



# ANNUAL REPORT

2018



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**ASIATRavel.COM**

www.asiatravel.com



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This annual report 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 annual report.

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

The contact person for the Sponsor is Ms Bao Qing, Registered Professional, 6 Raffles Quay, #24-02, Singapore 048580, sponsor@rhtgoc.com



## CORPORATE PROFILE

It is Asia’s leading online travel company that offers a global inventory of over 8 million travel products through its multi-channel distribution platforms. Its online booking features all-inclusive packages which strongly appeal to travellers seeking convenience, instant confirmation and extra savings. Its ability to provide full suite of travel products establishes its distinctive position in the online travel market.

With comprehensive ground experience, supplier relationships, proprietary systems and operational knowledge, Asiatravel.com maintains a strong travel brand recognised for its reliability, sincerity and integrity for consumers and partners alike.

Established in 1995, Asiatravel.com Holdings Ltd (the “Company”, together with its subsidiaries, the “Group”) is listed on the Singapore Stock Exchange since 2001. Its B2B division consists of TAcetre.com and Savio-Staff-Travel, serving the travel trade and corporate sectors respectively. For more information, please visit [www.asiatravel.com](http://www.asiatravel.com)

Trading in the Company’s shares was suspended since 6 July 2018 following concerns on its ability to continue as a going concern. The Company has been making headway and taken active steps to rehabilitate and provide clarity on its financial position as part of the resumption proposal that was submitted through its Sponsor to the Singapore Exchange Regulation on 31 July 2021.

# CHAIRMAN'S STATEMENT



## Dear Shareholders,

Asiatravel.com Holdings Ltd ("**Asiatravel**", or the "**Company**", and together with its subsidiaries and associated company, the "**Group**") presents its financial statements for the financial year ended 31 December 2018 ("**FY2018**") against the backdrop of the events and circumstances that occurred in FY2018 and since then.

## Year in Review

Asiatravel called for a voluntary suspension of its shares on 6 July 2018, arising from the disclaimer of opinion issued by the Group's auditors, Messers Ernst & Young LLP, in respect of the audited results for the financial year ended 31 December 2017. The Group subsequently ceased all business operations, inter alia, due to the lack of funding arising from the failure of the controlling shareholder to complete its funding as required under the convertible note agreement which it had entered into with us. Combined with the anticipated downturn in the Company's sector of the economy, the Group experienced difficulties meeting its cashflow and payment of invoices. The Company and its subsidiary, AT Reservation Network Pte Ltd ("**ATRN**"), also received several statutory demands and writ of summons.

The Company has since undertaken gradual steps to rehabilitate its financial position, including but not limited to filing an application to the Singapore High Court ("**Court**") on 7 September 2018 to seek moratorium against enforcement actions and legal proceedings by its creditors with the intention of proposing a scheme to organize its liabilities ("**Moratoria**"). The Company, through its multiple applications over the course of the year, was graciously granted time extensions by the Court on its Moratoria and file its application to convene a meeting of the on certain creditors of Asiatravel as of 29 September 2020 (collectively, the "**Scheme Creditors**") for the purposes of approving the Company's proposed scheme of arrangement ("**Scheme**").

## Subsequent Events Post FY2018

Since then, we have weathered many challenges and taken various steps, including the following key milestones of the Group that have been reached, in our efforts to resume trading of our shares:

**1.Convertible Facility Agreement:** On 23 July 2020, Asiatravel entered into a convertible facility agreement with Skysmart Ventures Limited (the "**Investor**"), as supplemented by an addendum dated 30 July 2021, pursuant to which the Investor agreed, inter alia, (i) to provide a convertible loan facility of an aggregate principal amount of up to S\$1.6 million ("**Convertible Facility**"), and (ii) that it would not demand the repayment of the outstanding amount under the Convertible Facility (which includes all share capital contributions and all amounts expended or to be by the SPV Group (as defined below)) until the occurrence of an event of termination, subject to terms and conditions relating to the conversion of the loan into shares in Asiatravel.

The use of the Convertible Facility enabled us to have available funds to carry out the restructuring exercise required in connection with our proposed resumption of trading, positioning the Investor to become a new controlling shareholder of the Company, in the event of the conversion of the loan to shares in Asiatravel upon our successful resumption of trading.

**2.Proposed Disposal:** On 31 December 2020, Asiatravel entered into the conditional sale and purchase agreements with Chua Wie Khern for the sale of seven (7) wholly-owned subsidiaries and associated company ("**Proposed Disposal**"). The Proposed Disposal will be subjected to shareholders' approval and, when effected, will enable Asiatravel to dispose of members of the Group that were loss-making, and is part of our efforts to restructure the Group for a successful resumption of trading.

**3.Scheme of Arrangement:** The Scheme was approved at the meeting of the Scheme Creditors was held on 21 December 2020, and on 1 February 2021, Asiatravel obtained the sanction of the High Court of Singapore for the Scheme which is binding on the Scheme Creditors. The Scheme is conditional, inter alia, upon our successful resumption of trading, and will serve to extinguish release and discharge the liabilities of the Company to the Scheme Creditors, inter alia, through the allotment and issue of Asiatravel shares to the Scheme Creditors.

**4.Resumption of online travel agency business:** Following due and careful deliberations, the Board of Directors are of the reasonable opinion that it remains viable for Asiatravel to remain and continue with the online travel agency business after the completion of the restructuring exercise and our successful resumption of trading.

Asiatravel was one of the Asia's leading online travel companies, with a well-established brand and reputation, as well as online booking platform and features, which can be leveraged on should it resume such business. Furthermore, as the Investor is familiar with, and has access to owners or distributors of travel products, including travel agents and organizers of events and shows in various countries, including the People's Republic of China ("**PRC**"), we believe this will facilitate and enable the Group to expand its inventory and/or reach out to a wider market in carrying out its online travel business with a focus on electronic dance music events in the PRC ("**Proposed New Business**").

In connection with the foregoing, Asiatravel has, through the Investor, incorporated Tripwerkz Pte Ltd, a company in the Republic of Singapore ("**SPV**"), and its wholly-owned subsidiaries (collectively, "**SPV Group**"), including a wholly foreign-owned enterprise incorporated in the PRC ("**WFOE**"), to carry on the Proposed New Business. Further details of the arrangements between the Company and the Investor, inter alia, in relation to the ownership and carrying on such business, is set out in the Company's announcement dated 30 July 2021.

The Company has submitted the proposal for the resumption of trading of its shares on the Catalist Board to the Singapore Exchange Securities Trading Limited on 30 July 2021, and will update Shareholders on the developments in this respect in due course.

## Conclusion

We would like to extend our heartfelt gratitude to our shareholders, creditors and other stakeholders for their patience as we work through the challenges facing Asiatravel through these difficult times. We would also like to thank directors, management, staff for their hard work, understanding and cooperation through this period. We thank all of you for placing your faith in us and call on your unified strength to lead us forward to a new chapter upon our successful resumption of trading.



## BOARD OF DIRECTORS

**BOH Tuang Poh (“Mr. Boh”)** is our Executive Chairman and Chief Executive Officer and with his vast experience in online businesses, he is responsible for setting corporate policy, directions and business strategy. He founded Asiatravel in 1995. Mr Boh was bestowed “The Tourist Entrepreneur of the Year 2002”.

**GUOK Chin Huat Samuel (“Mr Guok”)** was appointed as the Company’s Non-Executive Independent Director in 15 March 2017. He is also Board member of another 3 listed companies, namely RE&S Holdings Limited, Global Palm Resources Holdings Ltd, Redwood Group Ltd (listed in Taiwan Stock Exchange), and several private limited companies.

He has over thirty years of experience in investment banking, venture capital and property development businesses. He retired as Chairman of Bukit Sembawang Estates Limited on 27 July 2017 after serving for nine years.

Mr. Guok holds a Bachelor of Science degree in Business Administration from Boston University with Major in Finance and International Economics, Minor in Chemistry.

Mr. Guok was a Chairman of Remuneration Committee and a member of Audit Committee and Nominating Committee prior to his resignation, effective on the 30 December 2020

**LIU Zuming (“Mr. Liu”)** previously served for The Ministry of Railways Qingdao Sifang Locomotive Works as well as Lenovo (Beijing) Co., Ltd. Subsequently Mr. Liu held the posts of Deputy Director of Finance and Chief Financial Officer in Beijing Lian Do Investment (Group) Co.,Ltd from June 2004 to February 2010.

Mr. Liu was the Manager of the Financial Department in Zhonghong Holding Co., Ltd from September 2012 to March 2013.

Mr. Liu is a member of Audit Committee, Remuneration Committee and Nominating Committee.



**TAY Kah Chye (“Mr. Tay”)** appointed as Independent Director on 26 April 2018, is the Executive Chairman of CLMV Consult (Net) Private Limited, a regional consulting company based in Singapore. He is also the Group CEO of Pata Group of Companies.

He is a board member of 3 listed companies, viz, Wilmar International Limited, Chemical Industries (FE) Limited and Asiatic Holdings (Group) limited.

Mr. Tay has more that 30 years of banking experience. He was with Citibank Singapore from 1973 to 1991 and ASEAN Finance Corporation Limited from 1991 to 2006. He was the Honorary Secretary General of ASEAN Bankers Association from 1991 to 2006 and Honorary Advisor from 2008 to 2010.

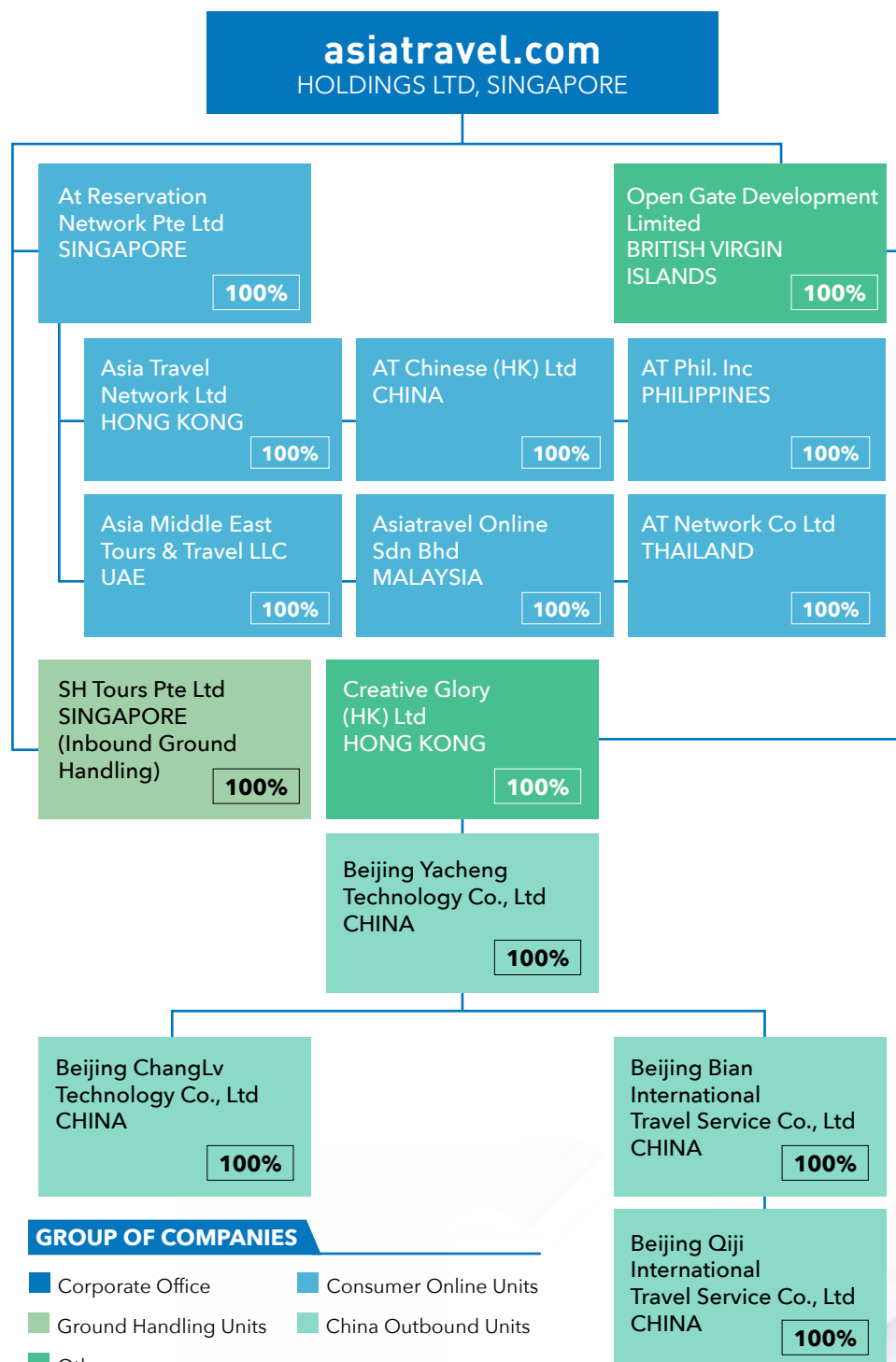
Mr. Tay graduated with a Bachelor of Social Sciences (Economics) from the then University of Singapore.

Mr. Tay is a Chairman of Audit Committee and Nominating Committee and a member of Remuneration Committee.

**LEE Kien Fatt (“Mr. Lee”)** appointed as Independent Director on 30 July 2021, is a member of Malaysian Institute of Certified Public Accountants (MICPA) and Malaysian Institute of Accountants (MIA). Mr Lee is the Director of Fattco Holdings Sdn Bhd and as Partner of Searaven Ventures (M) PLT. In addition, Mr Lee also sits on the board of Niche Capital Emas Holdings Berhad, Macpie Berhad as Independent and Non-Executive Director and Key Alliance Group Berhad as Independent and Non-Executive Director.

Mr Lee is a Chairman of Remuneration Committee and a member of Audit Committee and Nominating Committee.

# CORPORATE ORGANISATION CHART



# OPERATION REVIEW

It is Asia's leading online travel company that offers a global inventory of over 8 million travel products through its multi-channel distribution platforms. Its online booking features all-inclusive packages which strongly appeal to travellers seeking convenience, instant confirmation and extra savings. Its ability to provide full suite of travel products establishes its distinctive position in the online travel market.

With comprehensive ground experience, supplier relationships, proprietary systems and operational knowledge, Asiatravel.com maintains a strong travel brand recognised for its reliability, sincerity and integrity for consumers and partners alike. Its recent award includes the Best Online Travel Agency 2016, for the 4th consecutive year by TTG Travel Awards Asia Pacific.

Established in 1995, it is listed on the Singapore Stock Exchange since 2001. Its B2B division consists of TAcenre.com and Savio-Staff-Travel, serving the travel trade and corporate sectors respectively. For more information please visit [www.asiatravel.com](http://www.asiatravel.com)

## FINANCIAL REVIEW

The Group's revenue decreased by **83.7% (S\$141.1 million) to S\$27.5 million** for the financial year under review when compared to **S\$168.6 million** in FY2017. The decrease in the Group's revenue was mainly due to the Group called for a voluntary suspension of its shares on 6 July 2018, and the Group subsequently ceased all business operations, inter alia, due to the lack of funding arising from the failure of the controlling shareholder to complete its funding as required under the convertible note agreement which it had entered with us.

The Group's operating expenses have decreased in FY2018 as compared to FY2017 for the same reason as listed above.

The Group's net loss attributable to owners of the Company decreased by S\$9 million to **S\$20.5 million** in FY2018 as compared to **S\$29.5 million** in FY2017. Included in the increase of net loss attributable to owners of the Company are non-cash impairments, provisions and write offs amounting to S\$3.0 million due to the proposed restructuring exercise as announced on 14 February 2018 and the subsequent cease in operations as announced on 10 August 2018. The main non-cash impairments, provisions and write off items are as follows -





- 1) Gain on loss of control of subsidiaries of **S\$7.37 million**;
- 2) Impairment of intangible assets amounting to **S\$2.87 million**;
- 3) Inventories written down of **S\$0.7 million**;
- 4) Property, plant and equipment written off **S\$0.8 million**.

The net loss attributable to owners of the Company would have been amounted to **S\$23.5 million** as the above impairments, provisions and write-offs are one-off non-cash expenses. This is only for illustrative purposes assuming that there were no impairments, provisions and write-offs.

The Group's intangible assets decreased by **94.2%** (**S\$10.45 million**) from **S\$11.09 million** in FY2017 to **S\$0.64 million** in FY2018 mainly due to the impairment of both the Website development and software cost and Contractual and legal rights over audio-visual materials. The Group's property, plant and equipment decrease by **S\$1.46 million** from **S\$1.46 million** to **Nil** mainly due to the Fixed Asset written off due to the closure of offices and disposal of motor vehicles.

The Group's inventories decreased by **S\$1.59 million** from **S\$1.59 million** to **Nil** mainly due to cease in operations during the year.

Due to the cash flow issue, there has been an increase in the Group's trade payables, deferred income, and other payables in FY2018.



## FIVE YEAR FINANCIAL SUMMARY

(in S\$ million except per share data)

FISCAL YEAR	FY2014 (END SEP)	FY2015 (END SEP)	FY2016 (END SEP)	FY2017 (END DEC)	FY2018 (END DEC)
<b>INCOME STATEMENT</b>					
Total Revenue	91.4	89.7	102.9	170.2	28.4
Profit Attributable to Equity Holders	-9.6	-10.8	-7.90	-29.5	-20.5
Basic EPS (cents)	-3.4	-3.3	-2.30	-6.9	-4.6
Diluted EPS (cents)	-3.4	-3.3	-2.30	-6.9	-4.6
<b>BALANCE SHEET</b>					
Cash and Cash Equivalents	5.5	6.1	3.9	1.6	0
Shareholders' Equity	24.4	24.7	23	5.1	-14.2
Total Assets	40.3	43.2	43.5	25.9	1.7

## CORPORATE INFORMATION

### DIRECTORS

#### Executive:

Boh Tuang Poh

*(Executive Chairman and Chief Executive Officer)*

Tay Kah Chye

*(Lead Independent Director) (Appointed on 26 April 2018)*

Arnold Tan Kheng Lee

*(Independent) (Retired on 25 July 2018)*

Samuel Guok Chin Huat

*(Independent) (Resigned 30 December 2020)*

Liu Zuming

*(Non-Executive Director)*

Wang Yongli

*(Non-Executive Director) (Resigned on 16 July 2018)*

Mae Heng Su-Ling

*(Lead Independent Director) (Resigned on 1 February 2018)*

Lee Kien Fatt

*(Non-Executive Director) (Appointed on 30 July 2021)*

### AUDIT COMMITTEE

Tay Kah Chye *(Chairman)*

Samuel Guok Chin Huat *(Resigned on 30 December 2020)*

Liu Zuming

Lee Kien Fatt *(Appointed on 30 July 2021)*

### REMUNERATION COMMITTEE

Lee Kien Fatt *(Chairman) (Appointed on 30 July 2021)*

Samuel Guok Chin Huat

*(Chairman) (Resigned on 30 December 2020)*

Tay Kah Chye

Liu Zuming *(Appointed on 30 July 2021)*

### NOMINATING COMMITTEE

Tay Kah Chye *(Chairman) (Appointed on 30 July 2021)*

Samuel Guok Chin Huat *(Resigned on 30 December 2020)*

Liu Zuming

Lee Kien Fatt *(Appointed on 30 July 2021)*

### COMPANY SECRETARY

Shirley Tan Sey Liy (ACIS)

### REGISTERED OFFICE

46 East Coast Road

#06-03

Eastgate

Singapore 428766

E-mail: accounts2@asiatravel.com

### REGISTRAR AND SHARE TRANSFER OFFICE

In.Corp Corporate Services Pte. Ltd.

30 Cecil Street

#19-08 Prudential Tower

Singapore 049712

### AUDITORS

Ernst & Young LLP

One Raffles Quay

North Tower, Level 18

Singapore 048583

Partner in charge

Ng Boon Heng (Date of appointment : since financial year ended 30 September 2016)

### BANKERS

Citibank N.A.

United Overseas Bank Limited

Oversea-Chinese Banking Corporation Limited

### SPONSOR

RHT Capital Pte. Ltd.

6 Raffles Quay, #24-02, Singapore 048580

## REPORT OF CORPORATE GOVERNANCE

The Board of Directors (“**Board**” or “**Directors**”) of Asiatravel.com Holdings Ltd (“**Company**” together with its subsidiaries, “**Group**”) is committed to setting and maintaining high standards of corporate governance to ensure greater corporate transparency, accountability, performance and integrity, and at the same time, protect shareholders’ interest and maximize long-term shareholder value.

This report describes the corporate governance framework and practice of the Company for the financial year ended 31 December 2018 (“**FY2018**”) with specific reference to the Code of Corporate Governance 2018 (“**Code**”) and applicable to the Company. The Company has complied with the principles of the Code where appropriate. Where there is any material deviation from any principle of the Code, an explanation has been provided accordingly.

The Company and the Group had substantially ceased operations at or around June 2018, and the Company called for a voluntary suspension of the trading of its shares on 6 July 2018. Since then, the Company has remained largely dormant, save for the recent developments relating to the resumption of the Company’s online travel agency business as further announced on 30 July 2021. As such, the Board has set out their explanations in the respective sections in the report below where there are deviations from the respective principle of the Code, in light of the aforementioned developments of the Company.

### BOARD MATTERS

#### *The Board’s Conduct of Affairs*

**Principle 1: The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.**

The Board of the Company, working closely with senior management of the Group (the “**Management**”) is primarily responsible for the protection and enhancement of long-term value and returns for the shareholders and the overall management of the Group.

All Directors recognize that they have to discharge their duties and responsibilities at all times as fiduciaries in the interests of the Company and hold Management accountable for performance and the Board is accountable to shareholders through effective governance of the business.

The Board has put in place a Code of Conduct to guide employee’s compliance with internal controls, policies and procedures of the Group, and to guide their observance of ethics and integrity in the day-to-day conduct of the Group’s business.

The Board sets the overall business directions, provides guidance on the Group’s strategic plans, with particular attention paid to the growth and financial performance, and oversees the performance of Management. The Board’s principal functions include:-

- (a) to approve the broad policies, strategies and financial objectives of the Group and monitoring the performance of Management;

- (b) to establish goals for Management and monitors the achievement of these goals;
- (c) to provide entrepreneurial leadership, set strategic objectives and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;
- (d) to identify the key stakeholder groups and recognize that their key perceptions which may affect the Company’s reputation;
- (e) to oversee the processes for evaluating the adequacy of internal controls, risk management, financial reporting and compliance;
- (f) to approve the nomination of the Directors and appointment of key management personnel;
- (e) to ensure that the Company meets good corporate governance standards;
- (h) to review the Company’s financial performance and determine the compensation of key management personnel; and
- (i) to set the Company’s values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and met.

#### *Continuous Training for Directors and Orientation for Incoming Directors*

The Company encourages the Directors to update themselves on new rules and regulations that would assist them in carrying out their roles. For newly appointed Directors, briefing and orientation will be arranged to familiarize themselves with the Group’s business operations, strategic directions, director’s duties and corporate governance practices. If the newly-appointed Director has no prior experience as a director of a SGX-ST listed company, the Director is also required to attend courses and training organized by institutions such as the Singapore Institute of Directors, the Accounting and Corporate Regulatory Authority (“**ACRA**”) and the SGX-ST.

