group as at 30 April 2009	Audited Consolidated Balance Sheet of TA Global Group as at 30 April 2009	Disposal of Ace Fit Group	Acquisitions of Shares and Trust Units	Acquisi- tion of Properties	Proforma Group after Net of Disposal	(I) Proforma Group after Acquisi- tion of Properties	(II) Proforma Group after Acquisition of Properties	Rights Issue	(III) Proforma Group after Proforma I & II & Rights Issue	Capitalisa- tion of Inter- company Balances	(IV) Proforma Group after Proforma I, II, III and Capitalisa- tion of Inter- company Balances
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Proforma TA Global Group												
Non-current liabilities												
Term loan	229,240	-	-	-	-	229,240	-	229,240	-	-	-	229,240
Provision for liabilities	286	961	-	-	-	1,247	-	1,247	-	-	-	1,247
Due to related companies	-	179,318	-	(179,318)	-	-	-	-	-	-	-	-
Deferred tax liabilities	17,226	-	-	-	-	17,226	-	17,226	-	-	-	17,226
	246,752	180,279	-	(179,318)	-	247,713	-	247,713	-	-	-	247,713
Current liabilities												
Short term borrowings	7,644	-	-	-	-	7,644	-	7,644	-	-	-	7,644
Provision for liabilities	982	1,362	-	-	-	2,344	-	2,344	-	-	-	2,344
Trade payables	22,164	2,223	-	-	-	24,387	-	24,387	-	-	-	24,387
Other payables	18,480	7,075	(38)	-	-	25,517	-	25,517	-	-	-	25,517
Due to related companies	349,549	309,499	-	(1,755)	-	657,293	-	657,293	-	(520,013)	-	137,280
Due to associated companies	384	-	-	-	-	384	-	384	-	-	-	384
Income tax payable	5,933	61	-	-	-	5,994	-	5,994	-	-	-	5,994
	405,136	320,220	(38)	(1,755)	-	723,563	-	723,563	-	(520,013)	-	203,550
Total liabilities	651,888	500,499	(38)	(181,073)	-	971,276	-	971,276	-	(520,013)	-	451,263
TOTAL EQUITY AND LIABILITIES	1,813,043	496,416	(13,430)	(181,073)	2,114,956	26,900	2,141,856	124,987	2,266,843	-	-	2,266,843

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9. FINANCIAL INFORMATION

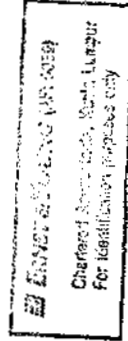
6.0 Proforma summarised consolidated balance sheets of TA Global Group (Contd.)

	Audited Consolidated Balance Sheet of TA Properties Group as at 30 April 2009	Audited Consolidated Balance Sheet of TA Global Group as at 30 April 2009	Disposal of Ace Fit Group	Acquisitions of Shares and Trust Units	Proforma Group after Acquisitions Net of Disposal Properties	(I) Proforma Group after Acquisitions Net of Disposal Properties	(II) Proforma Group after Acquisition of Properties	(III) Proforma Group after Proforma I & Rights Issue	(IV) Proforma Group after Proforma I, II, III and Capitalisation of Inter-company Balances
Proforma TA Global Group									
Number of ordinary shares in issue ('000)	10,000	^			2,236,200	2,290,000	2,559,974	3,600,000	
Number of preference shares /ICPS in issue ('000)	689	-			1,215,364	1,215,364	1,215,364	1,215,364	
Number of shares in issue ('000)	10,689	^			3,451,564	3,505,364	3,775,338	4,815,364	
Net asset (RM'000)	915,857	(4,083)			1,085,692	1,112,592	1,237,579	1,757,592	
Net asset per ordinary share (RM)	91.59	(2,041,500.00)			0.49	0.49	0.48	0.49	
Net asset per share (RM)*	85.68	(2,041,500.00)			0.31	0.32	0.33	0.36	
Net tangible asset (RM'000) #	928,738	(61,036)			1,041,620	1,068,520	1,193,507	1,713,520	
Net tangible asset per ordinary share (RM)	92.87	(30,518,000.00)			0.47	0.47	0.47	0.48	
Net tangible asset per share (RM) *	86.89	(30,518,000.00)			0.30	0.30	0.32	0.36	

^ Share capital is RM2

Net tangible asset is computed by excluding intangible assets, deferred tax assets and adding back deferred tax liabilities

* Based on expanded capital base i.e. shares comprise both ordinary shares and ICPS of TA Global



9. FINANCIAL INFORMATION**6.0 Proforma summarised consolidated balance sheets of TA Global Group****6.1 Notes to the proforma summarised consolidated balance sheets**

The proforma consolidated balance sheets include on a proforma basis, the following transactions assuming they were effected on 30 April 2009:

Proforma I

Proforma I incorporates the acquisitions of shares and trust units (including the disposal of Ace Fit International Limited) as set out in Section 3.1 above.

Proforma II

Proforma II incorporates the effects of pro forma I and the acquisition of properties as set out in Section 3.2 above.

Proforma III

Proforma III incorporates the effects of proforma I and proforma II and the rights issue as set out in Section 3.3 above.

Pro forma IV

Proforma IV incorporates the effects of proforma I, proforma II and proforma III and capitalisation of inter-company balances as set out in Section 3.4 above.

6.2 Proposed Offer for Sale

The proposed offer for sale for TA Global shares held by TAE as outlined in Section 3.5 does not have any financial impact to the proforma consolidated balance sheets.

6.3 Proposed Listing

The estimated listing expenses of RM10,000,000 (see Section 3.3) has been incorporated in proforma III.

9. FINANCIAL INFORMATION

7.0 Proforma summarised consolidated cash flow statement of TA Global Group

The proforma consolidated cash flows for the three-month period ended 30 April 2009, which have been prepared solely for illustrative purposes only are based on the assumption that the group structure of TA Global Group had existed since the beginning of the three-month period reported thereon.

	As per audited financial statements of TA Properties for the 3-months period ended 30 April 2009	As per management financial statements of TA Global for the 3-months period ended 30 April 2009	Disposal of Ace Fit International Limited	Adjustment for inter-group interest and rights issue proceeds	Proforma after Acquisitions of Shares and Trust Units, Acquisition of Properties, Rights Issue and Capitalisation of Inter-company Balances
	RM'000	RM'000	RM'000	RM'000	RM'000
Profit before tax	21,407	(807)	23	-	20,623
Adjustments for:					
Provision for liabilities	-	44	-	-	44
Amortisation of					
- Deferred leasing costs	642	-	-	-	642
- Intangible assets	32	-	-	-	32
- Prepaid land lease payments	2	-	-	-	2
Bad debts written off	176	-	-	-	176
Depreciation	5,135	325	(31)	-	5,429
Interest income	(2,031)	(199)	8	-	(2,222)
Interest expense	1,442	304	-	(304)	1,442
Balance carried forward	26,805	(333)	-	(304)	26,168

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7.0 Proforma consolidated summarised cash flow statement of TA Global Group (Contd.)

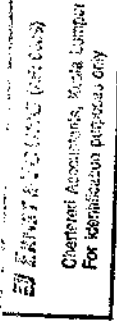
	As per audited financial statements of TA Properties for the 3-months period ended 30 April 2009	As per management financial statements of TA Global for the 3-months period ended 30 April 2009	Disposal of Ace Fit international Limited	Adjustment for inter-group interest and rights issue proceeds	Proforma after Acquisitions of Shares and Trust Units, Acquisition of Properties, Rights Issue and Capitalisation of inter- company Balances
	RM'000	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES (CONTD.)					
Balance brought forward	26,805	(333)	-	(304)	26,168
Provision for doubtful debts	1	8	-	-	9
Share of losses of associated companies, net of tax	9	-	-	-	9
Unrealised (gains)/losses on foreign exchange translation, net	(329)	-	-	-	(329)
Write-back of provision for doubtful debts	(3,570)	-	-	-	(3,570)
Writeback of provision for impairment losses on: - Other investments	(189)	-	-	-	(189)
Operating profit before working capital changes	22,727	(325)	-	(304)	22,098
Decrease in property development costs	4,322	-	-	-	4,322
Decrease in receivables	22,765	38,207	-	-	60,972
Increase in inventories	(69)	(490)	-	-	(559)
Increase in balances in Housing Development Accounts	(35,895)	-	-	-	(35,895)
Increase in payables	3,580	10,726	-	-	14,306
Cash generated from operations carried forward	17,430	48,118	-	(304)	65,244

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9. FINANCIAL INFORMATION

7.0 Proforma summarised consolidated cash flow statement of TA Global Group (Contd.)

	As per audited financial statements of TA Properties for the 3-months period ended 30 April 2009	As per management financial statements of TA Global for the 3-months period ended 30 April 2009	Disposal of Ace Fit International Limited	Adjustment for inter-group interest and rights issue proceeds	Proforma after Acquisitions of Shares and Trust Units, Acquisition of Properties, Rights Issue and Capitalisation of inter-company Balances
	RM'000	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES (CONTD.)					
Cash generated from operations brought forward	17,430	48,118	-	(304)	65,244
Taxes paid	(11,271)	-	-	-	(11,271)
Interest received	1,125	199	(8)	-	1,316
Net cash generated from operating activities	7,284	48,317	(8)	(304)	55,289
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment	(585)	(352,614)	-	-	(353,199)
Renovation of Aava Whistler Hotel	(11,635)	-	-	(58,985)	(70,620)
Purchase of intangible assets	-	(56,236)	-	-	(56,236)
Property development costs on land held for development	(191)	-	-	-	(191)
Interest received	905	-	-	-	905
Net cash used in investing activities	(11,506)	(408,850)	-	(58,985)	(479,341)


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9. FINANCIAL INFORMATION

7.0 Proforma summarised consolidated cash flow statement of TA Global Group (Contd.)

	As per audited financial statements of TA Properties for the 3-months period ended 30 April 2009 RM'000	As per management financial statements of TA Global for the 3-months period ended 30 April 2009 RM'000	Disposal of Ace Fit International Limited RM'000	Adjustment for inter-group interest and rights issue proceeds RM'000	Proforma after Acquisitions of Shares and Trust Units, Acquisition of Properties, Rights Issue and Capitalisation of Inter- company Balances RM'000
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issuance of ordinary shares	-	-	-	134,987	134,987
Payment of listing expenses	-	-	-	(10,000)	(10,000)
Repayment of short term borrowings	(1,835)	-	-	-	(1,835)
Net advances from related companies	(126,153)	397,048	17	-	270,912
Repayment of promissory note to related companies	(7,934)	-	-	-	(7,934)
Bank loan drawdown	115,650	-	-	-	115,650
Interest paid	(1,378)	(304)	-	304	(1,378)
Net cash (used in)/generated from financing activities	(21,650)	396,744	17	125,291	500,402
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(25,872)	36,211	9	66,002	76,350

9. FINANCIAL INFORMATION

7.0 Proforma summarised consolidated cash flow statement of TA Global Group (Contd.)

	As per audited financial statements of TA Properties for the 3-months period ended 30 April 2009 RM'000	As per management financial statements of TA Global for the 3-months period ended 30 April 2009 RM'000	Disposal of Ace Fit International Limited RM'000	Adjustment for inter-group interest and rights issue proceeds RM'000	Proforma after Acquisitions of Shares and Trust Units, Acquisition of Properties, Rights Issue and Capitalisation of Inter- company Balances RM'000
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	7,137	(25)	-	-	7,112
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	53,363	7	(1,436)	-	51,934
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	34,628	36,193	(1,427)	66,002	# 135,396

Proforma cash and cash equivalents at end of financial period
Housing Development Accounts
Short term funds as per proforma balance sheet

	RM'000
	135,396
	136,330
	<u>271,726</u>

Included in short term funds in the proforma consolidated balance sheet (Pro forma IV) as at 30 April 2009 is a total amount of approximately RM136,330,000 which comprise monies held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 and are restricted in use.

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9. FINANCIAL INFORMATION

9.2 HISTORICAL FINANCIAL INFORMATION

The table below sets out a summary of our proforma consolidated income statements for the past three (3) FYE 31 January 2007 to 31 January 2009, three (3) months ended 30 April 2009 and three (3) months ended 30 April 2008. The proforma consolidated financial statements were prepared on the assumption that our Group has been in existence throughout the periods under review. The proforma consolidated financial statements are prepared for illustrative purposes only and should be read in conjunction with the accompanying notes and assumptions included in Section 9.1 of this Prospectus.

FYE 31 January	<----- Audited----->			<- Unaudited ->	<- Audited ->
	2007 RM'000	2008 RM'000	2009 RM'000	FPE 2008* RM'000	FPE 2009 RM'000
Revenue	208,603	286,945	440,705	84,152	49,234
Other income	15,416	36,328	13,853	3,119	1,127
Purchase of inventories	(4,252)	(6,539)	(6,005)	(1,704)	(1,810)
Cost of properties sold	(51,417)	(62,707)	(131,406)	(25,443)	(5,989)
Contract costs	-	(9,973)	(13,138)	(3,150)	(371)
Personnel costs	(27,973)	(35,550)	(35,619)	(9,538)	(8,418)
Foreign exchange gains / losses (net)	(3,576)	277	(4,518)	(1,550)	268
Other expenses	(23,262)	(39,002)	(98,837)	(10,726)	(6,538)
EBITDA	113,539	169,779	165,035	35,160	27,503
Depreciation	(16,513)	(21,994)	(21,642)	(5,540)	(5,429)
Finance costs	(7,577)	(7,198)	(6,434)	(1,717)	(1,442)
Share of profits / (loss) from associated companies	(17)	(147)	(24)	8	(9)
PBT	89,432	140,440	136,935	27,911	20,623
Income tax expense	(16,950)	(29,802)	(44,066)	(8,069)	(4,848)
PAT	72,482	110,638	92,869	19,842	15,775
Attributable to:					
- Equity holders of our Company	72,482	110,638	92,869	19,842	15,775
- MI	-	-	-	-	-
	72,482	110,638	92,869	19,842	15,775
Enlarged number of issued and paid up ordinary shares ('000)	3,600,000	3,600,000	3,600,000	3,600,000	3,600,000
Enlarged number of issued and paid up share capital upon conversion of ICPS ('000)	4,815,364	4,815,364	4,815,364	4,815,364	4,815,364
Gross profit ⁽¹⁾	152,934	207,726	290,156	53,855	41,064
Gross Profit margin (%)	73.3	72.4	65.8	64.0	83.4
PBT margin (%)	42.9	48.9	31.1	33.2	41.9
PAT after MI margin (%)	34.7	38.6	21.1	23.6	32.0
Gross EPS (sen) ⁽²⁾	2.48	3.90	3.80	0.78	0.57
Net EPS (sen) ⁽³⁾	2.01	3.07	2.58	0.55	0.44
Fully diluted EPS (sen) ⁽⁴⁾	1.51	2.30	1.93	0.41	0.33

Notes:

- (1) Revenue less purchase of inventories less cost of properties sold less contract costs
- (2) Gross EPS was computed based on PBT after MI for the relevant financial period and divided by the number of enlarged number of issued and paid up ordinary shares.
- (3) Net EPS was computed based on PAT after MI for the relevant financial period and divided by the number of enlarged number of issued and paid up ordinary shares.
- (4) Fully diluted EPS was computed based on PAT after MI for the relevant financial period and divided by the number of issued and paid up shares capital, assuming all ICPS have been converted into ordinary shares

9. FINANCIAL INFORMATION

9.3 CAPITALISATION AND INDEBTEDNESS

Our internal sources of cash comprise mainly cash generated from sales made to customers from our various projects launched, sales generated from hospitality operations, rental income received from tenants, shareholders' equity and retained earnings while our external sources of financing are primarily from foreign currency denominated term loans and credit extended to us by our suppliers.

The following table shows our cash and cash equivalents, debts and capitalisation of our Proforma Group as at 30 April 2009:-

As at 30 April 2009	2009 ⁽¹⁾ (RM'000)	Adjusted ⁽²⁾ (RM'000)
Cash and cash equivalents ⁽³⁾	205,724	271,726
Indebtedness		
<u>Short term borrowings⁽⁴⁾</u>		
Secured:		
Foreign currency denominated term loan		
- CAD	7,644	7,644
Total short term borrowings	7,644	7,644
<u>Long term borrowings⁽⁴⁾</u>		
Secured:		
Foreign currency denominated term loan		
- CAD	108,596	108,596
- AUD	120,644	120,644
Total long term borrowings	229,240	229,240
Total indebtedness	236,884	236,884
Total proforma shareholders' equity⁽⁵⁾	1,085,692	1,757,592
Gearing ratio (times)	0.22	0.13

Notes:-

- (1) Based on the audited consolidated financial statements of TA Properties group and TA Global group and excluding Ace Fit International group as at 30 April 2009
- (2) Incorporates the effects of the Listing Scheme
- (3) Included in cash and cash equivalents as at 30 April 2009 are RM136.3 million held in Housing Development Accounts ("HDA") as required by Section 7A of the Housing Developers (Control and Licensing) Act 1966 and Regulations in Malaysia. The cash in HDAs are restricted in use of the aforementioned Act which regulates and ensures that the funds are used to complete the relevant housing projects.
- (4) Interest-bearing debts
- (5) Excludes minority interest and preference shares issued by subsidiaries

Our Group's indebtedness are fully denominated in CAD and AUD. Further details on the abovementioned foreign currency denominated term loans are as described below:

(a) Term loan denominated in CAD

The refinanced foreign currency loan, which will mature on 5 December 2020, bears a fixed interest rate of 4.79% per annum, repayable in monthly instalments of CAD 364,412 (equivalent to RM1,082,668 at the exchange rate of RM2.971:CAD1.00) per month. It is secured against certain freehold land and building of our Group, the assignment of rentals and a general security agreement over the said property.

9. FINANCIAL INFORMATION

(b) Term loan denominated in AUD

The secured foreign currency loan denominated in AUD of the Group is a three (3)-year bill facility with a fixed interest rate of 6.5% per annum, which will mature on 28 February 2012. The loan is secured against a freehold hotel and building in Australia.

Please refer to Section 9.4.8(h) for further information on our Group's contingent liabilities.

Save as disclosed above, there were no material changes in our share capital and indebtedness since 30 April 2009 to the date of this Prospectus.

