



AEON Credit Service (M) Berhad

(Registration No. 199601040414 (412767-V))
(Incorporated in Malaysia)

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MAY 2021

	Note	Unaudited Individual quarter 3 months ended			Unaudited Cumulative quarter 3 months ended		
		31.5.2021	31.5.2020	Changes	31.5.2021	31.5.2020	Changes
		RM'000	RM'000	%	RM'000	RM'000	%
Revenue	B4	410,966	389,878	5.4%	410,966	389,878	5.4%
Total operating expenses		(158,668)	(277,517)	-42.8%	(158,668)	(277,517)	-42.8%
Other income		49,193	17,147	186.9%	49,193	17,147	186.9%
Profit from operations	B5(a)	301,491	129,508	132.8%	301,491	129,508	132.8%
Interest expense	B6	(85,633)	(92,422)	-7.3%	(85,633)	(92,422)	-7.3%
Profit before tax		215,858	37,086	482.0%	215,858	37,086	482.0%
Taxation	B7	(52,766)	(10,807)	388.3%	(52,766)	(10,807)	388.3%
Profit for the period		163,092	26,279	520.6%	163,092	26,279	520.6%
Other comprehensive income/(loss), net of tax	B5(b)						
<i>Item that may be reclassified subsequently to profit or loss:</i>							
Net changes in cash flow hedge		12,022	(56,093)	-121.4%	12,022	(56,093)	-121.4%
<i>Item that will not be reclassified subsequently to profit or loss:</i>							
Net fair value changes through other comprehensive income		(231)	(4,138)	-94.4%	(231)	(4,138)	-94.4%
Total comprehensive income for the period		174,883	(33,952)	-615.1%	174,883	(33,952)	-615.1%
Profit attributable to equity holders of the Company		163,092	26,279	520.6%	163,092	26,279	520.6%
Total comprehensive income attributable to equity holders of the Company		174,883	(33,952)	-615.1%	174,883	(33,952)	-615.1%
Earnings per share attributable to owners of the Company (sen)							
Basic	B14	63.88	10.29	520.6%	63.88	10.29	520.6%

The Condensed Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements of the Company for the financial year ended 28 February 2021 and the accompanying notes to the quarterly report attached hereto.



AEON Credit Service (M) Berhad

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CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2021

	Note	Unaudited As at 31.5.2021 RM'000	As at 28.2.2021 RM'000
ASSETS			
Non-current assets			
Plant and equipment		145,298	137,843
Right-of-use assets		49,750	53,535
Investments		27,414	27,645
Deferred tax assets		224,766	247,816
Financing receivables		6,376,509	6,302,925
Total non-current assets		6,823,737	6,769,764
Current assets			
Financing receivables		2,962,072	2,933,121
Other receivables, deposits and prepayments		51,171	63,375
Amount owing by related companies		18,819	25,612
Derivative financial assets	B8	5,623	-
Cash, bank balances and deposits		617,653	439,549
Total current assets		3,655,338	3,461,657
TOTAL ASSETS		10,479,075	10,231,421
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		584,012	584,012
Hedging reserve		(116,240)	(128,262)
Fair value reserve		6,286	6,517
Retained earnings		1,394,017	1,230,925
Equity attributable to ordinary equity holders of the Company		1,868,075	1,693,192
Perpetual notes and sukuk		200,000	200,000
Total equity		2,068,075	1,893,192



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CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2021 (Continued)

	Note	Unaudited As at 31.5.2021 RM'000	As at 28.2.2021 RM'000
Non-current liabilities			
Borrowings	B11	6,651,038	6,542,946
Lease liabilities		31,888	35,801
Total non-current liabilities		6,682,926	6,578,747
Current liabilities			
Borrowings	B11	1,186,046	1,119,964
Trade payables		31,734	21,163
Other payables and accruals		241,262	226,847
Amount owing to immediate holding company		3,435	6,586
Amount owing to related companies		3,758	20,267
Derivative financial liabilities	B8	197,565	281,903
Lease liabilities		17,917	18,230
Tax liabilities		46,357	64,522
Total current liabilities		1,728,074	1,759,482
Total liabilities		8,411,000	8,338,229
TOTAL EQUITY AND LIABILITIES		10,479,075	10,231,421
Net assets per share (RM)		7.32	6.63
Number of ordinary shares ('000)		255,308	255,308
Capital adequacy ratio (%)		25.46	23.98

