



**CLOUDARON GROUP BERHAD**  
(Registration No. 201701016516 (1230681-M))  
(Incorporated in Malaysia)

**FINANCIAL STATEMENTS FOR THE FIRST HALF-YEAR  
ENDED 30 SEPTEMBER 2023**

**CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”)**

THE LEAP MARKET HAS BEEN POSITIONED AS A MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON THE ACE MARKET OR MAIN MARKET OF BURSA SECURITIES. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY CLOUDARON GROUP BERHAD (“CLOUDARON” OR THE “COMPANY”). SOPHISTICATED INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.

**CLOUDARON GROUP BERHAD**  
(Registration No. 201701016516 (1230681-M))

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023<sup>(1)</sup>**

	As at 30.09.2023 Unaudited RM'000	As at 31.03.2023 Audited RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Plant and equipment	93	132
Intangible assets	52,754	56,305
Right-of-use assets	39	75
Trade and other receivables	2,641	2,641
<b>Total non-current assets</b>	<b>55,527</b>	<b>59,153</b>
<b>Current assets</b>		
Contract assets	1,760	2,550
Trade and other receivables	88,045	40,004
Tax recoverable	829	771
Cash and bank balances	18,558	5,597
<b>Total current assets</b>	<b>109,192</b>	<b>48,922</b>
<b>Total assets</b>	<b>164,719</b>	<b>108,075</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Equity</b>		
Share capital	52,643	52,643
Merger reserve	(7,496)	(7,496)
Translation reserve	5,782	4,838
Retained earnings	29,580	28,763
	80,509	78,748
Non-controlling interest	1,406	1,513
<b>Total equity</b>	<b>81,915</b>	<b>80,261</b>
<b>Non-current liabilities</b>		
Lease liabilities	30	30
Borrowing	2,574	2,574
Deferred tax liabilities	227	289
<b>Total non-current liabilities</b>	<b>2,831</b>	<b>2,893</b>
<b>Current liabilities</b>		
Contract liabilities	3,772	4,326
Trade and other payables	74,333	18,183
Lease liabilities	13	54
Borrowing	1,263	2,250
Tax payable	592	108
<b>Total current liabilities</b>	<b>79,973</b>	<b>24,921</b>
<b>Total liabilities and equity</b>	<b>164,719</b>	<b>108,075</b>

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023<sup>(1)</sup>(CONT'D)**

	<b>As at 30.09.2023</b>	<b>As at 31.03.2023</b>
	<b>Unaudited</b>	<b>Audited</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Net assets per share (sen)<sup>(2)</sup></b>	9.86	9.66

*Notes:*

- (1) *The basis of preparation of the Unaudited Condensed Consolidated Statements of Financial Position are detailed in Note A1 and should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023 of the Company and the accompanying explanatory notes attached to this interim financial report.*
- (2) *Net assets per share is calculated based on the Company's number of ordinary shares in issue of 831,188,488 as at the end of the financial reporting period.*

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST HALF-YEAR ENDED 30 SEPTEMBER 2023<sup>(1)</sup>**

