

CIRCULAR DATED 10 JUNE 2019

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Circular is issued by SinoCloud Group Limited (the “Company”). If you are in any doubt as to the contents of this Circular or the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or any other professional adviser immediately.

Unless otherwise stated, capitalised terms on this cover are defined in this Circular under the section entitled “DEFINITIONS”.

If you have sold or transferred all your Shares held through CDP, you need not forward this Circular together with the Notice of SGM and the attached Proxy Forms to the purchaser or transferee as arrangements will be made by CDP for a separate Circular with the Notice of SGM and the accompanying Proxy Forms to be sent to the purchaser or transferee. If you have sold or transferred all your Shares which are not deposited with the CDP, you should immediately forward this Circular together with the Notice of SGM and the attached Proxy Forms to the purchaser or transferee, or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

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

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



CIRCULAR TO SHAREHOLDERS

in relation to

- (1) THE PROPOSED APPOINTMENT OF CROWE HORWATH FIRST TRUST LLP AS AUDITORS OF THE COMPANY (IN PLACE OF RT LLP)**
- (2) THE PROPOSED AMENDMENTS TO THE BYE-LAWS OF THE COMPANY**

IMPORTANT DATES AND TIMES

Last date and time for lodgement of proxy forms	:	1 July 2019 at 10.00 a.m.
Date and time of Special General Meeting	:	3 July 2019 at 10.00 a.m.
Place of Special General Meeting	:	168 Robinson Road, Level 9, Right Brain, Capital Tower, Singapore 068912

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DEFINITIONS

For the purposes of this Circular, the following definitions apply throughout, unless the context otherwise requires:

“ACRA”	:	Accounting and Corporate Regulatory Authority of Singapore
“Audit Committee”	:	The audit committee of the Company as at the date of this Circular
“Auditors”	:	The auditors of the Company for the time being
“Bermuda Companies Act”	:	The Companies Act 1981 of Bermuda, as amended, modified or supplemented from time to time
“Board”	:	The board of directors of the Company as at the date of this Circular
“Bye-Laws”	:	The bye-laws of the Company, as amended, modified or supplemented from time to time
“Catalist”	:	The Catalist board of the SGX-ST
“Catalist Rules”	:	The Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 10 June 2019 in relation to the Proposed Appointment of Auditors and the Proposed Amendments to the Bye-Laws
“Company”	:	SinoCloud Group Limited
“Crowe”	:	Crowe Horwath First Trust LLP
“Designated Stock Exchange”	:	As defined under Bye-Laws 1(A) of the Company, shall mean the SGX-ST, for so long as the Shares are listed and quoted on the official list of the SGX-ST
“Directors”	:	The directors of the Company as at the date of this Circular
“Group”	:	The Company and its subsidiaries
“Memorandum”	:	The memorandum of association of the Company as altered, supplemented or modified from time to time
“Notice of SGM”	:	The notice of SGM dated 10 June 2019 as set out on pages 15 and 16 of this Circular
“Proposed Appointment of Auditors”	:	The proposed appointment of Crowe as auditors of the Company, (in place of RT LLP)
“Proposed Amendments to the Bye-Laws”	:	The proposed amendments to the Bye-Laws of the Company

DEFINITIONS

“SFA”	:	Securities and Futures Act (Chapter 289) of Singapore, as amended, modified or supplemented from time to time
“SGM”	:	The special general meeting of the Company to be convened and held on 3 July 2019 at 10.00 a.m. at 168 Robinson Road, Level 9, Right Brain, Capital Tower, Singapore 068912
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	Register holders of Shares, except where the registered holder is the Depository, the term “ Shareholders ” shall, in relation to such Shares, mean the persons named as Depositors in respect of the number of Shares standing to the credit of their names in the Depository Register
“Shares”	:	The issued and paid-up ordinary shares of par value HK\$0.001 each in the capital of the Company
“Sponsor”	:	ZICO Capital Pte Ltd.

The terms “**Depositor**”, “**Depository**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the SFA or any statutory modification thereof, as the case may be.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference to a time of day in this Circular shall be a reference to Singapore time of day, unless otherwise stated.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Bermuda Companies Act, the Catalist Rules, the SFA or any statutory or regulatory modification thereof and not otherwise defined in this Circular shall have the meaning ascribed to it under the Companies Act, the Bermuda Companies Act, the Catalist Rules, the SFA or any statutory or regulatory modification thereof, as the case may be.

References to “**you**”, “**your**”, and “**yours**” in this Circular are, as the context so determines, to Shareholders (including persons whose Shares are deposited with CDP or who have purchased Shares on the SGX-ST).

