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October 20, 2023

AEON Financial Service Co., Ltd.

**Notice regarding Conclusion of Agreement on Acquisition of Capital Contribution  
at Post and Telecommunication Finance Company Limited  
(Subsidiary Company)**

AEON Financial Service Co., Ltd. (the “Company” or “we”) hereby announces that at its Board of Directors meeting held today, the Company resolved to enter into an equity transfer agreement (the "Agreement") to acquire 100% of Capital Contribution at Post and Telecommunication Finance Company Limited (“PTF”), a Vietnamese finance company, and make it a wholly owned subsidiary.

This case will be carried out on the assumption that the relevant legal procedures in Vietnam have been completed.

**1. Background and Purpose of the Transaction**

Starting in Hong Kong in 1987, we are operating in 10 Asian countries and is committed to financial inclusion in each country and region.

The AEON Group has positioned Vietnam, where the average age is young and the economy is expected to continue growing, as an important country in its overseas strategy, and is expanding its retail store network. We started its business in 2008, and has been working to provide services closely related to the lives of its customers, focusing mainly on its own installment sales of home appliances and motorcycles. In order to further accelerate the expansion of the AEON Life Area in Vietnam, the AEON Group has decided to acquire 100% of Capital Contribution at PTF, which operates consumer loan business in Vietnam. As the fourth pillar of our company's overseas business, we will work to enrich the lives of Vietnamese customers by strengthening our growth strategy and expanding our product and service lineup.

**2. Overview of the subsidiary company to be changed**

(Japanese yen: 1 Vietnamese dong =0.0061 yen)

<b>(1) Company Name</b>	Post and Telecommunication Finance Company Limited
<b>(2) Location</b>	No. 3, Dang Thai Than, Hoan Kiem, Hanoi
<b>(3) Title and name of representative</b>	Nguyen Minh Thang, Chairman of the Members' Council
<b>(4) Business</b>	Financial industry
<b>(5) Capital</b>	1.55 trillion Vietnamese dong      Approx. 9.4 billion yen
<b>(6)Year of establishment</b>	1998



<b>(7) Major shareholders and shareholding ratio</b>	Southeast Asia Commercial Joint Stock Bank (Ownership:100%)		
<b>(8) Relationship between the listed company and relevant company</b>	Capital relationship	No matters to be stated	
	Personal relationship	No matters to be stated	
	Business relationship	No matters to be stated	
<b>(9) Financial status and business performance from the last three fiscal years (Unit: 1 million Vietnamese dong)</b>			
Fiscal year-end	December 2020	December 2021	December 2022
Net assets	512,629	540,836	749,476
Total assets	521,189	3,083,932	6,341,679
Net operating income	17,858	146,488	677,348
Net income	▲47,301	28,206	208,640

### 3. Overview of the Seller

(Japanese yen: 1 Vietnamese dong =0.0061 yen)

<b>(1) Name</b>	Southeast Asia Commercial Joint Stock Bank		
<b>(2) Location</b>	198 Tran Quang Khai, Ly Thai To Ward, Hoan Kiem District, Hanoi		
<b>(3) Title and the name of representative</b>	Le Van Tan, Chairman of the Board of Directors		
<b>(4) Business</b>	Banking		
<b>(5) Capital</b>	24,537,000 million Vietnamese dong Approximately 149.6 billion yen		
<b>(6) Date of establishment</b>	March 25, 1994		
<b>(7) Net assets</b>	26,232,220 million Vietnamese dong Approximately 160.0 billion yen (*)		
<b>(8) Total assets</b>	231,423,056 million Vietnamese dong Approximately 1,411.6 billion yen (*)		
<b>(9) Relationship between the company</b>	Capital relationship	No matters to be stated	
	Personal relationship	No matters to be stated	
	Business relationship	No matters to be stated	
	Status as related party	No matters to be stated	

\*Net assets and total assets as of 31 December 2022

#### 4. Purchase Price and Status of Shares held before and after the Transaction

<b>(1) Voting Rights before the Transfer holding Ratio</b>	0%
<b>(2) Purchase Price</b>	4.3 trillion Vietnamese dong    Approximately 26.2 billion yen (Japanese yen: 1 Vietnamese dong =0.0061 yen)
<b>(3) Voting Rights after the Transfer holding Ratio</b>	100%

#### 5. Schedule of share acquisition

<b>(1) Resolution at Board of Director' meeting</b>	October 20, 2023
<b>(2) Conclusion of contract</b>	October 20, 2023
<b>(3) Scheduled to execute share transaction</b>	2024 (planned)

The execution date of the agreement is subject to the status of fulfillment of the conditions precedent in the Agreement.

