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TI Cloud Inc.

天潤云股份有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2167)

DISCLOSEABLE TRANSACTIONS SUBSCRIPTIONS OF STRUCTURED DEPOSIT PRODUCTS

SUBSCRIPTIONS OF STRUCTURED DEPOSIT PRODUCTS

The board (the “**Board**”) of directors (the “**Director(s)**”) of TI Cloud Inc. (the “**Company**”) announces that during the six months ended June 30, 2024 and up to the date of this announcement, the Company subscribed for Structured Deposit Products offered by Bank of Communications Co., Ltd. (交通銀行股份有限公司) (the “**BOCOM Subscriptions**”), Bank of Ningbo Co., Ltd. (寧波銀行股份有限公司) (the “**Ningbo Subscriptions**”) and China CITIC Bank Corporation Limited (中信銀行股份有限公司) (the “**CITIC Subscriptions**”). The Subscriptions were funded by the Group’s surplus cash reserves generated from daily operations.

The BOCOM Subscriptions comprised four subscriptions, including RMB15 million dated April 1, 2024 (the “**First BOCOM Subscription**”), RMB10 million dated April 22, 2024 (the “**Second BOCOM Subscription**”), RMB15 million dated July 18, 2024 (the “**Third BOCOM Subscription**”) and RMB10 million dated August 5, 2024 (the “**Fourth BOCOM Subscription**”). The Ningbo Subscriptions comprised of an initial subscription of RMB15 million on March 22, 2024 (the “**First Ningbo Subscription**”), and a subsequent subscription of RMB10 million on June 14, 2024 (the “**Second Ningbo Subscription**”). The CITIC Subscriptions comprised of a subscription on May 20, 2024 with a principal amount of RMB20 million (the “**First CITIC Subscription**”), and a subscription on September 1, 2024 with a principal amount of RMB20 million (the “**Second CITIC Subscription**”).

IMPLICATIONS UNDER THE LISTING RULES

For the BOCOM Subscriptions, (i) the Second BOCOM Subscription was made while the First BOCOM Subscription remained outstanding, (ii) the Third BOCOM Subscription was made while the Second BOCOM Subscription remained outstanding, and (iii) the Fourth BOCOM Subscription was made while the Third BOCOM Subscription remained outstanding, since the subsequent subscriptions were made while the previous subscriptions remained outstanding, in accordance with Rule 14.22 of the Listing Rules, the transactions contemplated under each subsequent subscription shall be aggregated with the respective initial subscriptions. Since the highest percentage ratios (as calculated under Rule 14.07 of the Listing Rules) of the aforesaid aggregated transactions amounts exceeded 5% but all of the ratios were below 25%, they constituted discloseable transactions of the Company and shall be subject to the notification and announcement requirements but exempt from the shareholders’ approval requirement under the Listing Rules.

For the Ningbo subscriptions, since the Second Ningbo Subscription was made while the First Ningbo Subscription remained outstanding, the Second Ningbo Subscription shall be aggregated with the First Ningbo Subscription in accordance with Rule 14.22 of the Listing Rules. As the highest percentage ratio (as calculated under Rule 14.07 of the Listing Rules) of the aforesaid aggregated transaction amounts of the Ningbo Subscriptions exceeded 5% but all of the ratios were below 25%, the Ningbo subscriptions constituted discloseable transactions of the Company and shall be subject to the notification and announcement requirements but exempt from the shareholders' approval requirement under the Listing Rules.

For each of the CITIC Subscriptions, as the highest percentage ratio (as calculated under Rule 14.07 of the Listing Rules) exceeded 5% but all of the ratios were below 25%, each CITIC Subscription constituted a discloseable transaction of the Company on a standalone basis and shall be subject to the notification and announcement requirements but exempt from the shareholders' approval requirement under the Listing Rules.

