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Group's revenue increased by 9.6%

- **Partial completion of placement of new shares amounting to S\$8.3 million out of S\$100 million**
- **New whitewash waiver granted by Security Industry Council**
- **The Group's cash and cash equivalents and fixed deposits and cash pledged stand at S\$11.3 million.**

Singapore, 12 August 2016 – Asiatravel.com Holdings Ltd (“Asiatravel”, and together with its subsidiaries, the “Group”), a pan-Asia online travel and hotel reservation service provider, today reported Group's revenue increased by 9.6% (S\$2.1 million) to S\$24.3 million for the financial period under review when compared to S\$22.2 million in the corresponding financial period in FY2015. The net loss before tax decreased by 50.7% (S\$1.3 million) to S\$1.3 million for financial period under review when compared to S\$2.6 million net loss before tax in the corresponding period in FY 2015.

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

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

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

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

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

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About Asiatravel.com Holdings Ltd -

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 feature the all-inclusive packages which strongly appeals 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.

Serving customers worldwide through 13 major language sites, its 19 offices in Asia, Middle East and Europe operate and provide 24 X 7 customer services. 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 2015, for the 3rd 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 TAcetre.com and Savio-Staff-Travel, serving the travel **trade** and corporate sectors respectively. For more information please visit www.asiatravel.com

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

The Company's Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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

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

Address: Six Battery Road, #10-01 Singapore 049909.

Tel: (65) 6381 6757