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9. FINANCIAL INFORMATION

9.4 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS

The following discussion of our results of operations for the period under review should be read in conjunction with the proforma consolidated financial information and the related notes included in Section 9.1 of this Prospectus. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results may differ significantly from those projected in the forward-looking statements. Factors that may cause future results to differ significantly from those projected in the forward-looking statements include, but are not limited to, those discussed below and the discussion on risk factors included in Section 3 of this Prospectus.

Our proforma consolidated financial statements have been prepared on the basis that our Group has been in existence throughout the financial years under review.

9.4.1 Our Company's Financial Condition and Results of Operations**OVERVIEW****Revenue**

Our Group's principal business is focused on property development, property investment, hospitality operations and other activities, which include construction and the trading in building materials. Our core revenue is derived from the development projects in Malaysia as well as the steady income stream from our property investment in Malaysia, Canada and Australia. We develop both residential and commercial properties. All of the properties that we develop are currently located in Malaysia. Please refer to Section 4.8 of this Prospectus for further details on our residential and commercial property developments.

Revenue generated from property development activities contributed approximately 45%, 46%, 66% and 37% in FYE 2007, FYE 2008, FYE 2009 and FPE 2009, respectively. In all the three FYE 2007 to 2009 and the FPE 2009, revenue from property development activities are mainly generated from the Damansara Idaman, Idaman Villas and Idaman Residence projects.

Revenue from property investment and management activities contributed 14%, 16%, 11% and 24% in FYE 2007, FYE 2008, FYE 2009 and FPE 2009, respectively. The revenue mainly consists of rental income from Menara TA One in Malaysia as well as Terasen Centre in Vancouver, Canada.

The revenue from hospitality operations in FYE 2007, FYE 2008 and FYE 2009 is generated from the Radisson Plaza Hotel in Australia. In FPE 2009 however, The Westin Melbourne Hotel also contributed slightly to the revenue generated from hospitality operations.

Revenue from credit and lending activities amounted to approximately 5% of total revenue in FYE 2007 and FYE 2008. In FYE 2009 and FPE 2009, revenue from credit and lending activities amounted to less than 2% out of total revenue. TA First Credit has ceased new lending activities since the completion of the Acquisitions.

Revenue from other activities, which amount to less than 5% for each of the FYE 2007, 2008 and 2009 as well as for the FPE 2009, is typically generated from construction activities and the trading of building materials.

The breakdown of our Group's revenue according to principal business activities are as set out in Section 9.4.2 of this Prospectus.

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Our business is subject to the cyclical nature of the property market in Malaysia, which is generally affected by the supply and demand conditions for properties, market pricing trends, standard of living, level of disposable income and demographic conditions as well as the general economic, political and regulatory developments.

Our sales revenue is primarily dependent on the volume of properties we sell, the prices at which we make the sales, the market response we obtain when we launch our property sales, the timing of the launch of our property sales and the progressive revenue recognition of our sales. The progressive revenue recognition of property sales mainly depend on the progress of the construction and sales achieved for our properties.

For sell-then-build projects, the progressive payment schedule (and hence revenue recognition) is generally over a period of 24 to 36 months and is typically pegged to construction milestones. We determine the sale prices of our properties based on the location and type of property, as well as market forces of supply and demand.

Our rental revenue is primarily dependent on the volume of lettable area, occupancy rates and rental rates. The volume of lettable area mainly depends on the type and size of the properties. We determine the rental rates of our properties based on the location and type of property, as well as market forces of demand and supply. Rental rates of our investment properties in Malaysia are generally contracted for two (2) years with a third year subject to revision, to be agreed upon by both parties. These are commonly known as "two plus one" tenancies. In Canada, rates are according to the tenure of the lease which may vary between two (2) years and fifteen (15) years, subjected to a mutual agreement between both parties.

Hotel room revenue is primarily dependent on the number of rooms available for "sale", average occupancy rate as well as the average room rates during the year.

Please refer to Section 9.4.3 of this Prospectus for the significant factors materially affecting our Group's revenue and profits. Please also refer to Section 3 of this Prospectus for the risk factors that may affect our revenue and financial performance.

Revenue recognition policy

Revenue is recognised to the extent that it is probable that economic benefits will flow to our Group and the revenue can be reliably measured. The following specific revenue recognition criteria must also be met before revenue is recognised.

- (a) Revenue from sale of development properties is accounted for by the stage of completion method in respect of all property units which have been sold. The stage of completion is determined by reference to the project costs incurred to date to the total estimated costs where the outcome of the projects can be reliably estimated.
- (b) Revenue from construction contracts is accounted for by the stage of completion method where their outcome can be reasonably estimated. The stage of completion is determined by the proportion of costs incurred to date as compared to total costs. For this purpose, only those costs that reflect actual contract work performed are included as costs. Revenue from construction contracts represents the proportionate contract value on construction contracts attributable to the percentage of contract work performed during the financial year.
- (c) Rental income arising from investment properties is accounted for on an accrual basis over the period of tenancy.
- (d) Revenue from rental of hotel rooms, sale of food and beverage and other related income from hotel operations are recognised upon the sale of goods or the delivery of the service to the customers. All such revenue from Australia are stated net of the amount of goods and service tax applicable to the said revenue.

9. FINANCIAL INFORMATION

A major portion of our Group's revenue in FYE 2007, 2008, 2009 and FPE 2009 are denominated in Ringgit Malaysia.

Cost of Sales

Cost of sales consist of the purchase of inventories, the cost of properties sold and contract costs:

- (a) Cost of properties sold constituted the main bulk of cost of sales, accounting for approximately 73% to 92% of cost of sales in the three (3) FYE 2007 to FYE 2009 and the FPE 2009. In line with revenue, in FYE 2007 to FYE 2009 and FPE 2009, the cost of properties sold were mainly from the Idaman Residence, Damansara Idaman and Idaman Villas development projects.
- (b) The purchase of inventories for FYE 2007 to 2009 and FPE 2009 is by Wales Hotel, a subsidiary of our Group, for inventories used in hotel operations. Inventories mainly consist of food and beverages, printed materials and stationery and guest amenities. In the three (3) FYE 2007 to FYE 2009, purchase of inventories constituted less than 10% of total cost of sales. However in FPE 2009, purchase of inventories constituted approximately 22.2% of our Group's cost of sales.
- (c) For FYE 2008 and 2009 as well as FPE 2009, contract costs amounting to approximately 5% to 13% of total cost of sales were also incurred by TA Binaprestij for the building of semi-detached houses for the Idaman Villas and Damansara Idaman projects, building the Seri Suria site's sales office, performing renovation works for the Taman Duta Residences as well as providing renovation, repairs, refurbishment and repainting works for Menara TA One.

We engage various contractors for all our projects. Having been in the industry for more than ten (10) years, we have identified a list of preferred contractors to invite for tenders. We also accept recommendations from our consultants. We select our preferred contractors based on factors such as past track record, past project work, financial strength, experienced personnel, workmanship, efficiency, reliability, staff capacity and pricing.

The time taken for various stages of construction work such as the earthwork, piling, structural and architectural works is critical in determining the completion of projects, which affects our revenue recognition. Timely completion of each of the stages is essential to ensure the completion of projects according to the schedule and consequently, the revenue generation for each project.

Apart from the above, the other development costs incurred by our Group includes developer licence fees, professional fees including architectural, civil and structural fees, surveyor fees, legal fees, valuation fees and payment to the authorities for purposes such as development and building plan approvals.

9. FINANCIAL INFORMATION

Other income

Other income in the three (3) FYE 2007 to FYE 2009 and FPE 2009 are mainly made up of, amongst others, interest income and handling fees.

For FYE 2007 to FYE 2009 and FPE 2009, interest income accounted for approximately 65% and 86.5% of other income, respectively. Our Group's interest income is derived from overdue interest income, interest from Housing Development Accounts ("HDA") and other interest income. Overdue interest income was earned by TA First Credit, a wholly owned subsidiary of our Group from its overdue debts in the money lending business. These interest income were not classified as revenue due to the uncertainties over the recoverability of such income when loans become overdue, and hence could only be recognised as income with certainty upon receipt of such income from the customers.

Interest income from the HDA was earned by our Group for the Damansara Idaman, Idaman Villas and Idaman Residence projects, while other interest income consists of the interest derived from fixed deposits placed with financial institutions in Malaysia, Canada and Australia.

Income earned from handling fees accounted for approximately 11% and 5% of our Group's other income in FYE 2007 and FYE 2008, respectively. In both financial years, TA First Credit received handling fees from related companies for the transactions of shares financed by TA First Credit under ESOS financing. In FYE 2009 and FPE 2009, income from handling fees accounted for only less than 5% of total other income.

Operating expenses

The three (3) main components of operating expenses are personnel costs, depreciation and other expenses.

(a) Personnel costs

Personnel costs accounted for approximately 39%, 37%, 22% and 42% of operating expenses in FYE 2007, FYE 2008, FYE 2009 and FPE 2009, respectively. In terms of revenue, personnel costs accounted for approximately 13% , 12%, 8% and 17% of revenue in FYE 2007 to FYE 2009 and FPE 2009, respectively. Personnel costs comprise mainly salaries, bonuses, allowances, staff insurance, training and other staff-related expenses.

For all the FYE 2007 to FYE 2009 and as at LPD, staff headcount remained relatively constant. Please refer to Section 5.13 for further information on our Group's employees.

(b) Depreciation

Depreciation expenses accounted for approximately 23%, 23%, 14% and 27% of operating expenses in FYE 2007, FYE 2008, FYE 2009 and FPE 2009, respectively. In terms of revenue, depreciation expenses accounted for approximately 8% of total revenue in FYE 2007 and FYE 2008, approximately 5% in FYE 2009 and 11.0% in FPE 2009.

9. FINANCIAL INFORMATION

(c) Other expenses

Other expenses accounted for approximately 33%, 41%, 62% and 32% of operating expenses in FYE 2007, FYE 2008, FYE 2009 and FPE 2009, respectively. In terms of revenue, other expenses contributed approximately 11%, 14%, 22% and 13% of total revenue in FYE 2007, FYE 2008, FYE 2009 and FPE 2009, respectively. Other expenses mainly comprise the expenses incurred for hotel operations, sales and marketing expenses, management fees, provision for impairment losses as well as miscellaneous expenses incurred in the ordinary course of business.

In both FYE 2007 and FYE 2008, the expenses incurred by Wales Hotel, a wholly owned subsidiary of our Group, for hotel operations accounted for approximately 50% of other expenses. This consists of maintenance costs, general property expenses, sales and marketing expenses for the hotel, energy costs and other administrative and general expenses such as utilities expenses, cable television and reservations. In FYE 2009 and FPE 2009, these expenses accounted for 41% and 75% of total other expenses, respectively.

Sales and marketing expenses consist mainly of advertisement, referral fees and sales incentive expenses, legal fees, showroom office expenses, rental of show units etc. These expenses were incurred in promoting the sale of the Idaman Residence, Damansara Idaman and Idaman Villas development projects.

Management fees are incurred by Wales House Hotel, payable to the Radisson Hotel Group for managing Radisson Plaza Hotel in Sydney. In all the three (3) FYE 2007 to 2009 and the FPE 2009, management fees constituted 3% of hotel room rental and related revenue for Wales House Hotel.

The provision for impairment loss mainly relates to investments by TA First Credit in quoted shares, quoted trust units and redeemable secured loan stocks.

The miscellaneous expenses incurred by our Group is in relation to general maintenance expenses, quit rent and assessment fees and other routine expenses incurred in the normal course of business such as securities services fees, commission and repairs and maintenance.

Finance Costs

This mainly relates to the interest expense on the foreign currency denominated term loans as described in Section 9.3 above.

Taxation

The statutory tax rate for the holding company for FYE 2007 was 27%. For FYE 2008, the applicable tax rate applicable was 26% while for FYE 2009 and FPE 2009, the statutory tax rate applicable was 25%.

9. FINANCIAL INFORMATION

REVIEW OF RESULTS OF OPERATIONS**FYE 2007 TO FYE 2008****Revenue**

Proforma revenue increased by RM78.3 million or 38% from RM208.6 million in FYE 2007 to RM286.9 million in FYE 2008. The increase in revenue for FYE 2008 was mainly due to the following:

- (a) The large increase in revenue for the Idaman Residence project as well as the sale of a certain portion of land held for resale by Ample Era, one of our Group's wholly owned subsidiaries. In FYE 2008, there was also revenue generated from construction contracts amounting to RM10.3 million as one of our subsidiaries commenced business in general construction and was a contractor for some of our development projects such as Damansara Idaman and Idaman Villas.
- (b) The increase in average occupancy rates and average room rates for the Radisson Plaza Hotel. Average occupancy rates increased from 77.6% in FYE 2007 to 80.7% in FYE 2008, while average room rates increased from approximately AUD190 in FYE 2007 to approximately AUD200 in FYE 2008.
- (c) The increase in rental revenue from our Group's investment properties in Malaysia and in Canada. For Terasen Centre in Vancouver, Canada, there was a 4% increase in rental revenue in FYE 2008 as compared to FYE 2007 despite no change in average occupancy rate at 98% for both FYE 2007 and FYE 2008. This was due to new tenants which were secured at higher rental rates, averaging CAD23 per square feet per annum as compared to the existing tenants averaging CAD20 per square feet per annum. The increase in rental income from our properties in Malaysia of approximately RM2.9 million in FYE 2007 to RM16.6 million in FYE 2008 is mainly attributable to Menara TA One due to new tenants being secured at higher rental rates during the year.

Cost of Sales and Gross Profits

Cost of sales increased by RM23.5 million or 42% from RM55.7 million in FYE 2007 to RM79.2 million in FYE 2008. This was mainly due to the increase in purchase of inventories, contract costs and cost of properties sold as a result of increased revenue from our property development, property investment and hospitality operations.

In line with the increase in revenue, gross profits also increased by RM54.8 million or 36% from RM152.9 million in FYE 2007 to RM207.7 million in FYE 2008. The higher gross profit was attributed to higher revenue from the sales of Idaman Residence as a result of a higher unit selling price from new sales of Idaman Residence made in FYE 2008. Gross profit margins however, dropped slightly from 73.3% in FYE 2007 to 72.4% in FYE 2008. This is mainly due to the lower gross profit margin for the construction activities in FYE 2008 as compared to FYE 2007.

Other income

Other income increased from RM15.4 million in FYE 2007 to RM36.3 million in FYE 2008 mainly due to the receipt of interest income from overdue accounts in FYE 2008 amounting to approximately RM16.4 million from two (2) corporate loan debtors and approximately RM4 million from an individual loan debtor.

9. FINANCIAL INFORMATION

Operating expenses

Operating expenses increased by approximately RM25 million from RM71 million in FYE 2007 to RM96 million in FYE 2008. This was mainly due to the following:

(a) Personnel costs

Personnel costs increased from RM28 million in FYE 2007 to RM36 million in FYE 2008, mainly attributable to the increase in personnel costs in Australia by approximately RM5 million. Overall, the increase in our Group's personnel costs is due to the increase in number of employees, increments and promotions as well as bonus payments at the discretion of the top management.

(b) Depreciation

Depreciation charge increased from RM17 million in FYE 2007 to RM22.0 million in FYE 2008 due to the addition of Menara TA One in October 2006, which was depreciated for one full year in FYE 2008, as compared to approximately three (3) months in FYE 2007.

(c) Other expenses

Other expenses increased from RM23.3 million in FYE 2007 to RM39.0 million in FYE 2008. The increase of approximately RM15.7 million is mainly due to the following:

- (i) Provision for impairment loss of RM4.7 million made on an investment in a corporate bond in FYE 2008 as TA First Credit does not foresee that the corporation will be in a position to fully repay its obligations to bondholders. The corporation had defaulted in interest payments on its bonds and the bonds were subsequently downgraded in FYE 2008;
- (ii) The decrease in writebacks of provision for doubtful debts on financial receivables by RM3.4 million from FYE 2007 to FYE 2008.
- (iii) The increase in miscellaneous expenses attributable to Menara TA One on its electricity charges amounting to approximately RM2.8 million and assessment fees amounting to approximately RM1.6 million. TA First Credit's expanding operations also resulted in an increase in operating expenses, amounting to approximately RM1.2 million in FYE 2008 as compared to FYE 2007;
- (iv) The increase in management fees paid to Radisson Hotel Group for managing Radisson Plaza Hotel in Sydney. As management fees is calculated based on an agreed rate of 3% out of gross operating profit, the increase in profits for Radisson Plaza Hotel also correspondingly contributed to the increase in management fees from FYE 2007 to FYE 2008; and

Finance Cost

There is a slight dip in finance costs from RM7.6 million in FYE 2007 to RM7.2 million in FYE 2008. This is mainly due to the reduction in interest payable on the outstanding balance of the term loan and promissory notes, as described in Section 9.3 above, in FYE 2008 as compared to FYE 2007.

9. FINANCIAL INFORMATION

PBT

As a result of the above, PBT increased by RM51 million or 57% from RM89 million in FYE 2007 to RM140 million in FYE 2008.

Income Tax Expense

Income tax expense increased by RM12.8 million from RM17.0 million in FYE 2007 to RM29.8 million in FYE 2008. The effective tax rate in FYE 2007 was 19%, as compared to 21% in FYE 2008.

In both FYE 2007 and FYE 2008, the effective tax rates were lower than the statutory tax rates mainly due to the tax savings generated by TA First Credit from the utilisation of its unused tax losses against its taxable income.

PAT

As a result of the increase in income tax expense, the increase in PAT amounting to RM38 million from FYE 2007 to FYE 2008 is RM12.9 million lower than the increase in PBT of RM51 million.

FYE 2008 TO FYE 2009**Revenue**

Proforma revenue increased by RM153.8 million or 54% from RM286.9 million in FYE 2008 to RM440.7 million in FYE 2009. The increase in revenue for FYE 2009 was mainly due to the increase in revenue from property development by RM157.9 million from RM132.6 million in FYE 2008 to RM290.5 million in FYE 2009. This was attributable to higher unit selling price from the new Idaman Residence sales due to strong demand in condominiums in the KLCC vicinity. The higher construction activities in FYE 2009 also contributed slightly to the increase in revenue due to the higher percentage of completion for both the Damansara Idaman and Idaman Villas projects.