The Condensed Statement of Financial Position should be read in conjunction with the audited financial statements of the Company for the financial year ended 28 February 2021 and the accompanying notes to the quarterly report attached hereto.



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CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MAY 2021

	<u>Non-distributable</u>				<u>Distributable</u>		
	Share capital	ICULS equity	Perpetual notes and sukuk	Hedging reserve	Fair value reserve	Retained earnings	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 March 2020	565,448	14,107	200,000	(115,870)	27,571	1,066,103	1,757,359
Cash flow hedge, net of tax	-	-	-	(56,093)	-	-	(56,093)
Fair value through other comprehensive income	-	-	-	-	(4,138)	-	(4,138)
Profit for the period	-	-	-	-	-	26,279	26,279
Total comprehensive income for the period	-	-	-	(56,093)	(4,138)	26,279	(33,952)
Conversion of ICULS equity	66	(66)	-	-	-	-	-
Conversion of ICULS liabilities	3	-	-	-	-	-	3
At 31 May 2020	565,517	14,041	200,000	(171,963)	23,433	1,092,382	1,723,410

	<div>← <u>Non-distributable</u> →</div>				<u>Distributable</u>	
	Share capital	Perpetual notes and sukuk	Hedging reserve	Fair value reserve	Retained earnings	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 March 2021	584,012	200,000	(128,262)	6,517	1,230,925	1,893,192
Cash flow hedge, net of tax	-	-	12,022	-	-	12,022
Fair value through other comprehensive income	-	-	-	(231)	-	(231)
Profit for the period	-	-	-	-	163,092	163,092
Total comprehensive income for the period	-	-	12,022	(231)	163,092	174,883
At 31 May 2021	584,012	200,000	(116,240)	6,286	1,394,017	2,068,075

The Condensed Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Company for the financial year ended 28 February 2021 and the accompanying notes to the quarterly report attached hereto.



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CONDENSED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MAY 2021

	31.5.2021 RM'000	31.5.2020 RM'000
Cash flows from operating activities		
Profit before tax	215,858	37,086
Adjustments for:		
Interest income	(2,390)	(907)
Finance costs	85,046	91,656
Interest on lease liabilities	587	766
Gain on disposal of plant and equipment	(48)	(3)
Depreciation of plant and equipment	11,640	12,684
Depreciation of right-of-use assets	5,709	5,282
Impairment loss on financing receivables	23,253	174,368
Write-off of plant and equipment	43	2
Operating profit before changes in working capital	339,698	320,934
Changes in working capital:		
Financing receivables	(125,788)	(229,014)
Other receivables, deposits and prepayments	12,204	3,335
Amount owing by related companies	6,793	(3,796)
Trade payables	10,571	(7,150)
Other payables and accruals	9,512	(21,744)
Amount owing to immediate holding company	(3,151)	(2,515)
Amount owing to related companies	(16,511)	1,237
Cash held in trust for customers	(4,630)	(2,099)
Cash held in trust for a related company	-	1,841
Cash generated from operations	228,698	61,029
Tax paid	(51,677)	(26,044)
Net cash from operating activities	177,021	34,985
Cash flows from investing activities		
Acquisition of plant and equipment	(19,286)	(10,522)
Proceeds from disposal of plant and equipment	196	3
Interest received	2,390	907
Net cash used in investing activities	(16,700)	(9,612)



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CONDENSED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MAY 2021 (Continued)