	Individual 6 months ended		Cumulative 6 months ended	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022
	RM'000	RM'000	RM'000	RM'000
Revenue	114,118	45,296	114,118	45,296
Cost of sales	(107,662)	(38,213)	(107,662)	(38,213)
<b>Gross profit</b>	<b>6,456</b>	<b>7,083</b>	<b>6,456</b>	<b>7,083</b>
Other income	515	37	515	37
Administrative expenses	(4,686)	(4,758)	(4,686)	(4,758)
Selling and distribution expenses	(979)	(771)	(979)	(771)
Impairment loss on financial assets	(36)	(1)	(36)	(1)
Finance costs	(123)	(157)	(123)	(157)
<b>Profit / (Loss) before taxation</b>	<b>1,147</b>	<b>1,433</b>	<b>1,147</b>	<b>1,433</b>
Taxation	(492)	25	(492)	25
<b>Net profit / (Loss) for the financial period</b>	<b>655</b>	<b>1,458</b>	<b>655</b>	<b>1,458</b>
<b>Other comprehensive income</b>				
Items that are or may be reclassified subsequently to profit or loss				
Exchange translation differences for foreign operations	944	1,976	944	1,976
<b>Total comprehensive income for the financial period</b>	<b>1,599</b>	<b>3,434</b>	<b>1,599</b>	<b>3,434</b>
<b>Net profit / (loss) attributable to:</b>				
Owners of the Company	655	1,458	655	1,458
Non-controlling interest	-	-	-	-
<b>Net profit / (loss) for the financial period</b>	<b>655</b>	<b>1,458</b>	<b>655</b>	<b>1,458</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	1,599	3,434	1,599	3,434
Non-controlling interest	-	-	-	-
<b>Total comprehensive income for the financial period</b>	<b>1,599</b>	<b>3,434</b>	<b>1,599</b>	<b>3,434</b>
<b>Earnings per ordinary share ("EPS") (sen):</b>				
- Basic	0.08	0.18	0.08	0.18
- Diluted	0.08	0.18	0.08	0.18

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*Note:*

- (1) *The basis of preparation of the Unaudited Condensed Consolidated Statements of Comprehensive Income are detailed in Note A1 and should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023 of the Company and the accompanying explanatory notes attached to this interim financial report.*

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FIRST HALF-YEAR ENDED 30 SEPTEMBER 2023<sup>(1)</sup>**

	← Non-distributable →			Distributable		
	Share capital	Merger reserve	Translation reserve	Retained earnings	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Balance at 1 April 2023</b>	<b>52,643</b>	<b>(7,496)</b>	<b>4,838</b>	<b>28,763</b>	<b>1,513</b>	<b>80,261</b>
Total comprehensive income for the financial period						
Profit for the financial period	-	-	-	655	-	655
Other comprehensive income for the financial period	-	-	944	-	-	944
Total	-	-	944	655	-	1,599
Transactions with owners, recognised directly in equity	-	-	-	162	(107)	55
<b>Balance at 30 September 2023</b>	<b>52,643</b>	<b>(7,496)</b>	<b>5,782</b>	<b>29,580</b>	<b>1,406</b>	<b>81,915</b>

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FIRST HALF-YEAR ENDED 30 SEPTEMBER 2023<sup>(1)</sup> (CONT'D)**

	← Non-distributable →			Distributable		Total equity RM'000
	Share capital	Merger reserve	Translation reserve	Retained earnings	Non-controlling interests	
	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>Balance at 1 April 2022</b>	<b>52,643</b>	<b>(7,496)</b>	<b>1,292</b>	<b>29,927</b>	<b>1,304</b>	<b>77,670</b>
Total comprehensive income for the financial period						
Profit for the financial period	-	-	-	1,458	-	1,458
Other comprehensive income for the financial period	-	-	1,976	-	-	1,976
Total	-	-	1,976	1,458	-	3,434
Transactions with owners, recognised directly in equity	-	-	-	188	(132)	56
<b>Balance at 30 September 2022</b>	<b>52,643</b>	<b>(7,496)</b>	<b>3,268</b>	<b>31,573</b>	<b>1,172</b>	<b>81,160</b>

*Note:*

- (1) *The basis of preparation of the Unaudited Condensed Consolidated Statements of Changes in Equity are detailed in Note A1 and should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023 of the Company and the accompanying explanatory notes attached to this interim financial report.*

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FIRST HALF-YEAR ENDED 30 SEPTEMBER 2023<sup>(1)</sup>**

