



# 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 AUGUST 2024

	Note	Unaudited Individual quarter 3 months ended			Unaudited Cumulative quarter 6 months ended		
		31.8.2024	31.8.2023	Changes	31.8.2024	31.8.2023	Changes
		RM'000	RM'000	%	RM'000	RM'000	%
Revenue	B4	541,429	471,730	14.8%	1,063,688	924,404	15.1%
Total operating expenses		(368,828)	(275,186)	34.0%	(700,407)	(560,437)	25.0%
Other income		52,025	49,482	5.1%	119,597	98,702	21.2%
<b>Profit from operations</b>	B5(a)	<b>224,626</b>	246,026	-8.7%	<b>482,878</b>	462,669	4.4%
Interest expense	B6	(104,750)	(86,795)	20.7%	(206,583)	(171,524)	20.4%
Operating profit		119,876	159,231	-24.7%	276,295	291,145	-5.1%
Share of results in an associate		(18,740)	-	0.0%	(30,334)	-	0.0%
Profit before tax		101,136	159,231	-36.5%	245,961	291,145	-15.5%
Taxation	B7	(29,978)	(39,042)	-23.2%	(68,390)	(71,593)	-4.5%
<b>Profit for the period</b>		<b>71,158</b>	120,189	-40.8%	<b>177,571</b>	219,552	-19.1%
<b>Other comprehensive income/(loss), net of tax</b>	B5(b)						
<i>Item that may be reclassified subsequently to profit or loss:</i>							
Net changes in cash flow hedge		(4,653)	8,704	-153.5%	(13,386)	15,511	-186.3%
<i>Item that will not be reclassified subsequently to profit or loss:</i>							
Net fair value changes through other comprehensive income		(649)	(128)	-407.0%	(5,812)	231	-2616.0%
<b>Total comprehensive income for the period</b>		<b>65,856</b>	128,765	-48.9%	<b>158,373</b>	235,294	-32.7%



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	Note	Unaudited Individual quarter 3 months ended			Unaudited Cumulative quarter 6 months ended		
		31.8.2024	31.8.2023	Changes	31.8.2024	31.8.2023	Changes
		RM'000	RM'000	%	RM'000	RM'000	%
<b>Profit attributable to equity holders of the Company</b>		<b>71,158</b>	120,189	-40.8%	<b>177,571</b>	219,552	-19.1%
<b>Total comprehensive income attributable to equity holders of the Company</b>		<b>65,856</b>	128,765	-48.9%	<b>158,373</b>	235,294	-32.7%
<b>Earnings per share attributable to owners of the Company (sen)</b>							
Basic	B14	<b>13.94</b>	22.55 *	-38.2%	<b>34.78</b>	42.01*	-17.2%

\* For comparative purpose, the earnings per share for the quarter and cumulative quarter ended 31 August 2023 has been restated to reflect the Bonus Issue of 1 for 1 which was completed on 21 November 2023.

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 29 February 2024 and the accompanying notes to the quarterly report attached hereto.



## AEON Credit Service (M) Berhad

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### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2024

	Note	Unaudited As at 31.8.2024 RM'000	Audited As at 29.2.2024 RM'000
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Plant and equipment		117,196	105,389
Right-of-use assets		38,856	48,549
Investment in an associate		228,091	158,425
Other investments		8,061	13,873
Goodwill on consolidation		511	511
Deferred tax assets		176,352	168,192
Financing receivables		8,770,670	8,031,227
<b>Total Non-current Assets</b>		<b>9,339,737</b>	<b>8,526,166</b>
<b>Current Assets</b>			
Financing receivables		3,710,271	3,504,430
Trade receivables		4,257	3,226
Other receivables, deposits and prepayments		113,285	66,852
Amount owing by related companies		15,832	14,030
Amount owing by an associate		121	447
Derivative financial assets	B8	93,564	361,618
Cash, bank balances and deposits		291,680	143,568
<b>Total Current Assets</b>		<b>4,229,010</b>	<b>4,094,171</b>
<b>TOTAL ASSETS</b>		<b>13,568,747</b>	<b>12,620,337</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Share capital		584,012	584,012
Hedging reserve		14,554	27,940
Fair value reserve		(13,602)	(7,790)
Retained earnings		2,139,554	2,033,469
<b>Total Equity</b>		<b>2,724,518</b>	<b>2,637,631</b>



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### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2024 (Continued)

