

MEDIA RELEASE

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CLoudPOINT'S Q1 2023 NET PROFIT SOARS BY 223% TO RM3.0 MILLION

KUALA LUMPUR, 23 MAY 2023 – CLOUDPOINT TECHNOLOGY BERHAD <云点科技> (“**Cloudpoint**” or the “**Company**”), an information technology (“**IT**”) solutions provider in enterprise and data centre networking, cybersecurity, cloud services and software application solutions, has today announced its first-quarter results for the three months ended 31 March 2023 (“**Q1 2023**”).

During the quarter, Cloudpoint and its subsidiary (the “**Group**”) achieved revenue of RM19.40 million, reflecting an 89% increase compared to the corresponding quarter of the previous year (“**Q1 2022**”), driven by higher contributions from both project-based and recurring income. Notably, the Group reported a substantial surge in net profit, soaring by 223% to RM3.01 million. The Group also generated a healthy cash inflow from operating activities amounting to RM2.57 million, underpinned by its robust business model and strategic focus on serving the financial services industry. The first quarter is typically the most subdued quarter, and the strong performance in Q1 2023 sets a positive tone for growth in the subsequent quarters of the year.

Executive Director / Chief Executive Officer of Cloudpoint, **Mr. Choong Wai Hoong** said: “Driven by the increasing adoption of digital technology and the growing need for secure data and networks, the demand for networking and cybersecurity solutions is set to increase in the coming years. Cloudpoint has been capitalising from this trend, as evidenced by the increase in revenue from our project-based income model, which comprises Enterprise and Data Centre Networking Solutions and Cybersecurity Solutions. This will also potentially translate into a higher stream of recurring income where we offer professional IT services, as our clients typically enter into service contracts for one to three years following project completion.

Enterprises, particularly financial institutions, are actively undergoing a significant digital transformation and are prioritising investment in technology to enhance their digital capabilities and maintain a competitive edge. With more than 90% of our revenue derived from financial institutions, Cloudpoint sees significant growth opportunities and a long runway for expansion.

We have also recently made progress in securing contracts within our new business segment, Cloud Services & Software Applications. Expanding our solutions and services enables Cloudpoint to better cater to the evolving requirements of our clients throughout their digital transformation journey. Given the growing adoption of cloud and software solutions by enterprises, we are optimistic about the potential of this new segment," he added.

Cloudpoint's initial public offering received exceptional interest, with the balloting portion for the Malaysian public oversubscribed by an impressive 112.94 times. The Company will begin trading on the ACE Market of Bursa Malaysia at 9:00 a.m. on 29 May 2023, under the stock name "**CLOUDPT**" and stock code **0277**.

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ABOUT CLOUDPOINT TECHNOLOGY BERHAD

We are principally engaged in the provision of IT solutions comprising enterprise and data centre networking, and cybersecurity solutions as well as professional IT services. We implement solutions and provide our services mainly to large enterprises, particularly companies in the financial services, insurance, telecommunications industries and other technology service providers in Malaysia. We also provide our solutions to multinational companies to cater for their operations based in Malaysia.

For media enquiries, please contact:

Sandy Yap

Tel: +603 2712 1862

E-Mail: sandy@ibes-advisory.com