#### 6. Future Outlook

The impact of this transaction on the company's consolidated financial results for the fiscal year ending February 2024 is minimal.

End

# Investment in PTF(Vietnam)

October 20th, 2023



**AEON Financial Service**

Stock Listing: Tokyo Stock Exchange, Prime Market

Code No: 8570

# Transaction overview

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## Summary

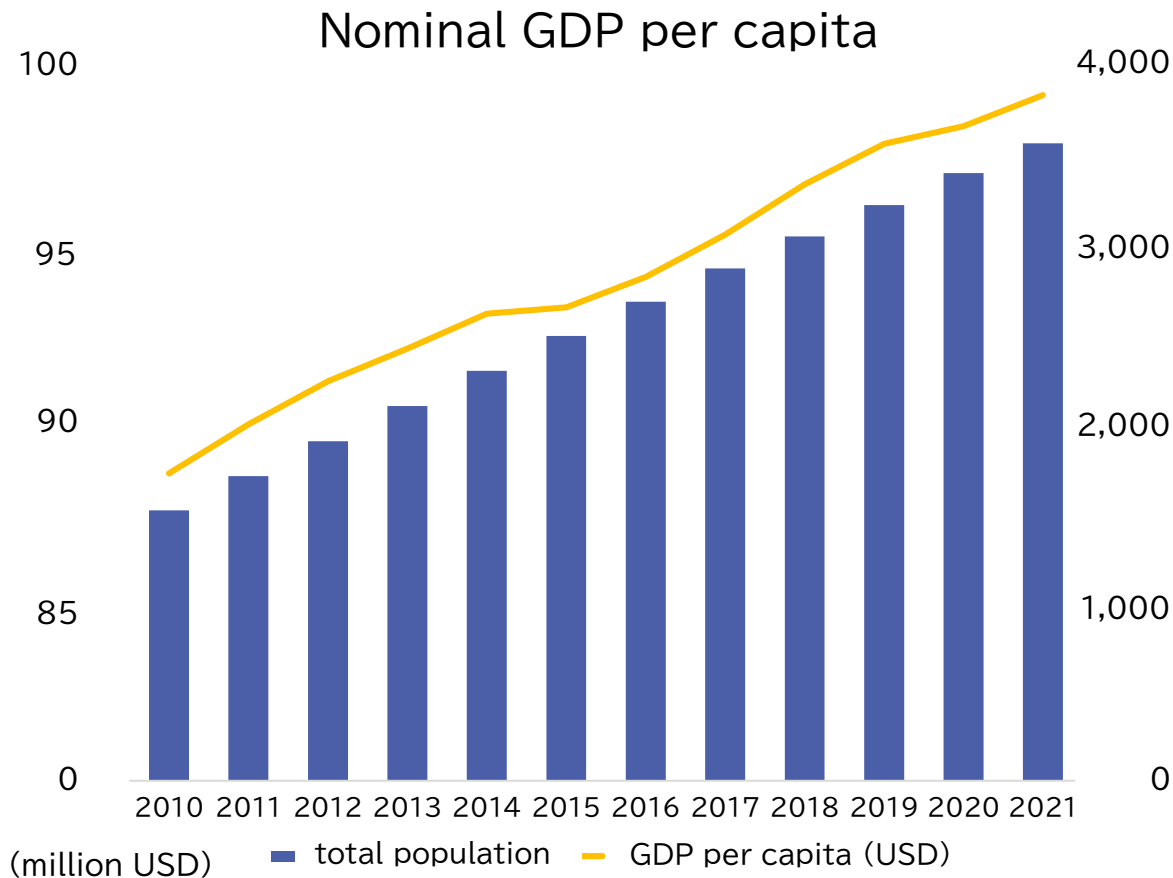
- Aeon Financial Services (AFS) plans to acquire a 100% capital contribution at Post and Telecommunication Finance Company Limited (PTF) from Southeast Asia Commercial Joint Stock Bank, a Vietnamese
- After closing the transaction, PTF would become AFS' wholly-owned subsidiary