As part of the training of the Board, Directors are briefed either during Board and Board Committees meetings or at specially convened sessions on the changes in regulations and accounting standards, as well as industry related matters.

Directors are encouraged to attend relevant training programmes, seminars and workshops organized by various professional bodies and organizations to equip themselves to effectively discharge their duties and to enhance their skills and knowledge, either as part of their own professional practice or skills upgrading, or through the Company.

Mr Lee Kien Fatt, who was appointed to the Company as Non-Executive Independent Director on 30 July 2021 had no prior experience as director of a listed company on the SGX-ST. He will be attending the relevant training modules conducted by Singapore Institute of Directors under the Mandatory Training (as defined in Practice Note 4D of the Catalyst Rules).



### Matters Requiring Board Approval

The Board has adopted a set of internal guidelines setting forth matters that require the Board's approval. Matters which are specifically reserved for the Board's decision are those involving significant acquisitions, disposals and funding proposals, reviewing and approving the Group's corporate policies, monitoring the performance of the Group and transactions relating to or involving investment, funding, legal and corporate secretarial matters. In the event that a Director is interested in any transactions of the Group, he shall be obliged to inform the Board accordingly and abstain from making any recommendations or decisions in relation to that transaction.

### Delegation of Authority to Board Committees

To facilitate and assist in the execution of the Board's responsibilities, the Board has set up three committees, namely, the Audit Committee ("AC"), the Nominating Committee ("NC") and the Remuneration Committee ("RC"), each with its own terms of reference which are reviewed on a regular basis. The Board Committees play an important role in ensuring good corporate governance in the Company and within the Group. Each Committee functions accordingly to their respective terms of reference. The Chairman of the respective Board Committees will report to the Board on the proceedings of the Board Committees meetings and their recommendation on the specific agendas mandated to the Board Committees by the Board.

Despite delegating certain functions to the Board Committees, the Directors discharge their duties and responsibilities at all times as fiduciaries in the interests of the Company.

### Meetings of the Board and Board Committees

The Board holds regular scheduled meetings to review the Group's key activities, business strategies, funding decisions, financial performance and to approve the release of the financial results of the Group. Ad-hoc meetings are held when circumstances arise to address significant issues or transactions. The Company's Constitution allows meetings to be conducted by way of a telephone conference and/or by means of similar communication equipment where all Directors participating in the meetings are able to hear each other. The Board also approves transaction through circular resolutions which are circulated to the Board together with all relevant information relating to the proposed transactions.

The Board is supposed to meet up to four (4) times each financial year. Optional meetings are scheduled if there are matters requiring the Board's decision at the relevant times. During FY2018, in consideration, inter alia, of the Company substantially ceasing all operations at or around June 2018, its voluntary suspension on 6 July 2018 and certain court applications to facilitate the Company's restructuring efforts, the number of meetings held and attended by each member of the Board and Board Committees are set out as follows:

TYPE OF MEETINGS	BOARD		AUDIT COMMITTEE		NOMINATING COMMITTEE		REMUNERATION COMMITTEE	
	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended
Names								
Boh Tuang Poh <sup>(1)</sup>	2	2	-	-	1	1	-	-
Heng Su-Ling Mae <sup>(2)</sup>	2	1	-	-	-	-	-	-
Tan Kheng Lee Arnold <sup>(3)</sup>	2	2	2	2	1	1	1	1
Guok Chin Huat Samuel <sup>(4)</sup>	2	2	2	2	1	1	1	1
Liu Zuming <sup>(5)</sup>	2	0	2	0	1	0	-	-
Wang Yongli <sup>(6)</sup>	2	0	-	-	1	0	1	0
Tay Kay Chye <sup>(7)</sup>	-	-	1	1	-	-	-	-
Lee Kien Fatt <sup>(8)</sup>	-	-	-	-	-	-	-	-

\* Attendance by invitation of the relevant Board Committees

Notes:

- (1) Mr Boh Tuang Poh is the Executive Chairman and Chief Executive Officer.
- (2) Ms Heng Su-Ling Mae had resigned as an Independent Director on 1 February 2018.
- (3) Mr Tan Kheng Lee Arnold had retired as an Independent Director at the conclusion of the AGM on 25 July 2018.
- (4) Mr Guok Chin Huat Samuel had resigned as an Independent Director on 30 December 2020.
- (5) Mr Liu Zuming was re-appointed as a Non-Executive Director on 25 July 2018.
- (6) Mr Wang Yongli had resigned as a Non-Executive Director on 16 July 2018.
- (7) Mr Tay Kah Chye was re-appointed as Independent Director on 25 July 2018.
- (8) Mr Lee Kien Fatt was appointed as Non-Executive Independent Director on 30 July 2021

### Provision of Information to the Board and Board Committees

Board papers for Board and Board Committee meetings are sent to Directors in advance in order for Directors to be adequately prepared for meetings including all relevant documents, materials, background or explanatory information relating to matters to be brought before the Board and Board Committees.

Management regularly puts up proposals or reports for the Board's consideration and approval (where appropriate), for instance, proposals on the annual budget of the Group, updates on any material variance between the budgeted and actual results, proposals relating to specific proposed transactions or general business direction or strategy of the Group, as well as regular reports or updates on the Group's inventory management and risk management. Directors, when presented with these proposals or reports for their consideration, evaluate the proposals or reports made by Management and Directors also review the performance of Management in meeting agreed goals and objectives and monitor the reporting of performance and, where appropriate, provide guidance to Management on relevant aspects of the Group's business and assist in the development of proposals on the Group's business strategy.

The Board was informed and its approval sought on the matters which require Board's approval under the internal policies set by the Board. Requests for other information by the Board were also dealt with promptly.

*Access to Management, Company Secretary and Independent Professional Advice*

The Board, the Board Committees and the Directors have separate and independent access to Management and are entitled to request from Management such additional information or clarification as required.

The Company Secretary attends all Board and Board Committee meetings and is responsible for ensuring that Board procedures are followed and recording and the minutes of all Board and Board Committees meetings are recorded and circulated to the Board and the Board Committees and also advises the Board on all governance matters.

### **Board Composition and Guidance**

**Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.**

The Board exercises objective judgment independently from Management on corporate affairs of the Group and no individual or small group of individuals dominate the decisions of the Board.

As at the date of this Report, the Board consists of four (4) Directors as follows:-

#### **Executive Director:**

Boh Tuang Poh Executive Chairman and Chief Executive Officer (“CEO”)

#### **Non-Executive and/or Independent Directors:**

Tay Kah Chye Non-Executive and Lead Independent Director  
Lee Kien Fatt Non-Executive and Independent Director (Appointed on 30 July 2021)  
Liu Zuming Non-Executive Director

The profiles of all the Directors above are set out on pages 4 and 5 of this Annual Report.

Mr Lee Kien Fatt, having been appointed on 30 July 2021, including Mr Boh Tuang Poh will stand for re-election at the annual general meeting (“AGM”) to be held on 27 September 2021. Following the recommendation of the NC and the approval of the Board, Mr Liu Zuming has been selected for retirement by rotation pursuant to Article 104 of the Constitution and will not be put up for re-election at the AGM. The Company had made attempts to reach out to Mr Liu Zuming but he has remained uncontactable till date. Accordingly, assuming the Shareholders approve the re-election of Mr Lee Kien Fatt and Mr Boh Tuang Poh at the upcoming AGM, the composition of the Board immediately upon the conclusion of the AGM would be as follows:-

#### **Executive Director:**

Boh Tuang Poh Executive Chairman and CEO

### **Non-Executive and/or Independent Directors:**

Tay Kah Chye Non-Executive and Lead Independent Director  
Lee Kien Fatt Non-Executive and Independent Director

The NC is of the view that given that the Company is taking steps to restructure the Company and the Group with a view to resume trading in its shares, the Board size of three (3) members immediately upon the conclusion of the AGM is appropriate to facilitate effective decision-making to meet the needs and demands of the Group’s business, although the Company will endeavour to search for suitable candidate(s) to be appointed to the Board to fill the vacancies, within two months or in any case not lesser than three months, on some of the Board Committees arising from the retirement of Mr Liu Zuming at the AGM. The Company is also satisfied that the Board size and composition possess the appropriate diversity and be in compliance with Catalist Rule 704(7), taking into consideration the skills, knowledge, expertise, industry knowledge that are relevant to the nature and scope of the business, as well as the current and future plans of the Group.

Following the conclusion of the AGM, the Board will comprise three (3) members, two (2) of which will be Non-Executive, Independent Directors of the Company. The Company will be in compliance with Guidelines 2.2 and 2.3 of the Code.

The Independent Directors have confirmed that they do not have any relationship with the Company and/or its related corporations and/or its officers that would interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgement, with a view to the best interests of the Company.

#### *Alternate Directors*

As of the date of this Report, the Company has not appointed any Alternate Directors.

#### *Determining Directors’ Independence*

The NC reviews the independence of each Director annually, and as and when circumstances require. The NC adopts the Code’s definition of what constitutes an Independent Director in its review in accordance with the guidelines on independence set out in the Code and the Catalist Rules. Each Independent Director completes a declaration form based on guidelines provided in the Catalist Rules to confirm his independence on an annual basis.

#### *Meetings without the presence of Management*

Non-Executive Directors (including Independent Directors) meet regularly without the presence of Management, in the meetings with the external auditors and the internal auditors of the Company (if deemed necessary) at least annually and on such other occasions as may be required and the chairman of such meetings provides feedback to the Board and/or the Chairman as appropriate.

#### **Chairman and Chief Executive Officer**

**Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making**

Mr Boh Tuang Poh is the Executive Chairman and the CEO of the Company. Since the Company's voluntary suspension of trading on 6 July 2018, Mr Boh Tuang Poh has been instrumental in leading the Company's restructuring efforts, including the proposal to resume the Company's online travel agency business.

Being the CEO and the most senior executive in the Company, Mr Boh Tuang Poh bears executive responsibility for the Group's business on a day-to-day basis. He is also responsible for the following:

- (a) leading the Board to ensure its effectiveness on all aspects of its role;
- (b) ensuring effective communication with shareholders;
- (c) encouraging constructive relations within the Board and between the Board and Management; and
- (d) promoting high standards of corporate governance.

Mr Boh Tuang Poh, as Executive Chairman, is responsible for the functions of the Board, ensures that Board meetings are held when necessary and sets the agenda of the Board meetings in consultation with the other Directors and Management. The Chairman also reviews the Board papers before presenting to the Board and ensures that the Board members are provided with complete, adequate and timely information.

As the CEO of the Company, Mr Boh Tuang Poh oversees the business direction, strategic planning and overall management and day-to-day operations of the Group.

The Board notes that Provision 3.1 of the Code provides that the role of the Chairman and CEO should principally be separated to maintain an appropriate balance of power, increased accountability and to facilitate independent decision making by the Board. However, taking into account the Company's developments at this point in time, the Board is of the view that there are sufficient safeguards and checks to ensure that the process of decision-making by the Board is independent and based on collective decisions without any individual or small group of individuals exercising any considerable concentration of power or influence, having considered, inter alia, that the Independent Directors of the Board have demonstrated a high degree of commitment in their role as Directors, there is a good balance of power and authority in the Board, and the majority of the Board as at the date of this Report comprises of Independent Director(s). Accordingly, the Board is of the view that there is no need for the role of the Chairman and the CEO to be separated for the time being.

#### *Lead Independent Director*

In order to ensure good corporate governance practice, the Company has appointed Mr Tay Kah Chye as the Lead Independent Director. The Lead Independent Director will lead and co-ordinate the activities of the Independent Directors, provide leadership to the Board in situations where the Chairman is conflicted and serve as a principal liaison on Board issues between the Independent Directors and the Chairman of the Board. The Lead Independent Director will be available to the shareholders where they have concerns which cannot be resolved through the normal channels of the Executive Chairman or the Chief Financial Officer, or where such contact is not possible or inappropriate.

The Independent Directors, led by the Lead Independent Director, meet amongst themselves without the presence of the other Directors where necessary and the Lead Independent Director will provide feedback to the Executive Chairman after such meetings.

#### **Board Committees**

#### **Board Membership**

**Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.**

#### *Composition and Terms of Reference*

The NC is regulated by a set of written Terms of Reference and is responsible for making recommendations to the Board on all Board appointments and re-appointments through a formal and transparent process. In respect of re-nominations, the NC will consider the individual Director's contribution and performance and whether the Director has adequate time and attention to devote to the Company, in the case of Directors with multiple board representations.

The responsibilities and principal functions of the NC, as set out in its Terms of Reference, include:-

- (a) establishing procedures for and making recommendations to the Board on all Board appointments and re-appointments;
- (b) identifying gaps in the mix of skills, experiences and other qualities required in an effective Board and nominate or recommend suitable candidate(s) to fill these gaps;
- (c) reviewing re-nominations, having regard to the Director's contribution and performance;
- (d) deciding whether a Director is able to carry out and has been adequate in carrying out his/her duties as a Director, where he/she has multiple board representations;
- (e) determining on an annual basis whether a Director is independent, based on the Code's guidelines of what constitutes an Independent Director;
- (f) assessing the effectiveness of the Board as a whole and the contributions by each individual Director to the effectiveness of the Board, based on the procedures and objective performance criteria for the evaluation of the Board's performance established by the NC and approved by the Board;
- (g) ensuring that all appointees to the Board undergo appropriate orientation programmes;
- (h) providing training for the Directors and equipping the Directors with the necessary training to ensure that the Directors can discharge their fiduciary duties in an efficient manner;
- (i) deliberating on the appointment and re-appointment of the Directors; and
- (j) making recommendations to the Board on relevant matters relating to:

- A. the review of board succession plans for directors, in particular, the Executive Chairman and CEO;
- B. the development of a process and criteria for evaluation of the performance of the Board, its board committees and Directors;
- C. the review of training and professional development programs for the Board; and
- D. the appointment and re-appointment of Directors (including alternate Directors, if applicable).

In determining the independence of the Directors, the NC requires all Directors to complete and return a Confirmation of Independence on an annual basis to the NC for its review.

As at the date of this Report, the NC comprises the following three (3) members, two (2) of whom, including the Chairman are Independent Directors:-

Tay Kah Chye	Chairman
Lee Kien Fatt	Member
Liu Zuming	Member

The Company notes that following the retirement of Mr Liu Zuming the NC will not meet the requirements of Guideline 4.2 of the Code, as it will only have two (2) members. The Board and the NC are in the process of searching for suitable candidates to be appointed to the Board and the NC to meet such requirements and shall endeavour to fill this vacancy as soon as possible.

#### *Determining Directors' Independence*

Key information regarding directors, such as academic and professional qualifications, shareholding in the company and its subsidiaries, Board Committees served on (as a member or Chairman), date of first appointment as a director, date of last re-election as a director, directorships or chairmanships both present and those held over the preceding three (3) years in other listed companies and other major appointments, are disclosed in the Annual Report. In addition, the company's annual disclosure on corporate governance indicates which Directors are executive, non-executive or considered by the NC to be independent. The names of the Directors submitted for election or re-election should also be accompanied by such details and information to enable shareholders to make informed decisions.

The NC reviews and assesses candidates for their suitability to serve as Director of the Company before making recommendations to the Board. In recommending new Directors to the Board, the NC takes into consideration the skills and experience and the current composition of the Board, and strives to ensure that the Board has an appropriate balance of Independent Directors as well as Directors with the right profile of expertise, skills, attributes and ability.

#### *Evaluation of the Board*

The Company has in place a process for selecting and appointing new Directors, and nominating existing Directors for re-appointment. Such process includes, in the case of a new Director to be appointed, inter alia, an evaluation of a candidate's qualifications

and experience with due consideration being given to ensure that the Board consists of members who as a whole will collectively possess the relevant core competencies in areas such as accounting or finance, legal and regulatory matters, risk management, business or management experience and industry knowledge. The search for new Directors, if any, will, if considered necessary, be made through executive search companies, contacts and recommendations and shortlisted persons will be evaluated by the NC before being recommended to the Board for consideration.

The Constitution provides and the Code recommends that all Directors should be required to submit themselves for re-nomination and re-election at regular intervals. In accordance with the Code and Catalist Rule 720(4), all Directors are to submit themselves for re-nomination and re-election at least once every three (3) years. Regulation 104 of the Constitution requires that at least one-third of the Directors (excluding Director(s) holding office as Managing Director(s) (or an equivalent office)) for the time being to retire from office by rotation and subject themselves for re-election by shareholders at the forthcoming AGM of the Company.

Existing Directors are put up for retirement and re-election in accordance with the foregoing requirement, and the Nominating Committee will recommend the nomination of a Director for re-election after considering, inter alia, the Director's competencies, commitment, contribution and performance, as well as the need for progressive renewal of the Board.

The NC has recommended to the Board that Mr Boh Tuang Poh and Mr Lee Kien Fatt will be re-elected at the forth coming AGM of the Company. Upon re-election, Mr Boh Tuang Poh will remain as Executive Chairman and Chief Executive Officer of the Company. Mr Lee Kien Fatt will remain as Non-Executive Independent Director of the Company, Chairman of Remuneration Committee and member of Nominating Committee and Audit Committee.

In addition to the above, Mr Liu Zuming, who is subject to retirement by rotation pursuant to Regulation 104 of the Constitution did not seek for re-election. The Company had made attempts to reach out to Mr Liu Zuming but he has remained uncontactable till date. This would mean that Mr Liu Zuming would ipso facto cease to be the Non-Executive Director of the Company, member of the Nominating Committee and Audit Committee.

Mr Boh Tuang Poh is the Executive Chairman and CEO of the Company. Mr Boh Tuang Poh has a deemed interest of 3.47% or 15,595,462 ordinary shares in the capital of the Company (excluding treasury shares) registered through his nominees.

Each member of the NC will abstain from voting on any resolution of the NC or the Board (if applicable) in respect of the assessment of his performance or re-nomination as Director.

#### *Determining Directors' Independence*

The NC reviews the independence of each Director annually, and as and when circumstances require. The NC adopts the Code's definition of what constitutes an Independent Director in its review in accordance with the guidelines on independence set out in the Code and the Catalist Rules. Each Independent Director completes a declaration to confirm his independence on an annual basis. The declaration is drawn up based on the guidelines provided in the Catalist Rules and the Code.

The NC has reviewed and is of the view that as at the date of this Report, Mr Tay Kah Chye and Mr Lee Kien Fatt are independent. The NC is of the view that there is a strong and independent element on the Board, which is able to exercise objective judgement on corporate matters independently, in particular, from the Management, and that no individual or small group of individuals dominate the Board's decision-making process.

#### *Independence of Directors who have served more than nine (9) years*

In considering whether an independent director who has served on the Board beyond nine (9) years is still independent, the Board has taken into consideration the factors including understanding of the Group's business, challenges, operations, risk and various compliance requirements of the Group, including constructive views being provided to assist the Executive Chairman in managing the Group; his qualification and expertise provides an independent check and balances for Management as well as provides an overall guidance to Management and act as a safeguard for the protection of the Company's assets and shareholders' interest.

As of the date of this Report, none of the Independent Directors have served on the Board beyond nine (9) years from the date of appointment.

#### *Commitments of Directors Sitting on Multiple Boards*

The Board does not have any policy limiting the maximum number of listed company board representations which any Director may hold. Details on the directorships and principal commitment of each Director can be found in pages 4 to 5 of the Annual Report. The NC has reviewed each Director's other directorships and their principal commitments. Despite the multiple directorships of some Directors, the NC was satisfied that such Directors spent adequate time on the Company's affairs and have carried out their responsibilities and duties as a director of the Company.

The NC took into account the results of the assessment of the effectiveness of the individual director, the level of commitment required of the director's other principal commitments, and the respective Directors' actual conduct and participation on the Board and board committees, including availability and attendance at regular scheduled meetings and ad-hoc meetings, in making the determination, and is satisfied that all the Directors have been able to and have adequately carried out their duties as director notwithstanding their multiple listed board representations and other principal commitments.

#### **Board Performance**

##### ***Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors***

The NC, in considering the nomination of any Director for re-election, considers the contribution of the Director, which includes his/her qualifications, experience, area of expertise, time and effort devoted to the Company's affairs, attendance and participation at the Board and Board Committees meetings.

The NC acknowledges the importance of a formal assessment of Board performance and has adopted a formal system of evaluating Board performance as a whole. In assessing the Board's performance as a whole, both quantitative and qualitative criteria would be adopted, including return of equity, the success of strategic and long-term objectives set by

the Board, the effectiveness of the Board in monitoring Management's performance against the goals that have been set by the Board, attendance record at the Board and Board Committees meetings, intensity of participation at meetings, the quality of interventions, managing risk and adversity, corporate integrity and social responsibility, direction development and management and any special contributions.

The NC had recommended and adopted the evaluation form for the individual Directors and Board Committees for the purpose of assessing the effectiveness of the individual director and Board Committees with effect from FY2018, which was duly conducted.

An evaluation of the effectiveness of the Board, Board Committees and contribution by each Director is conducted annually to identify areas of improvement and as a form of good Board management practice. The results of the evaluation exercise were considered by the NC which then makes recommendations to the Board aimed at helping the Board to discharge its duties more effectively.

The NC, having reviewed the overall performance of the Board, Board Committees and individual Director in terms of its roles and responsibilities and the conduct of its affairs as a whole, with respect to the steps taken or to be taken by the Company to restructure the Company and the Group with a view resume trading in its shares. No external facilitator was used in the evaluation process.

Each member of the NC shall abstain from participating in the proceedings and making any recommendations in respect of the assessment of his/her performance or re-nomination as Director.

The Board, based on the recommendations of the NC, has ensured that Directors appointed possess the background, experience, knowledge and expertise critical to the Group's business and each Director, through his or her unique contributions, brings to the Board an independent and objective perspective to enable balanced and well-considered decision to be made.

No external facilitator has been engaged by the Company for the purpose of evaluation of the Board during FY2018.

#### **REMUNERATION MATTERS**

##### ***Procedures for Developing Remuneration Policies***

##### ***Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration***

##### *Composition and Terms of Reference*

The objective of the RC is to provide a formal, transparent and objective procedure for fixing remuneration packages of individual Directors and senior management to ensure that the level of remuneration paid by the Company serves to attract, retain and motivate the employees needed to manage the Company and the Group effectively.

The RC is also responsible for implementing and administering the Asiatravel.com Share Option Scheme 2011 and Asiatravel.com Performance Share Plan (collectively the “Schemes”), which give recognition to the contributions made by confirmed full-time employees and Directors.

The RC is regulated by a set of written Terms of Reference and its key functions include:-

- (a) providing a formal, transparent and objective procedure and to make recommendations to the Board with regard to the remuneration of Executive Directors and key management personnel and ascertaining that they are fairly remunerated, to attract, retain and motivate the employees needed to manage the Company effectively;
- (b) formulating the framework of the remuneration for Directors and key management personnel, taking into account comparability of standards within the industry and with other companies;
- (c) ensuring that any performance-related element of remuneration should incorporate meaningful measures of assessing the Company’s performance and the performance of the individual Executive Director and the CEO; and
- (d) implementing and administering the Schemes, and attending to any matters pertaining to the Schemes.