The Company should have complied with the relevant notification and announcement requirements under Rule 14.34 of the Listing Rules in respect of the Subscriptions as and when such obligations arose. Regrettably, the Company acknowledges that such compliance with the Listing Rules has been delayed due to (i) inadvertent error in setting transaction thresholds with reference to the market capitalization of the Company due to unexpected sharp decline in the Company's share price in early to mid-April 2024, complicating the monitoring of these thresholds by the finance team, and (ii) a lack of familiarity with the relevant aggregation rules. The Company emphasizes it has no intent to withhold information as mandated by the Listing Rules and corrective measures have been implemented to refine internal controls and enhance training on the Listing Rules, specifically concerning transaction aggregation. The Company remains committed to complying with the Listing Rules and conducting thorough risk assessment of its wealth management product subscriptions.

SUBSCRIPTIONS OF STRUCTURED DEPOSIT PRODUCTS

The Board announces that during the six months ended June 30, 2024 and up to the date of this announcement, the Company subscribed for Structured Deposit Products using its surplus cash reserves generated from daily operations. The key terms and conditions of each Subscription are set out in the table below:

Subscription Date (Subscription effective immediately)	Counterparty	Name of product	Principal amount subscribed <i>RMB</i>	Term of product	Maturity Date (Status)	Type of product	Expected Annualized rate of return	Right of early redemption
April 1, 2024	Bank of Communications Co., Ltd.	Bank of Communications Structured Deposit 98 days*(交通銀行結構性存款 98天)	15 million	98 days	July 8, 2024 (Matured)	Principal-guaranteed with floating return	1.15% - 1.95%	Not available
April 22, 2024	Bank of Communications Co., Ltd.	Bank of Communications Structured Deposit 98 days*(交通銀行結構性存款 98天)	10 million	98 days	July 29, 2024 (Matured)	Principal-guaranteed with floating return	1.15% - 1.75% - 1.95%	Not available

Subscription Date (Subscription effective immediately)	Counterparty	Name of product	Principal amount subscribed <i>RMB</i>	Term of product	Maturity Date (Status)	Type of product	Expected Annualized rate of return	Right of early redemption
July 18, 2024	Bank of Communications Co., Ltd.	Bank of Communications Structured Deposit 98 days*(交通銀行結構性存款98天)	15 million	98 days	October 25, 2024 (Outstanding)	Principal-guaranteed with floating return	1.15% – 1.75% – 1.95%	Not available
August 5, 2024	Bank of Communications Co., Ltd.	Bank of Communications Structured Deposit 98 days*(交通銀行結構性存款98天)	10 million	98 days	November 11, 2024 (Outstanding)	Principal-guaranteed with floating return	1.05% – 1.65% – 1.85%	Not available
March 22, 2024	Bank of Ningbo Co., Ltd.	Bank of Ningbo Structured Deposit 90 days*(寧波銀行結構性存款90天)	15 million	90 days	June 20, 2024 (Matured)	Principal-guaranteed with floating return	1.65% – 2.8%	Not available
June 14, 2024	Bank of Ningbo Co., Ltd.	Bank of Ningbo Structured Deposit 180 days*(寧波銀行結構性存款180天)	10 million	180 days	December 11, 2024 (Outstanding)	Principal-guaranteed with floating return	1.0% – 2.75%	Not available
May 20, 2024	China CITIC Bank Corporation Limited	CITIC Bank Structured Deposit 93 days*(中信銀行結構性存款93天)	20 million	93 days	August 20, 2024 (Matured)	Principal-guaranteed with floating return	1.05% – 2.55%	Not available
September 1, 2024	China CITIC Bank Corporation Limited	CITIC Bank Structured Deposit 92 days*(中信銀行結構性存款92天)	20 million	92 days	December 2, 2024 (Outstanding)	Principal-guaranteed with floating return	1.05% – 2.0% – 2.4%	Not available

As at the date of this announcement, the total outstanding amount for all of the Group's wealth management products disclosed above is RMB55 million.

