



FOR IMMEDIATE RELEASE – PRESS RELEASE

Ready to significantly scale up revenue upon completion of proposed placement

- **21.1% increase in Group's revenue**
- **The Group to position itself as a multi-product, multi-platform and multi-channel online travel reservation group**

Singapore, 13 May 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 21.1% (S\$4.4 million) to S\$25.6 million for the financial period under review when compared to S\$21.2 million in the corresponding financial period in FY2015. The net loss before tax decreased by 11.9% (S\$0.3 million) to S\$2.5 million for financial period under review when compared to S\$2.2 million net loss before tax in the corresponding period in FY 2015.

In the past few years, the Group invested substantial resources, efforts and management time to develop and position itself as a multi-product, multi-platform and multi-channel online travel reservation group with deep product penetration in all major S.E.Asian destinations. The Group has established strong marketing, operational presence and infrastructure in PRC and all S.E. Asian markets.

With the completion of the share placement of S\$100 million expected by end May 2016, the Group will immediately deploy the bulk of the fund to increase spending on 2 key tested programs, Advertising and Promotion (“A&P”) activities and bulk purchases of hotel rooms and other travel related inventories. These 2 programs have been planned and tested over the years. The significant scale up will effectively monetize the investment made on its multi-product, multi-platform and multi-channel online distribution to drive its turnaround and profitability. The increase in bulk purchase will enable it to secure inventories at an average of 30% below the best wholesales rates in the market and position the Group as the lowest product cost supplier. The increase in A&P spending activities will significantly expand its branding, extend its reach and gain new customers. In the past few years, the Group's A&P spending has achieved revenue of S\$10 for every S\$1 spend to secure a booking.

With these 2 key programs underpinning its growth strategies, the Group can expect to significantly scale up its business volume and revenue across all 3 channels, B2C (selling to consumers via Asiatravel.com), B2B (selling to the travel agencies segment via TAcetre.com) and B2B2C (selling to staff leisure and business travel via Saviost.com).

In 2015, the number of China outbound travelers clocked an impressive 128 million and is projected to reach 200 million by year 2020. The Group is well positioned to capture the fast growing travel market in China especially to S.E Asia destinations. The \$100 million expected to be raised by end May 2016 is significantly larger than the Group market capitalization. The Group

believes that with the expected exponential revenue growth and strengthened balance sheet, these will place the Group in a strong position to explore various corporate activities and to raise further funds through financial instruments such as non- convertible bonds.

The Group believes that with the new fund underpinning its growth strategies, the Group will be able to work towards a turnaround in profitability. With various corporate activities and increase funding, the Group will be a major online player and benefit significantly in the fast growing travel industry in China.

--END--

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

---END---

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