



AEON Credit Service (M) Berhad

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

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MAY 2023

	Note	Unaudited Individual quarter 3 months ended			Unaudited Cumulative quarter 3 months ended		
		31.5.2023	31.5.2022	Changes	31.5.2023	31.5.2022	Changes
		RM'000	RM'000	%	RM'000	RM'000	%
Revenue	B4	452,674	390,571	15.9%	452,674	390,571	15.9%
Total operating expenses		(285,251)	(156,180)	82.6%	(285,251)	(156,180)	82.6%
Other income		49,220	58,734	-16.2%	49,220	58,734	-16.2%
Profit from operations	B5(a)	216,643	293,125	-26.1%	216,643	293,125	-26.1%
Interest expense	B6	(84,729)	(77,590)	9.2%	(84,729)	(77,590)	9.2%
Profit before tax		131,914	215,535	-38.8%	131,914	215,535	-38.8%
Taxation	B7	(32,551)	(52,466)	-38.0%	(32,551)	(52,466)	-38.0%
Profit for the period		99,363	163,069	-39.1%	99,363	163,069	-39.1%
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		6,807	57,355	-88.1%	6,807	57,355	-88.1%
<i>Item that will not be reclassified subsequently to profit or loss:</i>							
Net fair value changes through other comprehensive income		359	54	564.8%	359	54	564.8%
Total comprehensive income for the period		106,529	220,478	-51.7%	106,529	220,478	-51.7%
Profit attributable to equity holders of the Company		99,363	163,069	-39.1%	99,363	163,069	-39.1%
Total comprehensive income attributable to equity holders of the Company		106,529	220,478	-51.7%	106,529	220,478	-51.7%
Earnings per share attributable to owners of the Company (sen)							
Basic	B14	38.92	63.87	-39.1%	38.92	63.87	-39.1%

The 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 28 February 2023 and the accompanying notes to the quarterly report attached hereto.



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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2023

	Note	Unaudited As at 31.5.2023 RM'000	Audited As at 28.2.2023 RM'000
ASSETS			
Non-current Assets			
Plant and equipment		113,163	114,999
Right-of-use assets		32,724	37,887
Other investments		26,980	26,621
Goodwill on consolidation		511	511
Deferred tax assets		188,115	197,708
Financing receivables		7,721,601	6,896,996
Total Non-current Assets		8,083,094	7,274,722
Current Assets			
Financing receivables		2,701,078	3,151,617
Trade receivables		2,096	1,080
Other receivables, deposits and prepayments		53,545	60,494
Amount owing by related companies		10,771	11,182
Derivative financial assets	B8	327,591	226,666
Cash, bank balances and deposits		375,641	391,337
Total Current Assets		3,470,722	3,842,376
TOTAL ASSETS		11,553,816	11,117,098
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital		584,012	584,012
Hedging reserve		(3,441)	(10,248)
Fair value reserve		5,317	4,958
Retained earnings		1,845,471	1,746,108
Equity attributable to ordinary equity holders of the Company		2,431,359	2,324,830
Perpetual notes and sukuk		200,000	200,000
Total Equity		2,631,359	2,524,830



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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2023 (Continued)

	Note	As at 31.5.2023 RM'000	As at 28.2.2023 RM'000
Non-current Liabilities			
Borrowings	B11	5,870,364	6,178,775
Lease liabilities		<u>16,804</u>	<u>20,389</u>
Total Non-current Liabilities		<u>5,887,168</u>	<u>6,199,164</u>
Current Liabilities			
Borrowings	B11	2,488,871	1,828,194
Trade payables		38,593	32,510
Other payables and accruals		393,618	406,806
Amount owing to immediate holding company		3,891	10,355
Amount owing to related companies		5,106	5,091
Derivative financial liabilities	B8	42,490	52,776
Lease liabilities		16,244	17,704
Tax liabilities		<u>46,476</u>	<u>39,668</u>
Total Current Liabilities		<u>3,035,289</u>	<u>2,393,104</u>
Total Liabilities		<u>8,922,457</u>	<u>8,592,268</u>
TOTAL EQUITY AND LIABILITIES		<u>11,553,816</u>	<u>11,117,098</u>
Net assets per share (RM)		9.52	9.11
Number of ordinary shares ('000)		255,308	255,308
Capital adequacy ratio (%)		27.08	27.11

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 28 February 2023 and the accompanying notes to the quarterly report attached hereto.



