

VOLUNTARY DELISTING OF SINOTEL TECHNOLOGIES LTD.

– LOSS OF PUBLIC FLOAT

1. INTRODUCTION

The Board of Directors (the "**Board**" or "**Directors**") of Sinotel Technologies Ltd. (the "**Company**") refers to:

- (a) the circular to shareholders dated 28 January 2016 (the "**Circular**") issued by the Company to its shareholders in relation to the voluntary delisting of the Company from the Official List of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") pursuant to Rules 1307 and 1309 of the listing manual of the SGX-ST ("**Listing Manual**");
- (b) the exit offer letter dated 28 January 2016 (the "**Exit Offer Letter**") issued by Deloitte & Touche Corporate Finance Pte Ltd ("**Deloitte**"), for and on behalf of Advance Technology Holding Ltd (the "**Offeror**") in relation to the exit offer in cash (the "**Exit Offer**") by Deloitte, for and on behalf of the Offeror, to acquire all the issued ordinary shares in the capital of the Company (the "**Shares**"), other than those Shares held, directly or indirectly, by the Offeror as at the date of the Exit Offer; and
- (c) the announcement dated 23 February 2016 by Deloitte, for and behalf of the Offeror in relation to an update on the level of acceptances of the Exit Offer (the "**Level of Acceptances Announcement**").

All capitalised terms not defined herein shall have the same meaning ascribed to them in the Circular, unless otherwise stated or the context otherwise requires.

2. LOSS OF PUBLIC FLOAT

Based on the Level of Acceptances Announcement, as at 5:00 p.m. on 22 February 2016, the total number of (a) Shares owned, controlled or agreed to be acquired by the Offeror and its Concert Parties, and (b) valid acceptances of the Exit Offer, amount to an aggregate of 383,863,817 Shares, representing approximately 90.77% of the total number of issued Shares. Accordingly, the percentage shareholding of the Company in the hands of public shareholders (after excluding the shareholding interest held by the Offeror) has fallen to below 10%. The Board wishes to highlight that as the percentage shareholding of the Company in the hands of public shareholders has fallen to below 10%, the SGX-ST may suspend trading of the Shares pursuant to Rules 724, 1105 and 1303(1) of the Listing Manual.

3. LISTING STATUS AND COMPULSORY ACQUISITION

The Exit Offer Letter states that the Offeror intends to make the Company its wholly-owned subsidiary and does not intend to preserve the listing status of the Company and accordingly, the Offeror has no intention to take steps for any trading suspension of the Shares by the SGX-ST to be lifted in the event that, *inter alia*, less than 10% of the total number of Shares (excluding any Shares held by the Company as treasury shares) are held in public hands.

The Exit Offer Letter also states that in the event that the Offeror becomes entitled to exercise its right under Section 215(1) of the Companies Act to compulsorily acquire all the Shares of Shareholders who have not accepted the Exit Offer, the Offeror intends to exercise such rights of compulsory acquisition. In such event, the Company will become a wholly-owned subsidiary of the Offeror pursuant to such compulsory acquisition.

In addition, pursuant to Section 215(3) of the Companies Act, if the Offeror acquires such number of Shares which, together with Shares held by it, comprise 90% or more of the Shares, Shareholders who have not accepted the Exit Offer have a right to require the Offeror to acquire their Shares at the Exit Offer Price. Shareholders who wish to exercise such a right are advised to seek their own independent legal advice.

Shareholders should refer to Sections 10 and 11 of the Letter to Shareholders (entitled "Implications of Delisting for Shareholders" and "Compulsory Acquisition" respectively) set out in the Circular for more information.

4. CLOSING DATE AND SUSPENSION OF TRADING

The Exit Offer will remain open for acceptance until 5.30 p.m. on 4 March 2016, or such later date(s) as may be announced from time to time by or on behalf of the Offeror.

The Company will make an announcement in due course on the expected date of suspension of trading in the Shares.

5. RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this announcement (other than those relating to the Offeror and its concert parties) are fair and accurate in all material aspects and that no material fact has been omitted which would make any statement in this announcement misleading, and they jointly and severally accept responsibility accordingly. Where any information in this announcement has been extracted or reproduced from published or publicly available sources or obtained from the Offeror and its concert parties, the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement. The Directors do not accept any responsibility for any information relating to or opinions expressed by the Offeror.

By Order of the Board

Jia Yue Ting
Executive Chairman
23 February 2016