

CLOUDPOINT TECHNOLOGY BERHAD
[Registration No. 202101020879 (1421179-X)]
(Incorporated in Malaysia)

MINUTES OF THE SECOND (2nd) ANNUAL GENERAL MEETING (“AGM”) OF CLOUDPOINT TECHNOLOGY BERHAD (“CTB” OR “THE COMPANY”) HELD ON VIRTUAL BASIS THROUGH LIVE STREAMING AND ONLINE REMOTE VOTING USING REMOTE PARTICIPATION AND VOTING PROVIDED BY PROPOLL SOLUTIONS SDN. BHD., VIA ITS WEBSITE AT WWW.PROPOLLSOLUTIONS.COM.MY (DOMAIN REGISTRATION NUMBER WITH MYNIC: D1A403203) ON WEDNESDAY, 26 JUNE 2024, AT 10.00 A.M.

DIRECTORS

Dato’ Keripin Anak Nangkai – Independent Non-Executive Chairman
Mr Choong Wai Hoong – Executive Director cum Chief Executive Officer
Mr Yew Choong Cheong – Executive Director cum Head of Sales
Ms Soo Kit Teng – Executive Director cum Financial Controller
Mr Suresh Narain Singh Sidhu – Independent Non-Executive Director
Ms Lim See Tow – Independent Non-Executive Director
Ms Yap Ee Ling – Independent Non-Executive Director

IN ATTENDANCE :

1. Ms. Heidi Thien Lee Mee (Company Secretary)

The shareholders and proxyholders (collectively referred to as “Members”) who attended and participated at the 2nd AGM remotely were set out in the Attendance List.

1. CHAIRMAN

Dato’ Keripin Anak Nangkai (“Dato’ Chairman”) presided the 2nd AGM and welcomed all present to the 2nd AGM of the Company.

Dato’ Chairman then proceeded to introduce the Directors and Company Secretary of the Company to the shareholders who joined from their respective locations.

2. QUORUM

Dato’ Chairman called upon the Company Secretary to confirm the presence of the requisite quorum as at the commencement of the Meeting. The Company Secretary confirmed that there was a sufficient quorum for the convening of the Meeting based on the Members who had logged into the live meeting platform.

The requisite quorum being present, Dato’ Chairman called the Meeting to order at 10:00 a.m.

3. NOTICE OF MEETING

The Notice convening the Meeting, having been circulated within the prescribed period with the permission of the Meeting be taken as read.

4. ADMINISTRATIVE MATTERS

Dato' Chairman informed the Meeting that pursuant to Paragraph 8.31A of the Ace Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company must ensure that any resolution set out in the notice of any general meeting or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting is voted by poll. At the same time, the Company must appoint at least one (1) scrutineer to validate the votes cast at the general meeting. Such scrutineer must not be an officer of the Company or its related corporation and must be independent of the person undertaking the polling process.

Dato' Chairman further informed the Meeting that Propoll Solutions Sdn. Bhd. has been appointed as Poll Administrator to conduct the polling process and Symphony Corporate Services Sdn. Bhd. was appointed as Scrutineer to verify the poll results.

Dato' Chairman informed that the poll voting process for all the resolutions set out in the Notice of the Meeting would be carried out after the discussions of all Agenda items of the Meeting.

Dato' Chairman announced that the online remote voting was accessible by the shareholders from the start of the proceedings until the time to be announced by Dato' Chairman later.

Dato' Chairman then invited the shareholders to submit their questions via the query box. Dato' Chairman informed that questions submitted by the shareholders will be addressed during the the Questions and Answers ("Q&A") session held after deliberations on all items on the agenda set out in the Notice of the Meeting.

The Meeting was then briefed on the electronic and remote poll voting process via video presentation.

5. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

The Meeting was informed that the first item on the agenda was to receive the Audited Financial Statements of the Company and of the Group for the financial year ended 31 December 2023, together with the Reports of the Directors and Auditors thereon ("**Audited Financial Statements**").