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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MAY 2023

	← <u>Non-distributable</u> →			<u>Distributable</u>		
	Share capital	Perpetual notes and sukuk	Hedging reserve	Fair value reserve	Retained earnings	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 March 2022	584,012	200,000	(49,199)	4,062	1,462,411	2,201,286
Cash flow hedge, net of tax	-	-	57,355	-	-	57,355
Fair value through other comprehensive income	-	-	-	54	-	54
Profit for the period	-	-	-	-	163,069	163,069
Total comprehensive income for the period	-	-	57,355	54	163,069	220,478
At 31 May 2022	584,012	200,000	8,156	4,116	1,625,480	2,421,764

	← <u>Non-distributable</u> →			<u>Distributable</u>		
	Share capital	Perpetual notes and sukuk	Hedging reserve	Fair value reserve	Retained earnings	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 March 2023	584,012	200,000	(10,248)	4,958	1,746,108	2,524,830
Cash flow hedge, net of tax	-	-	6,807	-	-	6,807
Fair value through other comprehensive income	-	-	-	359	-	359
Profit for the period	-	-	-	-	99,363	99,363
Total comprehensive income for the period	-	-	6,807	359	99,363	106,529
At 31 May 2023	584,012	200,000	(3,441)	5,317	1,845,471	2,631,359

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 28 February 2023 and the accompanying notes to the quarterly report attached hereto.



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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MAY 2023

	31.5.2023 RM'000	31.5.2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	131,914	215,535
Adjustments for:		
Interest income	(3,203)	(1,733)
Dividend income	-	(7)
Finance costs	84,341	77,105
Interest expenses on lease liabilities	399	485
Gain on disposal of plant and equipment	(26)	-
Depreciation of plant and equipment	9,910	10,427
Depreciation of right-of-use assets	5,013	5,400
Allowance/(Reversal) for impairment loss on financing receivables	9,157	(44,241)
Write-off on financing receivables	143,379	81,520
Write-off of plant and equipment	10	12
Operating profit before changes in working capital	380,894	344,503
Changes in working capital:		
Financing receivables	(526,602)	(220,643)
Trade receivables	(1,016)	(241)
Other receivables, deposits and prepayments	6,949	2,296
Amount owing by related companies	411	4,367
Trade payables	6,083	8,330
Other payables and accruals	(23,593)	29,178
Amount owing to immediate holding company	(6,464)	(3,970)
Amount owing to related companies	15	2,145
Cash held in trust for customers	(1,423)	(3,254)
Cash (used in)/generated from operations	(164,746)	162,711
Tax paid	(18,299)	(42,075)
Net cash (used in)/from operating activities	(183,045)	120,636
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of plant and equipment	(8,086)	(4,429)
Proceeds from disposal of plant and equipment	28	-
Interest received	3,203	1,733
Dividend received	-	7
Net cash used in investing activities	(4,855)	(2,689)



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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MAY 2023 (Continued)

	31.5.2023	31.5.2022
	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bank borrowings	595,000	200,000
Repayment of bank borrowings	(345,000)	(199,941)
Repayment of lease liabilities	(5,294)	(5,723)
Increase in deposits held in trust account	(100)	-
Finance costs paid	(73,925)	(73,778)
Net cash from/(used in) financing activities	170,681	(79,442)
Net (decrease)/increase in cash and cash equivalents	(17,219)	38,505
Cash and cash equivalents at beginning of year	341,790	468,233
Cash and cash equivalents at end of period	324,571	506,738

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

	31.5.2023	31.5.2022
	RM'000	RM'000
Cash and bank balances	89,724	74,016
Deposits placed with licensed financial institutions	285,917	476,703
	375,641	550,719
Cash held in trust for customers	(50,834)	(43,818)
Deposits held in trust account	(236)	(163)
	324,571	506,738

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 28 February 2023 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 2023

A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (“MFRS 134”)

A1 Basis of Preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of 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 Group’s audited financial statements for the financial year ended 28 February 2023. 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 Group since the financial year ended 28 February 2023.

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 Group adopted the following amendments to MFRSs issued by the MASB that are effective for annual financial periods beginning on or after 1 March 2023:

- MFRS 17 *Insurance Contracts*
- Amendments to MFRS 4 *Extension of the Temporary Exemption from Applying MFRS 9*
- Amendments to MFRS 101 *Classification of Liabilities as Current and Non-current*
- Amendments to MFRS 101 *Disclosure of Accounting Policies*
- Amendments to MFRS 108 *Definition of Accounting Estimates*
- Amendments to MFRS 112 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to MFRS 17 *Initial Application of MFRS 9 and MFRS17 - Comparative Information*

The adoption of these amendments to MFRSs did not have any material impact on the financial performance or position of the Group for the current financial period.

