



**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**For the First (1<sup>st</sup>) Quarter Ended 30 April 2024**

**A NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**A1. Basis of preparation**

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements").

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 January 2024. These explanatory notes attached to the interim financial statements provide explanation of events and transactions that are significant for the understanding of the changes in the financial position and performance of the Group since the year ended 31 January 2024.

The Group has adopted merger method for the preparation of this interim financial statement.

**A2. Changes in accounting policies**

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 January 2024 except for the newly-issued Malaysian Financial Reporting Standards ("MFRS") and amendments to standards to be applied by all Entities Other Than Private Entities for the financial periods beginning on or after 1 January 2024:-

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
• Amendments to MFSR 16, <i>Leases</i> : Lease Liability in a Sale and Leaseback	1 January 2024
• Amendments to MFRS 101, <i>Presentation of Financial Statements</i> : Non-current Liabilities with Covenants	1 January 2024
• Amendments to MFRS 107, <i>Statement of Cash Flows</i> and MFRS 7 <i>Financial Instruments</i> : Disclosure – Supplier Finance Arrangements	1 January 2024

The adoption of the above will have no significant effects on the interim financial report upon their initial application.

**A3. Seasonal or cyclical factors**

The Group's operations are not materially affected by seasonal or cyclical factors.

**A4. Unusual items affecting assets, liabilities, equity, net income or cash flows**

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

**A5. Material changes in estimates**

There were no changes in estimates that have had a material effect in the current financial quarter under review.

**A6. Debt and equity securities**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current financial quarter under review.



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**A7. Dividends paid**

No dividends were paid by the Company in the current financial quarter and period under review.

**A8. Segmental information**

(a) Analysis of revenue by geographical area

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Corresponding Quarter Ended	Current Year To Date Ended	Preceding Corresponding Year To Date Ended
	30/04/2024	30/04/2023	30/04/2024	30/04/2023
	RM'000	RM'000	RM'000	RM'000
Singapore	16,997	22,430	16,997	22,430
China	11,834	22,339	11,834	22,339
Philippines	20,115	12,876	20,115	12,876
Hong Kong & Taiwan	3,225	3,023	3,225	3,023
India	4,461	1,574	4,461	1,574
SEA (1)	1,103	690	1,103	690
Others	16	100	16	100
<b>Total revenue</b>	<b>57,751</b>	<b>63,032</b>	<b>57,751</b>	<b>63,032</b>
Add: Inter-company transactions	13,919	11,350	13,919	11,350
Total revenue before eliminating inter company transaction	71,670	74,382	71,670	74,382

Note : (1) SEA represents South East Asia countries excluding Singapore and Philippines

(b) Analysis of revenue by product categories

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Corresponding Quarter Ended	Current Year To Date Ended	Preceding Corresponding Year To Date Ended
	30/04/2024	30/04/2023	30/04/2024	30/04/2023
	RM'000	RM'000	RM'000	RM'000
EDM Infrastructure Technology	40,833	44,813	40,833	44,813
EDM As-A-Service	16,918	18,219	16,918	18,219
<b>Total revenue</b>	<b>57,751</b>	<b>63,032</b>	<b>57,751</b>	<b>63,032</b>
Add: Inter-company Transactions	13,919	11,350	13,919	11,350
Total revenue before eliminating inter-company transaction	71,670	74,382	71,670	74,382



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**A8. Segmental information (cont'd)**

