

07th February 2024

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 Board Meeting held on 07th February 2024
Scrip Code-530139**

With reference to the above captioned subject, pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, We are pleased to inform you that the Board of Directors of the Company at its Meeting held today, inter-alia, has approved and taken on record the Unaudited Financial Results for the Quarter ended 31st December 2023 along with Limited Review Report issued by the Statutory Auditors of the Company.

Further it also approved the publication of Unaudited Financial Results in the newspaper and placing a copy of it on the website of the Company www.kreon.in .

A copy of Unaudited financial results, along with the Limited Review Report for the Quarter ended 31st December 2023 are attached herewith.

The meeting commenced at 4.30 P.m. and concluded at 6.10 P.m

Kindly consider the same for your records.

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: darpanassociates@gmail.com

LIMITED REVIEW REPORT

The Board of Directors of **Kreon Financial Services Limited**

We have reviewed the accompanying statement of unaudited standalone financial results of **Kreon Financial Services Limited** ("the Company") for the quarter and nine months ended **31st December 2023** attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (listing obligations and Disclosure requirements) Regulations, 2015, as amended to date, read with SEBI circular no. CIR/CFD/CMD1/ 80 /2019 dated July 19, 2019.

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, 2023 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.

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.

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



Darpan Kumar
Partner
Membership No. 235817
UDIN: 24235817BKFAXT3549

Place : Chennai

Date : February 07, 2024

M/s. KREON FINANCIAL SERVICES LTD

Reg. off: No.26, 22nd Street, Rathinam Nagar, Thiruvanniyur, Chennai - 600041

CIN: L65921TN1994PLC029317

Unaudited Financial Results for the Quarter ended 31st December 2023

Email Id: info@kreon.in, Website: www.Kreon.in

| | | <i>(Rs.in Lakhs)</i> | | | | | |
|--------|--|----------------------|-----------------|-----------------|------------------|------------------|-----------------|
| S.No | Particulars | Quarter ended | Quarter ended | Quarter ended | Nine Months | Nine Months | Year ended |
| | | 31.12.2023 | 30.09.2023 | 31.12.2022 | ended 31.12.2023 | ended 31.12.2022 | 31.03.2023 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| | Revenue from operations | | | | | | |
| (i) | Interest Income | 12.17 | 12.59 | 16.90 | 38.05 | 70.57 | 66.19 |
| (ii) | Fees & Commission Income | 394.10 | 326.96 | 234.22 | 1,016.76 | 577.69 | 832.83 |
| (iii) | Other Operating Income | 29.12 | 22.71 | 12.32 | 68.48 | 29.07 | 44.19 |
| (I) | Total Revenue from operations | 435.38 | 362.26 | 263.44 | 1,123.28 | 677.33 | 943.21 |
| | | | | | | | |
| (II) | Other Income | 14.56 | 4.50 | 6.08 | 23.09 | 13.60 | 18.54 |
| (III) | Total Income (I+II) | 449.94 | 366.76 | 269.52 | 1,146.37 | 690.93 | 961.75 |
| | | | | | | | |
| | Expenses | | | | | | |
| (i) | Finance Costs | 11.74 | 12.23 | 13.52 | 37.02 | 41.10 | 45.28 |
| (ii) | Employee Benefits Expenses | 70.35 | 65.77 | 47.81 | 203.23 | 102.96 | 156.10 |
| (iii) | Depreciation, amortization and impairment | 17.36 | 16.78 | 19.08 | 50.53 | 35.20 | 54.05 |
| (iv) | Bad debts | 478.01 | 12.94 | 3.81 | 499.37 | 18.15 | 22.76 |
| (v) | Provision for NPA & Standard Assets | -31.43 | 21.99 | 9.12 | 15.25 | 17.31 | 31.30 |
| (vi) | Others expenses | 100.97 | 90.64 | 73.21 | 273.06 | 178.85 | 254.70 |
