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Asiatravel reports loss for 2QFY2014; Three consecutive corresponding quarters of revenue and room nights growth

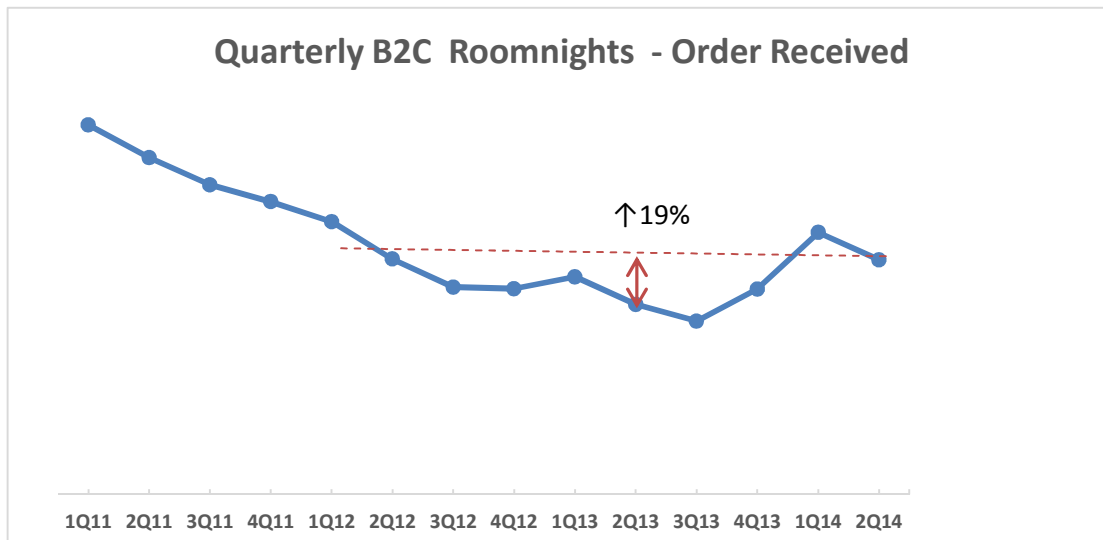
- **The Group’s revenue and room nights recovering trend continues**
- **The Group is in advance discussions with various parties to explore all strategic and merger & acquisition options**

Singapore, 15 May 2014 – Asiatravel.com Holdings Limited (“Asiatravel”, and together with its subsidiaries, “the Group”), a pan-Asia online travel and hotel reservation service provider, today reported a net loss attributable to the owners of the company of S\$1.81 million for financial period ended 31 March 2014 from S\$1.69 million in the corresponding financial period ended 31 March 2013.

The Group’s revenue increased by 10.2% (S\$2.02 million) to S\$21.75 million for the financial period under review when compared to S\$19.73 million in the previous financial period in FY2013.

Continuing with the revenue recovering trend from 1QFY2014, the Group has sustained the upward trend in this financial period under review. The Group has now achieved three consecutive corresponding quarters of revenue and room nights growth with 2QFY2014 reaching the level last seen in 2QFY2012. This is the direct result and in line with the Group’s revenue and room nights growth strategies by way of embarking on various online advertising and promotion campaigns via meta search channels.

The Group has been able to reverse the trend in declining revenue and room nights and the Group is optimistic that the recovering trend will continue going forward, which will drive the Group’s turnaround in revenue and profitability. The positive trend is illustrated in the online B2C room nights chart below showing a 19% increase in the number of room nights in the 2QFY2014 as compared to 2QFY2013 and is on par with the recorded room nights as in 2QFY2012.



Despite the decrease in revenue of S\$2.05 million in the Group's offline wholesales hotel reservation business, the Group's total revenue in 2QFY2014 grew by 10% as compared to corresponding period in FY2013. This is contributed mainly by the Group's core online B2C hotel reservation business by S\$2.18 million and online B2B (TAcentre.com) business by S\$1.14 million, while the Group's online flight and tours packages clocked an increase of S\$0.75 million in revenue.

The Group will continue to focus on its B2C room nights growth strategy by ramping up marketing activities and advertising on new marketing channels to ensure the continuity of the Group's upward trend in terms of revenue and room nights growth.

The Group will be re-aligning the business of some loss-making subsidiaries and plans to divest such units to reduce the Group's overall operating costs.

While the Group is actively executing the revenue and room nights organic growth strategies, the Group is in advance discussions with various parties to explore all strategic and merger & acquisition options to help drive room nights growth and more critically to help take off the Group's online all-inclusive flight and tour package products bookable on instant confirmation basis for the free and easy leisure segment.

The Group has invested years of efforts, capital and resources to develop this new online business model. The front-end and back-end platform has been continuously being enhanced, the Group's pre and post booking service network and wholesales products inventories are all ready for immediate monetization. Till date we believe Asiatravel.com is the only website offering this service which has very significant and scalable potential and is ready for take-off in the online channels. All bookings for such products are now made via the offline travel agencies channels.

Barring any unforeseen circumstances, the Group is optimistic that it will be able to sustain the upward trend of increasing its revenue in the coming quarters and working on returning the Group to profitability.

About Asiatravel.com Holdings Ltd -

Asiatravel.com Holdings Limited and its subsidiaries (collectively "Asiatravel" or "Group") form the largest independent publicly listed pan-Asia online travel reservation service provider. The Group has a wholly owned network of operation and customer service offices in 12 countries - Singapore, China, France, Germany, Hong Kong, India, Indonesia, Malaysia, the Philippines, Thailand, United Arab Emirates (UAE) and Vietnam. It also has partner offices in Japan, Laos, Myanmar, South Korea, Sri Lanka and Russia.

Established in 1995 as an online hotel reservation company, Asiatravel.com was listed on the Singapore Stock Exchange since 2001. The Group's website Asiatravel.com has a brand presence in over 17 countries and available in 11 languages - English, Traditional & Simplified Chinese, Thai, Bahasa Indonesia, Japanese, Korean, French, German, Spanish and Arabic.

Asiatravel.com offers a reliable One-Stop-Service for travellers to find the best value for their flights, hotel rooms, holiday packages, sightseeing tours as well as theme park tickets. The Group has a selection of over 140,000 hotels and resorts worldwide, promotional airfares for over 400 major airlines and over 600,000 tours and travel packages.

These travel products are available online 24/7 with Real-Time Prices, Instant Confirmation and Last-Minute Availability. Moreover, travellers also enjoy cash rewards the more they book with Asiatravel.com. Asiatravel is the specialist of Asian travel for leisure and corporate travellers and travel agencies.

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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.

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