Any reference in this Circular to a paragraph is a reference to a paragraph of this Circular, unless otherwise stated.

LETTER TO SHAREHOLDERS

SINOCLOUD GROUP LIMITED

(Incorporated in Bermuda on 13 August 2003)
(Company Registration No. 34050)

Board of Directors:

Chan Andrew Wai Men (Chairman and Chief Executive Officer)
Chu Yin Ling, Karen (Executive Director and Chief Financial Officer)
Zhang Dai (Executive Director)
Wan Ngar Yin, David (Independent Director)
Alexander Shlaen (Independent Director)
Chau King Fai, Philip (Independent Director)

Registered Office

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

Principal Office

Unit 1403, 14/F
Kowloon Centre
33 Ashley Road
Tsim Sha Tsui, Kowloon,
Hong Kong

10 June 2019

To: The Shareholders of SinoCloud Group Limited

Dear Sir / Madam

- (1) **THE PROPOSED APPOINTMENT OF CROWE HORWATH FIRST TRUST LLP AS AUDITORS OF THE COMPANY (IN PLACE OF RT LLP)**
- (2) **THE PROPOSED AMENDMENTS TO THE BYE-LAWS OF THE COMPANY**

1. INTRODUCTION

- 1.1 The Board is convening the SGM to be held on 3 July 2019 at 10.00 a.m. at 168 Robinson Road, Level 9, Right Brain, Capital Tower, Singapore 068912, to seek Shareholders' approval for the following:
 - (a) the Proposed Appointment of Auditors (as an ordinary resolution); and
 - (b) the Proposed Amendments to the Bye-Laws (as a special resolution).
- 1.2 The purpose of this Circular is to provide Shareholders with relevant information relating to, explain the rationale for, and to seek Shareholders' approval for, the Proposed Appointment of Auditors and the Proposed Amendments to the Bye-Laws, to be tabled at the SGM. The Notice of SGM is set out on pages 15 and 16 of this Circular.
- 1.3 This Circular has been prepared solely for the purposes outlined above and may not be relied upon by any persons (other than Shareholders to whom this Circular is despatched to by the Company) or for any other purpose.
- 1.4 The SGX-ST assumes no responsibility for the contents of this Appendix, including the correctness of any statements or opinions made or reports contained in this Circular. If a Shareholder is in any doubt as to the contents of this Circular or the action he should take, he should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser(s) immediately.

2. THE PROPOSED APPOINTMENT OF AUDITORS

2.1 Introduction

At the last annual general meeting of the Company held on 27 July 2018, Shareholders approved the re-appointment of RT LLP as auditors of the Company until the conclusion of the next general meeting of the Company. RT LLP has served as the Auditors since the financial year ended 31 March 2016.

LETTER TO SHAREHOLDERS

2.2 Rationale

As part of the ongoing efforts of the Company to enhance its corporate governance as well as to manage its overall business costs and expenses, the Board is of the view that it would be appropriate to effect a change of Auditors. The Company expects that a change of Auditors will allow the Company to save approximately S\$30,000 in audit fees based on the audit fees of the Company for the financial year ended 31 March 2018. Notwithstanding the savings in audit fees, the Board and the Audit Committee are of the view that there is no change of audit quality or scope of the audit, taking into account Crowe's qualifications, expertise and its stated scope of work. In this regard, the Board has also considered the relevant experience and profile of the clientele of Crowe and the engagement partner, and is of the view that Crowe is well suited to meet the existing needs and audit requirements of the Group.

In this regard, the Company had informed RT LLP that Crowe had been invited by the Company to accept a nomination as the new Auditors. RT LLP had, on 14 November 2018, given its written notice to the Company of its resignation as Auditors to take effect upon the approval of Shareholders on the appointment of new Auditors. Pursuant to the Bye-Laws, Crowe had, on 27 November 2018, given its written consent to act as Auditors, subject to, and to take effect upon, the approval of Shareholders on the appointment of Crowe as new Auditors. The Board wishes to express its appreciation for the past services rendered by RT LLP.

Pursuant to Rule 712(3) of the Catalist Rules, the appointment of Crowe as Auditors (in place of RT LLP) must be specifically approved by Shareholders in a general meeting. Accordingly, the appointment of Crowe as Auditors will therefore take effect upon the approval of the same by Shareholders at the SGM for the Proposed Appointment of Auditors and, if appointed, Crowe will hold office until the conclusion of the next annual general meeting of the Company.