The increase in the above is however, partially offset by the decrease in credit and lending activities by approximately RM11 million which was mainly due to the decrease in ESOS revenue as well as lower interest received from loan debtors as a result of poorer financial market conditions.

Cost of sales and Gross Profits

Cost of sales increased by RM71.3 million or 90% from RM79.2 million in FYE 2008 to RM150.6 million in FYE 2009. This was mainly due to the increase in contract costs and cost of properties sold as a result of increased revenue from our property development activities.

In line with the increase in revenue, gross profits also increased by RM82.4 million or 40% from RM207.7 million in FYE 2008 to RM290.1 million in FYE 2009. Similar to FYE 2008, gross profit margins also dropped slightly from 72% in FYE 2008 to 66% in FYE 2009. Even though the gross profit margin for property development had increased, the higher percentage of reduction in the gross profit margin for the hospitality operations due to the softer hospitality market had caused the overall drop in the gross profit margin.

9. FINANCIAL INFORMATION

Other Income

Other income decreased by RM22.5 million or 62% from RM36.3 million in FYE 2008 to RM13.9 million in FYE 2009. This was mainly due to the receipt of interest income from overdue accounts in FYE 2008 amounting to approximately RM16.4 million from two (2) corporate loan debtors and approximately RM4 million from an individual loan debtor. There was no such income in FYE 2009. The reduction in the gain on disposal of quoted investments had also caused the reduction in other income in FYE 2009.

Operating Expenses

Operating expenses increased by approximately RM64.2 million or 67% from RM96.4 million in FYE 2008 to RM160.6 million in FYE 2009 mainly due to the increase in other expenses.

Other expenses increased from RM39.0 million in FYE 2008 to RM98.8 million in FYE 2009. The increase of approximately RM59.8 million was mainly due to the higher provision for doubtful debts of approximately RM50 million on certain financial receivables. This provision was necessary as a result of the reduction in value of the quoted shares and the relevant properties pledged as securities.

Finance Costs

There is a slight dip in finance costs from RM7.2 million in FYE 2008 to RM6.4 million in FYE 2009. This is mainly due to the reduction in interest payable on the outstanding balance of the term loan and promissory notes, as described in Section 9.3 above, in FYE 2009 as compared to FYE 2008.

PBT

PBT dropped slightly from RM140.4 million in FYE 2008 to RM136.9 million in FYE 2009. Even though there was an increase in revenue and subsequently gross profits in FYE 2009 as compared to FYE 2008, the drop in PBT of approximately RM3.5 million was mainly due to the large increase in operating expenses.

Income Tax Expense

Income tax expense increased by RM14.3 million from RM29.8 million in FYE 2008 to RM44.1 million in FYE 2009. The effective tax rate in FYE 2009 was 32%, as compared to 21% in FYE 2008. The higher effective tax rate of 32% as compared to the statutory tax rate of 25% was due to the non-tax deductibilities of the huge provision for doubtful debts made in FYE 2009.

PAT

As a result of the increase in income tax expense, the decrease in PAT of RM17.8 million from FYE 2008 to FYE 2009 is RM14.3 million larger than the decrease in PBT of RM3.5 million.

9. FINANCIAL INFORMATION**FPE 2008 AS COMPARED TO FPE 2009****Revenue**

Proforma revenue decreased by RM34.9 million or 42% from RM84.2 million in FPE 2008 to RM49.2 million in FPE 2009 mainly due to the following:

- (a) Revenue from property development activities decreased by RM28 million from RM46.2 million in FPE 2008 to RM18.2 million in FPE 2009. This was mainly due to the lower property sales achieved from the Damansara Idaman, Idaman Villas and Idaman Residence projects in FPE 2009 as compared to the corresponding quarter in FPE 2008. Also, in FPE 2008, there was a higher percentage of completion for the Idaman Residence project, as compared to FPE 2009, which in turn contributed to the higher revenue in FPE 2008.
- (b) Due to a decrease in the number of business customers patronising our Australian hotels, there was a drop in average occupancy rate and average room rates, resulting in the decrease in revenue from RM22.2 million in FPE 2008 to RM18.0 million in FPE 2009.
- (c) The decrease in construction revenue from RM3.4 million to RM0.5 million due to the lower value of work done in FPE 2009 as compared to FPE 2008.

Cost of sales and Gross Profits

The decrease in cost of sales to RM8 million in FPE 2009 as compared to RM30 million in FPE 2008 is in line with the decrease in revenue. Correspondingly, there is also a decrease in gross profits by RM12.8 million from RM53.9 million in FPE 2008 to RM 41.1 million in FPE 2009.

Gross profit margins however, increased from 64% in FPE 2008 to 83% in FPE 2009. The decrease was mainly due to the reduction in revenue and gross profits contributed by our Group's construction arm in FPE 2009, which has a lower margin as compared to our other principal business activities.

Other Income

Other income dropped from RM3.1 million in FPE 2008 to RM1.1 million in FPE 2009 mainly due to the lower interest income received as a result of the reduction in the prevailing bank interest rate. The utilisation of cash as payment of the purchase consideration for The Westin Melbourne Hotel had also resulted in lower interest income earned from deposits placed with financial institutions.

Operating Expenses

Operating expenses dropped by RM7.1 million from RM21.7mil in FPE 2008 to RM14.6 million in FPE 2009. Reasons for the drop are as follows:

- (a) The decrease in personnel costs from RM9.5 million in FPE 2008 to RM8.4 million in FPE 2009 was mainly due to the reduction of allowances provided to the employees as well as the weakening in the AUD, which resulted in lower translated personnel costs incurred in Australia.
- (b) The decrease in other expenses from RM10.7 million in FPE 2008 to RM6.5 million in FPE 2009 was mainly due to the write back of provision for doubtful debts on financial receivables as a result of the improvement in the value of shares pledged to TA First Credit.
- (c) In FPE 2008, a net foreign exchange loss was charged to the income statement. In FPE 2009 however, a net foreign exchange gain was recorded. This was mainly due to the strengthening of the CAD which increased the translation gain on loan to subsidiaries.

9. FINANCIAL INFORMATION

Finance Costs

Finance costs decreased by approximately RM0.3 million or 1% from RM1.7 million in FPE 2008 to RM1.4 million in FPE 2009. This is mainly due to the lower interest payable on the term loan denominated in CAD in line with the gradual reduction in the principal loan sum.

PBT

As a result of the above, PBT decreased by approximately RM7.3 million from RM27.9 million in FPE 2008 to RM20.6 million in FPE 2009. The decrease is in line with the decrease in revenue and gross profits as explained above.

Income Tax Expense

Income tax expense decreased by RM3.3 million from RM8.1 million in FPE 2008 to RM4.8 million in FPE 2009. While the effective tax rate in FPE 2009 is approximately equal to its statutory tax rate of 25%, the effective tax rate in FPE 2008 of 29% was higher than the statutory tax rate. This is mainly due to the general provision for doubtful debts which is not tax-deductible.

PAT

As a result of the decrease in income tax expense, the decrease in PAT of approximately RM4.0 million from FPE 2008 to FPE 2009 is approximately RM3.3 million lower than the decrease in PBT of RM7.3 million.

Save as disclosed in this Prospectus, there are no events and changes significant to an understanding of the changes in financial position and performance of the Group since 30 April 2009.

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9. FINANCIAL INFORMATION

Factors and Trends Affecting Future Financial Condition and Results

We expect that our results of operations for the financial year ending 31 January 2010 will be influenced by the following factors:

- The success of our sales and leases of our development and investment properties;
- The ability to complete our future development projects within the intended time frame;
- Our continuing cost management efforts to improve operating margins and maintain adequate operating cash flows;
- The rate of economic growth in Malaysia, especially with respect to Kuala Lumpur, as well as the purchasing power of its residents;
- A predictable and stable regulatory environment; and
- General economic and property market conditions.

Taking into account the above factors, as well as the risk factors relating to our business and industry, and our ability to mitigate such risk factors as set out in Section 3 of this Prospectus, we are of the opinion that our future financial condition and results will remain favourable.

Our competitive strengths and advantages as set out in Section 4.11 of this Prospectus provide the foundation for the sustainability of our business and financial growth. Our future plans as set out in Section 4.25 of this Prospectus will further contribute to sustainable growth in our financial performance.

9.4.2 SEGMENTAL ANALYSIS

The following is the segmental analysis by corporations, principal business activities and geographical segments of the proforma consolidated results of our Group for the past three (3) FYE 31 January 2007 to 31 January 2009, FPE 2008 and FPE 2009. The proforma consolidated results are provided for illustrative purposes only and on the assumption that the current structure of our Group has been in existence throughout the financial years and financial periods under review.

(a) Analysis of Revenue by Corporations

FYE	FYE 2007		FYE 2008		FYE 2009		FPE 2008		FPE 2009	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Menara TA	2,179	1.0	15,819	5.5	19,837	4.5	4,669	5.6	4,675	9.5
TA Binaprestij	-	-	10,315	3.6	15,709	3.6	3,370	4.0	495	1.0
TA First Credit	90,534	43.4	84,075	29.3	74,775	17.0	21,194	25.2	9,701	19.7
TA Project Management	144	0.1	144	0.1	144	*	36	*	183	0.4
Wales Hotel	73,472	35.2	82,182	28.6	76,631	17.4	22,240	26.4	16,082	32.7
TA Management	25,027	12.0	26,354	9.2	27,469	6.2	6,126	7.3	6,558	13.3
Orchard Park	13,049	6.3	64,060	22.3	220,159	49.9	26,356	31.3	9,577	19.4
Ample Era	-	-	3,474	1.2	-	-	-	-	-	-
TA Gemilang	-	-	-	-	5,300	1.2	-	-	-	-
Ascents Hotel	-	-	-	-	-	-	-	-	1,927	3.9
TA Properties	1,803	0.9	-	-	-	-	-	-	-	-
TA Prop Management	183	0.1	522	0.2	681	0.2	161	0.2	36	0.1
Pure Factor	2,212	1.0	-	-	-	-	-	-	-	-
Consolidated Revenue	208,603	100.0	286,945	100.0	440,705	100.0	84,152	100.0	49,234	100.0

* Less than 0.1%

9. FINANCIAL INFORMATION

Analysis of PBT/(LBT) by Corporations

FYE	FYE 2007		FYE 2008		FYE 2009		FPE 2008		FPE 2009	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
TA Properties	(1,732)	(1.9)	(3,401)	(2.6)	(9,935)	(7.3)	(2,167)	(7.8)	(644)	(3.1)
Binaprestij	168	0.2	(1)	*	(4)	*	(15)	(0.1)	-	-
TA Binaprestij	(205)	(0.2)	(637)	(0.5)	2,427	1.8	(37)	(0.1)	(87)	(0.4)
TA First Credit	65,622	73.4	75,093	53.5	(16,710)	(12.2)	9,300	33.3	11,089	53.8
TA Project Management	96	0.1	90	0.1	90	0.1	14	*	24	0.1
TA Prop Management	1	*	(253)	(0.2)	(131)	(0.1)	(29)	(0.1)	(15)	(0.1)
Pure Factor	68	0.1	34	*	178	0.1	8	*	15	0.1
Sharp Factor	(3)	*	(2)	*	155	0.1	(3)	*	-	-
Wales Trust	(7,391)	(8.3)	(6,383)	(4.5)	9,961	7.3	(1,316)	(4.7)	(1,894)	(9.2)
Wales Hotel	23,686	26.5	27,627	19.7	6,315	4.6	6,891	24.7	4,407	21.4
Cosmic Legion	(3)	*	(3)	*	(5)	*	-	-	-	-
Fine Legion	(74)	(0.1)	202	0.1	(1,033)	(0.8)	(361)	(1.3)	85	0.4
TA Management	20,575	23.0	22,457	16.0	31,907	23.3	5,168	18.5	5,519	26.8
TA Canada	221	0.2	80	0.1	2,358	1.7	398	1.4	126	0.6
TA Management (Empress II) Ltd	(12)	*	25	*	(21)	*	2	*	-	-
Empress Investment Trust	(87)	(0.1)	(7)	*	(17)	*	-	-	-	-
TA Dev	-	-	-	-	74	0.1	-	-	-	-
Chief Factor	-	-	-	-	181	0.1	-	-	-	-
TA Barbados	-	-	(34)	*	(34)	*	-	-	-	-
TAP Canada Trust	(12,706)	(14.2)	(11,539)	(8.2)	(21,168)	(15.5)	(3,025)	(10.8)	(3,061)	(14.8)
Aava Trust	-	-	-	-	(54)	*	-	-	(27)	(0.1)
Aava Hotel Ltd	-	-	-	-	(35)	*	-	-	(59)	(0.3)
Factor Synergy	(1)	*	(1)	*	59	*	-	-	-	-
Peramah Setia	(1)	*	(1)	*	(1)	*	26	0.1	-	-
Orchard Park	3,271	3.7	36,261	25.8	131,831	96.3	11,716	42.0	5,405	26.2
Ample Era	(27)	*	832	0.6	155	0.1	(16)	(0.1)	-	-
Ample Equity	(29)	*	(29)	*	(24)	*	(9)	*	-	-
Beta Vector	(20)	*	(20)	*	(16)	*	(6)	*	-	-
TA Philippines	1	*	(1,950)	(1.4)	-	-	-	-	-	-
TA Centre Pty	5	*	8	*	(25)	*	-	-	-	-
TA Ventures	(3)	*	(2)	*	-	-	-	-	(1)	*
TA Meriah	(5)	*	(13)	*	(9)	*	(2)	*	(2)	*
Indo Aman Bina	(1,047)	(1.2)	(1,732)	(1.2)	(1,196)	(0.9)	(332)	(1.2)	(331)	(1.6)
Astra Dinamik	(11)	*	(330)	(0.2)	(386)	(0.3)	(220)	(0.8)	(122)	(0.6)
Star Winners	-	-	(1)	*	(17)	*	-	-	-	-
TA Team Stars	-	-	61	*	(2,919)	(2.1)	-	-	-	-
Idaman Parkland	-	-	73	0.1	188	0.1	54	0.2	48	0.2
TA Gemilang	-	-	(38)	*	1,818	1.3	2	*	1	*
Parellel Legion	(3)	*	(3)	*	(5)	*	-	-	-	-
Sanjung Padu	(1)	*	(1)	*	(3)	*	-	-	-	-
ERF Properties	(1)	*	(1)	*	(944)	(0.7)	-	-	-	-
TA Global	-	-	-	-	(2,109)	(1.5)	-	*	(194)	(0.9)
TA Ascents	(174)	(0.2)	(5)	*	(1)	*	-	-	(75)	(0.4)
Ascents Trust	-	-	-	-	(520)	(0.4)	-	-	(857)	(4.2)
Ascents Hotel	-	-	-	-	(5)	*	-	-	318	1.5
Panca Resmi	(17)	*	(147)	(0.1)	(24)	*	8	*	(9)	*
Menara TA	(729)	(1.0)	4,131	2.9	6,589	4.8	1,863	6.7	964	4.6
PBT	89,432	100.0	140,440	100.0	136,935	100.0	27,911	100.0	20,623	100.0

* Less than 0.1%

9. FINANCIAL INFORMATION

In all the three (3) FYE 2007 to 2009, FPE 2008 and FPE 2009, TA First Credit, Wales Hotel, TA Management, Orchard Park and Menara TA cumulatively contributed over 95% of our proforma Group's revenue. As illustrated above, these companies were also the main contributors to the profitability of our proforma Group during the financial years and financial periods under review. TA First Credit is the developer for both Damansara Idaman and Idaman Villas while Orchard Park is the developer for Idaman Residence. Even though TA First Credit derived revenue from its money lending activities during the financial years and financial periods under review, TA First Credit had ceased new lending activities since the completion of the Acquisitions. TA Management Limited derives rental revenue from Terasen Centre in Vancouver, Canada. As for Wales Hotel, it derives its revenue from the hotel room sales and related revenue from Radisson Plaza Hotel in Sydney, Australia. Menara TA derives rental revenue from Menara TA One in Kuala Lumpur.

(b) Analysis of Revenue by Principal Business Activities

FYE	FYE 2007		FYE 2008		FYE 2009		FPE 2008		FPE 2009	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Property development	94,720	45.4	132,574	46.2	290,530	65.9	46,288	55.0	18,243	37.1
Property investment and management	28,254	13.5	47,052	16.4	48,895	11.1	11,172	13.3	11,642	23.6
Hospitality operations	73,472	35.2	82,182	28.6	76,631	17.4	22,240	26.4	18,009	36.6
Credit and lending	10,354	5.0	14,822	5.2	3,640	0.8	1,082	1.3	846	1.7
Others*	1,803	0.9	10,315	3.6	21,009	4.8	3,370	4.0	494	1.0
Revenue	208,603	100.0	286,945	100.0	440,705	100.0	84,152	100.0	49,234	100.0

Analysis of PBT/(LBT) by Principal Business Activities

FYE	FYE 2007		FYE 2008		FYE 2009		FPE 2008		FPE 2009	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Property development	38,901	43.5	69,443	49.4	166,369	121.5	20,143	72.2	11,945	57.9
Property investment and management	6,137	6.9	11,498	8.2	17,679	12.9	4,056	14.5	3,069	14.9
Hospitality operations	16,295	18.2	21,244	15.1	15,752	11.5	5,574	20.0	1,974	9.6
Credit and lending	30,293	33.9	42,010	29.9	(51,276)	(37.4)	647	2.3	4,501	21.8
Others	(2,194)	(2.5)	(3,755)	(2.6)	(11,589)	(8.5)	(2,509)	(9.0)	(866)	(4.2)
PBT	89,432	100.0	140,440	100.0	136,935	100.0	27,911	100.0	20,623	100.0

* Investment holding, construction and the trading of building materials

For the past three (3) FYE 2007 to 2009, FPE 2008 and FPE 2009, our property development arm was the highest contributor to our Group's proforma revenue and PBT, mainly due to the Damansara Idaman, Idaman Villas and Idaman Residence development projects. This was followed by our Group's property investment arm as well as our hospitality operations, which collectively contributed 28% to 61% of our Group's revenue and 23% to 35% of our Group's PBT during the financial years and financial periods under review. The remainder of our Group's revenue is generated from credit and lending activities as well as other activities, which comprise investment holding, construction and the trading of building materials.

