

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

**SETTLEMENT AGREEMENT IN RELATION TO THE CONVERTIBLE LOAN
- DESPATCH OF CIRCULAR AND NOTICE OF SPECIAL GENERAL MEETING**

The board of directors (the “**Board**” or “**Directors**”) of SinoCloud Group Limited (the “**Company**”) refers to the announcements dated 29 May 2014, 19 June 2014, 14 August 2014, 15 March 2015 and 30 May 2016 relating to the convertible loan agreement dated 25 March 2014 (as amended and supplemented from time to time by written agreement between the relevant parties) entered into between the Company, Mr Lu Zhendong and a Zhuhai Entity. The Board further refers to the Company’s announcements dated 15 June 2016 and 14 July 2016 relating to the binding memorandum of understanding (“**MOU**”) dated 14 June 2016 with Mr Lu Zhendong for the repayment of the Convertible Loan, the Company’s annual report (“**AR2016**”) for the financial year ended 31 March 2016, as well as the announcement dated 12 December 2016 (“**Announcement**”) relating to the proposed settlement agreement with Mr Lu Zhendong and Mr Gao Xiangjun for the repayment of the Convertible Loan (“**Proposed Settlement**”).

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

The Board wishes to announce that the Company will be convening a special general meeting (“**SGM**”) to be held on 6 January 2017 at 10.00 a.m. (Singapore time) at Room 307, Level 3, 32 Maxwell Road #03-01 Maxwell Chambers, Singapore 069115, for the purpose of seeking Shareholders’ approval for the Proposed Settlement.

A circular to Shareholders dated 16 December 2016 (the “**Circular**”) containing, *inter alia*, information relating to the Proposed Settlement, as well as the Notice of SGM, has been despatched on 16 December 2016.

Shareholders who have not received the Circular within one (1) week from the date hereof may obtain a copy of the Circular from the Company’s Singapore Share Transfer Agent at the following address:

M & C Services Private Limited
112 Robinson Road
#05-01
Singapore 068902

An electronic copy of the Circular and the notice of SGM will be made available at the website of the SGX-ST at www.sgx.com. Shareholders are advised to read the Circular carefully.

BY THE ORDER OF THE BOARD

Chan Andrew Wai Men
Chairman and Chief Executive Officer

16 December 2016

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), ZICO Capital Pte. Ltd., 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.