

Asiatravel.com



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

Full Year Financial Statement And Related Announcement For The Financial Year Ended 30th September 2016 ("FY2016")

PART I - INFORMATION REQUIRED FOR FULL YEAR RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

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

	GROUP		%
	S\$'000		
	October 2015 to September 2016	October 2014 to September 2015	Increase / (Decrease)
Revenue			
Sales of services	97,654	88,182	10.7
Other items of income			
Interest income from loans and receivables	8	15	N/M
Other income	5,265	1,489	253.6
	<u>102,927</u>	<u>89,686</u>	14.8
Items of expenses			
Changes in inventories	84,865	73,741	15.1
Amortisation of intangible assets	1,361	1,314	3.6
Salaries and employee benefits	10,717	10,197	5.1
Depreciation of property, plant and equipment	1,031	929	11.0
Impairment of property, plant and equipment	402	-	N/A
Impairment of intangible assets	535	-	N/A
Other operating expenses	12,588	14,549	(13.5)
Finance costs	228	183	24.6
	<u>111,727</u>	<u>100,913</u>	10.7
Loss before income tax	(8,800)	(11,227)	(21.6)
Income tax expense	(34)	(288)	(88.2)
Loss net of tax	(8,834)	(11,515)	(23.3)
Attributable to:			
Owners of the Company	(7,947)	(10,816)	(26.5)
Non-controlling interests	(887)	(699)	26.9
	<u>(8,834)</u>	<u>(11,515)</u>	<u>(23.3)</u>

N/M = Not Meaningful

STATEMENT OF COMPREHENSIVE INCOME FOR FULL YEAR RESULTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016

	GROUP		%
	S\$'000		
	October 2015 to September 2016	October 2014 to September 2015	Increase / (Decrease)
Loss net of tax	(8,834)	(11,515)	(23.3)
Other comprehensive income			
Items that may be reclassified subsequently to profit and loss			
Translation of financial statements of foreign subsidiaries	(529)	1,409	N/M
Total comprehensive income for the year	<u>(9,363)</u>	<u>(10,106)</u>	<u>(7.4)</u>
Total comprehensive income attributable to:			
Owners of the Company	(8,476)	(9,406)	(9.9)
Non-controlling interests	(887)	(700)	26.7
Total comprehensive income for the year	<u>(9,363)</u>	<u>(10,106)</u>	<u>(7.4)</u>

Notes :

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

	GROUP		%
	S\$'000		
	October 2015 to September 2016	October 2014 to September 2015	Increase / (Decrease)
(a) Loss on disposal of property, plant and equipment (net)	21	4	N/M
(b) Amortisation of intangible assets	1,361	1,314	3.6
(c) Depreciation of property, plant and equipment	1,031	929	11.0
(d) Foreign exchange (gain) / loss, net	(328)	529	N/M
(e) Inventories written down	9	-	-
(f) Interest income	(8)	(15)	N/M
(g) Finance costs	228	183	24.6
(h) Impairment of intangible assets	535	-	N/A
(i) Impairment of property, plant and equipment	402	-	N/A

