8TELECOM INTERNATIONAL HOLDINGS CO. LTD.

(Incorporated in Bermuda on 5 January 2004)
(Company Registration No. 34713)
(the "**Company**")

REQUEST FOR THE RETURN OF THE COMPANY'S SHARES IN ARETE M PTE. LTD. IN EXCHANGE FOR THE CANCELLATION OF PROMISSORY NOTES

The Board of Directors (the "**Board**") of 8Telecom International Holdings Co. Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's announcements dated 2 June 2015 and 29 June 2015 in relation to the acquisition of 51% of the equity interest in Arete M Pte. Ltd. ("**Arete M**") (the "**Arete M Acquisition**").

The Board wishes to inform shareholders that the Company has on 12 February 2019 received a letter of demand (the "**Letter**") from Lim Tong Soon, Chung Fui Leng Shirley Mrs Tan Fui Leng Shirley, Loy Soo Kwee, Christopher Chong Seng Fatt, Tang Pen San and Teo Siew Lin (the "**Minority Shareholders**") whereby the Minority Shareholders have, *inter alia*, demanded for the return of the Company's shares in Arete M (the "**Arete M Shares**") in exchange for the cancellation of certain promissory notes amounting to S$2,150,000 in relation to the Arete M Acquisition (the "**Promissory Notes**"). In the Letter, the Minority Shareholders have also requested for a resolution of their demand by 19 February 2019. The Company will endeavour to work towards meeting the deadline.

By way of background, the Minority Shareholders had sold the Arete M Shares to the Company and as consideration, the Company had issued the Promissory Notes to the Minority Shareholders. For more information on the Promissory Notes, shareholders may wish to refer to the audit report of the Company for the financial year ended 31 December 2016. The Company is currently in discussion with the Minority Shareholders on their demand, and will continue to update shareholders as and when there are material updates.

In the event that the Company is unable to come to an amicable resolution with the Minority Shareholders, the Company may have to dispose of its shareholdings in Arete M and should the Company be unable to acquire other assets or operating subsidiaries, it will become a cash company pursuant to Rule 1018 of the Listing Manual of the SGX-ST.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company. The Company will make the necessary announcements when there are material developments on this matter. Shareholders of the Company and potential investors are advised to read this announcement and any further announcements by the Company carefully and should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Wan Guang
Executive Director

13 February 2019