Dato' Chairman informed that the Audited Financial Statements were meant for discussion only as it does not require formal approval from the shareholders. Hence, it was not put forward for voting.

Dato' Chairman further informed that the Board would address the questions raised by the members during the Q&A session, which would be carried out after all items on the agenda were dealt with.

It was then declared that the Audited Financial Statements were duly received by the shareholders.

6. ORDINARY RESOLUTION 1

APPROVAL OF THE PAYMENT OF DIRECTORS' FEES AND OTHER BENEFITS UP TO RM250,000.00 PAYABLE TO THE NON-EXECUTIVE DIRECTORS OF THE COMPANY FOR THE PERIOD COMMENCING FROM THE DATE IMMEDIATELY AFTER THE 2ND AGM UNTIL THE CONCLUSION OF THE NEXT AGM OF THE COMPANY IN THE YEAR 2025.

The Meeting was informed that Ordinary Resolution 1 was to approve the payment of Directors' fees and other benefits of up to RM250,000 to Non-Executive Directors for the period commencing from the conclusion of the 2nd AGM of the Company until the conclusion of the next AGM of the Company in the year 2025.

7. ORDINARY RESOLUTION 2

APPROVAL AND RATIFICATION THE ADDITIONAL PAYMENT OF DIRECTORS' FEES AND OTHER BENEFITS AMOUNTING TO RM12,000.00, WHICH WAS IN EXCESS OF THE EARLIER APPROVED AMOUNT OF RM204,000.00 FOR THE PERIOD COMMENCING FROM 18 JANUARY 2023 UNTIL THE CONCLUSION OF 2ND AGM OF THE COMPANY.

The Meeting was informed that Ordinary Resolution 2 was to approve the payment of Directors' fees and monthly allowances amounting to RM12,000.00, which was in excess of the earlier approved amount of RM204,000 for the period commencing from 18 January 2023 until the conclusion of the 2nd AGM of the Company.

8. ORDINARY RESOLUTION 3

RE-ELECTION OF CHOONG WAI HOONG WHO RETIRED BY ROTATION PURSUANT TO CLAUSE 105(1) OF THE COMPANY'S CONSTITUTION

The Meeting was informed that Ordinary Resolution 3 was to re-elect the retiring Director, Mr Choong Wai Hoong, who retired by rotation pursuant to Clause 105(1) of the Company's Constitution and being eligible, had offered himself for re-election.

9. ORDINARY RESOLUTION 4

RE-ELECTION OF DATO' KERIPIN ANAK NANGKAI WHO RETIRED BY ROTATION PURSUANT TO CLAUSE 105(1) OF THE COMPANY'S CONSTITUTION

The Executive Director cum Chief Executive Officer, Mr Choong Wai Hoong ("Mr Choong") took over the chairmanship from Dato' Chairman to chair the Ordinary Resolution 4 pertaining to the re-election of Dato' Keripin Anak Nangkai, who retires by rotation pursuant to the Company's Constitution.

The Meeting was informed that pursuant to Clause 105(1) of the Company's Constitution, Dato' Keripin Anak Nangkai, who was retiring as Director of the Company and being eligible, had offered himself for re-election.

Mr Choong handed over the chairmanship to Dato' Chairman to chair the next item of the agenda.

10. ORDINARY RESOLUTION 5

RE-APPOINTMENT OF MESSRS. BAKER TILLY MONTEIRO HENG PLT (AF 0117) AS AUDITORS OF THE COMPANY FOR THE ENSUING YEAR AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION

The Meeting was informed that Ordinary Resolution 5 was to re-appoint Messrs. Baker Tilly Monteiro Heng PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.

The Meeting was informed that Messrs. Baker Tilly Monteiro Heng PLT have indicated their willingness to continue in office as Auditors of the Company.

11. SPECIAL BUSINESS - ORDINARY RESOLUTION 6

AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016

The Meeting was informed that the next item on the agenda was a special business for the approval of Ordinary Resolution 6 in respect of the Authority to issue and allot shares pursuant to Sections 75 & 76 of the Companies Act, 2016.