BASIS OF DETERMINATION FOR THE CONSIDERATION

The Directors confirmed that the consideration of each Subscription was determined between the Company and the respective Counterparty on the basis of commercial terms negotiated at arm's length after taking into account the surplus cash reserves of the Group available for treasury management purpose, as well as the risk level and expected annualized rate of return of each Structured Deposit Product.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS

In order to reasonably utilize the surplus cash reserves generated from the Group's daily operations and enhance the overall capital gain of the Group, after taking into account the normal operation funding needs and the liquidity requirements of the Group, the Directors decided to use some of the surplus cash reserves to subscribe the Structured Deposit Products.

The Directors (including independent non-executive Directors) are of the view that (i) from a cash management perspective, the Subscriptions are relatively low-risk in nature and provide the Group with a higher return than the fixed term deposits generally offered by commercial banks in the PRC, (ii) the Subscriptions allow the Group to optimize the return on the surplus cash reserves from daily operations, and (iii) the Group has implemented adequate and appropriate internal control procedures to ensure the Subscriptions would not affect the Group's working capital position, daily operations or adversely affect the interests of independent Shareholders.

Accordingly, the Directors (including independent non-executive Directors) consider that the terms of each of Structured Deposit Products are fair and reasonable and are on normal commercial terms, and each of the Subscriptions is in the interests of the Company and the Shareholders as a whole.

PARTIES INFORMATION

The Group

The Group is principally engaged in the provision of artificial intelligence-based cloud customer contact solution software and related services in Software as a Service model and Virtual Private Cloud model.

Bank of Communications Co., Ltd.

Bank of Communications Co., Ltd. is a licensed bank in the PRC and a joint stock company incorporated in the PRC with limited liability. Bank of Communications Co., Ltd. is listed on the Stock Exchange (Stock Code: 03328).

Bank of Ningbo Co., Ltd.

Bank of Ningbo Co., Ltd. is a licensed bank in the PRC and a joint stock company incorporated in the PRC with limited liability. Bank of Ningbo Co., Ltd. is listed on the Shenzhen Stock Exchange ("SZSE") (SZSE Stock Code: 002142).

China CITIC Bank Corporation Limited

China CITIC Bank Corporation Limited is a licensed bank in the PRC and a joint stock company incorporated in the PRC with limited liability. China CITIC Bank Corporation Limited is listed on the Stock Exchange (Stock Code: 0998) and the Shanghai Stock Exchange ("SSE") (SSE Stock Code: 601998).

As at the date of this announcement and to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Counterparties are third parties independent of each of the Company and its connected persons (as defined in the Listing Rules).

IMPLICATIONS UNDER THE LISTING RULES

As all the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of each of the BOCOM Subscriptions were below 5%, the respective BOCOM Subscriptions did not constitute discloseable transactions of the Company on a standalone basis. Given that the BOCOM Subscriptions are of the similar nature and (i) the Second BOCOM Subscription was made while the First BOCOM Subscription remained outstanding, (ii) the Third BOCOM Subscription was made while the Second BOCOM Subscription remained outstanding, and (iii) the Fourth BOCOM Subscription was made while the Third BOCOM Subscription remained outstanding, since the subsequent subscriptions were made while the previous subscriptions remained outstanding, in accordance with Rule 14.22 of the Listing Rules, the transactions contemplated under each subsequent subscription shall be aggregated with the respective initial subscriptions. Since the highest percentage ratios (as calculated under Rule 14.07 of the Listing Rules) of the aforesaid aggregated transactions amounts exceeded 5% but all of the ratios were below 25%, they constituted discloseable transactions of the Company and shall be subject to the notification and announcement requirements but exempt from the shareholders' approval requirement under the Listing Rules.

As all the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of each of the Ningbo Subscriptions were below 5%, the respective Ningbo Subscriptions did not constitute a discloseable transaction of the Company on a standalone basis. Since the Second Ningbo Subscription was made while the First Ningbo Subscription remained outstanding, the Second Ningbo Subscription shall be aggregated with the First Ningbo Subscription in accordance with Rule 14.22 of the Listing Rules. As the highest percentage ratio (as calculated under Rule 14.07 of the Listing Rules) of the aforesaid aggregated transaction amounts of the Ningbo Subscriptions exceeded 5% but all of the ratios were below 25%, the Ningbo subscriptions constituted discloseable transactions of the Company and shall be subject to the notification and announcement requirements but exempt from the shareholders' approval requirement under the Listing Rules.