	31.5.2021 RM'000	31.5.2020 RM'000
Cash flows from financing activities		
Proceeds from bank borrowings	250,000	2,230,000
Repayment of bank borrowings	(149,969)	(2,091,175)
Repayment of lease liabilities	(6,735)	(6,009)
Decrease in deposit held in trust account	-	(1)
Finance costs paid	(80,142)	(82,312)
Net cash from financing activities	13,154	50,503
Net increase in cash and cash equivalents	173,475	75,876
Cash and cash equivalents at beginning of year	405,955	66,488
Cash and cash equivalents at end of period	579,430	142,364

Cash and cash equivalents included in the statement of cash flows comprised the following statement of financial position amounts:

	31.5.2021 RM'000	31.5.2020 RM'000
Cash and bank balances	78,921	78,007
Deposits placed with licensed financial institutions	538,732	86,628
	617,653	164,635
Cash held in trust for customers	(38,061)	(22,080)
Deposit held in trust account	(162)	(191)
	579,430	142,364

The Condensed Statement of Cash Flows should be read in conjunction with the audited financial statements of the Company for the financial year ended 28 February 2021 and the accompanying notes to the quarterly report attached hereto.



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Notes to the interim financial report for the financial period ended 31 May 2021

A EXPLANATORY NOTES PURSUANT TO MFRS 134

A1 Basis of Preparation

The condensed interim financial statements are unaudited and have been prepared in accordance with MFRS 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB"), and Paragraph 9.22 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 28 February 2021. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company since the financial year ended 28 February 2021.

A2 Significant accounting policies

The significant accounting policies and methods of computation adopted in these interim financial statements are consistent with those adopted in the latest audited financial statements, except for the following:

Adoption of new and revised Malaysian Financial Reporting Standards ("MFRSs")

In the current financial year, the Company adopted all the new MFRS, amendments to MFRSs and IC Interpretation issued by the Malaysian Accounting Standards Board that are effective for annual financial periods beginning on or after 1 March 2021.

Effective for annual periods beginning on or after 1 January 2021

- Interest Rate Benchmark Reform - Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)

The application of these amendments to MFRSs did not have any material impact on the financial performance or position of the Company.

Amendments to MFRSs in issue but not yet effective

At the date of authorisation for issue of these financial statements, the relevant Amendments to MFRSs, which were in issue but not yet effective and not early adopted by the Company are as listed below:

Effective for annual periods beginning on or after 1 April 2021

- Amendment to MFRS 16 Leases – *Covid-19 Related Rent Concessions beyond 30 June 2021*

Effective for annual periods beginning on or after 1 January 2022

- Amendments to MFRSs *Annual Improvements to MFRSs Standards 2018 - 2020*
- Amendments to MFRS 3 *Reference to Conceptual Framework*
- Amendments to MFRS 116 *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137 *Onerous Contracts – Costs of Fulfilling a Contract*



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A2 Significant accounting policies (Continued)

Effective for annual periods beginning on or after 1 January 2023

- MFRS 17 *Insurance Contracts*
- Amendments to MFRS 4 *Extension of the Temporary Exemption from Applying MFRS 9*
- Amendments to MFRS 101 *Classification of Current and Non-current and Disclosure of Accounting Policies*
- Amendments to MFRS 108 *Definition of Accounting Estimate*

The Company will adopt the above amendments when they become effective and the adoption of these amendments is not expected to have any material impact on the financial statements of the Company in the period of initial application.

A3 Seasonal or Cyclical Factors

The Company normally benefits from the traditionally higher levels of consumer spending during festive seasons in Malaysia.

A4 Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.

A5 Changes in Estimates

There were no material changes in the nature and amount of estimates reported in prior interim period or prior financial years that have a material effect in the current financial period under review.

A6 Debt and Equity Securities

There were no other issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current financial period under review.

A7 Dividend Paid

There were no dividend paid during the quarter under review.

A8 Segmental Reporting

The Company is principally engaged in the provision of easy payment schemes for purchase of consumer durables and vehicles, personal financing schemes and credit cards business, all of which are categorised under consumer financing business.