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 Group are as listed below:

Effective for annual periods beginning on or after 1 January 2024

- Amendments to MFRS 16 *Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101 *Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 101 *Non-current Liabilities with Covenants*



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A2 Significant accounting policies (Continued)

Effective date of these Amendments to Standards has been deferred, and yet to be announced

- Amendments to MFRS 10 and MFRS 128 - *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group will adopt the above standards and 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 Group in the period of initial application.

A3 Seasonal or Cyclical Factors

The Group 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 of the Group 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 periods 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. The contribution from the subsidiary company which is principally engaged in the business operation as an insurance broker remains insignificant to the Group during the current financial period under review.

On this basis, the Managing Director ("MD") reviews the business performance of the Group 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, which are likely to substantially affect the results of the quarter under review.

A10 Changes in the Composition of the Group

There were no changes in the composition of the Group during the quarter under review, including business combinations, acquisition or disposal of subsidiaries and long-term investments, 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).

31.5.2023

Financial assets

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Other investments	185	-	26,795	26,980
Derivatives designated as hedging instruments	-	327,591	-	327,591
Total financial assets carried at fair value	185	327,591	26,795	354,571

Financial liabilities

Derivatives designated as hedging instruments	-	42,490	-	42,490
Total financial liabilities carried at fair value	-	42,490	-	42,490

28.2.2023

Financial assets

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Other investments	238	-	26,383	26,621
Derivatives designated as hedging instruments	-	226,666	-	226,666
Total financial assets carried at fair value	238	226,666	26,383	253,287

Financial liabilities

Derivatives designated as hedging instruments	-	52,776	-	52,776
Total financial liabilities carried at fair value	-	52,776	-	52,776



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A12 Contingent Liabilities and Contingent Assets

The Group did not have any contingent liabilities, either secured or unsecured, or contingent assets as at 31 May 2023 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 Group 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 Meeting held on 29 June 2022 and 21 June 2023.

A14 Capital Commitments

Capital commitments for plant and equipment which have been authorised and contracted, but not provided for amounted to RM13.578 million as at 31 May 2023.



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B ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS

B1 Performance Review

	Individual/Cumulative quarter 3 months ended		
	31.5.2023 RM'000	31.5.2022 RM'000	Changes %
Transaction and financing volume	1,832,334	1,486,745	23.2%
Revenue	452,674	390,571	15.9%
Total operating expenses	(285,251)	(156,180)	82.6%
Other income	49,220	58,734	-16.2%
Profit from operations	216,643	293,125	-26.1%
Profit before tax	131,914	215,535	-38.8%
Profit for the period	99,363	163,069	-39.1%

i) Current Quarter vs Preceding Year Corresponding Quarter

Total transaction and financing volume in the current quarter of RM1.832 billion was higher by 23.2% as compared to preceding year corresponding quarter. The Group recorded a total revenue of RM452.674 million, which was higher by 15.9% as compared to the preceding year corresponding quarter mainly attributable to stronger loan and financing growth.

The gross financing receivables as at 31 May 2023 of RM11.219 billion represent an increase of RM1.222 billion as compared to 31 May 2022. The net financing receivables after allowance for impairment loss was RM10.423 billion as at 31 May 2023 as compared to RM9.284 billion as at 31 May 2022. Non-Performing Loans ("NPL") ratio was 3.13% as at 31 May 2023 as compared to 2.53% as at 31 May 2022. Loan loss coverage ratio stood at 227% as at 31 May 2023 as compared to 281% as at 31 May 2022.

Other income for the current quarter was recorded at RM49.220 million mainly due to bad debt recoveries.

Ratio of total operating expenses against revenue was recorded at 63.0% for the current quarter as compared to 40.0% in the preceding year corresponding quarter. The increase in operating expenses was mainly due to higher impairment losses on financing receivables of RM152.536 million as compared to RM37.279 million for the preceding year corresponding quarter.

Funding cost for the current quarter was marginally higher by 9.2% as compared to the preceding year corresponding quarter mainly due to higher borrowings in line with the receivables growth. The nominal value of borrowings as at 31 May 2023 was RM8.070 billion as compared to RM7.371 billion as at 31 May 2022.

