



Announcement Summary

Entity name

SOVEREIGN CLOUD HOLDINGS LIMITED

Announcement Type

New announcement

Date of this announcement

1/6/2023

The Proposed issue is:

☒ A standard pro rata issue (including non-renounceable or renounceable)

Total number of +securities proposed to be issued for a standard pro rata issue (including non-renounceable or renounceable)

ASX +security code	+Security description	Maximum Number of +securities to be issued
SOV	ORDINARY FULLY PAID	169,700,336

Ex date

5/6/2023

+Record date

6/6/2023

Offer closing date

23/6/2023

Issue date

29/6/2023

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

SOVEREIGN CLOUD HOLDINGS LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ABN

Registration Number

80622728189

1.3 ASX issuer code

SOV

1.4 The announcement is☒ New announcement**1.5 Date of this announcement**

1/6/2023

1.6 The Proposed issue is:☒ A standard +pro rata issue (non-renounceable or renounceable)**1.6a The proposed standard +pro rata issue is:**☒ + Non-renounceable



Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 Do any external approvals need to be obtained or other conditions satisfied before the entitlement offer can proceed on an unconditional basis?

☒ No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +security code and description

SOV : ORDINARY FULLY PAID

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?

☒ No

Details of +securities proposed to be issued

ASX +security code and description

SOV : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)

The quantity of additional +securities to be issued

1

For a given quantity of +securities held

1



What will be done with fractional entitlements?

Fractions rounded up to the next whole number

Maximum number of +securities proposed to be issued (subject to rounding)

169,700,336

Offer price details for retail security holders

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.05000

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?

☒ Yes

Describe the limits on over-subscription

Eligible Shareholders who take up their full entitlement may also participate in a top-up facility by applying for additional fully paid ordinary shares in SOV in excess of their Entitlement at the Offer Price.

Will a scale back be applied if the offer is over-subscribed?

☒ Yes

Describe the scale back arrangements

Pro-rata

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes

Part 3C - Timetable

3C.1 +Record date

6/6/2023

3C.2 Ex date

5/6/2023



3C.4 Record date

6/6/2023

3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

9/6/2023

3C.6 Offer closing date

23/6/2023

3C.7 Last day to extend the offer closing date

20/6/2023

3C.9 Trading in new +securities commences on a deferred settlement basis

26/6/2023

3C.11 +Issue date and last day for entity to announce results of +pro rata issue

29/6/2023

3C.12 Date trading starts on a normal T+2 basis

30/6/2023

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

4/7/2023

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?

☒ Yes

3E.1a Who is the lead manager/broker?

Morgans Corporate Limited (ACN 010 539 607)

3E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

The compensation for the Lead Manager is 1.5% management fee of Gross Proceeds raised under the Offer and a selling fee of 1.5% of the gross Proceeds raised under the Offer (excluding Excluded Parties) per the Lead Management mandate agreement.

3E.2 Is the proposed offer to be underwritten?

☒ Yes

3E.2a Who are the underwriter(s)?

Peter Maloney (or an entity controlled by Peter Maloney), NEXTDC Limited ACN 143 582 521 (or an entity controlled by NEXTDC Limited) and Badger 31 Pty Ltd (ACN 143 582 521) as trustee for the CGR Family Trust.

3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?

Partially Underwritten - 109,047,882 new shares in aggregate between the Underwriters.

**3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?**

None

3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated

Please refer to section 6.14 of the entitlement offer information booklet released to ASX on 1 June 2023, which is expected to be dispatched to eligible shareholders on 9 June 2023.

3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?☒ Yes**3E.2e (i) What is the name of that party?**

Peter Maloney (or an entity controlled by Peter Maloney), NEXTDC Limited ACN 143 582 521 (or an entity controlled by NEXTDC Limited) and Badger 31 Pty Ltd (ACN 143 582 521) as trustee for the CGR Family Trust.

3E.2e (ii) What is the extent of their underwriting or sub-underwriting (ie the amount or proportion of the offer they have underwritten or sub-underwritten)?

The Entitlement Offer is, to the extent not covered by the binding commitments from major shareholders, underwritten by Peter Maloney, the CEO & Managing Director of the Company, (or an entity controlled by Peter Maloney), NEXTDC Ventures Holdings No. 1 Pty Ltd (NEXTDC) (an entity controlled by NEXTDC Limited), and Badger 31 Pty Ltd (Badger) (an entity controlled by Catherine Reid, a current director and chair of the Company). The underwriting commitments are allocated as follows: Peter Maloney (10,000,000 New Shares), NEXTDC (62,966,055 New Shares) and Badger (36,081,827 New Shares).

3E.2e (iii) What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter?

None

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?☒ No**3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer**

None

Part 3F - Further Information

3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

The proceeds will predominately fund working capital requirements associated with executing the Company's initiatives identified in the recent Strategic Review.

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?☒ No**3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?**☒ No



3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue

None

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

☒ Yes

3F.5a Please provide further details of the offer to eligible beneficiaries

Persons acting as nominee or custodian for eligible shareholders may submit entitlement and acceptance forms on behalf of those beneficial holders who are resident in Australia, New Zealand or the Philippines and who are not in the United States and not acting for the account of benefit of a person in the United States.

3F.6 URL on the entity's website where investors can download information about the proposed issue

<https://investor.australiacloud.com.au/Investors/>

3F.7 Any other information the entity wishes to provide about the proposed issue

None

3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

☒ No

3F.9 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

☒ The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)