

RESPONSE TO QUERIES REGARDING TRADING ACTIVITY

The board of directors (the “**Board**”) of SinoCloud Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the queries from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 24 July 2017 regarding the unusual volume movements in the Company’s shares and wishes to respond to the queries as follows:

Question 1: Are you (the issuer) aware of any information not previously announced concerning you, your subsidiaries or associated companies which, if known, might explain the trading? Such information may include events that are potentially material and price sensitive, such as discussions and negotiations that may lead to joint ventures, mergers, acquisitions or purchase or sale of a significant asset. You may refer to paragraph 9 in Appendix 7A of the Catalist Rules for further examples.

- If yes, the information shall be announced immediately.

Company’s Response

The Company is not aware of any information not previously announced concerning the Company, its subsidiaries or associated companies, which might explain the unusual volume movements in the Company’s shares today.

However, the Company would like to highlight the following:

- (a) As announced by the Company on 26 May 2017, the Company is still in negotiations with the convertible bonds subscribers for the renewal of the convertible bonds amounting to S\$2,256,000, due on 26 May 2017. The Company will update shareholders as and when there are any developments on this matter, where applicable.
- (b) As announced by the Company on 26 May 2017, the Company’s associated company, China Satellite Mobile Communications Group Limited, is still in negotiations with Thuraya Telecommunications Company for the satellite service provider agreement. The Company will update shareholders as and when there are any developments on this matter, where applicable.

The Company is unable to conclusively attribute the aforementioned information to the unusual volume movements in the Company’s shares, as highlighted by the SGX-ST, and will, in compliance with its obligations under the Catalist Rules make the relevant announcements on SGXNET if and when there are material developments.

Question 2: Are you aware of any other possible explanation for the trading? Such information may include public circulation of information by rumours or reports.

Company’s Response

The Company is not aware of any other possible explanation for the unusual volume movements in the Company’s shares, as highlighted by the SGX-ST.

Question 3: Can you confirm your compliance with the listing rules and, in particular, Catalist Rule 703?

Company's Response

The Company confirms that it is in compliance with the listing rules of the SGX-ST and, in particular, Catalist Rule 703. The Board collectively and individually takes responsibility for the accuracy of the aforesaid replies to the queries raised by the SGX-ST.

BY ORDER OF THE BOARD

Chan Andrew Wai Men
Chairman and Chief Executive Officer

24 July 2017

*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 Catalist. 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.