2.3 Requirements under Rule 712 of the Catalist Rules

Crowe is a firm of Chartered Accountants in Singapore registered with ACRA. The Board, together with the Audit Committee, having taken into account various factors including, *inter alia*, the following:

- (a) the fee structure, the adequacy of the resources and experience of Crowe;
- (b) the experience of the audit engagement partner assigned to the audit of the Group;
- (c) Crowe's other audit engagements;
- (d) the size and complexity of the Group's operations; and
- (e) the number and experience of the supervisory and professional staff who will be assigned to the audit,

are of the opinion that Crowe will be able to fulfil the audit requirements of the Company and the Group at competitive fees without compromising the standard and effectiveness of the quality and scope of audit of the Company and the Group. Accordingly, Rule 712(1) and 712(2) of the Catalist Rules have been compiled with.

In accordance with Rule 712(3) of the Catalist Rules:

- (a) RT LLP has confirmed to Crowe that it is not aware of any professional reasons why Crowe, being the successor Auditors, should not accept appointment as the new Auditors;
- (b) the Company confirms that there were no disagreements with RT LLP on accounting treatments within the last 12 months;
- (c) the Company confirms that it is not aware of any circumstances connected with the Proposed Appointment of Auditors that ought to be brought to the attention of Shareholders which has not been disclosed in this Circular;

LETTER TO SHAREHOLDERS

- (d) the specific reasons for the Proposed Appointment of Auditors is in furtherance of good corporate governance initiatives and enhancing cost efficiencies for the Group as set out in Section 2.2 above; and
- (e) the Company confirms that it complies with Rules 712 and 715 of the Catalist Rules in relation to the appointment of Crowe as its new Auditors.

2.4 Requirements under Rule 715 of the Catalist Rules

Following Shareholders' approval of the Proposed Appointment of Auditors at the SGM, Crowe will be appointed as Auditors in place of RT LLP. Crowe will be appointed to conduct an audit on the consolidated financial statements of the Company and the financial statements of its subsidiaries and associated companies, for the purpose of the consolidation of the financial statements of the Group, in accordance with the International Standards on Auditing.

Accordingly, the Board confirms that Rule 715 of the Catalist Rules will be complied with.

2.5 Requirements under Bermuda Law

Sections 89(2) and 89(4) of the Bermuda Companies Act provide that an auditor of a Bermuda-incorporated company shall hold office until a successor is appointed by the shareholders of the company or, if the shareholders fail to do so, until the directors appoint a successor. The directors may fill any casual vacancy in the office of auditor, but while the vacancy continues the surviving or continuing auditor, if any, may act.

In addition, Section 89(3A) of the Bermuda Companies Act provides that no person shall accept appointment or consent to be appointed as auditor of a Bermuda company if he is replacing an auditor who has resigned, been removed or whose term of office has expired or is about to expire, or who has vacated office, until the incoming auditor has requested and received from the outgoing auditor a written statement of the circumstances and the reasons why, in the outgoing auditor's opinion, he is to be replaced. The incoming auditor may accept appointment or consent to be appointed as auditor if, within 15 days after making the aforesaid request, he does not receive a written statement as requested.

In view of the foregoing, Crowe had, on 15 November 2018, requested RT LLP a written statement of the circumstances and the reasons why, in RT LLP's opinion, RT LLP to be replaced. RT LLP had in a letter dated 16 November 2018 confirmed to Crowe that it is not aware of any professional reasons why Crowe should not accept appointment as Auditors.

2.6 Information on Crowe and the Audit Engagement Partner

The information on Crowe provided below was provided to the Company by Crowe and its representatives. The Directors have not conducted an independent review or verification of the accuracy of the statements and information below.

Crowe is one of the leading mid-tier public accounting and consulting firms in Singapore with 26 partners and directors, and more than 100 experienced professional staff, providing audit, advisory, tax, outsourcing and fund administration solutions to a diverse and international clientele including public-listed entities, multinational corporations and financial institutions. The firm was awarded the 2018 Growth Award (Open Category) and the 2016 Best Practice Award (Large Practice Category) by the Institute of Singapore Chartered Accountants. It provides external and internal audit, tax and accounting services for many public listed corporations in Singapore, and has acted as the reporting accountant in various initial public offerings in Singapore. For more information about Crowe, please visit its website at <http://www.crowe.sg>.

Crowe is also a member of Crowe Global, the 8th largest accounting network in the world with over 200 independent accounting and advisory services firms, supported by approximately 35,000 professionals and staff in close to 130 countries around the world. As a network firm of Crowe Global, Crowe is committed to providing impeccable quality and highly integrated service delivery with the full support of Crowe Global Methodology, technical resources and knowledge databases.

