



CLOUDARON GROUP BERHAD

(Registration No. 201701016516 (1230681-M))
(Incorporated in Malaysia)

**FINANCIAL STATEMENTS FOR THE SECOND HALF-YEAR
ENDED 31 MARCH 2025**

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.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025⁽¹⁾

	As at 31.03.2025	As at 31.03.2024
	Unaudited	Audited
	RM'000	RM'000
<u>ASSETS</u>		
Non-current assets		
Plant and equipment	24	62
Intangible assets	27,088	34,923
Right-of-use assets	11	22
Total non-current assets	27,123	35,007
Current assets		
Contract assets	6,198	4,858
Trade and other receivables	19,493	56,490
Tax recoverable	682	453
Cash and bank balances	6,424	7,079
Total current assets	32,796	68,880
Total assets	59,919	103,887
<u>LIABILITIES AND EQUITY</u>		
Equity		
Share capital	52,643	52,643
Merger reserve	(7,496)	(7,496)
Translation reserve	5,670	6,002
Retained earnings	(13,290)	11,436
	37,527	62,585
Non-controlling interest	764	1,626
Total equity	38,291	64,211
Non-current liabilities		
Lease liabilities	19	18
Borrowing	338	338
Contract liabilities	83	89
Deferred tax liabilities	78	273
Total non-current liabilities	518	718
Current liabilities		
Contract liabilities	8,803	2,912
Trade and other payables	12,405	33,497
Lease liabilities	(1)	12
Borrowing	-	2,271
Tax payable	(97)	266
Total current liabilities	21,110	38,958
Total liabilities and equity	59,919	103,887

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025⁽¹⁾ (CONT'D)

	As at 31.03.2025	As at 31.03.2024
	Unaudited	Audited
	RM'000	RM'000
Net assets per share (sen)⁽²⁾	4.61	7.73

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 2024 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 SECOND HALF-YEAR ENDED 31 MARCH 2025⁽¹⁾

	Individual 6 months ended		Cumulative 12 months ended	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	RM'000	RM'000	RM'000	RM'000
Revenue	56,966	45,931	80,201	160,049
Cost of sales	(56,143)	(35,958)	(76,243)	(143,620)
Gross profit	823	9,973	3,958	16,429
Other income	3,808	1,136	3,808	1,651
Administrative expenses	(5,095)	(7,851)	(11,546)	(12,537)
Selling and distribution expenses	933	945	(35)	(34)
Impairment loss on financial assets	4,964	(3,456)	(19,777)	(3,492)
Other expenses	(1,576)	(18,443)	(1,576)	(18,443)
Finance costs	(27)	(121)	(86)	(244)
Profit / (Loss) before taxation	3,830	(17,817)	(25,254)	(16,670)
Taxation	(278)	(139)	(247)	(631)
Net profit / (Loss) for the financial period	3,552	(17,956)	(25,501)	(17,301)
Other comprehensive income				
Items that are or may be reclassified subsequently to profit or loss				
Exchange translation differences for foreign operations	279	307	(419)	1,251
Total comprehensive income for the financial period	3,831	(17,649)	(25,920)	(16,050)
Net profit / (loss) attributable to:				
Owners of the Company	4,327	(17,982)	(24,726)	(17,327)
Non-controlling interest	(775)	26	(775)	26
Net profit / (loss) for the financial period	3,552	(17,956)	(25,501)	(17,301)
Total comprehensive income attributable to:				
Owners of the Company	4,693	(17,762)	(25,058)	(16,163)
Non-controlling interest	(862)	113	(862)	113
Total comprehensive income for the financial period	3,831	(17,649)	(25,920)	(16,050)
Earnings per ordinary share ("EPS") (sen):				
- Basic	0.52	(2.16)	(2.97)	(2.08)
- Diluted	0.52	(2.16)	(2.97)	(2.08)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND HALF-YEAR ENDED 31 MARCH 2025⁽¹⁾ (CONT'D)

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 2024 of the Company and the accompanying explanatory notes attached to this interim financial report.*

