



ASIATRavel.COM HOLDINGS LTD ("Company")
(Co. Regn. No.: 199907534E)

Third Quarter Financial Statement And Related Announcement For The Period Ended 30 June 2016

PART I - INFORMATION REQUIRED FOR THIRD QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2016

- 1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

| | GROUP | | % Increase / (Decrease) |
|-----------------------------------------------|-------------------------|-------------------------|-------------------------|
| | S\$'000 | | |
| | April 2016 to June 2016 | April 2015 to June 2015 | |
| Revenue | | | |
| Sales of services | 24,329 | 22,205 | 9.6 |
| Other items of income | | | |
| Interest income from loans and receivables | 1 | - | N/M |
| Other income | 1,977 | 222 | 790.5 |
| | <u>26,307</u> | <u>22,427</u> | 17.3 |
| Items of expenses | | | |
| Changes in inventories | 21,144 | 18,494 | 14.3 |
| Amortisation of intangible assets | 318 | 206 | 54.4 |
| Salaries and employee benefits | 2,700 | 2,437 | 10.8 |
| Depreciation of property, plant and equipment | 257 | 244 | 5.3 |
| Other operating expenses | 3,100 | 3,557 | (12.8) |
| Finance costs | 56 | 61 | (8.2) |
| | <u>27,575</u> | <u>24,999</u> | 10.3 |
| Loss before tax | (1,268) | (2,572) | (50.7) |
| Income tax | (10) | (11) | (9.1) |
| Loss net of tax | <u>(1,278)</u> | <u>(2,583)</u> | (50.5) |
| Attributable to: | | | |
| Owners of the Company | (1,042) | (2,333) | (55.3) |
| Non-controlling interests | (236) | (250) | (5.6) |
| | <u>(1,278)</u> | <u>(2,583)</u> | (50.5) |

N/M = Not Meaningful

STATEMENT OF COMPREHENSIVE INCOME FOR THIRD QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2016

| | GROUP | | % |
|----------------------------------------------------------------------|-------------------------------|-------------------------------|--------------------------|
| | S\$'000 | | |
| | April 2016 to June 2016 | April 2015 to June 2015 | Increase / (Decrease) |
| Loss net of tax | (1,278) | (2,583) | (50.5) |
| Other comprehensive income | | | |
| Items that may be reclassified subsequently to profit or loss | | | |
| Translation of financial statements of foreign subsidiaries | (106) | (246) | (56.9) |
| Total comprehensive income for the year | <u>(1,384)</u> | <u>(2,829)</u> | <u>(51.1)</u> |
| Total comprehensive income attributable to: | | | |
| Owners of the Company | (1,148) | (2,582) | (55.5) |
| Non-controlling interests | (236) | (247) | (4.5) |
| Total comprehensive income for the year | <u>(1,384)</u> | <u>(2,829)</u> | <u>(51.1)</u> |

Notes :

- (i) Loss before tax is determined after charging / (crediting) the following :

| | GROUP | | % |
|---------------------------------------------------|-------------------------------|-------------------------------|--------------------------|
| | S\$'000 | | |
| | April 2016 to June 2016 | April 2015 to June 2015 | Increase / (Decrease) |
| (a) Amortisation of intangible assets | 318 | 206 | 54.4 |
| (b) Depreciation of property, plant and equipment | 257 | 244 | 5.3 |
| (c) Unrealised foreign exchange loss | 82 | 9 | N/M |
| (d) Interest income | (1) | - | - |
| (e) Finance costs | 56 | 61 | (8.2) |
| (f) Inventories written off | 1 | - | - |

