



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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2018**

	UNAUDITED INDIVIDUAL QUARTER		UNAUDITED CUMULATIVE QUARTER	AUDITED
	CURRENT QUARTER ENDED 31-Dec-2018	PRECEDING CORRESPONDING QUARTER ENDED 31-Dec-2017	CURRENT YEAR TO DATE ENDED 31-Dec-2018	PRECEDING CORRESPONDING YEAR TO DATE ENDED 31-Dec-2017
	RM'000	RM'000	RM'000	RM'000
Revenue	41,895	42,737	163,065	144,369
Cost of sales	(32,339)	(32,968)	(121,588)	(110,641)
Gross profit	9,556	9,769	41,477	33,728
Other operating income	376	573	1,177	2,295
Selling and distribution expenses	(3,971)	(2,528)	(12,591)	(11,088)
Administrative expenses	(1,877)	(4,057)	(10,367)	(11,487)
Share of results of an associate	66	-	66	-
Profit from operations	4,150	3,757	19,762	13,448
Interest expenses	(353)	(179)	(1,099)	(469)
Profit before tax expense	3,797	3,578	18,663	12,979
Tax expense	1,035	(143)	(2,318)	(916)
Profit for the period	4,832	3,435	16,345	12,063
Other comprehensive income/(loss)				
- Foreign exchange translation from foreign operations	(328)	(2,157)	880	(4,034)
Total comprehensive income	4,504	1,278	17,225	8,029
Profit attributable to :				
Equity holders of the Company	4,832	3,435	16,345	12,063
Minority shareholders	-	-	-	-
	4,832	3,435	16,345	12,063
Total comprehensive income :				
Equity holders of the company	4,504	1,278	17,225	8,029
Minority shareholders	-	-	-	-
	4,504	1,278	17,225	8,029
Weighted average no. of ordinary shares ('000)	359,386	276,963	359,386	276,963
Earnings per share (EPS) attributable to the equity holders of the Company (sen)				
- Basic EPS	1.34	1.24	4.56	4.36
- Diluted EPS	1.34	1.17	4.56	4.10

**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 2017 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 FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2018**

	<b>UNAUDITED AS AT 31-Dec-2018  RM'000</b>	<b>AUDITED As At 31-Dec-2017  RM'000</b>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	21,756	9,816
Investment in associate	12,640	-
Goodwill on consolidation	62,904	62,358
Development costs	4,530	4,062
Other receivables	2,558	1,125
Deferred tax assets	170	73
	<u>104,558</u>	<u>77,434</u>
<b>Current Assets</b>		
Inventories	35,571	36,593
Trade receivables	25,514	42,474
Associate	6,144	-
Other receivables, deposits and prepayments	7,086	4,831
Cash and bank balances	69,441	35,100
	<u>143,756</u>	<u>118,998</u>
<b>TOTAL ASSETS</b>	<u>248,314</u>	<u>196,432</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share Capital	130,601	81,104
Reserves	33,016	28,795
<b>Total Equity</b>	<u>163,617</u>	<u>109,899</u>
<b>Non Current Liabilities</b>		
Deferred revenue	7,493	3,220
Borrowings	8,087	1,434
Other payables	75	78
Deferred tax liability	2,517	868
	<u>18,172</u>	<u>5,600</u>
<b>Current Liabilities</b>		
Trade payables	21,920	31,605
Other payables	7,225	27,767
Deferred revenue	11,714	6,778
Borrowings	24,779	14,304
Current tax liabilities	887	479
	<u>66,525</u>	<u>80,933</u>
<b>Total Liabilities</b>	<u>84,697</u>	<u>86,533</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>248,314</u>	<u>196,432</u>
 Net assets per share (RM)	 <u>0.41</u>	 <u>0.34</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 2017 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 FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2018**