For each of the CITIC Subscriptions, as the highest percentage ratio (as calculated under Rule 14.07 of the Listing Rules) exceeded 5% but all of the ratios were below 25%, each CITIC Subscription constituted a discloseable transaction of the Company on a standalone basis and shall be subject to the notification and announcement requirements but exempt from the shareholders' approval requirement under the Listing Rules.

The Company should have complied with the relevant notification and announcement requirements under Rule 14.34 of the Listing Rules in respect of the Subscriptions as and when such obligations arose. Regrettably, the Company acknowledges that such compliance with the Listing Rules has been delayed due to its unintentional and inadvertent oversight. The failure to make timely disclosure was due to (i) inadvertent error in setting transaction thresholds with reference to the market capitalization of the Company due to unexpected sharp decline in the Company's share price in early to mid-April 2024, complicating the monitoring of these thresholds by the finance team of the Company, and (ii) a lack of familiarity with the relevant aggregation rules.

The Company emphasizes it has no intent to withhold information as mandated by the Listing Rules. This oversight was inadvertent. Corrective measures have been implemented to refine internal controls and enhance training on the Listing Rules, specifically concerning transaction aggregation.

REMEDIAL ACTIONS

Upon recognizing its disclosure obligations under the Listing Rules, the Company sought professional advice and reviewed its wealth management product subscriptions. Moving forward, the Company will enhance internal control procedures to prevent similar incidents. This includes, but not limited to (i) improving coordination and reporting for notifiable transactions, (ii) monitoring the Company's market capitalization as transaction threshold under the Listing Rules, (iii) providing Directors and senior management of the Company with regular training on regulatory compliance, (iv) regularly reviewing transaction size test calculations, and (v) maintaining close collaboration with legal advisors to ensure ongoing compliance with the Listing Rules. The Company remains committed to complying with the Listing Rules and conducting thorough risk assessment of its wealth management product subscriptions.

DEFINITIONS

“Board”	the board of Directors of the Company
“Company”	TI Cloud Inc. (天润云股份有限公司), an exempted company with limited liability incorporated in the Cayman Islands, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2167)
“connected person(s)”	has (have) the meaning ascribed to it under the Listing Rules
“Counterparty”	Bank of Communications Co., Ltd. (交通銀行股份有限公司), Bank of Ningbo Co., Ltd. (寧波銀行股份有限公司) and China CITIC Bank Corporation Limited (中信銀行股份有限公司)
“Director(s)”	the director(s) of the Company
“Group”	the Company, its subsidiaries and Consolidated Affiliated Entities (as defined in the Company's prospectus dated June 21, 2022)
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
“percentage ratios”	have the same meaning as ascribed to it under the Listing Rules
“PRC”	the People's Republic of China which, for the purpose of this announcement, does not include Hong Kong, Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of Share(s)
“Shares”	ordinary share(s) in the share capital the Company with a nominal value of US\$0.0001 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Structured Deposit Products”	the structured deposit products offered by Bank of Communications Co., Ltd., Bank of Ningbo Co., Ltd. and China CITIC Bank Corporation Limited, respectively, and subscribed by the Company, as set out in this announcement
“Subscription(s)”	subscription(s) of the Structured Deposit Products made by the Company, as set out in this announcement
“%”	percentage

By order of the Board
TI Cloud Inc.
Mr. Wu Qiang
Chairman of the Board

Hong Kong, September 20, 2024

As at the date of this announcement, the Board comprises Mr. Wu Qiang, Mr. Pan Wei, Mr. Li Jin and Mr. An Jingbo as executive Directors; Ms. Weng Yang, Mr. Li Pengtao and Mr. Li Zhiyong as the independent non-executive Directors.

* *For identification purposes only*