

11 April 2024

Completion of Retail Entitlement Offer

Sovereign Cloud Holdings Limited (**AUCloud** or **Company** or **SOV**) (ASX:SOV) is pleased to announce the results of the retail component of its 2.95 for 1 pro-rata accelerated renounceable entitlement offer that was announced on 18 March 2024 (**Retail Entitlement Offer**).

The Retail Entitlement Offer closed at 5.00pm (Sydney time) on 10 April 2024 and raised approximately \$2.9 million at an Offer Price of \$0.03 per new SOV fully paid ordinary share (**New Shares**).

The Retail Entitlement Offer received valid applications for approximately \$2.9 million (approximately 95 million Retail Entitlements), representing approximately 32% of available Retail Entitlements.

Approximately 206 million Retail Entitlements were not taken-up under the Retail Entitlement Offer and will be offered under the Retail Shortfall Bookbuild (refer below).

The institutional component of the entitlement offer was completed on Wednesday, 20 March 2024, raising gross proceeds of approximately \$21.0 million.

Eligible Retail Shareholders were offered the opportunity to participate in the Retail Entitlement Offer on the same terms as eligible institutional shareholders and were able to take up their Entitlements under the Retail Entitlement Offer (**Retail Entitlements**) in full or part. Eligible Retail Shareholders were also able to apply for an uncapped number of additional New Shares in excess of their Retail Entitlements to the extent there were additional New Shares available as a result of a shortfall between applications received from Eligible Retail Shareholders and the number of New Shares proposed to be issued under the Retail Entitlement Offer (subject to scale back at the Company's discretion). Entitlements under the Retail Entitlement Offer are renounceable but not able to be traded on ASX.

Director and substantial shareholder commitments

As announced to ASX on 18 March 2024, Directors and their related entities and NEXTDC¹ have committed to acquire \$5.6 million of New Shares under sub-underwriting commitments for the Retail Entitlement Offer.

Retail Shortfall Bookbuild

Retail Entitlements not taken up by Eligible Retail Shareholders and Entitlements of Ineligible Shareholders will be offered under the Retail Shortfall Bookbuild to institutional investors, to be conducted on Friday, 12 April 2024. The results of the Retail Shortfall Bookbuild will be announced to ASX on Monday, 15 April 2024.

¹ NEXTDC has agreed to take up 100% of its entitlement, representing \$10.1 million and approximately \$2.5 million via its sub-underwriting commitment under the Retail Entitlement Offer. However, in order to ensure that its shareholding does not increase in breach of Chapter 6 of the Corporations Act 2001, a portion of NEXTDC's entitlement will settle on the settlement date for the Retail Entitlement Offer and the balance of NEXTDC's entitlement and any Retail Shortfall shares allocated to NEXTDC will settle following completion of the Acquisitions.

ASX Announcement (SOV)



Under the Retail Shortfall Bookbuild, Retail Entitlements will be auctioned at a variable price commencing with a floor price of \$0.03 per New Share (**Offer Price**) at \$0.001 increments. If the price at which the Retail Entitlements of renouncing shareholders or Ineligible Shareholders are sold under the Retail Shortfall Bookbuild exceeds the Offer Price, that premium amount (**Retail Premium**) will be paid on a pro-rata basis to Ineligible Shareholders and renouncing shareholders.

Ineligible Shareholders or Eligible Retail Shareholders who renounce their Retail Entitlements will have their percentage shareholding in the Company diluted as a result of the entitlement offer.

There is no guarantee that there will be any Retail Premium. The ability to sell Retail Entitlements under the Retail Shortfall Bookbuild and the ability to obtain a Retail Premium will depend on various factors, including market conditions.

The settlement date for New Shares to be issued under the Retail Entitlement Offer and the Retail Shortfall Bookbuild is expected to be Wednesday, 17 April 2024. New Shares are expected to be allotted on Thursday, 18 April 2024 and commence trading on the ASX on Friday, 19 April 2024.

Capitalised terms that are not otherwise defined in this announcement, have the meanings given to those terms in the Retail Offer Booklet announced on the ASX on 25 March 2024.

Key Dates²

Event	Date and Time
Retail Shortfall Bookbuild opens	9.00am , Friday, 12 April 2024
Retail Shortfall Bookbuild closes	12.00pm , Friday, 12 April 2024
Announcement of the completion of the Retail Shortfall Bookbuild	Monday, 15 April 2024
Settlement of Retail Entitlement Offer	Wednesday, 17 April 2024
Allotment of New Shares under the Retail Entitlement Offer	Thursday, 18 April 2024
New Shares issued under the Retail Entitlement Offer commence trading on ASX	Friday, 19 April 2024
Holding statements in respect of New Shares issued under the Retail Entitlement Offer dispatched	Monday, 22 April 2024
Retail premium (if any) dispatched	Wednesday, 24 April 2024

If you have any further questions, you should contact your stockbroker, solicitor, accountant, financial adviser or other professional adviser.

² All times and dates refer to times and dates in Sydney, Australia. All dates are indicative only and subject to change. SOV and the Sole Lead Manager reserve the right to withdraw or vary the timetable subject to the ASX Listing Rules.

Important information

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, or in any other jurisdiction in which such an offer would be illegal. The securities referred to in this document have not been and will not be registered under the United States Securities Act of 1933 (the **US Securities Act**), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, within the United States, unless the securities have been registered under the US Securities Act or an exemption from the registration requirements of the US Securities Act is available.

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This announcement contains certain 'forward-looking statements' within the meaning of the securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as 'may,' 'should,' 'expect,' 'anticipate,' 'estimate,' 'scheduled' or 'continue' or the negative version of them or comparable terminology. Any forecasts or other forward looking statements contained in this announcement are subject to known and unknown risks and uncertainties and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material. AUCloud does not give any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur and you are cautioned not to place undue reliance on forward-looking statements.

This ASX announcement was authorised for release by Peter Maloney, Chief Executive Officer and Managing Director.

Further information, please contact:

Michelle Crouch
Company Secretary
P: +61 417 123 292
E: mcrouch@aucloud.com.au

About AUCloud

AUCloud is an Australian owned and operated Cyber Security Managed Security Service Provider (MSSP) and Sovereign Cloud Service (IaaS) specialist that supports Australian Governments, Critical National Industries (CNIs) with the latest sovereign cloud infrastructure, backup and cyber security threat defence and response services. AUCloud

solutions enable customers to benefit from sovereign data protection with the scale, automation, elasticity and lower costs typically associated with global cloud offerings.

AUCloud's Sovereign Cloud Service (IaaS) and Cyber Security Solutions are underpinned by a range of security certifications, including "Certified Strategic" on Digital Transformation Agency's Hosting Certification Framework (HCF), assessed to the PROTECTED controls of the Australian Signals Directorate's (ASD) Information Security Manual (ISM) through to the Australian Cyber Security Centre's Cloud Assessment and Authorisation Framework (CAAF), inclusive of the Information Security Registered Assessors Program (IRAP) certification and ISO 27001. This provides AUCloud's customers with confidence that their data is secure and that services are delivered to the highest standards.

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