	Non-Distributable				Distributable	Total
	Share Capital RM'000	Share Premium RM'000	Foreign Exchange Fluctuation Reserve RM'000	Merger Reserve RM'000	Retained earnings RM'000	Equity RM'000
<b>2018</b>						
At 1 January 2018						
- As previously stated	81,104	10,494	2,292	(17,406)	33,415	109,899
- Effect of adoption of MFRS 15	-	-	-	-	(2,510)	(2,510)
As restated	81,104	10,494	2,292	(17,406)	30,905	107,389
Foreign exchange translation	-	-	880	-	-	880
Profit for the financial period	-	-	-	-	16,345	16,345
Total comprehensive income for the financial period	-	-	880	-	16,345	17,225
<b>Transaction with owners</b>						
Transition to no par regime	10,494	(10,494)	-	-	-	-
Issuance of share capital	39,003	-	-	-	-	39,003
<b>At 31 December 2018</b>	<u>130,601</u>	<u>-</u>	<u>3,172</u>	<u>(17,406)</u>	<u>47,250</u>	<u>163,617</u>
<b>2017</b>						
At 1 January 2017	24,812	10,494	6,327	(17,406)	21,351	45,578
Foreign exchange translation	-	-	(4,034)	-	-	(4,034)
Profit for the financial period	-	-	-	-	12,063	12,063
Total comprehensive income for the financial period	-	-	(4,034)	-	12,063	8,029
Issuance of share capital	56,292	-	-	-	-	56,292
<b>At 31 December 2017</b>	<u>81,104</u>	<u>10,494</u>	<u>2,293</u>	<u>(17,406)</u>	<u>33,414</u>	<u>109,899</u>

**Note:-**

1 Effective from 31 January 2017, the new Companies Act 2016 ("the Act") abolished the concept of authorised share capital and par value of share capital. Consequently, the credit balance of share premium has been transferred to the Company's share capital pursuant to the transitional provision set out in Section 618(2) of the Act. Notwithstanding this provision, the Company may within 24 months from the commencement of the Act, use this amount for purposes as set out in Section 618(3) of the Act. There is no impact on the number of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

2 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 2017 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 FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2018

	UNAUDITED CURRENT YEAR TO DATE ENDED 31-Dec-2018  RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR ENDED AT 31-Dec-2017  RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax expense	18,663	12,979
Adjustments for:		
Amortisation of development cost	196	51
Depreciation of property, plant and equipment	6,459	4,548
Gain on disposal of property, plant and equipment	-	(16)
Inventories written off	-	6
Property, plant and equipment written off	20	47
Reversal of impairment loss on trade receivables	-	(277)
Reversal of inventories written off	-	(24)
Share of results of an associate	(66)	
Unrealised (gain)/loss on foreign exchange differences	(1,319)	2,269
Interest income	(501)	(254)
Interest expenses	1,099	469
Operating profit before working capital changes	24,551	19,798
Inventories	1,548	(13,794)
Receivables	1,541	(2,128)
Payables	(16,272)	(11,378)
Associate	6,222	-
Deferred revenue	8,789	(2,235)
Cash generated from/(used in) operations	26,379	(9,737)
Interest received	501	254
Tax paid	(1,168)	(277)
<b>Net cash generated from/(used in) operating activities</b>	<b>25,712</b>	<b>(9,760)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(6,412)	(2,877)
Proceeds from disposal of property, plant and equipment	-	399
Acquisition of an associate	(12,553)	
Acquisition of subsidiary	-	8,638
Development cost incurred	(664)	(826)
<b>Net cash (used in)/generated from investing activities</b>	<b>(19,629)</b>	<b>5,334</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceed from issuance of share capital	24,683	21,973
Interest expenses paid	(1,099)	(469)
Net (repayment)/drawdown of borrowings	4,803	10,325
<b>Net cash generated from financing activities</b>	<b>28,387</b>	<b>31,829</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>34,470</b>	<b>27,403</b>
Foreign exchange fluctuation reserve	(129)	(580)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	<b>35,100</b>	<b>8,277</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	<b>69,441</b>	<b>35,100</b>
<b><u>Cash and cash equivalents at the end of the financial year comprises of:-</u></b>		
Cash and bank balances	48,331	35,100
Short term investment	21,110	-
	<b>69,441</b>	<b>35,100</b>

**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 2017 and the accompanying explanatory notes attached to this interim financial report.



**KRONOLOGI ASIA BERHAD (Company no. 1067697-K)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
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**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 2017. 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 2017.

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

**A2. Changes in accounting policies**

Except as described below, the same accounting policies and methods of computation are followed in the consolidated financial statements as compared with the consolidated financial statements for 31 December 2017.

As of 1 January 2018, the Group has adopted the following new and revised MFRSs and amendments to MFRS and IC interpretation (collectively referred to as "pronouncements") which are effective for annual years beginning on or after 1 January 2018.

