MANDATORY CONDITIONAL GENERAL CASH OFFER

by

RELIGARE CAPITAL MARKETS CORPORATE FINANCE PTE. LIMITED
(Company Registration No. 200723018H)
(Incorporated in the Republic of Singapore)

for and on behalf of

ADVANCE TECHNOLOGY HOLDING LTD
(Company Registration No.1863143)
(Incorporated in the British Virgin Islands)

to acquire all of the issued and paid-up ordinary shares in the capital of

SINOTEL TECHNOLOGIES LTD.
(Company Registration No. 200614275R)
(Incorporated in the Republic of Singapore)

other than those already owned, controlled or agreed to be acquired by
Advance Technology Holding Ltd and parties acting or deemed to be acting in concert with it

OFFER ANNOUNCEMENT (THE "ANNOUNCEMENT")

1. INTRODUCTION

1.1 The Offer

Religare Capital Markets Corporate Finance Pte. Limited ("**Religare**") wishes to announce, for and on behalf of Advance Technology Holding Ltd (the "**Offeror**"), that the Offeror intends to make a mandatory conditional general cash offer (the "**Offer**") for all issued and paid-up ordinary shares (the "**Shares**") in the capital of Sinotel Technologies Ltd. (the "**Company**") that are not already owned, controlled or agreed to be acquired by the Offeror and parties acting or deemed to be acting in concert with it ("**Offer Shares**").

1.2 Acquisition

The Offeror has on 12 March 2015 entered into unconditional sale and purchase agreements ("**SPA**") in relation to the sale by Li Rui, New Force Management Ltd ("**New Force**"), Wa Shek International Limited, Xin Shi Group Limited and Zhao Yang Development Ltd and the purchase by the Offeror of an aggregate of 39,202,000 Shares, representing approximately 9.27% of the total issued Shares for a cash consideration of S$0.098 per Share ("**Acquisition**").

Completion of the SPA is expected to take place no later than 14 business day after the date of this Announcement. Following the Acquisition, the Offeror and parties acting or deemed to be acting in concert with it referred to in paragraph 5 of this Announcement hold an aggregate of

166,019,856 Shares, representing approximately 39.25% of all the Shares in the capital of the Company.

1.3 Mandatory Offer

The Offeror will, in accordance with Section 139 of the Securities and Futures Act, Chapter 289 of Singapore and Rule 14 of the Singapore Code on Takeovers and Mergers (the "**Code**"), make a mandatory conditional general cash offer for all the Shares, other than those already owned, controlled or agreed to be acquired by the Offeror and parties acting or deemed to be acting in concert with it.

2. THE OFFER

2.1 The Offer Terms

In accordance with Rule 14 of the Code and subject to the terms and conditions set out in the formal offer document to be issued by Religare for and behalf of the Offeror (the "**Offer Document**"), the Offeror will make the Offer for all the Shares not already owned, controlled or agreed to be acquired by the Offeror, subject to and on the following principal terms and conditions:

(a) The Offer will be made on the following basis:

For each Offer Share: S$0.098 in cash (the "Offer Price")

(b) The Offer Shares will be acquired fully-paid and free from all liens, equities, mortgages, charges, pledges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever and together with all rights, benefits and entitlements attached to them as at the date of this Announcement (the "**Offer Announcement Date**"), and thereafter attaching to them (including the right to receive and retain all dividends, rights, return of capital and other distributions (if any) which may be announced, declared, made or paid thereon by the Company on or after the Offer Announcement Date, together with all interest accrued thereon).

In the event that the record or books closure date for determining the entitlement to any dividends, rights or other distributions announced or declared by the Company falls on or after the Offer Announcement Date, the Offeror reserves the right to reduce the Offer Price by the amount of such dividends, rights or other distributions.

(c) The Offer will be extended, on the same terms and conditions, to all the issued Shares other than those already owned, controlled or agreed to be acquired by the Offeror and parties acting or deemed to be acting in concert with it. In addition, the Offeror intends to acquire all Shares owned, controlled or agreed to be acquired by parties acting or deemed to be acting in concert with the Offeror in connection with the Offer ("**Concert Parties**") at the same Offer Price (Please refer to paragraph 4 for more details).

