



**KRONOLOGI ASIA BERHAD (Company no. 1067697-K)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FIRST (1ST) QUARTER ENDED 31 MARCH 2017**

	UNAUDITED INDIVIDUAL QUARTER		UNAUDITED CUMULATIVE QUARTER	AUDITED
	CURRENT QUARTER ENDED 31-Mar-2017	PRECEDING CORRESPONDING QUARTER ENDED 31-Mar-2016	CURRENT YEAR TO DATE ENDED 31-Mar-2017	PRECEDING CORRESPONDING YEAR TO DATE ENDED 31-Mar-2016
	RM'000	RM'000	RM'000	RM'000
Revenue	25,185	14,139	25,185	14,139
Cost of sales	(18,613)	(9,198)	(18,613)	(9,198)
Gross profit	6,572	4,941	6,572	4,941
Other operating income	236	157	236	157
Selling and distribution expenses	(2,435)	(1,561)	(2,435)	(1,561)
Administrative expenses	(2,684)	(2,095)	(2,684)	(2,095)
Share of results of an associated company	-	231	-	231
Profit from operations	1,689	1,673	1,689	1,673
Interest expenses	(54)	(50)	(54)	(50)
Profit before tax expense	1,635	1,623	1,635	1,623
Tax (expense)/income	409	(249)	409	(249)
Profit for the period	2,044	1,374	2,044	1,374
Other comprehensive income				
- Foreign exchange translation from foreign operations	(377)	(2,142)	(377)	(2,142)
Total comprehensive income	1,667	(768)	1,667	(768)
Profit attributable to :				
Equity holders of the Company	2,044	1,374	2,044	1,374
Minority shareholders	-	-	-	-
	2,044	1,374	2,044	1,374
Total comprehensive income :				
Equity holders of the company	1,667	(768)	1,667	(768)
Minority shareholders	-	-	-	-
	1,667	(768)	1,667	(768)
Weighted average no. of ordinary shares ('000)	264,885	236,988	264,885	236,988
Earnings per share (EPS) attributable to the equity holders of the Company (sen)				
- Basis EPS	0.77	0.58	0.77	0.58
- Diluted EPS	0.74	0.58	0.74	0.58

**Note:-**

The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to this interim financial report.



**KRONOLOGI ASIA BERHAD (Company no. 1067697-K)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**FOR THE FIRST (1ST) QUARTER ENDED 31 MARCH 2017**

	<b>UNAUDITED AS AT 31-Mar-2017  RM'000</b>	<b>AUDITED As At 31-Dec-2016  RM'000</b>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	11,833	9,349
Goodwill on consolidation	25,987	26,384
Development costs	3,479	3,287
Other receivables	956	919
Deferred tax assets	720	58
	<u>42,975</u>	<u>39,997</u>
<b>Current Assets</b>		
Inventories	16,174	15,436
Trade receivables	19,717	25,424
Other receivables, deposits and prepayments	4,090	4,236
Cash and bank balances	10,872	8,277
	<u>50,853</u>	<u>53,373</u>
<b>TOTAL ASSETS</b>	<u>93,828</u>	<u>93,370</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share Capital	29,132	24,812
Reserves	22,433	20,766
<b>Total Equity</b>	<u>51,565</u>	<u>45,578</u>
<b>Non Current Liabilities</b>		
Deferred revenue	3,525	3,877
Borrowings	2,433	48
Other payables	6,990	6,990
Deferred tax liability	328	121
	<u>13,276</u>	<u>11,036</u>
<b>Current Liabilities</b>		
Trade payables	11,190	14,368
Other payables and accruals	4,010	11,948
Deferred revenue	5,677	6,186
Borrowings	7,661	3,815
Current tax liabilities	449	439
	<u>28,987</u>	<u>36,756</u>
<b>Total Liabilities</b>	<u>42,263</u>	<u>47,792</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>93,828</u>	<u>93,370</u>
 Net assets per share (RM)	 <u>0.19</u>	 <u>0.19</u>

**Note:-**

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to this interim financial report.