As at the date of this Report, the RC comprises the following three (3) members, all of whom are Non-Executive Directors and the majority of whom, including the RC Chairman, are independent:

Lee Kien Fatt	Chairman
Tay Kah Chye	Member
Liu Zuming	Member

The Company notes that following the retirement of Mr Liu Zuming at the AGM, the NC will not meet the requirements of Guideline 6.2 of the Code, as it will only have two (2) members. The Board and the NC are in the process of searching for suitable candidates to be appointed to the Board and the NC to meet such requirements and shall endeavour to fill this vacancy as soon as possible.

The RC meets at least once a year. In its deliberations, the RC takes into consideration the industry practices and norms for remuneration packages. The RC has full authority to obtain independent professional advice on matters relating to remunerations as and when the need arises at the Company’s expense. The recommendations of the RC would be submitted to the Board for endorsement.

No Director is involved in determining his/her own remuneration. All Non-Executive and Independent Directors are paid Directors’ fees annually on a standard fee basis. None of the Non-Executive and Independent Directors are on a service contract with the Company.

Each member of the RC abstains from making any recommendation on or voting on any resolutions in respect of his/her own remuneration package, except for providing information and documents specifically requested by the RC to assist it in its deliberations.

The RC reviews the terms and conditions of service agreements of the CEO before their execution. In the course of such review, the RC will consider the Group’s obligations arising in the event of termination of Executive Directors and key management personnel, to ensure that the service agreements contain fair and reasonable termination clauses and are not overly generous so as to avoid rewarding poor performance.

#### *Access to Remuneration Consultants*

The Company has not engaged any remuneration consultant in respect of the remuneration matters of the Group during FY2018.

#### **Level and Mix of Remuneration**

***Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.***

The RC will determine the remuneration package for its Executive Director(s) based on the performance of the Group and the Directors’ fees payable to the Non-Executive Directors, and Non-Executive and Independent Directors, which will be based on effort, time spent and responsibilities of each individual Director. Thereafter, the Directors’ fees are recommended to the Board for recommendation to the shareholders for approval at the AGM.

The review of the remuneration of the executive officers takes into consideration the performance and the contributions of the executive officer to the Company and gives due regard to the financial and business performance of the Group of which performance conditions is not pre-determined. The Group seeks to offer competitive level of remuneration to attract, motivate and retain senior management of the required competency to run the Group successfully.

The Company does not use contractual provisions to allow the Group to reclaim incentive components of remuneration from CEO and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. CEO owes a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the CEO in the event of such breach of fiduciary duties.

#### **Disclosure on Remuneration**

***Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationship between remuneration, performance and value creation.***

The Company has adopted a remuneration policy for staff comprising a fixed component (in the form of a base salary) and a variable component, which is in the form of a variable bonus that is linked to the Company’s and the individual’s performance. Another element of the variable component is the grant of share options to staff under the Scheme.

A breakdown of the remuneration of the Directors and top five (5) key management personnel (who are not Directors or the CEO) for FY2018 is appended below:

**Number of Directors of the Company in remuneration/fee bands:**

	FY2018	FY2017
S\$500,000 and above	-	-
S\$250,000 to S\$499,999	1	1
Below S\$250,000	4	3
	<u>5</u>	<u>4</u>

**Remuneration/fees of Directors for FY2018**

Name of Directors	Salary	Directors' Fee	Total
<b>S\$500,000 and above</b>	NIL	NIL	NIL
<b>S\$250,000 to S\$499,999</b> <b>Boh Tuang Poh</b>	100%	NIL	100%
<b>Below S\$250,000</b>			
Tan Kheng Lee Arnold <sup>(1)</sup>	NIL	100%	100%
Tay Kah Chye <sup>(2)</sup>	NIL	100%	100%
Heng Su-Ling Mae <sup>(3)</sup>	NIL	100%	100%
Guok Chin Huat Samuel <sup>(4)</sup>	NIL	100%	100%
Liu Zuming <sup>(5)</sup>	NIL	NIL	NIL
Wang Yongli <sup>(6)</sup>	NIL	NIL	NIL

Notes:

- (1) Mr Tan Kheng Lee Arnold had retired as an Independent Director at the conclusion of the AGM on 25 July 2018.
- (2) Mr Tay Kah Chye was re-appointed as Independent Director on 25 July 2018.
- (3) Ms Heng Su-Ling Mae had resigned as an Independent Director on 1 February 2018.
- (4) Mr Guok Chin Huat Samuel had resigned as an Independent Director on 30 December 2020.
- (5) Mr Liu Zuming was re-appointed as a Non-Executive Director on 25 July 2018.
- (6) Mr Wang Yongli had resigned as a Non-Executive Director on 16 July 2018.

Name of participant	Options granted during financial period under review	Aggregate Options granted since commencement of the Scheme to end of financial year under review	Aggregate Options exercised since commencement of the Scheme to end of financial year under review	Options expired during financial period under review	Aggregate options outstanding as at end of financial period under review
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**Directors of the Company:**

Heng Su-Ling Mae	840,000	-	-	(840,000)	-
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Note: The options granted to Heng Su-Ling Mae were cancelled on 1 February 2018.  
Remuneration of Key Management Personnel in remuneration/fee bands:

	2018	2017
S\$500,000 and above	-	-
S\$250,000 to S\$499,999	2	2
Below S\$250,000	-	-
	<u>2</u>	<u>2</u>

For FY2018, the aggregate total remuneration for the key management personnel (who are not Directors or the CEO) amounted to S\$365,340.00.

There were no terminations, retirement or post-employment benefits granted to Directors and key management personnel other than the standard contractual notice period termination payment in lieu of service for FY2018.

**Remuneration of Employees Related to Directors, CEO or Substantial Shareholders**

There is one employee of the Group, Mr Boh Sui Hou, who is the son of Mr Boh Tuang Poh, the Executive Chairman and CEO of the Group whose remuneration exceeds S\$100,000 during FY2018.

**Details of remuneration paid to the immediate family member of Directors or substantial shareholders for FY2018 are set out below:**

Name of Immediate Family Member	Salary	Total
Boh Sui Hou	100%	100%

Save for the above, the Company does not have any employee who is an immediate family member of a Director or CEO whose annual remuneration exceeds S\$100,000 during FY2018.

In view of confidentiality, the Board is of the opinion that it is not in the best interests of the Company to disclose the exact remuneration of the Directors and key management personnel due to the sensitive nature. Similarly, the name and remuneration of the key management personnel (who are not Directors of the Company) are not disclosed due to the highly competitive markets the Company operates in, and the Company's concern over solicitation of key management personnel by the Company's competitors.

### **Risk Management and Internal Controls**

**Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.**

The Board is responsible for the governance of risk of the Group and maintains a system of internal controls and risk management to safeguard shareholders' interest and the Group's assets. The Board notes that the system of internal controls and risk management established by the Group provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen. Furthermore, the Board also acknowledges that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgment in decision-making, human errors, losses, fraud or other irregularities.

For FY2018, no internal audit was conducted on both the Company and the Group, as during the year, the businesses of the Group ceased and trading in the shares of the Company was voluntarily suspended on 6 July 2018.

The Executive Chairman and CEO of the Company has indicated that due to the insufficient accounting data and financial records of the Company and its subsidiaries, inter alia, for the reasons as further set out in note 2.1 of the financial statements, to the current Board and the AC that Management does not believe that as at 31 December 2018,

- (a) the financial records had been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and
- (b) the Company's risk management and internal control systems were effective.

As further explained in Principle 10, the Company has plans to appoint an internal Auditor and an in-house internal audit officer by late 2021 or early 2022.

### **Audit Committee**

**Principle 10: The Board has an Audit Committee which discharges its duties objectively.**

#### *Composition and Terms of Reference*

The AC's scope of work is governed by written Terms of Reference. Specifically, the AC meets on a periodic basis to perform the following functions:-

- (a) reviewing the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;

- (b) to review the Company's quarterly and full year results announcements, the financial year statements of the Company and the consolidated financial statements of the Group before submission to the Board for approval of release of the results announcements to the Singapore Exchange Securities Trading Limited ("SGX-ST");
- (c) reviewing the assurance from the CEO and CFO of the financial records and financial statements;
- (d) making recommendations to the Board on the proposals to shareholders on the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of the engagement of the external auditors;
- (e) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the company's internal audit function;
- (f) to review with the external and internal auditors their evaluation of the systems of internal accounting controls and monitor Management's response and actions to address noted deficiencies;
- (g) to evaluate the cost effectiveness, independence and objectivity of the external auditors and the nature and extent of the non-audit services provided by them;
- (h) to meet with the internal and external auditors, without the presence of the Company's Management, at least once annually;
- (i) to review the internal audit programme and the adequacy and effectiveness of the Company's internal audit function, as well as to ensure co-ordination between the internal and external auditors and Management;
- (j) to oversee design and implementation of the overall risk management systems and internal control systems (including financial, operational, compliance and information technology controls);
- (k) to approve the hiring, removal, evaluation and compensation of the head of the internal audit function, or the accounting, auditing firm or corporation to which the internal audit function is outsourced;
- (l) to ensure that the internal audit function is staffed with persons with the relevant qualification and experience and that they carry out their functions according to the standards set by nationally or internationally recognized professional bodies, including the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors; and
- (m) to review the audit representation letters before consideration by the Board, giving particular consideration to matters that related to non-standard issues.
- (n) to monitor interested person transactions and conflict of interest situations that may arise within the Group including any transaction, procedure or course of action that raises questions of Management integrity; and
- (o) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.



The AC has full access to and co-operation from Management, has full discretion to invite any Director or key management personnel to attend the meetings and has been given reasonable resources to discharge its' duties.

As at the date of this Report, the AC comprises the following three (3) members, all of whom are Non-Executive Directors, and two (2) of whom are Independent Directors:-

Tay Kah Chye	Chairman
Lee Kien Fatt	Member
Liu Zuming	Member

The Company notes that following the retirement of Mr Liu Zuming, the AC will not meet the requirements of Guideline 10.2 of the Code, as it will only have two (2) members. The Board and the NC are in the process of searching for suitable candidates to be appointed to the Board and the NC to meet such requirements and shall endeavour to fill this vacancy as soon as possible.

The AC is chaired by Mr Tay Kah Chye, who has over 30 years of experience in banking experience. He was with Citibank Singapore from 1973 to 1991 and ASEAN Finance Corporation Limited from 1991 to 2006. He was the Honorary Secretary General of ASEAN Bankers Association from 1991 to 2006 and Honorary Advisor from 2008 to 2010. Mr Lee Kien Fatt likewise has had many years of recent and relevant accounting or related financial management expertise or experience. The AC is of view that its members have the requisite financial management expertise and experience to discharge the AC's functions in accordance with the Companies Act and its Terms of Reference.

The AC does not comprise former partners or directors of the Company's existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation

#### *Internal Audit Function*

The Board recognizes the importance of maintaining an internal audit function to provide an independent assurance over the soundness of the system of internal controls within the Group to safeguard shareholders' investments and the Company's assets. The AC is responsible for reviewing the internal audit program and the adequacy of the internal audit function annually, and ensuring co-ordination between internal auditor, external auditor and Management, and that the internal auditor meets or exceeds the standards set by nationally or internationally recognized professional bodies. The AC also reviews, evaluates and approves the hiring and removal of its outsourced internal auditor.

For FY2018, no internal audit was conducted on both the Company and the Group for FY2018, as during the year, the businesses of the Group ceased and trading in the shares of the Company was voluntarily suspended on 6 July 2018.

The Company has since its voluntary suspension, taken certain steps or actions to restructure the Company and the Group with a view to resume trading in the shares of the Company.

An indicative timeline which is intended to address the Company's regulatory non-compliances with the relevant Catalist Rules was submitted together with its Trading

Resumption proposal on 30 July 2021 to the SGX-ST through its Sponsor. Further details are contained in the Company's announcement dated 30 July 2021.

The Company has plans to appoint an internal Auditor and an in-house internal audit officer by late 2021 or early 2022 to reinforce the compliance with Principle 10.4.

#### *External Auditors*

The Group's existing external auditors, Messrs Ernst & Young LLP, an audit firm registered with ACRA, have been the auditors of the Group since the financial year ended 30 September 2016. Mr Ng Boon Heng is the current audit partner in charge of the Company and the Group.

In July 2010, the Singapore Exchange Limited and ACRA had launched the "Guidance to Audit Committees on Evaluation of Quality of Work performed by External Auditors" which aims to facilitate the AC in evaluating the external auditors. Accordingly, the AC had evaluated the performance of the external auditors based on the key indicators of audit quality set out in the guidance.

The aggregate amount of fees paid to the external auditors in FY2018 and a breakdown of the fees paid in respect of audit and non-audit services are stated in the note 19 to the financial statements.

The AC is satisfied that the appointment of external auditors is in compliance with the requirements of Rule 712 of the Catalist Rules. Accordingly, the AC has recommended that Messrs Ernst & Young LLP be nominated for re-appointment as external auditors of the Company at the forthcoming AGM. In recommending the re-appointment of the external auditors, the AC considered the volume of non-audit services provided by the external auditors to the Group, and satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors.

In accordance with the requirements of Rule 716 of the Catalist Rules, the AC and the Board are satisfied that the appointment of different auditors for certain of its subsidiaries would not compromise the standard and effectiveness of the audit of the Group.

Changes to accounting standards and accounting issues which have a direct impact on the financial statements were reported to the AC, and highlighted by the external auditor in their meetings with the AC. No former partner or director of the Company's existing auditing firm has acted as a member of the AC.

The AC has met up with the external auditors separately without the presence of Management, in order to have free and unfettered access to information that it may require.

#### *Whistleblowing Policy*

The Company has implemented a whistleblowing policy, which serves to encourage and provide a channel to employees to report in good faith and in confidence, without fear of reprisals, concerns about possible wrongdoing or breach of applicable laws, regulations, policies or other matters. The objective for such arrangement is to ensure independent investigation of such matters and for appropriate follow-up action. As at the date of this report, there was no report received through the whistle-blowing mechanism.

## SHAREHOLDER RIGHTS AND RESPONSIBILITIES

### SHAREHOLDER RIGHTS

**Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.**

#### *Provision of Information to Shareholders*

All shareholders are treated fairly and equitably to facilitate their ownership rights. In line with the continuing disclosure obligations of the Company pursuant to the Catalist Rules and the Companies Act, the Board's policy is that all shareholders should be regularly informed in a comprehensive manner and on a timely basis of all material developments that impact the Group.

Shareholders are informed of general meetings through the announcement released to the SGXNet and notices contained in the Annual Report or circulars sent to all shareholders. Shareholders are also informed on the voting procedures at the general meeting. These notices are also advertised in a national newspaper. All shareholders are entitled to attend the general meetings and are provided the opportunity to participate in the general meetings. Please refer to the section titled "Electronic Meetings" below for changes brought about by the Order (as defined below) in view of the COVID-19 pandemic.

#### *Proxies*

Shareholders can vote in person or appoint not more than two proxies to attend and vote on their behalf at general meetings of shareholders.

On 3 January 2016, the legislation was amended, among other things, to allow certain members defined as "Relevant Intermediaries" to attend and participate in general meetings without being constrained by the two-proxy requirement. Relevant Intermediaries include corporations holding licenses in providing nominee and custodial services and CPF Board which purchases shares on behalf of the CPF investors.

Accordingly, the Company's Constitution does not limit the number of proxies which may be appointed by such Relevant Intermediaries.

#### *Electronic Meetings*

In view of the Covid-19 situation, the forthcoming AGM will be held via electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "Order"). Alternative arrangements relating to the mode of publication of notice of AGM, dispatch of annual report and proxy form, attendance at the AGM via electronic means, submission of questions to the Chairman of the Meeting in advance of the AGM, addressing of substantial and relevant questions at the AGM and voting by appointing the Chairman of the Meeting as proxy at the AGM, will be put in place for the AGM.

#### *Separate Resolutions*

Separate resolutions on each distinct issue are requisite unless they are closely related and are more appropriately tabled together. Reasons, and implications of why resolutions are bundled will be set out in the relevant circulars sent out.

#### *Attendance of Directors and External Auditors*

At the AGM, the External Auditors as well as all Directors (including the respective chairman of the Board Committee) are present to attend and to answer queries from shareholders. Shareholders are given the opportunity at the general meetings of the Company to air their views and query the Directors and the Management on matters relating to the Group and its operations. [All the Directors and the External Auditors attended the AGM for the financial year ended 31 December 2017.]

#### *Voting in Absentia*

The Company's Constitution does not provide for absentia voting at general meetings of shareholders. Voting in absentia such as voting via mails, electronic mails or facsimile at the general meetings may only be possible following careful study to ensure that integrity of the information and authentication of the identity of shareholders through the web is not compromised.

#### *Minutes of General Meetings*

The Company prepares minutes of general meetings which include substantial and relevant comments and queries from shareholders relating to the agenda of the general meetings together with responses from the Board and Management.

Pursuant to the Order, the minutes to the Company's upcoming AGM will be published on SGXNET and the Company's corporate website within one (1) month after the AGM.

#### *Dividend Policy*

The Company does not have a formal dividend policy. The form, frequency and amount of dividends will depend on the Group's earnings, financial position, results or operations, capital needs, plans for expansion, and other factors as the Board may deem appropriate. As the Company has not made profits for FY2018, dividends were not declared or paid for FY2018 in order to conserve cash and to ensure that there are adequate resources for the Company's business.

#### *Regulatory Non-Compliances*

The current Board is aware that it did not hold the AGM for FY2018 at the appropriate material time, and has yet to hold the relevant AGMs for FY2019 and FY2020.

Following its voluntary suspension, the Company is taking steps to restructure the Company and the Group with a view to resume trading in its shares.

An indicative timeline which is intended to address the Company's regulatory non-compliances with the relevant Catalist Rules was submitted together with its Trading

Resumption proposal on 30 July 2021 to the SGX-ST through its Sponsor. Further details are contained in the announcement dated 30 July 2021.

### **ENGAGEMENT WITH SHAREHOLDERS**

**Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.**

In line with continuous disclosure obligations, the Company is committed to provide regular and proactive communication with its shareholders but considers advice from its corporate lawyers and professionals on appropriate disclosure requirements before announcing material information to shareholders.

The Company does not have an investor relations policy in place at the material time. However, the Board ensures that shareholders are fully informed of all major developments that impact the Group. All shareholders are informed on a timely basis of every significant development that has an impact on the Group, in accordance with the requirements of the SGX-ST and the Companies Act, inter alia, through SGXNET.

### **ENGAGEMENT WITH STAKEHOLDERS**

**Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.**

The Company undertakes an annual review in identifying its material stakeholders through various medium and channels to understand their needs and expectations, and to address their concerns so as to improve product's standards, as well as to align the business interest with those of the stakeholders and ultimately to generate sustainable value in the long-run. It assesses the material environmental, social and governance factors that affects the Group.

Following its voluntary suspension, the Company is taking steps to restructure the Company and the Group with a view to resume trading in its shares, and will review the management of stakeholder relationships in due course.

### **Dealings in Securities**

*(Catalist Rule 1204(19))*

In compliance with Catalist Rule 1204(19), the Company has adopted a Code of Best Practices to provide guidance to its officers on securities transactions by the Company and its officers.

The Company and its officers are not allowed to deal in the Company's shares during the period commencing two weeks before the announcement of the Company's financial results for each of the first three quarters of its financial year, and one month before the announcement of the Company's full year financial results, ending on the date of the announcement of the relevant results.

Directors and executives are also expected to observe insider trading laws at all times even when dealing with securities within permitted trading periods or when they are in possession of unpublished price sensitive information. They are not to deal in the Company's securities on short-term considerations

### **Interested Person Transactions**

*(Catalist Rule 907)*

The Company does not have a general mandate from shareholders for interested person transactions. The Company has established procedures to ensure all transactions with interested persons are reported in a timely manner to the AC and those transactions are conducted on an arm's length basis and are not prejudicial to the interest of shareholders. There were no interested person transactions entered into between the Group and any of its interested persons and their associates as defined under Chapter 9 of the Catalist Rules for the financial year ended 31 December 2018 ("FY2018") of S\$100,000 or more.

### **Material Contracts**

*(Catalist Rule 1204(8))*

There were no material contracts entered into by the Company and its subsidiaries involving the interests of the chief executive officer, each director or controlling shareholder, either still subsisting at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

### **Non-Sponsor Fees**

*(Catalist Rule 1204(21))*

The Company is currently under the SGX-ST Catalist sponsor-supervised regime. The continuing sponsor of the Company is RHT Capital Pte. Ltd. In compliance to Rule 1204 (21) of the Catalist Rules, there were no non-sponsor fees paid to RHT Capital Pte. Ltd. by the Company for FY2018.

### **Employee Share Option Scheme**

*(Catalist Rule 1204(16))*

Details of the Asiatravel Share Option Scheme 2011 and Asiatravel.com Performance Share Plan can be found on pages 38 to 41 of the Annual Report in the Directors' Statement and Note 23 of the financial statements.

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### Asiatravel.com Holdings Ltd and its Subsidiaries

#### General Information

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##### Registered Office

46 East Coast Road,  
#06-03  
EASTGATE  
SINGAPORE (428766)

E-mail : [accounts2@asiatravel.com](mailto:accounts2@asiatravel.com)

##### Registrar and Share Transfer Office

In.Corp Corporate Services Pte. Ltd.  
30 Cecil Street,  
#19-08 Prudential Tower,  
Singapore 049712

##### Auditor

Ernst & Young LLP  
One Raffles Quay  
North Tower, Level 18  
Singapore 048583  
Partner in charge: Ng Boon Heng  
(Date of appointment: since financial year ended 30 September 2016)

##### Bankers

Citibank N.A.  
United Overseas Bank Limited  
Oversea-Chinese Banking Corporation Limited

## Asiatravel.com Holdings Ltd and its Subsidiaries

### Directors' Statement

The directors present their statement to the members together with the audited consolidated financial statements of Asiatravel.com Holdings Ltd (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2018.

### Opinion of the directors

In the opinion of the directors,

- (i) With reference to Note 2.1 to the consolidated financial statements, the consolidated financial statements of the Group and Company were drawn up based on accounting data and financial records earlier reported or provided before the cessation of operations of the Company and its subsidiaries between April and June 2018, the Directors do not believe that the consolidated financial statements of the Group and the balance sheets and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial positions of the Group and of the Company as at 31 December 2018 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date in accordance with the Companies Act (Cap 50) and Singapore Financial Reporting Standards (International). The Directors are unable to prepare the accounts for FY2018 as they are unable to retrieve or regain access to complete accounting data and financial records since the Company and its subsidiaries ceased operations between April and June 2018.

The Directors have resolved to proceed with the issuance of this set of financial statements so that the Company may move forward with its financial reporting for subsequent reporting periods following FY2018, without which the Company would be unable to do so. This was done after assessing the impact that this may have on the financial figures to be reported in the subsequent reporting periods after FY2018, taking note that the Company and its subsidiaries have had no operations since and after June 2018 and all its subsidiaries (save for Star-travel.com Limited) would also be disposed in FY2020 (as discussed in Note 2.2(b)); and

- (ii) at the date of this statement there are reasonable grounds, listed in Note 2.2 to the financial statements, to believe that the Company will be able to pay its debts as and when they fall due.