On this basis, the Managing Director (“MD”) reviews the business performance of the Company as a whole.



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A9 Subsequent Event

There were no material events subsequent to the end of the current period under review up to the date of this report except for the followings:

On 30 June 2021, the Company announced to Bursa Securities that the Company and its 61.5% holding company, AEON Financial Service Co., Ltd. (“AFS”) have submitted a joint application to Bank Negara Malaysia for a digital bank license by combining their expertise and resources to establish in Malaysia a joint venture company to engage in the business of a digital bank upon obtaining a license.

Subject to the Approvals from BNM and Minister of Finance (“MOF”), and subject to acceptance by the Company and AFS of the terms applicable for the digital bank license approvals obtained, the Company and AFS shall incorporate a company in Malaysia (“Joint Venture Company” or “JVC”) and if necessary, incorporate the financial holding company (“FHC”) of the Joint Venture Company under the Financial Services Act 2013. The FHC will own 100% of the issued share capital of the JVC.

Upon receipt of the Approvals from BNM and MOF and before the execution of the shareholders agreement between the Company and AFS, the Company shall obtain approval from shareholders for the Proposed Joint Venture pursuant to paragraph 10.08(2) of the MMLR of Bursa Securities as the Proposed Joint Venture is a related party transaction that requires approval of shareholders of the Company.

Upon its incorporation, the FHC will have a total issued share capital of RM200 million consisting of 200 million ordinary shares, and the JVC will have a total issued share capital of RM200 million consisting of 200 million ordinary shares, subsequent to approval of issuance of banking licence to the digital bank. By the end of the fifth year from the commencement of its operation, the digital bank is required to achieve a minimum amount of capital funds of RM300 million unimpaired by losses.

AFS shall hold 60% of the equity share capital of the digital bank with the Company holding the remaining 40% of the equity share capital, subject to BNM approval.

A10 Changes in the Composition of the Company

There were no changes in the composition of the Company during the quarter under review, including business combinations, acquisition or disposal of subsidiaries and restructuring and discontinuing operations.

A11 Fair Value Measurement

The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the financial assets or liabilities that are not based on observable market data (unobservable inputs).



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A11 Fair Value Measurement (Continued)

31.5.2021	Level 1	Level 2	Level 3	Total
<u>Financial assets</u>	RM'000	RM'000	RM'000	RM'000
Investments	-	-	27,414	27,414
Derivatives designated as hedging instruments	-	5,623	-	5,623
Total financial assets carried at fair value	-	5,623	27,414	33,037
<u>Financial liabilities</u>				
Derivatives designated as hedging instruments	-	197,565	-	197,565
Total financial liabilities carried at fair value	-	197,565	-	197,565
28.02.2021	Level 1	Level 2	Level 3	Total
<u>Financial assets</u>	RM'000	RM'000	RM'000	RM'000
Investments	-	-	27,645	27,645
Total financial assets carried at fair value	-	-	27,645	27,645
<u>Financial liabilities</u>				
Derivatives designated as hedging instruments	-	281,903	-	281,903
Total financial liabilities carried at fair value	-	281,903	-	281,903

A12 Contingent Liabilities and Contingent Assets

The Company did not have any contingent liabilities, either secured or unsecured, or contingent assets as at 31 May 2021 and up to the date of this announcement.

A13 Related Party Transactions

During the current quarter under review and up to the date of this announcement, the Company did not enter into any significant Related Party Transactions or Recurrent Related Party Transactions of revenue or trading nature other than those that had been mandated by the shareholders during the Annual General Meetings held on 24 June 2020 and 23 June 2021.

A14 Capital Commitments

Capital commitments for plant and equipment which have been authorised and contracted, but not provided for amounted to RM83.071 million as at 31 May 2021.