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Ms. Adeline Ng will be the engagement partner assigned to the audit of the Company and its subsidiaries. Ms. Ng is a Chartered Accountant and a practising member of Institute of Singapore Chartered Accountants. Ms. Ng has over 18 years' experience in the audit and assurance services, including financial due diligence and advisory work. Prior to joining Crowe, she spent her early years gaining experience in Big 4 accounting firms. Her broad range of clients includes clients in the internet data centre, information technology, fintech and cryptocurrency, electronics, construction, manufacturing, investments, engineering and trade industries. Ms. Ng will be assisted by a team of audit professionals in performing the audit. This includes an Engagement Quality Control Review Partner, who is an experienced partner to ensure that the engagement team provides independent and objective viewpoints on the audit.

2.7 Confirmation from the Audit Committee

The Audit Committee, after having reviewed and deliberated, and after taking into consideration the suitability and independence of Crowe in meeting the audit requirements of the Group, the various factors as set out in this Section 2 of this Circular, and compliance with the requirements of the Catalyst Rules, has recommended the Proposed Appointment of Auditors for approval by the Board.

The Audit Committee had not considered the Audit Quality Indicators Disclosure Framework (the "AQI Framework") in its entirety when selecting the new Auditors as the adoption of the AQI Framework is voluntary. However, the Audit Committee has based its selection of Crowe as the proposed new Auditors based on the Company's internal criteria, which includes costs, quality and scope of audit, and adequacy of the resources, experience and reputation of the audit firm.

3. THE PROPOSED AMENDMENTS TO THE BYE-LAWS OF THE COMPANY

3.1 Introduction and Rationale

The Company's existing Bye-Laws were first adopted on 12 April 2004, and last amended on 29 March 2012.

On 22 March 2017, the SGX-ST announced amendments to the Catalyst Rules, which took effect from 31 March 2017. These amendments included, among others, Part IV of Chapter 12 of the Catalyst Rules, which were introduced to, *inter alia*, enable listed issuers to use electronic communications to transmit documents, including annual reports and other documents to their shareholders, provided such listed issuers have obtained consent, whether express, deemed or implied, from the relevant shareholder(s).

Rule 730 of the Catalyst Rules provides that if an issuer amends its articles of association or other constituent documents, they must be made consistent with all the listing rules prevailing at the time of amendment.

The Company is proposing to amend its Bye-Laws to:

- (i) allow for electronic transmission of documents (including notices, circulars and annual reports) to Shareholders, to promote environmental sustainability and enable greater efficiency and cost savings; and
- (ii) align its Bye-Laws with the prevailing rules of the Catalyst Rules as at the date of this Circular, in compliance with Rule 730 of the Catalyst Rules.

The Proposed Amendments to the Bye-Laws, struck through for deletions and underlined for insertions, are set out in full in Appendix A of this Circular and are subject to Shareholders' approval by special resolution at the SGM. If approved by Shareholders, the Proposed Amendments to the Bye-Laws will become effective immediately after the passing of such resolution at the SGM.

3.2 Summary of the Proposed Amendments to the Bye-Laws

The following is a summary of the Proposed Amendments to the Bye-Laws, and should be read in conjunction with Appendix A of this Circular.

LETTER TO SHAREHOLDERS

3.2.1 Bye-Laws 172(A) and 174

It is proposed that Bye-Laws 172(A) and 174 be amended to provide for electronic transmission of documents (including notices, circulars and annual reports) following the introduction of simplified procedures for the sending of documents electronically pursuant to Part IV of Chapter 12 of the Catalist Rules, as set out in Appendix A of this Circular. Companies can, subject to certain statutory and Catalist Rules safeguards, make use of these simplified procedures where a shareholder has given express, implied or deemed consent for such companies to do so.

The Company regards express consent as being given where a shareholder gives notice in writing to the Company that he consents to having documents transmitted to him via electronic communications.