### Directors

The directors of the Company in office at the date of this statement are:

Boh Tuang Poh  
Tay Kah Chye  
Liu Zuming

### Arrangements to enable directors to acquire shares and debentures

Except as disclosed in this report, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

## Asiatravel.com Holdings Ltd and its Subsidiaries

### Directors' Statement

### Directors' interest in shares and debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act, Chapter 50, an interest in shares and share options of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

Name of Directors	Direct interest		Deemed interest	
	At beginning of the financial year	At end of the financial year	At beginning of the financial year	At end of the financial year
<b>The Company</b>				
<b>Asiatravel.com Holdings Ltd</b>				
<b>- Ordinary shares</b>				
Boh Tuang Poh	–	–	15,595,426	15,595,426
Tay Kah Chye	107,000	107,000	70,000	70,000

There was no change in any of the above-mentioned interests between the end of the financial year and 30<sup>th</sup> July 2021.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or at the end of the financial year.

### Share plans

The Remuneration Committee is responsible for administering the Asiatravel.com Share Option Scheme (the "Scheme").

During the financial year, members of the Remuneration Committee are as follows:

Tay Kah Chye	(Appointed on 26 April 2018)
Samuel Guok Chin Huat	(Chairman) (Resigned on 30 December 2020)
Tan Kheng Lee Arnold	(Retired on 25 July 2018)
Wang Yongli	(Resigned on 16 July 2018)
Heng Su-Ling Mae	(Chairman) (Resigned on 1 February 2018)

### Asiatravel.com Share Option Scheme

The Asiatravel.com Share Option Scheme 2011 ("2011 Scheme"), was approved at the Annual General Meeting held on 28 January 2011. The 2011 Scheme is administered by the Remuneration Committee.

At the end of the financial year, share options granted pursuant to the 2011 Scheme in respect of unissued ordinary shares of the Company to the following classes of executives are as follows:

Class of Executives	2018*	2017
Other Executives	–	300,000

\* 300,000 options expired on the 15<sup>th</sup> April 2018

Asiatravel.com Holdings Ltd and its Subsidiaries

Directors' Statement

Share plans (cont'd)

Performance Share Plan

Another incentive plan, the Asiatravel.com performance Share Plan ("Share Plan"), was also approved at the Annual General Meeting held on 28 January 2011. The Share Plan is administered by the Remuneration Committee.

During the financial year, no performance shares were granted under the Share Plan.

Options granted under the 2011 Scheme to full-time executive employees and directors of the Group are subject to an option period of up to ten years, such period commencing from the date of grant and expiring on the day immediately preceding, up to the tenth anniversary of the date of grant. The options are exercisable on the first anniversary of the date of grant. At the end of the financial year, there were no unissued ordinary shares of the Company under options as follows:

Date of grant	Balance at beginning of the period	Options granted	Options exercised during the period	Options cancelled during the period	Balance at end of the period	Subscription price	Expiry date
Options granted under the 2011 Scheme 16 April 2013	300,000	-	-	(300,000)	-	\$0.205	15 April 2018

Asiatravel.com Holdings Ltd and its Subsidiaries

Directors' Statement

Share plans (cont'd)

During the financial year, there were no unissued shares of the Company under options.

All options expired on the 15 April 2018 and at the end of the financial year and up to the date of this report, no option has been exercised.

Statutory and other information regarding the Options:

- (i) The Subscription Price per share shall be determined by the Remuneration Committee at its absolute discretion and fixed by the Remuneration Committee, at a price not exceeding 20% discount on the market value of the shares based on the average of the last dealt price of the share for the five market days prior to the date of grant, as quoted and shown on the daily Financial News published by the SGX-ST, or its nominal value, whichever is higher.
- (ii) Eligible grantees who participate in the Scheme may also be eligible to participate in other share option schemes implemented by the Company or by the Company's subsidiaries if under the rules of that scheme, he is eligible to participate in it.
- (iii) The total number of shares to be issued by the Company in respect of which options are granted under the 2011 Scheme shall not exceed 15% of the total issued share capital of the Company from time to time.
- (iv) The offer of an option to an eligible grantee, if not accepted by him within 30 days from the date of such offer, will lapse. Upon acceptance of the offer, the eligible grantee to whom the option is granted shall pay to the Company a consideration of \$1.

Except for shares available for issue under the 2011 Scheme as disclosed above,

- (i) during the financial year, there were:
  - (a) no options granted by the Company or its subsidiaries to any person to take up unissued shares in the Company or its subsidiaries;
  - (b) no shares issued by virtue of any exercise of options to take up unissued shares in the Company or its subsidiaries; and
- (ii) as at the end of the financial year, there were no other unissued shares in the Company or its subsidiaries under option.

Since the commencement of the employee share option plans till the end of the financial year:

- No option has been granted to the controlling shareholders of the Company and their associates
- No participant has received 5% or more of the total options available under the plans
- No option has been granted to directors and employees of the holding company and its subsidiaries
- No option that entitles the holder to participate, by virtue of the options, in any share issue of any other corporation has been granted
- No option has been granted at a discount

**Asiatravel.com Holdings Ltd and its Subsidiaries**

**Directors' Statement**

**Audit Committee**

The Audit Committee comprises three board members, all of whom are independent, non-executive directors. The members of the Audit Committee during the financial year and at the date of this report are:

Tay Kah Chye	(Chairman) (Appointed on 26 April 2018)
Liu Zuming	(Non-Executive Director) (Appointed on 15 March 2017)
Samuel Guok Chin Huat	(Non-Executive and Independent Director) (Resigned on 30 December 2020)
Heng Su-Ling Mae	(Chairman) (Resigned on 1 February 2018)
Tan Kheng Lee Arnold	(Non-Executive and Independent Director) (Retired on 25 July 2018)
Sheng Faqiang	(Non-Executive Director) (Retired on 27 January 2018)

The last AC Meeting held was on the 10 May 2018. There was no meeting held by the Audit Committee since the last Directors' Report. The Audit Committee is planning to do so as soon as the Company received approval for Trading Resumption when the Company get access to more resources.

On behalf of the Board of Directors:

Boh Tuang Poh  
Director

Tay Kah Chye  
Director

Singapore  
30 July 2021

**Asiatravel.com Holdings Ltd and its Subsidiaries**

**Independent Auditor's Report  
For the financial year ended 31 December 2018**

**Independent Auditor's Report to the Members of Asiatravel.com Holdings Ltd**

**Report on the audit of the financial statements**

**Disclaimer of Opinion**

We were engaged to audit the financial statements of Asiatravel.com Holdings Ltd (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and Company as at 31 December 2018, statements of changes in equity of the Group and Company and the consolidated income statement, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying financial statements of the Group and the balance sheet and statement of changes in equity of the Company. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

**Basis for Disclaimer of opinion**

**Insufficient accounting data and financial records**

Note 2.1 to the financial statements states that the financial statements of the Group and the balance sheet and statement of changes in equity of the Company do not show a true and fair view of the financial positions of the Group and the Company as at 31 December 2018 and the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year then ended in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International).

The Company has relied on the accounting data and financial records prepared or provided before the cessation of operations of the Company and its subsidiaries, together with accounting data and financial records retrieved from the Company's in-house IT and accounting systems for the preparation of these financial statements. Note 2.1 discloses events leading to loss of accounting data and financial records of the Company and its subsidiaries following the cessation of their operations during 2018. As a result, we were unable to obtain all relevant information and supporting documents necessary to complete our audit.

As we were not able to obtain all relevant information and explanations, we were neither able to determine the completeness and accuracy, nor were we able to quantify the extent of further adjustments or disclosures that might be necessary to the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2018.

**Going concern**

The Group ceased its operating activities during 2018, and reported a net loss and net operating cash outflows for the financial year ended 31 December 2018. As at 31 December 2018, the Group and Company is in a net liabilities and net current liabilities position. These factors and other events subsequent to the year end (as disclosed in Note 2.2) indicate the existence of material uncertainties which may cast significant doubt about the Group's and Company's ability to continue as a going concern.

**Asiatravel.com Holdings Ltd and its Subsidiaries**

**Independent Auditor's Report  
For the financial year ended 31 December 2018**

**Independent Auditor's Report to the Members of Asiatravel.com Holdings Ltd**

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**Going concern (cont'd)**

As stated in Note 2.2 to the financial statements, the Directors have prepared the financial statements on a going concern basis based on the assumptions disclosed in Note 2.2. However, based on information available to us, we have not been able to obtain sufficient appropriate audit evidence to satisfy ourselves on the appropriateness of the use of the going concern assumption in the preparation of these financial statements.

Because of the significance of the matters described above, we have not been able to obtain sufficient appropriate audit evidence to express an opinion on the financial statements.

In 2017, we disclaimed our opinion on the financial statements of the Group as we were not able to obtain sufficient audit evidence to satisfy ourselves as to the appropriateness of the going concern assumption used in the preparation of the financial statements.

**Responsibilities of Management and Directors for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our responsibility is to conduct an audit of the financial statements in accordance with Singapore Standards on Auditing and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accounts and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we had fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA code.

**Asiatravel.com Holdings Ltd and its Subsidiaries**

**Independent Auditor's Report  
For the financial year ended 31 December 2018**

**Independent Auditor's Report to the Members of Asiatravel.com Holdings Ltd**

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**Report on other legal and regulatory requirements**

In our opinion, because of the significance of the matter referred to in the Basis for Disclaimer of Opinion paragraph, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore have not been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Mr Ng Boon Heng.

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Ernst & Young LLP

Public Accountants and  
Chartered Accountants  
Singapore

30 July 2021



Asiatravel.com Holdings Ltd and its Subsidiaries

Balance Sheets  
As at 31 December 2018

	Note	31/12/2018 \$'000	Group 31/12/2017 \$'000	30/09/2016 \$'000	31/12/2018 \$'000	Company 31/12/2017 \$'000	30/09/2016 \$'000
<b>Non-current assets</b>							
Intangible assets	5	636	11,089	7,746	–	4,126	4,317
Property, plant and equipment	4	–	1,459	4,882	–	263	144
Investment in subsidiary	6	–	–	–	–	6,402	6,541
Other investments	7	–	–	85	–	–	–
Deferred tax assets	8	–	5	5	–	–	–
		636	12,553	12,718	–	10,791	11,002
<b>Current assets</b>							
Inventories	9	–	1,589	4,205	–	–	–
Trade receivables		–	2,310	10,763	–	1,224	1,195
Prepaid operating expenses		–	2,715	1,920	–	332	180
Other receivables	11	1,025	3,163	7,887	1,025	63	5,308
Amounts due from subsidiaries		–	–	–	–	19,866	17,957
Fixed deposits and cash pledged		–	1,959	2,066	–	1,791	1,906
Cash and cash equivalents	10	34	1,636	3,932	34	618	1,844
		1,059	13,372	30,773	1,059	23,894	28,390
<b>Current liabilities</b>							
Trade payables	12	15,483	9,259	5,255	7,307	46	–
Deferred income	13	–	4,430	4,380	–	1,460	260
Other payables		4,066	10,264	7,836	1,461	3,954	2,123
Amounts due to subsidiaries	14	–	–	–	–	18,841	15,519
Obligations under finance leases	15	37	386	966	37	35	33
Income tax payable		19	23	24	–	–	–
		19,605	24,362	18,461	8,805	24,336	17,935
<b>Net current assets</b>		(18,546)	(10,990)	12,312	(7,746)	(442)	10,455

Asiatravel.com Holdings Ltd and its Subsidiaries

Balance Sheets (cont'd)  
As at 31 December 2018

	Note	31/12/2018 \$'000	Group 31/12/2017 \$'000	30/09/2016 \$'000	31/12/2018 \$'000	Company 31/12/2017 \$'000	30/09/2016 \$'000
<b>Non-current liabilities</b>							
Obligations under finance leases	15	51	161	673	51	88	132
Deferred tax liabilities		2	2	3	–	–	–
		53	163	676	51	88	132
<b>Net assets</b>		(17,963)	1,400	24,354	(7,798)	10,261	21,325
<b>Equity attributable to owners of the Company</b>							
Share capital and treasury shares	16(a)	73,777	72,792	64,061	73,777	72,792	64,061
Treasury shares	16(b)	(4,199)	(4,199)	(4,133)	(4,199)	(4,199)	(4,133)
Accumulated losses	17(a)	(88,275)	(67,793)	(38,276)	(79,876)	(60,846)	(38,617)
Share-based compensation reserve	17(b)	–	14	14	–	14	14
Foreign currency transaction reserve	17(c)	577	429	–	–	–	–
Capital reserve	17(d)	3,872	3,872	1,372	2,500	2,500	–
<b>Shareholders' equity</b>		(14,248)	5,115	23,038	(7,798)	10,261	21,325
Non-controlling interests		(3,715)	(3,715)	1,316	–	–	–
<b>Total equity</b>		(17,963)	1,400	24,354	(7,798)	10,261	21,325

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Asiatravel.com Holdings Ltd and its Subsidiaries

Consolidated Income Statement  
For the financial year ended 31 December 2018

	Note	1.01.2018 to 31.12.2018 \$'000	1.10.2016 to 31.12.2017 \$'000
<b>Revenue</b>			
Sale of services	18	27,510	168,617
<b>Other items of income</b>			
Other income		881	1,571
		<u>28,391</u>	<u>170,188</u>
<b>Items of expense</b>			
Changes in inventories	19	(26,929)	(155,969)
Amortisation of intangible assets	5	(7,885)	(5,020)
Salaries and employee benefits	23	(4,219)	(15,752)
Depreciation of property, plant and equipment	4	(799)	(1,348)
Other operating expenses		(8,658)	(26,383)
Finance costs	19	(375)	(184)
		<u>(20,473)</u>	<u>(34,468)</u>
<b>Loss before tax</b>	19	(20,473)	(34,468)
Income tax expenses	20	(9)	(80)
		<u>(20,482)</u>	<u>(34,548)</u>
<b>Attributable to:</b>			
Owners of the Company		(20,482)	(29,517)
Non-controlling interests		–	(5,031)
		<u>(20,482)</u>	<u>(34,548)</u>
<b>Loss per share attributable to owners of the Company (cents per share)</b>	21		
- Basic		<u>(4.60)</u>	<u>(6.87)</u>
- Diluted		<u>(4.60)</u>	<u>(6.87)</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Asiatravel.com Holdings Ltd and its Subsidiaries

Consolidated Statement of Comprehensive Income  
For the financial year ended 31 December 2018

	1.01.2018 to 31.12.2018 \$'000	1.10.2016 to 31.12.2017 \$'000
<b>Loss net of tax</b>	(20,482)	(34,548)
<b>Other comprehensive income Items that may be reclassified subsequently to profit or loss</b>		
Translation of financial statements of foreign subsidiaries	148	429
	<u>(20,334)</u>	<u>(34,119)</u>
<b>Total comprehensive income for the period</b>	<u>(20,334)</u>	<u>(34,119)</u>
<b>Total comprehensive income attributable to:</b>		
Owners of the Company	(20,334)	(29,088)
Non-controlling interests	–	(5,031)
	<u>(20,334)</u>	<u>(34,119)</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Group	Attributable to the owners of the Company								
	Share capital Note 16(a) \$'000	Treasury shares Note 16(b) \$'000	Accumulated losses Note 17(a) \$'000	Capital reserve Note 17(d) \$'000	Share-based compensation reserve Note 17(b) \$'000	Foreign currency translation reserve Note 17(c) \$'000	Total reserves \$'000	Non- controlling interests \$'000	Total equity \$'000
At 1 January 2018 (FRS framework)	72,792	(4,199)	(66,256)	3,872	14	(1,108)	(63,478)	(3,715)	1,400
Cumulative effects of adopting SFRS(l)	-	-	(1,537)	-	-	1,537	-	-	-
At 1 January 2018 (SFRS(l) framework)	72,792	(4,199)	(67,793)	3,872	14	429	(63,478)	(3,715)	1,400
Loss net of tax	-	-	(20,482)	-	-	-	(20,482)	-	(20,482)
Expired share option	-	-	-	-	(14)	-	(14)	-	(14)
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Translation of financial statements of foreign subsidiaries	-	-	-	-	-	148	148	-	148
<b>Total comprehensive income for the period</b>	-	-	(20,482)	-	(14)	148	(20,348)	-	(20,348)
Contributions by and distributions to owners	1,000	-	-	-	-	-	-	-	1000
Share placement completed 6th April 2018	(15)	-	-	-	-	-	-	-	(15)
Shares issued Expenses	-	-	-	-	-	-	-	-	-
<b>Total contributions by and distributions to owners</b>	985	-	-	-	-	-	-	-	985
<b>At 31 December 2018</b>	<b>73,777</b>	<b>(4,199)</b>	<b>(86,275)</b>	<b>3,872</b>	<b>-</b>	<b>577</b>	<b>(83,826)</b>	<b>(3,715)</b>	<b>(17,963)</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

**Asiatravel.com Holdings Ltd and its Subsidiaries**

**Statements of Changes in Equity**  
For the financial year from 1 October 2016 to 31 December 2017

Group	Attributable to the owners of the Company								
	Share capital Note 18(a) \$'000	Treasury shares Note 18(b) \$'000	Accumulated losses Note 19(a) \$'000	Capital reserve Note 19(d) \$'000	Share-based compensation reserve Note 19(b) \$'000	Foreign currency translation reserve Note 19(c) \$'000	Non- controlling interests \$'000	Total reserves \$'000	Total equity \$'000
At 1 October 2016 (FRS framework)	64,061	(4,133)	(36,739)	1,372	14	(1,537)	(36,890)	1,316	24,354
Cumulative effects of adopting SFRS(l)	-	-	(1,537)	-	-	1,537	-	-	-
At 1 October 2016 (SFRS(l) framework)	64,061	(4,133)	(38,276)	1,372	14	-	(36,890)	1,316	24,354
Loss net of tax	-	-	(29,517)	-	-	-	(29,517)	(5,031)	(34,548)
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Translation of financial statements of foreign subsidiaries	-	-	-	-	-	429	429	-	429
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>(29,517)</b>	<b>-</b>	<b>-</b>	<b>429</b>	<b>(29,088)</b>	<b>(5,031)</b>	<b>(34,119)</b>
Contributions by and distributions to owners	8,731	-	-	-	-	-	-	-	8,731
Proceeds from issuance of new shares	-	-	-	2,500	-	-	2,500	-	2,500
Non-redeemable convertible notes	-	(66)	-	-	-	-	-	-	(66)
Purchase of treasury shares	-	-	-	-	-	-	-	-	-
<b>Total contributions by and distributions to owners</b>	<b>8,731</b>	<b>(66)</b>	<b>-</b>	<b>2,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,165</b>
<b>Total transactions with owners in their capacity as owners</b>	<b>8,731</b>	<b>(66)</b>	<b>-</b>	<b>2,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,165</b>
<b>At 31 December 2017</b>	<b>72,792</b>	<b>(4,199)</b>	<b>(67,793)</b>	<b>3,872</b>	<b>14</b>	<b>429</b>	<b>(63,478)</b>	<b>(3,715)</b>	<b>1,400</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Asiatravel.com Holdings Ltd and its Subsidiaries  
**Statements of Changes in Equity**  
**For the financial year ended 31 December 2018**

Company	Share capital Note 16(a) \$'000	Treasury shares Note 16(b) \$'000	Accumulated losses Note 17(a) \$'000	Share-based compensation reserve Note 17(b) \$'000	Capital reserve \$'000	Total equity \$'000
At 1 January 2018	72,792	(4,199)	(60,846)	14	2,500	10,261
Loss net of tax	–	–	(19,031)	–	–	(19,031)
Expired share option	–	–	–	(14)	–	(14)
Share placement completed 6th April 2018	1,000	–	–	–	–	1,000
<b>Total comprehensive income for the period</b>	<b>73,792</b>	<b>(4,199)</b>	<b>(79,877)</b>	<b>–</b>	<b>2,500</b>	<b>(7,784)</b>
Contributions by and distributions to owners	(15)	–	–	–	–	(15)
<u>Shares Issued</u> <u>Expenses</u>	(15)	–	–	–	–	(15)
<b>Total contributions by and distributions to owners</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total transactions with owners in their capacity as owners</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>At 31 December 2018</b>	<b>73,777</b>	<b>(4,199)</b>	<b>(79,877)</b>	<b>–</b>	<b>2,500</b>	<b>(7,798)</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Asiatravel.com Holdings Ltd and its Subsidiaries  
**Statements of Changes in Equity**  
**For the financial year from 1 October 2016 to 31 December 2017**

Company	Share capital Note 18(a) \$'000	Treasury shares Note 18(b) \$'000	Accumulated losses Note 19(a) \$'000	Share-based compensation reserve Note 219(b) \$'000	Capital reserve \$'000	Total equity \$'000
At 1 October 2016	64,061	(4,133)	(38,617)	14	–	21,325
Loss for the period	–	–	(22,229)	–	–	(22,229)
<b>Total comprehensive income for the period</b>	<b>64,061</b>	<b>(4,133)</b>	<b>(60,846)</b>	<b>14</b>	<b>–</b>	<b>(904)</b>
Contributions by and distributions to owners	8,731	–	–	–	–	8,731
Proceeds from issuance of new shares	–	–	–	–	2,500	2,500
Non-redeemable convertible notes	–	(66)	–	–	–	(66)
Purchase of treasury shares	–	–	–	–	–	–
<b>Total contributions by and distributions to owners</b>	<b>8,731</b>	<b>(66)</b>	<b>–</b>	<b>–</b>	<b>2,500</b>	<b>11,165</b>
<b>Total transactions with owners in their capacity as owners</b>	<b>8,731</b>	<b>(66)</b>	<b>–</b>	<b>–</b>	<b>2,500</b>	<b>11,165</b>
<b>At 31 December 2017</b>	<b>72,792</b>	<b>(4,199)</b>	<b>(60,846)</b>	<b>14</b>	<b>2,500</b>	<b>10,261</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Asiatravel.com Holdings Ltd and its Subsidiaries

Consolidated Cash Flow Statement  
For the financial year ended 31 December 2018

	Note	1.01.2018 to 31.12.2018 \$'000	1.10.2016 to 31.12.2017 \$'000
<b>Cash flows from operating activities</b>			
Loss before tax and non-controlling interests		(20,482)	(34,468)
Adjustments for:			
Depreciation of property, plant and equipment	4	799	1,348
Amortisation of intangible assets	5	7,885	5,020
Interest expense		19	184
Interest income		(206)	(11)
Loss on disposal of property, plant and equipment, net		125	105
Inventories written down	9	723	247
Bad debts written off		(411)	10
Loss on acquisition of subsidiaries		–	237
Gain on loss of control - ATE and FNE	6	(7,369)	–
Impairment of investment	7	–	85
Allowance for doubtful debt		–	5,572
Share based compensation	17(b)	(14)	–
Property, plant and equipment written off	4	756	–
Impairment of property, plant and equipment	4	–	2,634
Impairment of intangible assets	5	2,866	1,089
Impairment of other assets		6,425	–
Exchange loss – unrealised		292	920
<b>Operating cash flows before changes in working capital</b>		(8,593)	(17,028)
Changes in working capital			
Decrease in inventories		867	2,369
Decrease/(increase) in receivables and prepaid operating expenses		6,129	7,559
Increase/(decrease) in payables and deferred income		(4,404)	30
Increase/(decrease) in net amounts due to related parties		–	–
<b>Cash used in operations</b>		(6,001)	(7,070)
Interest paid		(19)	(184)
Interest received		206	11
Income tax paid		(14)	(51)
Translation adjustment		(84)	(292)
<b>Net cash flows used in operating activities</b>		(5,912)	(7,586)

Asiatravel.com Holdings Ltd and its Subsidiaries

Consolidated Cash Flow Statement (cont'd)  
For the financial year ended 31 December 2018

	Note	1.01.2018 to 31.12.2018 \$'000	1.10.2016 to 31.12.2017 \$'000
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	4	(108)	(658)
Proceeds on sale of property, plant and equipment		630	142
Addition to intangible assets	5	(382)	(5,705)
Acquisition of subsidiary		–	768
<b>Net cash flows used in investing activities</b>		140	(5,453)
<b>Cash flows from financing activities</b>			
Repayment of obligations under finance leases		(389)	(1,092)
Proceeds from loan and borrowings		23	–
Purchase of treasury shares	16(b)	–	(66)
Proceeds from issuance of new shares, net of expenses	16(a)	985	9,222
Issuance of non-redeemable convertible notes		–	2,500
Decrease in fixed deposits and cash pledged		3,531	90
<b>Net cash flows generated from financing activities</b>		4,150	10,654
Net decrease in cash and cash equivalents		(1,622)	(2,385)
Effects of exchange rate changes on cash and cash equivalents		20	89
Cash and cash equivalents at beginning of period		1,636	3,932
<b>Cash and cash equivalents at end of period</b>	10	34	1,636

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

1. Corporate information

Asiatravel.com Holdings Ltd (the "Company") is a limited liability company incorporated and domiciled in Singapore. The Company is listed on the Catalist of Singapore Exchange Securities Trading Limited ("SGX-ST").