MFRS 9	Financial Instruments (2014)
MFRS 15	Revenue from Contracts with Customers
Amendments to MFRS 15	Revenue from Contracts with Customers: Clarifications to MFRS 15

The initial application on the above pronouncements did not have any material impact on the financial statements, except for MFRS 9 and 15 as disclosed below:

**MFRS 9 Financial Instruments (2014)**

The Group adopted MFRS 9, Financial Instruments on 1 January 2018. MFRS 9 replaces the guidance in MFRS 139 Financial Instruments: Recognition and Measurement on the classification and measurement of financial assets and financial liabilities, impairment of financial assets, and on hedge accounting.

MFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which assets are managed and their cash flow characteristics.

The three principal classifications categories for financial assets are: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). The standard eliminates the existing MFRS 139 categories of held to maturity, loans and receivables and available for sale.

The Group has applied the simplified approach and record lifetime expected losses on all trade receivables.

MFRS 9 also replaces the incurred loss model in MFRS 139 with a forward-looking expected credit loss (ECL) model. Under MFRS 9, loss allowances will be measured on either 12-month ECLs or Lifetime ECLs.

There was no material impact on the accounting for the Group's financial assets upon initial application of the new model requirements.



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**A2. Changes in accounting policies (Cont'd)**

MFRS 15 Revenue from Contracts with Customers

The Group adopted MFRS 15, Revenue from Contracts with Customers on 1 January 2018. MFRS 15 replaces the guidance in MFRS 111 Construction Contracts, MFRS 118 Revenue, IC Interpretation 13 Customer Loyalty Programmes, IC Interpretation 15, Agreements for Construction of Real Estate, IC Interpretation 18, Transfers of Assets from Customers and IC Interpretation 131, Revenue Barter Transactions Involving Advertising Services. MFRS 15 provides a single model for accounting for revenue arising from contracts with customers, focusing on the identification and satisfaction of performance obligations.

Effective 1 January 2018, the Group re-allocates the portion of contract consideration that, under MFRS 118, was allocated to sales of goods and/or installation services. Adjustments arising from the initial application has been recognised in the opening balance of the retained earnings and the carrying amount of the financial assets as at 1 January 2018 as disclosed below:

	<u>Impact to adoption of MFRS 15 to opening balance at 1 January 2018</u>
In RM'000	
Decrease in Retained earnings	2,510
Decrease in Other Payables	1,480
Increase in Other Receivables	1,590
Increase in Deferred Revenue	5,580

**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 and listing of a total 36,255,400 new ordinary shares in relation to the private placement exercise on 2, 3, and 4 October 2018.

**A7. Dividends paid**

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



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**A8. Segmental information**

(a) Analysis of revenue by geographical area

	<b>Current Quarter Ended 31/12/2018 RM'000</b>	<b>Preceding Corresponding Quarter Ended 31/12/2017 RM'000</b>	<b>Current Year To Date Ended 31/12/2018 RM'000</b>	<b>Preceding Corresponding Year To Date Ended 31/12/2017 RM'000</b>
Singapore	26,524	8,223	100,388	69,706
Hong Kong & Taiwan	4,190	14,470	28,695	14,526
India	2,372	6,510	9,777	13,651
Others	8,809	13,534	24,205	46,486
<b>Total revenue</b>	<b>41,895</b>	<b>42,737</b>	<b>163,065</b>	<b>144,369</b>
Add: Inter-company transactions	24,617	5,936	32,979	15,823
Total revenue before eliminating inter company transaction	66,512	48,673	196,044	160,192

The revenue for South East Asia excluding Singapore is included under "Others" in Quarter 4 2018.

(b) Analysis of revenue by product categories

	<b>Current Quarter Ended 31/12/2018 RM'000</b>	<b>Preceding Corresponding Quarter Ended 31/12/2017 RM'000</b>	<b>Current Year To Date Ended 31/12/2018 RM'000</b>	<b>Preceding Corresponding Year To Date Ended 31/12/2017 RM'000</b>
EDM Infrastructure Technology	39,191	41,186	152,839	138,416
EDM Managed Services	2,704	1,551	10,226	5,953
<b>Total revenue</b>	<b>41,895</b>	<b>42,737</b>	<b>163,065</b>	<b>144,369</b>
Add: Inter-company Transactions	24,617	5,936	32,979	15,823
Total revenue before eliminating inter company transaction	66,512	48,673	196,044	160,192