Our credit and lending arm was profitable in all the financial years and financial periods under review, except for FYE 2009. This was mainly due to the provision for doubtful debts made on certain financial receivables on the back of the global financial market crisis.

9. FINANCIAL INFORMATION**(c) Analysis of Revenue by Geographical Location**

FYE	FYE 2007		FYE 2008		FYE 2009		FPE 2008		FPE 2009	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Malaysia	110,104	52.8	178,409	62.2	336,605	76.4	55,786	66.3	24,668	50.1
Australia	73,472	35.2	82,182	28.6	76,631	17.4	22,240	26.4	18,008	36.6
Canada	25,027	12.0	26,354	9.2	27,469	6.2	6,126	7.3	6,558	13.3
Revenue	208,603	100.0	286,945	100.0	440,705	100.0	84,152	100.0	49,234	100.0

Analysis of PBT/(LBT) by Geographical Location

FYE	FYE 2007		FYE 2008		FYE 2009		FPE 2008		FPE 2009	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Malaysia	65,140	72.8	110,157	78.4	108,197	79.0	19,794	70.9	16,151	78.3
Australia	16,295	18.3	21,244	15.1	15,752	11.5	5,574	20.0	1,974	9.6
Canada	7,991	8.9	10,982	7.8	13,010	9.5	2,543	9.1	2,498	12.1
Others [^]	6	*	(1,943)	(1.3)	(24)	*	-	-	-	-
PBT	89,432	100.0	140,440	100.0	136,935	100.0	27,911	100.0	20,623	100.0

Notes:

[^] Philippines and South Africa

* Less than 0.1%

A significant amount of our Group's revenue and PBT is derived from our operations in Malaysia. All of our property development projects and some of our investment properties are located in Malaysia. The revenue and PBT derived from Australia are mainly from our hospitality operations where as that for Canada is derived from property investment and management activities.

9.4.3 SIGNIFICANT FACTORS MATERIALLY AFFECTING OUR GROUP'S NET REVENUE AND PROFITS

Our results of operations are affected by a number of factors, the most significant of which are described below:

(i) Uncontrollable and unforeseen delays in project launching and completion

Timely completions of development projects are crucial. Any delays in project completion would be costly. Nevertheless, development projects are highly dependent on many unpredictable external factors, which may be beyond the control of our Group, including unfavourable economic conditions, obtaining approvals from various regulatory authorities and satisfactory performance of contractors who are appointed to complete the development project. As any delay in the completion of projects may directly impact on the Group's profitability & reputation, the Directors and key management personnel of the Group monitor the project schedules closely so that such delays are minimised. Our ability to execute our projects in a timely and cost effective manner is also crucial to attract the appropriate strategic partners, investors and other participants in the real estate industry, where necessary.

9. FINANCIAL INFORMATION**(ii) Reputation of the Group**

The single largest key competitive factor of a property developer is its reputation and reliability in delivering timely and quality products. To date, our Group has established ourselves and made significant strides into the luxury lifestyle segment in the property sector in Malaysia by the successful launches of our Group's luxury development projects in Damansara Idaman, Idaman Villas and Idaman Residence. We expect that our Group's earnings will increase significantly in the near future with the anticipated commencement of three (3) signature development projects within Kuala Lumpur's Golden Triangle and the Klang Valley. Hence, we have continued to focus our efforts to deliver projects of high quality in the abovementioned projects on a timely basis. Any inability of our Group in delivering the desired quality products in a timely manner may result in an adverse change to our reputation, which in turn may adversely affect our sales order book and future financial performance.

(iii) Fluctuation in foreign exchange rates

Please refer to Section 9.4.5 for further discussions on fluctuation in foreign exchange rates and how it impacts on the financial performance of our Group.

(iv) Changes in regulatory, political and economic conditions

Our Group will be affected should there be any form of regulatory, political, fiscal and economic changes in Malaysia such as the changes in interest rates and the willingness of financial institutions to grant financing for the purchase of properties, changes in duties, tax laws or rates as well as any adverse effects in political influences. As there is no assurance that we will be able to comply with all of these changes, should they occur, especially those which may be newly introduced by the relevant authorities, this may cause our business and financial performance to be affected. Aside from that, any changes in the performance of the real estate markets in Canada and Asia Pacific may also affect our business and financial performance.

(v) Fluctuation in prices of building materials

Fluctuating costs is an inherent risk in the property development industry. Our operations are subject to increases in expenses due to a number of factors including, but not limited to, the following:

- increase in construction, repair and maintenance costs;
- changes in property tax assessments and other statutory charges;
- changes in statutory laws, regulations or government policies which increase the cost of compliance with such laws, regulations or policies;
- increase in labour costs;
- increase in marketing and sales costs; and
- increase in the rates of inflation and/or interest rates.

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9. FINANCIAL INFORMATION

Any increase in operating expenses may affect our profit margin where the selling prices of our properties are fixed. Even if we are able to increase the selling prices of our development properties, demand for our properties may in turn be adversely affected. Furthermore, if costs of raw materials escalate after the sale of the properties to the customer, we are unable to factor such increase in our selling prices. If, for any reason, suppliers of these raw materials reduce, curtail, delay or discontinue their delivery of such materials to our projects in the quantities our contractors need and at competitive prices, our ability to meet our material requirements for our projects could be impaired, our construction schedules disrupted and our business and results of operations could be materially and adversely affected.

A discussion on the reasons on material changes in our revenue for the financial years and financial periods under review are as set out in Section 9.4.1 of this Prospectus.

9.4.4 Exceptional and Extraordinary Items

There were no exceptional and extraordinary items for the past three (3) FYE 2007 to 2009.

9.4.5 Impact of Foreign Exchange/ Interest Rates/ Commodity Prices on Our Group's Operations

We have business transactions in foreign currencies in the normal course of our business, which mainly relates to the property investment activities in Canada and hospitality operations in Australia. As such, we maintain foreign currency bank accounts to handle those foreign currency transactions. We match income with expenditure by using the same currency to minimise movement in currency exchange. The failure to hedge our foreign exchange risks on the relevant currencies may adversely impact our Group's profitability should the exchange rate fluctuates unfavourably against our Group's exposure.

Meanwhile, certain investments in Canadian and Australian properties, which are financed by Canadian and Australian loans, respectively, also provide a reasonably good hedge of the currencies concerned. This approach reduces the cost of currency conversions and forms a natural hedge to protect us against being materially affected by unfavourable foreign currency movements.

Nevertheless, the Group was exposed to foreign exchange translation differences arising from the consolidation of foreign subsidiaries' accounts. Those translation differences attributable to net investment in foreign subsidiaries were recorded within shareholders' equity of the Group. Otherwise, the differences would be recorded in the income statement.

Our Group was not materially affected by the movements in interest rates in Malaysia, Canada and Australia during the financial years and financial periods under review because the Group's borrowings were low. Moreover, the interest rate of the Group's borrowing in Canada and Australia were at 4.79% for 15 years (maturing in 2020) and 6.5% for three (3) years (maturing in 2012) respectively. A major increase in interest rate would raise the cost of borrowings and the cost of doing business and investment, thus creating an adverse effect on the performance of the Group.

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9. FINANCIAL INFORMATION

9.4.6 IMPACT OF INFLATION ON OUR GROUP'S OPERATIONS

There is no material impact of inflation on our historical profits during the financial years and financial periods under review.

9.4.7 IMPACT OF GOVERNMENT, ECONOMIC, FISCAL OR MONETARY POLICIES ON OUR GROUP'S OPERATIONS

Risks relating to the government, economic, fiscal or monetary policies factors, which may materially affect our operations, are as set out in Section 3 of this Prospectus and Section 9.4.3(iv) of this Section.

There was no government, economic, fiscal or monetary policies or factors that have materially impacted our historical profits during the financial years or financial periods under review.

9.4.8 LIQUIDITY AND CAPITAL RESOURCES

(a) Working Capital

Our internal sources of cash comprise mainly cash generated from sales made to customers from our various projects launched, sales generated from hospitality operations, rental income received from tenants, shareholders' equity, internally generated funds and retained earnings while our external sources of financing are primarily from foreign currency denominated term loans and credit extended to us by our suppliers.

As at 30 April 2009, after incorporating the effects of the Listing Scheme, the proforma Group has cash and cash equivalents of RM135.4 million (excluding the balance in the HDA account of RM136.3 million) and short term borrowings of RM7.6 million. Our Group's debt to equity ratio as at 30 April 2009 is 0.13 times after incorporating the effects of the Listing Scheme.

The Directors of our Company are of the opinion that, after taking into account, our existing unutilised sources of liquidity and our capacity to obtain further financing based on our current low debt to equity ratio and the net proceeds from the Rights Issue, our Group will have adequate working capital for a period of twelve (12) months from the date of this Prospectus.

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9. FINANCIAL INFORMATION**(b) Cash Flows**

The proforma consolidated cash flow statement of TA Group for the FPE 2009 has been prepared, solely for illustrative purposes, to show the cash flows of the Group had the completed transactions and internal group reorganisation described in Section 4 of this Prospectus, been completed on 30 April 2009.

	FPE 2009 (RM'000)
Net cash flow from operating activities	55,289
Net cash flow used in investing activities	(479,341)
Net cash flow used in financing activities	500,402
NET INCREASE IN CASH AND CASH EQUIVALENTS	76,350
FOREIGN CURRENCY TRANSLATION DIFFERENCES	7,112
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	51,934
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	135,396*

* Excluding the RM136.3 million held in HDA

Our Directors are of the opinion that there is no economic restriction on the ability of our subsidiaries to transfer funds to our Company in the form of cash dividends, loans or advances and are therefore confident that we can meet our cash obligations.

Net Cash Flows from Operating Activities

The cash flows generated from operating activities in FPE 2009 were mainly contributed by the profits generated from our Damansara Idaman, Idaman Villas and Idaman Residence projects, rental income generated from our investment properties, profits from our hospitality operations as well as the interest repayment received from our Group's money-lending customers during the year.

Net Cash Flows from Investing Activities

The cash flows used in investing activities were mainly used for the purchase of The Westin Melbourne Hotel and Aava Whistler Hotel as well as the renovation cost of Aava Whistler Hotel. This is in line with the Group's objective to continuously seek to acquire attractive properties and additional land bank for purposes of future development.

Net Cash Flows from Financing Activities

The cash flows generated from financing activities were mainly sourced from the proceeds of issuance of shares and bank borrowings. Monies received will be advanced to subsidiaries for its use in developing land banks and the acquisitions of properties. The Group will only borrow when there is income available from certain assets of the Group to match the payment of the interest expense.

9. FINANCIAL INFORMATION

(c) Borrowings

As at LPD, the total outstanding bank borrowings of the Group is in the form of term loans denominated in CAD and AUD as detailed in Section 9.3 of this Prospectus.

Our Group has not defaulted on payments of either interest and/or principal sums in respect of any borrowings throughout the past one (1) financial year and the subsequent financial period thereof up to 30 April 2009.

To the best of our Directors' knowledge, as at the last practicable date, neither us nor our subsidiaries are in breach of any terms and conditions or covenants associated with credit arrangement or bank loan, which can materially affect our financial results or business operations, or the investments by holders of securities in our Company.

(d) Financial Instruments Used

Financial instruments, from an accounting perspective, may include investments, short term funds, borrowings, trade and other receivables, amounts due from or due to related companies and associated companies, trade and other payables, as shown on the balance sheet. The abovementioned financial instruments are used in our Group's ordinary course of business

Our Group does not enter into any sophisticated financial instruments, which is outside our ordinary course of business. Our Group maintains a natural hedge, wherever possible, by borrowing in the currency of the country in which the investment is located or by borrowing in the same currencies that match the future revenue stream to be generated from its investments.

While our Group operates internationally and is mainly exposed to Australian Dollars and Canadian Dollars currencies, as at the LPD, we do not have nor are we using any financial instruments for hedging purposes.

Notwithstanding the above, we will continue to monitor our foreign exchange exposure closely in the future and may hedge our material foreign exchange transactions selectively after considering the foreign currency amount, exposure period and transaction costs.

(e) Treasury Policies and Objectives

We have been financing our operations through cash generated from our operations, shareholders' funds and external sources of funds. Our external sources of funds comprise a foreign currency denominated term loan and advances from a related party, which is also denominated in foreign currency. Please refer to Section 9.3 for further details on the external sources of funds.

It is the objective of our Group to minimize external borrowings to a minimum level so as to reduce risks related to borrowings.

We transact in RM, AUD and CAD and maintain RM and foreign currency bank accounts for such transaction. Some of our foreign currency transaction earnings are maintained in the respective foreign currency accounts, which are later used to make payments for operating expenses in the respective foreign currencies and to make dividend distribution to parent companies.

9. FINANCIAL INFORMATION

It is also the objective of our Group to allocate funds in such a manner that all business units maintain optimum levels of liquidity sufficient for their operations without leaving them unutilized. To this end, daily cash flow forecasts are prepared taking into account all major transactions. Any excess funds from operating cash cycles, which are temporary in nature, are invested in deposits as and when available with financial institutions at the most competitive interest rates obtainable.

The Group does not generally hedge interest rate risks. Hedging of risks through the use of financial instruments may be adopted should its use results in significant cost savings. It is the policy of the Group that the interest rates obtained must be competitive.

(f) Material Commitment

As at LPD, our Group does not have any material capital commitments for capital expenditure, which upon becoming enforceable, may have a material effect on the financial position of our Group:

(g) Material Litigation / Arbitration

As at LPD, save as disclosed in Section 13.5 of this Prospectus, neither our Company nor any of our subsidiary companies are engaged in any material litigation and arbitration, either as plaintiff or defendant, which has a material effect on the financial position of our Company or our subsidiary companies and the Directors of our Company are not aware of any proceedings pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of our Company or our subsidiary companies.

(h) Contingent Liabilities

As at LPD, the Directors of our Group are not aware of any material contingent liabilities incurred by our Company or our subsidiary companies, which upon becoming enforceable, may have a material effect on the financial position of our Company or our subsidiary companies.

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9. FINANCIAL INFORMATION**(i) Material Capital Expenditure**

Save as disclosed below, our Company does not have any material capital expenditures and divestitures (including interests in other corporations) since the beginning of our Company's last three (3) financial years to the date of this Prospectus:

No.	Description	Date of transaction	Date of completion	Amount invested (RM'000)
1	Acquisition of Aava Whistler Hotel on Lot 59, Along Whistler Way Town Centre Of Whistler, British Columbia, Vancouver, Canada	19 December 2008	22 December 2008	96,759
2	Acquisition of The Westin Melbourne Hotel on 205, Collins Street, Melbourne, VIC 3000, Australia	15 December 2008	21 April 2009	389,120
3	Acquisition of 10,000,000 ordinary shares of TA Properties held by TAE, 25,000 ordinary shares of Sanjung Padu held by TAE and 50% unit trust capital in Wales Trust	4 September 2008	5 October 2009	1,725,782
4	Acquisition of Taman Duta Residences (Nos 28, 28A and 30, Persiaran Duta, Taman Duta	4 September 2008	5 October 2009	26,900
5	Acquisition of Menara TA One, No.22 Jalan P. Ramlee 50250 Kuala Lumpur	30 November 2006	16 June 2008	224,727

Save as disclosed above, 3% of the total annual revenue generated by our hotels in Australia, i.e Radisson Plaza Hotel and The Westin Melbourne Hotel, will be provided for the purchase and upgrade of the hotels' furniture, fittings and equipment.

(j) Key Financial Ratios

The key financial ratios of our Group are as follows:

	FYE 2007	FYE 2008	FYE 2009	FPE 2008	FPE 2009
Trade receivables turnover (days)	51.0	77.5	81.5	33.6	105.0
Trade payables turnover (days)	34.9	23.4	14.7	21.4	44.6
Inventory turnover (days)	1.0	1.7	0.4	1.4	1.9

The increase in debtors' turnover days over the financial years / financial periods under review is mainly due to the higher increase in trade receivables in relation to revenue. Trade receivables balances were higher mainly because the progress billings made to the house buyers were ahead of the recognition of revenue which is carried out based on the percentage of completion method (and not in accordance with the progress billing method, for which trade receivables is recognised).

Our Group's trade receivables and financial receivables balances based on the audited financial statements as at 30 April 2009 (excluding inter-company trade and financial receivables) are RM57.4 million and RM131.1 million, respectively. The ageing analysis as at 30 April 2009 for both the trade receivables and financial receivables balances are as follows:

9. FINANCIAL INFORMATION**Financial receivables as at 30 April 2009**

	0-30 days (RM'000)	31-60 days (RM'000)	61-90 days (RM'000)	91-120 days (RM'000)	120-180 days (RM'000)	> 180 days (RM'000)
Financial Receivables	7,815	-	-	-	-	438,836
Less: Provision for Doubtful Debts	-	-	-	-	-	(315,576)
Net Financial Receivables	7,815	-	-	-	-	123,260

The sum exceeding 180 days amounting to RM123.3 million was not provided for because the values of the collateral held by TA First Credit is valued at more than RM123.3 million.

Trade receivables as at 30 April 2009

	0-30 days (RM'000)	31-60 days (RM'000)	61-90 days (RM'000)	91-120 days (RM'000)	120-180 days (RM'000)	> 180 days (RM'000)
Trade Receivables	19,666	791	578	4,154	996	34,046
Less: Provision for Doubtful Debts	(2,810)	-	-	-	-	-
Net Trade Receivables	16,856	791	578	4,154	996	34,046

Included in trade receivables is the amount owing from a developer, Beringin Terrace Sdn Bhd, a company of which Dato' Sri Mohamed Bin Abid has interest, as disclosed in Section 7.6 of this Prospectus. As at LPD, this amount of RM10,471,446 has been outstanding for more than 180 days. This amount owing is interest free and repayable in accordance with the terms of the joint venture agreement.

Other than the abovementioned amount owing from Beringin Terrace, the Group has no significant concentration of credit risk from exposures to a single debtor or to groups of debtors within its trade receivables. As described in Section 4.22 of this Prospectus, none of the buyers of our development properties or the tenants of our investment properties constituted more than 10% of our total revenue in FPE 2009 and for the last three FYE 31 January 2009.

The Group's normal trade credit terms for trade receivables are assessed and approved on a case-by-case basis.

