

# SINOCLOUD GROUP LIMITED

(Company Registration No. 34050)

(Incorporated in Bermuda)

## RE-ALLOCATION AND USE OF PROCEEDS FROM PLACEMENT

The board of directors (“**Board**” or “**Directors**”) of SinoCloud Group Limited (“**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcements dated 21 December 2020 (the “**Announcement**”), 6 January 2021 and 11 January 2021 in relation to the placement of 1,567,400,000 new ordinary shares in the capital of the Company (“**Placement**”), as well as the Company’s announcement dated 12 January on the use of net proceeds from the Placement.

*Unless otherwise defined, all capitalised terms used in this announcement shall have the same meanings ascribed to them in the Announcement.*

The Board has decided to reallocate HK\$1.00 million of the Net Proceeds originally allocated for general corporate and administrative purposes, to be utilised for repayment of debt and outstanding interest in respect of the Convertible Bond (the “**Amended Allocation**”), in order to reduce the Group’s debt and outstanding interests in respect of the Convertible Bond. The Board is of the view that the Amended Allocation is in the best interests of the Company and Shareholders as the Amended Allocation will enable the Group to effectively deploy available cash to the Group to reduce debt and lower interest payable.

The following table summarises the Amended Allocation and provides an update on the use of Net Proceeds as follows:

Use of Net Proceeds	Net Proceeds as disclosed in the Announcement (HK\$’000)	Amount utilised as at 12 January 2021 <sup>(1)</sup> (HK\$’000)	Balance of Net Proceeds as at the 12 January 2021 <sup>(1)</sup> (HK\$’000)	Adjustments due to Amended Allocation (HK\$’000)	Amount utilised from 13 January 2021 to the date of this announcement (HK\$’000)	Balance of Net Proceeds as at the date of this announcement (HK\$’000)
Repayment of debt and outstanding interests in respect of the Convertible Bond	6,000	(6,000)	-	1,000	(1,000)	-
General corporate and administrative purposes	3,880	(283)	3,597	(1,000)	(715) <sup>(2)</sup>	1,882
<b>Total</b>	<b>9,880</b>	<b>(6,283)</b>	<b>3,597</b>	<b>-</b>	<b>(1,715)</b>	<b>1,882</b>

### Notes:

- (1) As announced by the Company on 12 January 2021.
- (2) The breakdown of the use of the Net Proceeds for general corporate and administrative purposes of the Group is as follows:

	HK\$’000
Professional and listing fees	299
Employee benefit expenses	355
Office rental and overhead	61
<b>Total</b>	<b>715</b>

Save as disclosed on the Amended Allocation, the use of Net Proceeds is in accordance with the intended use as set out in the Announcement. The Company will make periodic announcements as and when the balance of the Net Proceeds is materially utilised.

**BY ORDER OF THE BOARD**

**Luk Siu Fung, Mark**  
**Executive Director and Chief Executive Officer**

**10 March 2021**

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*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 Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst.*

*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.*

*The contact person for the Sponsor is Ms Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.*