Dato' Chairman further explained that the Proposed Ordinary Resolution 6 would give the Directors flexibility to allot and issue shares from time to time for such purposes as the Directors, in their absolute discretion, consider to be in the best interest of the Company, without having to convene separate general meetings, subject to the limitation that the shares to be allotted and issued do not exceed 10% of the issued share capital of the Company for the time being.

AND THAT in connection with the above, pursuant to Section 85 of the Companies Act, 2016 ("the Act") read together with Clause 7.1 and Clause 15.2 of the Company's Constitution, the shareholders of the Company do hereby waive their pre-emptive rights to be offered new shares ranking equally to the existing issued shares of the Company.

This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company.

12. Q&A SESSION

Mr Choong took over the chairmanship from Dato Chairman to chair the Q&A Session. Mr Choong proceed to invite the Company Secretary to read out the questions received prior to and during the AGM.

Question 1

Will you be giving a token of appreciation or door gifts to the AGM attendees?

Answer to Question 1:

We believe in rewarding all our shareholders equally and meaningfully. To achieve this, available funds will be channelled back to shareholders in terms of dividends. We recently adopted a policy to pay out a minimum of 30% net profits in dividends. In FY2023, our first year as a listed entity, we rewarded shareholders with a 2 sen dividend, representing a 65% payout ratio.

Question 2

It is known that Cloudpoint is acquiring a 75% stake in Unique Central Sdn Bhd and Unicen Sales & Services Sdn Bhd for a total purchase consideration of RM26.7 mil. What is the purpose of the acquisition? What are the synergistic effects to the current group business segments and any future plans to leverage the knowledge and expertise from the acquired companies to expand the business?

Answer to Question 2:

Cloudpoint has extensive experience delivering data center solutions for banks through our enterprise and DC networking segment, which has provided us with a deep understanding of enterprise data centre requirements.

Together with UC's expertise in data centre infrastructure design, construction, integration, monitoring, and sustainability assessment, customers can now source, build and manage their data centers including cyber security solutions, from a single provider following the proposed acquisition of the UC group of companies.

To capture the booming Data Center opportunities, the enlarged group could offer the hyperscalers and data center operators our solutions and services in containerized Data Center solutions , power, cooling and thermal management, especially liquid cooling, for AI data centers with lots of Nvidia GPU chip as well as our facilities and monitoring solutions.

Question 3

Do you have any plans to hold a hybrid or physical AGM next year?

Answer to Question 3:

The board will carefully consider and deliberate the decision on whether to hold a hybrid or physical AGM or continue with virtual AGMs next year. We will assess factors such as regulatory requirements, shareholder feedback, and technological advancements to determine the most appropriate format. Rest assured, transparency and effective communication with our shareholders remain our top priority. We will inform you of any developments regarding the format of future AGMs in a timely manner.

Question 4

What growth can we expect in 2024?

Answer to Question 4:

Our net profit grew at a CAGR of 25% from 2019 to 2023 and we hope to achieve a sustained trajectory in 2024. Cloudpoint has a strong FSI customer base and our growth is underpinned by increased technology spending by our customers. We are also well-positioned to capture market opportunities from the hottest sectors in the tech space such as Data Centre, Cloud and AI.

Question 5

Which will be your highest growth segment in FY2024 and why?

Answer to Question 5:

We anticipate growth coming from every segment this year but in terms of percentage, our Digital Applications and Cloud Services segment is expected to have the biggest growth as the base is smaller. Based on the contracts we are negotiating, we are hoping to grow the revenue for this segment by multiple folds this year. Of course, this is also subject to the implementation timeline of these contracts which are based on client's requirements.

Question 6

What is your market share and future growth potential?

Answer to Question 6:

We have less than 1% of market share in this massive IT market we serve, and see huge tailwinds to grow our top line and our bottom line in the years to come especially with this current computing platform shift with the explosion of AI. Cloudpoint has solid fundamentals, resilient earnings, strong cash flows, an exciting growth outlook, and a dividend policy in place.

Question 7

AI will be one of the drivers reshaping the tech sector – what are your strategies for AI?

