

7<sup>th</sup> February 2023

The Bombay Stock Exchange Limited  
Listing /Corporate Listing Department  
Floor No. 25, P.J.Towers,  
Dalal Street,  
Mumbai-400001.

Dear Sir/Madam,

**Sub: Outcome of the Fifth Board Meeting held on Tuesday, the 07<sup>th</sup> February, 2023 at 4.30 P.M at #26, 22nd Street, Rathinam Nagar, Thiruvannamiyur, Chennai – 600041**

**Scrip Code-530139**

Pursuant to the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") as amended, this is to inform you that the Board of Directors ("Board") of the Company, had at its meeting held today i.e., Tuesday, 07<sup>th</sup> February 2023, inter-alia amongst other subjects approved the following matters:

- Considered and approved the Un-audited Financial Results for the Quarter and Nine months ended 31st December 2022 along with Limited Review Report issued by the Statutory Auditors of the Company.
- Allotment of 1,60,000 Equity Shares at the Face value of Rs.10/- each and Premium of Rs.10/- each against conversion of 3,20,000 Compulsory Convertible Preference Shares at the Face value of Rs.10/- each. The allotment of the Equity Shares shall be made in dematerialized form and the Equity Shares so allotted shall rank pari passu with the existing Equity Shares of the Company in all respects.

The meeting commenced as IST 4.30 P.M and concluded at 5.30 P.M.

A copy of the Unaudited Financial Results along with Limited Review Report is enclosed herewith for your reference and record. The same will be made available on the Company's website [www.Kreon.in](http://www.Kreon.in).

Kindly take the same on record.

Thanking You,  
Yours Faithfully,  
For **Kreon Financial Services Limited**

**Vidyalakshmi R**  
**Company Secretary and Compliance Officer**



*DARPAN & ASSOCIATES*

*CHARTERED ACCOUNTANT*

#11/2, Shyam Avenue, College Road, Nungambakkam, Chennai - 600006

Email: [darpannassociates@gmail.com](mailto:darpannassociates@gmail.com)

## LIMITED REVIEW REPORT TO THE BOARD OF DIRECTORS OF KREON FINANCIAL SERVICES LIMITED

1. We have reviewed the unaudited financial results of Kreon Financial services Limited (the "Company") for the quarter and nine months ended December 31, 2022 which are included in the accompanying Statement of Unaudited Financial Results for quarter and nine months ended December 31, 2022 together with the relevant notes thereon (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") read with SEBI circular dated July 19, 2019.
2. The Statement is the responsibility of the Company's management and has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on these financial results based on our review of the financial results for the quarter and nine months ended December 31, 2022 which is prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" specified under Section 133 of the Companies Act 2013 (the 'Act') read with relevant rules issued thereunder and other accounting principles generally accepted in India; and the relevant requirements of the Regulation and the Circular.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. The review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

*For Darpan & Associates*

ICAI Firm Registration No.016156S

### Chartered Accountants

DARPAN KUMAR JAIN Digitally signed by DARPAN KUMAR JAIN  
DN: c=IN, ou=PERSONA, title=3662,  
pseudoDn=624963648741118d1c74028183a464d  
12a19a137696361a30051f3f560, postalCode=600001,  
sn=Jain, Number=086bb01a2d73145cb51e5212a1d92db57  
f335cc39a0c1b1e12ac3a10d67d, cn=DARPAN KUMAR  
JAIN

*Darpan Kumar*

*Partner*

**Membership No. 235817**

UDIN: 23235817BGXQIH5108

Place : Chennai

Date : 07<sup>th</sup> Feb 2023.

**M/s. KREON FINNANCIAL SERVICES LTD**  
#26, 22nd Street, Rathinam Nagar, Thiruvannamiyur, Chennai - 600 041  
CIN: L65921TN1994PLC029317  
**STATEMENT OF PROFIT & LOSS**  
**for the Quarter ended 31st December 2022**