## Performance Impact

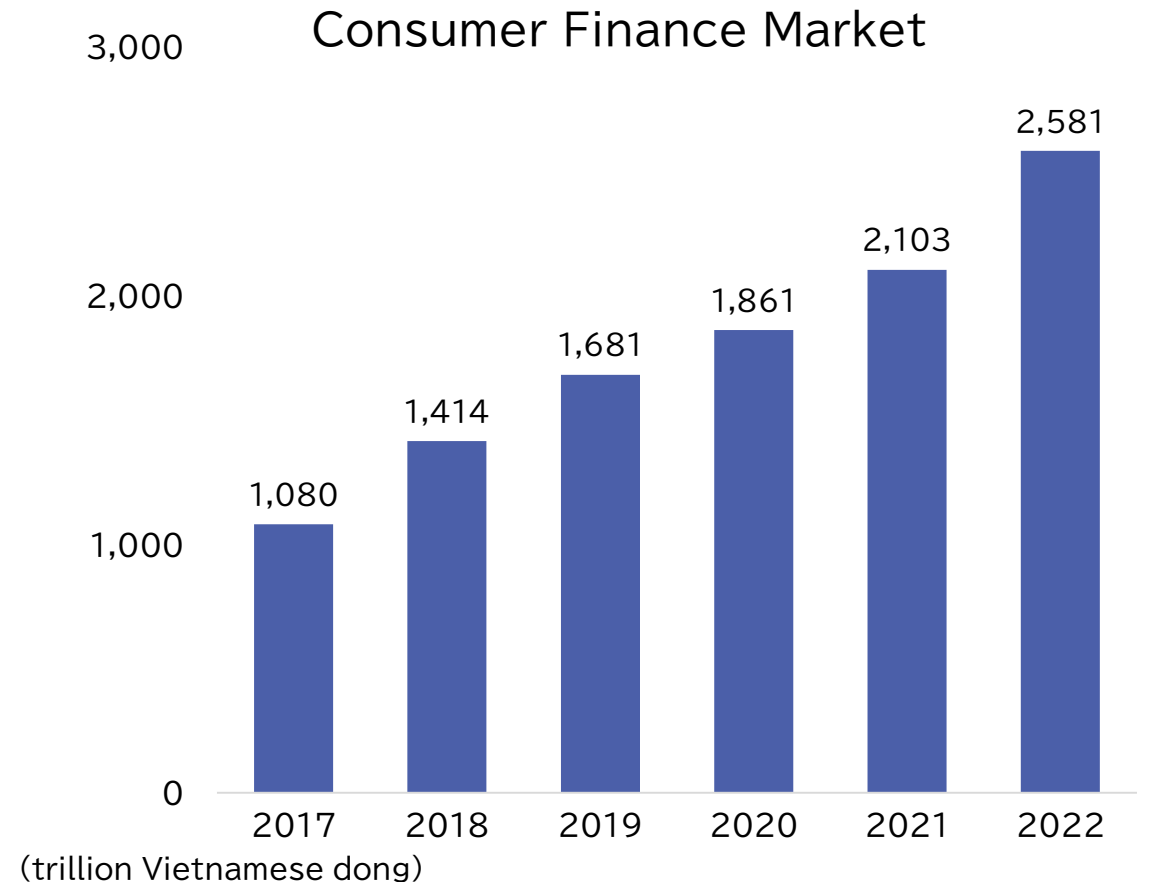
- The impact on AFS' s consolidated financial results for the fiscal year ending February 30, 2024 may be insignificant
- **This transaction will contribute to improving AFS Group's business performance in the medium to long term**

# Capturing Growth Potential in Vietnam

- Trough this investment, it enable AFS to capture consumers' financial needs in Vietnam where the rapid growth is highly expected in the future