CLOUDARON GROUP BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE SECOND HALF-YEAR ENDED 31 MARCH 2025⁽¹⁾

	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
Balance at 1 April 2024	52,643	(7,496)	6,002	11,436	1,626	64,211
Total comprehensive income for the financial period						
Profit for the financial period	-	-	-	(24,726)	(775)	(25,501)
Other comprehensive income for the financial period	-	-	(332)	-	(87)	(419)
Total	-	-	(332)	(24,726)	(862)	(25,920)
Transactions with owners, recognised directly in equity	-	-	-	-	-	-
Balance at 31 March 2025	52,643	(7,496)	5,670	(13,290)	764	38,291

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE SECOND HALF-YEAR ENDED 31 MARCH 2025⁽¹⁾ (CONT'D)

	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
Balance at 1 April 2023	52,643	(7,496)	4,838	28,763	1,513	80,261
Total comprehensive income for the financial period						
Loss for the financial period	-	-	-	(17,327)	26	(17,301)
Other comprehensive income for the financial period	-	-	1,164	-	87	1,251
Total	-	-	1,164	(17,327)	113	(16,050)
Transactions with owners, recognised directly in equity	-	-	-	-	-	-
Balance at 31 March 2024	52,643	(7,496)	6,002	11,436	1,626	64,211

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 2024 of the Company and the accompanying explanatory notes attached to this interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SECOND HALF-
YEAR ENDED 31 MARCH 2025⁽¹⁾**

	12 months ended	
	31.03.2025	31.03.2024
	RM'000	RM'000
Cash flows from operating activities		
Profit / (Loss) before taxation	(25,254)	(16,670)
Adjustments for:		
Amortisation of intangible assets	1,965	2,215
Depreciation of property, plant and equipment	36	91
Depreciation of right-of-use assets	11	54
Bad debts written off	-	179
Bad debts recovered	14	-
Impairment loss on trade receivables	-	3,476
Impairment loss on other receivables	-	35
Impairment loss of goodwill	-	17,755
Gain on disposal of intangible assets	-	(177)
Gain on disposal of subsidiaries	(3,635)	-
Reversal of impairment losses on trade receivables	-	(19)
Unrealised gain on foreign exchange	-	(87)
Written off of intangible asset	-	85
Unwinding of discount on non-current trade receivables	-	(235)
Lease interest expenses	2	-
Interest income	-(⁽²⁾)	(240)
Interest expense	84	244
Operating profit before working capital changes	(26,777)	6,706
Changes in working capital		
Contract assets/liabilities	9,245	(3,628)
Contract costs	(4,698)	(38)
Trade and other receivables	34,643	(16,264)
Trade and other payables	(10,283)	13,901
Cash (used in)/generated from operations	2,130	677
Income tax refunded	32	104
Income tax paid	(810)	(260)
Interest received	-(⁽²⁾)	-
Interest paid	-	-
Net cash (used in)/generated from operating activities	1,352	521
Cash flows from investing activities		
Purchase of property, plant and equipment	-	(29)
Proceeds from disposal of subsidiary	10	-
Proceeds from disposal of intangible assets	-	3,547
Interest received	-	240
Net cash used in investing activities	10	3,758

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SECOND HALF-YEAR ENDED 31 MARCH 2025 ⁽¹⁾ (CONT'D)

	12 months ended	
	31.03.2025	31.03.2024
	RM'000	RM'000
Cash flows from financing activities		
Net changes in amount due to Directors	-	(224)
Payments of lease liabilities	(12)	(54)
Repayment of term loans	(2,271)	(2,155)
Interest paid	(86)	(244)
Net cash generated from/(used in) financing activities	(2,369)	(2,677)
Net increase/(decrease) in cash and cash equivalents	(1,007)	1,602
Effect of exchange translation differences on cash and cash equivalents	352	(60)
Cash and cash equivalents at beginning of the financial year	7,079	5,537
Cash and cash equivalents at end of the financial period	6,424	7,079

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 2024 of the Company and the accompanying explanatory notes attached to this interim financial report.*
- (2) *Less than RM1,000.*

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SECOND HALF-YEAR ENDED 31 MARCH 2025

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 second half-year ended 31 March 2025 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 2024 and the accompanying explanatory notes attached to this interim financial report.

A2. CHANGES IN FINANCIAL YEAR END

The Board of Directors of the Company had on 18 April 2025 approved the change of financial year end of the Company from 31 March to 30 September due to the restructuring plan of the Company. The next financial year of the Company shall be for a period of eighteen (18) months from 1 April 2024 to 30 September 2025. Thereafter, the financial year end shall end on 30 September annually.

