



**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
For the Third (3<sup>rd</sup>) Quarter Ended 31 October 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<br/>beginning on<br/>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> :<br>Non-current Liabilities with Covenants                                | 1 January 2024  |
| • Amendments to MFRS 107, <i>Statement of Cash Flows</i> and MFRS 7<br><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 |
|  | 31/10/2024            | 31/10/2023                            | 31/10/2024                 | 31/10/2023                                 |
|  | RM'000                | RM'000                                | RM'000                     | RM'000                                     |
| Singapore  | 7,712                 | 21,456                                | 58,389                     | 63,218                                     |
| China  | 33,954                | 16,748                                | 55,988                     | 66,415                                     |
| Philippines  | 22,414                | 15,952                                | 66,665                     | 46,835                                     |
| Hong Kong & Taiwan   | 3,351                 | 3,623                                 | 13,696                     | 13,799                                     |
| India  | 2,104                 | 7,807                                 | 11,397                     | 14,258                                     |
| SEA (1)  | 1,082                 | 2,075                                 | 5,561                      | 5,409                                      |
| Others   | 2                     | 84                                    | 23                         | 449  |
| <b>Total revenue</b>                                       | <b>70,619</b>         | <b>67,745</b>                         | <b>211,719</b>             | <b>210,383</b>                             |
| Add: Inter-company transactions                            | 25,919                | 22,166                                | 67,621                     | 44,977                                     |
| Total revenue before eliminating Inter-company transaction | 96,538                | 89,911                                | 279,340                    | 255,360                                    |

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 |
|  | 31/10/2024            | 31/10/2023                            | 31/10/2024                 | 31/10/2023                                 |
|  | RM'000                | RM'000                                | RM'000                     | RM'000                                     |
| EDM Infrastructure Technology                              | 55,065                | 49,980                                | 162,875                    | 156,153                                    |
| EDM As-A-Service   | 15,554                | 17,765                                | 48,844                     | 54,230                                     |
| <b>Total revenue</b>                                       | <b>70,619</b>         | <b>67,745</b>                         | <b>211,719</b>             | <b>210,383</b>                             |
| Add: Inter-company Transactions                            | 25,919                | 22,166                                | 67,621                     | 44,977                                     |
| Total revenue before eliminating inter-company transaction | 96,538                | 89,911                                | 279,340                    | 255,360                                    |