N/M = Not Meaningful

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

	Group S\$'000		Company S\$'000	
	30/09/2016	30/09/2015	30/09/2016	30/09/2015
Intangible assets	7,746	8,132	4,317	3,908
Property, plant and equipment	4,882	5,932	144	297
Investment in subsidiaries	-	-	6,541	8,732
Other investments	85	85	-	-
Deferred tax assets	5	5	-	-
	12,718	14,154	11,002	12,937
Current Assets				
Inventories	4,205	4,996	-	65
Trade receivables	10,763	10,835	1,195	308
Prepaid operating expenses	1,920	2,003	180	564
Other receivables	7,887	2,148	5,308	94
Amounts due from other related parties	-	7	-	-
Amounts due from subsidiaries	-	-	17,957	13,967
Fixed deposits and cash pledged	2,066	2,974	1,906	2,730
Cash and cash equivalents	3,932	6,074	1,844	3,262
	30,773	29,037	28,390	20,990
Current Liabilities				
Trade payables	5,255	3,494	-	-
Deferred income	4,380	4,782	260	250
Other payables	7,836	5,549	2,123	1,597
Amounts due to subsidiaries	-	-	15,519	12,666
Obligations under finance leases	966	917	33	32
Income tax payable	24	38	-	-
	18,461	14,780	17,935	14,545
Net Current Assets	12,312	14,257	10,455	6,445
Non-Current Liabilities				
Obligations under finance leases	(673)	(1,639)	(132)	(165)
Deferred tax liabilities	(3)	(3)	-	-
Net Assets	24,354	26,769	21,325	19,217
Equity attributable to owners of the Company				
Share capital and treasury shares	59,928	52,981	59,928	52,981
Reserves	(36,890)	(28,415)	(38,603)	(33,764)
Shareholders' equity	23,038	24,566	21,325	19,217
Non-controlling interests	1,316	2,203	-	-
Total equity	24,354	26,769	21,325	19,217

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

Amount repayable in one year or less, or on demand

As at 30/09/2016		As at 30/09/2015	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
966	NIL	917	NIL

Amount repayable after one year

As at 30/09/2016		As at 30/09/2015	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
673	NIL	1,639	NIL

Details of any collateral

S\$1.64 million of obligation under hire purchase lease has been pledged against the Group's fleet of vehicles.

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

	01/10/2015 to 30/09/2016 S\$'000	01/10/2014 to 30/09/2015 S\$'000
Cash flow from operating activities :		
Loss before income tax and non-controlling interests	(8,800)	(11,227)
Adjustments for :		
Depreciation of property, plant and equipment	1,031	929
Amortisation of intangible assets	1,361	1,314
Bad debts written off	15	190
Interest expense	228	183
Interest income	(8)	(15)
Loss on disposal of property, plant and equipment (net)	21	4
Inventories written down	9	-
Share based compensation	1	4
Exchange loss- unrealised	138	703
Impairment of intangible assets	535	-
Impairment of property, plant and equipment	402	-
Operating loss before working capital changes	(5,067)	(7,915)
Changes in working capital		
Decrease in inventories	781	1,149
Increase in receivables and prepaid operating expenses	(5,607)	(2,025)
Increase in payables	3,648	1,545
Increase in net amounts due from related parties	6	-
Cash used in operations	(6,239)	(7,246)
Interest paid	(228)	(183)
Interest received	8	15
Income tax paid	(38)	(48)
Translation adjustment	(397)	19
Net cash used in operating activities	(6,894)	(7,443)
Cash flows from investing activities :		
Purchase of property, plant and equipment	(461)	(505)
Additional website development and software costs	(1,619)	(1,458)
Decrease / (increase) in fixed deposit pledged	842	(1,124)
Net cash used in investing activities	(1,238)	(3,087)
Cash flows from financing activities :		
Repayment of obligations under finance leases	(917)	(914)
Net proceeds from issuance of new shares	7,956	9,575
Share buy back	(1,009)	-
Capital injection from non-controlling interests	-	614
Proceeds from re-financing of motor vehicles	-	1,800
Net cash generated from financing activities	6,030	11,075
Net (decrease) / increase in cash and cash equivalents	(2,102)	545
Cash and cash equivalents at the beginning of year	6,074	5,500
Effects of exchange rate changes on cash and cash equivalents	(40)	29
Cash and cash equivalents at end of the year	3,932	6,074
Fixed deposit and cash pledged	2,066	2,974
Total cash balance	5,998	9,048