		(Rs. In Lakhs)					
S.No	Particulars	Quarter ended 31.12.2022	Quarter ended 30.09.2022	Quarter ended 31.12.2021	Nine month ended 31.12.2022	Nine month ended 31.12.2021	Year ended 31.03.2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	<b>Revenue from operations</b>						
(i)	Interest Income	16.90	18.26	19.36	70.57	86.46	146.18
(ii)	Fees and Commission Income	234.22	199.57	68.21	577.69	144.77	227.47
(vi)	Penalty Income	12.32	9.80	2.29	29.07	4.74	8.33
(I)	<b>Total Revenue from operations</b>						
(II)	Other Income	6.08	6.16	28.72	13.60	37.10	46.92
(III)	<b>Total Income (I+II)</b>	<b>269.51</b>	<b>233.79</b>	<b>118.58</b>	<b>690.94</b>	<b>273.08</b>	<b>428.90</b>
	<b>Expenses</b>						
(i)	Finance Costs	13.52	15.96	7.02	41.10	23.57	39.04
(ii)	Employee Benefits Expenses	47.81	37.36	13.77	102.96	40.33	55.30
(iii)	Depreciation, amortization and impairment	19.08	13.58	1.22	35.20	3.28	4.69
(iv)	Bad Debts	3.81	11.39	-	18.15	-	6.56
(v)	Provision for NPA & Standard Assets	9.12	4.19	-	17.31	-	-
(vi)	Other expenses (to be specified)	73.21	60.73	41.15	178.85	85.16	113.30
(IV)	<b>Total Expenses (IV)</b>	<b>166.55</b>	<b>143.20</b>	<b>63.16</b>	<b>393.56</b>	<b>152.34</b>	<b>218.89</b>
(V)	Profit / (loss) before exceptional items and tax (III-IV)	102.96	90.58	55.42	297.38	120.73	210.01
(VI)	Exceptional items						
(VII)	Profit/(loss) before tax (V - VI)	102.96	90.58	55.42	297.38	120.73	210.01
(VIII)	<b>Tax Expense:</b>						
	(1) Current Tax	0.19	-	-	0.19	-	-
	(2) Prior Period Tax						
	(3) Deferred Tax	5.67	4.18	0.06	9.91	0.17	(0.02)
(IX)	Profit / (loss) for the period from continuing operations(VII-VIII)	97.10	86.40	55.36	287.28	120.56	210.03
(X)	Profit/(loss) from discontinued operations						
(XI)	Tax Expense of discontinued operations						
(XII)	Profit/(loss) from discontinued operations(Aftertax) (X-XI)	-	-	-	-	-	-
(XIII)	<b>Profit/(loss) for the period (IX+XII)</b>	<b>97.10</b>	<b>86.40</b>	<b>55.36</b>	<b>287.28</b>	<b>120.56</b>	<b>210.03</b>
(XIV)	<b>Other Comprehensive Income</b>						
	(A) (i) Items that will not be reclassified to profit or loss (specify items and amounts)	-	-	-	-	-	1.98
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	(0.50)
	<b>Subtotal (A)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.48</b>
	(B) (i) Items that will be reclassified to profit or loss: Gain/ (Loss) on valuation of shares	(48.06)	46.74	416.24	(227.87)	505.45	324.87
	(ii) Income tax relating to items that will be reclassified to profit or loss	5.75	(5.59)	(86.58)	27.25	(105.13)	(29.38)
	<b>Subtotal (B)</b>	<b>(42.31)</b>	<b>41.15</b>	<b>329.66</b>	<b>(200.62)</b>	<b>400.32</b>	<b>295.49</b>
	<b>Other Comprehensive Income (A + B)</b>	<b>(42.31)</b>	<b>41.15</b>	<b>329.66</b>	<b>(200.62)</b>	<b>400.32</b>	<b>296.97</b>
(XV)	<b>Total Comprehensive Income for the period(XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the</b>	<b>54.79</b>	<b>127.55</b>	<b>385.02</b>	<b>86.66</b>	<b>520.88</b>	<b>507.00</b>
(XVI)	Paid-up Share Capital	1058.60	1058.60	1043.60	1058.60	1043.60	1058.60
(XVII)	Reserves Excluding Revaluation Reserves	(167.11)	(259.54)	(640.61)	(167.11)	(640.61)	(253.77)
(XVIII)	<b>Earnings per equity share (for continuing operations)</b>						
	Basic (Rs.)	0.92	0.82	0.53	2.71	1.18	2.04
	Diluted (Rs.)	0.48	0.43	0.52	1.42	1.12	1.93

**Notes to Un-Audited Results:**

1. The UnAudited results were reviewed by the Audit Committee and were approved by the Board of Directors of the company at its meeting held on 07.02.2023
2. The Company has adopted Segment reporting and furnished data for each of the reportable primary segments as identified in accordance with Ind AS-108.
3. The company has carried out impairment of investments and necessary adjustments have been made in the financial results.
4. Other Expenses(Q3) includes Marketing expenditure of Rs.17.31 Lakhs
5. The company has not declared any interim dividend.
6. The figure have been re-grouped / re-classified / re- arranged where ever necessary to present better comparison.