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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>As at 31.12.2018 Results</b>						
Segment results	8,733	3,088	8,472	9,849	(10,446)	19,696
Share of results of associate	-	-	-	-	66	66
Interest expenses	(645)	(807)	-	-	353	(1,099)
Profit before tax expense	8,088	2,281	8,472	9,849	(10,027)	18,663
Tax expense	(1,518)	(745)	(55)	-	-	(2,318)
Profit after tax expense	6,570	1,536	8,417	9,849	(10,027)	16,345
<b>Segment assets</b>	<b>134,866</b>	<b>29,353</b>	<b>65,020</b>	<b>4,530</b>	<b>14,545</b>	<b>248,314</b>
<b>Segment liabilities</b>	<b>98,037</b>	<b>44,959</b>	<b>382</b>	<b>-</b>	<b>(58,681)</b>	<b>84,697</b>
<b>As at 31.12.2017 Results</b>						
Segment results	14,397	1,709	(3,102)	447	(3)	13,448
Interest expenses	(393)	(76)	-	-	-	(469)
Profit/(Loss) before tax expense	14,004	1,633	(3,102)	447	(3)	12,979
Tax (expense)/income	(668)	(185)	(42)	(21)	-	(916)
Profit/(Loss) after tax expense	13,336	1,448	(3,144)	426	(3)	12,063
<b>Segment assets</b>	<b>108,391</b>	<b>12,339</b>	<b>33,507</b>	<b>4,670</b>	<b>37,525</b>	<b>196,432</b>
<b>Segment liabilities</b>	<b>85,823</b>	<b>9,498</b>	<b>15,328</b>	<b>702</b>	<b>(24,818)</b>	<b>86,533</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**

Save for the proposed acquisition of the entire share capital of Sandz Solutions (Singapore) Pte Ltd as announced on 27 December 2018 ("Proposed Acquisition"), 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**

Save for the subscription of 20 new ordinary shares in Quantum China Limited ("QCL") which represents 16.67% of the equity shareholding of QCL, there was no 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.





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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.

**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 financial year ended 31 December 2018, the Group's revenue rose by 12.95% or RM18.696 million to RM163.065 million compared to RM144.369 million in the preceding equivalent financial period. The increase was due to higher volume sales recorded in Singapore, and contribution from Quantum Storage (Hong Kong) Limited which was acquired in December 2017. Majority of the Group's revenue was derived from Singapore, amounting to RM100.388 million (61.56% of total revenue), followed by Hong Kong and Taiwan which recorded RM28.695 million (17.60%).

By product category, the Enterprise Data Management ("EDM") Infrastructure Technology segment continued to dominate the Group's revenue, amounting to RM152.839 million or 93.73% of total revenue, with EDM Managed Services making up the balance.

The Group's profit after tax increased from RM12.063 million to RM16.345 million and is in line with the increase in revenue as compared to the preceding equivalent financial year, despite the one-time charge of RM1.70 million for the Company's Share Grant Plan in Q1FY2018. Both business segments grew with steady momentum, with EDM Managed Services increasing by 71.78%, albeit from a low base.

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

	<b>3 months ended</b>	
	<b>31/12/2018</b>	<b>30/9/2018</b>
	<b>RM'000</b>	<b>RM'000</b>
Revenue	41,895	41,979
Profit from operations	4,150	7,257
Profit before tax expense	3,797	6,929
Profit for the period	4,832	5,007

Revenue in the current quarter ended 31 December 2018 remained flat at RM41,895 million as compared with the previous quarter of RM41,979 million. The Group recorded a slightly lower profit for the period of RM4,832 million as a results of less favourable foreign exchange as compared with the previous quarter of RM5,007 million.



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**B3. Prospects**

Whilst the EDM Infrastructure Technology business will continue to be an important business driver, the Group's effort in expanding its EDM Managed Services is bearing results, and the Group will continue to increase its presence in existing markets by offering managed services cum transnational infrastructure for data storage and backup solutions in the Asian region.

With a steady growth finish for the financial year ended 31 December 2018, going forward, the Group will continue to build its existing EDM businesses.

**B4. Tax expense**

	<b>Current Quarter Ended 31/12/2018 RM'000</b>	<b>Preceding Corresponding Quarter Ended 31/12/2017 RM'000</b>	<b>Current Year To Date Ended 31/12/2018 RM'000</b>	<b>Preceding Corresponding Year To Date Ended 31/12/2017 RM'000</b>
Current tax				
- current year	96	(129)	(787)	(506)
- in prior years	10	-	9	(8)
Deferred taxation				
- current provision	929	(14)	(1,540)	(402)
	1,035	(143)	2,318	(916)

**B5. Profit forecast and profit guarantee**

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



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**B6. Status of corporate proposals**

Private placement

On 2 August 2018, the Company announced a proposal to undertake a private placement of new ordinary shares, representing up to 10% of the total number of issued shares in the Company.