N/M = Not Meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

| | Group S\$'000 | | Company S\$'000 | |
|-----------------------------------------------------|------------------|---------------|--------------------|---------------|
| | 30/06/2016 | 30/09/2015 | 30/06/2016 | 30/09/2015 |
| Intangible assets | 8,222 | 8,132 | 4,228 | 3,908 |
| Property, plant and equipment | 5,454 | 5,932 | 183 | 297 |
| Investment in subsidiaries | - | - | 8,732 | 8,732 |
| Other investments | 85 | 85 | - | - |
| Deferred tax assets | - | 5 | - | - |
| | 13,761 | 14,154 | 13,143 | 12,937 |
| Current Assets | | | | |
| Inventories | 4,420 | 4,996 | 64 | 65 |
| Trade receivables | 11,031 | 10,835 | 798 | 308 |
| Prepaid operating expenses | 2,400 | 2,003 | 496 | 564 |
| Other receivables ¹ | 4,476 | 2,148 | 2,171 | 94 |
| Amounts due from subsidiaries | - | - | 17,274 | 13,967 |
| Amounts due from other related parties | - | 7 | - | - |
| Fixed deposits and cash pledged | 2,050 | 2,974 | 1,893 | 2,730 |
| Cash and cash equivalents | 9,205 | 6,074 | 7,174 | 3,262 |
| | 33,582 | 29,037 | 29,870 | 20,990 |
| Current Liabilities | | | | |
| Trade payables ² | 6,309 | 3,494 | - | - |
| Deferred income | 4,670 | 4,782 | 324 | 250 |
| Other payables | 6,267 | 5,549 | 1,412 | 1,597 |
| Amounts due to other related parties | 5 | - | - | - |
| Amounts due to subsidiaries | - | - | 15,467 | 12,666 |
| Obligations under finance leases | 976 | 917 | 33 | 32 |
| Income tax payable | 20 | 38 | - | - |
| | 18,247 | 14,780 | 17,236 | 14,545 |
| Net Current Assets | 15,335 | 14,257 | 12,634 | 6,445 |
| Non-Current Liabilities | | | | |
| Obligations under finance leases | 899 | 1,639 | (140) | 165 |
| Deferred tax liabilities | 2 | 3 | - | - |
| Net Assets | 28,195 | 26,769 | 25,637 | 19,217 |
| Equity attributable to owners of the Company | | | | |
| Share capital and treasury shares | 60,479 | 52,981 | 60,479 | 52,981 |
| Reserves | (33,781) | (28,415) | (34,842) | (33,764) |
| Shareholders' equity | 26,698 | 24,566 | 25,637 | 19,217 |
| Non-controlling interests | 1,497 | 2,203 | - | - |
| Total equity | 28,195 | 26,769 | 25,637 | 19,217 |

¹ The Group's other receivables increased by S\$2.3 million. Part of the increase is attributable to the provision of technical support pursuant to an agreement with a China-based travel agency.

² The Group trade payables increased by S\$2.8 million. The increase is in tandem with the increase in Group's revenue and longer credit terms given by the suppliers.

(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

| As at 30/06/2016 | | As at 30/09/2015 | |
|------------------|-----------|------------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| 976 | NIL | 917 | NIL |

Amount repayable after one year

| As at 30/06/2016 | | As at 30/09/2015 | |
|------------------|-----------|------------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| 899 | NIL | 1,639 | NIL |

Details of any collateral

S\$1.875 million of obligation under hire purchase lease has been pledged against the Group's fleet of vehicles.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

| | 01/04/2016 to 30/06/2016 S\$'000 | 01/04/2015 to 30/06/2015 S\$'000 |
|---------------------------------------------------------------|-------------------------------------------|-------------------------------------------|
| Cash flows from operating activities : | | |
| Loss before income tax and non-controlling interests | (1,268) | (2,572) |
| Adjustments for : | | |
| Depreciation of property, plant and equipment | 257 | 244 |
| Amortisation of intangible assets | 318 | 206 |
| Interest expense | 56 | 61 |
| Interest income | (1) | - |
| Share based compensation | - | 1 |
| Exchange loss - unrealised | 82 | 9 |
| Operating loss before changes in working capital | (556) | (2,051) |
| Changes in working capital | | |
| Increase in inventories | (150) | (561) |
| Increase in receivables and prepaid operating expenses | (1,146) | (1,166) |
| Decrease in payables and deferred income | (794) | (782) |
| Decrease in amount due to other related parties | (6) | (7) |
| Cash used in operations | (2,652) | (4,567) |
| Interest paid | (56) | (61) |
| Interest received | 1 | - |
| Income tax paid | (4) | (9) |
| Translation adjustment | (156) | (25) |
| Net cash used in operating activities | (2,867) | (4,662) |
| Cash flows from investing activities : | | |
| Purchase of property, plant and equipment | (159) | (56) |
| Addition to intangible assets | (492) | (370) |
| Net cash used in investing activities | (651) | (426) |
| Cash flows from financing activities : | | |
| Repayment of obligations under finance leases | (232) | (216) |
| Proceeds from issuance of new shares, net of expenses | 8,120 | 9,575 |
| Proceeds from loan and borrowings | - | 120 |
| Purchase of treasury shares | (624) | - |
| Decrease in fixed deposits and cash pledged | 695 | - |
| Net cash generated from financing activities | 7,959 | 9,479 |
| Net increase in cash and cash equivalents | 4,441 | 4,391 |
| Cash and cash equivalents at the beginning of the period | 4,781 | 4,462 |
| Effects of exchange rate changes on cash and cash equivalents | (17) | (89) |
| Cash and cash equivalents at end of the period | 9,205 | 8,764 |
| Fixed deposits and cash pledged | 2,050 | 1,550 |
| Total cash balance | 11,255 | 10,314 |