	Note	Unaudited As at 31.8.2024 RM'000	Audited As at 29.2.2024 RM'000
<b>Non-current Liabilities</b>			
Borrowings	B11	6,340,216	6,603,008
Lease liabilities		<u>23,584</u>	<u>28,174</u>
<b>Total Non-current Liabilities</b>		<u>6,363,800</u>	<u>6,631,182</u>
<b>Current Liabilities</b>			
Borrowings	B11	3,787,198	2,801,538
Trade payables		51,734	41,644
Other payables and accruals		419,484	390,565
Amount owing to immediate holding company		11,428	6,227
Amount owing to related companies		18,344	7,523
Derivative financial liabilities	B8	115,039	48,929
Lease liabilities		16,861	21,850
Tax liabilities		<u>60,341</u>	<u>33,248</u>
<b>Total Current Liabilities</b>		<u>4,480,429</u>	<u>3,351,524</u>
<b>Total Liabilities</b>		<u>10,844,229</u>	<u>9,982,706</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>13,568,747</u>	<u>12,620,337</u>
Net assets per share (RM)		5.34	5.17
Number of ordinary shares ('000)		510,615	510,615
Capital adequacy ratio (%)		23.42	24.42

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 29 February 2024 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 AUGUST 2024

	Non-distributable			Distributable		
	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	-	-	15,511	-	-	15,511
Fair value through other comprehensive income	-	-	-	231	-	231
Profit for the period	-	-	-	-	219,552	219,552
Total comprehensive income for the period	-	-	15,511	231	219,552	235,294
Distribution on perpetual notes and sukuk, net of tax	-	-	-	-	(5,040)	(5,040)
Dividends	-	-	-	-	(53,615)	(53,615)
At 31 August 2023	584,012	200,000	5,263	5,189	1,907,005	2,701,469

	Non-distributable			Distributable	
	Share capital	Hedging reserve	Fair value reserve	Retained earnings	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 March 2024</b>	584,012	27,940	(7,790)	2,033,469	2,637,631
Cash flow hedge, net of tax	-	(13,386)	-	-	(13,386)
Fair value through other comprehensive income	-	-	(5,812)	-	(5,812)
Profit for the period	-	-	-	177,571	177,571
<b>Total comprehensive income for the period</b>	-	(13,386)	(5,812)	177,571	158,373
Dividends	-	-	-	(71,486)	(71,486)
<b>At 31 August 2024</b>	584,012	14,554	(13,602)	2,139,554	2,724,518

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 29 February 2024 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 AUGUST 2024

	31.8.2024 RM'000	31.8.2023 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	245,961	291,145
Adjustments for:		
Interest income	(2,321)	(5,474)
Dividend income	(3)	(4)
Finance costs	205,667	170,768
Interest expenses on lease liabilities	916	756
Gain on disposal of plant and equipment	(32)	(7)
Depreciation of plant and equipment	16,574	19,785
Depreciation of right-of-use assets	12,713	10,017
Allowance/(Reversal) for impairment loss on financing receivables	20,948	(32,688)
Write-off on financing receivables	336,093	305,798
Allowance for impairment loss on trade receivables	17	14
Write-off of plant and equipment	3	17
Share of results in an associate	30,334	-
Operating profit before changes in working capital	866,870	760,127
Changes in working capital:		
Financing receivables	(1,302,325)	(1,035,630)
Trade receivables	(1,048)	(1,398)
Other receivables, deposits and prepayments	(46,433)	(2,996)
Amount owing by related companies	(1,802)	(40)
Amount owing by an associate	326	-
Trade payables	10,090	6,211
Other payables and accruals	21,974	(27,704)
Amount owing to immediate holding company	5,201	(2,301)
Amount owing to related companies	10,821	7,032
Cash held in trust for customers	(6,393)	(898)
Cash used in operations	(442,719)	(297,597)
Tax paid	(45,229)	(38,493)
<b>Net cash used in operating activities</b>	<b>(487,948)</b>	<b>(336,090)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of plant and equipment	(28,800)	(16,791)
Proceeds from disposal of plant and equipment	448	395
Investment in an associate	(100,000)	-
Interest received	2,321	5,474
Dividend received	3	4
<b>Net cash used in investing activities</b>	<b>(126,028)</b>	<b>(10,918)</b>



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### CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2024 (Continued)