As at LPD, only RM7,803,642 of the trade receivables balances exceeding 180 days have been collected. The remaining balance exceeding 180 days are mainly from our Group's development projects for which costs have been incurred but the billings milestones have not been reached. As a result, no billings have been made by our Group to these trade debtors.

9. FINANCIAL INFORMATION

9.4.9 TREND INFORMATION

As at LPD, to the best of our Directors' knowledge and belief, our conditions and operations have not been and are not expected to be affected by any of the following:-

- (a) known trends, demands, commitments, events or uncertainties that have had or that we reasonably expect to have, a material favourable or unfavourable impact on our Group's financial performance, position and operations other than those discussed in this section and Section 3 and Section 4 of this Prospectus;
- (b) material commitment for capital expenditure;
- (c) unusual, infrequent events or transactions or any significant economic changes that have materially affected the financial performance, position and operations of our Group, save as disclosed in this section and in Section 3 of this Prospectus;
- (d) known trends, demands, commitments, events or uncertainties that had resulted in a material impact on our Group revenue and/or profits save for those that have been disclosed in this section, industry overview as set out in Section 4.24 of this Prospectus and future plans and strategies as set out in Section 4.25 of this Prospectus;
- (e) known trends, demands, commitments, events or uncertainties that are reasonably likely to make our Group's historical financial statements not indicative of the future financial performance and position other than those disclosed in this section and in Section 3 of this Prospectus; and
- (f) known trends, demands, commitments, events or uncertainties that have had or that we reasonably expect to have, a material favourable or unfavourable impact on our Group's liquidity and capital resources, other than those discussed in this section and in Section 3 of this Prospectus.

The Board of Directors of our Company is optimistic about the future prospect of our Group given the favourable outlook as set out in Section 4.25 of this Prospectus, our competitive advantages set out in Section 4.11 of this Prospectus and our Group's dedication to implement the future plans and strategies set out in Section 4.25 of this prospectus.

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9. FINANCIAL INFORMATION

9.5 DIVIDEND POLICY

Going forward, it will be the policy of our Directors in recommending to distribute gross dividends of 20% to 50% of the Group's annual profit attributable to the equity holders of the Company. This will allow shareholders to participate in the profits of our Group as well as leaving adequate reserves for the future growth of our Group.

In considering the level of dividend payments, if any, upon recommendation by our Directors, we intend to take into account various factors including:-

- (i) Our expected profitability;
- (ii) The availability of tax credits and profits for the franking of dividends;
- (iii) Our required and expected return on equity;
- (iv) Our projected levels of capital expenditure and other investment plans;
- (v) The prevailing interest rates and yields of the financial market; and
- (vi) The level of our cash, marketable financial assets and indebtedness.

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10. ACCOUNTANTS' REPORT

(Prepared for inclusion in the Prospectus)



Ernst & Young

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ACCOUNTANTS' REPORT

The Board of Directors
TA Global Berhad
34th Floor, Menara TA One
No. 22, Jalan P. Ramlee
50450 Kuala Lumpur

Date: 6 October 2009

Dear Sirs

TA GLOBAL BERHAD ("TA GLOBAL" or "THE COMPANY") ACCOUNTANTS' REPORT

1. INTRODUCTION

This report has been prepared by Ernst & Young, an approved company auditor, exclusively for the inclusion in the Prospectus of TA Global to be dated 30 October 2009, in connection with the listing of and quotation for the entire enlarged issued and paid-up share capital of TA Global on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") and should not be relied upon for any other purposes.

2.0 ABBREVIATIONS

Unless the context otherwise requires, the following words and abbreviations shall apply throughout this report:

FPE	Financial period ended
FYE	Financial year ended
TAE	TA Enterprise Berhad
TA Global	TA Global Berhad
TA Global Group	TA Global and its subsidiaries
TA Properties	TA Properties Sdn. Bhd.
TA Properties Group	TA Properties Sdn. Bhd. and subsidiaries

3. GENERAL INFORMATION

3.1 Background of TA Global

TA Global was incorporated in Malaysia on 8 August 2008 under the Companies Act, 1965 as a public limited liability company. The principal activity of TA Global is investment holding. Further details on the subsidiaries and associates of TA Global are set out in Note 3.3 to this report.

10. ACCOUNTANTS' REPORT**3. GENERAL INFORMATION (CONTD.)****3.2 Share Capital of TA Global**

The changes/increase in the authorised share capital and issued and paid-up share capital of TA Global as a result of the Proposed Listing are as below:

Event	Date	Ordinary shares		Amount (RM)	Irredeemable Convertible Preference Shares	
		Par value	Number of shares		Par value	Number of shares
Authorised share capital						
Incorporation	8 August 2008	RM1	100,000	100,000	-	-
Change in par value	5 October 2009	RM0.50	200,000	100,000	-	-
Increase in authorised share capital	5 October 2009	RM0.50	7,499,800,000	3,749,900,000	RM0.50	2,500,000,000
		RM0.50	<u>7,500,000,000</u>	<u>3,750,000,000</u>	RM0.50	<u>2,500,000,000</u>
						<u>1,250,000,000</u>

10. ACCOUNTANTS' REPORT

3. GENERAL INFORMATION (CONTD.)

3.2 Share Capital of TA Global (Contd.)

Event	Date	Ordinary shares		Amount (RM)	Irredeemable Convertible Preference Shares	
		Par value	Number of shares		Par value	Number of shares
Issued and paid-up share capital						
Incorporation	8 August 2008	RM1	2	2	-	-
Change in par value	5 October 2009	RM0.50	4	2	-	-
Purchase of TA Properties (Note 4.1)	5 October 2009	RM0.50	2,236,199,996	1,118,099,998	RM0.50	1,215,363,632
Purchase of Taman Duta Residences (Note 4.2)	5 October 2009	RM0.50	53,800,000	26,900,000	RM0.50	1,215,363,632
Rights issue (Note 4.3)	5 October 2009	RM0.50	2,290,000,000	1,145,000,000	RM0.50	1,215,363,632
Capitalisation of inter-company balances (Note 4.4)	5 October 2009	RM0.50	269,974,638	134,987,319	RM0.50	1,215,363,632
		RM0.50	1,040,025,362	520,012,681	RM0.50	1,215,363,632
		RM0.50	3,600,000,000	1,800,000,000	RM0.50	1,215,363,632
						607,681,816
						607,681,816
						607,681,816
						607,681,816

10. ACCOUNTANTS' REPORT**3.3 Subsidiaries of TA Global**

The details of the subsidiaries of TA Global at the date of this report are as follows:

Company	Date of incorporation	Share Capital	Issued and Paid-up	Effective Equity Interest	Principal activities
Incorporated in Malaysia					
Ample Equities Sdn. Bhd. *	8 January 1992	RM2	RM2	100%	Property investment and development
Ample Era Sdn. Bhd. *	10 January 1992	RM2	RM2	100%	Property investment and development
Astra Dinamik Sdn. Bhd.	25 August 2005	RM250,000	RM250,000	100%	Property investment and development
Beta Vector Sdn. Bhd. *	14 January 1992	RM2	RM2	100%	Property investment and development
Binaprestij Maju Sdn. Bhd.	28 June 1993	RM1,000,000	RM1,000,000	51%	General construction (inactive)
Cosmic Legion Sdn. Bhd.	27 April 1995	RM384,996	RM384,996	100%	Investment holding
ERF Properties Sdn. Bhd. *	14 December 1987	RM2	RM2	100%	Investment holding
Factor Synergy Sdn. Bhd. *	12 July 1993	RM250,000	RM250,000	100%	Property investment and development
Fine Legion Sdn. Bhd.	2 May 1995	RM70,562	RM70,562	100%	Investment holding
Idaman Parkland Sdn. Bhd. * (formerly known as Botly Nominees (Asing) Sdn. Bhd.)	3 July 1993	RM2	RM2	100%	Property investment and development
Indo Aman Bina Sdn. Bhd.	18 January 2005	RM439,295	RM439,295	100%	Property investment and development
Menara TA Sdn. Bhd.	15 July 1991	RM2	RM2	100%	Property investment
Orchard Park Sdn. Bhd.	2 March 1992	RM250,000	RM250,000	100%	Property investment and development
Parallel Legion Sdn. Bhd.	15 December 1995	RM2	RM2	100%	Investment holding
Peramah Setia (M) Sdn. Bhd. *	25 June 1992	RM900,000	RM900,000	100%	Dormant
Pure Factor Sdn. Bhd. *	2 August 1993	RM250,000	RM250,000	100%	Property investment and development

* Audited by firms of public accountants other than Ernst & Young

10. ACCOUNTANTS' REPORT**3.3 Subsidiaries of TA Global (Contd.)**

The details of the subsidiaries of TA Global at the date of this report are as follows (Contd.):

Company	Date of incorporation	Issued and Paid-up Share Capital	Effective Equity Interest	Principal activities
<u>Incorporated in Malaysia (Contd.)</u>				
Raintree Amalgamated Sdn. Bhd.*	10 October 2008	RM2	100%	Investment holding
Sanjung Padu (M) Sdn. Bhd.	6 June 1991	RM144,060	100%	Investment holding
Sharp Factor Sdn. Bhd.*	4 August 1993	RM250,000	100%	Property investment and development
Star Winners Sdn. Bhd.*	17 July 2006	RM2	100%	Property investment and development
TA Ascents (M) Sdn. Bhd.* (formerly known as TA Dotcom Sdn. Bhd.)	26 September 1991	RM50,000	100%	Investment holding
TA Binaprestij Sdn. Bhd.* (formerly known as Sistem Kencana Sdn. Bhd.)	1 September 1993	RM750,000	100%	General construction
TA First Credit Sdn. Bhd.	30 August 1976	RM4,301,175	100%	Property investment, development and money lending
TA Gemilang Trading Sdn. Bhd.* (formerly known as Power Launch Sdn. Bhd.)	1 October 1996	RM2	100%	Trading in building materials and investment holding
TA Meriah (M) Sdn. Bhd.* (formerly known as TA Properties (Sarawak) Sdn. Bhd.)	20 March 1997	RM2	100%	Investment holding and property investment

* Audited by firms of public accountants other than Ernst & Young

10. ACCOUNTANTS' REPORT**3.3 Subsidiaries of TA Global (Contd.)**

The details of the subsidiaries of TA Global at the date of this report are as follows (Contd.):

Company	Date of incorporation	Issued and Paid-up Share Capital	Effective Equity Interest	Principal activities
<u>Incorporated in Malaysia (Contd.)</u>				
TA Property Management Sdn. Bhd.* (formerly known as TFC Nominees (Tempatan) Sdn. Bhd.)	21 November 1978	RM2	100%	Property management
TA Project Management Sdn. Bhd.*	11 October 1993	RM200,000	100%	Project management
TA Properties Sdn. Bhd.	9 April 1991	RM10,689,489	100%	Investment holding, property development, provision of funding facilities to its subsidiaries and property management services
TA Team Stars Sdn. Bhd.* (formerly known as Botly Nominees (Tempatan) Sdn. Bhd.)	15 July 1993	RM2	100%	Property investment and development
TA Ventures Sdn. Bhd.*	28 January 1992	RM2	100%	Dormant
<u>Incorporated in the British Virgin Islands</u>				
TA Antarabangsa Development Ltd.*	4 April 1996	C\$100	100%	Beneficiary of a trust

* Audited by firms of public accountants other than Ernst & Young

10. ACCOUNTANTS' REPORT**3.3 Subsidiaries of TA Global (Contd.)**

The details of the subsidiaries of TA Global at the date of this report are as follows (Contd.):

Company	Date of incorporation	Issued and Paid-up Share Capital	Effective Equity Interest	Principal activities
Incorporated in Australia				
Ascents Hotel Pty. Ltd.*	15 December 2008	A\$2	100%	Hotel management services
TA Covenant Pty. Ltd.*	2 December 2008	A\$2	100%	Trusteeship
Wales House Hotel Ltd.*	22 September 1998	A\$2	100%	Hotel management services
Wales House Nominees Pty. Ltd.*	6 November 1996	A\$2	100%	Trusteeship
Incorporated in Canada				
Aava Whistler Holdings Ltd.*	2 December 2008	C\$1	100%	Dormant
Aava Whistler Hotel Limited*	2 December 2008	C\$1	100%	Hotel management services
No. 205, Cathedral Ventures Limited*	24 July 1997	C\$1	100%	Bare trustee
TA Properties (Canada) Ltd.*	31 October 1995	C\$100	100%	Bare trustee
TA Management Ltd.*	30 October 1995	C\$100	100%	Management services
TA Development One (Canada) Ltd.*	1 April 1996	C\$100	100%	Trusteeship

* Audited by firms of public accountants other than Ernst & Young

10. ACCOUNTANTS' REPORT**3.3 Subsidiaries of TA Global (Contd.)**

The details of the subsidiaries of TA Global at the date of this report are as follows (Contd.):

Company	Date of incorporation	Issued and Paid-up Share Capital	Effective Equity Interest	Principal activities
<u>Incorporated in the Republic of Philippines</u> TA Property Development (Philippines), Inc. *	16 January 1997	Peso 25,000,000	100%	Dormant (filed for dissolution with the Bureau of Internal Revenue of Philippines)
<u>Incorporated in the Republic of South Africa</u> TA Centre (Proprietary) Ltd. *	22 November 1984	Rand 6	100%	Dormant (under voluntary liquidation)

In addition, the Group is the beneficiary of the following trusts where the trusts' financial statements have been included into TA Properties Group's financial statements using the line-by-line reporting format:

<u>Incepted in Antigua</u> TA Properties (Canada) Trust*	<u>Incepted in Barbados</u> Aava (Canada) Trust*	TA Development One (Barbados) Trust*
<u>Incepted in Australia</u> Ascents Trust*	<u>Incepted in Canada</u> Wales House Trust *	TA Development One (Canada) Trust *

* Audited by firms of public accountants other than Ernst & Young

10. ACCOUNTANTS' REPORT**3.4 Associates of TA Global**

The details of the associates of TA Global at the date of this report are as follows:

Company	Date of incorporation	Issued and Paid-up Share Capital	Effective Equity Interest	Principal activities
Dinar Ehsan Sdn. Bhd.*	23 September 1991	RM46,342,291	25%	Investment holding
Panca Resmi Sdn. Bhd.*	18 May 1987	RM3,000,000	25%	Property investment and property investment holding
TFC Nominees (Asing) Sdn. Bhd.*	10 August 1982	RM2	50%	Dormant

* Audited by firms of public accountants other than Ernst & Young



4.0 LISTING SCHEME

The listing scheme comprises the following transactions:

4.1 Acquisitions of shares and trust units

TA Global entered into Sale and Purchase Agreement on 4 September 2008 for the following acquisition of shares:

- (i) Purchase of 10,000,000 ordinary shares of RM1.00 each and 689,489 non-cumulative redeemable preference shares of RM1.00 each in TA Properties, representing 100% equity interest in TA Properties from TAE. Disposal of 1 ordinary share of HK\$1.00 each and 2,881 non-cumulative redeemable shares of HK\$1.00 each, representing 100% equity interest in Ace Fit International Limited held by TA Properties to TAE ;
- (ii) Purchase of 25,000 ordinary shares of RM1.00 each in Sanjung Padu (M) Sdn. Bhd. ("Sanjung Padu"), representing 49% equity interest in Sanjung Padu from TAE;
- (iii) Purchase of 63,522,320 trust units in Wales House Trust ("Wales Trust") representing 50% equity interest in Wales Trust from TAE;.

for an aggregate purchase consideration of RM1,725,781,814 (net) to be satisfied by the issuance of 2,236,199,996 new ordinary shares of RM0.50 each in TA Global at an issue price of RM0.50 per share and 1,215,363,632 new irredeemable convertible preference shares ("ICPS") of RM0.50 each in TA Global at an issue price of RM0.50 per ICPS.

The acquisition of shares and trust units has been completed on 5 October 2009.

4.2 Acquisition of properties

TA Global entered into Sale and Purchase Agreement on 4 September 2008 for the acquisition of properties, referred to as Taman Duta Residences located at Nos 28, 28A and 30, Persiaran Duta, Taman Duta, which are 2 pieces of leasehold land with residential house No. 30 situated on Lot 37717 (formerly PT22) HS(D) 63, Mukim and District of Kuala Lumpur and houses Nos 28 and 28A situated on Lot 37716 PN 10009, Mukim and District of Kuala Lumpur from TAE for a total consideration of RM26,900,000, to be satisfied by the issuance of 53,800,000 new ordinary shares of RM0.50 each in TA Global at an issue price of RM0.50 per share.

The acquisition of shares has been completed on 5 October 2009.

10. ACCOUNTANTS' REPORT**4.0 LISTING SCHEME (CONTD.)****4.3 Rights issue**

The rights issue of 269,974,638 new ordinary shares of RM0.50 each in TA Global to TAE at an issue price of RM0.50 per share, on the basis of 1 new ordinary shares for approximately every existing 8.48 ordinary shares held by TAE, for a total cash consideration of RM134,987,319 which has been completed on 5 October 2009. The proceeds from the rights issue are to be utilised for:

	RM'000
Renovation of Aava Whistler Hotel	70,620
General working capital purposes	54,367
Listing expenses	10,000
	<u>134,987</u>

4.4 Capitalisation of inter-company balances

The issuance of 1,040,025 new ordinary shares of RM0.50 each in TA Global to TAE at an issue price of RM0.50 per share for a total cash consideration of RM520,012,681, which has been completed on 5 October 2009.

The inter-company balances capitalised comprise an amount of RM224,726,552 owing by TA Properties to TA Centre, a wholly-owned subsidiary of TAE for the purchase of Menara TA One; and an amount of RM295,286,129 owing by TA Global to TAE for the purchase of Westin Melbourne Hotel. Both Menara TA One (presently owned by Menara TA One Sdn. Bhd., a subsidiary of TA Properties) and Westin Melbourne Hotel (presently owned by Ascents Trust) are properties held by TA Global Group.

4.5 Offer for Sale of TA Global shares held by TAE

The Proposed Offer for Sale of up to 460,000,000 existing ordinary shares of RM0.50 each in TA Global by TAE, representing up to 12.78% equity interest in TA Global, at an issue price of RM0.50 per share, including 90,000,000 shares to Malaysian Bumiputera Public, 360,000,000 shares to approved Bumiputera institutions and investors approved by the Ministry of International Trade and Industry, and 10,000,000 shares to eligible directors and employees of TA Global Group and TAE Group and/or business associates of TA Global Group.