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

| <u>Group</u> | Share capital S\$'000 | Treasury shares S\$'000 | Accumulated losses S\$'000 | Foreign currency translation reserve S\$'000 | Capital reserve S\$'000 | Share-based compensation reserve S\$'000 | Total reserves S\$'000 | Non-controlling interests S\$'000 | Total equity S\$'000 |
|-------------------------------------------------------------|--------------------------|----------------------------|-------------------------------|-------------------------------------------------|----------------------------|---------------------------------------------|---------------------------|--------------------------------------|-------------------------|
| 2016 | | | | | | | | | |
| Balance at 1 April 2016 | 56,107 | (3,124) | (32,504) | (1,514) | 1,372 | 13 | (32,633) | 1,733 | 22,083 |
| Loss net of tax | - | - | (1,042) | - | - | - | (1,042) | (236) | (1,278) |
| Other comprehensive income for the period | | | | | | | | | |
| Translation of financial statements of foreign subsidiaries | - | - | - | (106) | - | - | (106) | - | (106) |
| Total comprehensive income for the period | - | - | (1,042) | (106) | - | - | (1,148) | (236) | (1,384) |
| Contributions by and distributions to owners | | | | | | | | | |
| Net proceed from issuance of new shares, net of expenses | 8,120 | - | - | - | - | - | - | - | 8,120 |
| Purchase of treasury shares | - | (624) | - | - | - | - | - | - | (624) |
| Total contributions by and distributions to owners | 8,120 | (624) | - | - | - | - | - | - | 7,496 |
| Balance at 30 June 2016 | 64,227 | (3,748) | (33,546) | (1,620) | 1,372 | 13 | (33,781) | 1,497 | 28,195 |

| <u>Group</u> | Share capital S\$'000 | Treasury shares S\$'000 | Accumulated losses S\$'000 | Foreign currency translation reserve S\$'000 | Capital reserve S\$'000 | Share-based compensation reserve S\$'000 | Total reserves S\$'000 | Non-controlling interests S\$'000 | Total equity S\$'000 |
|-------------------------------------------------------------|--------------------------|----------------------------|-------------------------------|-------------------------------------------------|----------------------------|---------------------------------------------|---------------------------|--------------------------------------|-------------------------|
| 2015 | | | | | | | | | |
| Balance at 1 April 2015 | 46,530 | (3,124) | (21,642) | (1,440) | 1,372 | 11 | (21,699) | 2,225 | 23,932 |
| Loss net of tax | - | - | (2,333) | - | - | - | (2,333) | (250) | (2,583) |
| Other comprehensive income for the period | | | | | | | | | |
| Translation of financial statements of foreign subsidiaries | - | - | - | (249) | - | - | (249) | 3 | (246) |
| Total comprehensive income for the period | - | - | (2,333) | (249) | - | - | (2,582) | (247) | (2,829) |
| Contributions by and distributions to owners | | | | | | | | | |
| Grant of equity-settled share option to employee | - | - | - | - | - | 1 | 1 | - | 1 |
| Net proceed from issuance of new shares | 9,575 | - | - | - | - | - | - | - | 9,575 |
| Total contributions by and distributions to owners | 9,575 | - | - | - | - | 1 | 1 | - | 9,576 |
| Balance at 30 June 2015 | 56,105 | (3,124) | (23,975) | (1,689) | 1,372 | 12 | (24,280) | 1,978 | 30,679 |