	31.8.2024 RM'000	31.8.2023 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid to equity holders of the Company	(71,486)	(53,615)
Proceeds from bank borrowings	2,840,000	1,130,000
Repayment of bank borrowings	(1,800,000)	(600,000)
Repayment of lease liabilities	(13,515)	(10,912)
Increase in deposits held in trust account	(4)	(100)
Distribution paid to perpetual notes and sukuk holders	-	(6,632)
Finance costs paid	(199,304)	(162,339)
<b>Net cash from financing activities</b>	<b>755,691</b>	<b>296,402</b>
Net increase/(decrease) in cash and cash equivalents	141,715	(50,606)
Cash and cash equivalents at beginning of year	91,624	341,790
<b>Cash and cash equivalents at end of period</b>	<b>233,339</b>	<b>291,184</b>

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

	31.8.2024 RM'000	31.8.2023 RM'000
Cash and bank balances	108,598	93,156
Deposits placed with licensed financial institutions	183,082	248,573
	<b>291,680</b>	<b>341,729</b>
Cash held in trust for customers	(58,177)	(50,309)
Deposits held in trust account	(164)	(236)
	<b>233,339</b>	<b>291,184</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 29 February 2024 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 AUGUST 2024

#### 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 29 February 2024. 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 29 February 2024.

##### 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 2024:

- Amendments to MFRS 16 *Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101 *Classification of Liabilities as Current and Non-current*
- Amendments to MFRS 101 *Non-current Liabilities with Covenants*
- Amendments to MFRS 107 and MFRS 7 *Supplier Finance Arrangements*

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 year.

##### **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 2025*

- Amendments to MFRS 121 *Lack of Exchangeability*

*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 initial period of application.



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### 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 financial periods 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

	Cumulative quarter	
	Current Year	Preceding Year
	Year-To-Date	Year-To-Date
	<u>31.8.2024</u>	<u>31.8.2023</u>
	RM'000	RM'000
In respect of the financial year ended 28 February 2023		
- Final single-tier dividend of 21.00 sen per ordinary share	-	53,614
In respect of the financial year ended 29 February 2024		
- Final single-tier dividend of 14.00 sen per ordinary share	71,486	-
	<b>71,486</b>	<b>53,614</b>

### 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 operations 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 except as disclosed below:

On 1 August 2024, the Company has subscribed for a further 100 million new ordinary shares at an issue price of RM1.00 each in the share capital of its 50% owned associate company, AEON Bank (M) Berhad (formerly known as ACS Digital Berhad) ("AEON Bank") for a total consideration of RM100 million ("Additional Subscription"), as mandated by the Company's shareholders at the Extraordinary General Meeting held on 16 October 2023.

Following the Additional Subscription, the Company's total shareholding in the share capital of AEON Bank has increased from 175 million ordinary shares to 275 million ordinary shares and its equity interest remains at 50% in AEON Bank.

### 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).

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<b>31.8.2024</b>				
<u>Financial assets</u>				
Other investments	143	-	7,918	8,061
Derivatives designated as hedging instruments	-	93,564	-	93,564
Total financial assets carried at fair value	143	93,564	7,918	101,625
<u>Financial liabilities</u>				
Derivatives designated as hedging instruments	-	115,039	-	115,039
Total financial liabilities carried at fair value	-	115,039	-	115,039



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### A11 Fair Value Measurement (Continued)

<u>29.2.2024</u>	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<u>Financial assets</u>				
Other investments	150	-	13,723	13,873
Derivatives designated as hedging instruments	-	361,618	-	361,618
Total financial assets carried at fair value	150	361,618	13,723	375,491
<u>Financial liabilities</u>				
Derivatives designated as hedging instruments	-	48,929	-	48,929
Total financial liabilities carried at fair value	-	48,929	-	48,929

### A12 Contingent Liabilities and Contingent Assets

The Group did not have any contingent liabilities, either secured or unsecured, or contingent assets as at 31 August 2024 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 20 June 2024.

### A14 Capital Commitments

Capital commitments for plant and equipment which have been authorised and contracted, but not provided for amounted to RM64.527 million as at 31 August 2024.