2.2 Offer Document

Further information on the Offer will be set out in the Offer Document. The Offer Document, which will set out the full terms and conditions of the Offer and enclose the appropriate form(s) of acceptance of the Offer, will be despatched to the Shareholders of the Company (as defined below) not earlier than 14 days and not later than 21 days from the Offer Announcement Date. The Offer will remain open for acceptances by shareholders of the Company for a period of at least 28 days from the date of posting of the Offer Document.

Shareholders are advised to exercise caution when dealing in the Shares.

2.3 Minimum Acceptance Condition

The Offer will be subject to the Offeror having received, by the close of the Offer, valid acceptances (which have not been withdrawn) in respect of such number of Offer Shares which, when taken together with Shares owned, controlled or agreed to be acquired by the Offeror and its Concert Parties (either before or during the Offer and pursuant to the Offer or otherwise), will result in the Offeror and its Concert Parties holding such number of Shares carrying more than 50% of the total voting rights attributable to the issued Shares (excluding any Shares held in treasury) in the Company as at the close of the Offer.

Accordingly, the Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Offer, unless at any time prior to the close of the Offer, the Offeror has received valid acceptances in respect of such number of Offer Shares which, when taken together with Shares owned, controlled or agreed to be acquired before or during the Offer by or on behalf of the Offeror and its Concert Parties (either before or during the Offer and pursuant to the Offer or otherwise), will result in the Offeror and its Concert Parties holding such number of Shares carrying more than 50% of the voting rights attributable to the issued share capital of the Company.

The Offer will be unconditional in all other respects.

2.4 No Revisions

The Offeror does not intend to revise the Offer Price, except that the Offeror reserves the right to do so in a competitive situation.

3. FINANCIAL EVALUATION OF THE OFFER

The Offer Price represents the following premia over the historical traded prices of the Shares:

Description	Benchmark Price[(2)] (S$)	Premium of the Offer Price to Benchmark Price
Last traded price of the Shares on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 9 March 2015, being the last trading day prior to the Offer Announcement Date ("**Last Trading Day**")	0.049	100.0%
Volume weighted average price ("**VWAP**")[(1)] of the Shares traded on SGX-ST for the one (1)-month period up to and including the Last Trading Day	0.046	111.9%
VWAP of the Shares on the SGX-ST for the three (3)-month period up to and including the Last Trading Day	0.046	113.8%
VWAP of the Shares on the SGX-ST for the six (6)-month period up to and including the Last Trading Day	0.052	87.3%
VWAP of the Shares on the SGX-ST for the twelve (12)-month period up to and including the Last Trading Day	0.054	82.4%

Notes:

(1) The figures are based on data extracted from Bloomberg L.P.

(2) Rounded to the nearest three (3) decimal places.

4. PROPOSED TRANSFER OF SHARES FROM CONCERT PARTIES

The Offeror intends to enter into a sale and purchase agreement with Ford Field International Limited ("**Ford Field**") and/or Smart Sound Holdings Limited ("**Smart Sound**") for the transfer and sell all their existing Shares (the "**Proposed Transfer**") to the Offeror at a consideration which is the same as the Offer Price, upon the commencement of the Offer so that all the Shares in the Company will be held by the Offeror, which is in turn held by Jia Yue Ting.

The Offeror also intends to satisfy the consideration payable to Ford Field and Smart Sound pursuant to the Proposed Transfer by netting off existing debt obligations owing by them to its sole shareholder, Jia Yue Ting.

5. INFORMATION ON THE OFFEROR AND ITS CONCERT PARTIES

5.1 The Offeror

The Offeror is a special purpose vehicle incorporated in the British Virgin Islands on 17 February 2015 and has not carried on any business since its incorporation. It has an issued and paid-up share capital of 50,000 ordinary shares with a par value of US$1 per share. It is wholly-owned by Jia Yue Ting, the Executive Chairman of the Company, who is deemed to be interested in all the shares in the Company held by the Offeror under Section 7 of the Companies Act, Cap. 50 (the "**Companies Act**").

5.2 Concert Parties of the Offeror

Ford Field is a company incorporated in the British Virgin Islands and is wholly-owned by Jia Yue Ting. Prior to the Acquisition, Ford Field holds 113,606,856 Shares, representing approximately 26.86% of the total number of issued Shares. Jia Yue Ting is deemed to be interested in all the Shares held by Ford Field under Section 7 of the Companies Act.