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B ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS

B1 Performance Review

	Individual / Cumulative quarter 3 months ended		
	31.5.2021 RM'000	31.5.2020 RM'000	Changes %
Transaction and financing volume	1,408,054	778,571	80.9%
Revenue	410,966	389,878	5.4%
Total operating expenses	158,668	277,517	-42.8%
Other income	49,193	17,147	186.9%
Profit from operations	301,491	129,508	132.8%
Profit before tax	215,858	37,086	482.0%
Profit for the period	163,092	26,279	520.6%

The Company recorded a total revenue of RM410.966 million, which was higher by 5.4% as compared to the preceding year corresponding quarter. Total transaction and financing volume in the current quarter of RM1.408 billion was higher by 80.9% as compared to previous year corresponding quarter which was impacted by the Movement Control Order (“MCO”).

The gross financing receivables as at 31 May 2021 of RM10.058 billion was lower by RM460.074 million as compared to 31 May 2020. The net financing receivables after allowance for impairment loss was RM9.339 billion as at 31 May 2021 as compared to RM9.759 billion as at 31 May 2020. Non-Performing Loans (“NPL”) ratio was 1.75% as at 31 May 2021 as compared to 1.42% as at 31 May 2020. Loan loss coverage ratio stood at 409% as at 31 May 2021 as compared to 507% as at 31 May 2020.

Other income for the current quarter was recorded at RM49.193 million mainly comprising bad debts recovered, insurance commission and interest/profit income from deposits with licensed financial institutions.

Ratio of total operating expenses against revenue was recorded at 38.6% for the current quarter as compared to 71.2% in the preceding year corresponding quarter. The decrease in operating expenses was mainly due to lower impairment losses on financing receivables of RM23.253 million as compared to RM174.368 million for the preceding year corresponding quarter.

Funding cost for the current quarter was lower compared to the preceding year corresponding quarter mainly due to reduced borrowings and lower cost of funds. The nominal value of borrowings as at 31 May 2021 was RM7.876 billion as compared to RM8.244 billion as at 31 May 2020.

As a result, the profit before tax (“PBT”) for the current quarter of RM215.858 million increased by 482.0% as compared to the preceding year corresponding quarter.



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B2 Financial Review for Profit before Taxation of Current Quarter Compared with Immediate Preceding Quarter

	Current Quarter 31.5.2021 RM'000	Immediate Preceding Quarter 28.2.2021 RM'000	Changes %
Transaction and financing volume	1,408,054	1,263,369	11.5%
Revenue	410,966	406,348	1.1%
Total operating expenses	158,668	215,834	-26.5%
Other income	49,193	46,852	5.0%
Profit from operations	301,491	237,366	27.0%
Profit before tax	215,858	153,630	40.5%
Profit for the period	163,092	113,719	43.4%

PBT for the current quarter was recorded at RM215.858 million, an increase of 40.5% compared to RM153.630 million recorded in the immediate preceding quarter. The higher PBT was mainly due to lower impairment losses of RM23.253 million recorded in the current quarter as compared to RM65.133 million for the immediate preceding quarter and lower other operating expenses of RM14.010 million.

B3 Current Year Prospects

In the first quarter of 2021, the Malaysian Gross Domestic Product (“GDP”) improved with a slower contraction of 0.5% year-on-year compared to 3.4% contraction in fourth quarter supported mainly by the improvement in domestic demand and strong exports performance. Meanwhile, Bank Negara Malaysia has forecasted Malaysia's economy to grow between 6.0% and 7.5% on the back of stronger domestic demand. Notwithstanding this, downside risk to growth remains, as there may be some slowdown in business transactions in the coming quarters due to the Government's imposition of the Full MCO (“FMCO”) beginning 1 June 2021 and also the Enhanced MCO (“EMCO”) in key parts of the Klang Valley from 3 July 2021. The pace and strength of recovery will depend on positive developments related to the COVID-19 pandemic, and continued challenges that affect the roll-out of vaccines both globally and domestically.