The registered office and principal place of business of the Company is located at 46 East Coast Road, #06-03, Eastgate, Singapore 428766.

The principal activities of the Company are that of an investment holding company, sale of tour packages, provision of internet hotel reservation and other promotion services. The principal activities of the subsidiaries are disclosed in Note 6.

2. Summary of significant accounting policies

2.1 Basis of preparation

Save as disclosed below, the financial statements are prepared in accordance with the Singapore Financial Reporting Standards (International) (SFRS(I)).

For all the periods prior to and including the year ended 31 December 2017, the Group prepared its financial statements in accordance with the Financial Reporting Standards in Singapore (FRS). These financial statements for the financial year ended 31 December 2018 ("FY2018") are the first time the Group has prepared in accordance with SFRS(I). Refer to Note 2.3 for information on how the Group adopted SFRS(I).

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore dollars (SGD or \$) and all values are rounded to the nearest thousand (S\$'000), except when otherwise indicated.

Prior to the voluntary suspension of the trading in the shares of the Company on 6 July 2018. The Company and its subsidiaries were engaged in the online travel agency business and operated online platforms for distribution and sale of travel products.

The Company and its subsidiaries were forced to cease operations abruptly in July 2018, inter alia, when the Company ran into cashflow difficulties after an investor defaulted in respect of its obligation to provide funding of an amount of approximately S\$7.35 million to the Company, and there was a voluntary suspension of the trading in the shares of the Company on 6 July 2018. Following the cessation of operations of the Company and its subsidiaries between April and June 2018, almost all of the employees of the Company and its subsidiaries were retrenched or left the companies, and some of the office premises of the overseas subsidiaries were also repossessed by their respective landlords due to unpaid rental.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

2. Summary of significant accounting policies (cont'd)

2.1 Basis of preparation (cont'd)

As a result of this, the Company is unable to retrieve or regain access to certain accounting data and financial records of the Company and its subsidiaries. The Company has relied on the accounting data and financial records prepared or provided before the cessation of operations of the Company and its subsidiaries, together with accounting data and financial records retrieved from the Company's in-house IT and accounting systems for the preparation of the consolidated financial statements of the Group for FY2018. However, the accounting data and financial records provided by the subsidiaries and the accounting data (including information on transactions carried out) stored in the Company's in-house IT system was either incomplete, could not be retrieved or was corrupted as a result of the cessation of operations of the IT system. Hence, the directors are not in possession of a complete set of accounting data and financial records of the Company and its subsidiaries.

The Directors do not believe that the consolidated financial statements of the Group and the balance sheets and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2018 and the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year then ended in accordance with the Companies Act (Cap 50) and the SFRS (I).

The Directors have resolved to proceed with the issuance of this set of financial statements so that the Company may move forward with its financial reporting for subsequent reporting periods following FY2018, without which the Company would be unable to do so. This was done after assessing the impact that this may have on the financial figures to be reported in the subsequent reporting periods after FY2018, taking note that the Company and the subsidiaries have had no operations since and after June 2018 and overseas all its subsidiaries (save for Star-travel.com Limited) would also be disposed in FY2020 (as discussed in Note 2.2(b)); and the Directors intend to start operations afresh.

2.2 Going concern assumption

The Group incurred a net loss of \$20.48 million for the financial year ended 31 December 2018 (31 December 2017: \$34.55 million). As at 31 December 2018, the Group's and Company's current liabilities exceeded their current assets by \$18.55 million (31 December 2017: (\$10.99 million) and \$7.75 million (31 December 2017: \$0.44 million)) respectively.

These conditions indicate the existence of a material uncertainty which may cast significant doubt on the ability of the Group and the Company to continue as going concern and therefore they may not be able to realise their assets and discharge their liabilities in the normal course of business.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

2. Summary of significant accounting policies (cont'd)

2.2 Going concern assumption (cont'd)

The Board have prepared the financial statements on a going concern basis based on the factors and assumptions set out below:

- (a) The Company has obtained court sanction of a scheme of arrangement ("**Scheme**") on 1 February 2021, which is binding on the Company and certain creditors of the Company as of 29 September 2020 ("**Scheme Creditors**").

Under the terms of the Scheme, subject, *inter alia*, to the resumption of trading of the Company's shares on the Catalist Board ("**Trading Resumption**"), the liabilities of the Company to the Scheme Creditors will be extinguished, released and discharged, and converted into equity of the Company through the allotment and issue of shares ("**Scheme Shares**").

- (b) The Company has entered into conditional sale and purchase agreements dated 31 December 2020 ("**Disposal SPAs**") to dispose of the all of its subsidiaries (save for Star-travel.com Limited) ("**Loss-making Subsidiaries**") for an aggregate nominal consideration of S\$7.00 ("**Disposal**").

The Company has further entered into supplemental agreements to the Disposal SPAs dated 4 May 2021 pursuant to which it was agreed that the deemed effective date of the Disposal (subject to completion of the Disposal taking place) shall be 31 December 2020 ("**Effective Date**") and accordingly, the Loss-making Subsidiaries will cease to be subsidiaries of the Company as of the Effective Date.

- (c) Pursuant to a Convertible Facility Agreement ("**CFA**") dated 23 July 2020 entered into by the Company with Sky Smart Venture Limited ("**New Investor**"), the New Investor had agreed, upon and subject to the terms of the CFA, to make available a convertible facility ("**Convertible Facility**") of an aggregate principal amount of up to S\$1.6 million to the Company which is convertible, at the option of the New Investor upon and subject to the terms of the CFA, into new shares ("**Conversion Shares**") in the capital of the Company.
- (d) The Company is in the midst of discussions with the New Investor to amend or supplement the CFA where the New Investor will agree and undertake, *inter alia*, not to demand for repayment of the then outstanding amount under the Convertible Facility pending submission of the Company's application to the SGX-ST for the Trading Resumption ("**ROT Proposal**") and to effect a mandatory conversion of the then outstanding amount under the Convertible Facility into the relevant number of Conversion Shares in the event the Company receives approval of the ROT Proposal from the SGX-ST.

As at 30 July 2021, the aggregate amounts drawn down and utilised and expected to be drawn down and utilised in respect of the Convertible Facility on or prior to the Trading Resumption is estimated to be approximately S\$1,240,154.67, with an estimated remaining unutilised amount of approximately S\$359,845.33 being available for further drawdown to fund the Company's working capital and other requirements.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

2. Summary of significant accounting policies (cont'd)

2.2 Going concern assumption (cont'd)

- (e) The Company is currently working towards submission of the ROT Proposal to the SGX-ST by 31 July 2021, and will update Shareholders in due course on its plans for the Company's business under the ROT Proposal.

- (f) Subject, *inter alia*, to the implementation and effecting of the measures stated under (a) to (e) above, the Directors are of the reasonable opinion that it remains reasonable for the Company and the Group to adopt the going concern assumption in the preparation of the financial statements, *inter alia*, pending the outcome of the ROT Proposal to be submitted by the Company.

2.3 First-time adoption of Singapore Financial Reporting Standards (International) (SFRS(I))

These financial statements for the year ended 31 December 2018 are the first the Group and the Company have prepared in accordance with SFRS(I). Accordingly, the Group and the Company have prepared financial statements that comply with SFRS(I) applicable as at 31 December 2018, together with the comparative period date for the year ended 31 December 2017, as described in the summary of significant accounting policies. On preparing the financial statements, the Group's and the Company's opening balance sheets were prepared as at 1 October 2016, the Group and the Company's date of transition to SFRS(I).

Exemptions applied on adoption of SFRS(I)

SFRS(I) allows first-time adopters exemptions from the retrospective application of certain requirements under SFRS(I). The Group has applied the following exemptions:

- SFRS(I) 3 Business Combinations has not been applied to either acquisitions of subsidiaries that are considered businesses under SFRS(I), or acquisitions of interests in associates and joint ventures that occurred before 1 October 2016. The carrying amounts of assets and liabilities at the date of transition to SFRS(I) is the same as previously reported under FRS.
- SFRS(I) 1-21 The Effects of Changes in Foreign Exchange Rates has not been applied retrospectively to fair value adjustments and goodwill from business combinations that occurred before the date of transition to SFRS(I). Such fair value adjustments and goodwill are treated as assets and liabilities of the parent rather than as assets and liabilities of the acquiree. Therefore, those assets and liabilities are already expressed in the functional currency of the parent or are non-monetary foreign currency items and no further translation differences occur.
- Cumulative currency translation differences for all foreign operations are deemed to be zero at the date of transition, 1 October 2016. As a result, an amount of \$1,536,855 was adjusted against the opening retained earnings as at 1 October 2016.
- The comparative information do not comply with SFRS(I) 9 *Financial Instruments* or SFRS(I) 7 *Financial Instruments: Disclosures* to the extent the disclosures relate to items within the scope of SFRS(I) 9.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

2. Summary of significant accounting policies (cont'd)

2.3 *First-time adoption of Singapore Financial Reporting Standards (International) (SFRS(I)) (cont'd)*

**New accounting standards effective on 1 January 2018**

The accounting policies adopted are consistent with those previously applied under FRS except that in the current financial year, the Group has adopted all the SFRS(I) which are effective for annual financial periods beginning on or after 1 January 2018. The Group and the Company taken up the new standards on items that can identified, however with reference to Note 2, the Group and Company cannot fully assess the adoption impact of these standards on the financial performance or position.

**SFRS(I) 9 Financial Instruments**

On 1 January 2018, the Group adopted SFRS(I) 9 *Financial instruments*, which is effective for annual periods beginning on or after 1 January 2018.

The Group adopts the modified retrospective approach, the changes arising from the adoption of SFRS(I) 9 have not been applied retrospectively. With reference to Note 2, the Group cannot fully assess the adoption impact of this standard on the financial performance or position of the Group and the Company for FY2018.

**SFRS(I) 15 Revenue from Contracts with Customers**

The Group adopted SFRS(I) 15 which is effective for annual periods beginning on or after 1 January 2018.

The Group adopts the modified retrospective approach and did not apply SFRS(I) 15 retrospectively. With reference to Note 2, the Group cannot fully assess the adoption impact of this standard on the financial performance or position of the Group and the Company for FY2018.

2.4 *Basis of consolidation and business combinations*

(a) **Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

2. Summary of significant accounting policies (cont'd)

2.4 *Basis of consolidation and business combinations (cont'd)*

(a) **Basis of consolidation (cont'd)**

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- de-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- de-recognises the carrying amount of any non-controlling interest;
- de-recognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss;
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

(b) **Business combinations and goodwill**

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another FRS.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. The accounting policy for goodwill is set out in Note 2.9(a). In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.



Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 December 2018

2. Summary of significant accounting policies (cont'd)

2.4 Basis of consolidation and business combinations (cont'd)

(b) Business combinations and goodwill (cont'd)

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

2.5 Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2.6 Foreign currency

The financial statements are presented in Singapore Dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in the profit or loss.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 December 2018

2. Summary of significant accounting policies (cont'd)

2.6 Foreign currency (cont'd)

(b) Consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the profit or loss.

2.7 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

	<u>Years</u>
Computers	- 3 – 5
Furniture and fittings	- 3 – 10
Office equipment	- 3 – 10
Renovation	- 5
Motor vehicles	- 5 – 17

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the period the asset is derecognised.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

2. Summary of significant accounting policies (cont'd)

2.8 Intangible assets

(a) Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating units to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash-generating unit retained.

Goodwill and fair value adjustments arising on the acquisition of foreign operation are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated in accordance with the accounting policy set out in Note 2.8.

(b) Other intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the period in which expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the profit or loss in the expense category consistent with the function of the intangible asset.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

2. Summary of significant accounting policies (cont'd)

2.8 Intangible assets (cont'd)

(b) Other intangible assets (cont'd)

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

(i) Website development and software costs

Website development and software costs are substantially internally developed and measured at cost less accumulated amortisation and any accumulated impairment losses. Website development and software costs incurred in the enhancement of existing website, development of booking engines such as tour packages and air ticketing software and other software related costs are capitalised.

Website development and software costs comprise any directly attributable costs of development activities which include payroll costs, costs of services consumed and other direct costs. Expenditure for additions and improvements are capitalised and expenditure for maintenance are recognised in the profit or loss.

Amortisation of website development and software costs is computed on a straight-line basis over their estimated useful lives of 3 to 5 years.

(ii) Contractual and legal rights over audio-visual materials

The Group has contractual rights to utilise 7,300 (31 December 2017: 6,849) hours of audio-visual materials. This is in relation to promotional activities that can be utilised by the Group.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

2. Summary of significant accounting policies (cont'd)

2.8 Intangible assets (cont'd)

(b) Other intangible assets (cont'd)

A summary of the policies applied to the Group's intangible assets is as follows:

	Contractual and legal rights over audio visual materials	Website development and software costs
Internally generated or acquired	Acquired	Acquired and internally developed
Useful lives and amortisation method used	<ul style="list-style-type: none"> <li>▪ Finite</li> <li>▪ Amortised over remaining 20 years on a straight line basis</li> </ul>	<ul style="list-style-type: none"> <li>▪ Finite</li> <li>▪ Amortised over 3 - 5 years on straight line basis</li> </ul>
Impairment testing	When an indication of impairment exists	When an indication of impairment exists
Review of Amortisation Period and Method	Amortisation period and method are reviewed at each financial year-end	Amortisation period and method are reviewed at each financial year-end

2.9 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in the profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

2. Summary of significant accounting policies (cont'd)

2.10 Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.11 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

(i) Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

2. Summary of significant accounting policies (cont'd)

2.11 Financial instruments (cont'd)

(a) Financial assets (cont'd)

(ii) Available-for-sale financial assets

The Group classifies its other investments as available-for-sale financial assets.

Available-for-sale financial assets include equity and debt securities. Equity investments classified as available-for-sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial asset are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

**Derecognition**

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in the profit or loss.

(b) Financial liabilities

**Initial recognition and measurement**

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

2. Summary of significant accounting policies (cont'd)

2.11 Financial instruments (cont'd)

(b) Financial liabilities (cont'd)

**Subsequent measurement**

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit or loss.

2.12 Impairment of financial assets

The Group assesses at each reporting period whether there is any objective evidence that a financial asset is impaired.

(a) Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristic and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

2. Summary of significant accounting policies (cont'd)

2.12 Impairment of financial assets (cont'd)

(a) Financial assets carried at amortised cost (cont'd)

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in the profit or loss.

(b) Available-for-sale financial assets

In the case of equity investments classified as available-for-sale, objective evidence of impairment include (i) significant financial difficulty of the issuer or obligor, (ii) information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in equity instrument may not be recovered; and (iii) a significant or prolonged decline in the fair value of the investment below its costs. The determination of what is "significant" or "prolonged" depends on the circumstances at the end of the reporting period. This requires judgement and so it varies among entities.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its acquisition cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the profit or loss, is transferred from other comprehensive income and recognised in profit or loss. Reversals of impairment loss in respect of equity instruments are not recognised in profit or loss; increase in their fair value after impairment are recognised directly in other comprehensive income.

2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and demand deposits that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

2. Summary of significant accounting policies (cont'd)

2.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Inventories comprise admission tickets to various tourist attractions, airtime spots and hotel/resort room nights. Cost is determined on a first-in-first out basis.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, after making allowance for damaged tickets and expiration of these tickets and room nights.

2.15 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax-rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.16 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.17 Employee benefits

(a) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

## Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

## 2. Summary of significant accounting policies (cont'd)

## 2.17 Employee benefits (cont'd)

## (b) Employee share option plans

Employees of the Group receive remuneration in the form of share options as consideration for services rendered. The cost of these equity-settled share based payment transactions with employees is measured by reference to the fair value of the options at the date on which the share options are granted which takes into account market conditions and non-vesting conditions. This cost is recognised in profit or loss, with a corresponding increase in the share-based compensation reserve, over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in "salaries and employee benefits" expense.

The share-based compensation reserve is transferred to retained earnings upon expiry of the share option.

## 2.18 Leases

## As lessee

Finance leases which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

## 2.19 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Group assesses its revenue arrangements to determine if it is acting as principal or agent and records its revenue accordingly.

## Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

## 2. Summary of significant accounting policies (cont'd)

## 2.19 Revenue (cont'd)

The following specific recognition criteria must also be met before revenue is recognised:

## (a) Internet hotel reservation service

Revenue from the provision of internet hotel reservation services is recognised once the reservations are fulfilled and no refund is made. Revenue from such services which is collected in advance of the fulfilment is deferred and reflected as deferred income.

## (b) Sale of attraction tickets, transportation and tour packages

Revenue from the sale of attraction tickets, transportation and tour packages is recognised as follows:

- (i) attraction tickets – upon the utilisation of the attraction tickets;
- (ii) transportation – upon completion of the transportation services; and
- (iii) tour packages – upon completion of the tour package services.

## (c) Sale of air tickets

Sale of air tickets are stated after deducting its cost. It is recognised upon booking of air tickets.

## (d) Commission income

Revenue from commission income relates to the provision of internet hotel reservation services, and is recognised once the reservations are fulfilled.

## (e) Promotion service

Revenue from the provision of promotion services is recognised when the right to receive payment is established.

## (f) Annual website membership fees

Revenue from membership fees from hotels participating in the website membership scheme is recognised based on the period of membership during the financial year. Revenue from such services that is collected in advance of the services being rendered, is deferred and reflected as deferred income.

## (g) Interest income

Interest income is recognised using the effective interest method.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

2. Summary of significant accounting policies (cont'd)

2.20 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred income tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investment in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

2. Summary of significant accounting policies (cont'd)

2.20 Taxes (cont'd)

(b) Deferred tax (cont'd)

The carrying amount of deferred tax assets is reviewed at end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.21 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. These segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are presented in Note 25, including factors used to identify the reportable segments and the measurement basis of segment information.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

2. Summary of significant accounting policies (cont'd)

2.22 Share capital and share issuance expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.23 Treasury shares

The Group's own equity instruments, which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in the profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

2.24 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
  - It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

3. Significant accounting judgments and estimates

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

3. Significant accounting judgments and estimates (cont'd)

3.1 Judgment made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgment, apart from those involving estimations, which has the most significant effect on the amounts recognised in the consolidated financial statements:

(a) Income taxes

The Group has exposure to income taxes in numerous jurisdictions. Significant judgment is involved in determining the Group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. Due to lack of access to accounting data and financial records of certain subsidiaries, management were not able to confirm whether tax filings were completed in timely manner by these subsidiaries, or to determine if any provision for penalties may be required. The carrying amount of the Group's income tax payable, deferred tax assets and deferred tax liabilities at 31 December 2018 was \$Nil, \$Nil and \$Nil respectively (2017: \$23,000, \$5,000 and \$2,000 respectively).

(b) Determination of functional currency

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgment is required to determine the currency that mainly influences sales prices for goods and services of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.



## Asiatravel.com Holdings Ltd and its Subsidiaries

## Notes to the Financial Statements

For the financial year ended 31 December 2018

## 3. Significant accounting judgments and estimates (cont'd)

## 3.2 Key sources of estimation uncertainty (cont'd)

## (a) Impairment of intangible assets

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transactions of similar assets or observable market prices less incremental costs for disposing the asset. The value in use calculations are based on a discounted cash flow model. The cash flows are derived from the budget for the next four periods and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. Further details of the key assumptions applied in the impairment assessment of intangible assets, are disclosed in Note 5.

## (b) Impairment of loans and receivables

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics.

With reference to Note 2, all receivables have been written off due to the inability to proof any collectible receivables.

## (c) Useful lives of intangible assets

The useful lives of intangible assets are assessed as either finite or indefinite.

Contractual and legal rights over audio-visual materials are amortised on a straight-line basis over their estimated useful lives. Management estimates the useful lives of the contractual and legal rights over audio-visual materials to be 20 years. The carrying amount of the Group's website development and software costs and the contractual and legal rights over audio-visual materials at 31 December 2018 was \$636,293 (2017: \$2,073,000). Changes in the expected level of usage and technological developments could impact the economic useful lives of these assets, therefore future depreciation charges could be revised.

## Asiatravel.com Holdings Ltd and its Subsidiaries

## Notes to the Financial Statements

For the financial year ended 31 December 2018

## 3. Significant accounting judgments and estimates (cont'd)

## 3.2 Key sources of estimation uncertainty (cont'd)

## (d) Impairment of investments in subsidiaries

The Company reviews the carrying amounts of investments in subsidiaries for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable. If any indication exists, the Company will perform impairment review by comparing the carrying amount of the cash generating unit ("CGU") with its recoverable amount. The recoverable amount is the higher of the value in use and the fair value less costs to sell. An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transactions of similar assets or observable market prices less incremental costs for disposing the asset. The value in use calculations are based on a discounted cash flow model. The cash flows are derived from the budget for the next four periods and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. All investments in subsidiaries have been fully impaired as at 31 December 2018. Further details are disclosed in Note 6.

## (e) Provision for liability on non-fulfilment of services

With reference to Note 2, the Company has worked with its business partners, including but not limited to merchant service provider and other agents to arrange settlement over unconsumed services with payments already made to the Company. Wirecard as a payment service provider, was in fact holding up fund from the Company to ensure any claims from direct customer can be refunded, while settlement with Wirecard was already completed in FY2018 and the Company has not received any further claim from any direct customers as of today while any non-refundable services are reflected already reflected in the payables to the Trade Creditors. No provision for non-fulfilment of services has been recorded to date.

