Cloud DX reports first quarter 2022 results

Waterloo ON – May 30, 2022 - Cloud DX (TSXV: CDX) (OTCQB: CDXFF), (the "Company") a leading North American provider of virtual care and remote patient monitoring solutions today reports results for the first quarter of 2022.

Key Developments:

- Total Revenue of $337,263 is a **11.4% increase** over Q1 2021
- Operating Expenses increased 25.7% vs Q1 2021 due to increased staff size as well as increased sales, marketing, and operations expenses as we scale up.
- The Company signed 12 new commercial contracts and saw 2 provincial/territorial contract extensions in the quarter, **exceeding** the total number of contracts/extensions signed in all of 2021.

2022 First Quarter Financial Highlights

	Q12022	Q12021	$ Δ	% Δ
Subscription Revenue	$ 86,708	$ 65,758	$ 20,950	31.9%
Product Revenue	$ 227,321	$ 140,245	$ 87,076	62.1%
Total Revenue	$ 337,263	$ 302,844	$ 34,419	11.4%
Gov't Funding	$ 84,991	$ 487,083	$ (402,092)	-82.6%
Cost of Sales	$ (200,185)	$ (155,211)	$ (44,974)	29.0%
Gross Profit	$ 137,078	$ 147,632	$ (10,554)	-7.1%
Gross Profit Margin	40.6%	48.7%		
Operating Expenses	$ 2,365,848	$ 1,881,983	$ 483,865	25.7%
Net Loss	$ (2,205,030)	$ (1,734,350)	$ (470,680)	27.1%

Revenue

For the quarter ended March 31, 2022, total revenue increased by $34,419 or 11.4% compared to the same quarter in 2021. Both product and services revenues increased. Government grant funding was $84,991 in the quarter, an 82.6% reduction from the same period in 2021 due primarily to timing of payments on active grants and to one-time pandemic-related funding in 2021 not occurring in 2022. This fluctuation in grant funding amounts is not unusual.

Expenses

Operating expenses increased $483,865 or 25.7% in the quarter ended March 31, 2022 compared to the same period in 2021, mainly due to increases in sales, marketing and operations expenses as the Company scales up. Please see Audited Consolidated Financial Statements and Q1 MD&A for more details.

Customer Statistics

The Company executed **14 new commercial contracts** and 2 provincial/territorial contract extensions in the Quarter. In the United States, contracts were signed with large clinical practices in Massachusetts and Pennsylvania, while partner Maxwell Telecare signed contracts with 5 physician practices. In Canada, notable contracts include a unique arrangement with Equitable Life to deploy Cloud DX Connected Health to members with critical illness insurance. The first Medtronic Canada – Cloud DX hospital contract was signed with St Mary's Hospital in Kitchener ON. The Company signed agreements with three County Paramedic Services in Ontario.

The number of contracts executed in Q1 2022 (14 contracts) has already exceeded the number contracts signed in all of FY2021 (12 contracts).

About Cloud DX

Accelerating virtual healthcare's future, Cloud DX is making healthcare better for everyone. The company's Connected Health remote patient monitoring platform is used by healthcare enterprises and care teams across North America to virtually manage chronic disease, enable aging in place and deliver hospital-quality post-surgical care. Providers partnering with Cloud DX achieve better healthcare and patient outcomes, reduce the need for hospitalization/re-hospitalization and reduce the costs of healthcare delivery through more efficient use of resources. Cloud DX is the co-winner of the Qualcomm Tricorder XPRIZE, a 2021 Edison Award winner, a Fast Company "World Changing Idea" finalist and one of "Canada's Ten Most Prominent Telehealth Providers."

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Forward-Looking Information

This news release contains forward-looking statements and information within the meaning of applicable securities legislation. Often, but not always, forward-looking statements and information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements or information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements or information contained in this news release.

Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. In making the forward-looking statements in this news release, the Corporation has applied several material assumptions, including without limitation, information concerning the receipt of approval from the TSX Venture Exchange, the use of proceeds and the Corporation's marketing and research and development strategies and the expected benefits thereof.

Although management of the Corporation has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information.

The securities of the Corporation have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or any U.S. state securities laws and may not be offered or sold in the United States absent registration or an available exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there by any sale of the securities referenced in this press release, in any jurisdiction in which such offer, solicitation or sale would be unlawful.

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SOURCE: Cloud DX Inc.