Profit before tax ("PBT") for the current quarter of RM131.914 million was lower by 38.8% as compared to the preceding year corresponding quarter mainly due to higher impairment losses on financing receivables.



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

	Current Quarter 31.5.2023 RM'000	Immediate Preceding Quarter 28.2.2023 RM'000	Changes %
Transaction and financing volume	1,832,334	1,599,316	14.6%
Revenue	452,674	432,664	4.6%
Total operating expenses	(285,251)	(270,654)	5.4%
Other income	49,220	48,562	1.4%
Profit from operations	216,643	210,572	2.9%
Profit before tax	131,914	129,811	1.6%
Profit for the period	99,363	95,340	4.2%

PBT for the current quarter increased by 1.6% to RM131.914 million from RM129.811 million recorded in the immediate preceding quarter. The higher PBT was mainly contributed by the incrementally higher revenue, coupled with lower personnel and other operating expenses. However, this was offset by higher impairment losses of RM152.536 million recorded in the current quarter as compared to RM117.198 million for the immediate preceding quarter.

B3 Current Year Prospects

Malaysian's Gross Domestic Product grew 5.6% in the first quarter of 2023 as compared to an overall strong rebound of 8.7% in 2022. The economic expansion was supported by sustained domestic demand reflecting confidence in the economy and improvement in labour market conditions. Amid weaker global growth momentum, Bank Negara Malaysia is forecasting the Malaysian economy to moderate at a rate between 4% and 5% in 2023 principally driven by domestic demand.

The Group remains cautious on the outlook for the year in view of prevailing economic headwinds, tightening policy rates to curb inflationary pressures and volatility in the global banking industry and financial markets. Nevertheless, the Group will continue to closely monitor its asset quality and assess the inherent credit risks in its financing portfolios, adopt prudent cost management and improve on financial and operational efficiencies by leveraging on its positive business fundamentals. To fortify its long term business sustainability, the Group will continuously enhance its information technology capabilities to support its future growth. Barring any unforeseen circumstances, the Group expects to be able to maintain its financial performance by putting in place the appropriate measures for the financial year ending 29 February 2024.



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B4 Revenue

	Individual/Cumulative quarter 3 months ended	
	<u>31.5.2023</u>	<u>31.5.2022</u>
	RM'000	RM'000
Revenue comprises:		
Interest income, profit revenue and finance charges	398,544	342,012
Fee income	54,130	48,559
	<u>452,674</u>	<u>390,571</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/Cumulative quarter 3 months ended	
	<u>31.5.2023</u>	<u>31.5.2022</u>
	RM'000	RM'000
(a) Included in Profit from operations:		
Bad debts recovered	45,773	55,031
Interest income	3,203	1,733
Dividend income	-	7
Gain on disposal of plant and equipment	26	-
Depreciation of plant and equipment	(9,910)	(10,427)
Depreciation of right-of-use assets	(5,013)	(5,400)
(Allowance)/Reversal for impairment loss on financing receivables	(9,157)	44,241
Write-off on financing receivables	(143,379)	(81,520)
Write-off of plant and equipment	(10)	(12)
(b) Included in Other comprehensive income:		
Net changes in cash flow hedge	6,807	57,355
Net fair value changes on equity instruments through other comprehensive income	359	54



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B6 Interest expense

	Individual/Cumulative quarter 3 months ended	
	<u>31.5.2023</u>	<u>31.5.2022</u>
	RM'000	RM'000
Interest expense on financial liabilities that are not stated at fair value through profit or loss:		
Term loans/financing	74,246	70,132
Senior and subordinated sukuk	6,881	6,881
Islamic commercial paper	659	92
Revolving credits	2,544	-
	<u>84,330</u>	<u>77,105</u>
Interest on lease liabilities	399	485
	<u>84,729</u>	<u>77,590</u>

B7 Taxation

	Individual/Cumulative quarter 3 months ended	
	<u>31.5.2023</u>	<u>31.5.2022</u>
	RM'000	RM'000
Income tax payable:		
- current period	25,107	27,693
Deferred tax:		
- current period	7,444	24,773
	<u>32,551</u>	<u>52,466</u>

The Group's effective tax rate for the current quarter was slightly higher than the statutory tax rate of 24% as certain expenses are not deductible for tax purpose.



