

SINOTEL TECHNOLOGIES LTD.

(Incorporated in Singapore)

(Company Registration Number: 200614275R)

**ADDITIONAL INFORMATION FOR THE FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2014**

The Board of Directors of Sinotel Technologies Ltd. (the "Company", and together with its subsidiaries, the "Group") wishes to provide additional information in relation to its Financial Statements and Dividend Announcement for the three months period ended 31 March 2014 which was released on 7 May 2014.

The information is provided in response to SGX's query as follows:

Question

We note that the Trade Receivables increased by 3.5% from RMB580.1 million as at 31 December 2013, to RMB600.3 million as at 31 March 2014, despite a decrease in revenue of 49.3%. This was mainly due to slower in collection from customers. Please disclose whether the Company foresees any issue(s) with the collection of these receivables.

Answer

The Directors of the Company have reviewed the trade receivables and made additional allowance for doubtful trade receivables of RMB22.0 million in the first quarter ended 31 March 2014 based on the collectability of the trade receivables. The Directors are of the view that there is no collectability issue on the net carrying amount of the trade receivables as there were continuing transactions and repayments from customers.

By Order of the Board

Jia Yue Ting
Executive Chairman
12 May 2014