**KRONOLOGI ASIA BERHAD (Company no. 1067697-K)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST (1ST) QUARTER ENDED 31 MARCH 2017**

	Non-Distributable				Distributable	Total Equity
	Share Capital RM'000	Share Premium RM'000	Foreign Exchange Fluctuation Reserve RM'000	Merger Reserve RM'000	Retained earnings RM'000	RM'000
<b>2016</b>						
At 1 January 2017	24,812	10,494	6,327	(17,406)	21,351	45,578
Foreign exchange translation	-	-	(377)	-	-	(377)
Profit for the financial period	-	-	-	-	2,044	2,044
Total comprehensive income for the financial period	-	-	(377)	-	2,044	1,667
<b>Transaction with owners</b>						
Issuance of share capital	4,320	-	-	-	-	4,320
<b>At 31 March 2017</b>	<u>29,132</u>	<u>10,494</u>	<u>5,950</u>	<u>(17,406)</u>	<u>23,395</u>	<u>51,565</u>
<b>2016</b>						
At 1 January 2016	23,699	9,672	4,502	(17,406)	14,190	34,657
Foreign exchange translation	-	-	(2,142)	-	-	(2,142)
Profit for the financial period	-	-	-	-	1,374	1,374
Total comprehensive income for the financial period	-	-	(2,142)	-	1,374	(768)
<b>At 31 March 2016</b>	<u>23,699</u>	<u>9,672</u>	<u>2,360</u>	<u>(17,406)</u>	<u>15,564</u>	<u>33,889</u>

**Note:-**

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to this interim financial report.



**KRONOLOGI ASIA BERHAD (Company no. 1067697-K)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST (1ST) QUARTER ENDED 31 MARCH 2017**

	UNAUDITED CURRENT YEAR TO DATE ENDED 31-Mar-2017  RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR ENDED AT 31-Dec-2016  RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax expense	1,635	7,547
Adjustments for:		
Allowance for obsolete inventories write back	-	(1,993)
Amortisation of development cost	12	36
Depreciation of property, plant and equipment	1,183	3,852
Gain on disposal of property, plant and equipment	-	(9)
Share of results of an associated company	-	(561)
Impairment of trade receivables	-	267
Inventories written off	-	146
Property, plant and equipment written off	-	40
Unrealised (gain)/loss on foreign exchange differences	414	(1,082)
Interest income	(2)	(12)
Interest expenses	54	167
Operating profit before working capital changes	3,296	8,398
Inventories	(947)	16,900
Receivables	5,420	4,355
Payables	(5,624)	(27,479)
Associates	-	1,833
Deferred revenue	(729)	298
Cash generated from/(used in) operations	1,416	4,305
Interest received	2	12
Tax paid	(30)	(160)
<b>Net cash generated from/(used in) operating activities</b>	<b>1,388</b>	<b>4,157</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(4,030)	(1,445)
Proceeds from disposal of property, plant and equipment	-	75
Acquisition of subsidiary	-	(1,543)
Development cost incurred	(204)	(810)
<b>Net cash used in investing activities</b>	<b>(4,234)</b>	<b>(3,723)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Transaction cost for issuance of share capital	-	(225)
Interest expenses paid	(54)	(167)
Net drawdown/(Repayment) of borrowings	6,265	(1,803)
<b>Net cash generated from/(used in) financing activities</b>	<b>6,211</b>	<b>(2,195)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>3,365</b>	<b>(1,761)</b>
Foreign exchange fluctuation reserve	(770)	(430)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	<b>8,277</b>	<b>10,468</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	<b>10,872</b>	<b>8,277</b>
<b><u>Cash and cash equivalents at the end of the financial year comprises of:-</u></b>		
Cash and bank balances	10,872	8,277

**Note:-**

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to this interim financial report.



**KRONOLOGI ASIA BERHAD (Company no. 1067697-K)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**For The First (1<sup>st</sup>) Quarter Ended 31 March 2017**

**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 December 2016. 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 December 2016.

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

**A2. Changes in accounting policies**

The accounting policies and method of computation adopted by the Group in these unaudited condensed interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 December 2016 except for the new and revised Malaysian Financial Reporting Standards ("MFRS"), IC Interpretations ("IC Int") and amendment to MFRS that have been published by MASB but are not effective and have not been adopted early by the Group.

Management anticipates that all relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning/or after the effective date of pronouncement. Information on new standards, amendments and interpretations that are expected to have an impact on the Group's financial statements is provided below, if any. Certain other new standards and interpretations have been issued but are not expected to have material impact on the financial statements.

The initial application of the standards, amendments and interpretations are not expected to have any financial impact to the financial statements, except for additional disclosures in the financial statements.

**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 except for the issuance of 22,256,568 ordinary shares at RM0.1941 per consideration share for the second (2<sup>nd</sup>) tranche payment of the acquisition of the remaining 80% of the issued paid up of Quantum Storage (India) Pte Ltd ("QSI Acquisition").