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

<u>Group</u>	Share capital S\$'000	Treasury shares S\$'000	Accumulated losses S\$'000	Foreign currency translation reserve S\$'000	Capital reserve S\$'000	Share-based compensation reserve S\$'000	Total reserves S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
2016									
Balance at 1 October 2015	56,105	(3,124)	(28,792)	(1,008)	1,372	13	(28,415)	2,203	26,769
Loss net of tax	-	-	(7,947)	-	-	-	(7,947)	(887)	(8,834)
Other comprehensive income for the period									
Translation of financial statements of foreign subsidiaries	-	-	-	(529)	-	-	(529)	-	(529)
Total comprehensive income for the period	-	-	(7,947)	(529)	-	-	(8,476)	(887)	(9,363)
Contributions by and distributions to owners									
Grant of equity-settled share options to employee	-	-	-	-	-	1	1	-	1
Total contributions by and distributions to owners	-	-	-	-	-	1	1	-	1
Total transactions with owners in their capacity as owners	-	-	-	-	-	1	1	-	1
Others									
Proceeds from issuance of new shares	7,956	-	-	-	-	-	-	-	7,956
Share buy back	-	(1,009)	-	-	-	-	-	-	(1,009)
Total others	7,956	(1,009)	-	-	-	-	-	-	6,947
Balance at 30 September 2016	64,061	(4,133)	(36,739)	(1,537)	1,372	14	(36,890)	1,316	24,354

<u>Group</u>	Share capital S\$'000	Treasury shares S\$'000	Accumulated losses S\$'000	Foreign currency translation reserve S\$'000	Capital reserve S\$'000	Share-based compensation reserve S\$'000	Total reserves S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
2015									
Balance at 1 October 2014	46,530	(3,124)	(17,976)	(2,418)	1,372	9	(19,013)	2,289	26,682
Loss net of tax	-	-	(10,816)	-	-	-	(10,816)	(699)	(11,515)
Other comprehensive income for the period									
Translation of financial statements of foreign subsidiaries	-	-	-	1,410	-	-	1,410	(1)	1,409
Total comprehensive income for the period	-	-	(10,816)	1,410	-	-	(9,406)	(700)	(10,106)
Changes in ownership interests in subsidiaries									
Capital injection by non-controlling interests	-	-	-	-	-	-	-	614	614
Contributions by and distributions to owners									
Grant of equity-settled share options to employee	-	-	-	-	-	4	4	-	4
Total contributions by and distributions to owners	-	-	-	-	-	4	4	-	4
Total transactions with owners in their capacity as owners	-	-	-	-	-	4	4	-	4
Others									
Proceeds from issuance of new shares	9,575	-	-	-	-	-	-	-	9,575
Total others	9,575	-	-	-	-	-	-	-	9,575
Balance at 30 September 2015	56,105	(3,124)	(28,792)	(1,008)	1,372	13	(28,415)	2,203	26,769

<u>Company</u>	Share capital S\$'000	Treasury shares S\$'000	Accumulated losses S\$'000	Share-based compensation reserve S\$'000	Total reserves S\$'000	Total equity S\$'000
2016						
Balance at 1 October 2015	56,105	(3,124)	(33,777)	13	(33,764)	19,217
Loss net of tax	-	-	(4,840)	-	(4,840)	(4,840)
Total comprehensive income for the period	-	-	(4,840)	-	(4,840)	(4,840)
<u>Contribution by and distributions to owners</u>						
Grant of equity-settled share options to employees	-	-	-	1	1	1
Total contribution by and distributions to owners	-	-	-	1	1	1
Total transactions with owners in their capacity as owners	-	-	-	1	1	1
<u>Others</u>						
Proceeds from issuance of new shares	7,956	-	-	-	-	7,956
Share buy back	-	(1,009)	-	-	-	(1,009)
Total others	7,956	(1,009)	-	-	-	6,947
Balance at 30 September 2016	64,061	(4,133)	(38,617)	14	(38,603)	21,325

<u>Company</u>	Share capital S\$'000	Treasury shares S\$'000	Accumulated losses S\$'000	Share-based compensation reserve S\$'000	Total reserves S\$'000	Total equity S\$'000
2015						
Balance at 1 October 2014	46,530	(3,124)	(25,487)	9	(25,478)	17,928
Loss net of tax	-	-	(8,290)	-	(8,290)	(8,290)
Total comprehensive income for the period	-	-	(8,290)	-	(8,290)	(8,290)
<u>Contribution by and distributions to owners</u>						
Grant of equity-settled share options to employees	-	-	-	4	4	4
Total contribution by and distributions to owners	-	-	-	4	4	4
Total transactions with owners in their capacity as owners	-	-	-	4	4	4
<u>Others</u>						
Proceeds from issuance of new shares	9,575	-	-	-	-	9,575
Total others	9,575	-	-	-	-	9,575
Balance at 30 September 2015	56,105	(3,124)	(33,777)	13	(33,764)	19,217

