

MEDIA RELEASE

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CLoudPOINT REPORTS A STRONG START TO FY2024 WITH 23% NET PROFIT SURGE IN Q1 2024

KUALA LUMPUR, 24 MAY 2024 – CLOUDPOINT TECHNOLOGY BERHAD <云点科技> ("Cloudpoint" or the "Company"), an information technology ("IT") solutions provider in enterprise and data centre networking, cybersecurity, digital applications and cloud services, and IT services, has today announced its first quarter results for the three months ended 31 March 2024 ("**Q1 2024**").

In Q1 2024, Cloudpoint and its subsidiaries (the "**Group**") achieved a remarkable 79% increase in revenue to reach RM34.7 million, surpassing the RM19.4 million recorded in the corresponding quarter of the previous year ("**Q1 2023**"). Project-based revenue more than doubled to RM29.3 million from RM13.5 million in Q1 2023, while revenue from the Digital Applications and Cloud Services segment jumped more than fourfold year-on-year ("**YoY**") to RM1.5 million. With the rise in revenue, net profit for Q1 2024 increased by 23% to RM3.7 million. Additionally, the Group generated robust cash inflow from operating activities, totaling RM13.4 million for the quarter, leading to a net cash and cash equivalents position of RM57.6 million as of 31 March 2024.

Executive Director / Chief Executive Officer of Cloudpoint, **Mr. W.H. Choong** said: "We achieved another quarter of impressive YoY growth, with significant momentum across project-based revenue streams. Notably, we have successfully onboarded one of the top banks in the country, extending our reach to five of the top six banks nationwide. We are optimistic that our project-based revenue will maintain its strong trajectory throughout the year, driven by several potential data centre technology refresh contracts on the horizon. This is further spurred by the rising demand for cybersecurity solutions as our clients increasingly seek AI-based solutions for threat prevention, detection, and threat hunting.

Our Digital Applications and Cloud Services segment is also beginning to make more significant contributions, with several new projects scheduled for implementation this year, positioning this segment for substantial growth. The momentum in project-based revenue is expected to naturally drive growth in our recurring revenue, as clients typically enter into service and maintenance contracts following project completion. During Q1 2024, we were finalising several service and maintenance contracts due for renewal and anticipate a pickup in recurring revenue in the coming quarters.

The data centre market in Malaysia is booming, fueled by substantial investment from global data centre providers and hyperscalers. We aim to position Cloudpoint as a key player in this rapidly expanding landscape. We are investing in enabling Cloudpoint to become a comprehensive and end-to-end solutions provider for data centre and cloud services. Cloudpoint aims to offer our customers a seamless experience from sourcing, building, and managing their infrastructures through a single provider.

As our customers increasingly incorporate Artificial Intelligence (“AI”) into their core business operations, Cloudpoint will seek opportunities to collaborate with partners to offer AI-based solutions across digital applications, cybersecurity, infrastructure, and data centre. With the explosion of generative AI (“Gen AI”), we foresee many Gen AI use cases in the space we serve. With our strong track record, trend foresight and solid financial footing, Cloudpoint is well positioned to capture market opportunities in the hottest sectors of the technology industry”, he added.

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ABOUT CLOUDPOINT TECHNOLOGY BERHAD

We are principally engaged in the provision of IT solutions comprising enterprise and data centre networking, cybersecurity, digital application and cloud services as well as 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.

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1. Cloudpoint had on 6 February 2024 announced that it had entered into a binding termsheet for the proposed acquisition of 75% equity interest each in Unique Central Sdn Bhd and Uniqcen Sales & Services Sdn Bhd (collectively, the “Unique Central Group”).