(c) Analysis of segment results, assets and liabilities

	<b>EDM Infrastructure Technology RM'000</b>	<b>EDM As-A Service RM'000</b>	<b>Investment Holdings RM'000</b>	<b>Others RM'000</b>	<b>Elimination/ Adjustment RM'000</b>	<b>Total RM'000</b>
<b>As at 30.04.2024</b>						
<b>Results</b>						
Segment results	1,115	1,018	(598)	(5)	(1)	1,529
Interest income	466	20	4	-	(4)	486
Interest expenses	(694)	(177)	-	(2)	4	(869)
Profit/(Loss) before tax expense	887	861	(594)	(7)	(1)	1,146
Tax expense	110	187	-	-	-	297
Profit/(loss) after tax expense	997	1,048	(594)	(7)	(1)	1,443
<b>Segment assets</b>	<b>376,023</b>	<b>74,463</b>	<b>318,526</b>	<b>24</b>	<b>(167,486)</b>	<b>601,550</b>
<b>Segment liabilities</b>	<b>212,225</b>	<b>47,795</b>	<b>1,499</b>	<b>-</b>	<b>(120,895)</b>	<b>140,624</b>
<b>As at 30.04.2023</b>						
<b>Results</b>						
Segment results	2,928	1,943	(908)	(87)	(1)	3,875
Interest income	430	19	1	-	-	450
Interest expenses	(714)	(217)	-	(2)	-	(933)
Profit/(Loss) before tax expense	2,644	1,745	(907)	(89)	(1)	3,392
Tax expense	(638)	(203)	-	-	-	(841)
Profit/(loss) after tax expense	2,006	1,542	(907)	(89)	(1)	2,551
<b>Segment assets</b>	<b>326,246</b>	<b>61,033</b>	<b>318,620</b>	<b>152</b>	<b>(139,702)</b>	<b>566,349</b>
<b>Segment liabilities</b>	<b>175,791</b>	<b>45,118</b>	<b>1,618</b>	<b>-</b>	<b>(97,528)</b>	<b>124,999</b>

**A9. Valuation of property, plant and equipment**

There was no valuation of the property, plant and equipment in the current financial quarter under review.

**A10. Material events subsequent to the end of the quarter**

There were no other material events subsequent to the end of the current financial quarter and period to date that have not been reflected in this interim financial report.

**A11. Changes in composition of the Group**

There were no other changes in the composition of the Group for the current quarter and financial period to-date.

**A12. Contingent assets or liabilities**

The Directors are not aware of any contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group as at reporting date.



KRONOLOGI ASIA BERHAD - Registration no. 201301037868 (1067697-K)

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**A13. Capital commitments**

There were no capital commitments in the current financial quarter under review.

**A14. Significant related party transactions**

During the current financial quarter, the Directors are not aware of any related party transactions which would have a significant impact on the financial position and business of the Group.



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**ADDITIONAL NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE ACE MARKET**

**B1. Review of performance of the Group**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Corresponding Quarter Ended	Current Year To Date Ended	Preceding Corresponding Quarter Ended
	30/04/2024 RM'000	30/04/2023 RM'000	30/04/2024 RM'000	30/04/2023 RM'000
Revenue	57,751	63,032	57,751	63,032
Profit from operations	2,015	4,325	2,015	4,325
EBITDA	5,028	11,468	5,028	11,468
Profit after tax	1,443	2,551	1,443	2,551

For the current financial quarter under review as compared to Q1'FY24, the Group recorded revenue of RM57.751 million, which as a reduction of 8.4% or RM5.281 million from the comparable quarter last fiscal year. The Group's EBITDA decreased by 56.2% or RM6.440 million due to lower profit from operations recognised in the current financial quarter. Other factors arose from overall operating costs such Solution Centre-related expenses and right-of-use assets.

Majority of the Group's revenues continue to be contributed from Singapore, China and Philippines, amounting to a total amount of RM48.946 million (84.8% of total revenue).

By product category, the Enterprise Data Management ("EDM") Infrastructure Technology segment remained the primary contributor to the Group's revenue, amounting to RM40.833 million or 70.7% of total revenue, with EDM As-A-Service making up the balance.

**B2. Comparison with preceding quarter's results**

	3 months ended	
	30/04/2024 RM'000	31/01/2024 RM'000
Revenue	57,751	91,007
Profit from operations	2,015	3,367
Profit before tax expense	1,146	2,285
Profit for the period	1,443	2,024

Revenue in the current quarter ended 30 April 2024 of RM57.751 million was 36.5% or RM33.256 million lower than the previous immediate quarter, which resulted in profit after tax of RM1.443 million.