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

Details of any changes in the Group's issued share capital		Number of Ordinary Shares	Paid-up Capital S\$
As at 1 October 2015	Issued and fully paid ordinary shares at beginning of financial period	350,577,036	52,981,491
19 October 2015	Conversion of warrants into ordinary shares at conversion price of S\$0.273 each	11,250	3,071
7 June 2016	Issuance of new shares to ZhongHong New World International Limited @ S\$0.20 each.	41,500,000	8,300,000
8 June 2016	Purchase of treasury shares @ S\$0.17314 from open market	(250,000)	(43,285)
9 June 2016	Purchase of treasury shares @ S\$0.17314 from open market	(300,000)	(51,729)
10 June 2016	Purchase of treasury shares @ S\$0.17773 from open market	(200,000)	(35,546)
13 June 2016	Purchase of treasury shares @ S\$0.17800 from open market	(140,000)	(24,920)
14 June 2016	Purchase of treasury shares @ S\$0.17834 from open market	(298,000)	(53,145)
15 June 2016	Purchase of treasury shares @ S\$0.17870 from open market	(200,000)	(35,740)
16 June 2016	Purchase of treasury shares @ S\$0.17846 from open market	(300,000)	(53,538)
17 June 2016	Purchase of treasury shares @ S\$0.17787 from open market	(300,000)	(53,361)
20 June 2016	Purchase of treasury shares @ S\$0.17800 from open market	(300,000)	(53,400)
21 June 2016	Purchase of treasury shares @ S\$0.17602 from open market	(300,000)	(52,806)
22 June 2016	Purchase of treasury shares @ S\$0.17733 from open market	(300,000)	(53,199)
23 June 2016	Purchase of treasury shares @ S\$0.17538 from open market	(130,000)	(22,799)
24 June 2016	Purchase of treasury shares @ S\$0.17300 from open market	(100,000)	(17,354)
28 June 2016	Purchase of treasury shares @ S\$0.17551 from open market	(296,000)	(52,112)
29 June 2016	Purchase of treasury shares @ S\$0.17653 from open market	(120,000)	(21,249)
30 June 2016	Purchase of treasury shares @ S\$0.17315 from open market	(118,000)	(20,495)
1 July 2016	Purchase of treasury shares @ S\$0.17455 from open market	(100,000)	(17,509)
4 July 2016	Purchase of treasury shares @ S\$0.17486 from open market	(175,000)	(30,695)
5 July 2016	Purchase of treasury shares @ S\$0.17485 from open market	(20,000)	(3,541)
8 July 2016	Purchase of treasury shares @ S\$0.17333 from open market	(75,000)	(13,048)
12 July 2016	Purchase of treasury shares @ S\$0.17100 from open market	(100,000)	(17,153)
18 July 2016	Purchase of treasury shares @ S\$0.17531 from open market	(160,000)	(28,137)
21 July 2016	Purchase of treasury shares @ S\$0.17067 from open market	(170,000)	(29,104)