Source: world bank



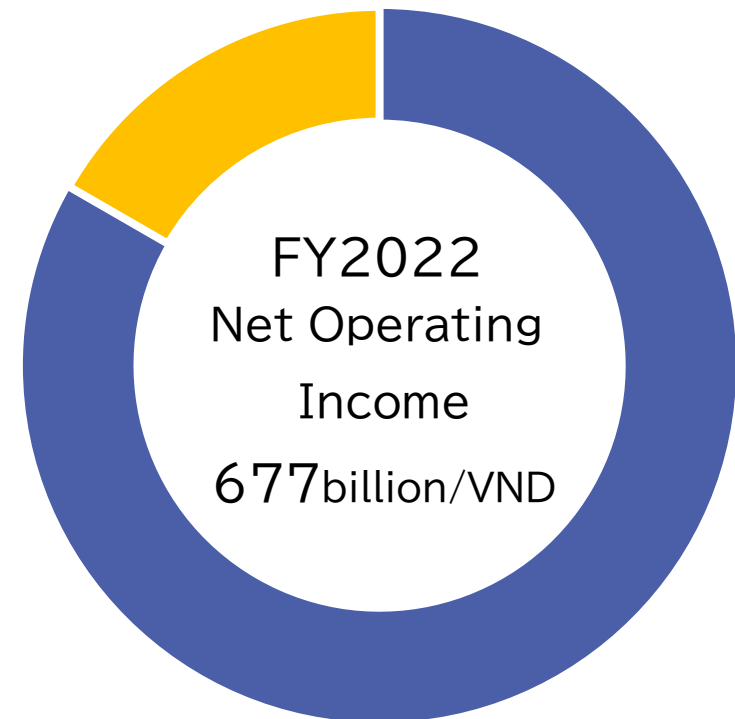
# Overview of PTF

- PTF operates throughout Vietnam with a focus on the personal loan business
- Operating revenue are growing with a customer base of more than 200,000 people

## Basic information

Company name	Post and Telecommunication Finance Company Limited (PTF)
Representative	Nguyen Minh Thang, Chairman of the Member's Council
Date of Establishment	1998
Capital	VND 1,550 billion (approx. JPY 9.4billion yen)
Listing status	Unlisted
Business	Finance

## PTF Revenue Composition



- Personal loan business
- Others

# Future of Vietnam Business

- Fully own PTF with personal loan licenses within Group to expand finance business
- Plan to expand the credit card and insurance agency business

## Present



ACS TRADING VIETNAM (ACSTV)

- Established in June 2008
- Issuing finance business licenses are pending in Vietnam. In this circumstance, ACSTV only offer installment credit under a retail license at the time



## Future Development



ACSTV



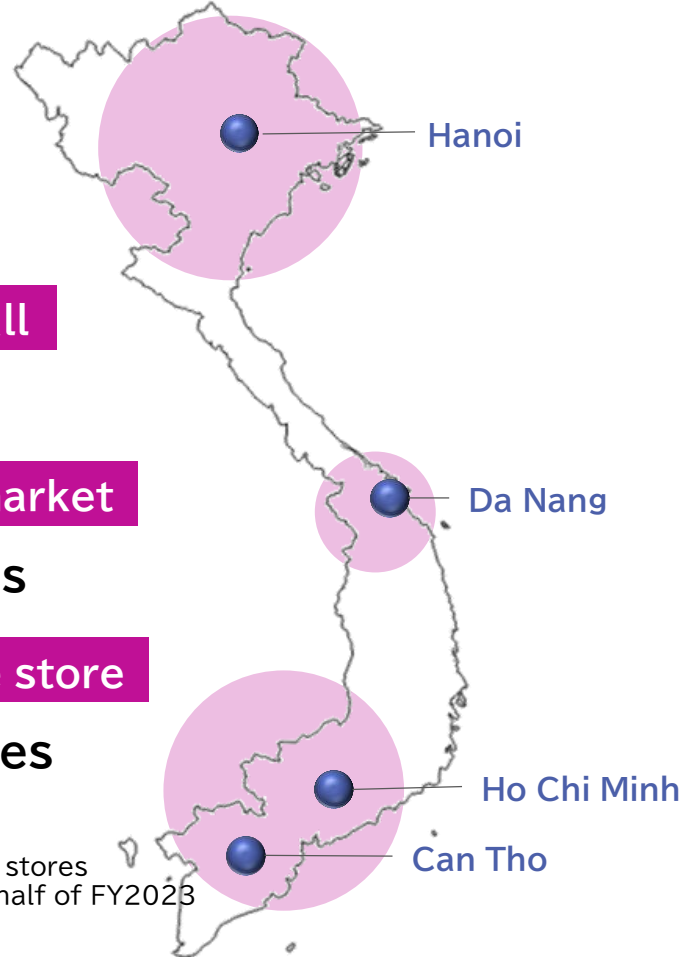
**Financial products  
can be provided**