4.6 Listing

TA Global will seek the listing of and quotation of its entire enlarged issued and paid-up share capital of TA Global ordinary shares and TA Global ICPS on the Main Market of Bursa Malaysia Securities Berhad.

10. ACCOUNTANTS' REPORT**5.0 AUDITORS AND AUDITED FINANCIAL STATEMENTS**

The auditors of TA Global and TA Properties for the relevant financial years/periods are as follows:

Company	FPE/FYE	Auditors	Auditors' Report
TA Global	FPE April 2009	Ernst & Young	Appendix I
TA Properties	FYE January 2007	Ernst & Young	Appendix II
	FYE January 2008	Ernst & Young	Appendix III
	FYE January 2009	Ernst & Young	Appendix IV
	FPE April 2009	Ernst & Young	Appendix V
TA Ascents (M) Sdn Bhd	FYE January 2007	Ng Joo How & Wan	Appendix VI
	FYE January 2008	Ng Joo How & Wan	Appendix VII
	FYE January 2009	Ng Joo How & Wan	Appendix VIII
	FPE April 2009	Ng Joo How & Wan	Appendix IX
Raintree Amalgamated Sdn. Bhd.	FPE April 2009	Ng Joo How & Wan	Appendix X
Ascents Trust	FPE January 2009	Felsers	Appendix XI
	FPE April 2009		Appendix XII
Ascents Hotel Pty. Ltd.	FYE January 2009	Felsers	Appendix XIII
	FPE April 2009		Appendix XIV
TA Covenant Pty. Ltd.	FPE January 2009	Felsers	Appendix XV
	FPE April 2009		Appendix XVI

For the purpose of this report, the audited company level financial statements of TA Global for the first financial period from the date of incorporation on 8 August 2008 to 30 April 2009 are presented.

The audited consolidated financial statements of TA Properties Group for the three (3) financial years ended 31 January 2009 and the three-month period ended 30 April 2009 are presented.

The audited financial statements of subsidiaries of TA Global as at 30 April 2009 are presented for the following financial years/period:

- TA Ascents (M) Sdn. Bhd. for the three (3) financial years ended 31 January 2009 and the three-month ended 30 April 2009;
- Raintree Amalgamated Sdn. Bhd. for the financial period from 10 October 2008 (date of incorporation) to 30 April 2009;

10. ACCOUNTANTS' REPORT**5.0 AUDITORS AND AUDITED FINANCIAL STATEMENTS (CONTD.)**

- Ascents Trust and Ascents Hotel Pty. Ltd. for the financial period from 15 December 2008 (date of inception/incorporation) to 31 January 2009 and the three-month period ended 30 April 2009; and
- TA Covenant Pty. Ltd. for the financial period from 2 December 2008 (date of incorporation) to 31 January 2009 and the three-month period ended 30 April 2009.

The auditors' report of TA Global for the FPE 30 April 2009 was not subject to any qualification or modification.

The auditors' report of TA Properties for FPE 30 April 2009 was not subject to any qualification, but with an emphasis of matter for the fact that comparative numbers of income statements, statement of changes in equity and cash flow statements are in respect of the comparable interim period from 1 February 2008 to 30 April 2008 in accordance with Financial Reporting Standard 134: Interim Financial Reporting and are unaudited .

The auditors' report of TA Properties for the FYE 31 January 2007 was not subject to any qualification, but with an emphasis of matter in relation to the comment in the auditors' report of a subsidiary, Binaprestij Maju Sdn. Bhd.

The auditors' reports of TA Properties for the FYE 31 January 2008 and 2009 and FPE 30 April 2009 were not subject to any qualifications or modification.

The auditors' reports of TA Ascents (M) Sdn. Bhd., Raintree Amalgamated Sdn. Bhd., Ascents Trust, Ascents Hotel and TA Covenant Pty. Ltd. for the FPE/FYE 31 January 2009 and/or FPE/FYE 30 April 2009 were not subject to any qualification or modification.

This report is prepared on a basis consistent with the accounting policies adopted by TA Global Group as disclosed in Section 5.0 of this report in accordance with applicable Financial Reporting Standards ("FRS") in Malaysia.

6.0 DIVIDENDS

No dividend has been paid or declared by TA Global since the date of incorporation.

Details of the dividends paid by TA Properties for the financial years/period under review are as follows:

Subsidiaries	FYE	Rate %	Gross dividend (RM)	Net dividend (RM)
TA Properties	2009	1	100,000	75,000
	2008	1	100,000	74,000
	2007	1	100,000	73,000
		246		

10. ACCOUNTANTS' REPORT



7.0 HISTORICAL FINANCIAL INFORMATION

7.1 TA Global

Audited Income Statement of TA Global

	Note	As per audited financial statements 8 August 2008 to 30 April 2009 RM
Other expenses	7.1 (a)	(2,281,602)
Loss before tax		(2,281,602)
Income tax expense		-
Loss for the period		(2,281,602)
Weighted average number of ordinary shares in issue		2
Gross loss per share (RM)		(1,140,801)
Net loss per share (RM)		(1,140,801)

Audited Balance Sheet of TA Global

	Note	As per audited financial statements 30 April 2009 RM
ASSETS		
Non-current assets		
Investment in subsidiaries	7.1 (b)	50,002
Current assets		
Due from a related company	7.1 (c)	46,701,000
Due from a subsidiary	7.1 (c)	260,437,521
Short term funds		2
		307,138,523
TOTAL ASSETS		307,188,525
EQUITY AND LIABILITIES		
Equity attributable to equity holder of the Company		
Share capital		2
(Accumulated loss)		(2,281,602)
Shareholder's deficit		(2,281,600)
Current liabilities		
Other payables		5,000
Due to holding company	7.1 (c)	307,710,051
Due to related companies	7.1 (c)	1,755,072
Due to a subsidiary	7.1 (c)	2
TOTAL LIABILITIES		309,470,125
TOTAL EQUITY AND LIABILITIES		307,188,525

10. ACCOUNTANTS' REPORT



7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.1 TA Global (Contd.)

Audited Statement of Changes in Equity of TA Global

	Share Capital RM	Accumulated Losses RM	Total RM
At date of incorporation (8 August 2008)	2	-	2
Loss for the period	-	(2,281,602)	(2,281,602)
At 30 April 2009	<u>2</u>	<u>(2,281,602)</u>	<u>(2,281,600)</u>

Audited Summarised Cash Flow Statement of TA Global

	As per audited financial statements 8 August 2008 to 30 April 2009 RM
Cash used in operating activities	(2,276,602)
Cash used in investing activity	(2)
Cash generated from financing activity	2,276,604
Net changes in cash and cash equivalent	-
Cash and cash equivalent on the date of incorporation	<u>2</u>
Cash and cash equivalent at financial period end	<u>2</u>

(a) Other expenses

	As per audited financial statements 8 August 2008 to 30 April 2009 RM
Included in other expenses are:	
Auditors' remuneration	
- Statutory audit	8,000
- Other audit	5,000
- Other services	<u>215,000</u>

10. ACCOUNTANTS' REPORT**7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)****7.1 TA Global (Contd.)****(b) Investment in subsidiaries**

The subsidiaries of TA Global at 30 April 2009 are:

Incorporated in Malaysia

- Raintree Amalgamated Sdn. Bhd.
- TA Ascents (M) Sdn. Bhd. (formerly known as TA Dotcom Sdn. Bhd.)

Incorporated in Australia

- Ascents Hotel Pty. Ltd.
- TA Covenant Pty. Ltd.

Trust incepted in Australia

Ascents Trust

Details of the above subsidiaries and other subsidiaries of TA Global after 30 April 2009 and as at the date of this report are as listed in Note 3.3.

(c) Due from/(to) related companies

	At 30 April 2009
	RM
Due from a related company	46,701,000
Due from a subsidiary	260,437,521
Due to holding company	(307,710,051)
Due to related company	(1,755,072)
	<u>(2,326,602)</u>

The amounts due from/(to) related companies above are unsecured, interest-free and have no fixed terms of repayment.

The amount owing to the holding company, TAE, was advanced to a subsidiary, TA Ascents (M) Sdn. Bhd., that further advanced the funds to Ascents Trust, for the purchase of Westin Melbourne Hotel.

Subsequent to 30 April 2009, amount owing by TA Global to TAE of RM295,286,129 was capitalised as part of the capitalisation of inter-company balances as described in Note 4.4.

10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)


7.2 TA Ascents (M) Sdn. Bhd. (formerly known as TA Datcom Sdn. Bhd.)

Audited Income Statement of TA Ascents (M) Sdn. Bhd. (by auditors other than Ernst & Young)

	Note	As per audited financial statements Twelve months ended 31 January 2007 RM	As per audited financial statements Twelve months ended 31 January 2008 RM	As per audited financial statements Twelve months ended 31 January 2009 RM	As per audited financial statements Three months ended 30 April 2009 RM
Personnel costs	7.2(a)	(152,740)	-	-	-
Depreciation	7.2(d)	(20,176)	(4,186)	(404)	-
Other expenses	7.2(b)	(1,512)	(1,129)	(952)	(75,530)
Loss before tax		(174,428)	(5,315)	(1,356)	(75,530)
Income tax expense		-	-	-	-
Loss for the financial year/period		(174,428)	(5,315)	(1,356)	(75,530)

Weighted average number of ordinary shares

in issue	50,000	50,000	50,000	50,000	50,000
Gross loss per share (RM)	(3)	(0)	(0)	(0)	(2)
Net loss per share (RM)	(3)	(0)	(0)	(0)	(2)

 ERNST & YOUNG

10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.2 TA Ascents (M) Sdn. Bhd. (formerly known as TA Dotcom Sdn. Bhd.) (Contd.)

Audited Balance Sheet of TA Ascents (M) Sdn. Bhd. (by auditors other than Ernst & Young)

	Note	As per audited financial statements 31 January 2007 RM	As per audited financial statements 31 January 2008 RM	As per audited financial statements 31 January 2009 RM	As per audited financial statements 30 April 2009 RM
ASSETS					
Non-current assets					
Property, plant and equipment	7.2 (d)	4,600	414	10	10
Investment in subsidiaries	7.2 (c)	-	-	38	38
		4,600	414	48	48
Current assets					
Due from subsidiaries	7.2 (e)	-	-	37,260,550	259,752,780
Short term funds		7,016	6,991	7,004	7,004
		7,016	6,991	37,267,554	259,759,784
TOTAL ASSETS		11,616	7,405	37,267,602	259,759,832
EQUITY AND LIABILITIES					
Equity attributable to equity holder of the Company					
Share capital		50,000	50,000	50,000	50,000
Accumulated loss		(646,326)	(651,641)	(652,997)	(728,527)
Shareholder's deficit		(596,326)	(601,641)	(602,997)	(678,527)
Current liabilities					
Other payables		800	800	1,638	838
Due to holding company	7.2 (e)	607,142	608,246	37,868,961	260,437,521
TOTAL LIABILITIES		607,942	609,046	37,870,599	260,438,359
TOTAL EQUITY AND LIABILITIES		11,616	7,405	37,267,602	259,759,832

10. ACCOUNTANTS' REPORT**7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)****7.2 TA Ascents (M) Sdn. Bhd. (formerly known as TA Dotcom Sdn. Bhd.) (Contd.)****Audited Statement of Changes in Equity of TA Ascents (M) Sdn. Bhd. (by auditors other than Ernst & Young)**

	Ordinary Share capital RM	Accumulated Losses RM	Total RM
At 1 February 2006	50,000	(471,898)	(421,898)
Loss for the financial year	-	(174,428)	(174,428)
At 31 January 2007	50,000	(646,326)	(596,326)
At 1 February 2007	50,000	(646,326)	(596,326)
Loss for the financial year	-	(5,315)	(5,315)
At 31 January 2008	50,000	(651,641)	(601,641)
At 1 February 2008	50,000	(651,641)	(601,641)
Loss for the financial year	-	(1,356)	(1,356)
At 31 January 2009	50,000	(652,997)	(602,997)
At 1 February 2009	50,000	(652,997)	(602,997)
Loss for the financial period	-	(75,530)	(75,530)
At 30 April 2009	50,000	(728,527)	(678,527)



10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.2 TA Ascents (M) Sdn. Bhd. (formerly known as TA Dotcom Sdn. Bhd.) (Contd.)

Audited Summarised Cash Flow Statement of TA Ascents (M) Sdn. Bhd. (by auditors other than Ernst & Young)

	As per audited financial statements Twelve months ended 31 January 2007 RM	As per audited financial statements Twelve months ended 31 January 2008 RM	As per audited financial statements Twelve months ended 31 January 2009 RM	As per audited financial statements Three months ended 30 April 2009 RM
Cash (used in)/generated from operating activities	(858)	(25)	51	-
Cash used in investing activity	-	-	(38)	-
Net (decrease)/increase in cash and cash equivalent	(858)	(25)	13	-
Cash and cash equivalent beginning of financial year/period	7,874	7,016	6,991	7,004
Cash and cash equivalent at end of financial year/period	7,016	6,991	7,004	7,004

(a) Personnel costs

	As per audited financial statements Twelve months ended 31 January 2007 RM	As per audited financial statements Twelve months ended 31 January 2008 RM	As per audited financial statements Twelve months ended 31 January 2009 RM	As per audited financial statements Three months ended 30 April 2009 RM
Wages and salaries	133,728	-	-	-
Contribution to Employee Provident Fund	16,324	-	-	-
Social security costs	856	-	-	-
Other staff related expenses	1,832	-	-	-
	152,740	-	-	-

10. ACCOUNTANTS' REPORT**7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)****7.2 TA Ascents (M) Sdn. Bhd. (formerly known as TA Dotcom Sdn. Bhd.) (Contd.)****(b) Other expenses**

Included in other expenses were:

As per audited financial statements	As per audited financial statements	As per audited financial statements	As per audited financial statements
Twelve months ended 31 January 2007	Twelve months ended 31 January 2008	Twelve months ended 31 January 2009	Three months ended 30 April 2009
RM 800	RM 800	RM 800	RM 400

Auditors' remuneration

(c) Investment in subsidiaries

The subsidiaries of TA Ascents (M) Sdn. Bhd. at 30 April 2009 are:

- Incorporated in Australia
- Ascents Hotel Pty Limited (acquired on 15 December 2008)
 - TA Covenant Pty Limited (acquired on 15 December 2008)
- Trust incorporated in Australia
- Ascents Trust (set up on 15 December 2008)

Details of the above subsidiaries and other subsidiaries of TA Global after 30 April 2009 and as at the date of this report are as listed in Note 3.3.

10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.2 TA Ascents (M) Sdn. Bhd. (formerly known as TA Dotcom Sdn. Bhd.) (Contd.)

(d) Property, plant and equipment - computer equipment and software

	As per audited financial statements 31 January 2007 RM	As per audited financial statements 31 January 2008 RM	As per audited financial statements 31 January 2009 RM	As per audited financial statements 30 April 2009 RM
Cost				
At beginning and end of financial year/period	43,315	43,315	43,315	43,315
Accumulated Depreciation				
At beginning of financial year/period	18,539	38,715	42,901	43,305
Charge for the financial year/period	20,176	4,186	404	-
At end of financial year/period	38,715	42,901	43,305	43,305
Net Book Value				
At end of financial year/period	4,600	414	10	10



10. ACCOUNTANTS' REPORT**7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)****7.2 TA Ascents (M) Sdn. Bhd. (formerly known as TA Dotcom Sdn. Bhd.) (Contd.)****(e) Due from/(to) subsidiaries/holding companies**

	As per audited financial statements 31 January 2007 RM	As per audited financial statements 31 January 2008 RM	As per audited financial statements 31 January 2009 RM	As per audited financial statements 30 April 2009 RM
Due from subsidiaries	-	-	37,260,550	259,752,780
Due to holding company	(607,142)	(608,246)	(37,868,961)	(260,437,521)
	<u>(607,142)</u>	<u>(608,246)</u>	<u>(608,411)</u>	<u>(684,741)</u>

The amounts due from/(to) subsidiaries/holding company above are unsecured, interest-free and have no fixed terms of repayment.

10. ACCOUNTANTS' REPORT**7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)****7.2 TA Ascents (M) Sdn. Bhd. (formerly known as TA Dotcom Sdn. Bhd.) (Contd.)****(f) Deferred tax assets not recognised**

Deferred tax assets had not been recognised in respect of the following items as at the respective financial year/period end.

	As per audited financial statements 31 January 2007 RM	As per audited financial statements 31 January 2008 RM	As per audited financial statements 31 January 2009 RM	As per audited financial statements 30 April 2009 RM
Excess of depreciation over capital allowances	2,208	5,259	5,673	5,663
Unabsorbed business loss	421,067	422,186	422,186	422,186
Unabsorbed capital allowances	17,326	18,461	18,461	18,461
	<u>440,601</u>	<u>445,906</u>	<u>446,320</u>	<u>446,310</u>

Deferred tax assets have not been recognised in respect of these items as it is not probable that future profits will be available which TA Ascents can utilise the benefits.

(g) Change of name

TA Dotcom Sdn. Bhd. changed its name to TA Ascents (M) Sdn. Bhd. on 15 May 2009.

10. ACCOUNTANTS' REPORT



7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.3 Raintree Amalgamated Sdn. Bhd.

Audited Income Statement of Raintree Amalgamated Sdn. Bhd. (by auditors other than Ernst & Young)

	Note	As per audited financial statements 10 October 2008 (date of incorporation) to 30 April 2009 RM
Other expenses	7.3 (a)	(400)
Loss before tax		(400)
Income tax expense		-
Loss for the period		(400)
Weighted average number of ordinary shares		2
Gross loss per unit (RM)		(200)
Net loss per unit (RM)		(200)

Audited Balance Sheet of Raintree Amalgamated Sdn. Bhd. (by auditors other than Ernst & Young)

	As per audited financial statements 30 April 2009 RM
ASSETS	
Current assets	
Cash in hand	2
TOTAL ASSETS	<u>2</u>
EQUITY AND LIABILITIES	
Equity attributable to equity holder of the Company	
Share capital	2
Accumulated loss	(400)
Shareholder's deficit	<u>(398)</u>
Current liabilities	
Accounts payable and accruals	400
TOTAL LIABILITIES	<u>400</u>
TOTAL EQUITY AND LIABILITIES	<u>2</u>

10. ACCOUNTANTS' REPORT



7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.3 Raintree Amalgamated Sdn. Bhd. (Contd.)