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**For The First (1<sup>st</sup>) Quarter Ended 31 March 2017**

**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

	<b>Current Quarter Ended 31/3/2017 RM'000</b>	<b>Preceding Corresponding Quarter Ended 31/3/2016 RM'000</b>	<b>Current Year To Date Ended 31/3/2017 RM'000</b>	<b>Preceding Corresponding Year To Date Ended 31/3/2016 RM'000</b>
Singapore	14,917	10,160	14,917	10,160
SEA (1)	6,637	2,461	6,637	2,461
India	1,985	18	1,985	18
Others	4,166	2,299	4,166	2,299
	<hr/> 27,705	<hr/> 14,938	<hr/> 27,705	<hr/> 14,938
Less: Inter-company transactions	(2,520)	(799)	(2,520)	(799)
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue	<hr/> 25,185	<hr/> 14,139	<hr/> 25,185	<hr/> 14,139

Notes : (1) SEA represents South East Asia countries excluding Singapore

(b) Analysis of revenue by product categories

	<b>Current Quarter Ended 31/3/2017 RM'000</b>	<b>Preceding Corresponding Quarter Ended 31/3/2016 RM'000</b>	<b>Current Year To Date Ended 31/3/2017 RM'000</b>	<b>Preceding Corresponding Year To Date Ended 31/3/2016 RM'000</b>
EDM infrastructure technology	25,527	13,876	25,527	13,876
EDM managed services	1,933	730	1,933	730
Others	245	332	245	332
	<hr/> 27,705	<hr/> 14,938	<hr/> 27,705	<hr/> 14,938
Less: Inter-company transactions	(2,520)	(799)	(2,520)	(799)
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue	<hr/> 25,185	<hr/> 14,139	<hr/> 25,185	<hr/> 14,139



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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 managed services 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>2017 Results</b>						
Segment results	1,554	463	(348)	6	14	1,689
Interest expenses	(39)	(15)	-	-	-	(54)
Profit/(Loss) before tax expense	1,515	448	(348)	6	14	1,635
Tax (expense)/income	657	(248)	-	-	-	409
Profit/(Loss) after tax expense	2,172	200	(348)	6	14	2,044
<b>Segment assets</b>	<b>89,180</b>	<b>9,502</b>	<b>29,155</b>	<b>3,765</b>	<b>(37,774)</b>	<b>93,828</b>
<b>Segment liabilities</b>	<b>53,749</b>	<b>7,834</b>	<b>1,521</b>	<b>397</b>	<b>(16,918)</b>	<b>46,583</b>
<b>2016 Results</b>						
Segment results	2,267	(157)	(678)	10	-	1,442
Shares of results of associated company	231	-	-	-	-	231
Interest expenses	(26)	(24)	-	-	-	(50)
Profit/(Loss) before tax expense	2,472	(181)	(678)	10	-	1,623
Tax income/(expense)	(296)	47	-	-	-	(249)
Profit/(Loss) after tax expense	2,176	(134)	(678)	10	-	1,374
Investment in associated company	976	-	-	-	-	976
Other segment assets	48,027	7,510	28,168	4,528	(28,424)	59,809
<b>Segment assets</b>	<b>49,003</b>	<b>7,510</b>	<b>28,168</b>	<b>4,528</b>	<b>(28,424)</b>	<b>60,785</b>
<b>Segment liabilities</b>	<b>28,284</b>	<b>6,721</b>	<b>-</b>	<b>2,550</b>	<b>(10,659)</b>	<b>26,896</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 materials 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 changes in the composition of the Group for the current quarter and financial period to-date.



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**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.

**A13. Capital commitments**

	RM
Purchase consideration for the QSI Acquisition	6,920,000

**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.

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

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

For the current three (3)-month financial period ended 31 March 2017, the Group's revenue rose 78.12% or RM11.046 million to RM25.185 million compared to RM14.139 million in the preceding equivalent financial period. By geography, South East Asia countries recorded higher revenue of RM21.554 million compared to RM12.621 million for the preceding equivalent financial period. The majority of the Group's revenue was derived from Singapore, amounting to RM14.917 million (53.84% of total revenue before inter-company transactions), followed by other SEA countries (excluding Singapore) which recorded RM6.637 million (23.96%). The Group's wholly-owned subsidiary, Quantum Storage (India) Pte Ltd ("QSI"), generated RM1.985 million (7.16%), in revenue during the quarter under review. The Group completed the acquisition of QSI in October 2016.

By product category, the Enterprise Data Management ("EDM") infrastructure technology segment continued to dominate the Group's revenue, amounting to RM25.527 million or 92.14% of total revenue, with Managed Services making up the balance.