	6 months ended	
	30.09.2023	30.09.2022
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Profit / (Loss) before taxation	1,147	1,433
Adjustments for:		
Amortisation of intangible assets	365	411
Depreciation of property, plant and equipment	47	28
Depreciation of right-of-use assets	36	19
Bad debts written off	36	3
Impairment of goodwill	1,253	-
Gain on disposal of property, plant and equipment	-	5
Lease interest expenses	2	1
Interest income	(7)	(3)
Interest expense	-	157
Operating profit before working capital changes	2,879	2,054
Changes in working capital		
Contract assets/liabilities	385	(597)
Contract costs	(149)	-
Trade and other receivables	(48,077)	11,092
Trade and other payables	56,366	(11,402)
Cash (used in)/generated from operations	11,404	1,147
Income tax refunded	83	-
Income tax paid	(120)	(273)
Interest received	7	3
Interest paid	(122)	(157)
Net cash (used in)/generated from operating activities	11,252	720
<b>Cash flows from investing activities</b>		
Proceeds from disposal of plant and equipment	-	5
Purchase of property, plant and equipment	(7)	(26)
Net cash used in investing activities	(7)	(21)
<b>Cash flows from financing activities</b>		
Net changes in amount due to Directors	(216)	(336)
Payments of lease liabilities	(42)	(20)
Repayment of term loans	1,067	(1,018)
Net cash generated from/(used in) financing activities	809	(1,374)



**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FIRST HALF-YEAR ENDED 30 SEPTEMBER 2023<sup>(1)</sup> (CONT'D)**

	6 months ended	
	30.09.2023	30.09.2022
	RM'000	RM'000
Net increase/(decrease) in cash and cash equivalents	12,054	(675)
Effect of exchange translation differences on cash and cash equivalents	907	380
Cash and cash equivalents at beginning of the financial year	5,597	4,531
<b>Cash and cash equivalents at end of the financial year</b>	<b>18,558</b>	<b>4,236</b>

*Notes:*

- (1) *The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows are detailed in Note A1 and should be read in conjunction with the Audited Report and Financial Statements for the financial year ended 31 March 2023 of the Company and the accompanying explanatory notes attached to this interim financial report.*

**A EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST HALF-YEAR ENDED 30 SEPTEMBER 2023**

**A1. BASIS OF PREPARATION**

The interim financial statements of Cloudaron and its subsidiaries (the “**Group**”) are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards (“**MFRS**”) 134: Interim Financial Reporting.

This is the interim financial report on the consolidated results for the first half-year ended 30 September 2023 announced by the Company in compliance with Rule 6.12 of the LEAP Market Listing Requirements of Bursa Securities (“**Listing Requirements**”).

The interim financial report should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial report.

**A2. CHANGES IN ACCOUNTING POLICIES**

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited consolidated financial statements for the financial year ended 31 March 2023 except for the following:

<b>MFRSs</b>	<b>Effective date</b>
MFRS 17 Insurance Contracts	1 January 2023
Amendment to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 101 Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108 Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112 Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 112 International Tax Reform – Pillar Two Model Rules	1 January 2023

The initial application of the above-mentioned standards and amendments do not have any material impacts to the current and prior period financial statements upon their first adoption.

The Group has not applied the following new MFRSs, new interpretations and amendments to MFRSs that have been issued by Malaysian Accounting Standard Board but are not yet effective for the Group:

<b>MFRSs</b>	<b>Effective date</b>
Amendments to MFRS 16 Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101 Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101 Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7 Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

**A EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST HALF-YEAR ENDED 30 SEPTEMBER 2023 (CONT'D)**

**A3. SEASONAL OR CYCLICAL FACTORS**

Based on previous years' record, the revenues are generally stronger for the second half of the financial year due to clients utilising the remainder of their annual IT budgets.

**A4. UNUSUAL ITEMS**

There were no material unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial period.

**A5. MATERIAL CHANGES IN ESTIMATES**

There were no material changes in estimates in the current financial period.

