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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 SUBSCRIPTION OF STRUCTURED DEPOSIT PRODUCTS**

### **SUBSCRIPTION OF STRUCTURED DEPOSIT PRODUCTS**

The Board announces that between June 30, 2022 and the date of this announcement, the Company, through its Consolidated Affiliated Entities and indirect wholly-owned subsidiary, subscribed for CMB Structured Deposit Products offered by CMB using its surplus cash reserves generated from daily operations. As at the date of this announcement, the remaining outstanding amount of all of the Group's wealth management products acquired from CMB is approximately RMB65.9 million; the aggregated outstanding principal amount of the Group's CMB Structured Deposit Products is RMB41.9 million, and the other wealth management products acquired from CMB prior to the Listing Date which remain outstanding as of the date of this announcement ("Other CMB Wealth Management Products") is approximately RMB24.0 million.

As the CMB Structured Deposit Products and the Other CMB Wealth Management Products are subscribed with the same bank and are of similar nature, the corresponding outstanding principal amounts of each of the Subscriptions and the Other CMB Wealth Management Products, all completed within a 12 month period or otherwise related, have been aggregated as if they were one transaction with CMB for the purpose of calculating the relevant percentage ratios pursuant to Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio (as calculated under Rule 14.07 of the Listing Rules), on an aggregate basis, in respect of the Subscriptions exceeds 5% but is less than 25%, the Subscriptions constitute discloseable transactions of the Company for the purpose of the Listing Rules and are subject to the reporting and announcement requirements but exempt from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

The Company should have complied with the relevant reporting 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 a misunderstanding that the nature of these Structured Deposit Products was akin to a bank deposit, which would not constitute transaction(s) as defined under Chapter 14 of the Listing Rules, taking into account the relatively low-risk nature of these products. Recently, upon the preparation of the Company's interim results announcement and devising business plans ahead, relevant business units revisited the relevant transactions, and sought advice from the Board and professional advisers on the Listing Rules implications. Accordingly, the Company is advised to publish this announcement as soon as practicable.

## SUBSCRIPTION OF STRUCTURED DEPOSIT PRODUCTS

The Board announces that between June 30, 2022 and the date of this announcement, the Company, through its Consolidated Affiliated Entities and indirect wholly-owned subsidiary, subscribed for CMB Structured Deposit Products using its surplus cash reserves generated from daily operations. The key terms of each CMB Structured Deposit Product are set out in the table below:

Subscription date	Subscription party	Name of product	Principal amount of subscription <i>RMB</i>	Term of product	Status	Type of product	Expected annualized rate of return	Right of early redemption
June 30, 2022	T&I Net Communication	Gold-linked Series Progressive Bullish Two-tier 61-day Structured Deposit of China Merchants Bank*(招商銀行點金系列看漲兩層區間 61 天結構性存款)	15.0 million	July 1, 2022 to August 31, 22 (61 days)	Matured	Principal-guaranteed with floating return <i>Note (a)</i>	1.65% or 3.05%	T&I Net Communication has no right of early redemption.
June 30, 2022	T&I Net Communication	Gold-linked Series Progressive Bearish Two-tier 61-day Structured Deposit of China Merchants Bank*(招商銀行點金系列看跌兩層區間 61 天結構性存款)	15.0 million	July 1, 2022 to August 31, 22 (61 days)	Matured	Principal-guaranteed with floating return <i>Note (a)</i>	1.65% or 3.05%	T&I Net Communication has no right of early redemption.
August 28, 2022	Xunchuan Rongtong Technology	Gold-linked Series Progressive Bullish Two-tier 32-day Structured Deposit of China Merchants Bank*(招商銀行點金系列看漲兩層區間 32 天結構性存款)	2.5 million	August 29, 2022 to September 30, 2022 (32 days)	Outstanding	Principal-guaranteed with floating return <i>Note (a)</i>	1.65% or 2.90%	Xunchuan Rongtong Technology has no right of early redemption.
August 28, 2022	TI Cloud (Beijing)	Gold-linked Series Progressive Bullish Two-tier 32-day Structured Deposit of China Merchants Bank*(招商銀行點金系列看漲兩層區間 32 天結構性存款)	1.0 million	August 29, 2022 to September 30, 2022 (32 days)	Outstanding	Principal-guaranteed with floating return <i>Note (a)</i>	1.65% or 2.90%	TI Cloud (Beijing) has no right of early redemption.