22 July 2016	Purchase of treasury shares @ S\$0.16993 from open market	(285,000)	(48,580)
26 August 2016	Purchase of treasury shares @ S\$0.16300 from open market	(40,000)	(6,566)
30 August 2016	Purchase of treasury shares @ S\$0.15377 from open market	(150,000)	(23,137)
31 August 2016	Purchase of treasury shares @ S\$0.15513 from open market	(40,000)	(6,251)
1 September 2016	Purchase of treasury shares @ S\$0.15520 from open market	(50,000)	(7,806)
2 September 2016	Purchase of treasury shares @ S\$0.15237 from open market	(83,000)	(12,695)
5 September 2016	Purchase of treasury shares @ S\$0.15000 from open market	(75,000)	(11,298)
6 September 2016	Purchase of treasury shares @ S\$0.14792 from open market	(80,000)	(11,881)
7 September 2016	Purchase of treasury shares @ S\$0.15067 from open market	(70,000)	(10,594)
8 September 2016	Purchase of treasury shares @ S\$0.15174 from open market	(100,000)	(15,223)
9 September 2016	Purchase of treasury shares @ S\$0.15212 from open market	(32,000)	(4,913)
14 September 2016	Purchase of treasury shares @ S\$0.16000 from open market	(22,000)	(3,564)
16 September 2016	Purchase of treasury shares @ S\$0.15200 from open market	(30,000)	(4,605)
19 September 2016	Purchase of treasury shares @ S\$0.15107 from open market	(55,000)	(8,355)
20 September 2016	Purchase of treasury shares @ S\$0.14875 from open market	(60,000)	(8,972)
21 September 2016	Purchase of treasury shares @ S\$0.15000 from open market	(20,000)	(3,044)
22 September 2016	Purchase of treasury shares @ S\$0.15000 from open market	(50,000)	(7,546)
23 September 2016	Purchase of treasury shares @ S\$0.15000 from open market	(50,000)	(7,546)
26 September 2016	Purchase of treasury shares @ S\$0.14997 from open market	(67,000)	(10,095)
27 September 2016	Purchase of treasury shares @ S\$0.15000 from open market	(10,000)	(1,543)
28 September 2016	Purchase of treasury shares @ S\$0.14900 from open market	(9,400)	(1,444)
29 September 2016	Purchase of treasury shares @ S\$0.14729 from open market	(45,000)	(6,674)
30 September 2016	Purchase of treasury shares @ S\$0.14500 from open market	(36,000)	(5,265)
As at 30 September 2016	Issued and fully paid ordinary shares at end of financial period	386,176,886	60,273,100

Note : There were 16,557,400 Treasury Shares as at 30 September 2016 and 10,646,000 as at 30 September 2015.

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

Tranche 2 warrants has expired on 15 July 2016.

Save as disclosed above, there have been no bonus or other issues of shares during FY2016.

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

	30/09/2016	30/09/2015
Total number of issued shares excluding treasury shares	386,176,886	350,577,036

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

During the financial year, there were no transactions pertaining to treasury shares.

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

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

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

N/A

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

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

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

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

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

	GROUP	
Loss per Ordinary Share for the full-year based on net loss attributable to shareholders:-	Oct 2015 to Sept 2016	Oct 2014 to Sept 2015
(i) Based on the weighted average number of ordinary shares on issue	(2.30) cts	(3.28) cts
(ii) On a fully diluted basis	(2.30) cts	(3.28) cts

The basic loss per share (LPS) is computed based on the weighted average number of shares in issue of 345,029,473 during this financial year (2015: 329,755,118).

The financial effect of share options and warrants issued has been disregarded in the calculation for dilutive LPS for FY2016 and FY2015 as they are anti-dilutive.

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

	GROUP	
	As at 30 September 2016	As at 30 September 2015
Net Asset Value per Ordinary Share based on issued share capital	5.97 cts	7.01 cts

	COMPANY	
	As at 30 September 2016	As at 30 September 2015
Net Asset Value per Ordinary Share based on issued share capital	5.52 cts	5.48 cts

The Net Assets Value per Ordinary Share is computed on the number of 386,176,886 shares in issue as at 30 September 2016 and 350,577,036 shares as at 30 September 2015.

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

The Group's revenue increased by 10.7% (S\$9.5 million) to S\$97.7 million for the financial year under review when compared to S\$88.2 million in the FY2016.

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

The revenue from online B2B (TACentre.com) business increased by 98.1% (S\$16.9 million) from S\$17.2 million in FY2015 to S\$34.1 million in FY2016. The increase is mainly due to TACentre.com penetrating more markets and the increase in take up rate from travel agencies.

