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## **Ready to significantly scale up revenue upon completion of proposed placement**

- **Increase in Group's revenue while the loss before tax decreases**
- **Whitewash waiver received from Securities Industry Council**
- **Submission of Additional Listing Application**

**Singapore, 13 February 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 3.1% (S\$0.7 million) to S\$24.2 million for the financial period under review as compared to S\$23.5 million in the corresponding financial period in FY2015. The net loss before tax decreased by 4.5% (S\$0.8 million) to S\$1.65 million for financial period under review as compared to S\$1.73 million net loss before tax in the corresponding period in FY 2015.

Despite the competitive online hotel reservation environment and entry of global players into its markets in the past few years, the Group has been able to maintain its business volume and position as a major player in the S.E. Asian destinations and markets. At the same time the Group allocates significant expenses and resources to further develop its IT and booking platform to offer the full spectrum of travel products across multiple distribution channels, strengthen relationship with travel product owners and suppliers to secure competitive and comprehensive products and establish ground and servicing operation in all major S.E. Asian destinations and markets. The Group believes its investments in all these areas are now in a strong position to support significant scaling up of its business volume and revenue.

In addition to its online B2C channel (consumers direct bookings via asiatravel.com for global markets and cn.asiatravel.com for China market), the Group is now a major player in the online B2B channel (wholesaling to travel agencies via TACentre.com) and online B2B2C channel (corporate travelers bookings via closed platform (Saviost.com)). With this, the Group is now a multi-channel player in the consumer, wholesaling and corporate travel space.

The Company entered into an agreement in respect of placement of new shares worth S\$100 million and S\$126 million placement of new warrants on 26 November 2015 (as announced on 27 November 2015). A whitewash waiver was received from Securities Industry Council for the Proposed Placement of new shares and warrants to ZhongHong New World International Limited (“Placee”) on 28 January 2016 (as announced on 29 January 2016). The Company has since submitted the additional listing application to its Sponsor on 5 February 2016. Once the Company receives its approval from Singapore Stock Exchange, the Company will convene an Extraordinary

General Meeting to seek shareholders' approval on the proposed whitewash resolution and the issuance of new shares and warrants to the Placee.

With the completion of the placement (targeted to be completed by end March 2016), the Group will raise S\$100 million. This will be a game changer for the Group as it will have substantial financial resources to significantly scale up its revenue and fast track its profitability turnaround. The usage of the S\$100 million will be allocated to 3 main programs, namely Advertisement & Promotion, bulk purchase of hotel rooms and other travel products to secure rates that are even below wholesales rates in the market and China market expansion plan.

The Group's operating cost over the last 3 years has stabilized and with minimum incremental increase in the operating cost it can support a significant revenue growth. The Group has done many test marketing of the full spectrum of its products on many meta-search engines and advertising platforms and has been able to achieve a blended return for every \$1 spent with a S\$10 revenue generated in the B2C channel (business to consumers).

The Group's online B2B channel (TACentre.com) has gained significant traction as the revenue of this division has increased by 46.8% (S\$1.7 million) from S\$3.7 million in the corresponding financial period in FY2015 to S\$5.4 million in the current financial period in FY2016.

The Group launched its B2B2C channel (Saviost.com) in April 2015 and has amassed a reach of over 1.2 million persons employed by the corporate clients. It has been launched in Singapore, the Philippines, Thailand, U.A.E., Indonesia and Vietnam. In March 2016, it will be launched in China.

With its multi-channel distribution and expected placement proceeds, the Group is confident of achieving significant revenue growth in the next 12 months.

The Group believes that it has put in place vital strategies and corporate action plans that would well justify its last 3 years of perseverance, commitment and focus in its business value proposition which will ultimately enhance and create shareholder 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 worldwide. Its online booking feature for all-inclusive packages strongly appeals to travellers seeking convenience, instant confirmation and extra savings. Its ability to provide full travel services at packaged prices 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 recently established B2B division consists of TAcetre.com and Savio-Staff-Travel, serves the travel industry and corporate sectors respectively. For more information please visit [www.asiatravel.com](http://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.*

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