Subscription date	Subscription party	Name of product	Principal amount of subscription <i>RMB</i>	Term of product	Status	Type of product	Expected annualized rate of return	Right of early redemption
August 28, 2022	TI Cloud (Beijing)	Gold-linked Series Progressive Bearish Two-tier 32-day Structured Deposit of China Merchants Bank*(招商銀行點金系列看跌兩層區間 32 天結構性存款)	1.0 million	August 29, 2022 to September 30, 2022 (32 days)	Outstanding	Principal-guaranteed with floating return <i>Note (a)</i>	1.65% or 2.90%	TI Cloud (Beijing) has no right of early redemption.
August 30, 2022	Xunchuan Rongtong Technology	Gold-linked Series Progressive Bearish Two-tier 38-day Structured Deposit of China Merchants Bank*(招商銀行點金系列看跌兩層區間 38 天結構性存款)	2.4 million	August 31, 2022 to October 8, 2022 (38 days)	Outstanding	Principal-guaranteed with floating return <i>Note (a)</i>	1.65% or 2.90%	Xunchuan Rongtong Technology has no right of early redemption.
September 2, 2022	T&I Net Communication	Gold-linked Series Progressive Bullish Three-tier 91-day Structured Deposit of China Merchants Bank * (招商銀行點金系列看漲三層區間 91 天結構性存款)	35.0 million	September 5, 2022 to December 5, 2022 (91 days)	Outstanding	Principal-guaranteed with floating return <i>Note (a)</i>	1.65%, 2.90% or 3.10%	T&I Net Communication has no right of early redemption.

*Note:*

- (a): The risk level of the relevant CMB Structured Deposit Products internally assessed by CMB is R1 (cautious). The relevant CMB Structured Deposit Products are linked structured deposit. The linked indicator under the relevant CMB Structured Deposit Products is the daily reference rate of gold price denominated in US dollars on the Bloomberg GOLDLNPM Index.

As at the date of this announcement, the remaining outstanding amount of all of the Group's wealth management products acquired from CMB is approximately RMB65.9 million; the aggregated outstanding principal amount of the Group's CMB Structured Deposit Products is RMB41.9 million, and the Other CMB Wealth Management Products which remain outstanding as of the date of this announcement is approximately RMB24.0 million.

## **BASIS OF DETERMINATION FOR THE CONSIDERATION**

The Directors confirmed that the considerations of the Subscriptions were determined between the Company and CMB on the basis of commercial terms negotiated at arm's length after taking into account the surplus cash reserves of the Group available for the purpose of cash management, as well as the risk level and annualised rate of return of the CMB Structured Deposit Products.

## **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 CMB Structured Deposit Products.

The Directors (including independent non-executive Directors) are of the view that the (i) from a cash management perspective, the Subscriptions are relatively low-risk in nature and provide the Group 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) it 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 CMB 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**

### **Information on 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 ("SaaS") model and Virtual Private Cloud ("VPC") model.

## **Information on CMB**

CMB is a licensed bank in the PRC and a joint stock company incorporated in the PRC with limited liability. CMB and its subsidiaries are principally engaged in corporate and personal banking services, treasury business, asset management and other financial services. CMB is listed on the Stock Exchange (Stock Code: 03968) and the Shanghai Stock Exchange (Stock Code: 600036).

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

## **LISTING RULES IMPLICATIONS**

As the CMB Structured Deposit Products and the Other CMB Wealth Management Products are subscribed with the same bank and are of similar nature, the corresponding outstanding principal amounts of each of the Subscriptions and the Other CMB Wealth Management Products, all completed within a 12 month period or otherwise related, have been aggregated as if they were one transaction with CMB for the purpose of calculating the relevant percentage ratios pursuant to Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio (as calculated under Rule 14.07 of the Listing Rules), on an aggregate basis, in respect of the Subscriptions exceeds 5% but is less than 25%, the Subscriptions constitute discloseable transactions of the Company for the purpose of the Listing Rules and are subject to the reporting and announcement requirements but exempt from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

The Company should have complied with the relevant reporting 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 a misunderstanding that the nature of these Structured Deposit Products was akin to a bank deposit, which would not constitute transaction(s) as defined under Chapter 14 of the Listing Rules, taking into account the relatively low-risk nature of these products. Recently, upon preparation of the Company's interim results announcement and devising business plans ahead, relevant business units revisited the relevant transactions, and sought advice from the Board and professional advisers on the Listing Rules implications. Accordingly, the Company is advised to publish this announcement as soon as practicable.