Notes to the Financial Statements  
For the financial year ended 31 December 2018

4. Property, plant and equipment

Group	Computers \$'000	Furniture and fittings \$'000	Office equipment \$'000	Renovation \$'000	Motor vehicles \$'000	Total \$'000
<b>Cost</b>						
At 1 October 2016	2,162	715	556	390	7,762	11,585
Acquisition of subsidiary	138	8	143	26	—	315
Additions	112	10	154	201	181	658
Disposals	(69)	(36)	(5)	(17)	(1,016)	(1,143)
Exchange differences	(4)	2	(5)	(3)	(3)	(13)
At 31 December 2017 and 1 January 2018	2,339	699	843	597	6,924	11,402
Additions	7	—	14	86	1	108
Recognize AT Express and FreeNeasy as Associate Written off*	(6)	(1)	(5)	—	(94)	(106)
Exchange differences	(1,276)	(330)	(246)	(553)	(6,557)	(8,962)
	(8)	—	(12)	(2)	(1)	(23)
At 31 December 2018	1,056	368	594	128	273	2,419

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

4. Property, plant and equipment (cont'd)

Group	Computers \$'000	Furniture and fittings \$'000	Office equipment \$'000	Renovation \$'000	Motor vehicles \$'000	Total \$'000
<b>Accumulated depreciation and impairment loss</b>						
At 1 January 2017	1,824	513	392	329	3,645	6,703
Charge for the year	311	99	163	39	736	1,348
Disposals	(46)	(36)	(5)	(17)	(629)	(733)
Impairment loss	—	—	—	—	2,634	2,634
Exchange differences	(1)	(2)	(2)	(2)	(2)	(9)
At 31 December 2017 and 1 January 2018	2,088	574	548	349	6,384	9,943
Charge for the period	356	111	228	41	63	799
Recognize AT Express and FreeNeasy as Associate Written off*	(6)	(1)	(5)	—	(94)	(104)
Impairment loss	(1,377)	(314)	(172)	(261)	(6,080)	(8,206)
Exchange differences	—	—	—	—	—	—
	(5)	(1)	(6)	(1)	—	(13)
At 31 December 2018	1,056	369	593	128	273	2,419
<b>Net carrying amount</b>						
At 31 December 2017	251	125	295	248	540	1,459
At 31 December 2018	—	—	—	—	—	—

\* With reference to Note 2, some of the office premises of the overseas subsidiaries were also compulsorily seized by their respective landlords due to unpaid rental. As a result of this, all Fixed Assets are written off.

4. Property, plant and equipment (cont'd)	Company	Computers \$'000	Furniture and fittings \$'000	Office equipment \$'000	Renovation \$'000	Motor vehicles \$'000	Total \$'000
<b>Cost</b>							
At 1 October 2016	705	329	136	119	320	1,609	
Additions	—	1	36	201	—	238	
At 31 December 2017 and 1 January 2018	705	330	172	320	320	1,847	
Additions	—	—	—	86	—	86	
Written off	(705)	(330)	(172)	(406)	(320)	(1,933)	
At 31 December 2018	—	—	—	—	—	—	
<b>Accumulated depreciation</b>							
At 1 October 2016	704	288	104	108	261	1,465	
Charge for the year	1	34	15	10	59	119	
At 30 September 2017 and 1 October 2018	705	322	119	118	320	1,584	
Written off*	(705)	(322)	(119)	(118)	(320)	(1,584)	
At 31 December 2018	—	—	—	—	—	—	
<b>Net carrying amount</b>							
At 31 December 2017	—	8	53	202	—	263	
At 31 December 2018	—	—	—	—	—	—	

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

5. Intangible assets

Group	Goodwill \$'000	Contractual and legal rights over audio-visual materials \$'000	Club membership \$'000	Website development and software costs \$'000	Total \$'000
<b>Cost</b>					
At 1 October 2016	1,609	2,492	48	12,773	16,922
Acquisition of subsidiary	—	—	—	3,840	3,840
Additions	—	—	—	5,705	5,705
Exchange differences	—	(13)	—	(59)	(72)
At 31 December 2017 and 1 January 2017	1,609	2,479	48	22,259	26,395
Acquisition of subsidiary	—	—	—	—	—
Additions	—	—	—	382	382
Exchange differences	—	(12)	(1)	(156)	(169)
At 31 December 2018	1,609	2,467	47	22,485	26,608
<b>Accumulated amortisation and impairment loss</b>					
At 1 October 2016	535	249	—	8,392	9,176
Amortisation	—	157	—	4,863	5,020
Impairment loss	1,074	—	—	15	1,089
Exchange differences	—	—	—	21	21
At 31 December 2017 and 1 January 2018	1,609	406	—	13,291	15,306
Amortisation	—	63	47	7,775	7,885
Impairment loss	—	1,361	—	1,505	2,866
Exchange differences	—	1	—	(86)	(85)
At 31 December 2018	1,609	1,831	47	22,485	25,972
<b>Net carrying amount</b>					
At 31 December 2017	—	2,073	47	8,968	11,089
At 31 December 2018	—	636	—	—	636

**Asiatravel.com Holdings Ltd and its Subsidiaries**

**Notes to the Financial Statements  
For the financial year ended 31 December 2018**

**5. Intangible assets (cont'd)**

<b>Company</b>	<b>Website development and software costs \$'000</b>
<b>Cost</b>	
At 1 October 2016	11,862
Additions	1,440
	13,302
At 31 December 2017 and 1 January 2018	13,302
Additions	382
Write Off	(340)
	13,344
At 31 December 2018	13,344
<b>Accumulated amortisation</b>	
At 1 October 2016	7,545
Amortisation	1,631
	9,176
At 30 September 2017 and 1 October 2017	9,176
Amortisation	1,402
Impairment Loss	2,766
	13,344
At 31 December 2018	13,344
<b>Net carrying amount</b>	
At 31 December 2017	4,126
At 31 December 2018	-

Website development and software costs

Website development costs were incurred to develop and enhance the website to provide information of the products and services of the Group to customers where they can procure these services on the website.

Software costs refer to costs incurred to develop and enhance the applications used to facilitate booking processes, management of customers' data and management of intelligence support and reporting.

As at balance sheet date, website development and software costs have a remaining amortisation period of between 1-5 years (2017: 1-5 years).

Amortisation expense

The amortisation of website development and software costs and audio-visual materials is shown as a separate line item in the consolidated income statement. Club membership is not amortised as it has indefinite life.

**Asiatravel.com Holdings Ltd and its Subsidiaries**

**Notes to the Financial Statements  
For the financial year ended 31 December 2018**

**5. Intangible assets (cont'd)**

Impairment testing and amortisation of contractual and legal rights over audio-visual materials

The Group has assessed the recoverable amount of contractual and legal rights over audio-visual materials based on value in use calculations using cash flow projections of the cost savings arising from the use of the audio visual materials, based on management's expected usage of the audio-visual materials for promotional purposes covering a period of 18 years.

As at 31 December 2018, contractual and legal rights over audio-visual materials have a remaining amortisation period of 18 years (2017: 19 years).

Key assumptions used in the cost saving calculations

The calculations of cost saving for audio-visual materials are most sensitive to the following assumptions:

Annual cost saving – Budget to rollout 30 minutes video per destination every 6 months, total 420 minutes a year for 7 destination as per latest financial projection, cost saving comparison from market rate for engaging production team to create videos versus utilizing existing footages.

Pre-tax discount Rates – Discount rates represent the current market assessment of the risks specific to each CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates.

During the financial year, an impairment loss of SGD1,361,483 of contractual and legal rights over audio-visual materials has been recorded in profit or loss under the line item "other operating expenses".

Impairment testing and amortisation of website development costs

The Group has assessed the recoverable amount of website development cost based on its value in use, estimated using cash flow projections from financial budgets approved by management covering a period of 5 years.

Key assumptions used in the value in use calculations

The calculations of value in use for website development costs are most sensitive to the following assumptions:

Net Cash Generation – Incoming cash inflow generated from the use of the website minus cash outflow for all the operating expense relating to the website. Projection parameters are listed in the below table.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

5. Intangible assets (cont'd)

Key assumptions used in the value in use calculations (cont'd)

	2019	2020	2021	2022
<b>B2C Hotel</b>				
Volume of transaction	–	–	596	6,102
Projected Margin	–	–	15.0%	15.0%
Projected Growth rate	–	–	–	1061.6%
<b>B2B Hotel</b>				
Volume of transaction	–	–	1,834	18,876
Projected Margin	–	–	8.0%	8.0%
Projected Growth rate	–	–	–	929.2%
<b>Event Ticketing</b>				
Volume of transaction	–	–	80,000	280,000
Projected Margin	–	–	57.4%	52.4%
Projected Growth rate	–	–	–	213.0%
<b>Tour Packages</b>				
Volume of transaction	–	–	140	1,473
Projected Margin	–	–	10.0%	10.0%
Projected Growth rate	–	–	–	1093.7%
<b>Airticketing</b>				
Volume of transaction	–	–	22	222
Projected Margin	–	–	100.0%	100.0%
Projected Growth rate	–	–	–	1045.5%
<b>Rental car and Airport Transfer</b>				
Volume of transaction	–	–	11	99
Projected Margin	–	–	100.0%	100.0%
Projected Growth rate	–	–	–	919.3

Pre-tax discount Rates – Discount rates represent the current market assessment of the risks specific to each CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates.

During the year, an impairment loss of SGD2,766,373 was recorded over website development costs in profit and loss under the line item “other operating expenses”.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

6. Investment in subsidiaries

	Company	
	2018	1.10.2016 to 31.12.2017
	\$'000	\$'000
Shares, at cost	14,847	14,847
Impairment losses	(14,847)	(8,445)
	–	6,402

a. Composition of the Group

The details of the subsidiaries are:

Name of Company	Country of incorporation	Principal activities	Proportion of ownership interest	
			2018 %	2017 %
<b>Held by the Company</b>				
AT Reservation Network Pte Ltd	Singapore	Provision of internet hotel reservation service, website membership and sale of tour packages	100	100
S.H. Tours Pte. Ltd.	Singapore	Provision of tours and transportation packages	100	100
OV International Pte. Ltd.	Singapore	Dormant	100	100
AT Express Pte. Ltd.	Singapore	Provision of wholesale hotel reservation service	n/a	50
Freeneasy Travel Pte. Ltd	Singapore	Provision of internet hotel reservation service, sale of tour packages	n/a	50
Star-Travel.com Limited	The British Virgin Islands	Dormant	100	100
Precise Reform Limited	The British Virgin Islands	Dormant	100	100
Open Gate Developments Limited	The British Virgin Islands	Dormant	100	–

**Asiatravel.com Holdings Ltd and its Subsidiaries**

**Notes to the Financial Statements  
For the financial year ended 31 December 2018**

**6. Investment in subsidiaries (cont'd)**

**a. Composition of the Group (cont'd)**

Name of Company	Country of incorporation	Principal activities	Proportion of ownership interest	
			2018	2017
<b>Held through AT Reservation Network Pte Ltd</b>				
AT Network Co., Ltd.	Thailand	Provision of internet hotel reservation service, website membership and sale of tour packages	100	100
AT Phil., Inc.	Philippines	Provision of internet hotel reservation service, website membership and sale of tour packages	100	100
Asia Travel Network Limited	Hong Kong	Provision of internet hotel reservation service, website membership and sale of tour packages	100	100
PT Asia Travelindo Nusantara	Indonesia	Dormant	100	100
Asia Middle East Tours & Travel (L.L.C.)	United Arab Emirates	Provision of internet hotel reservation service, website membership and sale of tour packages	100	100
AT-Chinese (HK) Limited	Hong Kong	Provision of internet hotel reservation service, website membership and sale of tour packages	100	100
Asiatravel (International) Private Limited	India	Dormant	100	100
Asiatravel Online Sdn. Bhd.	Malaysia	Provision of internet hotel reservation service and sale of tour packages	100	100

**Asiatravel.com Holdings Ltd and its Subsidiaries**

**Notes to the Financial Statements  
For the financial year ended 31 December 2018**

**6. Investment in subsidiaries (cont'd)**

**a. Composition of the Group (cont'd)**

Name of Company	Country of incorporation	Principal activities	Proportion of ownership interest	
			2018	2017
<b>Held through AT Reservation Network Pte Ltd (cont'd)</b>			%	%
<b>Subsidiary company held by Open Gate Development Limited</b>				
Creative Glory (HK) Limited.	Hong Kong	Investment holdings	100	–
<b>Subsidiary company held by Creative Glory (HK) Limited</b>				
Beijing Yacheng Technology Co., Ltd.	China	Technology development and Investment Holdings	100	–
<b>Subsidiary company held by Beijing Yacheng Technology Co., Ltd</b>				
Beijing ChangLv Technology Co., Ltd.	China	Technology development and Investment Holdings	100	–
Beijing Bi An International Travel Service Co., Ltd	China	Provision of internet hotel reservation services, sales of tour packages	100	–
<b>Subsidiary company held by Beijing Bi An International Travel Service Co., Ltd</b>				
Beijing Qiji International Travel Service Co., Ltd	China	Provision of internet hotel reservation services, sales of tour packages	100	–

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

6. Investment in subsidiaries (cont'd)

a. Composition of the Group (cont'd)

Name of Company	Country of incorporation	Principal activities	Proportion of ownership interest	
			2018	2017
Held through AT Reservation Network Pte Ltd (cont'd)			%	%
<b>Subsidiary company held by AT Phil., Inc.</b>				
Islander Exclusive Express Tours, Travel and Transportation, Inc.	Philippines	Dormant	70	70
<b>Subsidiaries held by AT Express Pte Ltd</b>				
AT Express India Ltd.	India	Dormant	n/a	65
AT Express Reservation Private Limited	India	Provision of tour and transportation packages	n/a	100

**Impairment testing of investment in subsidiaries**

During the financial year, management performed an impairment test for the investment across all subsidiaries as they had been making losses. An impairment loss of \$6,402,000 (2017: \$4,567,000) was recognised for the period ended 31 December 2018 to fully impair these subsidiaries as all subsidiaries have ceased operation with offices closed with no remaining value expected.

**Deconsolidation of subsidiaries**

The Group has ceased to consolidate the accounts of AT Express Pte Ltd ("ATE") as of 1 January 2018 due to the loss of Board representation; currently ATE has a sole director who is not representing the Group. As of 1 January 2018, ATE will be treated as an associate instead of a subsidiary, due to the loss of control. Same apply to the subsidiaries held by ATE, including AT Express India Ltd and AT Express Reservation Private Limited.

The Group has ceased to consolidate the accounts of FreeNEasy Tours Pte Ltd ("FNE") as of 1 January 2018 due to the loss of one veto share which was pledged to the Group by an individual shareholder. As of 1 January 2018, the said shareholder had withdrawn the veto share pledged to the Group and hence, FNE will be treated as an associate instead of a subsidiary due to loss of control.

As both ATE and FNE are in Net Total Liability position as at 1 January 2018, deconsolidation resulted in a gain on deconsolidation of SGD7,368,908.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

6. Investment in subsidiaries (cont'd)

b. Interest in subsidiaries with material non-controlling interest (NCI)

The Group has the following subsidiaries that have NCI that are material to the Group.

Name of Subsidiary	Principal place of business	Proportion of ownership interest held by non-controlling interest	Loss allocated to NCI during the reporting period \$'000	Accumulated NCI at the end of reporting period \$'000
31 December 2017:				
AT Express Pte. Ltd.	Singapore	50%	(1,745)	(1,488)
Freeneasy Travel Pte. Ltd.	Singapore	50%	(3,292)	(2,228)

c. Summarised financial information about subsidiaries with material NCI

Summarised financial information including goodwill on acquisition and consolidation adjustments but before intercompany eliminations of subsidiaries with material non-controlling interests are as follows:

**Summarised balance sheets**

	AT Express Pte. Ltd. 1.10.2016 to 31.12.2017 \$'000	Freeneasy Travel Pte. Ltd. 1.10.2016 to 31.12.2017 \$'000
<b>Current</b>		
Assets	312	496
Liabilities	(3,296)	(4,961)
Net current (liabilities)/assets	(2,984)	(4,465)
<b>Non-current</b>		
Assets	96	10
Liabilities	(60)	-
Net non-current assets	36	10
Net (liabilities)/assets	(2,948)	(4,455)

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

6. Investment in subsidiaries (cont'd)

c. Summarised financial information about subsidiaries with material NCI (cont'd)

Summarised statements of comprehensive income

	AT Express Pte. Ltd. 1.10.2016 to 31.12.2017 \$'000	Freeneasy Travel Pte. Ltd. 1.10.2016 to 31.12.2017 \$'000
Revenue	11,632	9,987
Gain/(Loss) before income tax	(3,490)	(6,585)
Gain/(Loss) after tax, representing total comprehensive income	(3,490)	(6,585)

Other summarised information

	AT Express Pte. Ltd. 1.10.2016 to 31.12.2017 \$'000	Freeneasy Travel Pte. Ltd. 1.10.2016 to 31.12.2017 \$'000
Net cash flow used in operations	(7,627)	(2,149)
Acquisition of significant property, plant and equipment	–	(2,162)

7. Other investments

	Group 1.10.2016 to 31.12.2017 \$'000	
<b>Non-current:</b>		
Available-for-sale financial assets		
-Unquoted equity shares	–	85
Impairment losses	–	(85)
	–	–

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

8. Deferred tax

Deferred tax relates to the following:

	Consolidated Balance Sheet		Group Consolidated Income Statement	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Deferred tax assets</b>				
General provisions	–	5	–	–
	–	5		
<b>Deferred tax liabilities</b>				
Other deferred liabilities	–	(2)	–	(1)
	–	(2)		
<b>Deferred tax credit</b>			–	(1)

9. Inventories

	Group 1.10.2016 to 31.12.2017 \$'000		Company 1.10.2016 to 31.12.2017 \$'000	
<u>Inventories, at cost</u>				
Hotel/resort room nights	–	1,513	–	–
Admission tickets	–	76	–	–
	–	1,589	–	–
Inventories written down – Hotel/resort room nights	723	247	–	–



Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

10. Cash and short-term deposits

Cash and short-term deposits included in the consolidated cash flow statement comprise the following:

	Group		Company	
	2018	1.10.2016 to 31.12.2017	2018	1.10.2016 to 31.12.2017
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand representing cash and cash equivalents	34	1,636	34	618
Fixed deposits and cash pledged	–	1,959	–	1,791
<b>Cash and short-term deposits</b>	<b>34</b>	<b>3,595</b>	<b>34</b>	<b>2,409</b>

Cash and short-term deposits are denominated in the following currencies:

	Group		Company	
	2018	1.10.2016 to 31.12.2017	2018	1.10.2016 to 31.12.2017
	\$'000	\$'000	\$'000	\$'000
Singapore Dollar	33	1,456	33	1,072
United States Dollar	–	1,172	–	1,083
Hong Kong Dollar	–	37	–	20
Philippine Peso	–	377	–	165
Thai Baht	–	257	–	17
Malaysian Ringgit	–	41	–	–
Indian Rupee	–	38	–	–
United Arab Emirates Dirham	1	43	1	30
Chinese Yuan	–	152	–	–
Others	–	22	–	22
<b></b>	<b>34</b>	<b>3,595</b>	<b>34</b>	<b>2,409</b>

11. Other receivables

	Group		Company	
	2018	1.10.2016 to 31.12.2017	2018	1.10.2016 to 31.12.2017
	\$'000	\$'000	\$'000	\$'000
Deposit	1,025	2,695	1,025	59
Staff advances	–	345	–	–
Other debtors	–	123	–	4
<b></b>	<b>1,025</b>	<b>3,163</b>	<b>1,025</b>	<b>63</b>

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

11. Other receivables (cont'd)

As at end of the reporting period, the other receivables for the Group and the Company are denominated in the following currencies:

	Group		Company	
	2018	1.10.2016 to 31.12.2017	2018	1.10.2016 to 31.12.2017
	\$'000	\$'000	\$'000	\$'000
Singapore Dollar	–	886	–	63
Hong Kong Dollar	–	252	–	–
United Arab Emirates Dirham	–	335	–	–
Philippine Peso	–	170	–	–
Chinese Yuan	–	734	–	–
India Rupee	–	2	–	–
Thai Baht	–	731	–	–
United States Dollar	1,025	–	1,025	–
Others	–	53	–	–
<b></b>	<b>1,025</b>	<b>3,163</b>	<b>1,025</b>	<b>63</b>

12. Trade and other payables

Trade payables

Trade payables are non-interest bearing and normally settled on 30 - 90 days terms.

Other payables

Other payables are non-interest bearing and normally have an average term of 1-3 months.

	Group		Company	
	2018	1.10.2016 to 31.12.2017	2018	1.10.2016 to 31.12.2017
	\$'000	\$'000	\$'000	\$'000
Accruals	938	5,807	197	1,714
Amount payable for the purchase of admission tickets and room entitlements	–	564	–	564
Agent deposits	–	1,639	–	1,639
Other creditors	3,128	2,254	1,264	37
<b></b>	<b>4,066</b>	<b>10,264</b>	<b>1,461</b>	<b>3,954</b>

Due to inability to retrieve breakdowns for all payables, the Company cannot provide breakdown by currencies. Please refer to Note 2 for detail explanation.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

13. Deferred income

Deferred income relates to revenue collected in advance of its fulfilment of services.

14. Amounts due to subsidiaries

The amounts are non-trade related, unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

These balances mainly relate to trade receipts collected on behalf of subsidiaries.

15. Obligations under finance leases

The Group entered into hire purchase arrangement for the purchase of certain motor vehicles. These obligations are secured by a charge over the leased assets (Note 4). The effective interest rates implicit in the leases of the Group and Company are 4.26% to 8.66% (2017: 4.26% to 8.66%) per annum. These obligations are denominated in the respective functional currencies of the relevant entities in the Group.

Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:

Group	2018		1.10.2016 to 31.12.2017	
	Minimum payments \$'000	Present value of payments \$'000	Minimum payments \$'000	Present value of payments \$'000
Within one year	37	35	406	386
After one year but not more than five years	54	51	174	161
More than five years	–	–	1	–
Total minimum lease payments	91	88	581	547
Less: Amount representing finance charges	(3)	–	(34)	–
Present value of minimum lease payments	88	88	547	547
<b>Company</b>				
Within one year	37	35	40	35
After one year but not more than five years	54	51	92	88
Total minimum lease payments	91	88	132	123
Less: Amount representing finance charges	(3)	–	(9)	–
Present value of minimum lease payments	88	88	123	123

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

16. Share capital and treasury shares

(a) Share capital

	Group and Company 2018		2017	
	No. of shares '000	\$'000	No. of shares '000	\$'000
Ordinary shares issued and fully paid:				
At 1 January 2018 / 1 October 2016	432,645	72,792	386,177	64,061
Exercised warrants	–	–	–	–
Issuance of new shares	16,667	1,000	47,000	8,796
Share buy back	–	–	(532)	(65)
Share issued expenses	–	(15)	–	–
At end of financial year	449,312	73,777	432,645	72,792

On 6 April 2018, the Company has allotted and issued an aggregate of 12,500,000 placement shares to Jacfun and 4,166,666 placement shares to Yalla, in the capital of the Company at the issue price of \$0.06 per Placement Share, for an aggregate amount of \$1,000,000 with adjustment of S\$15,000 legal fee was incurred for the issuance of shares and warrants.

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

(b) Treasury shares

	Group and Company 2018		2017	
	No. of shares '000	\$'000	No. of shares '000	\$'000
At 1 January	(17,089)	(4,199)	(16,557)	(4,133)
Acquired during the financial year	–	–	(532)	(66)
At end of financial year	(17,089)	(4,199)	(17,089)	(4,199)

Treasury shares relate to ordinary shares of the Company that are held by the Company.