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### B ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS

#### B1 Performance Review

	Individual quarter 3 months ended			Cumulative quarter 6 months ended		
	31.8.2024 RM'000	31.8.2023 RM'000	Changes %	31.8.2024 RM'000	31.8.2023 RM'000	Changes %
Transaction and financing volume	<b>2,158,019</b>	1,789,890	20.6%	<b>4,133,039</b>	3,622,224	14.1%
Revenue	<b>541,429</b>	471,730	14.8%	<b>1,063,688</b>	924,404	15.1%
Total operating expenses	<b>(368,828)</b>	(275,186)	34.0%	<b>(700,407)</b>	(560,437)	25.0%
Other income	<b>52,025</b>	49,482	5.1%	<b>119,597</b>	98,702	21.2%
Profit from operations	<b>224,626</b>	246,026	-8.7%	<b>482,878</b>	462,669	4.4%
Share of results in an associate	<b>(18,740)</b>	-	0.0%	<b>(30,334)</b>	-	0.0%
Profit before tax	<b>101,136</b>	159,231	-36.5%	<b>245,961</b>	291,145	-15.5%
Profit for the period	<b>71,158</b>	120,189	-40.8%	<b>177,571</b>	219,552	-19.1%

#### i) Current Quarter vs Preceding Year Corresponding Quarter

Total transaction and financing volume in the current quarter of RM2.158 billion was higher by 20.6% as compared to preceding year corresponding quarter. The Group recorded a total revenue of RM541.429 million, which was higher by 14.8% as compared to the preceding year corresponding quarter mainly attributable to stronger loan and financing growth.

The gross financing receivables as at 31 August 2024 of RM13.199 billion was higher by RM1.633 billion as compared to 31 August 2023. The net financing receivables after allowance for impairment loss was RM12.481 billion as at 31 August 2024 as compared to RM10.811 billion as at 31 August 2023. Non-Performing Loans ("NPL") ratio has reduced to 2.37% as at 31 August 2024 as compared to 2.98% as at 31 August 2023, resulting from corrective actions taken.

Other income for the current quarter was recorded at RM52.025 million mainly due to bad debt recoveries.

The ratio of total operating expenses against revenue for the current quarter was recorded at 68.1% as compared to 58.3% in the preceding year corresponding quarter. The increase in the ratio of operating expenses was mainly attributable to the higher impairment losses on financing receivables of RM193.584 million as compared to RM120.574 million for the preceding year corresponding quarter.

Interest expense for the current quarter was higher 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 August 2024 was RM10.170 billion as compared to RM8.349 billion as at 31 August 2023.

The Group has equity accounted for its proportionate share of losses in AEON Bank during the quarter amounting to RM18.740 million.

Profit before tax ("PBT") for the current quarter of RM101.136 million decreased by 36.5% as compared to the preceding year corresponding quarter.



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### B1 Performance Review (Continued)

#### ii) Current Year-to-date vs Preceding Year-to-date

Total transaction and financing volume for the financial period-to-date grew by 14.1% to RM4.133 billion compared to preceding year corresponding period. As a result, total revenue registered for the financial period-to-date of RM1.064 billion increased by 15.1% compared to RM924.404 million recorded in the preceding year corresponding period.

The Group recorded a lower PBT of RM245.961 million for the financial period-to-date as compared to RM291.145 million in the preceding year corresponding period. The decrease was mainly due to the higher impairment losses on financing receivables by RM83.931 million and higher other operating expenses of RM56.039 million in line with increased transaction and financing volume. This is offset by the incremental increase in revenue of RM139.284 million. The share of losses in AEON Bank for the financial period-to-date recorded at RM30.334 million.

Loan loss coverage ratio stood at 230% as at 31 August 2024 as compared to 219% as at 31 August 2023.

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

	Current Quarter 31.8.2024 RM'000	Immediate Preceding Quarter 31.5.2024 RM'000	Changes %
Transaction and financing volume	2,158,019	1,975,020	9.3%
Revenue	541,429	522,259	3.7%
Total operating expenses	(368,828)	(331,579)	11.2%
Other income	52,025	67,572	-23.0%
Profit from operations	224,626	258,252	-13.0%
Share of results in an associate	(18,740)	(11,594)	61.6%
Profit before tax	101,136	144,825	-30.2%
Profit for the period	71,158	106,413	-33.1%

PBT for the current quarter was recorded at RM101.136 million, a decrease of 30.2% compared to RM144.825 million in the immediate preceding quarter. The lower PBT was mainly due to the higher impairment losses on financing receivables of RM193.584 million as compared to RM163.457 million recorded in the immediate preceding quarter and the higher share of losses in AEON Bank after the commencement of its banking business.



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### B3 Current Year Prospects

Malaysia's Gross Domestic Product increased to 5.9% in the second quarter of 2024 as compared to 4.2% in the first quarter of 2024, driven mainly by stronger domestic demand and expansion in exports. BNM forecasted the Malaysian economy to grow between 4% to 5% in 2024 supported by continued expansion in domestic expenditure and improvement in external demand.