## **REMEDIAL ACTIONS**

The Company deeply regrets its non-compliance with the Listing Rules but the Company would like to stress that the delay in compliance with the Listing Rules was inadvertent and unintentional. The Company has no intention to withhold any information relating to the Subscriptions from disclosure to the public. To prevent similar cases from occurring in the future, the Company has implemented the following remedial actions with immediate effect:

1. in preparing for the 2022 interim report, the Company has conducted a comprehensive review and self-examination of subscriptions of structured deposit products since the Listing Date, and hereby makes this announcement on all structured deposit products that should have been disclosed but were not previously disclosed;

2. with the assistance of the legal advisers and compliance adviser, the Company further understands the applicability of Chapter 14 of the Listing Rules on any subscriptions of structured deposit products. The Company will also adopt and circulate an internal guideline relating to the subscription of structured deposit products to responsible staff to help identify the circumstances which are expected to trigger the announcement requirement under the Listing Rules;
3. the Company has circulated a detailed guideline relating to notifiable and connected transactions under the Listing Rules and will offer more regular trainings by its legal advisers, with the first training to be arranged in September, 2022 to strengthen and reinforce the responsible staff, senior management and Directors' existing knowledge relating to notifiable and connected transactions, and their ability to identify potential issues at early stage;
4. as soon as the relevant breach was discovered, the Company has been improving its financial control system, and the communication, coordination and reporting arrangements for notifiable transactions among the relevant departments (the "Relevant Departments") of the Group, including among its finance team and legal team. Specifically, with immediate effect, prior to entering into any relevant potential transaction in the future, the finance team will perform size test analysis accordingly. Where disclosure threshold is met, the finance team will notify the Relevant Departments the details of the proposed transaction and circulate the relevant drafts of transaction agreement for review by the legal team of the Company to ensure compliance with the Listing Rules; and
5. on an ongoing basis, the Company will work more closely with its legal advisers and compliance adviser on compliance issues and shall, as and when appropriate and necessary, consult other professional advisers before entering into any potential notifiable transaction. If necessary, the Company might also consult the Stock Exchange on the proper treatment of the proposed transaction.

Going forward, the Company will continue to comply with the management procedures of its investments on structured deposit products and make such disclosure in a timely manner to ensure compliance with the Listing Rules.

## DEFINITIONS

"Board"	the board of Directors of the Company;
"CMB"	China Merchants Bank Co., Ltd., a licensed bank incorporated under the laws of the PRC, whose shares are listed on the Main Board of the Stock Exchange (H share Stock Code: 03968; Preference share Stock Code: 04614) and the Shanghai Stock Exchange (Stock Code: 600036);
"CMB Structured Deposit Products"	the structured deposit products issued by CMB and subscribed by the Company, through its Consolidated Affiliated Entities and indirect wholly-owned subsidiary, as set out in the table of this announcement;

“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);
“Director(s)”	the director(s) of the Company;
“Group”	the Company, its subsidiaries and Consolidated Affiliated Entities;
“Consolidated Affiliated Entities”	the entities that the Group controls through contractual arrangements, being T&I Net Communication and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Listing Date”	June 30, 2022, the date on which the Shares are listed and on which dealings in the Shares are first permitted to take place on the Stock Exchange;
“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;
“Shares”	ordinary share(s) in the share capital the Company with a nominal value of US\$0.0001 each;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription(s)”	subscription(s) of the CMB Structured Deposit Products by the Company;
“TI Cloud (Beijing)”	TI Cloud (Beijing) Technology Co., Ltd. * (天潤雲(北京) 科技有限公司), a limited liability company established in Beijing, the PRC on April 28, 2021, an indirect wholly-owned subsidiary of the Company;

“T&I Net Communication”	Beijing T&I Net Communication Co., Ltd. * (北京天潤融通科技股份有限公司), a limited liability company established in Beijing, the PRC on February 23, 2006, and is one of the Consolidated Affiliated Entities;
“Xunchuan Rongtong Technology”	Beijing Xunchuan Rongtong Technology Co., Ltd.* (北京迅傳融通科技有限公司), a limited liability company established in Beijing, the PRC on October 22, 2007, is one of the Consolidated Affiliated Entities;
“%”	percentage.

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

Hong Kong, September 5, 2022

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

\* *For identification purposes only*