A3. 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 2024 except for the following:

MFRSs	Effective date
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

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:

MFRSs	Effective date
Amendments to MFRS 121 Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7 Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 1 Annual Improvements – Volume 11	1 January 2026
Amendments to MFRS 7	
Amendments to MFRS 9	
Amendments to MFRS 10	
Amendments to MFRS 107	

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SECOND HALF-YEAR ENDED 31 MARCH 2025 (CONT'D)

A3. CHANGES IN ACCOUNTING POLICIES (CONT'D)

MFRSs	Effective date
Amendments to MFRS 9 and MFRS 7 Contracts Referencing Nature – dependent Electricity	1 January 2026
MFRS 18 Presentation and Disclosure of Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountabilities: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128 Sales or Contribution of Assets Between an Investor and its Associate or Joint Venture	Deferred until Further notice

A4. SEASONAL OR CYCLICAL FACTORS

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

A5. 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.

A6. MATERIAL CHANGES IN ESTIMATES

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

A7. DEBT AND EQUITY SECURITIES

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

A8. SEGMENTAL INFORMATION

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

	Individual 6 months ended		Cumulative 12 months ended	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	RM'000	RM'000	RM'000	RM'000
Enterprise solutions	55,762	25,401	67,785	35,560
Infrastructure services	741	1,099	1,636	2,238
Digital platforms	463	19,431	10,780	122,251
Total	56,966	45,931	80,201	160,049

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SECOND HALF-YEAR ENDED 31 MARCH 2025 (CONT'D)

A8. SEGMENTAL INFORMATION (CONT'D)

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

	Individual 6 months ended		Cumulative 12 months ended	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	RM'000	RM'000	RM'000	RM'000
Singapore	53,935	33,013	75,444	143,015
Malaysia	2,264	11,699	3,201	14,817
North America	767	807	1,556	1,805
Thailand	-	412	-	412
Total	56,966	45,931	80,201	160,049

A9. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE CURRENT FINANCIAL PERIOD

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

A10. CHANGES IN THE COMPOSITION OF THE GROUP

i) Disposal of 0966058 B.C. LTD. and Combustion Labs Media Inc.

On the 24th March 2025, the Company had entered into a sale and purchase agreement ("SPA") with an individual, Lim Chee Kai (IC No. 781122-05-5355) ("Purchaser") for the disposal of 601,000 ordinary shares of 0966058 B.C. LTD. (Company No. BC0966058) ("BC0966058" or "the Company"), representing 100% equity in BC0966058. BC0966058 is also the sole shareholder of Combustion Labs Media Inc. (Company No. BC1081470), which has an issued and paid-up share capital of Canadian Dollar CAD1,000.00, comprising 40,000 ordinary shares and 1,500 Class B, non-voting, participating preferred shares, redeemable and retractable at CAD1,000.00 per share. The total disposal consideration for this transaction is RM10,000.00 only ("Disposal Consideration") will be satisfied in cash.

ii) Disposal of Clouddesk Technology Pte. Ltd.

On the 2nd April 2025, the Company announced that on 31st March 2025 it had entered into a sale and purchase agreement ("SPA") with an individual, Chen Huanhuan ("Purchaser") for the proposed disposal of 1,296,381 ordinary shares of Clouddesk Technology Pte. Ltd. (Registration No. 201604855E) ("Clouddesk Technology" or "the Company"), representing 100% equity in Clouddesk Technology for a total disposal consideration of USD925,000.00 (equivalent to RM4,092,662.50) only ("Disposal Consideration"); The Disposal Consideration will be satisfied in cash and shall be payable in the manner set out in the SPA.

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SECOND HALF-YEAR ENDED 31 MARCH 2025 (CONT'D)

A10. CHANGES IN THE COMPOSITION OF THE GROUP (CONT'D)

iii) Disposal of PT Prodatech Solusi Indonesia

On the 15th of May 2025, the Company entered into a sale and purchase agreement ("SPA") with an individual, Elisabeth Sri Lestari (Passport No. X5465436) ("Purchaser") for the disposal of 52,979 ordinary shares of PT Prodatech Solusi Indonesia (Company No. 9120206782435) ("PT Prodatech" or "the Company"), representing 99% equity in PT Prodatech. The total disposal consideration for this transaction, SGD 300 only ("Disposal Consideration"), will be satisfied in cash.

iv) Disposal of Itwin Pte. Ltd.

