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Successful completion of Retail Entitlement Offer raising A\$18.6 million

15 December 2021

SOVEREIGN CLOUD HOLDINGS LIMITED (ASX: SOV)

Sovereign Cloud Holdings Limited (“**AUCloud**” or “**Company**”) is pleased to announce the successful completion of the retail component of its fully underwritten 4 for 11 accelerated pro-rata non-renounceable entitlement offer (“**Entitlement Offer**”) (“**Retail Entitlement Offer**”) of new fully paid ordinary shares in AUCloud (“**New Shares**”) as announced on Monday, 22 November 2021.

The Retail Entitlement Offer closed at 5:00pm (Sydney time) on Monday, 13 December 2021 and raised a total of approximately \$18.6 million at A\$0.50 per New Share (“**Offer Price**”). Together with the institutional component, the Entitlement Offer raised a total of A\$22.6 million.

The Retail Entitlement Offer was well supported by existing retail shareholders, with applications received totalling approximately A\$17.2 million, reflecting a take-up rate of 92%. In addition, eligible retail shareholders were allocated approximately A\$0.86 million of New Shares under the top-up facility. Approximately A\$0.59 million of New Shares not taken up under the Retail Entitlement Offer have been allocated to the underwriters and sub-underwriters.

Approximately 37.2 million New Shares under the Retail Entitlement Offer are expected to be allotted on Monday, 20 December 2021 and commence trading on ASX on Tuesday, 21 December 2021. Holding statements are expected to be despatched on Wednesday, 22 December 2021.

The combined proceeds of the placement to NEXTDC Limited¹ (“**NEXTDC**”) (“**Placement**”) and the Entitlement Offer (together, the “**Equity Raising**”) raised approximately A\$35 million, excluding transaction costs.

Phil Dawson, Founder and Managing Director said, “*The strong support from retail and institutional investors is an endorsement of the strategic rationale for the equity raising and partnership with NEXTDC, a leading provider of premium data centre facilities. We are looking forward to working with NEXTDC and Craig Scroggie once he is appointed to the AUCloud board and are excited about the potential with a bigger and broader platform footprint into Brisbane, Melbourne and Adelaide.*”

¹ The Placement was completed via NEXTDC’s wholly-owned subsidiary, NEXTDC Ventures Holdings No.1 Pty Ltd. The investment will result in it having a 19.99% shareholding in AUCloud on completion of the Equity Raising.

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Further information

Further information on the Equity Raising is set out in the Company's investor presentation lodged with ASX on Monday, 22 November 2021 and the Company's Retail Entitlement Offer information booklet lodged with ASX on Wednesday, 24 November 2021.

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This ASX announcement was authorised for release by AUCloud's Board of Directors

About Sovereign Cloud Holdings Limited

Sovereign Cloud Holdings Limited (operating as AUCloud) provides highly secure, standards based, sovereign cloud Infrastructure as a Service (IaaS) to Australian Government and Critical National Industry communities. This includes Federal, State and Local Governments and CNI organisations such as telecommunications, electricity, energy, financial services and similar utility providers.

Managed, operated and monitored in Australia by security cleared Australian citizens, all services and data hosted by Sovereign Cloud Holdings remains in Australia. This includes all customer data, account data, metadata, support data and derived analytics data.

*For further information, please visit: AUCloud – Australian Sovereign Cloud
(www.australiacloud.com.au).*

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