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17. Other reserves

(a) Accumulated losses

	Group		Company	
	2018 \$'000	1.10.2016 to 31.12.2017 \$'000	2018 \$'000	1.10.2016 to 31.12.2017 \$'000
At 1 January	(67,793)	(36,739)	(60,846)	(38,617)
Cumulative effects of adopting SFRS(l)	–	(1,537)	–	–
Loss for the period	(20,482)	(29,517)	(19,031)	(22,229)
At end of financial year	(88,275)	(67,793)	(79,877)	(60,846)

(b) Share-based compensation reserve

Share-based compensation reserve represents the equity-settled share options granted to employees (Note 27). The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options, and is reduced by the expiry or exercise of the share options.

	Group and Company	
	2018 \$'000	1.10.2016 to 31.12.2017 \$'000
At 1 January 2018	14	14
Expiry of option on the 15 <sup>th</sup> April 2018	(14)	–
At end of financial year	–	14

(c) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

	Group	
	2018 \$'000	1.10.2016 to 31.12.2017 \$'000
At 1 January 2018	429	(1,537)
Translation of financial statements of foreign subsidiaries	148	429
Cumulative effects of adopting SFRS(l)	–	1,537
At end of financial year	577	429

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

17. Other reserves (cont'd)

(d) Capital reserve

Capital reserve represents the excess of book value of non-controlling interests acquired in prior years over its cash consideration as well as the non-redeemable convertible note.

18. Sale of services

	Group	
	2018 \$'000	1.10.2016 to 31.12.2017 \$'000
Sale of hotel/resort rooms	20,734	100,356
Sale of attraction tickets, transportation and tour packages	6,638	66,622
Commission income	46	171
Sale of air tickets	50	936
Promotion service	42	525
Annual website membership fees	–	7
	27,510	168,617

19. Loss before tax

Loss before tax included the following for the financial years ended 31 December 2018 and 2017:

	Note	Group	
		2018 \$'000	1.10.2016 to 31.12.2017 \$'000
<i>Changes in inventories:</i>			
Hotel/resort rooms		26,929	93,426
Attraction tickets, transportation and tour packages		–	62,416
Promotion service/ Others		–	127
		26,929	155,969
<i>Finance costs:</i>			
Interest expense on obligations under finance leases		375	184

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

19. Loss before tax (cont'd)

Note	Group	
	2018 \$'000	1.10.2016 to 31.12.2017 \$'000
<i>Items in other operating expenses include:</i>		
Service fee to principal agents of subsidiary companies	6	2,899
Consultancy and professional fees	2,237	850
Directors' fees		
- Non-Executive Directors of the Company	142	55
Loss on disposal of property, plant and equipment, net	-	104
E.com and credit card charges	263	1,572
Advertisements and promotion fees	118	3,976
Upkeep of motor vehicles	223	872
Internet charges	48	154
Office and photocopier rental expenses	488	1,344
Telecommunications	142	266
Bad trade debts written off	(411)	10
Allowance for doubtful debt	-	5,572
Inventories written down	9	247
Impairment of property, plant and equipment	-	2,634
Property, plant and equipment written off	4	756
Impairment of intangible assets	5	2,866
Gain on loss of control of subsidiaries	6	(7,369)
Impairment of other investments	-	85
Impairment of other assets	4,675	-
Exchange gain - realised	(39)	(221)
Exchange loss - unrealised	790	920
Audit fees:		
- Auditor of the Company	16	177
- Other auditors	51	101
Non-audit fees:		
- Auditor of the Company	-	58
- Other auditors	-	10
Total audit and non-audit fees	67	346

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

20. Income tax expense

Major components of tax expense

	Group	
	2018 \$'000	1.10.2016 to 31.12.2017 \$'000
<b>Consolidated Income statement:</b>		
Current income tax		
- Overseas	9	80
Income tax expense recognised in income statement	9	80

Relationship between tax expense and accounting loss

The reconciliation between tax expense and the product of accounting loss multiplied by the applicable corporate tax rate for the years ended 31 December 2018 and 2017 are as follows:

	Group	
	2018 \$'000	1.10.2016 to 31.12.2017 \$'000
Loss before tax	(20,473)	(34,468)
Tax benefit calculated at corporate tax rate of 17%	(3,480)	(5,860)
Adjustments:		
Non-deductible expenses	-	2,446
Income not subject to taxation	-	(5,208)
Expired MCIT	-	39
Effect of different tax rates in other countries	n/a*	551
Deferred tax asset not recognised	3,489	8,112
Income tax expense recognised in income statement	9	80

\* Full balance reported as deferred tax asset not recognised as the Company does not have the full breakdown of the accounts from subsidiaries, please refer to Note 2 for detail explanation.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
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21. Losses per share

Basic losses per share amounts are calculated by dividing loss for the period, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted losses per share amounts are calculated by dividing loss for the period, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the loss and share data used in the computation of basic and diluted losses per share for the periods ended 31 December 2018 and 2017:

	Group 1.10.2016 to 31.12.2017	
	2018 \$'000	31.12.2017 \$'000
Loss net of tax attributable to owners of the Company used in the computation of basic and dilutive losses per share	(20,482)	(29,517)
Weighted average number of ordinary shares for basic losses per share computation	444,974	429,893
Effect of dilution: - Share options *	-	-
Weighted average number of ordinary shares for diluted losses per share computation	444,974	429,893

22. Commitments and contingencies

Operating lease commitments – as lessee

The Group has entered into commercial leases for properties and tour desks. These leases expire on various dates till December 2017 and contain provisions for rental adjustments. There are no restrictions placed upon the Group or the Company by entering these leases. Minimum lease payments recognised as an expense in the income statement for the financial year ended 31 December 2018 cannot be identified with reference to Note 2 (2017: \$1,343,600).

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

22. Commitments and contingencies (cont'd)

Operating lease commitments – as lessee (cont'd)

Future minimum rental payable under non-cancellable operating leases at the end of the reporting period are as follows:

	Group 1.10.2016 to 31.12.2017	
	2018 \$'000	31.12.2017 \$'000
Within one year	N/A	611
After one year but not more than five years	N/A	857
	N/A*	1,468

\* The Company does not have the full breakdown of the accounts from subsidiaries to complete this disclosure, please refer to Note 2 for detail explanation

23. Salaries and employee benefits

Salaries and employee benefits included the following for the financial years ended 31 December 2018 and 2017:

	Group 1.10.2016 to 31.12.2017	
	2018 \$'000	31.12.2017 \$'000
<b>Directors' remuneration</b>		
Salaries and other emoluments		
- Directors of the Company	376	465
- Directors of subsidiaries	28	324
Defined contributions		
- Directors of the Company	12	11
- Directors of subsidiaries	n/a*	18
<b>Other employees</b>		
Defined contributions	364	1,669
Salaries and bonus	3,278	12,080
Other personnel expenses	161	1,185
	4,219	15,752

\* With Reference to Note 2, the Group no longer have access to identified the defined contributions for Directors at subsidiaries level.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

23. Salaries and employee benefits (cont'd)

Asiatravel.com Share Option Scheme 2011 ("2011 Scheme")

Under 2011 Scheme, full time employees, including all executive and non-executive directors, are granted non-transferrable options. Options are granted for terms of 10 years to purchase Asiatravel.com Holdings Ltd's ordinary shares at prices not exceeding a 20% discount on the market value of the shares based on the average of the last dealt price of the share for the five market days prior to the date of grant, as quoted and shown on the daily Financial News published by the SGX-ST, or its nominal value, whichever is higher.

Asiatravel.com Performance Share Plan ("Share Plan")

Under Share Plan, subject to the absolute discretion of the Remuneration Committee, full time employees, including all executive and non-executive directors, are eligible to participate in Share Plan provided that, as of the Date of the Grant, such persons have attained the age of twenty-one (21) years, are not undischarged bankrupts and have not entered into any composition(s) with their respective creditors, and in the case of Employees, must have been in employment of the Group for at least twelve (12) months, or shorter period as the Committee may determine.

Movement of share options during the financial year

The following table illustrates the number ("No.") and weighted average exercise prices ("WAEP") of, and movements in, equity-settled share options during the period.

	No.	2018 WAEP	1.10.2016 to 31.12.2017 No.	WAEP
Outstanding at beginning and end of period *	—	—	300,000	0.21
Exercisable at end of period	—	—	300,000	0.21

\* The exercise price for options outstanding at the end of the period was \$0 (2017: \$0.21). The weighted average remaining contractual life for these options is 0 years (2017: 2.58 years)

The carrying amount of the share-based compensation reserve, recognised in the Group's and the Company's balance sheets relating to equity-settled options granted under the Share Option Scheme at 31 December 2018 is Nil (2017: \$1,000). On 1 February 2018, there was a cancellation of 840,000 options due to the resignation of the trustee of the share options.

At the date of the audit report, there was no exercisable options in issue.

There has been no modification to the 2011 Scheme and Share Plan during both 2018 and 2017.

On 15<sup>th</sup> April 2018, the remaining 300,000 options was cancelled due to the expiry of the options.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
For the financial year ended 31 December 2018

23. Salaries and employee benefits (cont'd)

Options granted under the 2011 Scheme to full-time executive employees and directors of the Group were subject to an option period of ten years, such period commencing from the date of grant and expiring on the day immediately preceding the tenth anniversary of the date of grant. The options were exercisable on the first anniversary of the date of grant. At the end of the financial year, there were zero unissued ordinary shares of the Company under options as follows:

Date of grant	Balance at beginning of the period	Granted during the period	Options exercised during the period	Options cancelled during the period	Balance at end of the period	Subscription price	Expiry date
Options granted under the 2011 Scheme 16 April 2013	300,000	—	—	300,000	—	\$0.205	15 April 2018

During the financial year, there were 300,000 unissued shares of the Company under options.

Subsequent to end of the financial year and up to the expiry date during the year, no option has been exercised.

Asiatravel.com Holdings Ltd and its Subsidiaries

Notes to the Financial Statements  
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24. Directors' remuneration

In compliance with the requirements of the Singapore Exchange, the number of directors whose emoluments fall within the following bands are as follows:

Number of directors

	Company	
	2018	1.10.2016 to 31.12.2017
\$250,000 to \$499,999	1	1
Below \$250,000	3	3
	<u>4</u>	<u>4</u>

The aggregate directors' remuneration by category are as follows:

	2018			1.10.2016 to 31.12.2017		
	Executive Director \$'000	Non-Executive Directors \$'000	Total \$'000	Executive Director \$'000	Non-Executive Directors \$'000	Total \$'000
Directors' fees of the Company	–	76	76	–	55	55
Salaries	376	–	376	437	–	437
Bonus	–	–	–	28	–	28
Defined contributions	12	–	12	11	–	11
	<u>388</u>	<u>76</u>	<u>464</u>	<u>476</u>	<u>55</u>	<u>531</u>

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25. Segment information

For management purposes, the Group is organised into business units based on their products and services and has seven reportable operating segments as follows:

(a) Hotel reservation:

Provision of online hotel room booking service through the Group's website and wholesale hotel reservation services.

(b) Attraction tickets, transportation and tour packages:

Arrangement of inbound and outbound sightseeing tours and provision of accommodation, meals and transport management services.

(c) Others:

Provision of online air tickets through the Group's website, promotion of hotels, resorts products and services on interactive and cable television channels.

No operating segment has been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

Transactions between operating segments took place at terms agreed between the segments.

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Notes to the Financial Statements  
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25. Segment information (cont'd)

	Hotel reservation		Tour packages		Others		Adjustments and Eliminations		Group	
	31.12.2018	31.12.2017	31.12.2018	31.12.2017	31.12.2018	31.12.2017	31.12.2018	31.12.2017	31.12.2018	31.12.2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenue</b>										
External customers	12,150	119,991	3,264	47,164	12,096	1,462	—	—	27,935	168,617
Inter-segment sales	8,959	74,983	673	30,041	154	12,248	(9,786)	(117,272)	—	—
Total revenue	21,109	194,974	3,937	77,205	12,250	13,710	(9,786)	(117,272)	27,935	168,617
<b>Results:</b>										
Interest income	142	4	26	1	39	6	—	—	206	11
Depreciation and amortisation	1,212	2,032	220	883	332	3,453	—	—	1,764	6,368
Other non-cash expenses	7	1,224	(0)	529	22	2,244	—	—	29	4,065
Segment (loss)/profit	(3,459)	(4,946)	(629)	(1,597)	(7,657)	(59,182)	5,409	30,263	(6,336)	(35,215)
<b>Assets:</b>										
Additions to non-current assets	337	2,030	61	882	92	3,451	—	—	490	6,363
Segment assets	12,184	8,272	2,217	3,594	3,336	14,056	—	(2)	17,736	25,920
<b>Segment liabilities</b>	15,489	7,825	2,818	3,400	4,241	12,729	—	(1)	22,548	23,953

26. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. The board of directors reviews and agrees policies and procedures for the management of these risks. The Audit Committee provides independent oversight to the effectiveness of the risk management process. It is, and has been throughout the current and previous financial year, the Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterpart default on its obligations.

The management has a credit policy in place and exposure of credit risk is monitored on an ongoing basis. The management believes that concentration of credit risk is limited due to ongoing credit evaluations on all customers and maintaining an allowance for doubtful debts, which the management believes will adequately provide for potential credit risks. The Group has also placed its surplus funds in a number of different banks. Therefore, the Group does not expect to incur material credit losses on its financial instruments.

Excessive risk concentration

Concentrations of credit risk exist when changes in the economic, industry or geographical factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Group's total credit exposure. As the majority of the Group's debtors are from the tourism sector, this may give rise to a concentration of credit risk. It is the Group's policy to enter into transactions with a diversity of credit-worthy counterparties so as to mitigate any significant concentration of credit risk.

Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the balance sheets.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country of its trade receivables on an ongoing basis.



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Notes to the Financial Statements  
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26. Financial risk management objectives and policies (cont'd)

(a) Credit risk (cont'd)

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash and cash equivalents are placed with reputable financial institutions.

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds.

The Group and the Company are exposed to liquidity risk. This has been addressed with the Convertible Facility Agreement engagement with current investor. Please refer to further detail explanation in Note 2.2.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group or the Company is not exposed to interest rate risk. The Group's and the Company's obligations under finance leases are in fixed interest rate terms.

The Group's policy is to obtain the most favourable interest rates available whenever the Group obtains additional financing leasing arrangements.

27. Fair value of financial instruments

The fair value of financial assets and liabilities is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

(a) Financial instruments whose carrying amount approximate fair value

Management has determined that the carrying amounts of cash and short-term deposits, current trade and other receivables, current trade and other payables and related party balances, based on their notional amounts, are reasonable approximation of fair value due to their short-term nature.

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28. Related party transactions

With reference to the limitations described Note 2, all outstanding intercompany balances owed to or by the Company and the subsidiaries have been written off as at year end with the net impact recorded as an impairment expense on the Income Statement.

Other than disclosed, there were no other significant transactions between the Group and related parties during the financial year.

**Compensation of key management personnel**

	Group 1.10.2016 to 31.12.2017 \$'000	\$'000
Directors' fees of the Company	70	55
Defined contributions	6	50
Salaries and other emoluments	336	1,070
Bonus	–	96
	<hr/>	<hr/>
Total compensation paid to key management personnel	412	1,271
	<hr/>	<hr/>
Analysed as follows:		
Directors of the Company	70	531
Other key management personnel	342	740
	<hr/>	<hr/>
	412	1,271
	<hr/>	<hr/>

The remuneration of key management personnel is determined by the Remuneration Committee having regard to the performance of individuals and market trends.

Directors' and key management personnel's interests in an employee share option plan

At the end of the reporting period, there is Nil (2017: Nil) outstanding share options granted by the Company to the Company's directors and key management personnel.

29. Capital management

Capital includes debt and equity items as disclosed in the table below.

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group experienced delay in capital injection from the majority shareholder in FY2018 and voluntarily applied for suspension from trading in July 2018. The Group is now working with the New Investor for new capital structure as part of the resumption trading proposal. Please refer to Note 2.2 for detail explanation.

Asiatravel.com Holdings Ltd and its Subsidiaries

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29. Capital management (cont'd)

The Group monitors its capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, obligations under finance leases, trade and other payables, and amounts due to related parties. Capital relates to equity attributable to the owners of the Company.

	Group	
	1.10.2016 to 31.12.2017	
	2018 \$'000	31.12.2017 \$'000
Obligations under finance leases (Note 15)	88	547
Trade payables (Note 12)	15,483	9,259
Other payables (Note 12)	4,066	10,264
Net debt	19,637	20,070
Equity attributable to the owners of the Company	(14,248)	5,115
<b>Capital and net debt</b>	<b>5,386</b>	<b>25,185</b>
<b>Gearing ratio</b>	<b>364.54%</b>	<b>79.69%</b>

30. Events occurring after the reporting period

- (a) The Company had on 7 August 2018, filed applications with the High Court of the Republic of Singapore ("Court") to seek a moratorium against enforcement actions and legal proceedings by its creditors with the intention of subsequently proposing a scheme of arrangement to organize the liabilities of the Company
- (b) The Company had on 23 July 2020 entered into a convertible facility agreement with Sky Smart Venture for a convertible loan facility of an aggregate principal amount of up to S\$1.6 million
- (c) Scheme meeting held on 21 December 2020 and was approved by Scheme Creditors, representing 85.7% of the Scheme Creditors present and voting at the Scheme Meeting, and 95.1% of the value of such present and voting Scheme Creditors, which Company has later obtained sanction for on 1 February 2021.
- (d) The Group on 31 December 2020 had entered into conditional sale and purchase agreements with Chua Wie Khern to the sale of seven wholly owned subsidiaries for an aggregate purchase consideration of S\$7.00
- (e) The Group on 31 March 2021 applied for further extension of time until 31 July 2021 to submit its proposal to the SGX-ST for the resumption of trading
- (f) The Group on 27 April 2021 received approval from SGX on the extension of time application.

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3. Authorisation of financial statements for issue

The financial statements for the period from 1 January 2018 to 31 December 2018 were authorised for issue in accordance with a resolution of the directors on 30 July 2021.

## STATISTICS OF SHAREHOLDINGS AS AT 30 AUGUST 2021

Class of equity securities	Number of equity securities	Voting Rights
Ordinary Shares	449,311,852	One vote per share

### DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	14	1.26	530	0.00
100 - 1,000	140	12.58	116,633	0.03
1,001 - 10,000	347	31.18	2,199,987	0.49
10,001 - 1,000,000	587	52.74	50,470,985	11.23
1,000,001 AND ABOVE	25	2.24	396,523,717	88.25
<b>TOTAL</b>	<b>1,113</b>	<b>100.00</b>	<b>449,311,852</b>	<b>100.00</b>

### TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	PHILLIP SECURITIES PTE LTD	138,978,976	30.93
2	UOB KAY HIAN PRIVATE LIMITED	62,291,750	13.86
3	KGI SECURITIES (SINGAPORE) PTE. LTD	37,617,387	8.37
4	OCBC SECURITIES PRIVATE LIMITED	35,051,066	7.80
5	DBS NOMINEES (PRIVATE) LIMITED	33,250,925	7.40
6	SEE LOP FU JAMES @ SHI LAP FU JAMES	24,768,000	5.51
7	JACFUN PTY. LTD.	12,500,000	2.78
8	CITIBANK NOMINEES SINGAPORE PTE LTD	12,271,900	2.73
9	RAFFLES NOMINEES (PTE.) LIMITED	8,831,100	1.97
10	YALLA.DIGITAL, INC.	4,166,666	0.93
11	TEO AH BAN	3,969,000	0.88
12	MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	2,336,800	0.52
13	ZHANG CHENGSHUANG	1,860,000	0.41
14	ONG NAI PEW OR ENG SIU-LAN SIBYL	1,846,625	0.41
15	ANG KONG BENG @ ANG KONG ENG	1,800,000	0.40
16	KHOO HO TONG	1,733,250	0.39
17	LIN YONG HAN DANIEL	1,687,200	0.38
18	CHEONG MIN CHOONG	1,674,600	0.37
19	CHANG WAI SAN	1,609,100	0.36
20	MAYBANK KIM ENG SECURITIES PTE. LTD.	1,587,616	0.35
<b>TOTAL</b>		<b>389,831,961</b>	<b>86.75</b>

### SUBSTANTIAL SHAREHOLDING

(As recorded in the Register of Substantial Shareholders)

Substantial Shareholders	Direct Interest	%	Deemed Interest	%
Toread Holdings Group Co., Ltd. ("Toread") (1)	-	-	60,000,000	13.35
Goh Khoon Lim (2)	-	-	40,494,437	9.01
See Lop Fu, James	24,768,000	5.51	-	-
Ong Nai Pew (3)	-	-	30,539,666	6.80
Sheng Faqiang (4)	-	-	60,000,000	13.35
Zhong Hong New World International Limited	88,500,000	19.70	-	-
ZhongHong New World Investment Pte Ltd (5)	-	-	88,500,000	19.70
ZhongHong Xinqi Shijie Investment Ltd (6)	-	-	88,500,000	19.70
ZhongHong Holding Co., Ltd (7)	-	-	128,500,000	28.60
ZhongHong Zhuoye Group Ltd (8)	-	-	128,500,000	28.60
Wang Yonghong (9)	-	-	128,500,000	28.60

- 1) Toread's deemed interest arises from 60,000,000 shares registered in the name of its nominee.
- 2) Goh Khoon Lim is the beneficiary holder of 12,273,000 shares held by DBS Nominees Pte Ltd and 28,221,437 shares held by KGI Securities Singapore Pte Ltd.
- 3) Ong Nai Pew's deemed interest arises from 30,539,666 shares held through nominees.
- 4) Sheng Faqiang is deemed to have an interest in 60,000,000 Shares held by Toread through his controlling interest in Toread.
- 5) Zhong Hong New World International Limited is the direct wholly owned subsidiary of Zhonghong New World Investment Pte. Ltd. Zhonghong New World Investment Pte. Ltd. is deemed interested in the shares held by Zhong Hong New World International Limited.
- 6) Zhong Hong New World International Limited is the indirect wholly owned subsidiary of Zhonghong Xinqi Shijie Investment Ltd. Zhong Hong New World International Limited is deemed interested in the shares held by Zhong Hong New World International Limited.
- 7) Zhonghong Holding Co., Ltd. holds 100% of the issued share capital of Zhonghong Xinqi Shijie Investment Ltd. Zhonghong Xinqi Shijie Investment Ltd holds 100% of the issued share capital of Zhonghong New World Investment Pte. Ltd. Zhonghong New World Investment Pte. Ltd. holds 100% of the issued share capital of Zhong Hong New World International Limited. Zhonghong Holding Co., Ltd. is deemed interested in the shares held by Zhong Hong New World International Limited.
- 8) Zhonghong Zhuoye Group Ltd holds 26.55% of the issued share capital of Zhonghong Holding Co., Ltd. Zhonghong Holding Co., Ltd. holds 100% of the issued share capital of Zhonghong Xinqi Shijie Investment Ltd. Zhonghong Xinqi Shijie Investment Ltd holds 100% of the issued share capital of Zhonghong New World Investment Pte. Ltd. Zhonghong New World Investment Pte. Ltd. holds 100% of the issued share capital of Zhong Hong New World International Limited. Zhonghong Zhuoye Group Ltd is deemed interested in the shares held by Zhong Hong New World International Limited.
- 9) Wang Yonghong holds 100% of the issued share capital of Zhonghong Zhuoye Group Ltd. Zhonghong Zhuoye Group Ltd holds 26.55% of the issued share capital of Zhonghong Holding Co., Ltd. Zhonghong Holding Co., Ltd. holds 100% of the issued share capital of Zhonghong Xinqi

Shijie Investment Ltd.