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B8 Derivatives and Fair Value Changes of Financial Instruments

(a) Details of derivative financial instruments outstanding as at 31 May 2023 are as follows:

	Notional Amount		Fair Value	
	31.5.2023	28.2.2023	Assets/(Liabilities)	
	RM'000	RM'000	31.5.2023	28.2.2023
			RM'000	RM'000
<u>Derivative financial assets</u>				
<u>Cross currency swaps:</u>				
Less than 1 year	853,919	718,194	98,111	59,587
1 – 3 years	1,794,799	1,634,395	159,808	107,235
More than 3 years	664,094	864,165	69,672	59,844
Total	3,312,812	3,216,754	327,591	226,666
<u>Derivative financial liabilities</u>				
<u>Cross currency swaps:</u>				
1 – 3 years	149,759	145,417	(2,825)	(6,615)
More than 3 years	307,780	305,926	(39,665)	(46,161)
Total	457,539	451,343	(42,490)	(52,776)

(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 Group 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 2023.



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B10 Status of Corporate Proposal

Proposed joint venture between the Company, AEON Financial Service Co., Ltd. (“AFS”) and MoneyLion Inc. (“MLI”) and application to Bank Negara Malaysia (“BNM”) for a digital bank license

The Company, together with its Joint Venture (“JV”) consortium parties AEON Financial Service Co., Ltd. (immediate holding company) and MoneyLion Inc. (“MLI”) had submitted a joint application for a Digital Islamic Bank (“DIB”) Licence to Bank Negara Malaysia (“BNM”).

On 29 April 2022, the Company was notified by BNM that the Minister of Finance has approved the issuance of a DIB Licence to a company to be formed by the JV consortium parties.

On 30 September 2022, the Company, AFS and MLI reached agreement to cease negotiations on MLI’s participation in the proposed JV arising from the desire of MLI to focus on its operations in the United States. Consequently, the Company and AFS as the remaining JV consortium parties shall continue with the implementation of the operational readiness plan to establish the DIB.

Subject to satisfying the operational readiness requirements as part of the licensing conditions imposed by BNM and barring any unforeseen circumstances, the DIB is expected to be operational within 24 months from the date of approval.

B11 Borrowings

The borrowings of the Group as at 31 May 2023 comprised the following:

	<u>31.5.2023</u>	<u>28.2.2023</u>
	Unsecured	Unsecured
	RM’000	RM’000
Non-current :		
- Term loans/financing	5,171,433	5,479,903
- Senior sukuk	499,199	499,150
- Subordinated sukuk	199,732	199,722
	5,870,364	6,178,775
Current :		
- Term loans/financing	1,998,919	1,678,194
- Revolving credit	440,000	150,000
- Commercial paper	49,952	-
	2,488,871	1,828,194
Total	8,359,235	8,006,969



AEON Credit Service (M) Berhad

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(Incorporated in Malaysia)

B11 Borrowings (Continued)

The borrowings were denominated in the following currencies:

	<u>31.5.2023</u>		<u>28.2.2023</u>	
	Foreign		Foreign	
	Currency	Equivalent	Currency	Equivalent
	'000	RM'000	'000	RM'000
<u>Unsecured</u>				
Ringgit Malaysia		4,588,883		4,338,872
United States Dollar	749,058	3,462,572	749,058	3,362,171
Japanese Yen	9,318,765	307,780	9,318,765	305,926
		<u>8,359,235</u>		<u>8,006,969</u>

B12 Material Litigation

As at the date of this announcement, the Group 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 Group.

B13 Dividends

No dividend was proposed or declared during the current quarter.

B14 Earnings per share

	Individual/Cumulative quarter	
	3 months ended	
	<u>31.5.2023</u>	<u>31.5.2022</u>
	RM'000	RM'000
Profit attributable to equity holders	<u>99,363</u>	<u>163,069</u>

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/Cumulative quarter	
	3 months ended	
	<u>31.5.2023</u>	<u>31.5.2022</u>
Profit attributable to ordinary equity holders (RM'000)	<u>99,363</u>	<u>163,069</u>
Weighted average number of ordinary shares ('000 unit)	<u>255,308</u>	<u>255,308</u>
Basic earnings per share (sen)	<u>38.92</u>	<u>63.87</u>



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B14 Earnings per share (Continued)

Diluted Earnings Per Share

There were no dilutive potential ordinary shares outstanding as at 31 May 2023. 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

This interim financial report was authorised for issue by the Board of Directors of the Company in accordance with a resolution of the Directors on 10 July 2023.

By order of the Board
10 July 2023