The Company managed to recover its sales and business performance despite the challenges in the first quarter of financial year ended 28 February 2022. The Company will continue to closely monitor and assess the inherent credit risks in its financing portfolio, with proactive attention focused on enhancement of asset quality, prudent cost management and improvement on financial and operational efficiencies by leveraging on its positive business fundamentals. The Company is committed to strive in building its business sustainability agenda and will be continuously investing in information technology to drive the digitalisation its operations. Barring any unforeseen circumstances, the Company expects to be able to maintain its financial performance for the financial year ending 28 February 2022.



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B4 Revenue

	Individual quarter 3 months ended		Cumulative quarter 3 months ended	
	<u>31.5.2021</u>	<u>31.5.2020</u>	<u>31.5.2021</u>	<u>31.5.2020</u>
	RM'000	RM'000	RM'000	RM'000
Revenue comprises:				
Interest income, profit revenue and finance charges	366,584	358,997	366,584	358,997
Fee income	44,382	30,881	44,382	30,881
	<u>410,966</u>	<u>389,878</u>	<u>410,966</u>	<u>389,878</u>

B5 Notes to the Statement of Comprehensive Income

Except as disclosed below, other disclosure items in item 16 of Appendix 9B of Bursa Malaysia's Listing Requirements are not applicable:

	Individual quarter 3 months ended		Cumulative quarter 3 months ended	
	<u>31.5.2021</u>	<u>31.5.2020</u>	<u>31.5.2021</u>	<u>31.5.2020</u>
	RM'000	RM'000	RM'000	RM'000
(a) Included in Profit from operations:				
Bad debts recovered	43,719	14,362	43,719	14,362
Interest income	2,390	907	2,390	907
Gain on disposal of plant and equipment	48	3	48	3
Depreciation of plant and equipment	(11,640)	(12,684)	(11,640)	(12,684)
Depreciation of right-of-use assets	(5,709)	(5,282)	(5,709)	(5,282)
Impairment loss on financing receivables	(23,253)	(174,368)	(23,253)	(174,368)
Write off of plant and equipment	(43)	(2)	(43)	(2)
(b) Included in Other comprehensive income/(loss):				
Net changes in cash flow hedge	12,022	(56,093)	12,022	(56,093)
Net fair value changes on equity instruments through other comprehensive income	(231)	(4,138)	(231)	(4,138)

Receivables amounting to RM145.541 million has been written off against allowance for impairment losses on receivables for the current quarter as compared with RM105.191 million written off in the previous year corresponding quarter.



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B6 Interest expense

	Individual quarter 3 months ended		Cumulative quarter 3 months ended	
	<u>31.5.2021</u>	<u>31.5.2020</u>	<u>31.5.2021</u>	<u>31.5.2020</u>
	RM'000	RM'000	RM'000	RM'000
Interest expense on financial liabilities that are not stated at fair value through profit or loss:				
Commercial paper	131	3,029	131	3,029
Term loans/financing	78,062	79,629	78,062	79,629
Senior and subordinated sukuk	6,853	6,573	6,853	6,573
Revolving credits	-	1,127	-	1,127
Bank overdraft	-	2	-	2
ICULS interest	-	1,296	-	1,296
	85,046	91,656	85,046	91,656
Interest on lease liabilities	587	766	587	766
	85,633	92,422	85,633	92,422

B7 Taxation

Tax expense

	Individual quarter 3 months ended		Cumulative quarter 3 months ended	
	<u>31.5.2021</u>	<u>31.5.2020</u>	<u>31.5.2021</u>	<u>31.5.2020</u>
	RM'000	RM'000	RM'000	RM'000
Income tax payable:				
- current year	33,512	6,347	33,512	6,347
Deferred tax:				
- current year	19,254	4,460	19,254	4,460
	52,766	10,807	52,766	10,807

The Company's effective tax rate is higher than the statutory tax rate as certain expenses are not deductible for tax purpose.