Zhonghong Xinqi Shijie Investment Ltd holds 100% of the issued share capital of Zhonghong New World Investment Pte. Ltd.

Zhonghong New World Investment Pte. Ltd. holds 100% of the issued share capital of Zhong Hong New World International Limited.

Wang Yonghong is deemed interested in the shares held by Zhong Hong New World International Limited.

#### **PERCENTAGE OF SHAREHOLDINGS IN PUBLIC'S HANDS**

Based on the information available to the Company as at 30 August 2021, approximately 33.03% of the Company's shares are held in the hands of the public.

Accordingly, the Company has complied with Rule 723 of the Listing Manual - Section B : Rules of the Catalist of the SGX-ST.



### **ASIATRavel.COM HOLDINGS LTD**

(INCORPORATED IN THE REPUBLIC OF SINGAPORE)

(COMPANY REGISTRATION NO.: 199907534E)

#### **NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of Asiatravel.com Holdings Limited (the "**Company**") will be held by way of electronic means on 27 September 2021 at 3.30p.m. for the purposes set out below.

The Notice has been made available on SGXNet and the AGM registration website at URL <https://globalmeeting.bigbangdesign.co/asiatravel/> . A printed copy of this Notice, the proxy form and other documents related to the AGM will not be despatched to members.

#### **AS ORDINARY BUSINESS**

1. To receive and adopt the Audited Financial Statements and Directors' Statement for the financial year ended 31 December 2018 together with the Auditors' Report thereon. **(Resolution 1)**
2. To approve the Directors' fees of S\$25,413.87 for the financial period ended 31 December 2017. **(Resolution 2)**
3. To approve the Directors' fees of S\$84,105.16 for the financial period ended 31 December 2018. (2017: S\$87,720) **(Resolution 3)**
4. To note that Mr. Liu Zuming will be retiring pursuant to Regulation 104 of the Constitution of the Company and he will not be seeking for re-election at this AGM. **(Resolution 4)**  
*[See Explanatory Note (i)]*
5. To re-elect Mr. Boh Tuang Poh who is retiring pursuant to Rule 720(4) of the Catalist Rules **(Resolution 5)**  
*[See Explanatory Note (ii)]*
6. To re-elect Mr. Lee Kien Fatt who is retiring pursuant to Regulation 108 of the Constitution of the Company. **(Resolution 6)**  
*[See Explanatory Note (iii)]*
7. To re-appoint Messrs Ernst & Young LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 7)**
8. To transact any other ordinary business that may be properly transacted at an annual general meeting.

**By Order of the Board**

Shirley Tan Sey Liy (ACS)  
Company Secretary  
10 September 2021

**Explanatory Notes:**

- (i) Following the conclusion of the AGM, Mr Liu Zuming, the non-Executive and non-Independent Director, being due to retire pursuant to Rule 720(4) of the Catalist Rules and Regulation 104 of the Constitution (and not having been re-nominated for re-appointment), will cease to be a Director of the Company.
- (ii) Pursuant to Rule 720(4) of the Catalist Rules, Mr Boh Tuang Poh shall retire and, being willing, has been re-nominated and shall submit himself for re-appointment as Director of the Company. If re-elected, Mr Boh Tuang Poh will remain as Executive Chairman and Chief Executive Officer of the Company.
- (iii) Pursuant to Regulation 108 of the Constitution, Mr Lee Kien Fatt will, upon re-election as a Director of the Company, remain as the chairman of the Remuneration Committee and a member of the Audit Committee and the Nominating Committee. He shall be considered independent for the purposes of Rule 704(7) of the Catalist Rules.

**Important notice on AGM arrangements in light of COVID-19**

The Notice of AGM has been published on SGXNET. A printed copy of this Notice, the proxy form and other documents related to the AGM will **NOT** be despatched to members of the Company.

This notice sets out the Company's arrangements relating to, among others, attendance at the AGM via electronic means (including arrangements by which the AGM can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the AGM in advance of the AGM, addressing of substantial and relevant questions prior to the AGM and/or voting by appointing the Chairman of the AGM as proxy for the AGM.

**Notes:**

1. The AGM is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.
2. In light of the current COVID-19 measures in Singapore, members will not be able to attend the AGM in person. Members will be able to watch the proceedings of the AGM through a "live" webcast via their mobile phones, tablets or computers or listen to these proceedings through a "live" audio feed via telephone. In order to do so, members who wish to watch the "live" webcast or listen to the "live" audio feed must pre-register by 3.30 p.m. on 23 September 2021, at URL <https://globalmeeting.bigbangdesign.co/asiatravel/>. Following authentication of their status as members, authenticated members will receive email instructions on how to access the webcast and audio feed of the proceedings of the AGM by 3.30 p.m. on 25 September 2021. Members who do not receive an email by 3.30 p.m. on 25 September 2021 should contact the Company's Share Registrar, by email at [shareregistry@incorp.asia](mailto:shareregistry@incorp.asia).

Persons holding Shares through relevant intermediaries who wish to participate in the AGM via webcast should contact their relevant intermediaries through which they hold such Shares as soon as possible in order for the necessary arrangements to be made for their participation in the AGM.

3. Members who pre-register to watch the "live" webcast or listen to the "live" audio feed may also submit questions relating to the resolutions to be tabled for approval at the AGM. Please note that members will not be able to ask questions at the AGM "live" during the webcast and the audio feed.

All questions must be submitted by 3.30 p.m. on 23 September 2021 by the following means:

- (a) in hard copy by post to 46 East Coast Road, #06-03, Eastgate, Singapore 428766; or
- (b) by email to [2018agm@asiatravel.com](mailto:2018agm@asiatravel.com); or
- (c) via the pre-registration website at <https://globalmeeting.bigbangdesign.co/asiatravel/>

The Company will address substantial questions relevant to the resolutions to be tabled for approval at the AGM as received from Shareholders either before or during the AGM. The Company will, within one month after the date of the AGM, publish the minutes of the AGM on SGXNet and the Company's website.

4. A member will not be able to attend the AGM in person. Members (whether individuals or corporates) who wish to exercise their voting rights at the Annual General Meeting must appoint the Chairman of the Meeting as their proxy to attend, speak and vote on their behalf at the Annual General Meeting. In appointing the Chairman of the Meeting as proxy, members (whether individuals or corporates) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
5. The Chairman of the Meeting, as proxy, need not be a member of the Company.
6. The instrument appointing the Chairman of the Meeting as proxy must:
  - (a) if sent personally or by post, be received at 46 East Coast Road, #06-03, Eastgate, Singapore 428766; or
  - (b) if submitted by email, be received by Asiatravel.com Holdings Ltd., by email at [2018agm@asiatravel.com](mailto:2018agm@asiatravel.com)In either case no later than 3.30 p.m. on 25 September 2021, and in default the instrument of proxy shall not be treated as valid. A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.
7. The Annual Report for the financial year ended 31 December 2018 together with the Notice of AGM and Proxy Form has been made available on SGXNET.
8. The instrument appointing the Chairman of the Meeting as proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting as proxy is executed by a corporation, it must be either under its common seal or signed on its behalf by a duly authorised officer or attorney.
9. Where an instrument appointing the Chairman of the Meeting as proxy is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be attached to the instrument of proxy, failing which the instrument may be treated as invalid.
10. The Company shall be entitled to reject the instrument appointing the Chairman of the Meeting as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the Meeting as proxy (such as in the case where the appointor submits more than one instrument of proxy).
11. In the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.

**Important Reminders:**

Due to the constantly evolving COVID-19 situation, the Company may be required to change its AGM arrangements at short notice. Members are advised to regularly check the Company's website or announcements released on SGXNET for updates on the AGM. Further, in view of the current COVID-19 measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

**Personal Data Privacy:**

By (a) submitting a proxy form appointing the Chairman of the AGM as proxy to attend, speak and vote at the AGM and/or any adjournment thereof, (b) completing the pre-registration in accordance with this Notice, or (c) submitting any question prior to the AGM in accordance with this Notice, a Member of the Company consents to the collection, use and disclosure of the Member's personal data by the Company (or its agents or service providers) for the following purposes:

- (i) processing, administration and analysis by the Company (or its agents or service providers) of proxy forms appointing the Chairman of the AGM as proxy for the AGM (including any adjournment thereof);
- (ii) processing of the pre-registration for purposes of granting access to Members to the LIVE WEBCAST or AUDIO ONLY MEANS of the AGM proceedings and providing them with any technical assistance where necessary;
- (iii) addressing substantial and relevant questions from members received before the AGM and if necessary, following up with the relevant members in relation to such questions;
- (iv) preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof); and
- (v) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines.

In addition, the personal data of a Member (such as name, presence at the AGM and any questions raised or motions proposed/seconded) may be recorded by the Company during sounds and/or video recordings of the AGM which may be made by the Company for record keeping and to ensure the accuracy of the minutes of the AGM and a Member of the Company consents to the collection, use and disclosure of the Member's personal data by the Company (or its agents or service providers) for such purpose.

*This notice 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 ("SGX-ST"). The Sponsor has not independently verified the contents of this notice. This notice has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made or reports contained in this notice. The contact person for the Sponsor is Ms Bao Qing, Registered Professional, 6 Raffles Quay, #24-02, Singapore 048580, sponsor@rhtgoc.com.*

# APPENDIX

**ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION**

Mr Boh Tuang Poh and Mr Lee Kien Fatt are the directors seeking re-election at the forthcoming annual general meeting of the Company to be convened on 27 September 2021 at 3:30 pm ("AGM") (collectively, the "Retiring Directors" and each a "Retiring Director"). Pursuant to Rule 720(5) of SGX-ST Listing Manual Section B: Rules of Catalist ("Catalist Rules"), the information relating to the Retiring Directors as set out in Appendix 7F of the Catalist Rules is set out below:

Name of person	Mr Boh Tuang Poh	Mr Lee Kian Fatt
Date of Appointment (DD/MM/YYYY):	01 December 1999	30 July 2021
Date of last re-appointment (if applicable)	30th January 2015	NA
Age:	66	54
Country of principal residence:	Singapore	Malaysia
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors ("Board") of the Company, having considered among others, the recommendation of the Nominating Committee and the qualifications and work experience and suitability of Mr Boh Tuang Poh ("Mr Boh") to for re-appointment as Executive Chairman and Chief Executive Officer of the Company.	The Board of Directors ("Board") of the Company, having considered among others, the recommendation of the Nominating Committee and the qualifications and work experience and suitability of Mr Lee Kien Fatt ("Mr Lee") to for re-appointment as Non-Executive Independent Director of the Company.
Whether appointment is executive, and if so, the area of responsibility:	Executive, Mr Boh will be responsible for the strategic direction and day-to-day management of the Group's operations	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Chairman Chief Executive Officer	Independent Director Chairman of the Remuneration Committee Member of the Audit Committee Member of the Nominating Committee

Name of person	Mr Boh Tuang Poh	Mr Lee Kian Fatt
Professional Qualifications	GCE O-Level	<ul style="list-style-type: none"> <li>• Certified Public Accountant (CPA) - Malaysian Institute of Certified Public Accountants (MICPA)</li> <li>• Chartered Accountant (CA) - Malaysian Institute of Accountants (MA)</li> </ul>
Working experience and occupation(s) during the past 10 years:	CEO, Asiatravel.com Holdings Ltd	<ul style="list-style-type: none"> <li>• 2018 to 2020 - Director of Searaven Ventures (Labuan) Pte Ltd</li> <li>• 2017 to 2020 - Partner of Searaven Ventures (M) PLT</li> <li>• 2011 to current - Executive Director of Fattco Holdings Sdn Bhd</li> </ul>
Shareholding interest in the listed issuer and its subsidiaries?	15,595,426 Asiatravel.com Holdings Shares	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or any of its principal subsidiaries	No	No
Conflict of interests (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H under Rule 720(1) has been submitted to the listed issuer?	Yes	Yes

Name of person	Mr Boh Tuang Poh	Mr Lee Kian Fatt
<p>Other Commitments* Principal Directorships#</p> <p>* "Principal Commitments" has the same meaning as defined in the Code.</p> <p># These fields are not applicable for announcements pursuant to Listing Rule 704(8)</p>	<p>Past (for last 5 years)</p> <ul style="list-style-type: none"> <li>• Director of AT Express Pte. Ltd</li> <li>• Director of Master Roast Pte. Ltd. (struck-off)</li> <li>• Director of Duck Master Pte. Ltd</li> </ul> <p>Present</p> <ul style="list-style-type: none"> <li>• Director of OV International Pte. Ltd</li> <li>• Director of Roast Master Pte. Ltd</li> <li>• Director of S.H. Tours Pte. Ltd.</li> <li>• Director of ZhongHong New World Investment Pte. Ltd.</li> </ul>	<p>Past (for last 5 years)</p> <ul style="list-style-type: none"> <li>• Director of HexaKarismaSdn. Bhd. (voluntary wound up in 2016)</li> <li>• Director of Apex Broadway Sdn. Bhd. (dissolved in 2018)</li> <li>• Director of AdconnectionSdn. Bhd. (voluntary wound up in 2020)</li> <li>• Director of Lingiap Enterprise Sdn. Bhd.</li> </ul> <p>Present</p> <ul style="list-style-type: none"> <li>• Niche Capital Emas Holdings Bhd (Independent Non-Executive Director)</li> <li>• Key Alliance Group Bhd (Independent Non-Executive Director)</li> <li>• MacpieBerhad (Independent Non-Executive Director)</li> <li>• Macpie Management Sdn. Bhd. (Director)</li> <li>• MacpieServices Sdn. Bhd. (Director)</li> <li>• MacpieTicketingSdn. Bhd. (Director)</li> <li>• UrusrasaSdn. Bhd. (Director)</li> <li>• ICT Rewards and Services (Director)</li> <li>• CE Corporate Secretaries Sdn. Bhd. (Director)</li> <li>• LSJ Management Sdn. Bhd. (Director)</li> <li>• Fattco Holdings Sdn, Bhd. (Director)</li> </ul>

Name of person	Mr Boh Tuang Poh	Mr Lee Kian Fatt
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	Yes. There was a petition made against Mr Boh under the Bankruptcy Act/ Insolvency Restructuring and Dissolution Act 2018 in respect of certain amounts owing in connection with a personal guarantee which he had given in relation to the purchases of a company, Duck Master Pte Ltd, which he was a shareholder of in 2018. The petition was withdrawn on 19 August 2021, following a settlement between Mr Boh and the petitioner.	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No

Name of person	Mr Boh Tuang Poh	Mr Lee Kian Fatt
(c) Whether there is any unsatisfied judgment against him?	<p>Yes</p> <p>1. Mr Boh had previously entered into a share sale agreement ("Agreement") to acquire certain shares of Asiatravel.com Holdings Ltd, the completion of which was not proceeded with, inter alia, due to the suspension in trading of the Company's shares on 6 July 2018. The seller has obtained a judgment from the State Court inter alia, ordering Mr Boh to comply with, and specific performance of the Agreement ("Specific Performance Judgment Order"). The case is still going through the court process. Mr Boh is in the process of appealing to the High Court in relation to the Specific Performance Judgment Order.</p> <p>2. A financial institution had previously obtained a judgment order against Mr Boh for an outstanding debt of approximately S\$35,000 (including interest) drawn to cover certain share margin position(s). Mr Boh is in the midst of negotiations with the financial institution to settle such amount.</p>	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No



Name of person	Mr Boh Tuang Poh	Mr Lee Kian Fatt
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No

Name of person	Mr Boh Tuang Poh	Mr Lee Kian Fatt
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :-		
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	Yes  Mr Lee was appointed as independent director for Global Carriers Berhad ("GCB") on 26 March 2014. GCB, a delisted entity on December 2014, was reprimanded by Bursa Malaysia Securities Berhad (Bursa Securities) ("Bursa") for the failure to announce/ issue the following financial statements within the stipulated timeframe in contravention of paragraphs 9.22(1) and 9.23 of the Bursa Malaysia Securities Main Market Listing Requirements. Bursa fined GCB's Executive Chairman RM19,500 and no actions were taken against Mr Lee.
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,	No	No

Name of person	Mr Boh Tuang Poh	Mr Lee Kian Fatt
in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No. Mr Lee was appointed as independent director for Tenggara Oil Berhad ("TOB") on 10 July 2007. On 24 October 2008, Bursa had reprimanded TOB for breaches in failing to take into account adjustments in relation to their fourth quarterly report for the financial year ended 31 January 2008. In the same announcement, Bursa had also highlighted that it has not made a finding that any of the directors of the Company caused or permitted the aforesaid breach but listed out the directors of the Company at the material time, who included Mr Lee. No action were taken against Mr Lee.
Any prior experience as a director of an issuer listed on the Exchange?  If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	Not applicable as this is a re-election of director	Not applicable as this is a re-election of director
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable as this is a re-election of director	Not applicable as this is a re-election of director



**ASIATRavel.COM HOLDINGS LTD.**

(Company Registration Number: 199907534E)  
(Incorporated in the Republic of Singapore)

**ANNUAL GENERAL MEETING PROXY FORM**

This form of proxy has been made available on SGXNet and may be accessed at the URLs <https://www.sgx.com/securities/company-announcements>. A printed copy of this form of proxy will NOT be despatched to members.

**IMPORTANT**

- In light of the current COVID-19 measures in Singapore, a, members of the Company ("Members") will not be able to attend the AGM in person. Members will be able to watch the proceedings of the AGM through a "live" webcast via their mobile phones, tablets or computers or listen to these proceedings through a "live" audio feed via telephone. In order to do so, Members must pre-register at URL <https://globalmeeting.bigbangdesign.co/asiatravel/> by 3.30 p.m. on 23 September 2021. Following authentication of their status as members, authenticated members will receive an email verification authenticating their status as Members by 3.30 p.m. on 25 September 2021, along with the accompanying instructions on accessing the webcast and audio feed of the proceedings. Members who do not receive an email by 3.30 p.m. on 25 September 2021 but have registered by 3.30 p.m. on 23 September 2021 should contact the Company's Share Registrar by email at [shareregistry@incorp.asia](mailto:shareregistry@incorp.asia).
- CPF/ SRS Investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks/ SRS Operators to submit their voting instructions by 3.30 p.m. on 16 September 2021, at least seven (7) working days before AGM.
- By submitting a proxy form appointing the Chairman of the AGM as proxy to attend, speak and vote at the AGM and/or any adjournment thereof, a Member (and his appointed proxy(ies)) consents to the collection, use and disclosure of their personal data by the Company (or its agents or service providers) for such purposes and/or otherwise with the personal data privacy terms set out in the Notice of AGM dated 10 September 2021.

I/We\* \_\_\_\_\_ (Name in block letters), \_\_\_\_\_ (NRIC/Passport No.)

of \_\_\_\_\_ (Address),

being a member/members\* of **Asiatravel.com Holdings Ltd.** (the "Company"), hereby appoint the Chairman of the Annual General Meeting of the Company ("**AGM**"), as my/our\* proxy to vote for me/us\* on my/our\* behalf at the AGM to be held by way of electronic means on 27 September 2021 at 3:30 pm and at any adjournment thereof. I/We\* direct the Chairman of the AGM to vote for or against, or abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder.

If no specific direction as to voting is given in respect of a resolution, or in the event of any other matter arising at the AGM and at any adjournment thereof, the appointment of the Chairman of the AGM as my/our\* proxy for that resolution and any other matter arising at the AGM will be treated as invalid.

The resolutions put to the vote of the AGM shall be decided by the way of poll. If you wish for the Chairman of the Meeting as your proxy to cast all your votes "For", "Against" or "Abstain", please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.

No	Resolutions	Number of votes FOR	Number of votes AGAINST	Number of votes ABSTAIN
<b>Ordinary Business</b>				
1.	Adoption of the Audited Financial Statements and Directors' Statement for the financial year ended 31 December 2018 together with the Auditors' Report thereon.			
2.	To approve the Directors' fees of S\$25,413.87 for the financial period ended 31 December 2017.			
3.	To approve the Directors' fees of S\$84,105.16 for the financial period ended 31 December 2018.			
4.	Re-election of Mr. Boh Tuang Poh as a Director of the Company			
5.	Re-election of Mr. Lee Kien Fatt as a Director of the Company.			
6.	Re-appointment of Ernst & Young LLP as auditors of the Company and to authorise the Directors of the Company to fix their remuneration.			

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2021

\_\_\_\_\_  
Signature(s) of Member(s)/or  
Common Seal of Corporate Member

\*Delete as appropriate.  
**IMPORTANT: PLEASE READ NOTES OVERLEAF**

**Total number of shares held in (See Note 1):**

(a) CDP Register	
(b) Register of Members	
<b>Total</b>	



## NOTES TO PROXY FORM

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this proxy form will be deemed to relate to the entire number of ordinary Shares in the Company registered in your name(s).
2. A Member will not be able to attend the AGM in person. If a Member (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM. In appointing the Chairman of the AGM as proxy, a Member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment of the Chairman of the AGM as your proxy for that resolution will be treated as invalid.
3. The proxy form appointing the Chairman of the AGM as proxy must be downloaded, printed, completed and signed by Members and sent to the Company in the following manner:
  - (a) if submitted by post or sent personally, be received at 46 East Coast Road, #06-03, Eastgate, Singapore 428766; or
  - (b) if submitted by email, be received by Asiatravel.com Holdings Ltd., by email at 2018agm@asiatravel.com

**In either case no later than 3.30 p.m. on 25 September 2021, and in default the instrument of proxy shall not be treated as valid.**

4. The proxy form appointing the Chairman of the AGM as proxy must be signed by the appointor or his attorney duly authorised in writing. Where the proxy form appointing the Chairman of the AGM as proxy is executed by a corporation, it must be either under its common seal or signed on its behalf by a duly authorised officer or attorney.
5. Where the proxy form appointing the Chairman of the AGM as proxy is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be attached to the proxy form, failing which the proxy may be treated as invalid.
6. A corporation which is a Member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act, Chapter 50.
7. The Company shall be entitled to reject the proxy form appointing the Chairman of the AGM as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the proxy form appointing the Chairman of the AGM as proxy.
8. In the case of shares entered in the Depository Register, the Company may reject the proxy form if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.
9. Similarly, a member of the Company who holds his/her shares through a Relevant Intermediary\* (including CPF and SRS investors) and who wish to exercise his/her votes by appointing the Chairman of the Meeting as proxy should approach his/her Relevant Intermediary (including his/her CPF Agent Banks and SRS Operators) to submit his/her voting instructions at least seven (7) working days prior to the date of the Meeting.

### Important Reminders

The Company may be required to change its Meeting arrangements at short notice. Members are advised to regularly check the Company's website or announcements released on SGXNET for updates on the Meeting. Further, in view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for Members to submit completed proxy forms by post, Members are strongly encouraged to submit completed proxy forms electronically via email.

### PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 10 September 2021.





46 East Coast Road, #06-03, Eastgate, Singapore 428766  
[www.asiatravel.com](http://www.asiatravel.com)