

SINOCLOUD GROUP LIMITED
(Company Registration Number: 34050)
(Incorporated in Bermuda on 13 August 2003)

NOTICE OF ADJUSTMENTS TO THE CONVERSION PRICE OF THE CONVERTIBLE BOND

1. INTRODUCTION

1.1 The board of directors (the “**Board**” or “**Directors**”) of SinoCloud Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to:

- (i) the Company’s circular to shareholders dated 14 October 2020, in relation to, *inter alia*, the issuance of bond in principal amount of up to HK\$31.06 million (the “**Bond**”) to Mr. Lam Cho Ying Terence Joe as the subscriber (“**Mr. Lam**”);
- (ii) the Company’s announcement dated 26 October 2022, in relation to the notification on the Maturity Date of the Bond;
- (iii) the Company’s announcement dated 18 November 2022, in relation to the first supplemental agreement to the Convertible Bond Agreement dated 18 November 2022 (the “**First Supplemental Agreement**”);
- (iv) the Company’s circular to shareholders dated 5 January 2023 (the “**Circular**”), in relation to, *inter alia*, the adjustments to the Conversion Price pursuant to the Share Consolidation (as defined hereinafter) and the Rights Issue (as defined hereinafter);
- (v) the Company’s announcement dated 20 January 2023, in relation to the results of the special general meeting of the Company held on 20 January 2023, whereby shareholders’ approval for, *inter alia*, the amendments pursuant to the First Supplemental Agreement has been obtained;
- (vi) the Company’s announcement dated 22 March 2023, in relation to the second supplemental agreement to the Convertible Bond Agreement dated 21 March 2023 (the “**Second Supplemental Agreement**”); and
- (vii) the Company’s announcement dated 27 June 2023, in relation to the third supplemental agreement to the Convertible Bond Agreement dated 27 June 2023 (the “**Third Supplemental Agreement**”).

1.2 Unless otherwise defined herein, all capitalized terms used in this announcement shall have the same meanings ascribed to them in the Circular.

2. ADJUSTMENTS TO CONVERSION PRICE

2.1 The Company had, (i) on 6 April 2023, announced the completion of consolidation of every one hundred (100) existing Shares held by Shareholders as at the Share Consolidation Record Date into one (1) Consolidated Share (the “**Share Consolidation**”), and (ii) on 1 June 2023, announced the completion of the renounceable non-underwritten rights issue of up to 79,390,353 Rights Shares at the Issue Price of S\$0.05 for each Rights Share, on the basis of one (1) Rights Share for every two (2) Consolidated Shares held by Entitled

Shareholders as at the Rights Issue Record Date (the “**Rights Issue**”).

- 2.2 As disclosed in Section 6.3 of the Circular, the adjustment to the Conversion Price after the Share Consolidation and the Rights Issue shall be determined as follows pursuant to Condition 8.4 of the Terms and Conditions of the Bond as set out in the Convertible Bond Agreement:

$$\text{New Conversion Price ("NCP")} = \frac{\text{The entire outstanding share capital of the Company immediately before an adjustment event ("OSC")}}{\text{entire enlarged share capital of the Company immediately after an adjustment event (NSC)}} \times \text{Existing Conversion Price ("CP")}$$

- 2.3 Following the completion of the Share Consolidation and the Rights Issue, the Conversion Price will be adjusted to **S\$0.0622**, computed as follows:

Event	Conversion Price	
	Before Adjustment	After Adjustment
After Convertible Bond Agreement Variation ⁽¹⁾	S\$0.0011	S\$0.000825
After Share Consolidation ⁽²⁾	S\$0.000825	S\$0.0825
After Rights Issue ⁽³⁾	S\$0.0825	S\$0.0622

Notes:

- (1) Please refer to the Company’s announcement dated 18 November 2022 and the Circular, for more information on the Convertible Bond Agreement Variation.
- (2) The Conversion Price after adjustment pursuant to the completion of the Share Consolidation was computed as follows:

$$NCP = \frac{OSC}{NSC} \times CP$$

$$S\$0.0825 = \frac{15,878,070,617}{158,780,706} \times S\$0.000825$$

- (3) The Conversion Price after adjustment pursuant to the completion of the Rights Issue was computed as follows:

$$NCP = \frac{OSC}{NSC} \times CP$$

$$S\$0.0622 = \frac{158,780,706}{210,593,153} \times S\$0.0825$$

2.4 The abovementioned adjustments have been verified by an independent auditor, PKF-CAP Advisory Partners Pte Ltd, and the Conversion Price of S\$0.0622 took effect from the date of completion of the Rights Issue (being 31 May 2023, the date of allotment and issuance of the Rights Shares).

BY ORDER OF THE BOARD

Chan Andrew Wai Men
Executive Chairman
24 July 2023

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**"), in accordance with Rule 226(2)(b) of the Catalist Rules.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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