Ford Field has also on 12 March 2015 entered into an unconditional sale and purchase agreement in relation to the sale by New Force and the purchase by Ford Field of an aggregate of 9,436,000 Shares, representing approximately 2.23% of the total issued Shares for a cash consideration of S$0.098 per Share. Following the acquisition, Ford Field holds an aggregate of 123,042,856 Shares, representing approximately 29.09% of all the Shares in the capital of the Company.

Pursuant to a concert party agreement dated 11 September 2009 and Rule 14 of the Code, Jia Yue Ting and his sister-in-law, Zhang Rong, have agreed to act as parties in concert with respect to their shareholdings in the Company for the purpose of the Code.

Smart Sound is a company incorporated in the British Virgin Islands and is wholly-owned by Zhang Rong. Smart Sound currently holds 3,775,000 Shares, representing approximately 0.89% of the total number of issued Shares. Zhang Rong is deemed to be interested in all the shares in the Company held by Smart Sound under Section 7 of the Companies Act.

Accordingly, Ford Field and Smart Sound are parties acting in concert with the Offeror in respect of their shareholding interests in the Company for purposes of the Offer.

The aggregate shareholding and voting rights in the Company of the Offeror and its Concert Parties as at the Offer Announcement Date are as follows:-

Shareholders	Number of Shares	Approximate % of total voting Shares
Offeror	39,202,000[(1)]	9.27
Ford Field	123,042,856[(1)]	29.09
Smart Sound	3,775,000[(2)]	0.89
Total	**166,019,856**	**39.25**

Notes:

(1) Jia Yue Ting is deemed to be interested in an aggregate of 162,244,856 Shares held by Offeror and Ford Field under Section 7 of the Companies Act; and

(2) Zhang Rong is deemed to be interested in 3,775,000 Shares held by Smart Sound Holdings Limited under Section 7 of the Companies Act.

As at the Offer Announcement Date, the total number of Shares in issue is 422,915,000 Shares. Based on the latest information available to the Offeror, there are no outstanding instruments convertible into, rights to subscribe for, and options in respect of, securities which carry voting rights, in the Company as at the Offer Announcement Date.

6. INFORMATION ON THE COMPANY

The Company was incorporated in Singapore on 28 September 2006 under the name of Sinotel Technologies Pte. Ltd. The principal activity of the Company is that of an investment holding company. On 18 October 2007, the Company was converted into a public limited company and changed its name to Sinotel Technologies Ltd.

The Company is a leading integrated connectivity provider of innovative applications and solutions for the full spectrum of wireless telecommunication value chain in the PRC.

Based on publicly available information, the board of directors of the Company as at the Offer Announcement Date comprises the following:

(a) Mr. Jia Yue Ting (Executive Chairman);

(b) Mr. Pan Liang (Executive Director – Strategic Development);

(c) Mr. Li Zhen Yu (Executive Director and Chief Executive Officer);

(d) Ms. Lo Fui Chu (Executive Director and Chief Financial Officer);

(e) Mr. Alfred Cheong Keng Chuan (Independent Director);

(f) Mr. Goh Chee Wee (Independent Director); and

(g) Mr. Zhang Baicheng (Independent Director).

7. RATIONALE FOR THE OFFER

The Offeror is making the Offer for the following reasons:

7.1 Intention to delist and privatise the Company

The Offeror who is wholly-owned by the Executive Chairman of the Company, Jia Yue Ting, has been a shareholder since the listing of the Company. Prior to the Acquisition, the Offeror and its Concert Parties only hold an aggregate approximately 27.75% of the total issued share

capital of the Company. The intention and purpose of the Offer, is to delist and privatise the Company with reliance on Section 215(1) of the Companies Act.

Under this section, the Offeror will have the power to compulsorily acquire all the Shares of the Shareholders who have not accepted the Offer (the "**Dissenting Shareholders**") at a price equal to the Offer Price, if the Offeror receives valid acceptances pursuant to the Offer in respect of not less than 90% of the total number of Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding treasury shares).

7.2 The Offer represents a cash exit opportunity for shareholders of the Company to realise their investment

Based on the historical trading patterns, the trading liquidity of the Shares on the SGX-ST has generally been thin in the past. In view of the low trading liquidity, the Offer therefore represents a cash exit opportunity for shareholders to realise the value of their investments in the Company at a premium over the historical trading prices of the Shares on the SGX-ST, an option which may not otherwise be readily available.

