
APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION

The information set out in this appendix does not form part of the Accountants' Report received from BDO Limited, Certified Public Accountants, Hong Kong, the reporting accountant of the Company, as set out in appendix I to this prospectus. Accordingly, this appendix is included herein for illustrative purpose only.

The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this prospectus and the Accountants' Report set out in appendix I to this prospectus.

A. STATEMENT OF UNAUDITED PRO FORMA ADJUSTED NET TANGIBLE ASSETS

The following statement of unaudited pro forma adjusted net tangible assets of the Group prepared in accordance with Rule 4.29 of the Listing Rules are set out to illustrate the effect of the Share Offer on the combined net tangible assets attributable to the owners of the Company as at 31 March 2011 as if they had taken place on that date. The statement of unaudited pro forma adjusted net tangible assets has been prepared for illustrative purpose only and, because of its hypothetical nature, it may not give a true picture of the financial position of the Group had the Share Offer been completed as at 31 March 2011 or at any future date.

The unaudited pro forma adjusted net tangible assets is based on the audited combined net assets attributable to the owners of the Company as at 31 March 2011 as shown in the Accountants' Report, the text of which is set out in appendix I to this prospectus, and adjusted as described below.

	Unadjusted audited combined net tangible assets attributable to owners of the Company as at 31 March 2011	Estimated net proceeds from the Share Offer	Unaudited pro forma adjusted net tangible assets attributable to owners of the Company	Unaudited pro forma adjusted net tangible assets per Share
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$</i>
	<i>(Note 1)</i>	<i>(Note 2)</i>		<i>(Note 3)</i>
Based on an Offer Price of HK\$0.56 per Share	21,448	42,646	64,094	0.13
Based on an Offer Price of HK\$0.69 per Share	21,448	55,256	76,704	0.15

Notes:

- The unadjusted audited combined net tangible assets attributable to owners of the Company as at 31 March 2011 is extracted from the accountants' report set out in appendix I to this prospectus, which is based on the audited combined net assets attributable to owners of the Company as at 31 March 2011 of approximately HK\$21,448,000.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION

2. The estimated net proceeds from the Share Offer are based on the Offer Price of HK\$0.56 per Share and HK\$0.69 per Share, respectively, after deduction of the underwriting fees and related expenses payable by the Company and do not take into account of any Share which may be allotted and issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme and any options which may be granted under the Share Option Scheme or Share which may be allotted and issued or purchased by the Company pursuant to the general mandate for the allotment and issue or purchase of Shares referred to in the paragraphs headed “Resolutions of the Shareholders” in appendix V to this prospectus.

3. The unaudited pro forma adjusted net tangible assets per Share has been arrived at after making the adjustments referred to in this section and on the basis of a total of 500,000,000 Shares in issue immediately following completion of the Share Offer.

B. REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from BDO Limited, Certified Public Accountants, Hong Kong, in connection with the unaudited pro forma financial information of the Group.



Tel : +852 2541 5041
Fax: +852 2815 2239
www.bdo.com.hk

25th Floor Wing On Centre
111 Connaught Road Central
Hong Kong

電話 : +852 2541 5041
傳真 : +852 2815 2239
www.bdo.com.hk

香港干諾道中111號
永安中心25樓

16 September 2011

TO THE DIRECTORS OF TRAVEL EXPERT (ASIA) ENTERPRISES LIMITED

We report on the unaudited pro forma financial information of Travel Expert (Asia) Enterprises Limited (formerly known as Travel Expert Enterprises (Cayman) Limited) (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”), set out on pages II-1 to II-2 under the heading of “Unaudited Pro Forma Financial Information” (the “Unaudited Pro Forma Financial Information”) in appendix II of the Company’s prospectus dated 16 September 2011, in connection with the share offer of the Company (the “Prospectus”). The Unaudited Pro Forma Financial Information has been prepared by the directors of the Company for illustrative purposes only, to provide information about how the share offer of the Company might have affected the financial information presented, for inclusion in section A of appendix II to the Prospectus. The basis of preparation of the Unaudited Pro Forma Financial Information is set out on pages II-1 to II-2 of the Prospectus.

Respective responsibilities of directors of the Company and reporting accountants

It is the responsibility solely of the directors of the Company to prepare the Unaudited Pro Forma Financial Information in accordance with rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

It is our responsibility to form an opinion, as required by rule 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that to whom those reports were addressed by us at the dates of their issue.

Basis of opinion

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements (HKSIR) 300 “Accountants’ Reports on Pro Forma Financial Information in Investment Circulars” issued by the HKICPA. Our work consisted primarily of comparing the audited combined net assets of the Group as of 31 March 2011 with the Accountants’ Report as set out in appendix I of the Prospectus, considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Financial Information with the directors of the Company. This engagement did not involve independent examination of any of the underlying financial information.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated, that such basis is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to rule 4.29(1) of the Listing Rules.

Our work did not constitute an audit or review made in accordance with Hong Kong Standards on Auditing or Hong Kong Standards on Review Engagements issued by the HKICPA, and accordingly, we did not express any such assurance on the Unaudited Pro Forma Financial Information.

The Unaudited Pro Forma Financial Information is for illustrative purposes only, based on the judgements and assumptions of the directors of the Company, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of the financial position of the Group as at 31 March 2011 or any future date.

Opinion

In our opinion:

- (a) the Unaudited Pro forma Financial Information has been properly compiled by the directors of the Company on the basis stated;

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION

- (b) such basis is consistent with the accounting policies of the Group; and

- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to rule 4.29(1) of the Listing Rules.

Yours faithfully,

BDO Limited

Certified Public Accountants

Lo Ngai Hang

Practising Certificate Number P04743

25th Floor, Wing on Centre,

111 Connaught Road Central

Hong Kong