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**B3. Prospects**

The Group's customer retention and engagement metrics remained strong, highlighted by comparable gross margin experienced by the Group during the period as it worked with customers to overcome the uneven economic recovery and their planned IT spending over the next few quarters. The Group is retooling its balance sheet structure and strategically align our investments to position Kronologi for long-term agility, besides serving increasing demand for enterprise wide generative AI acceleration.

**B4. Tax expense**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 30/04/2024 RM'000	Preceding Corresponding Quarter Ended 30/04/2023 RM'000	Current Year To Date Ended 30/04/2024 RM'000	Preceding Corresponding Year To Date Ended 31/01/2023 RM'000
Current tax				
- current year	(903)	(684)	(903)	(684)
- in prior years	-	8	-	8
Deferred taxation				
- current provision	1,200	(165)	1,200	(165)
	<u>297</u>	<u>(841)</u>	<u>297</u>	<u>(841)</u>

**B5. Profit forecast and profit guarantee**

The Group has not issued any profit forecast or profit guarantee during the current financial quarter under review.

**B6. Status of corporate proposals**

There were no corporate proposals announced by the Company during the current financial quarter under review.



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**B7. Borrowings and debt securities**

The total borrowings of the Group as at 30 April 2024 and 30 April 2023 are as follows:

	Short Term RM'000	Long Term RM'000	Total RM'000
<b>30 April 2024</b>			
<b>Secured</b>			
Lease liabilities	3,462	6,739	10,201
Bills payable	2,007	5,568	7,575
	<hr/>	<hr/>	<hr/>
	5,469	12,307	17,776
<b>Unsecured</b>			
Lease liabilities			
	2,145	20,122	22,267
	<hr/>	<hr/>	<hr/>
<b>Total</b>	<hr/>	<hr/>	<hr/>
	7,614	32,429	40,043
<b>30 April 2023</b>			
<b>Secured</b>			
Lease liabilities	3,221	9,710	12,931
Bills payable	26,982	5,638	32,620
	<hr/>	<hr/>	<hr/>
	30,203	15,348	45,551
<b>Unsecured</b>			
Lease liabilities	1,421	484	1,905
	<hr/>	<hr/>	<hr/>
<b>Total</b>	<hr/>	<hr/>	<hr/>
	31,624	15,832	47,456

The lease liabilities are secured by lessor's title to the leased assets and the bill payable is secured by corporate guarantee by Kronologi Asia Berhad.

The lease liabilities and bills payable are denominated in Singapore Dollars and United States Dollars respectively.

**B8. Material litigation**

The Group has not been involved in any material litigation for the financial period under review.

**B9. Dividends**

The Board of Directors has not recommended any dividends for the current financial quarter under review and the financial period-to-date.



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**B10. Earnings per share**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Corresponding Quarter Ended	Current Year To Date Ended	Preceding Corresponding Year To Date Ended
	30/04/2024	30/04/2023	30/04/2024	30/04/2023
Net profit attributable to ordinary equity holders of the Company (RM'000)	1,443	2,551	1,443	2,551
Weighted average number of ordinary shares in issue ('000)	741,995	735,238	741,995	735,238
Basic earnings per share ("EPS") (sen)	0.19	0.35	0.19	0.35

**B11. Disclosure on selected expenses/income items as required by the Listing Requirements**

Profit after tax expense is stated after charging/(crediting):-

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Corresponding Quarter Ended	Current Year To Date Ended	Preceding Corresponding Year To Date Ended
	30/04/2024	30/04/2023	30/04/2024	30/04/2023
	RM'000	RM'000	RM'000	RM'000
Amortisation of development cost	7	89	7	89
Depreciation on property, plant and equipment	3,006	7,054	3,006	7,054
Realised foreign currency exchange (gain)/loss	1,047	(1,376)	1,047	(1,376)
Unrealised foreign currency exchange loss	(517)	1,853	(517)	1,853
Interest income	(486)	(450)	(486)	(450)
Finance costs	869	933	869	933
Share grant expenses	-	293	-	293

**B12. Authorisation for issue**

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 24 June 2024.

**Kronologi Asia Berhad**  
 24 June 2024