7.3 Compliance costs relating to the listing status and greater management flexibility

In maintaining the Company's listing status, the Company incurs additional compliance and associated costs. If the Company is delisted, costs associated with complying with listing and other regulatory requirements will be able to be dispensed with. The Offeror also believes that the delisting and privatisation of the Company will give the Offeror and the management of the Company more flexibility to manage the business of the Company, optimise the use of its management and capital resources and facilitate the implementation of any operational change.

7.4 To comply with the requirements of the Code

The Offer is being made in compliance with the provisions of the Code because as a result of the Acquisition, the Offeror and its Concert Parties hold Shares representing approximately 39.25% of the voting rights of the Company.

8. THE OFFEROR'S INTENTIONS FOR THE COMPANY

8.1 Compulsory acquisition

Pursuant to Section 215(1) of the Companies Act, in the event the Offeror acquires not less than 90% of the total number of issued Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding any Shares held by the Company as treasury shares), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares from the Shareholders who have not accepted the Offer at a price equal to the Offer Price.

In such event, the Offeror intends to exercise its right to compulsorily acquire all the Offer Shares not acquired under the Offer. The Offeror will then proceed to delist the Company from the SGX-ST.

Dissenting Shareholders who have not accepted the Offer equal to the Offer Price and have the right under and subject to Section 215(3) of the Companies Act, may require the Offeror to acquire their Shares in the event that the Offeror, its related corporations or their respective nominees acquire, pursuant to the Offer or otherwise, such number of Shares which, together with the Shares held by the Offeror, its related corporations or their respective nominees, comprise 90% or more of the total number of issued Shares. Dissenting Shareholders who wish to exercise such right are advised to seek their own independent legal advice.

8.2 The Offeror's future plans for the Company

As the Company and its subsidiaries (the "**Group**") have been loss-making for the past three years, the Offeror intends to take steps to consider suitable rationalisation plan with a view to streamline the businesses and operations of the Group, including cost-saving measures, should the Offeror be successful in delisting and privatising the Company as mentioned in paragraph 7.1 above. Save as aforesaid and other steps to be taken in connection with the ordinary course of business of the Group, the Offeror does not currently have any intention to: (a) propose any changes to the existing businesses of the Group, (b) discontinue the employment of employees of the Group, or (c) redeploy the fixed assets of the Group.

8.3 Listing status

Under Rule 1105 of the Listing Manual of the SGX-ST (the "**Listing Manual**"), upon the announcement by the Offeror that valid acceptances have been received that bring the Shares held by the Offeror to above 90% of the total number of Shares in issue (excluding any Shares held by the Company as treasury shares), the SGX-ST may suspend the trading of the Shares in the Ready and Unit Share markets until such time it is satisfied that at least 10% of the Shares in issue (excluding any Shares held by the Company as treasury shares) are held by at least 500 shareholders who are members of the public.

Under Rule 1303(1) of the Listing Manual, if the Offeror succeeds in garnering acceptances exceeding 90% of the total number of Shares in issue (excluding any Shares held by the Company as treasury shares), thus causing the percentage of the total number of issued Shares (excluding any Shares held by the Company as treasury shares) held in public hands to fall below 10%, whether through acceptances of the Offer or otherwise, the SGX-ST will suspend trading of the Shares on the SGX-ST only at the close of the Offer.

In addition, Rule 723 of the Listing Manual requires the Company to ensure that at least 10% of all the Shares in issue be held by the public. Under Rule 724(1) of the Listing Manual, if the percentage of the Shares held in public hands falls below 10%, the Company must, as soon as possible, announce that fact and the SGX-ST may suspend trading of all the Shares. Rule 724(2) of the Listing Manual states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of the Shares held in public hands to at least 10%, failing which the Company may be delisted.

The Offeror intends to make the Company its wholly-owned subsidiary and does not intend to preserve the listing status of the Company. Accordingly, the Offeror, when entitled, intends to exercise its rights of compulsory acquisition under s. 215(1) of the Companies Act and does not intend 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 at the close of the Offer and the trading of the Shares is suspended at the close of the Offer. In addition, the Offeror also reserves the right to seek a voluntary delisting of the Company from the SGX-ST pursuant to Rules 1307 and 1309 of the Listing Manual.