Answer to Question 7:

AI is going to revolutionise every business and industry. Gen AI will help the banks to elevate customer and employee experience. Cloudpoint will offer our partners' AI-based solutions and applications to provide analytics and help the banks to gain insights into many complex business issues.

In Cybersecurity, our AI-based cybersecurity solutions will be deployed by our customers to analyze and automate huge amounts of logs and alerts, and for better threat hunting and detection, as well as to automate incident response.

In the next few years, our banking customers will need to incorporate AI into the core of their business and scale across their systems to increase automation, drive operational excellence and accelerate innovation.

Question 8

It is stated on page 26 of your annual report that 94% of your revenue are from FSI clients. Why is this so, and do you plan to expand outside the FSI sector?

Answer to Question 8:

We believe if Cloudpoint can service and support our banking customers in one of the most demanding industries, we are fully qualified to service any customers in other sectors. With banks accelerating their digital transformation efforts, we see ample opportunities in this sector and a long runway for us.

Nevertheless, we remain open to exploring other industries and I believe our solutions are needed across most sectors. We will be mindful to seek long-term, high-quality projects and clients to ensure the sustainability of our profits and margins.

Question 9

Is Cloudpoint looking at further inorganic growth?

Answer to Question 9:

With our net cash and cash equivalents position of almost RM58m as of the end of Q1, we have ample room to fund growth and are always looking for ways to deploy capital to enhance shareholders' return. We will explore acquiring businesses that are synergistic with my existing business, such as companies in the digital applications and fintech space.

Question 10

Do the new digital banks represent opportunities for you? Is this another market you can tap on?

Answer to Question 10:

Digital banks would have similar requirements as traditional banks and would require IT solutions, be it cybersecurity or cloud. This would be another market we can tap into moving forward as we have a strong track record with FSIs which gives us an edge as we already understand the requirements of the regulators and the industry.

Mr Choong inform the Meeting that for the questions that was not able to address during the allocated time, shall be response by the way of e-mail after the conclusion of the AGM. Mr Choong proceed to pass the chairmanship to Dato' Chairman.

13. ANY OTHER BUSINESS

The Meeting was advised that there was no other business to be transacted at this Meeting of which due notice had been given.

14. ONLINE REMOTE VOTING PROCESS

Having dealt with all items on the Agenda of the Notice, Dato' Chairman informed that the online remote voting session will be closed in 10 minutes and the Shareholders who have yet to cast their votes are advised to do so now.

After 10 minutes later, Dato' Chairman declared the voting session for the 2nd AGM closed and adjourned the 2nd AGM for approximately 15 minutes for the poll count and poll validation by the Poll Administrator and the Scrutineer, respectively.

15. ANNOUNCEMENT OF POLL RESULTS

Dato' Chairman then called the 2nd AGM to order at 11:05 a.m. for the declaration of the poll results. Dato' Chairman announced the poll results, which had been duly validated by the Scrutineer.

The poll results were displayed on the screen as follows:

Resolutions	Voted For		Voted Against		Results
	No of Shares	%	No of Shares	%	
Ordinary Resolution 1	325,541,207	99.9983	5,600	0.0017	Carried
Ordinary Resolution 2	325,541,007	99.9982	5,800	0.0017	Carried
Ordinary Resolution 3	325,546,507	99.9999	400	0.0001	Carried
Ordinary Resolution 4	325,546,807	100.0000	100	0.00000	Carried
Ordinary Resolution 5	325,546,807	100.0000	100	0.00000	Carried
Ordinary Resolution 6	325,546,407	99.9998	500	0.0002	Carried

Based on the above poll results, Dato' Chairman declared that Ordinary Resolutions 1 to 6 were all carried.

16. CLOSURE OF MEETING

There being no other business, Dato' Chairman declared the Meeting closed at 11:09 a.m.

CONFIRMED AS A CORRECT RECORD:



DATO' KERIPIN ANAK NANGKAI
CHAIRMAN OF THE MEETING

Dated: 26 June 2024