**Audited Statement of Changes in Equity of Raintree Amalgamated Sdn. Bhd.
(by auditors other than Ernst & Young)**

	Share Capital RM	Accumulated Losses RM	Total RM
On 10 October 2008 (date of incorporation)	2	-	2
Loss for the period	-	(400)	(400)
At 30 April 2009	<u>2</u>	<u>(400)</u>	<u>(398)</u>

**Audited Summarised Cash Flow Statement of Raintree Amalgamated Sdn. Bhd.
(by auditors other than Ernst & Young)**

	As per audited financial statements 10 October 2008 (date of incorporation) to 30 April 2009 RM
Cash generated from financing activity	2
Net increase in cash and cash equivalent	2
Cash and cash equivalent beginning of financial period	-
Cash and cash equivalent at end of financial period	<u>2</u>

(a) Other Expenses

	As per audited financial statements 10 October 2008 (date of incorporation) to 30 April 2009 RM
Included in other expenses of Raintree	
Auditors' remuneration	<u>400</u>

10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.4 Ascents Trust

Audited Income Statement of Ascents Trust (by auditors other than Ernst & Young)

	As per audited financial statements 15 December 2008 to 31 January 2009 A\$	As per audited financial statements (translated) 15 December 2008 to 31 January 2009 RM	As per audited financial statements 1 February 2009 to 30 April 2009 A\$	As per audited financial statements (translated) 1 February 2009 to 30 April 2009 RM
Revenue	-	-	314,441	782,046
Other expenses	(186,835)	(519,831)	(61,491)	(152,934)
(Loss)/profit from operations	(186,835)	(519,831)	252,950	629,112
Finance costs to related entities	-	-	(362,963)	(902,725)
Loss before tax	(186,835)	(519,831)	(110,013)	(273,613)
Income tax expense	-	-	-	-
Loss for the period	(186,835)	(519,831)	(110,013)	(273,613)
Weighted average number of trust units in issue	12	12	12	12
Gross loss per unit	(15,570)	(43,319)	(9,168)	(22,801)
Net loss per unit	(15,570)	(43,319)	(9,168)	(22,801)
RM/A\$ exchange rate used in translating the results		2.7823		2.4871



10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.4 Ascents Trust (Contd.)

Audited Balance Sheet of Ascents Trust (by auditors other than Ernst & Young)

	Note	As per audited financial statements 31 January 2009 A\$	As per audited financial statements 31 January 2009 (translated) RM	As per audited financial statements 30 April 2009 A\$	As per audited financial statements 30 April 2009 (translated) RM
TOTAL ASSETS					
Non-current assets					
Investment property	7.4 (c)	-	-	135,908,211	352,613,853
Current assets					
Cash in hand		20	47	7,389,601	19,172,320
Receivable from Ascents Hotel Pty. Ltd.		-	-	234,247	607,754
Deposit for the purchase of hotel		16,000,008	37,472,019		
Other receivables		17,423	40,805	22,859	59,308
		<u>16,017,451</u>	<u>37,512,871</u>	<u>7,646,707</u>	<u>19,839,382</u>
TOTAL ASSETS		<u>16,017,451</u>	<u>37,512,871</u>	<u>143,554,918</u>	<u>372,453,235</u>

10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.4 Ascents Trust (Contd.)

Audited Balance Sheet of Ascents Trust (by auditors other than Ernst & Young) (Contd.)

	Note	As per audited financial statements 31 January 2009	As per audited financial statements 31 January 2009 (translated)	As per audited financial statements 30 April 2009	As per audited financial statements 30 April 2009 (translated)
		A\$	RM	A\$	RM
EQUITY AND LIABILITIES					
Equity attributable to unitholder of the Trust					
Units at issued price		12	29	12	29
Accumulated loss		(186,835)	(519,831)	(296,848)	(793,444)
Exchange translation reserve		-	82,263	-	23,275
Shareholder's deficit		(186,823)	(437,539)	(296,836)	(770,140)
Non-current liabilities					
Due to related entities	7.4 (d)	-	-	51,110,010	132,604,921
Current liabilities					
Due to related entities	7.4 (d)	16,174,150	37,879,860	92,721,804	240,566,720
Other accounts payable and accruals		30,124	70,550	19,940	51,734
		16,204,274	37,950,410	92,741,744	240,618,454
TOTAL LIABILITIES		16,204,274	37,950,410	143,851,754	373,223,375
TOTAL EQUITY AND LIABILITIES		16,017,451	37,512,871	143,554,918	372,453,235
RM/A\$ exchange rate used in translating the balance sheet					
			2.3420		2.5945

10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.4 Ascents Trust (Contd.)

Audited Statement of Changes in Equity of Ascents Trust (by auditors other than Ernst & Young)

	Units A\$	Accumulated Losses A\$	Total A\$		Units RM	Exchange translation reserve RM	Accumulated Losses RM	Total RM
On 15 December 2008	-	-	-		-	-	-	-
Issue of units	12	-	12		29	-	-	29
Loss for the period	-	(186,835)	(186,835)		-	(519,831)	(519,831)	(519,831)
At 31 January 2009	12	(186,835)	(186,823)		29	82,263	-	82,263
On 1 February 2009	12	(186,835)	(186,823)		29	82,263	(519,831)	(437,539)
Loss for the period	-	(110,013)	(110,013)		-	-	-	-
At 30 April 2009	12	(296,848)	(296,836)		29	23,275	(793,444)	(770,140)
(translated)								
On 15 December 2008	-	-	-		-	-	-	-
Issue of units	29	-	29		29	-	-	29
Loss for the period	-	(519,831)	(519,831)		-	(519,831)	(519,831)	(519,831)
Effect of foreign exchange rate differences	-	-	-		-	82,263	-	82,263
At 31 January 2009	29	(519,831)	(437,539)		29	82,263	(519,831)	(437,539)
On 1 February 2009	29	(519,831)	(437,539)		29	82,263	(519,831)	(437,539)
Loss for the period	-	(273,613)	(273,613)		-	-	(273,613)	(273,613)
Effect of foreign exchange rate differences	-	-	-		-	(58,988)	-	(58,988)
At 30 April 2009	29	(793,444)	(770,140)		29	23,275	(793,444)	(770,140)

10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.4 Ascents Trust (Contd.)

Audited Summarised Cash Flow Statement of Ascents Trust (by auditors other than Ernst & Young)

	As per audited financial statements 15 December 2008 to 31 January 2009	As per audited financial statements 15 December 2008 to 31 January 2009 (translated)	As per audited financial statements 1 February 2009 to 30 April 2009	As per audited financial statements 1 February 2009 to 30 April 2009 (translated)
	A\$	RM	A\$	RM
Cash used in operating activities	(174,134)	(484,493)	(230,530)	(573,351)
Cash used in investing activity	-	-	(135,908,211)	(338,017,312)
Cash generated from financing activity	174,154	484,549	143,528,322	356,969,290
Net increase in cash and cash equivalent	20	56	7,389,581	18,378,627
Cash and cash equivalent at beginning of financial period	-	-	20	47
Effect of exchange rate changes	-	(9)	-	793,646
Cash and cash equivalents at end of financial period	20	47	7,389,601	19,172,320



10. ACCOUNTANTS' REPORT**7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)****7.4 Ascents Trust (Contd.)**

	As per audited financial statements 15 December 2008 to 31 January 2009 A\$	As per audited financial statements 15 December 2008 to 31 January 2009 (translated) RM	As per audited financial statements 1 February 2009 to 30 April 2009 A\$	As per audited financial statements 1 February 2009 to 30 April 2009 (translated) RM
(a) Revenue				
Rental income from Ascents Hotel Pty. Ltd.	-	-	234,247	582,596
Interest income	-	-	80,194	199,450
	-	-	314,441	782,046
(b) Other Expenses				
Included in other expenses of Ascents Trust are:				
Auditors' remuneration	2,400	6,678	6,940	17,260
(c) Investment property				

Investment property of the trust refers to Westin Melbourne Hotel, that is classified as property, plant and equipment in the financial statements of TA Global Group as the hotel property is owned by TA Ascents Trust and operated by TA Ascents Hotel Pty Limited, both subsidiaries of TA Global.

The property is depreciated at TA Global Group level by way of consolidation adjustments over the useful economic life of 50 years.

10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.4 Ascents Trust (Contd.)

(d) Due to related entities

	As per audited financial statements 31 January 2009	As per audited financial statements 31 January 2009 (translated)	As per audited financial statements 30 April 2009	As per audited financial statements 30 April 2009 (translated)
	A\$	RM	A\$	RM
Wales House Trust - repayable on or before 28 February 2010	-	-	46,500,000	120,644,250
Wales House Trust - not repayable in the next twelve months	-	-	4,610,010	11,960,671
Wales House Trust - no fixed repayment date	174,142	407,841	-	-
TA Ascents (M) Sdn. Bhd. - no fixed repayment date	16,000,008	37,472,019	92,721,804	240,566,720
	<u>16,174,150</u>	<u>37,879,860</u>	<u>143,831,814</u>	<u>373,171,641</u>
Analysed as:				
Current	16,174,150	37,879,860	92,721,804	240,566,720
Non-current	-	-	51,110,010	132,604,921
	<u>16,174,150</u>	<u>37,879,860</u>	<u>143,831,814</u>	<u>373,171,641</u>

Wales House Trust and TA Ascents (M) Sdn. Bhd. are both wholly-owned by TA Global since 5 October 2009 and 15 April 2009, respectively.

10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.5 Ascents Hotel Pty. Ltd.

Audited Income Statement of Ascents Hotel Pty Limited (by auditors other than Ernst & Young)

	As per audited financial statements 15 December 2008 to 31 January 2009	As per audited financial statements 15 December 2008 to 31 January 2009 (translated)	As per audited financial statements 1 February 2009 to 30 April 2009	As per audited financial statements 1 February 2009 to 30 April 2009 (translated)
	A\$	RM	A\$	RM
7.5(a) Revenue	-	-	785,325	1,953,182
Cost of sales	-	-	(66,599)	(165,638)
Personnel costs	-	-	(229,005)	(569,558)
Other expenses	(1,764)	(4,908)	(465,625)	(1,158,056)
Loss/(profit) before tax	(1,764)	(4,908)	24,096	59,930
Income tax expense	-	-	(8,374)	(20,827)
(Loss)/profit for the period	(1,764)	(4,908)	15,722	39,103

Weighted average number of
ordinary shares in issue
Gross (loss)/profit per share
Net (loss)/profit per share

	2	2	2	2
	(882)	(2,454)	12,048	29,965
	(882)	(2,454)	7,861	19,552

RM/A\$ exchange rate used in translating the results

2.7823 2.4871

10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.5 Ascents Hotel Pty Limited (Contd.)

Audited Balance Sheet of Ascents Hotel Pty Limited (by auditors other than Ernst & Young)

	As per audited financial statements Note 31 January 2009	As per audited financial statements 31 January 2009 (translated)	As per audited financial statements 30 April 2009	As per audited financial statements 30 April 2009 (translated)
	A\$	RM	A\$	RM
ASSETS				
Non-current assets				
Deferred tax asset	-	-	276,177	716,541
Intangible assets	-	-	21,675,225	56,236,371
	-	-	21,951,402	56,952,912
Current assets				
Cash in hand	2	5	6,555,708	17,008,784
Receivables	56	131	1,158,054	3,004,571
Inventories	-	-	189,045	490,477
Prepayments	-	-	276,891	718,394
	58	136	8,179,698	21,222,226
TOTAL ASSETS	58	136	30,131,100	78,175,138



10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.5 Ascents Hotel Pty. Ltd. (Contd.)

Audited Balance Sheet of Ascents Hotel Pty Limited (by auditors other than Ernst & Young) (Contd.)

	As per audited financial statements Note	31 January 2009	As per audited financial statements (translated)	31 January 2009	As per audited financial statements 30 April 2009	As per audited financial statements (translated)	30 April 2009
		A\$	RM		A\$	RM	
EQUITY AND LIABILITIES							
Equity attributable to equity holder of Ascents Hotel Pty. Ltd.							
Share capital	2	-	5	2	-	5	5
(Accumulated losses)/retained profits		(1,764)	(4,908)	13,958		34,195	34,195
Exchange translation reserve		-	777	-		2,020	2,020
Shareholder's (deficit)/fund		(1,762)	(4,126)	13,960		36,220	36,220
Non-current liabilities							
Provisions	7.5 (g)	-	-	370,395		960,990	960,990
Borrowings from related companies	7.5 (h)	-	-	25,384,507		65,860,103	65,860,103
		-	-	25,754,902		66,821,093	66,821,093
Current liabilities							
Trade payables	7.5 (i)	-	-	856,729		2,222,783	2,222,783
Other payables		1,200	2,810	2,129,357		5,524,617	5,524,617
Provisions	7.5 (g)	-	-	525,008		1,362,133	1,362,133
Deferred revenue	7.5 (j)	-	-	588,867		1,527,815	1,527,815
Due to related entities	7.5 (k)	620	1,452	238,892		619,805	619,805
Income tax payable		-	-	23,385		60,672	60,672
		1,820	4,262	4,362,238		11,317,825	11,317,825
TOTAL LIABILITIES		1,820	4,262	30,117,140		78,138,918	78,138,918
TOTAL EQUITY AND LIABILITIES		58	136	30,131,100		78,175,138	78,175,138
			2,3420			2,5945	

RM/A\$ exchange rate used in translating the balance sheet

10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.5 Ascents Hotel Pty. Ltd. (Contd.)

Audited Statement of Changes in Equity of Ascents Hotel Pty Limited (by auditors other than Ernst & Young)

	Ordinary share capital A\$	(Accumulated loss)/retained profit A\$	Total A\$
At 15 December 2008	2	-	2
Loss for the period	-	(1,764)	(1,764)
At 31 January 2009	2	(1,764)	(1,762)
At 1 February 2009	2	(1,764)	(1,762)
Profit for the period	-	15,722	15,722
At 30 April 2009	2	13,958	13,960

	Ordinary Share capital RM	Exchange translation reserve RM	(Accumulated loss)/retained profit RM	Total RM
(translated)				
At 15 December 2008	5	-	-	5
Loss for the period	-	-	(4,908)	(4,908)
Effect of foreign exchange rate differences	-	777	-	777
At 31 January 2009	5	777	(4,908)	(4,126)
At 1 February 2009	5	777	(4,908)	(4,126)
Profit for the period	-	-	39,103	39,103
Effect of foreign exchange rate differences	-	1,243	-	1,243
At 30 April 2009	5	2,020	34,195	36,220

10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.5 Ascents Hotel Pty. Ltd. (Contd.)

Audited Summarised Cash Flow Statement of Ascents Hotel Pty Limited (by auditors than Ernst & Young)

	As per audited financial statements		As per audited financial statements		As per audited financial statements	
	15 December 2008	to 31 January 2009	15 December 2008	to 31 January 2009	1 February 2009	to 30 April 2009
	A\$	RM	A\$	RM	A\$	RM
Cash generated from operating activities	-	-	646,787	1,608,624	(48,437,735)	1,608,624
Cash used in investing activity	-	-	(19,475,588)	(48,437,735)	63,133,807	63,133,807
Cash generated from financing activity	2	6	25,384,507	6	6,555,706	16,304,696
Net increase in cash and cash equivalent	2	6	6,555,706	6	6,555,706	16,304,696
Cash and cash equivalent beginning of financial period	-	-	2	-	2	5
Effect of exchange rate changes	-	(1)	-	(1)	-	704,083
Cash and cash equivalents at end of financial period	2	5	6,555,708	5	6,555,708	17,008,784



10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.5 Ascents Hotel Pty. Ltd. (Contd.)

(a) Revenue	As per audited financial statements		As per audited financial statements		As per audited financial statements	
	15 December 2008 to 31 January 2009	15 December 2008 to 31 January 2009 (translated)	1 February 2009 to 30 April 2009	1 February 2009 to 30 April 2009 (translated)	1 February 2009 to 30 April 2009	1 February 2009 to 30 April 2009 (translated)
	A\$	RM	A\$	RM	A\$	RM
Sales revenue	-	-	774,919	-	1,927,301	-
Other revenue	-	-	10,406	-	25,881	-
	-	-	785,325	-	1,953,182	-

(b) Other expenses

Included in other expenses of Ascents Hotel Pty Ltd. are:

Auditors' remuneration	1,200	3,339	27,046	67,266
Rental costs payable to Ascents Trust	-	-	234,247	582,596
Provision for doubtful debts	-	-	3,125	7,772
Provision for employee benefits (Note 7.5(g))	-	-	17,585	43,736

(c) Income tax expense

Current period	-	-	23,385	58,161
Deferred tax	-	-	(15,011)	(37,334)
	-	-	8,374	20,827

10. ACCOUNTANTS' REPORT**7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)****7.5 Ascents Hotel Pty. Ltd. (Contd.)****(d) Intangible assets**

Intangible assets relates to goodwill arising on the acquisition of Westin Melbourne Hotel on 21 April 2009, 9 days before 30 April 2009. The purchased goodwill remains unallocated as at 30 April 2009 as Management is still in the midst of identifying the respective assets, liabilities and contingent liabilities and their respective fair values of the newly acquired hotel operations. Goodwill will be assessed for impairment at least annually.

(e) Receivables

	As per audited financial statements 31 January 2009	As per audited financial statements 31 January 2009 (translated)	As per audited financial statements 30 April 2009	As per audited financial statements 30 April 2009 (translated)
	A\$	RM	A\$	RM
Trade receivables	-	-	1,069,534	2,774,906
less: provision for doubtful debts	-	-	(3,125)	(8,108)
Goods and service tax receivable	56	131	91,645	237,773
	<u>56</u>	<u>131</u>	<u>1,158,054</u>	<u>3,004,571</u>

Annualised debtors' turnover (days)

Not applicable

Not applicable

6

6

The debtors' turnover is computed based on trade receivables movement between 30 April 2009 and the acquisition date divided by annualised revenue.

(f) Inventories

Inventories relate to consumables for used in hotel operations.