There is deemed consent from a shareholder where:

- (a) the Articles of Association or other constituent document of the issuer:
 - (i) provides for the use of electronic communications;
 - (ii) specifies the manner in which electronic communications is to be used; and
 - (iii) specifies that the shareholder will be given an opportunity to elect within a specified period of time, whether to receive such document by way of electronic communications or as a physical copy; and
- (b) the issuer has separately notified the shareholder directly in writing on at least one occasion of the following:
 - (i) that the shareholder has a right to elect, within a time specified in the notice from the issuer, whether to receive documents in either electronic or physical copies;
 - (ii) that if the shareholder does not make an election, documents will be sent to the shareholder by way of electronic communications;
 - (iii) the manner in which electronic communications will be used is the manner specified in the Articles of Association or other constituent document of the issuer;
 - (iv) that the election is a standing election, but that the shareholder may make a fresh election at any time; and
 - (v) until the shareholder makes a fresh election, the election that is conveyed to the issuer last in time prevails over all previous elections as the shareholder's valid and subsisting election in relation to all documents to be sent; or

There is implied consent from that shareholder where the Articles of Association or other constituent document of the issuer:

- (a) provides for the use of electronic communications;
- (b) specifies the manner in which electronic communications is to be used; and
- (c) provides that the shareholder shall agree to receive such document by way of such electronic communications and shall not have a right to elect to receive a physical copy of such document.

However, Rule 1207 of the Catalist Rules provides that an issuer is still required to send the following documents to shareholders by way of physical copies:

- (a) forms or acceptance letters that shareholders may be required to physically complete;

LETTER TO SHAREHOLDERS

- (b) notice of meetings, excluding circulars or letters referred in that notice;
- (c) notices and documents relating to takeover offers and rights issues; and
- (d) notices under Rules 1208 and 1209 of the Catalist Rules.

Rule 1208 of the Catalist Rules provides that where an issuer uses electronic communications to send a document to a shareholder, the issuer shall inform the shareholder as soon as practicable of how to request a physical copy of that document from the issuer. The issuer shall provide a physical copy of that document upon such request.

Rule 1209 of the Catalist Rules where an issuer uses website publication as the form of electronic communications, the issuer shall separately provide a physical notification to shareholders notifying of the following:

- (a) the publication of the document on the website;
- (b) if the document is not available on the website on the date of notification, the date on which it will be available;
- (c) the address of the website;
- (d) the place on the website where the document may be accessed; and
- (e) how to access the document.

Proposed amendments to Bye-Law 172(A) and 174

Bye-Laws 172(A) and 174, which relate to the service of notices or any other documents to Shareholders, have new provisions to facilitate the electronic transmission of notices and documents. In particular, Bye-Law 172(A) provides that a notice or any other document may be served or delivered by the Company to any Shareholder by electronic means to such address as may from time to time be authorised by the Shareholder concerned, or by publishing it on a website and notifying the Shareholder concerned that it has been so published (“**notice of availability**”).

Bye-Law 174 provides that:

- (i) Any notice or document, if sent by electronic means (including through any relevant system), shall be deemed to have been given on the day following that on which the electronic communication was sent by or on behalf of the Company.
- (ii) Any notice or document served or delivered by the Company by any other means as provided by the Designated Stock Exchange shall be deemed to have been served when the Company has carried out the action it has been authorized pursuant to the rules of the Designated Stock Exchange.
- (iii) Any notice or other document published by way of advertisement in the newspapers shall be deemed to have been served or delivered on the day it was so published.
- (iv) Any notice or document published on a website shall be deemed to have been given by the Company to a Shareholder on the later of (i) the date on which a notice of availability is deemed served on such Shareholder and (ii) the date on which such notice or document was published on the website.

Please refer to Appendix A of this Circular for details on the Proposed Amendments to the Bye-Laws.

The amendments to Bye-Laws 172(A) and 174 will promote environmental sustainability and enable greater efficiency and cost savings in the transmission of documents from the Company to Shareholders. The Company will comply with the requirements of the Catalist Rules if and when it transmits notices and documents electronically to Shareholders.

LETTER TO SHAREHOLDERS

4 RECOMMENDATION BY THE DIRECTORS

4.1 The Proposed Appointment of Auditors

Having considered and reviewed, among others, the adequacy of the resources, experience and reputation of Crowe, the rationale for and benefits of the Proposed Appointment of Auditors, the recommendation of the Audit Committee and all other relevant information as set out in this Circular, the Directors are of the opinion that the Proposed Appointment of Auditors is in the best interests of the Company, and accordingly, recommend that Shareholders vote in favour of the ordinary resolution at the SGM.

4.2 The Proposed Amendments to the Bye-Laws

Having considered and reviewed the environmental sustainability, as well as the rationale for and the benefits of the Proposed Amendments to the Bye-Laws, the Directors are of the opinion that the Proposed Amendments to the Bye-Laws are in the best interests of the Company, and accordingly, recommend the Shareholders vote in favour of the special resolution in respect of the Proposed Amendments to the Bye-Laws at the SGM.

