

**SINOCLOUD GROUP LIMITED**  
**(THE “COMPANY”)**  
(Company Registration No.: 34050)  
(Incorporated in Bermuda on 13 August 2003)

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**USE OF PROCEEDS FROM THE PLACEMENT OF 1,377,000,000 NEW ORDINARY SHARES**

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*Unless otherwise defined, terms used in this announcement shall bear the same meaning as defined in the Company’s announcements dated 16 October 2015 (the “**Announcement**”), 28 October 2015 and 3 November 2015 relating to the placement of an aggregate of 1,377,000,000 new ordinary shares in the capital of the Company at an issue price of S\$0.0035 per new ordinary share (the “**Placement**”).*

The board of directors (the “**Board**”) of the Company would like to announce that the net proceeds received by the Company of approximately HK\$26.7 million from the Placement (“**Net Proceeds**”) have been partially utilised. The following is a summary of the use of the Net Proceeds:

	<b>Working capital purposes (HK\$’000)</b>	<b>Finance or fund acquisitions, purchases or investments (HK\$’000)</b>	<b>Total (HK\$’000)</b>
<b>Net Proceeds</b>	<b>18,700</b>	<b>8,000</b>	<b>26,700</b>
Less:			
• Amount utilised to-date	12,000 <sup>(1)</sup>	2,000 <sup>(2)</sup>	14,000
<b>Balance as at 31 January 2016</b>	<b>6,700</b>	<b>6,000</b>	<b>12,700</b>

**Notes:**

- (1) Comprised mainly expenses incurred for (i) repayment of a short-term loan; and (ii) operating expenses which includes but not limited to professional fees, marketing fees and office overhead expenses.
- (2) In relation to professional fees incurred for the acquisition of 63% equity interests in SinoCloud 01 Limited.

The above uses of the Net Proceeds are in accordance with the intended use as stated in the Announcement. The Company will make further announcements via SGXNet as and when the balance of the Net Proceeds are materially disbursed.

**BY ORDER OF THE BOARD**

**Chan Andrew Wai Men**  
**Chairman and Chief Executive Officer**

3 February 2016

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor (“**Sponsor**”), Canaccord Genuity Singapore Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). The Sponsor has not independently verified the contents of this announcement.*

*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 and Head of Continuing Sponsorship, Canaccord Genuity Singapore Pte. Ltd. at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854 6160.*