The Group recorded a profit after tax expense/income of RM2.044 million for the current three (3)-month financial period ended 31 March 2017, compared to RM1.374 million in the preceding equivalent financial period. The higher profit achieved was attributable to a 78% increase in revenue and the recognition of deferred tax assets arises from a temporary difference on unutilised capital allowance.

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

	<b>3 months ended</b>	
	<b>31/3/2017</b>	<b>31/12/2016</b>
	<b>RM'000</b>	<b>RM'000</b>
Revenue	25,185	27,267
Profit from operations	1,689	3,185
Profit before tax expense	1,635	3,125
Profit for the period	2,044	2,853

Revenue in the current quarter ended 31 March 2017 of RM25.185 million is 7.64% or RM2.082 million lower than the previous quarter. The Group recorded a lower profit from operations of RM1.689 million as compared with previous quarter of RM3.185 million, in line with the decline in revenue. Moreover, the Group recorded a loss on foreign exchange as opposed to a gain on foreign exchange in the previous quarter.





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**B3. Prospects**

Recent cyber-attacks have strained many businesses worldwide as they struggle to retrieve lost data and keep their businesses operational. This has highlighted the importance of cybersecurity and data backup, and the need for companies, including Small- and Medium-sized Enterprises, to implement data storage and backup plans.

As businesses in the region digitize their information and workflow to comply with tighter regulations, they will increasingly need hybrid data storage solutions for their physical premises and in the cloud. According to the Computer Weekly/TechTarget survey *IT Priorities 2017*, 40% of Asean-based IT decision makers are planning a cloud storage initiative in 2017 and 40% are planning cloud backup projects.

As announced in its Corporate and Business Update dated 26 April 2017, the Group believes it will be able to meet these growing market needs through its three-pronged strategy of pursuing geographical growth in India and Southeast Asia; developing a transnational infrastructure for data storage and back-up (which it expects to roll out in stages from the second half of the financial year ending 31 December 2017); and increasing emphasis on Managed Services (for which it seeks to double the revenue contribution over the medium term).

Barring unforeseen circumstances, the Group expects the financial performance of the financial year ending 31 December 2017 ("FY2017") to be better than that of FY2016.

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

	<b>Current Quarter Ended 31/3/2017 RM'000</b>	<b>Preceding Corresponding Quarter Ended 31/3/2016 RM'000</b>	<b>Current Year To Date Ended 31/3/2017 RM'000</b>	<b>Preceding Corresponding Year To Date Ended 31/3/2016 RM'000</b>
Current tax				
- current year	(46)	-	(46)	-
Deferred taxation				
- current provision	455	(249)	455	(249)
	<b>409</b>	<b>(249)</b>	<b>409</b>	<b>(249)</b>

The Group's effective tax rate is lower than the statutory tax rate due to utilisation of unutilised capital allowance and Productivity and Innovation Credit ("PIC") scheme in our Singapore subsidiaries. Further, these subsidiaries enjoy lower tax rate than Malaysia.

**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**

Initial Public Offering

The Company's entire enlarged issued and paid-up share capital of RM23,698,800 comprising 236,988,000 Kronologi Shares was listed and quoted on the ACE Market of Bursa Securities on 15 December 2014.



**KRONOLOGI ASIA BERHAD (Company no. 1067697-K)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**For The First (1<sup>st</sup>) Quarter Ended 31 March 2017**

**B6. Status of corporate proposals (cont'd)**

The gross proceeds from the Public Issue amounted to RM17.182 million and the status of the utilisation of the proceeds raised as at 31 March 2017 is as follows:-

	<b>Proposed utilisation</b>	<b>Actual utilisation</b>	<b>Deviations/</b>	<b>Balance</b>	
<b>Detail of utilisation</b>	<b>RM'000</b>	<b>RM'000</b>	<b>Variation</b>	<b>RM'000</b>	<b>Time frame for utilisation</b>
			<b>RM'000</b>		
1) Business expansion	6,000	-	(6,000)#	-	-
2) Part-funding for the cash consideration#	-	6,000	6,000	-	-
3) Research and development expenditure	3,500	2,277	-	1,223	Within 36 months
4) Working capital	4,482	4,482	168	-	Within 36 months
5) Estimated listing expenses	3,200	3,032	(168)*	-	
<b>Total gross proceeds</b>	<b>17,182</b>	<b>15,791</b>	<b>-</b>	<b>1,223</b>	

# As disclosed in the Company's announcements dated 22 July 2016, 29 July 2016 and 2 September 2016, the proceeds allocated for business expansion had been varied to fund part of the cash consideration for the QSI Acquisition. The QSI Acquisition had been completed on 4 October 2016.