Annualised inventories' turnover as at 30 April 2009 is 7 days. It is computed based on the inventory movement between 30 April 2009 and the date of acquisition divided by revenue and then annualised. The above ratio is computed solely for the purpose of information only and it is based on the information provided by Management.

10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.5 Ascents Hotel Pty. Ltd. (Contd.)

(g) Provisions - employee benefits

	As per audited financial statements		As per audited financial statements		As per audited financial statements	
	15 December 2008 to 31 January 2009	15 December 2008 to 31 January 2009 (translated)	1 February 2009 to 30 April 2009	1 February 2009 to 30 April 2009 (translated)	1 February 2009 to 30 April 2009	1 February 2009 to 30 April 2009 (translated)
	A\$	RM	A\$	RM	A\$	RM
As at beginning of financial period	-	-	-	-	-	-
Acquisition of hotel business	-	-	877,818	2,183,220	877,818	2,183,220
Provision during the period (Note 7.5 (b))	-	-	17,585	43,736	17,585	43,736
Exchange differences	-	-	-	96,166	-	96,166
At end of financial period	-	-	895,403	2,323,122	895,403	2,323,122
Current	-	-	525,008	1,362,133	525,008	1,362,133
Non-current - later than 1 year but not later than 5 years	-	-	364,581	945,906	364,581	945,906
Non-current - later than 5 years	-	-	5,814	15,084	5,814	15,084
	-	-	370,395	960,990	370,395	960,990
	-	-	895,403	2,323,123	895,403	2,323,123



10. ACCOUNTANTS' REPORT**7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)****7.5 Ascents Hotel Pty. Ltd. (Contd.)****(h) Borrowings from related companies**

	As per audited financial statements 31 January 2009	As per audited financial statements 31 January 2009 (translated)	As per audited financial statements 30 April 2009	As per audited financial statements 30 April 2009 (translated)
	A\$	RM	A\$	RM
TA Ascents (M) Sdn. Bhd.	-	-	7,384,507	19,159,103
TA Antarabangsa Development Ltd.	-	-	18,000,000	46,701,000
	-	-	<u>25,384,507</u>	<u>65,860,103</u>

TA Ascents (M) Sdn. Bhd. and TA Antarabangsa Development Ltd. are both wholly-owned subsidiaries of TA Global since 15 April 2009 and 5 October 2009, respectively. The borrowings are unsecured, interest free and have no fixed terms of repayment.

(i) Trade payables

Annualised trade creditors' turnover as at 30 April 2009 is 49 days. The ratio is computed solely for the purpose of information only and it is based on the information provided by Management. Trade creditors' turnover is computed based on in trade creditors between 30 April 2009 and the date of acquisition divided by cost of sales and then annualised.

(j) Deferred revenue

Deferred revenue represents monies received in respect of advanced sales of room nights.

10. ACCOUNTANTS' REPORT**7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)****7.5 Ascents Hotel Pty. Ltd. (Contd.)****(k) Due to related entities**

	As per audited financial statements 31 January 2009	As per audited financial statements 31 January 2009 (translated)	As per audited financial statements 30 April 2009	As per audited financial statements 30 April 2009 (translated)
	A\$	RM	A\$	RM
Wales House Trust	620	1,452	4,645	12,051
Ascents Trust	-	-	234,247	607,754
	<u>620</u>	<u>1,452</u>	<u>238,892</u>	<u>619,805</u>

Wales House Trust and Ascents Trust are both subsidiaries of TA Global since 5 October 2009 and 15 April 2009, respectively. These amounts are unsecured, interest free and have no fixed terms of repayment.

10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.6 TA Covenant Pty. Ltd.

Audited Income Statement of TA Covenant Pty. Ltd. (by auditors other than Ernst & Young)

	As per audited financial statements 2 December 2008 to 31 January 2009	As per audited financial statements 2 December 2008 to 31 January 2009 (translated)	As per audited financial statements 1 February 2009 to 30 April 2009	As per audited financial statements 1 February 2009 to 30 April 2009 (translated)
	A\$	RM	A\$	RM
Other expenses	-	-	-	-
Profit before tax	-	-	-	-
Income tax expense	-	-	-	-
Profit for the period	-	-	-	-
Weighted average number of ordinary shares in	2	2	2	2
Gross loss per share	-	-	-	-
Net loss per share	-	-	-	-

RM/A\$ exchange rate used in translating the results

2.7823

2.4871

10. ACCOUNTANTS' REPORT**7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)****7.6 TA Covenant Pty. Ltd. (Contd.)****Audited Balance Sheet of TA Covenant Pty Limited (by auditors other than Ernst & Young)**

	As per audited financial statements 31 January 2009	As per audited financial statements 31 January 2009 (translated)	As per audited financial statements 30 April 2009	As per audited financial statements 30 April 2009 (translated)
	A\$	RM	A\$	RM
ASSETS				
Current assets				
Cash in hand	2	5	2	5
	<u>2</u>	<u>5</u>	<u>2</u>	<u>5</u>
TOTAL ASSETS	<u>2</u>	<u>5</u>	<u>2</u>	<u>5</u>

EQUITY AND LIABILITIES**Equity attributable to equity holder of the Company**

Share capital	2	5	2	5
Shareholder's fund	<u>2</u>	<u>5</u>	<u>2</u>	<u>5</u>
TOTAL EQUITY AND LIABILITIES	<u>2</u>	<u>5</u>	<u>2</u>	<u>5</u>

RM/A\$ exchange rate used in translating the balance sheet

2.3420

2.5945

10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.6 TA Covenant Pty. Ltd. (Contd.)

Audited Statement of Changes in Equity of TA Covenant Pty Limited (by auditors other than Ernst & Young)

	Ordinary Share capital A\$	Retained Profits A\$	Total A\$
At 2 December 2008	-	-	-
Issue of shares	2	-	2
Profit for the period	-	-	-
At 31 January 2009	2	-	2
At 1 February 2009	2	-	2
Profit for the period	-	-	-
At 30 April 2009	2	-	2

	Ordinary Share capital RM	Retained Profits RM	Total RM
At 2 December 2008	-	-	-
Issue of shares	5	-	5
Profit for the period	-	-	-
At 31 January 2009	5	-	5
At 1 February 2009	5	-	5
Profit for the period	-	-	-
At 30 April 2009	5	-	5

(translated)

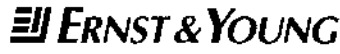
10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.6 TA Covenant Pty. Ltd. (Contd.)

Audited Summarised Cash Flow Statement of TA Covenant Pty Limited (by auditors other than Ernst & Young)

	As per audited financial statements 2 December 2008 to 31 January 2009	As per audited financial statements 2 December 2008 to 31 January 2009 (translated)	As per audited financial statements 1 February 2009 to 30 April 2009	As per audited financial statements 1 February 2009 to 30 April 2009 (translated)	RM
	A\$	RM	A\$	RM	
Cash generated from operating activities	-	-	-	-	-
Cash used in investing activity	-	-	-	-	-
Cash generated from financing activity	2	5	-	-	-
Net increase in cash and cash equivalent	2	5	-	-	-
Cash and cash equivalent beginning of financial period	-	-	2	5	5
Cash and cash equivalent at end of financial period	2	5	2	5	5



10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.7 TA Properties Group

Audited Consolidated Income Statements of TA Properties Group

Group	Note	As per audited financial statements		As per audited financial statements		As per audited financial statements	
		Twelve months ended 31 January 2007	Twelve months ended 31 January 2008	Twelve months ended 31 January 2009	Three months ended 30 April 2009	RM	
Revenue	7.7(a)	208,602,665	286,944,850	440,704,771	47,307,144	RM	
Other income	7.7(b)	15,462,737	36,589,538	13,880,409	1,812,662		
Purchase of inventories		(4,252,326)	(6,538,850)	(6,005,305)	(1,173,973)		
Cost of properties sold		(51,416,622)	(62,706,615)	(131,406,499)	(5,989,450)		
Contract cost		-	(9,972,825)	(13,138,056)	(371,130)		
Personnel costs	7.7(c)	(27,820,224)	(35,568,310)	(35,619,371)	(7,848,211)		
Depreciation	7.7(j), (k)	(16,493,124)	(22,025,626)	(21,759,408)	(5,135,244)		
Foreign exchange (losses)/gains, net	7.7(d)	(3,579,239)	194,393	(4,586,191)	267,954		
Other expenses	7.7(e)	(23,276,274)	(39,044,966)	(96,243,102)	(6,012,364)		
Profit from operations	7.7(f)	97,227,593	147,871,589	145,827,248	22,857,388		
Finance costs	7.7(g)	(7,577,117)	(7,198,002)	(6,434,293)	(1,441,504)		
Share of losses of associated companies, net of tax		(16,956)	(147,475)	(23,814)	(8,922)		
Profit before tax		89,633,520	140,526,112	139,369,141	21,406,962		
Income tax expense	7.7(h)	(12,541,302)	(29,810,241)	(44,125,954)	(4,827,373)		
Profit for the financial year/period		77,092,218	110,715,871	95,243,187	16,579,589		
Attributable to:							
Equity holder of TA Properties		68,638,737	95,889,911	93,129,401	14,105,484		
Minority interests		8,453,481	14,825,960	2,113,786	2,474,105		
		77,092,218	110,715,871	95,243,187	16,579,589		

10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.7 TA Properties Group (Contd.)

Audited Consolidated Income Statements of TA Properties Group (Contd.)

	As per audited financial statements	As per audited financial statements	As per audited financial statements	As per audited financial statements
	Twelve months ended 31 January 2007	Twelve months ended 31 January 2008	Twelve months ended 31 January 2009	Three months ended 30 April 2009
	RM	RM	RM	RM
<i>Profit before tax is analysed as follows:</i>				
Profit before depreciation, amortisation and interest expense	116,479,747	172,861,968	170,550,041	28,658,748
Depreciation	(16,493,124)	(22,025,626)	(21,759,408)	(5,135,244)
Amortisation	(2,783,130)	(3,117,343)	(2,987,199)	(675,038)
Interest expense	(7,569,973)	(7,192,887)	(6,434,293)	(1,441,504)
Profit before tax	89,633,520	140,526,112	139,369,141	21,406,962
Weighted average number of ordinary shares in issue	10,000,000	10,000,000	10,000,000	10,000,000
Gross earnings per share (RM) *	8.96	14.05	13.94	2.14
Net earnings per share (RM) *	7.71	11.07	9.52	1.66
Gross profit margin (%) @	73%	72%	66%	84%
Profit before tax margin (%)	43%	49%	32%	45%
Profit after tax margin (%)	37%	39%	22%	35%
Effective tax rate (%) #	19%	21%	31%	23%
Gross dividend rate (%) ^	1%	1%	1%	1%

10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.7 TA Properties Group (Contd.)

Audited Consolidated Income Statements of TA Properties Group (Contd.)

- * The gross earnings per share is computed based on the profit before tax divided by the weighted average number of ordinary shares in issue during the financial year/period.
- * The net earnings per share is computed based on the profit after tax divided by the weighted average number of ordinary shares in issue during the financial year/period.
- # Computed by excluding the effects of over/under provision of tax in prior years.
- ^ Based on gross ordinary dividend relating to a financial year/period divided by the number of ordinary shares in issue as at the end of the financial year/period.
- @ Gross profit margin is computed based on total revenue deduct purchase of inventories, cost of properties sold and contract cost divided by total revenue.



10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.7 TA Properties (contd.)

Audited Consolidated Balance Sheets of TA Properties Group

Group	Note	2007		2008		2009	
		As per audited financial statements 31 January RM	Restated RM	As per audited financial statements 31 January RM	As per audited financial statements 31 January RM	As per audited financial statements 30 April RM	
ASSETS							
Non-current assets							
Property, plant and equipment	7.7(j)	491,997,306	482,244,905	487,514,561	551,636,449	583,617,488	
Investment properties	7.7(k)	192,931,280	202,683,681	214,574,089	189,409,597	189,786,063	
Land held for property development	7.7(l)(i)	361,949,586	361,694,146	411,624,129	428,628,588	428,819,158	
Prepaid land lease payments	7.7(m)	-	255,440	248,411	241,382	239,622	
Intangible assets	7.7(n)	358,889	358,889	232,223	105,557	73,890	
Associated companies	7.7(o)	15,046,627	15,046,627	14,899,152	14,875,338	14,866,415	
Other investments	7.7(p)	13,412,418	13,412,418	1,286,108	710,418	899,242	
Deferred tax assets	7.7(q)	518,352	518,352	3,586,572	4,135,575	4,271,327	
		<u>1,076,214,458</u>	<u>1,076,214,458</u>	<u>1,133,965,245</u>	<u>1,189,742,904</u>	<u>1,222,573,205</u>	



10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.7 TA Properties (contd.)

Audited Consolidated Balance Sheets of TA Properties Group (Contd.)

Group	Note	2007		2008		2009	
		As per audited financial statements 31 January RM	Restated RM	As per audited financial statements 31 January RM	As per audited financial statements 31 January RM	As per audited financial statements 30 April RM	
Current assets							
Property development costs	7.7(l) (ii)	95,753,534	95,753,534	80,209,544	38,133,667	33,812,136	
Properties held for resale	7.7(r)	2,128,064	2,128,064	681,583	681,583	681,583	
Land held for resale	7.7(s)	9,470,164	9,470,164	6,931,016	6,279,047	6,279,047	
Inventories	7.7(t)	575,647	575,647	1,357,471	463,227	532,005	
Financial receivables	7.7(u)	289,011,730	289,011,730	184,205,048	122,014,443	131,074,812	
Trade receivables	7.7(v)	29,156,892	29,156,892	60,930,307	98,416,113	54,654,082	
Other receivables	7.7(w)	30,693,962	30,693,962	34,323,470	24,255,686	39,043,923	
Tax recoverable		3,038,757	3,038,757	16,369,923	10,176,421	10,130,086	
Due from related companies	7.7(x)	51,704,850	51,704,850	24,357,484	11,190,180	143,287,708	
Due from an associated company	7.7(y)	10,231	10,231	10,899	11,564	11,573	
Short term funds	7.7(z)	91,785,372	91,785,372	197,253,917	153,801,839	170,962,700	
		603,329,203	603,329,203	606,630,662	465,423,770	590,469,655	
TOTAL ASSETS		1,679,543,661	1,679,543,661	1,740,595,907	1,655,166,674	1,813,042,860	

10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.7 TA Properties (contd.)

Audited Consolidated Balance Sheets of TA Properties Group (Contd.)

Group	Note	2007		2008		2009	
		As per audited financial statements 31 January RM	Restated RM	As per audited financial statements 31 January RM	As per audited financial statements 30 April RM	As per audited financial statements 31 January RM	As per audited financial statements 30 April RM
EQUITY AND LIABILITIES							
Equity attributable to equity holder of TA Properties							
Share capital	7.7 (aa)	10,689,489	10,689,489	10,689,489	10,689,489	10,689,489	10,689,489
Share premium		688,799,511	688,799,511	688,799,511	688,799,511	688,799,511	688,799,511
Exchange translation reserve		72,667,521	72,667,521	88,110,827	31,258,138	58,823,703	58,823,703
Exchange differences recognised in equity		41,023,387	41,023,387	51,680,416	42,212,934	44,495,559	44,495,559
Capital reserve		214,436	214,436	214,436	214,436	214,436	214,436
(Accumulated losses)/retained profits		(90,141,893)	(90,141,893)	5,674,018	98,728,419	112,833,903	112,833,903
Minority interests		723,252,451	723,252,451	845,168,697	871,902,927	915,856,601	915,856,601
Preference shares issued by subsidiaries	7.7 (bb)	194,274,581	194,274,581	207,270,471	188,429,089	187,310,412	187,310,412
Total equity		975,515,290	975,515,290	1,110,427,426	1,118,320,274	1,161,155,271	1,161,155,271

10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.7 TA Properties (contd.)

Audited Consolidated Balance Sheets of TA Properties Group (Contd.)

Group	Note	2007		2008		2009	
		As per audited financial statements 31 January RM	Restated RM	As per audited financial statements 31 January RM	As per audited financial statements 31 January RM	As per audited financial statements 30 April RM	
Non-current liabilities							
Provision for liabilities	7.7 (cc)	156,360	156,360	292,101	251,802	286,077	
Term loan	7.7 (dd)	125,214,238	125,214,238	129,223,782	109,479,965	229,239,633	
Promissory notes to a related company	7.7 (ee)	10,985,300	10,985,300	12,028,700	7,944,750	-	
Deferred tax liabilities	7.7 (q)	20,427,741	20,427,741	21,065,114	17,321,590	17,226,181	
		<u>156,783,639</u>	<u>156,783,639</u>	<u>162,609,697</u>	<u>134,998,107</u>	<u>246,751,891</u>	

10. ACCOUNTANTS' REPORT

7.0 HISTORICAL FINANCIAL INFORMATION (CONTD.)

7.7 TA Properties (contd.)

Audited Consolidated Balance Sheets of TA Properties Group (Contd.)

Group	Note	2007		2008		2009	
		As per audited financial statements 31 January RM	Restated RM	As per audited financial statements 31 January RM	As per audited financial statements 31 January RM	As per audited financial statements 30 April 2009 RM	
<u>Current liabilities</u>							
Provision for liabilities	7.7(cc)	813,460	813,460	947,571	919,460	982,039	
Short term borrowings	7.7(dd)	6,866,796	6,866,796	7,883,489	7,481,271	7,643,652	
Trade payables	7.7(ff)	20,573,627	19,963,765	18,407,646	17,714,450	22,164,349	
Other payables	7.7(gg)	28,685,220	29,295,082	18,622,208	19,321,277	18,479,323	
Due to related companies	7.7(hh)	486,360,809	486,360,809	411,265,275	343,554,530	349,549,472	
Due to associated companies	7.7(ii)	1,028,483	1,028,483	514,385	434,350	384,301	
Income tax payable		2,916,337	2,916,337	9,918,210	12,422,955	5,932,562	
Total liabilities		547,244,732	547,244,732	467,558,784	401,848,293	405,135,698	
TOTAL EQUITY AND LIABILITIES		704,028,371	704,028,371	630,168,481	536,846,400	651,887,589	
		1,679,543,661	1,679,543,661	1,740,595,907	1,655,166,674	1,813,042,860	

