

# Asiatravel.com



**ASIATRAVEL.COM HOLDINGS LTD**  
**(Company Registration No.: 199907534E)**  
(Incorporated in the Republic of Singapore)

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## RECEIPT OF NOTIFICATION OF DELISTING

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The Board of Directors (the “**Board**”) of Asiatravel.com Holdings Ltd (the “**Company**” together with its subsidiaries, the “**Group**”) wishes to announce that the Company had on 9 March 2022 received from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) a notification of delisting from the Official List of the SGX-ST (“**Delisting Notification**”).

In the Delisting Notification, the SGX-ST noted as follows:

1. Asiatravel was suspended since 6 July 2018 as it was unable to continue as a going concern pursuant to Catalist Rule 1303(3) following its auditors, Ernst & Young LLP’s (“**EY**”) disclaimer of audit opinion having considered the Group’s net loss and negative working capital. Pursuant to Catalist Rule 1304(1), an issuer suspended under Catalist Rule 1303(3) must submit a resumption proposal within 12 months, failing which the Exchange may delist the issuer. The Company had sought and been granted multiple extensions of time to submit its resumption proposal, with the last extension deadline being 31 July 2021.
2. In August 2018, following receipt of statutory demands and writ of summons from its creditors, the Company filed applications with the Court to seek a moratorium against legal proceedings with the intention of subsequently proposing a scheme of arrangement (“**Scheme**”) to organise the Company’s liabilities. The Company’s liabilities owing to the scheme creditors amounted to approximately S\$8.2 million. On 1 February 2021, the Court sanctioned the Scheme which is now binding between the Company and its scheme creditors. However, the Scheme has not been implemented as it involves issuance of shares which can only take place if trading in the Company’s securities resumes.
3. In July 2018, the Company received a notice of intent from the Singapore Tourism Board (“**STB**”) in relation to the suspension of the Company’s travel agent licence (“**Travel Agent Licence**”) due to the Company’s failure to fulfil its financial obligations. In October 2018, Asiatravel further received a notice of decision (“**Notice of Decision**”) directing the suspension of the Company’s Travel Agent License with effect from 20 October 2018. Whilst the Company submitted an appeal to the Minister of Trade & Industry (“**MTI**”) and STB against the Notice of Decision, such appeal was subsequently rejected.
4. Notwithstanding that the Company submitted its resumption proposal to SGX RegCo, the proposal was inadequate and did not satisfactorily address issues on the Company’s ability to operate as a going concern. The Exchange had to issue several rounds of queries to the Company to better understand the Company’s resumption proposal and to obtain supporting documents and details on how the Company is able to substantiate, amongst others, that it has a viable business and is able to operate as a going concern.
5. In support of its resumption proposal, the Company put forth that it has attempted to (a) raise funds, (b) undergo debt restructuring, (c) restart its online travel agent business (“**OTA Business**”) and (d) enter into a new business in marketing and ticketing of large-scale events in the People’s Republic of China (“**PRC**”) via a wholly foreign- owned enterprise (“**WFOE**”) and variable interest entity (“**VIE**”) structure (“**Events Ticketing Business**”).
6. In addition, the Company submitted a two-year Business Projection (FY2021 and FY2022) for both the OTA Business and Events Ticketing Business which projected aggressive year-on-year growth in the Group’s revenue as well as profit before tax under 3 scenarios – “Best”, “Fair” and “Worst”. Upon further review, we noted that the growth rate assumption adopted in the Business Projection ranged from 200% to 2,400% under the various scenarios. This is despite the Company not even meeting the “Worst” case scenario for FY2021 as none of the large-scale events forecasted for FY2021 took place and the OTA

business recorded negligible revenue. Moreover, leisure, travel and large-scale events continue to be adversely affected by the world-wide Covid-19 pandemic. We further understand through RHTC that the Business Projection has not been reviewed by the Company's auditors and/or other independent professionals.

7. Taking into account the resumption proposal as well as the Company's submissions, representations and responses to the Exchange's queries, the Company had failed to demonstrate to SGX RegCo that it has a viable business and is able to continue as a going concern. In arriving at this decision, SGX RegCo considered, amongst others, the following factors:

- (i) Based on its latest announced audited financial statements for FY2020, the Group was in a net liability position of S\$22.1 million and its auditors, EY, had issued a disclaimer of audit opinion on the basis of the Company's inability to operate as a going concern and its insufficient accounting data and financial records;
- (ii) The Company's Travel Agent Licence has been suspended by the STB since 20 October 2018. As a result, the Company does not have any existing business operation;
- (iii) The assumptions adopted for the Business Projection in both the OTA Business and Events Ticketing Business were aggressive. The Company did not even meet the "Worst" case scenario for FY2021. Further, the Company has not appointed its auditors or a suitable independent professional to review the Business Projection;
- (iv) The Company intends to restart its OTA Business through an entity that was only incorporated in October 2020 and had recorded revenue of merely S\$567 for the financial period ended 30 June 2021;
- (v) The Events Ticketing Business did not have any past track record and the supposed large-scale events which were scheduled in December 2021 did not take place. In addition, this business was to be undertaken by way of a WFOE and VIE structure, which exposes the Company to significant political and regulatory risks as it was widely reported in the media that the PRC authorities had expressed plans to prohibit the use of such structures.

We further note that the Company has not conducted extensive due diligence on the new business and its associated risks;

- (vi) Although the Group had entered into agreements with various investors to raise working capital, the Company was only able to partially draw down on these facilities. We also understand from the Company that despite entering into an agreement with an existing investor, the Company is currently facing difficulties drawing down on the agreed loan; and
  - (vii) The Board's confirmation on adequacy of working capital for 12 months after resumption of trading is dependent on it being able to obtain funding from investors. There is no certainty that the Company will be able to do so, as its past fund raising activities did not proceed to completion and Asiatravel is facing difficulties drawing down from a loan extended by an existing investor.
8. Following the completion of the Company's FY2020 audit, EY has resigned as the Company's auditors. To-date, the Company has not appointed a new auditors.
9. Having considered the above factors in totality, the Company had failed to demonstrate to SGX RegCo that the Company has a viable business and is able to continue as a going concern to enable trading to resume.
10. RHTC noted that the successful implementation of the resumption proposal is contingent upon many future events materialising.
11. The Company was suspended on 6 July 2018 as it was unable to continue as a going concern. Sufficient time has been provided to the Company to, amongst others, restructure its business and operations, address the going concern issue and prepare a resumption proposal which can address concerns on business viability and going concern matters, to enable trading in its securities to resume.
12. In view of the above, SGX RegCo rejects the Company's resumption proposal and directs the Company to **delist** pursuant to Catalist Rules 1304(1). As a result of the Exchange's directed delisting, the issuer or its controlling shareholder(s) must comply with the requirements of Catalist Rule 1308 which requires the Company or its controlling shareholder(s) to provide a fair and reasonable exit offer to shareholders.

13. The Delisting Notice is to notify the Company that its shares will be **delisted from the SGX-ST** after it has made an exit offer to shareholders and holders of any other classes of listed securities to be delisted, in accordance with Catalist Rule 1308. The Company is to inform SGX on the exit offer proposal as soon as practicable and no later than one month from the date of the Delisting Notice and provide updates via SGXNET on the status of the Company's exit offer proposal. The Company must also provide prompt updates in respect of the implementation of its exit offer.

The Company is looking into appealing the Delisting Notification.

The Company will make the necessary announcement (s) as and when there are further developments relating to the Delisting Notification.

#### **BY ORDER OF THE BOARD**

Boh Tuang Poh  
Executive Chairman and Chief Executive Officer

10 March 2022

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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