| <u>Company</u> | Share capital S\$'000 | Treasury shares S\$'000 | Accumulated losses S\$'000 | Share-based compensation reserve S\$'000 | Total reserves S\$'000 | Total equity S\$'000 |
|-----------------------------------------------------------|--------------------------|----------------------------|-------------------------------|---------------------------------------------|---------------------------|-------------------------|
| 2016 | | | | | | |
| Balance at 1 April 2016 | 56,107 | (3,124) | (35,885) | 13 | (35,872) | 17,111 |
| Loss net of tax | - | - | 1,030 | - | 1,030 | 1,030 |
| Total comprehensive income for the period | - | - | 1,030 | - | 1,030 | 1,030 |
| Contributions by and distributions to owners | | | | | | |
| Net proceed from issuance of new shares, net of expenses | 8,120 | - | - | - | - | 8,120 |
| Purchase of treasury shares | - | (624) | - | - | - | (624) |
| Total contributions by and distributions to owners | 8,120 | - | - | - | - | 7,496 |
| Balance at 30 June 2016 | 64,227 | (3,748) | (34,855) | 13 | (34,842) | 25,637 |

| <u>Company</u> | Share capital S\$'000 | Treasury shares S\$'000 | Accumulated losses S\$'000 | Share-based compensation reserve S\$'000 | Total reserves S\$'000 | Total equity S\$'000 |
|-----------------------------------------------------------|--------------------------|----------------------------|-------------------------------|---------------------------------------------|---------------------------|-------------------------|
| 2015 | | | | | | |
| Balance at 1 April 2015 | 46,530 | (3,124) | (29,461) | 11 | (29,450) | 13,956 |
| Loss net of tax | - | - | (1,245) | - | (1,245) | (1,245) |
| Total comprehensive income for the period | - | - | (1,245) | - | (1,245) | (1,245) |
| Contributions by and distributions to owners | | | | | | |
| Grant of equity-settled share option to employee | - | - | - | 1 | 1 | 1 |
| Net proceed from issuance of new shares | 9,575 | - | - | - | - | 9,575 |
| Total contributions by and distributions to owners | 9,575 | - | - | 1 | 1 | 9,576 |
| Balance at 30 June 2015 | 56,105 | (3,124) | (30,706) | 12 | (30,694) | 22,287 |

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

| Details of any changes in the Group's issued share capital | | Number of Ordinary Shares | Paid-up Capital S\$ |
|------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------|---------------------|
| As at 1 April 2016 | Issued and fully paid ordinary shares at beginning of financial period | 350,588,286 | 52,982,868 |
| 7 June 2016 | Issuance of new shares to ZhongHong New World International Limited @ S\$0.20 each. | 41,500,000 | 8,300,000 |
| 8 June 2016 | Purchase of treasury shares @ S\$0.17314 from open market | (250,000) | (43,285) |
| 9 June 2016 | Purchase of treasury shares @ S\$0.17314 from open market | (300,000) | (51,729) |
| 10 June 2016 | Purchase of treasury shares @ S\$0.17773 from open market | (200,000) | (35,546) |
| 13 June 2016 | Purchase of treasury shares @ S\$0.17800 from open market | (140,000) | (24,920) |
| 14 June 2016 | Purchase of treasury shares @ S\$0.17834 from open market | (298,000) | (53,145) |
| 15 June 2016 | Purchase of treasury shares @ S\$0.17870 from open market | (200,000) | (35,740) |
| 16 June 2016 | Purchase of treasury shares @ S\$0.17846 from open market | (300,000) | (53,538) |
| 17 June 2016 | Purchase of treasury shares @ S\$0.17787 from open market | (300,000) | (53,361) |
| 20 June 2016 | Purchase of treasury shares @ S\$0.17800 from open market | (300,000) | (53,400) |
| 21 June 2016 | Purchase of treasury shares @ S\$0.17602 from open market | (300,000) | (52,806) |
| 22 June 2016 | Purchase of treasury shares @ S\$0.17733 from open market | (300,000) | (53,199) |
| 23 June 2016 | Purchase of treasury shares @ S\$0.17538 from open market | (130,000) | (22,799) |
| 24 June 2016 | Purchase of treasury shares @ S\$0.17300 from open market | (100,000) | (17,354) |
| 28 June 2016 | Purchase of treasury shares @ S\$0.17551 from open market | (296,000) | (52,112) |
| 29 June 2016 | Purchase of treasury shares @ S\$0.17653 from open market | (120,000) | (21,249) |
| 30 June 2016 | Purchase of treasury shares @ S\$0.17315 from open market | (118,000) | (20,495) |
| As at 30 June 2016 | Issued and fully paid ordinary shares at end of financial period | 388,436,286 | 60,638,190 |