5. SPECIAL GENERAL MEETING

The SGM, the notice of which is set out on pages 15 and 16 of this Circular, will be held on 3 July 2019 at 10.00 a.m. at 168 Robinson Road, Level 9, Right Brain, Capital Tower, Singapore 068912 for the purpose of considering and, if thought fit, passing with or without any modifications, the ordinary resolution and the special resolution set out in the Notice of SGM.

6. ACTION TO BE TAKEN BY SHAREHOLDERS

The Company is incorporated in Bermuda and is subject to the Bermuda Companies Act and Bermuda law. Under the Bermuda Companies Act, only those persons who agree to become shareholders of a Bermuda company and whose names are entered on the register of members of such company may be recognised as Shareholders, with rights to attend and vote at general meetings. Accordingly, Depositors would not be recognised as Shareholders and would not have a right to attend and to vote at general meetings of the Company. In the event that Depositors wish to attend and vote at general meetings of the Company, they would have to do so through CDP appointing them as proxy, pursuant to the Bye-Laws of the Company and the Bermuda Companies Act. In this regard, to enable the Depositors to attend and vote at the SGM, the Company has arranged with the CDP pursuant to the Bye-Laws of the Company as follows:

- (a) arrangements will be made for CDP to appoint each of the Depositors as its proxy/proxies to attend and vote at the SGM in respect of such number of Shares of the Company set out opposite their respective names in the Depository Register as at a time not earlier than 48 hours before the SGM supplied by the CDP to the Company; and
- (b) if a Depositor who is an individual and whose name appears in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore) as at a time not earlier than 48 hours before the time appointed for the SGM and is unable to attend the SGM and wishes to appoint a proxy/proxies to attend and vote on his behalf, he should complete, sign and deposit the proxy form (Depositor Proxy Form) as attached to this Circular in accordance with the instructions printed thereon at the office of the Company's Singapore Share Transfer Agent, M & C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902, as soon as possible and, in any event, at least 48 hours before the time appointed for holding the SGM. A Depositor who is not an individual can only be represented at the SGM if its nominee/nominees is/are appointed as CDP's proxy/proxies. To appoint its nominee/nominees as proxy/proxies of the CDP and to enable its nominee/nominees to attend and vote at the SGM, such Depositor should complete, execute and deposit the Depositor Proxy Form in accordance with the instructions printed thereon.

If a Shareholder, who is not a Depositor, is unable to attend the SGM and wishes to appoint a proxy/proxies to attend and vote on his behalf, he should complete, sign and deposit the proxy form (Shareholder Proxy Form) in accordance with the instructions printed thereon at the office of

LETTER TO SHAREHOLDERS

the Company's Singapore Share Transfer Agent, M & C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902, as soon as possible and, in any event, at least 48 hours before the time appointed for holding the SGM.

The completion and return of a Shareholder Proxy Form by a Shareholder who is not a Depositor or a Depositor Proxy Form by a Depositor shall not preclude him from attending and voting in person at the SGM in place of his proxy.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Appointment of Auditors, the Proposed Amendments to the Bye-Laws, and the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted or reproduced from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

8. CONSENTS

RT LLP and Crowe have given and have not withdrawn their consent to the issue of this Circular with the inclusion herein of and references to their names and to act in such capacity in relation to this Circular.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Whilst the registered office of the Company is in Bermuda, the principal office of the Company is in Hong Kong and the office of the Company's share transfer agent is in Singapore. Taking into account that Hong Kong and Singapore are more accessible locations than Bermuda, copies of the following documents will be made available for inspection during normal business hours at the principal office of the Company at Unit 1403, 14/F, Kowloon Centre, 33 Ashley Road, Tsim Sha Tsui, Kowloon, Hong Kong, and the office of the Company's Singapore Share Transfer Agent, M & C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902, from the date of this Circular up to and including the date of the SGM:

- (a) the Memorandum and the Bye-Laws of the Company;
- (b) the notice of resignation as Auditors from RT LLP dated 14 November 2018;
- (c) the letter issued by Crowe to RT LLP dated 15 November 2018 (details as set out in paragraph 2.5 of this Circular);
- (d) the professional clearance letter issued by RT LLP to Crowe dated 16 November 2018; and
- (e) the letter of consent to act as Auditors by Crowe dated 27 November 2018.

Yours faithfully

For and on behalf of the Board of Directors of
SinoCloud Group Limited

Chan Andrew Wai Men
Chairman and Chief Executive Officer

LETTER TO SHAREHOLDERS

APPENDIX A

PROPOSED AMENDMENTS TO THE BYE-LAWS OF THE COMPANY

The amendments which are proposed to be made to Bye-Laws of the Company are set out and, where applicable, shown marked-up against the existing provisions of the Bye-Laws of the Company below.