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

(c) Analysis of segment results, assets and liabilities

|                                  | <b>EDM<br/>Infrastructure<br/>Technology<br/>RM'000</b> | <b>EDM<br/>As-A<br/>Service<br/>RM'000</b> | <b>Investment<br/>Holdings<br/>RM'000</b> | <b>Others<br/>RM'000</b> | <b>Elimination/<br/>Adjustment<br/>RM'000</b> | <b>Total<br/>RM'000</b> |
|----------------------------------|---|--|---|--------------------------|---|-------------------------|
| <b>As at 31.10.2024</b>          |   |  |   |                          |   |                         |
| <b>Results</b>                   |   |  |   |                          |   |                         |
| Segment results                  | 4,209   | 3,380                                      | 291                                       | (17)                     | (499)   | 7,364                   |
| Interest income                  | 1,111   | 84   | 12  | -                        | (9)   | 1,198                   |
| Interest expenses                | (2,961)   | (446)                                      | -   | (3)                      | 2   | (3,408)                 |
| Profit/(Loss) before tax expense | 2,359   | 3,018                                      | 303                                       | (20)                     | (506)   | 5,154                   |
| Tax credit/(expense)             | (526)   | 599  | -   | (105)                    | -   | (32)                    |
| Profit/(loss) after tax expense  | 1,833   | 3,617                                      | 303                                       | (125)                    | (506)   | 5,122                   |
| <b>Segment assets</b>            | <b>521,520</b>  | <b>48,975</b>                              | <b>319,320</b>                            | <b>9</b>                 | <b>(249,445)</b>                              | <b>640,379</b>          |
| <b>Segment liabilities</b>       | <b>347,115</b>  | <b>47,304</b>                              | <b>354</b>                                | <b>-</b>                 | <b>(202,184)</b>                              | <b>192,589</b>          |
| <b>As at 31.10.2023</b>          |   |  |   |                          |   |                         |
| <b>Results</b>                   |   |  |   |                          |   |                         |
| Segment results                  | 11,087  | 5,246                                      | (3,499)                                   | (206)                    | (1)   | 12,627                  |
| Interest income                  | 934   | 87   | 7   | -                        | -   | 1,028                   |
| Interest expenses                | (2,297)   | (664)                                      | -   | (5)                      | -   | (2,966)                 |
| Profit/(Loss) before tax expense | 9,724   | 4,669                                      | (3,492)                                   | (211)                    | (1)   | 10,689                  |
| Tax expense                      | (3,206)   | (839)                                      | -   | (40)                     | -   | (4,085)                 |
| Profit/(loss) after tax expense  | 6,518   | 3,830                                      | (3,492)                                   | (251)                    | (1)   | 6,604                   |
| <b>Segment assets</b>            | <b>376,522</b>  | <b>76,618</b>                              | <b>315,883</b>                            | <b>38</b>                | <b>(168,589)</b>                              | <b>600,472</b>          |
| <b>Segment liabilities</b>       | <b>217,778</b>  | <b>49,213</b>                              | <b>2,843</b>                              | <b>-</b>                 | <b>(125,996)</b>                              | <b>143,838</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 |
|                        | 31/10/2024<br>RM'000  | 31/10/2023<br>RM'000                  | 31/10/2024<br>RM'000       | 31/10/2023<br>RM'000                  |
| Revenue                | 70,619                | 67,745                                | 211,719                    | 210,383                               |
| Profit from operations | 5,271                 | 2,672                                 | 8,562                      | 13,655                                |
| Profit after tax       | 2,052                 | 1,009                                 | 5,122                      | 6,604                                 |

For the current financial quarter under review, the Group recorded revenue of RM70.619 million, an increase by 4.2% or RM2.874 million and the Group's profit after tax increased by 103.4% or RM1.043 million due to improved Gross Profit and lower operating expenses comparatively.

For the financial period ended 31 October 2024 as compared to the preceding corresponding quarter, the revenue was comparable. Profit was lower by 22.4% compared to the previous financial period due to lower profit margin as a result of competitive business environment and global uncertainties.

Majority of the Group's revenues continue to be contributed from Singapore, China and Philippines, amounting to a total amount of RM181.042 million (85.5% 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 RM162.875 million or 76.9% of total revenue, with EDM As-A-Service making up the balance.

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

|                           | 3 months ended       |                      |
|---------------------------|----------------------|----------------------|
|                           | 31/10/2024<br>RM'000 | 31/07/2024<br>RM'000 |
| Revenue                   | 70,619               | 83,349               |
| Profit from operations    | 5,271                | 1,276                |
| Profit before tax expense | 3,385                | 623                  |
| Profit for the period     | 2,052                | 1,627                |

Revenue in the current quarter ended 31 October 2024 of RM70.619 million was 15.3% or RM12.730 million lower than the previous immediate quarter due to several delayed completion of projects. The Group recorded profit for the period of RM2.052 million due to the improvement of gross profit margin, including a reversal of deferred tax liabilities, which is an increase of 26.1% compared to Q2'FY25.



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**3. Prospects**

Our focus on creating user values and improving operations efficiencies can be seen in the progress of net profit improvement of 26% QoQ. Broad-based customer preference for intelligent data infrastructure platforms and As-A-Service approach for a data-driven future has enabled us to achieve the positive result and places us well-positioned into our final quarter for the year. The momentum fuels our confidence in the Group's ability to potentially exceed our financial performance over the previous financial year to benefit our shareholders