The Group's other income increased by 253.6% (S\$3.8 million) from S\$1.5 million in FY2015 to S\$5.3 million is mainly due to provision of technical support pursuant to an agreement with a China-based travel agency.

The Group's other operating expenses decreased by 13.5% (S\$1.9 million) from S\$14.5 million in FY2015 to S\$12.6 million in FY 2016. The decrease is mainly due to the cut back on Advertising and Promotion expenses ("A&P") of S\$1.0 million from S\$3.7 million in FY2015 to S\$2.7 million in FY 2016.

The Group gross profit decreased by S\$1.6 million from S\$14.4 million in FY2015 to S\$12.8 million in FY 2016. The main reason is a reduced margin to maintain market share amidst strong online competition.

The Group's non-current liabilities – Obligations under finance lease decreased by S\$0.97 million is due to repayment during the year.

The Group's other receivables increased by S\$5.7 million. The increase was mainly due to billing in connection to rendering of technical support pursuant to an agreement with a China-based travel agency.

The Group's trade payables and other payables increased by S\$1.8 million and S\$2.3 million. The increase was mainly due to longer credit terms given by suppliers.

The net decrease of cash and cash equivalent at the end of the year is due to cash used in the Group's operating activities.

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

No specific forecast or prospect statement was previously disclosed.

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

Since FY2015, the Group's senior management have spent substantial time in China setting up IT and product development team to build a China centric website and mobile application with user interfaces dedicated for the Chinese outbound travelers, setting up operational, customer service and marketing team to market and position itself as a China outbound travel player to achieve a successful penetration into this very important market.

China's outbound tourism in 2015 grew at a stellar rate of 53% exceeding 125 million travellers. The total outbound travel spent reached USD125 billion making China the highest travel spending source market in the world. Based on World Tourism & Travel Council (WTTC)'s August 2016 report, while the future global travel sector is targeted to grow annually at 3.1%, outpacing global economic growth of 2.3%, China's outbound travel is targeted to continue growing at 6.3%.

With the Group's product portfolio of over 200,000 hotels worldwide and 8 million (s.k.u.) tours and travel packages, and an established destination and ground servicing and product development and contracting network in South-East Asia to support the China operations, the Group in FY2016 successfully launched 2 Chinese platforms: namely Atrip.com for consumer (B2C) online reservations and TAceneter.cn ("汇订网") for the travel trade segment (B2B) in China. In the coming months, the group will launch Savio Staff Travel, its B2B2C online platform targeted at large companies as a staff benefits' program for their travel where the staff can enjoy rates between the consumer and the wholesale channel.

In the FY2016, the revenue from China outbound business recorded at S\$31.9 million or 32.7% of the Group's revenue, representing a significant growth of 70.0% from the previous year's revenue of S\$18.8 million generated from China outbound business.

With the recent Placement Consideration of S\$9.4 million secured, the Group is now ready to further ramp up its China operations. The group will also explore acquisition opportunities as part of its plans to expand operations in the PRC.

Going forward, the Group expect the China outbound operation to continue its high double digit revenue growth rate. These would greatly monetise our past few years investment on IT system and platform, product development, destination and ground servicing and supply network in S.E.Asia.

We believe as a China centric player, we have greater opportunities to continue our growth and enhance shareholder value.

Information source:

<http://money.cnn.com/2016/03/21/news/economy/china-travel-tourism-record-spending/>
Travel & Tourism – Economic Impact 2016 by World Travel & Tourism Council

11. Dividend
(a) Current Financial Period Reported On

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

(b) Corresponding Period of the Immediately Preceding Financial Year

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

(c) Date payable

NA

(d) Books closure date

NA

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

No final dividend has been declared.

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

The Group has not obtained a general mandate from shareholders for IPTs. For the financial year under review, there were no IPT that requires disclosure under Rule 920(1)(a)(ii).