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B8 Derivatives and Fair Value Changes of Financial Liabilities

(a) Details of derivative financial instruments outstanding as at 31 May 2021 are as follows:

	Notional Amount		Fair Value	
	31.5.2021	28.2.2021	Assets / (Liabilities)	
	RM'000	RM'000	31.5.2021	28.2.2021
			RM'000	RM'000
<u>Derivative financial assets</u>				
<u>Cross currency swaps:</u>				
1 – 3 years	406,548	-	5,153	-
More than 3 years	101,913	-	470	-
Total	508,461	-	5,623	-
<u>Derivative financial liabilities</u>				
<u>Cross currency swaps:</u>				
Less than 1 year	836,046	819,964	(32,981)	(54,322)
1 – 3 years	649,854	935,969	(39,251)	(55,902)
More than 3 years	1,854,274	1,918,559	(125,333)	(171,679)
Total	3,340,174	3,674,492	(197,565)	(281,903)

(b) Fair value of financial liabilities

There were no fair value gain/(loss) on financial liabilities since all financial liabilities were measured at amortised cost.

B9 Provision of Financial Assistance

The Company has not extended any loans/advances to any party or received any loan/advances from any party in the ordinary course of its business as a licensed moneylender and therefore, there are no outstanding loans/advances as at 31 May 2021.

B10 Status of Corporate Proposal

There was no corporate proposal announced but not completed as at the date of this report except as disclosed in Note A9.



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B11 Borrowings

The borrowings of the Company as at 31 May 2021 comprised the following:

	<u>31.5.2021</u>	<u>28.2.2021</u>
	Unsecured	Unsecured
	RM'000	RM'000
Non-current :		
- Term loans/financing	5,952,589	5,844,528
- Senior sukuk	498,801	498,771
- Subordinated sukuk	199,648	199,647
	<u>6,651,038</u>	<u>6,542,946</u>
Current :		
- Term loans/financing	<u>1,186,046</u>	<u>1,119,964</u>
Total	<u><u>7,837,084</u></u>	<u><u>7,662,910</u></u>

The borrowings were denominated in the following currencies:

	<u>31.5.2021</u>		<u>28.2.2021</u>	
	Foreign	Unsecured	Foreign	Unsecured
	Currency	Equivalent	Currency	Equivalent
	'000	RM'000	'000	RM'000
Ringgit Malaysia		3,988,449		3,988,418
United States Dollar	932,101	<u>3,848,635</u>	907,379	<u>3,674,492</u>
		<u><u>7,837,084</u></u>		<u><u>7,662,910</u></u>

B12 Material Litigation

As at the date of this announcement, the Company is not engaged in any material litigation which in the opinion of the Board of Directors will have a material effect on the financial position or business of the Company.

B13 Dividend

No dividend was proposed or declared during the current quarter.



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B14 Earnings per share

	Individual quarter 3 months ended		Cumulative quarter 3 months ended	
	<u>31.5.2021</u>	<u>31.5.2020</u>	<u>31.5.2021</u>	<u>31.5.2020</u>
	RM'000	RM'000	RM'000	RM'000
Profit attributable to ordinary equity holders	163,092	26,279	163,092	26,279

Basic Earnings Per Share

Basic earnings per share is calculated by dividing the profit after distribution on Perpetual Notes and Sukuk by the weighted average number of ordinary shares outstanding during the period.

	Individual quarter 3 months ended		Cumulative quarter 3 months ended	
	<u>31.5.2021</u>	<u>31.5.2020</u>	<u>31.5.2021</u>	<u>31.5.2020</u>
Profit attributable to ordinary equity holders (RM'000)	163,092	26,279	163,092	26,279
Weighted average number of ordinary shares ('000 unit)	255,308	255,308	255,308	255,308
Basic earnings per share (sen)	63.88	10.29	63.88	10.29

Diluted Earnings Per Share

There were no dilutive potential ordinary shares outstanding as at 31 May 2021. As a result, the diluted earnings per share is equivalent to the basic earnings per share.

B15 Auditors' Report on the Preceding Annual Financial Statements

There was no qualification in the audit report on the preceding audited annual financial statements.

B16 Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors of the Company in accordance with a resolution of the Directors on 6 July 2021.

By order of the Board
6 July 2021