Note : There were 14,298,000 Treasury Shares as at 30 June 2016 and 10,646,000 as at 30 June 2015.

The number of shares that may be issued on conversion of all outstanding options granted pursuant to the Employees' Share Option Scheme amounted to 300,000 as at 30 June 2016 and 30 June 2015.

As at 30 June 2016, there are 29,518,785 Tranche 2 warrants in issue. Each warrant confers upon the warrant holder the right to subscribe in cash, one new share at an exercise price of S\$0.273 for Tranche 2.

Tranche 2 warrants has expired on 15 July 2016.

Save as disclosed above, there have been no bonus or other issues of shares during the period.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

| | Number of Ordinary Shares | Number of Ordinary Shares |
|---------------------------------------------------------|---------------------------|---------------------------|
| | 30/06/2016 | 30/09/2015 |
| Total number of issued shares excluding treasury shares | 388,436,286 | 350,577,036 |

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

During the financial period, there was no transaction pertaining to treasury shares.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures in this announcement have not been audited or reviewed.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

N/A

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Other than as mentioned in Section 5 regarding the adoption of new and revised Singapore Financial Reporting Standards, the same accounting policies and methods of computation have been applied as of the most recently audited annual financial statements.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group adopted all new and revised Singapore Financial Reporting Standards (FRS) that are relevant to its operations and effective for annual periods beginning on or after 1 October 2015. The adoption of the new and revised FRS had no significant impact on the financial statements of the Group.

- 6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

| | GROUP | |
|-----------------------------------------------------------------------------------------------------|----------------------|----------------------|
| Loss per Ordinary Share for the financial period based on net profit attributable to shareholders:- | Apr 2016 to Jun 2016 | Apr 2015 to Jun 2015 |
| (i) Based on the weighted average number of ordinary shares on issue | (0.29) cts | (0.67) cts |
| (ii) On a fully diluted basis | (0.29) cts | (0.67) cts |

The basic loss per share (LPS) is computed based on the weighted average number of shares in issue of 360,589,715 during this period (3QFY2015: 347,060,552).

The financial effect of share options and warrants issued has been disregarded in the calculation for dilutive LPS for the period as they are anti-dilutive.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**
(a) current financial period reported on; and
(b) immediately preceding financial year.

| | GROUP | |
|------------------------------------------------------------------|--------------------|-------------------------|
| | As at 30 June 2016 | As at 30 September 2015 |
| Net Asset Value per Ordinary Share based on issued share capital | 6.87 cts | 7.01 cts |
| | COMPANY | |
| | As at 30 June 2016 | As at 30 September 2015 |
| Net Asset Value per Ordinary Share based on issued share capital | 6.60 cts | 5.48 cts |

The Net Assets Value per Ordinary Share is computed on the number of 388,436,286 shares in issue as at 30 June 2016 and 350,577,036 share in issue as at 30 September 2015.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The Group's revenue increased by 9.6% (S\$2.1 million) to S\$24.3 million for the financial period under review when compared to S\$22.2 million in the corresponding financial period in FY2015.

The increase in the Group's revenue was mainly due to the following:

The revenue from online B2B (TAcentre.com) business increased by 106.7% (S\$4.8 million) from S\$4.5 million in FY2015 to S\$9.3 million in FY2016;

The revenue from Group's offline wholesale business has turned around. The revenue increased by 19.4% (S\$0.6 million) from S\$3.1 million in FY2015 to S\$3.7 million in FY2016.