| (IV) | Total Expenses (IV) | 646.99 | 220.35 | 166.55 | 1,078.45 | 393.57 | 564.19 |
| | | | | | | | |
| (V) | Profit / (loss) before exceptional items and tax (III-IV) | -197.05 | 146.40 | 102.97 | 67.91 | 297.36 | 397.56 |
| (VI) | Exceptional items | - | - | - | - | - | - |
| (VII) | Profit/(loss) before tax (V -VI) | -197.05 | 146.40 | 102.97 | 67.91 | 297.36 | 397.56 |
| | Tax Expense: | | | | | | |
| (VIII) | (1) Current Tax | -2.65 | 2.65 | 0.19 | - | 0.19 | 1.75 |
| | (2) Prior Period Tax | - | - | - | - | - | 0.19 |
| | (3) Deferred Tax | -46.95 | 34.24 | 5.67 | 17.09 | 9.91 | -62.38 |
| (IX) | Profit / (loss) for the period from continuing operations(VII-VIII) | -147.45 | 109.51 | 97.11 | 50.82 | 287.26 | 458.00 |
| (X) | Profit/(loss) from discontinued operations | - | - | - | - | - | - |
| (XI) | Tax Expense of discontinued operations | - | - | - | - | - | - |
| (XII) | Profit/(loss) from discontinued operations(After tax) (X-XI) | - | - | - | - | - | - |
| (XIII) | Profit/(loss) for the period (IX+XII) | -147.45 | 109.51 | 97.11 | 50.82 | 287.26 | 458.00 |
| | | | | | | | |
| (XIV) | Other Comprehensive Income | | | | | | |
| | (A) (i) Items that will not be reclassified to profit or loss (specify items and amounts) | | | | | | |
| | *Investment in Equity Instruments | 10.65 | 177.99 | -48.06 | 275.77 | -227.87 | -307.95 |
| | *Defined Benefit Obligation | - | - | - | - | - | 0.86 |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | -0.54 | -21.29 | 5.75 | -32.25 | 27.25 | 36.61 |
| | Subtotal (A) | 10.11 | 156.70 | -42.31 | 243.52 | -200.62 | -270.48 |
| | (B) (i) Items that will be reclassified to profit or loss: Gain/ (Loss) on valuation of shares | - | - | - | - | - | - |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | - | - | - | - | - | - |
| | Subtotal (B) | - | - | - | - | - | - |
| | Other Comprehensive Income (A + B) | 10.11 | 156.70 | -42.31 | 243.52 | -200.62 | -270.48 |
| | | | | | | | |
| (XV) | Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the period) | -137.35 | 266.21 | 54.80 | 294.33 | 86.64 | 187.52 |
| | | | | | | | |
| (XVI) | Paid up Equity Share Capital | 2,022.20 | 2,022.20 | 1,058.60 | 2,022.20 | 1,058.60 | 1,362.30 |
| (XVII) | Reserves excluding Revaluation Reserves | -179.11 | -31.66 | -167.11 | -179.11 | -167.11 | -229.77 |
| (XVII) | Earnings per equity share (for continuing operations) | | | | | | |
| | Basic (Rs.) | -0.73 | 0.54 | 0.92 | 0.49 | 2.71 | 4.22 |
| | Diluted (Rs.) | -0.73 | 0.54 | 0.48 | 0.43 | 1.42 | 2.62 |

Notes to Un-audited Results:

- The Un-audited results were reviewed by the Audit Committee and were approved by the board of Directors of the company at its meeting held on **07.02.2024**
- The company has carried out impairment of investments and necessary adjustments have been made in the financial results.
- Other Income includes Recovery of Bad Debts of Rs. 4.20 Lakhs
- Other Expenses(Q2 FY24) includes Marketing expenses of Rs.20.42 Lakhs, Tech Expenses of Rs. 16.39 Lakhs, Customer Engagement Charges of 37.56 Lakhs etc.,
- The company has decided to write off loan amounts which are outstanding for more than 360 days and accordingly have written off 4.78 Crores as bad debts, while actively pursuing recovery through legal avenues and precautionary measures
- The company has not declared any interim Dividend.
- The company is primarily engaged in the business of financing and there are no separate reportable segments identified as per the Ind As 108 - Operating Segments.
- The figures have been re-grouped / re-classified / re-arranged where ever necessary to present better comparison.

Kreon Financial Services Ltd

Place: Chennai
Date: 07.02.2024

Jaijash Tatia
Whole Time Director
DIN 08085029