Bursa Malaysia Securities Berhad had vide its letter dated 13 August 2018 approved the listing of and quotation for up to 36,255,400 new ordinary shares in the Company to be issued pursuant to the said private placement.

The gross proceeds from the Private Placement amounted to 22.986 million and the status of the utilisation of the proceeds raised as at 31 December 2018 is as follows:-

Detail of utilisation	Proposed utilisation RM'000	Actual utilisation RM'000	Deviations/ Variation RM'000	Balance RM'000	Time frame for utilisation
1) Future business development and expansion	8,000	(8,000)	-	-	Within 24 months
2) Managed services cum transnational infrastructure equipment	10,000	-	-	10,000	Within 24 months
3) Working capital	4,466	(4,736)	270	-	Within 24 months
4) Estimated expenses	520	(250)	(270)	-	Within 2 weeks
Total gross proceeds	22,986	12,986	-	10,000	

**B7. Borrowings and debt securities**

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

	Short Term RM'000	Long Term RM'000	Total RM'000
<b>Secured</b>			
<b>2018</b>			
Finance lease liabilities	3,586	8,087	11,673
Bill payable	21,193	-	21,193
	24,779	8,087	32,866
<b>2017</b>			
Finance lease liabilities	1,182	1,434	2,616
Bill payable	13,122	-	13,122
	14,304	1,434	15,738

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.



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**For the Fourth (4th) Quarter Ended 31 December 2018**

**B9. Dividends**

The Board of Directors have proposed a final single tier dividend of 2 sen per ordinary share, amounting to approximately RM8.0 million for the financial year ended 31 December 2018. The proposed dividend is subject to shareholders' approval at the forthcoming Annual General Meeting.

**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>31/12/2018</b>	<b>31/12/2017</b>	<b>31/12/2018</b>	<b>31/12/2017</b>
Net profit attributable to ordinary equity holders of the Company (RM'000)	4,832	3,435	16,345	12,063
Weighted average number of ordinary shares in issue ('000)	359,386	276,963	359,386	276,963
Basic earnings per share ("EPS") (sen)	1.34	1.24	4.56	4.36

The diluted EPS has been calculated by dividing the Group's profit for the current quarter and financial period ended 31 December 2018 attributable to equity holders of the Company by the weighted average number of shares (2017 : that would have been in issue upon the fulfillment of the condition precedent for the QSI Acquisition and the QHK Acquisition) . The calculation is 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>31/12/2018</b>	<b>31/12/2017</b>	<b>31/12/2018</b>	<b>31/12/2017</b>
Net profit attributable to ordinary equity holders of the Company (RM'000)	4,832	3,435	16,345	12,063
Weighted average number of ordinary shares in issue as per Basic EPS ('000)	359,386	276,963	359,386	276,963
Effect on issuance of share capital for QSI Acquisition ('000)	-	16,980	-	16,980
Weighted average number of ordinary shares in issue ('000)	359,386	293,943	359,386	293,943
Diluted EPS (sen)	1.34	1.17	4.56	4.10



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**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 31/12/2018 RM'000</b>	<b>Preceding Corresponding Quarter  Ended 31/12/2017 RM'000</b>	<b>Current Year To Date Ended 31/12/2018 RM'000</b>	<b>Preceding Corresponding Year  To Date Ended 31/12/2017 RM'000</b>
Allowance for obsolete inventories	-	6	-	6
Allowance for obsolete inventories write back	-	(24)	-	(24)
Allowance for doubtful debts write back	-	(277)	-	(277)
Amortisation of development cost	84	13	196	51
Depreciation on property, plant and equipment	1,754	1,017	6,459	4,548
Realised foreign currency exchange (gain)/loss	408	120	(75)	(35)
Unrealised foreign exchange currency loss	(826)	761	(1,319)	2,269
Property, plant and equipment written off	20	2	20	18
Loss on disposal of property, plant and equipment	-	(1)	-	(17)
Rental of premises	871	605	2,779	2,417
Rental of office equipment	6	5	21	19
Interest income	(277)	(129)	(501)	(224)
Finance costs	353	179	1,099	469

**B13. Authorisation for issue**

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 28 Feb 2019.

**Kronologi Asia Berhad**  
28 Feb 2019