1. By inserting the following new definition in Bye-law 1(A) immediately after the definition of “dividend”:

Bye-law (1)(A)

“electronic” shall mean relating to technology having electrical, digital, magnetic, wireless, optical electromagnetic or similar capabilities and such other meanings as given to it in the Electronic Transactions Act 1999 of Bermuda as may be amended from time to time;

2. By deleting existing Bye-law 172(A) in its entirety and inserting in place thereof the new Bye-law 172(A) as set out below:

Existing Bye-law 172(A)

172 (A) Any notice or document to be given or issued under these Bye-Laws shall be in writing, and may be served by the Company on any shareholder either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such shareholder at his registered address as appearing in the register or by delivering or leaving it at such registered address as aforesaid or (if he has no registered address within Singapore) at any other address within Singapore supplied by him to the Company for the purpose (in the case of a notice) by advertisement in the Newspapers or in accordance with the requirements of the Designated Stock Exchange. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders. For such purpose, a joint holder having no registered address in Singapore and not having supplied an address within Singapore for the service of notices shall be disregarded.

New Bye-law 172(A)

172 (A) Any notice or document to be given or issued under these Bye-Laws shall be in writing, and may be served by the Company on any shareholder either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such shareholder at his registered address as appearing in the register or by delivering or leaving it at such registered address as aforesaid or (if he has no registered address within Singapore) at any other address within Singapore supplied by him to the Company for the purpose, or (in the case of a notice) by advertisement in the Newspapers, or in accordance with the requirements of, or by any other means as provided by (subject to the Statutes and any rules prescribed by the Designated Stock Exchange), the Designated Stock Exchange. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders. For such purpose, a joint holder having no registered address in Singapore and not having supplied an address within Singapore for the service of notices shall be disregarded. Without limiting the generality of the foregoing but subject to the Statutes and any rules prescribed by the Designated Stock Exchange from time to time, a notice or any other document may be served or delivered by the Company to any shareholder by electronic means to such address as may from time to time be authorised by the shareholder concerned, or by publishing it on a website and notifying the shareholder concerned that it has been so published (“notice of availability”).

LETTER TO SHAREHOLDERS

3. By deleting existing Bye-law 174 in its entirety and inserting in place thereof the new Bye-law 174 as set out below:

Existing Bye-law 174

174. Any notice sent by post shall be deemed to have been served on the day following that on which the envelope or wrapper containing the same is put into a post office situated within the Relevant Territory and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice was properly prepaid, addressed and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice was so addressed and put into such post office shall be conclusive evidence thereof.

New Bye-law 174

174. Any notice sent by post shall be deemed to have been served on the day on which the envelope or wrapper containing the same is put into a post office situated within the Relevant Territory and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice was properly prepaid, addressed and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice was so addressed and put into such post office shall be conclusive evidence thereof. Any notice or document, if sent by electronic means (including through any relevant system), shall be deemed to have been given on the day following that on which the electronic communication was sent by or on behalf of the Company. Any notice or document served or delivered by the Company by any other means as provided by the Designated Stock Exchange shall be deemed to have been served when the Company has carried out the action it has been authorised pursuant to the rules of the Designated Stock Exchange. Any notice or other document published by way of advertisement in the Newspapers shall be deemed to have been served or delivered on the day it was so published. Any notice or document published on a website shall be deemed to have been given by the Company to a shareholder on the later of (i) the date on which a notice of availability is deemed served on such shareholder and (ii) the date on which such notice or document was published on the website.

NOTICE OF SPECIAL GENERAL MEETING

SINOCLOUD GROUP LIMITED

(Incorporated in Bermuda on 13 August 2003)
(Company Registration No. 34050)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a Special General Meeting of SINOCLOUD GROUP LIMITED (the “**Company**”) will be held at 168 Robinson Road, Level 9, Right Brain, Capital Tower, Singapore 068912 on 3 July 2019 at 10.00 a.m. (Singapore time) and at any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions.