**Kreon Finnancial Services Limited**

**Place:** Chennai  
**Date:** 07.02.2023

**Jaijash Tatia**  
**Whole Time Director**  
**DIN 08085029**

<p align="center"> <b>M/s. KREON FINANCIAL SERVICES LTD</b>  #26, 22nd Street, Rathinam Nagar, Thiruvannamiyur, Chennai- 600041  CIN: L65921TN1994PLC029317  <b>Segment wise Revenue, Results, Assets and Liabilities</b>  <b>for the Quarter ended 31st December 2022</b>  Email Id: info@kreon.in </p>		<b>(Rs in Lakhs)</b>
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Particulars	Previous 3 months ended 31.12.2022	Previous 3 months ended 30.09.2022	Corresponding 3 months ended in the previous year 31.12.2021	Nine Month ended 31.12.2022	Nine month ended 31.12.2021	Previous accounting year ended 31.03.2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1. Segment Revenue</b> (net sale/income from each segment should be disclosed under this head)						
(a) Commercial Lending Division	20.25	23.76	48.01	79.99	86.73	192.88
(b) Digital Lending Division - StuCred	249.26	210.03	70.50	610.95	149.52	236.01
<b>Net sales/Income From Operations</b>	<b>269.51</b>	<b>233.79</b>	<b>118.51</b>	<b>690.94</b>	<b>236.25</b>	<b>428.89</b>
<b>2. Segment Results (Profit)(+)/ Loss (-) before tax from Each segment)</b>						
(a) Commercial Lending Division	-5.71	1.69	21.06	3.39	56.65	105.65
(b) Digital Lending Division - StuCred	108.68	88.90	32.40	293.99	61.41	104.36
<b>Total Profit Before Tax</b>	<b>102.96</b>	<b>90.58</b>	<b>53.46</b>	<b>297.38</b>	<b>118.06</b>	<b>210.01</b>
<b>3. Segment Assets</b>						
(a) Commercial Lending Division	2893.74	2718.34	2198.10	2893.74	2198.10	2509.08
(b) Digital Lending Division - StuCred	1944.30	1543.68	467.45	1944.30	467.45	609.78
(c) Inter Segment Assets	-2075.72	-1731.74	-930.67	-2075.72	-930.67	-1053.55
<b>Total Segment Assets</b>	<b>2762.32</b>	<b>2530.28</b>	<b>1734.88</b>	<b>2762.32</b>	<b>1734.88</b>	<b>2065.31</b>
<b>4. Segment Liabilities</b>						
(a) Commercial Lending Division	776.58	770.14	859.60	776.58	859.60	699.00
(b) Digital Lending Division - StuCred	2265.04	1922.81	957.90	2265.04	957.90	1084.28
(c) Inter Segment Liabilities	-2075.72	-1731.74	-930.67	-2075.72	-930.67	-1053.55
<b>Total Segment Liabilities</b>	<b>965.90</b>	<b>961.21</b>	<b>886.83</b>	<b>965.90</b>	<b>886.83</b>	<b>729.73</b>

**Notes:**

(a) Segment Revenue, Segment Results, Segment assets and Segment liabilities shall have the same meaning as defined in the Accounting Standards on Segment Reporting (Ind AS-108) issued by ICAI /Company (Accounting Standards) Rules, 2006.

(b) The above information has been furnished for each of the reportable primary segments as identified in accordance with Ind AS-108.

C)Segment results of divisions include the component of notional interest charged by the Commercial Lending Division on the Digital Lending

**Place:** Chennai  
**Date:** 07/02/2023

**For Kreon Financial Services Limited**

**Jaijsh Tatia**  
**Whole Time Director**  
**DIN:08085029**