

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

UPDATE ON THE REPAYMENT OF LOANS AND GOODWILL DEPOSITS EXTENDED BY THE COMPANY TO CERTAIN VENDORS OF CHINA SATELLITE MOBILE COMMUNICATIONS GROUP LIMITED

The board of directors (the “**Board**”) of Sinocloud Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcements dated 29 May 2014, 14 August 2014, 30 September 2014 and 2 October 2015 in relation to, *inter alia*, loans and goodwill deposits extended by the Company to certain vendors of China Satellite Mobile Communications Group Limited (“**CSMCG**”) in connection with the proposed acquisition by the Company of up to 45.95% of the existing issued and paid-up ordinary shares in the capital of CSMCG, as well as the Company’s announcement on 9 December 2015 (the “**Announcement**”) in relation to the proposed settlement of the aggregate amount of HK\$43.8 million due and owing to the Company in respect of the aforementioned loans and goodwill deposits (the “**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 inform that the Company will be convening a special general meeting (“**SGM**”) to seek approval from the Company’s shareholders (“**Shareholders**”) for, *inter alia*, the acquisition of the Pledged Shares by the Company from the Pledging Parties pursuant to the terms of the Proposed Settlement.

A circular setting out further information and details of the Proposed Settlement (the “**Circular**”) enclosing the notice of SGM to be convened, will be despatched by the Company to Shareholders in due course.

The Company will update Shareholders and make the appropriate announcements in the event that there are any further material developments regarding the above subject matter. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, solicitors or other professional advisors if they have any doubt about the actions they should take.

By Order of the Board

Chan Andrew Wai Men
Chairman and Chief Executive Officer
12 January 2016

*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.