14. Use of proceeds from placement

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

The Company has utilised S\$7,000,000 for it general working capital which is in line with the intended use of the net proceeds stated in the Announcement made on 27 November 2015. Subsequent to the aforementioned, the remaining balance of the net proceed amounts to approximately S\$1,120,000 in the Company's current account.

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

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

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

16. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

	Hotel Reservation S\$'000	Hotel Promotion Services S\$'000	Tour & Transport Packages S\$'000	Air ticketing S\$'000	*Corporate S\$'000	Online wholesale ¹ S\$'000	Flight packages ² S\$'000	Elimination S\$'000	Total S\$'000
Revenue – FY 2016 By Operating Segments									
Sale to External Customers	48,789	808	11,845	1,179	-	32,932	2,101	-	97,654
Intersegment Sales	24,696	-	7,597	-	1,597	-	-	(33,890)	-
	73,485	808	19,442	1,179	1,597	32,932	2,101	(33,890)	97,654
Results:									
Interest Income	4	#	2	1	1	#	#	-	8
Depreciation and amortisation	1,203	73	586	190	243	77	20	-	2,392
Other non-cash expenses	481	36	233	75	97	31	8	-	961
Segment (loss) / profit	(3,618)	8	(1,765)	(1,031)	(3,006)	(722)	4	1,330	(8,800)
Assets:									
Additions to non-current assets	1,046	64	510	164	212	68	16	-	2,080
Segment assets	21,864	1,332	10,656	3,427	4,426	1,421	365	-	43,491
Segment liabilities	9,622	586	4,689	1,508	1,948	625	159	-	19,137
Revenue – FY 2015 By Operating Segments									
Sale to External Customers	53,102	1,086	13,428	1,735	-	16,711	2,120	-	88,182
Intersegment Sales	14,898	-	6,576	-	2,041	-	-	(23,515)	-
	68,000	1,086	20,004	1,735	2,041	16,711	2,120	(23,515)	88,182
Results:									
Interest Income	6	#	4	2	2	1	#	-	15
Depreciation and amortisation	926	98	526	230	249	191	23	-	2,243
Other non-cash expenses	79	8	45	20	21	16	1	-	190
Segment (loss) / profit	(5,257)	149	(2,982)	(1,243)	(1,998)	267	(27)	(136)	(11,227)
Assets:									
Additions to non-current assets	811	86	460	201	218	167	20	-	1,963
Segment assets	17,840	1,885	10,123	4,434	4,795	3,670	443	-	43,190
Segment liabilities	6,783	717	3,848	1,686	1,823	1,396	168	-	16,421

- Less than S\$1,000/-

* Corporate: General corporate income such as dividend income, website and management fees derived from subsidiary companies.

¹ – Online wholesale – Provision of online air-tickets, accommodations and tour packages to travel agencies – B2B (“Business to Business”).

² – Flight packages – Provision of online air-tickets, accommodation and tour packages to customers – B2C (“Business to Customers”).

17. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Please refer to Paragraph 8.

18. **A breakdown of sales**

	Group		
	S\$'000		%
	30-09-2016	30-09-2015	Increase/ (Decrease)
Sales reported for first half year	49,857	44,655	11.6
Operating loss reported for first half year	(3,712)	(3,666)	1.3
Sales reported for second half year	47,797	43,527	9.8
Operating loss reported for second half year	(4,235)	(7,150)	(55.4)

19. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

	Latest Year (S\$)	Previous Year (S\$)
Ordinary	NA	NA
Preference	NA	NA
Total:	NA	NA

20. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held in the Company	Details of changes on duties and position held, if any, during the year
David Boh Sui Hou	34	Son of Boh Tuang Poh (Executive Chairman of the Company)	Current Position – Project Director of the Company since 5 th June 2013. Duties – Oversee online marketing activities, take charge of all social media campaign, special projects and merger and acquisition activities.	1 st February 2016 - Project Senior Vice-President (China Operations) – Oversee China Operations.

BY ORDER OF THE BOARD

Boh Tuang Poh
Executive Director
(29/11/2016)

Heng Su-Ling, Mae
Independent Director

*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.