On the 15th May 2025, the Company also entered into a sale and purchase agreement ("SPA") with the same individual, Elisabeth Sri Lestari (Passport No. X5465436) ("Purchaser") for the disposal of 300,000 ordinary shares of Itwin Pte. Ltd. (Company No. 201006371E) ("Itwin" or "the Company"), representing 100% equity in Itwin. The total disposal consideration for this transaction, SGD 100 only ("Disposal Consideration"), will be satisfied in cash.

A11. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

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

A.12 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

a) Current 12-Month Period vs Previous 12-Month Period

The financial year end of the Company and the Group has changed from 31 March to 30 September as announced to Bursa Malaysia Securities Berhad on 18 April 2025. As such, we are comparing current 12-month period with previous 12-month period.

The Group recorded a revenue of RM80.20 million for the current 12-month period ended 31 March 2025, as compared to RM160.05 million in the previous 12-month period, representing a decrease of RM79.85 million or 49.89% mainly due to decrease of revenue in digital platforms.

The Group recorded an exceptional loss before taxation ("LBT") of RM25.25 million for the current 12-month period ended 31 March 2025 as compared to an LBT of RM16.67 million in the previous 12-month financial period. This represents an increase of RM8.58 million or 51.47% mainly due to trade receivable impairment of RM19.80 million and lower gross profit generated from the business activities.

b) Current Period vs. Previous Year Corresponding Period

The Group recorded a revenue of RM56.97 million for the current period ended 31 March 2025, as compared to RM45.93 million in the previous year corresponding period, representing an increase of RM11.04 million or 24.04% mainly due to an increase of revenue in the enterprise solutions business.

The Group recorded a profit before tax ("PBT") of RM3.83 million for the current period as compared to an LBT of RM17.82 million in the previous year corresponding period. This increase of RM21.65 million or 121.49% is mainly due to the absence of non-cash goodwill impairments in the previous year's corresponding period.

c) Current Period vs. Immediate Preceding Period

The Group recorded revenue of RM56.97 million for the current period ended 31 March 2025, compared to RM23.24 million in the immediate preceding period. This represents an increase of RM33.73 million or 145.14%, mainly due to an increase of revenue in the enterprise solutions business.

The Group recorded a PBT of RM3.83 million for the current period, as compared to a LBT of RM29.08 million in the immediate preceding period. This represents an increase of RM32.91 million or 113.17%, mainly due to the absence of trade receivable impairment in the immediate preceding period and gains from the disposal of shares in subsidiaries in the current period.

B2. PROSPECTS

The Board of Directors of the Company ("Board") remains positive on the growth of the current businesses. As part of the growth strategy, the Board will focus on acquiring new global clientele to expand the business and will be re-evaluating the Group's existing business and will be looking into new plans to restructure and optimise the Group's business units.

B ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS (CONT'D)

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

On the 2nd April 2025, the Company announced that on 31st March 2025 it had entered into a sale and purchase agreement ("SPA") with an individual, Chen Huanhuan ("Purchaser") for the proposed disposal of 1,296,381 ordinary shares of Clouddesk Technology Pte. Ltd. (Registration No. 201604855E) ("Clouddesk Technology" or "the Company"), representing 100% equity in Clouddesk Technology for a total disposal consideration of USD925,000.00 (equivalent to RM4,092,662.50) only ("Disposal Consideration"); The Disposal Consideration will be satisfied in cash and shall be payable in the manner set out in the SPA.

Save for the proposed shares sale, there were no other corporate proposals which have been announced but pending completion as of the date of this 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 12-month financial period are computed as follows:

	Individual 6 months ended		Cumulative 12 months ended	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss)attributable to owners of the Company	4,327	(17,982)	(24,726)	(17,327)
Weighted average number of ordinary shares in issue ('000)	831,188	831,188	831,188	831,188
Basic earnings per share (sen)	0.52	(2.16)	(2.97)	(2.08)

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