9. DISCLOSURES OF SHAREHOLDINGS, DEALINGS AND TRANSFERS

Save as disclosed in this Announcement, as at the Offer Announcement Date:-

(a) none of the Offeror, its Concert Parties, directors or Religare (as financial adviser to the Offeror in connection with the Offer) (each a "**Relevant Person**") (a) owns, controls or has agreed to acquire any (i) Shares or securities which carry voting rights in the Company; and (ii) convertible securities, warrants, options and derivatives in respect of (i) (collectively, the "**Company Securities**"), or (b) has dealt for value in any Company Securities in the 6-month period immediately preceding the Offer Announcement Date.

(b) none of the Relevant Persons has (a) granted a security interest relating to any Company Securities to another person, whether through a charge, pledge or otherwise, (b) borrowed any Company Securities from another person (excluding borrowed Company Securities which have been on-lent or sold) or (c) lent any Company Securities to another person.

(c) the Offeror has not entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to shares of the Offeror or the Company which might be material of the Offer.

(d) neither the Offeror nor any of its Concert Parties has received any irrevocable undertaking from any holder of the Offer Shares to accept or reject the Offer (if and when made).

In the interests of confidentiality, the Offeror has not made enquiries in respect of certain other parties who are or may be deemed to be acting in concert with the Offeror in connection with the Offer. Further enquiries will be made of such persons (if any) and the relevant disclosures, if any, will be subsequently made in due course and in the Offer Document.

10. CONFIRMATION OF FINANCIAL RESOURCES

Religare, the financial adviser to the Offeror in relation to the Offer, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer by the holders of the Offer Shares.

11. OVERSEAS SHAREHOLDERS

This Announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Announcement in any jurisdiction in contravention of applicable law. The Offer will be made solely by the Offer Document and the relevant form(s) of acceptance accompanying the Offer Document, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted. For the avoidance of doubt, the Offer is open to all Shareholders holding Offer Shares, including those to whom the Offer Document and relevant form(s) of acceptance may not be sent.

The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Announcement is released, published or distributed should inform themselves about and observe such restrictions.

Copies of this Announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Offer would violate the law of that jurisdiction (a "**Restricted Jurisdiction**") and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

The ability of Shareholders who are not resident in Singapore to accept the Offer and the making of the Offer to holders of the Shares whose addresses are outside Singapore as shown in the register of members of the Company or, as the case may be, in the records of The

Central Depository (Pte) Limited (the "**Overseas Shareholders**"), may be affected by the laws of the relevant jurisdictions in which they are located. Overseas Shareholders should inform themselves of, and observe, any applicable requirements. Further details in relation to Overseas Shareholders will be contained in the Offer Document.

The Offeror reserves the right to notify any matter, including the fact that the Offer has been made, to any or all Shareholders who are not resident in Singapore by announcement to the SGX-ST and if necessary, by paid advertisement in a daily newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement or advertisement.

Any affected Overseas Shareholders may, nonetheless, obtain a copy of the Offer Document from the office of the Company's Share Registrar, B.A.C.S. Private Limited, at 63 Cantonment Road Singapore 089758. Alternatively, an Overseas Shareholder may write to the Company's Share Registrar, B.A.C.S. Private Limited, at the above address to request for the Offer Document to be sent to an address in Singapore by ordinary post at his own risk.

12. RESPONSIBILITY STATEMENT

The sole director of the Offeror has taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, the omission of which would make any statement in this Announcement misleading, and accepts responsibility accordingly. Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company (including, without limitation, information relating to the Company), the sole responsibility of the sole director of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources and/or reflected or reproduced in this Announcement in its proper form and context.

The sole director of the Offeror accepts full responsibility accordingly.

Issued by

Religare Capital Markets Corporate Finance Pte. Limited

For and on behalf of
Advance Technology Holding Ltd
12 March 2015

Any enquiries relating to this Announcement or the Offer should be directed to:

Religare Capital Markets Corporate Finance Pte. Limited

Jeffrey Wong
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Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using

words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the Offeror's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information.

Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Offeror nor Religare undertake any obligation to update publicly or revise any forward-looking statements.