

AXCELASIA GROWS ASEAN PRESENCE THROUGH EXPANSION TO INDOCHINA; ANNOUNCES HY2016 RESULTS

SINGAPORE, 12 AUGUST 2016 – Singapore Exchange Catalist-listed **Axcelasia Inc.** (“Axcelasia” or the “Group”), an integrated professional services firm, announced today it will establish operations in Laos and Vietnam, the second and third cities of its asset-light expansion in Southeast Asia.

The Company intends to provide business consultancy, risk management and corporate support services in Laos.

For Vietnam, the Group is identifying a potential partner who has knowledge and experience in the local market and who can drive business opportunities in the country of 95 million people. Kuala Lumpur-headquartered Axcelasia hopes that its Vietnam entity will be operational by the end of 2016.

Axcelasia’s foray into Indochina comes five months after it established an office in Singapore, the domicile of its public listing, and is part of a regional expansion focusing on opportunities in the Association of South East Asian Nations (“ASEAN”). Axcelasia expects non-Malaysian operations to commence revenue contribution by the financial year ending 31 December 2016.

Beyond these first three partnerships in ASEAN, the Group has also been active in discussions with potential partners in Thailand, Indonesia, Philippines and Brunei.

Mr. Ranjit Singh, Axcelasia’s Executive Director, said, “Having a presence in Laos and Vietnam constitutes a major step in our expansion strategy which will allow us a foothold in Indochina. We expect to capitalise on opportunities arising from the formalisation of the ASEAN Economic Community. Our asset-light strategy allows us to mitigate start-up risks even as we build up Axcelasia’s profile in the region.”

Concurrently, Axcelasia announced its results for the half year ended 30 June 2016 (“HY2016”). HY2016 revenue decreased to RM8.3 million from RM16.6 million a year ago due to a decline in large consultancy contracts and the completion of Goods and Services Tax implementation projects in the financial year ended 31 December 2015. The Group will continue to pursue new engagements leveraging on its successful track record.

In line with the lower revenue, profit before tax decreased to RM157,000 in HY2016 compared to RM7.7 million in HY2015 while net loss came to RM291,000 from a net profit of RM6.1 million, respectively.

Cash and bank balances declined to RM25.9 million as at 30 June 2016 compared to RM29.0 million as at 31 December 2015, in line with business expansion that included establishing the new Singapore office.

The Group recorded a loss per share of 0.17 RM cent in HY2016 compared to earnings per share of 4.92 RM cents in HY2015. Net asset value per share increased marginally to 21.32 RM cents as at 30 June 2016 from 21.24 RM cents as at 31 December 2015.

Dr. Veerinderjeet Singh, Axcelasia's Executive Chairman, said, "The operating environment remains challenging amidst economic volatility and cost containment measures by corporates. We will continue to pursue marketing activities and drive synergies between our core businesses by cross-selling our services."

"Leveraging on the Group's experienced management team, we are hopeful of a positive outcome in 2H2016. We remain committed to drive value to our shareholders in the long run," he added.

Axcelasia will continue to build capacity in complementary areas such as business continuity management, corporate finance and information technology. It will build up its technology capabilities to include managed services, leveraging on its Enterprise Management System ("EMS") platform, which was officially launched in Kuala Lumpur in 1H2016. The Group intends to launch the EMS platform in Singapore in 2H2016 and will also take part in various conferences to further raise its profile and promote its capabilities.

On 1 March 2016, Axcelasia conducted a Corporate and Business Update which outlined three post-IPO strategies: (i) asset-light geographical expansion in Malaysia and ASEAN region; (ii) expansion of portfolio of services to develop new revenue streams; and (iii) harnessing of economies of scale arising from business growth.

END OF RELEASE

Issued on behalf of the Group by WeR1 Consultants Pte Ltd:

Media & Investor Contact Information

WeR1 Consultants Pte Ltd
3 Phillip Street #12-01, Royal Group Building
Singapore 048693
Tel: (65) 6737 4844
Ian Lau, ianlau@wer1.net

About Axcelasia Inc.

Axcelasia Inc. ("Axcelasia") provides integrated professional services mainly in Malaysia to government-linked entities, private and public listed companies and multinational corporations. Its four key business segments are tax advisory, business consultancy, enterprise management system application and business support. Axcelasia was incorporated on 21 August 2015 in Labuan, Malaysia under the Labuan Companies Act as a company limited by shares and was listed on the Singapore Exchange Catalist Board on 27 November 2015.

For more information, please visit: <http://www.axcelasia.com/>

Axcelasia Inc. (the "Company") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 27 November 2015. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor").

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Lance Tan, Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.