The increase in the Group's revenue was mainly contributed by its B2B business. The Group's B2B platform, TAcentre.com is a major player in the online B2B channel in China and S.E.Asian markets with substantial marketing, service and support team. TAcentre.com has over 15,000 travel agents using its platform. With the scale up of its bulk purchase program to position itself as the lowest cost supplier, this division is expected to experience strong growth going forward.

The Group's other income increased by S\$1.76 million. Part of the increase is attributable to the provision of technical support pursuant to an agreement with a China-based travel agency.

The Group's other operating expenses decreased by 12.8% (S\$0.5 million) mainly due to the cut back in Advertisement and Promotion ("A&P") expenditure of 25.9% (S\$0.7 million) from S\$2.7 million in FY2015 to S\$2.0 million in FY2016.

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No specific forecast or prospect statement was previously disclosed.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group received partial subscription of new shares amounting to S\$8.3 million out of S\$100 million from the Placee – Zhong Hong New World International Limited, a wholly owned subsidiary of ZhongHong Holding Co., Limited due to tightening of foreign remittance legislations imposed by China authorities as mentioned in the announcement dated 8 June 2016. The whitewash waiver approval by Security Industry Council and the mandate given by the shareholders expired on 18 June 2016. The Company has applied and has received approval from SIC for another new whitewash waiver subject to a new shareholders' mandate to complete the placement of issuance of new shares for the remaining S\$91.7 million. The Company is discussing with the Placee on the details of completing the placement.

Despite the delay in the completion of the placement, there is no change in the Group's turnaround and growth strategies. The Group is spending substantial resources and management time to strengthen its S.E. Asia and Middle-East destination products and business volume to support the huge China outbound business.

The Group's cash and cash equivalents and fixed deposits and cash pledged stand at S\$11.3 million for the financial period under review.

The Group will be focusing on China outbound Free Independent Travellers tourist segment to the Group's strong S.E. Asian destinations. The B2B platform has attracted the attention of China based travel agencies evident by the surge in revenue in the current financial period under review.

The Group believes that this fund raising plan and positioning of the Group on outbound China travel market are the best strategies to enhance shareholders' value.

11. Dividend

(a) Current Financial Period Reported On

Name of Dividend NA
Dividend Type
Dividend Amount per Share (in cents)
Tax Rate

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of Dividend NA
Dividend Type
Dividend Amount per Share (in cents)
Tax Rate

(c) Date payable

NA

(d) Books closure date

NA

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared.

13. If the group has obtained a general mandate from shareholders for interested person transactions (“IPTs”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to the effect.

The Group has not obtained a general mandate from shareholders for IPTs.

| Name of Interested Person | Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) | Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) |
|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| NA | NIL | NIL |

14. Use of proceeds from placement

Further to the Company's announcement made on 8 April 2015 relating to the completion of the placement, the Company wishes to provide an update on the utilisation of the net proceeds from the placement of approximately S\$9,575,000 as follows:

As per the announcement on 13 May 2016, the balance of the net proceeds of the placement as at 31 March 2016 was S\$2,900,000. The Company has utilised S\$2,900,000 for its general working capital which is in line with the intended use of the net proceeds stated in the Announcement made on 23 October 2014.

Further to the Company's announcement made on 8 June 2016 relating to the completion of the placement, the Company wishes to provide an update on the utilisation of the net proceeds from the placement of approximately S\$8,120,000 as follows:

The Company has utilised S\$500,000 for its general working capital which is in line with the intended use of the net proceeds stated in the Announcement made on 27 November 2015. Subsequent to the aforementioned, the remaining balance of the net proceeds amounts to approximately S\$7,620,000 in the Company's current account.

15. Confirmation by the Board

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to its attention of which may render the interim financial statement for the financial period ended 30 June 2016 to be false or misleading in any material aspect.

16. Confirmation by the Board pursuant to Rule 720(1) of the Listing manual

The Company has procured undertakings from all the Directors and Executive Officers of the Company under Rule 720(1).

BY ORDER OF THE BOARD

Boh Tuang Poh
Executive Director
(12/08/2016)

Heng Su-Ling, Mae
Independent Director
(12/08/2016)

This announcement has been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd ("Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST").

The Company's 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 document, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The details of the contact person for the Sponsor is:-

Name: Ms Amanda Chen, Registered Professional, RHT Capital Pte. Ltd.

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Tel: (65) 6381 6757.