- Installment credit
- Personal loan
- Insurance Agency
- Credit Card



# AEON Group's customer base

- Vietnam is the most focused on in AEON Group's overseas business and scale is expanding
- Promote Vietnam operation as the new pillar overseas business by leveraging AEON Groups' customer base and financial know-how



shopping mall

6 malls

food supermarket

32 stores

convenience store

151 stores

※ The number of opening stores at the end of the first half of FY2023

## Population Distribution in Vietnam

- Expected to increase the population concentration in Ho Chi Minh City, Hanoi City and Da Nang City
- AEON Group will accelerate opening of shopping malls and stores mainly in areas with increasing population

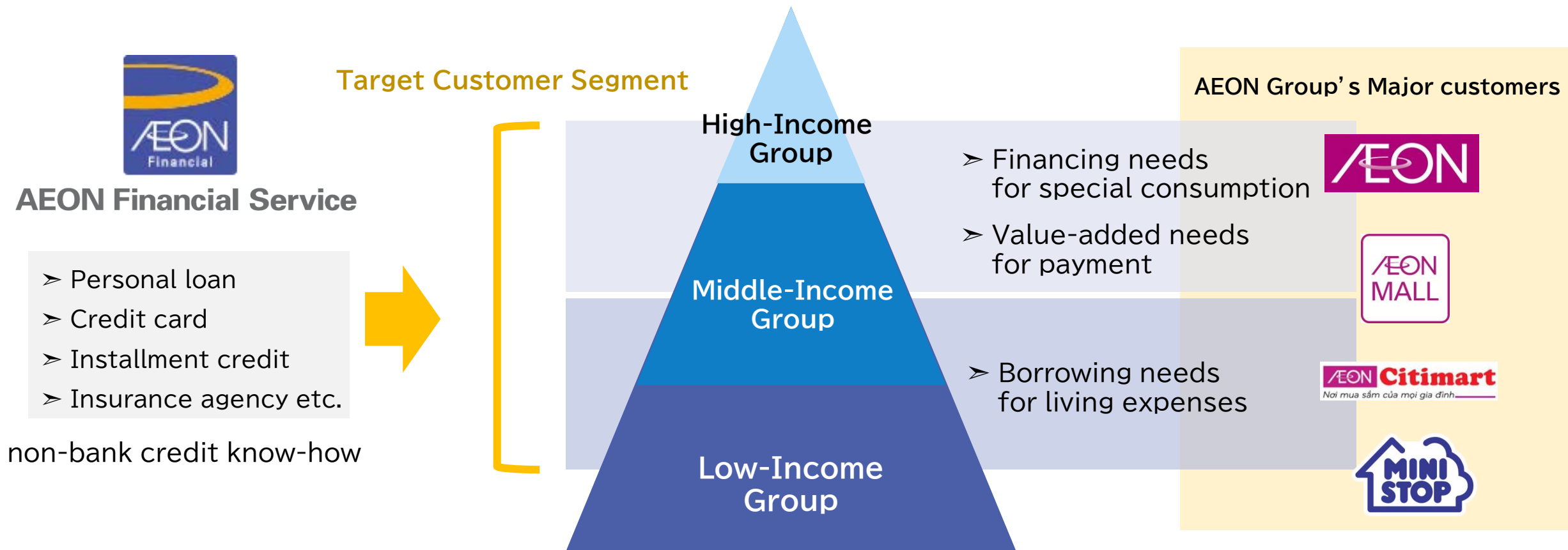
## Population Distribution in Vietnam

FY2022 230 stores in 4 provinces

➔ **Plan to open new stores to expand Vietnam business**

# Financial know-how

- AFS can contribute financial inclusion through the non-bank credit know-how cultivated over 30 years in Asia



credit card ownership rate is around 10% in Vietnam