*All capitalised terms used in this Notice which are not defined herein shall have the same meanings ascribed to them in the circular to shareholders of the Company dated 10 June 2019 (the “**Circular**”).*

AS ORDINARY RESOLUTION – THE PROPOSED APPOINTMENT OF AUDITORS OF THE COMPANY

“RESOLVED THAT:

- (a) the appointment of Crowe Horwath First Trust LLP as auditors of the Company with effect from 3 July 2019 and to hold office until the conclusion of the next annual general meeting of the Company, at such fee and on such terms to be agreed between the Directors and Crowe, be approved; and
- (b) subject to the relevant laws and regulations, the Catalist Rules, as may be amended, varied or supplemented from time to time, the Directors and each of them be and are hereby authorised, empowered to complete and do all such acts and things, and to approve, execute and deliver all such documents on behalf of the Company, as they or he may consider necessary, desirable, expedient or appropriate to give effect to this resolution, with such modifications thereto (if any) as they or he may think fit in the interests of the Company.”

AS SPECIAL RESOLUTION – THE PROPOSED AMENDMENTS TO THE BYE-LAWS OF THE COMPANY

“RESOLVED, AS A SPECIAL RESOLUTION, THAT:

- (a) the Bye-Laws be and are hereby amended in the manner and to the extent set out in Appendix A to the Circular; and
- (b) subject to the relevant laws and regulations, the Catalist Rules, as may be amended, varied or supplemented from time to time, the Directors and each of them be and are hereby authorised, empowered to complete and do all such acts and things, and to approve, execute and deliver all such documents on behalf of the Company, as they or he may consider necessary, desirable, expedient or appropriate to give effect to this resolution, with such modifications thereto (if any) as they or he may think fit in the interests of the Company.”

By Order of the Board

Chu Yin Ling, Karen
Company Secretary

10 June 2019

NOTICE OF SPECIAL GENERAL MEETING

EXPLANATORY NOTE ON ORDINARY RESOLUTION 1

In accordance with the requirement of Rule 712(3) of the Catalist Rules:

- (a) RT LLP, the Company's current auditors for the financial year ended 31 March 2018, has confirmed in writing to Crowe that it is not aware of any professional reasons why the new auditors of the Company, Crowe should not accept appointment as the new auditors of the Company.
- (b) The Directors confirm that there were no disagreements with RT LLP on accounting treatments within the last 12 months from the date of the Circular.
- (c) The Directors confirm that the Company is not aware of any circumstances connected with the Proposed Appointment of Auditors that should be brought to the attention of the Shareholders which has not been disclosed in the Circular.
- (d) The reason for the Proposed Appointment of Auditors is as disclosed in section 2 of the Circular.
- (e) The Company is in compliance with Rules 712 and 715 of the Catalist Rules in relation to the appointment of Crowe as its new Auditors.

Notes:

1. If a Shareholder who is not a Depositor (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), is unable to attend the SGM and wishes to appoint a proxy/proxies to attend and vote on his behalf, he could complete, sign and return the proxy form ("**Shareholder Proxy Form**") as attached to the Circular in accordance with the instructions printed thereon. With the exception of The Central Depository (Pte) Limited (the "**CDP**") who may appoint more than two (2) proxies, a Shareholder entitled to attend and vote at the SGM who holds two (2) or more shares is entitled to appoint no more than two (2) proxies to attend and vote on his behalf. A proxy need not be a Shareholder.
2. Where a form of proxy appoints more than one (1) proxy (including the case where such appointment results from a nomination by the CDP), the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
3. If a Depositor who is an individual and whose name appears in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore) as at a time not earlier than 48 hours before the time appointed for the SGM and is unable to attend the SGM personally and wishes to appoint a proxy/proxies to attend and vote on his behalf, he should complete, sign and deposit the proxy form (the "**Depositor Proxy Form**") as attached to the Circular in accordance with the instructions printed thereon.
4. A Depositor who is not an individual can only be represented at the SGM if its nominee/nominees is/are appointed as CDP's proxy/proxies. To appoint its nominee/nominees as proxy/proxies of the CDP and to enable its nominee/nominees to attend and vote at the SGM, such Depositor should complete, execute and deposit the Depositor Proxy Form as attached to this Circular in accordance with the instructions printed thereon.
5. A corporation which is a Shareholder may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its corporate representative at the SGM.
6. To be valid, the Shareholder Proxy Form or the Depositor Proxy Form, together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the office of the Company's Singapore Share Transfer Agent, M & C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902 not less than 48 hours before the time appointed for holding the SGM or at any adjournment thereof. Detailed instructions can be found on the Shareholder Proxy Form and Depositor Proxy Form.
7. The completion and return of a Shareholder Proxy Form by a Shareholder who is not a Depositor, or a Depositor Proxy Form by a Depositor, shall not preclude him from attending and voting in person at the SGM if he wishes to do so, in place of his proxy/proxies.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the SGM and/or any adjournment thereof, a member of the Company:

- (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the SGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the SGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");
- (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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

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

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