

SINOCLOUD GROUP LIMITED
(Company Registration No.: 34050)
(Incorporated in Bermuda on 13 August 2003)

REPAYMENT AGREEMENT IN RELATION TO LOANS AND GOODWILL DEPOSITS GRANTED BY THE COMPANY TO CERTAIN VENDORS OF CHINA SATELLITE MOBILE COMMUNICATIONS GROUP LIMITED

- GRANT OF EXTENSION FOR REPAYMENT

1. INTRODUCTION

The board of directors (the “**Board**”) of SinoCloud Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 21 June 2017 (the “**Announcement**”) in relation to the execution of a repayment agreement dated 21 June 2017 (the “**Repayment Agreement**”), in respect of loans and goodwill deposits extended by the Company to certain vendors of China Satellite Mobile Communications Group Limited (“**CSMCG**”), namely Chong Choi Fu, Tong Chor Ho, Geng Qiu Sheng, Jin Da Gang and Liu Yong Ning (collectively, the “**Pledging Parties**”) for the repayment of the aggregate amount of HK\$43.8 million due and owing to the Company in respect of the aforementioned loans and goodwill deposits.

Unless otherwise defined, all capitalised terms used herein shall bear the same meaning ascribed to them in the Announcement.

The Board wishes to update that since the execution of the Repayment Agreement, the Company had received HK\$13,867,000 from the Pledging Parties, and HK\$29,933,000 remained outstanding as of the date of this announcement (the “**Sums Outstanding**”). On 7 May 2018, the Company entered into a supplemental repayment agreement with Tong Chor Ho, Geng Qiu Sheng, Jin Da Gang and Liu Yong Ning (the “**New Pledging Parties**”) to extend the repayment date of the Sums Outstanding (the “**Supplemental Repayment Agreement**”).

Pursuant to the Supplemental Repayment Agreement, the Company and the New Pledging Parties agreed that the Sums Outstanding shall be payable in full by the New Pledging Parties to the Company before 31 December 2019 in the following repayment manner:

- (i) HK\$1.0 million or above in each of the month commencing 1 May 2018; or
- (ii) HK\$3.0 million or above in every 3 months commencing 1 May 2018,

(the “**Extension of Repayment**”).

The Extension of Repayment is not expected to have any impact on the net tangible assets per share and earnings per share of the Group for the financial year ending 31 March 2019.

2. RATIONALE FOR THE EXTENSION OF REPAYMENT

Pursuant to the Proposed Settlement, the Outstanding Amount of HK\$43.8 million was to be fully repaid by the Pledging Parties to the Company (in agreed repayment schedules as set out in the Announcement) by 20 December 2017. However, as at the date of this announcement, HK\$29,933,000 remained outstanding under the Proposed Settlement. The management of the Company (“**Management**”), together with the management of CSMCG, had been closely monitoring the repayment schedules of the Pledging Parties. The Pledging Parties had not been able to meet the repayment schedule under the Proposed Settlement due to short term cash flow issues at the end of 2017, but the Management had noted that the Pledging Parties had made certain repayments to the Company since January 2018. The Management had

been engaging with the Pledging Parties to discuss and work out a revised repayment schedule that the Pledging Parties can fulfill. After due and careful consideration, the Board and the Management are of the view that it will be more beneficial for the Company to grant the New Pledging Parties the Extension of Repayment under the Supplemental Repayment Agreement and that the Extension of Repayment is in the best interest of the Company and its Shareholders as it allows the Company to recover the Sums Outstanding in an amicable manner.

3. 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, a copy of the Repayment Agreement will be made available for inspection during normal business hours at the principal office of the Company at Unit 1301A, 13/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 for a period of three (3) months from the date of this announcement.

4. RESPONSIBILITY STATEMENT

The Directors of the Company collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Extension of Repayment, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted 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 announcement in its proper form and context.

By Order of the Board

Chan Andrew Wai Men
Chairman and Chief Executive Officer
7 May 2018

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"), for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst. 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 of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.