**A6. DEBT AND EQUITY SECURITIES**

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial period:

**A7. SEGMENTAL INFORMATION**

The Group's revenue based on its activities is presented as follows:

	Individual 6 months ended		Cumulative 6 months ended	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022
	RM'000	RM'000	RM'000	RM'000
Enterprise solutions	10,159	11,448	10,159	11,448
Infrastructure services	1,139	1,305	1,139	1,305
Digital platforms	102,820	32,543	102,820	32,543
<b>Total</b>	<b>114,118</b>	<b>45,296</b>	<b>114,118</b>	<b>45,296</b>

The Group's revenue based on geographical location is presented as follows:

	Individual 6 months ended		Cumulative 6 months ended	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022
	RM'000	RM'000	RM'000	RM'000
Singapore	110,002	20,285	110,002	20,285
Malaysia	3,118	23,864	3,118	23,864
North America	998	1,147	998	1,147
<b>Total</b>	<b>114,118</b>	<b>45,296</b>	<b>114,118</b>	<b>45,296</b>

**A EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST HALF-YEAR ENDED 30 SEPTEMBER 2023 (CONT'D)**

**A8. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD**

There were no material events subsequent to the end of the current financial period.

**A9. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group for the current financial period.

**A10. CONTINGENT ASSETS AND CONTINGENT LIABILITIES**

There are no contingent assets and contingent liabilities as at the date of this interim financial report.

**A11. CAPITAL COMMITMENTS**

There were no material capital commitments in respect of property, plant and equipment as at the end of the current financial period.

**B ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS**

**B1. REVIEW OF PERFORMANCE**

The Group recorded a revenue of RM114.12 million for the current financial period, representing an increase of RM68.82 million or 151.9% compared to RM45.30 million in the corresponding period of the previous year.

The revenue of the Group can be analysed as follows:

- (i) enterprise solutions business recorded a decrease in revenue by approximately RM1.29 million or 11.3%, mainly due to fewer projects secured during the current financial period;
- (ii) infrastructure services business recorded a decrease in revenue by approximately RM0.17 million or 13.0%, was mainly due to the loss of some recurring business during the current financial period; and
- (iii) digital platform business recorded an increase in revenue by RM70.28 million or 216.0%, mainly due to securing various Enterprise Buy Now Pay Later (eBNPL) projects during the current financial period.

The Group recorded a profit before taxation ("PBT") of RM1.15 million for the current financial period, representing a decrease of RM0.28 million or 19.6% compared to RM1.43 million in the corresponding period of the previous year. The lower PBT was mainly due to lower gross profit and gross profit margin.

**B2. PROSPECTS**

In line with the Group's overall strategy, the Group continues to expand its digital platform services unit, especially the growing eBNPL business. These will support its shift to higher growth business.

Barring any unforeseen circumstances, the Board of Directors of the Company ("Board") is of the opinion that the prospects of the Group's financial performance for the financial year ending 30<sup>th</sup> April 2024 will remain favourable.

**B3. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST AND PROFIT GUARANTEE**

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.

**C OTHER INFORMATION**

**C1. STATUS OF CORPORATE PROPOSALS**

There were no corporate proposals announced but pending completion as at the date of this financial report.

**C2. MATERIAL LITIGATION**

There are no material litigations pending as at the date of this financial report.

**C3. DIVIDENDS**

The Board does not propose any interim dividend payment for the current financial period.

**C4. EARNINGS PER SHARE**

(i) The basic earnings per share for the current financial period and financial year-to-date are computed as follows:

	Individual 6 months ended		Cumulative 6 months ended	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022
	RM'000	RM'000	RM'000	RM'000
Profit attributable to owners of the Company	665	1,458	665	1,458
Weighted average number of ordinary shares in issue ('000)	831,188	831,188	831,188	831,188
Basic earnings per share (sen)	0.08	0.18	0.08	0.18

(ii) Diluted earnings per share is the same as the basic earnings per share as there were no potential dilutive instruments.