\*In view of the actual listing expenses is lower than estimated, the excess will be utilised for working capital purposes.

**B7. Borrowings and debt securities**

The total borrowings of the Group as at 31 March are as follows:

	<b>Short Term</b>	<b>Long Term</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Secured</b>			
<b>2017</b>			
Finance lease liabilities	1,376	2,433	3,809
Bill payable	6,285	-	6,285
	<u>7,661</u>	<u>2,433</u>	<u>10,094</u>
<b>2016</b>			
Finance lease liabilities	1,131	255	1,386
Bill payable	1,185	-	1,185
	<u>2,316</u>	<u>255</u>	<u>2,571</u>

The finance 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 finance lease liabilities and bill 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 does not recommend any dividends for the current financial quarter under review and the financial period-to-date.



**KRONOLOGI ASIA BERHAD (Company no. 1067697-K)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**For The First (1<sup>st</sup>) Quarter Ended 31 March 2017**

**B10. Earnings per share**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current</b>	<b>Preceding</b>	<b>Current</b>	<b>Preceding</b>
	<b>Quarter</b>	<b>Corresponding</b>	<b>Year</b>	<b>Corresponding</b>
	<b>Ended</b>	<b>Quarter</b>	<b>To Date Ended</b>	<b>To Date Ended</b>
	<b>31/3/2017</b>	<b>31/3/2016</b>	<b>31/3/2017</b>	<b>31/3/2016</b>
Net profit attributable to ordinary equity holders of the Company (RM'000)	2,044	1,374	2,044	1,374
Weighted average number of ordinary shares in issue ('000)	264,885	236,988	264,885	236,988
Basic earnings per share ("EPS") (sen)	0.77	0.58	0.77	0.58

The diluted EPS has been calculated by dividing the Group's profit for the current quarter and financial year attributable to equity holders of the Company by the weighted average number of shares that would have been in issue upon the fulfillment of the condition precedent by Quantum Storage (India) Limited in regards to the profit guarantee as stated in the circular dated 2 September 2016 are calculated as follows:

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current</b>	<b>Preceding</b>	<b>Current</b>	<b>Preceding</b>
	<b>Quarter</b>	<b>Corresponding</b>	<b>Year</b>	<b>Corresponding</b>
	<b>Ended</b>	<b>Quarter</b>	<b>To Date Ended</b>	<b>To Date Ended</b>
	<b>31/3/2017</b>	<b>31/3/2016</b>	<b>31/3/2017</b>	<b>31/3/2016</b>
Net profit attributable to ordinary equity holders of the Company (RM'000)	2,044	1,374	2,044	1,374
Weighted average number of ordinary shares in issue as per Basic EPS ('000)	264,885	236,988	264,885	236,988
Effect on issuance of share capital on QSI Acquisition	10,257	-	10,257	-
Weighted average number of ordinary shares in issue ('000)	275,142	236,988	275,142	236,988
Diluted EPS (sen)	0.74	0.58	0.74	0.58



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**For The First (1<sup>st</sup>) Quarter Ended 31 March 2017**

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

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

	<b>Current Quarter Ended 31/3/2017 RM'000</b>	<b>Preceding Corresponding Quarter Ended 31/3/2016 RM'000</b>	<b>Current Year To Date Ended 31/3/2017 RM'000</b>	<b>Preceding Corresponding Year To Date Ended 31/3/2016 RM'000</b>
Allowance for obsolete inventories write back	-	(1,964)	-	(1,964)
Amortisation of development cost	12	-	12	-
Depreciation on property, plant and equipment	1,183	910	1,183	910
Realised foreign currency exchange (gain)/loss	114	(29)	114	(29)
Unrealised foreign exchange currency (gain)/loss	414	369	414	369
Rental of premises	557	463	557	463
Rental of office equipment	5	5	5	5
Interest income	(2)	(2)	(2)	(2)
Finance costs	54	50	54	50

**B12. Disclosure of Realised and Unrealised Profits**

	<b>As at 31/3/2017 RM'000</b>
Realised	22,326
Unrealised	(22)
	<hr/> 22,304
Add: Consolidation adjustment	1,091
	<hr/> 23,395
Retained Earnings	<hr/> 23,395

**B13. Authorisation for issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 26 May 2017.

**Kronologi Asia Berhad**  
26 May 2017