**B4. Tax credit/(expense)**

|                     | Individual Quarter                                  |  | Cumulative Quarter                                       |   |
|---------------------|---|--|--|---|
|                     | Current<br>Quarter<br>Ended<br>31/10/2024<br>RM'000 | Preceding<br>Corresponding<br>Quarter<br>Ended<br>31/10/2023<br>RM'000 | Current<br>Year<br>To Date Ended<br>31/10/2024<br>RM'000 | Preceding<br>Corresponding<br>Year<br>To Date Ended<br>31/10/2023<br>RM'000 |
| Current tax         |   |  |  |   |
| - current year      | 948   | 1,368  | (7,578)  | (780)   |
| - in prior years    | 443   | (162)  | 577  | (154)   |
| Deferred taxation   |   |  |  |   |
| - current provision | (2,724)   | (1,997)  | 6,969  | (3,151)   |
|                     | <u>(1,333)</u>                                      | <u>(791)</u>   | <u>(32)</u>  | <u>(4,085)</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 31 October 2024 and 31 October 2023 are as follows:

|                        | Short Term<br>RM'000 | Long Term<br>RM'000 | Total<br>RM'000 |
|------------------------|----------------------|---------------------|-----------------|
| <b>31 October 2024</b> |                      |                     |                 |
| <b>Secured</b>         |                      |                     |                 |
| Lease liabilities      | 3,370                | 4,639               | 8,009           |
| Bills payable          | 9,894                | -                   | 9,894           |
|                        | <u>13,264</u>        | <u>4,639</u>        | <u>17,903</u>   |
| <b>Unsecured</b>       |                      |                     |                 |
| Lease liabilities      | 2,914                | 63,138              | 66,052          |
|                        | <u>16,178</u>        | <u>67,777</u>       | <u>83,955</u>   |
| <b>31 October 2023</b> |                      |                     |                 |
| <b>Secured</b>         |                      |                     |                 |
| Lease liabilities      | 3,332                | 8,451               | 11,783          |
| Bills payable          | 15,323               | 5,559               | 20,882          |
|                        | <u>18,655</u>        | <u>14,010</u>       | <u>32,665</u>   |
| <b>Unsecured</b>       |                      |                     |                 |
| Lease liabilities      | 2,695                | 21,015              | 23,710          |
|                        | <u>21,350</u>        | <u>35,025</u>       | <u>56,375</u>   |

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 increase in unsecured lease liabilities is derived from the additions of right-of-used assets of EDM System and Infrastructure as a result of change of capital expenditure model to operating expenses model.

As highlighted in the Q1 announcement, this one-off year-on-year increase in the unsecured lease liability is due to the Group switching from a focus on capital expenditure to streamlining our PPE operating expenses. This strategic change is anticipated to be positive and accretive for our stakeholders. PPE spending is an inherent part of improving our scalability to our current and future set of customers.

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<br>Quarter<br>Ended<br>31/10/2024 | Preceding<br>Corresponding<br>Quarter<br>Ended<br>31/10/2023 | Current<br>Year<br>To Date Ended<br>31/10/2024 | Preceding<br>Corresponding<br>Year<br>To Date Ended<br>31/10/2023 |
| Net profit attributable to ordinary equity holders of the Company (RM'000) | 2,052                                     | 1,009  | 5,122  | 6,604   |
| Weighted average number of ordinary shares in issue ('000)                 | 741,995                                   | 735,238  | 741,995  | 735,238   |
| Basic earnings per share ("EPS") (sen)                                     | 0.28                                      | 0.14   | 0.69   | 0.90  |

**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<br>Quarter<br>Ended<br>31/10/2024<br>RM'000 | Preceding<br>Corresponding<br>Quarter<br>Ended<br>31/10/2023<br>RM'000 | Current<br>Year<br>To Date Ended<br>31/10/2024<br>RM'000 | Preceding<br>Corresponding<br>Year<br>To Date Ended<br>31/10/2023<br>RM'000 |
| Amortisation of development cost               | 6   | 54   | 20   | 212   |
| Depreciation on property, plant and equipment  | 4,191   | 7,877  | 10,184   | 22,604  |
| Realised foreign currency exchange (gain)/loss | (769)   | 170  | 686  | (586)   |
| Unrealised foreign currency exchange loss      | (243)   | 23   | 80   | 2,578   |
| Interest income                                | (293)   | (155)  | (1,198)  | (1,028)   |
| Finance costs                                  | 1,886   | 872  | 3,408  | 2,966   |
| Share grant expenses                           | -   | 312  | -  | 912   |

**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 20 December 2024.

**Kronologi Asia Berhad**  
 20 December 2024