

8TELECOM INTERNATIONAL HOLDINGS CO. LTD.

(Incorporated in Bermuda on 5 January 2004 with limited liability)
(Company Registration No. 34713)
(the “**Company**”)

APPLICATION FOR WAIVER TO COMPLY WITH RULE 707(1) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE “SGX-ST”) (THE “LISTING MANUAL”) AND EXTENSION OF TIME

The Board of Directors of 8Telecom International Holdings Co. Ltd. (the “**Company**”) wishes to announce that the Company had today applied to the Singapore Exchange Trading Limited (the “**SGX-ST**”) for a waiver from Rule 707(1) of the Listing Manual of the SGX-ST and for an extension of two (2) months to hold its annual general meeting (“**AGM**”) for the financial year ended 31 December 2017 (“**FY2017**”) under Rule 707 of the Listing Manual of the SGX-ST (the “**Extension**”) by 30 June 2018.

The reasons for seeking the Extension are as follows:

- (i) As previously mentioned in the Company’s announcements dated 1 March 2018 and 26 March 2018 and as set out in the submission by the Company to the SGX-ST of its circular in relation to the proposed change of auditors, subject to the approval of the shareholders of the Company at a special general meeting (the “**SGM**”). This is part of the Group’s ongoing efforts to manage its overall business costs and expenses amidst the challenging business climate, and due to commercial considerations, as well as in conjunction with the Group’s proposed diversification as announced by the Company on 8 March 2018, and accordingly the Directors are of the view that it would be appropriate and timely to effect a change of the auditors. The Directors also believe that a change of auditors will allow the Group to save approximately 70% in audit fees based on the previous audit fees for the financial year ended 31 December 2016.
- (ii) In light of the anticipated appointment of the new incoming auditors (the “**New Auditors**”) subject to shareholders’ approval, there will be a delay in commencement of the audit process by the New Auditors. It will not be possible for the audited financial statements for FY2017 to be finalized in time for issuance by mid-April 2018 in order for it to be despatched with the annual report of the Company. In addition, the notice of AGM requires at least 14 days’ notice prior to the forthcoming AGM, which is required to be held by 30 April 2018 pursuant to Rule 707(1) of the Listing Manual. After the completion of the audit, the Company will also require time to prepare, proofread, perform accuracy checks, print and distribute its annual report to the shareholders.
- (iii) Management and the New Auditors have indicated that assuming the SGM will not be held too late, it is expected that the audit for FY2017 will be completed in time to hold the Company’s AGM by 30 June 2018.
- (iv) Additionally, as the Group is also hoping to undertake the proposed acquisition as announced by the Group on 8 March 2018, it had recently also submitted to SGX-ST the circular in relation to, amongst others, the proposed acquisition and proposed diversification (the “**Second Circular**”). The Group’s original plan was to hold its AGM and SGM in relation to the Second Circular (the “**Second SGM**”) on the same day so as to allow the Group to save costs and minimize the unnecessary expense of holding them separately. Furthermore, holding both meetings on the same day would be a more efficient management of the time of shareholders as well as the independent directors and management of the Company. Given the complexity of the matters set out in the Second Circular however, the Group is aware that it is unlikely to receive clearance from the SGX-ST for the Second Circular in time for the Second SGM to be held by 30 April 2018. The Group therefore hopes that in event of approval granted by the SGX-ST for the Extension so that its AGM can be held by 30 June 2018 instead, it will therefore be able to hold the Second SGM on the same day as its AGM. The Board wishes to stress that the holding of the Second SGM is not a pre-condition to the holding of its AGM.

- (v) In view of the issues raised above, the Company is unable to complete its audit for FY2017 and make the necessary preparations to hold its AGM by 30 April 2018 but expects to be able to do so by 30 June 2018.

The Company will keep shareholders updated on the outcome of the application to SGX-ST.

BY ORDER OF THE BOARD

Wang Zhejun
Executive Director

9 April 2018