The Group maintains a cautious stance due to the existing geopolitical tensions, inflationary pressures and ongoing volatility in global financial markets. Nevertheless, the Group will continue to remain prudent and cautious, placing emphasis on growing quality asset and closely monitoring the inherent credit risks in its financing portfolios. The Group will continuously enhance its information technology capabilities to improve on operational efficiencies while establishing an ecosystem to be built from the AEON Group of Companies operating in Malaysia ("AEON Living Zone") to expand on its customer reach.

Barring any unforeseen circumstances, the Group anticipates to be able to maintain its business momentum through implementing the appropriate measures for the financial year ending 28 February 2025.

### B4 Revenue

	Individual quarter		Cumulative quarter	
	3 months ended		6 months ended	
	<u>31.8.2024</u>	<u>31.8.2023</u>	<u>31.8.2024</u>	<u>31.8.2023</u>
	RM'000	RM'000	RM'000	RM'000
Revenue comprises:				
Interest income, profit revenue and				
finance charges	482,831	418,351	948,693	816,895
Fee income	58,598	53,379	114,995	107,509
	<u>541,429</u>	<u>471,730</u>	<u>1,063,688</u>	<u>924,404</u>



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### B5 Notes to the Statement of Comprehensive Income

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

	Individual quarter		Cumulative quarter	
	3 months ended		6 months ended	
	<u>31.8.2024</u>	<u>31.8.2023</u>	<u>31.8.2024</u>	<u>31.8.2023</u>
	RM'000	RM'000	RM'000	RM'000
(a) Included in Profit from operations:				
Bad debts recovered	49,924	46,229	113,966	92,002
Interest income	1,159	2,271	2,321	5,474
Dividend income	3	4	3	4
Gain on disposal of plant and equipment	2	(19)	32	7
Depreciation of plant and equipment	(8,290)	(9,875)	(16,574)	(19,785)
Depreciation of right-of-use assets	(6,328)	(5,004)	(12,713)	(10,017)
(Allowance)/Reversal for impairment loss on financing receivables	(25,797)	41,845	(20,948)	32,688
Write-off on financing receivables	(167,787)	(162,419)	(336,093)	(305,798)
Write-off of plant and equipment	(2)	(7)	(3)	(17)
Allowance for impairment loss on trade receivables	1	(14)	(17)	(14)
(b) Included in Other comprehensive income:				
Net changes in cash flow hedge	(4,653)	8,704	(13,386)	15,511
Net fair value changes on equity instruments through other comprehensive income	(649)	(128)	(5,812)	231



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### B6 Interest expense

	Individual quarter 3 months ended		Cumulative quarter 6 months ended	
	<u>31.8.2024</u>	<u>31.8.2023</u>	<u>31.8.2024</u>	<u>31.8.2023</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:				
Term loans/financing	73,906	74,045	153,178	148,291
Senior and subordinated sukuk	16,726	6,882	31,232	13,763
Islamic commercial paper	3,524	903	5,076	1,562
Revolving credit	10,107	4,560	16,116	7,104
Bank overdraft	53	48	65	48
	<u>104,316</u>	<u>86,438</u>	<u>205,667</u>	<u>170,768</u>
Interest on lease liabilities	434	357	916	756
	<u>104,750</u>	<u>86,795</u>	<u>206,583</u>	<u>171,524</u>

### B7 Taxation

	Individual quarter 3 months ended		Cumulative quarter 6 months ended	
	<u>31.8.2024</u>	<u>31.8.2023</u>	<u>31.8.2024</u>	<u>31.8.2023</u>
	RM'000	RM'000	RM'000	RM'000
<b>Income tax payable:</b>				
- current period	38,568	32,683	72,322	57,790
<b>Deferred tax:</b>				
- current period	(8,590)	6,359	(3,932)	13,803
	<u>29,978</u>	<u>39,042</u>	<u>68,390</u>	<u>71,593</u>

The Group's effective tax rate for the current quarter and current year-to-date is 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 August 2024 are as follows:

	Notional Amount		Fair Value	
	31.8.2024	29.2.2024	Assets/(Liabilities)	
	RM'000	RM'000	31.8.2024	29.2.2024
			RM'000	RM'000
<u>Derivative financial assets</u>				
<u>Cross currency swaps:</u>				
Less than 1 year	1,107,291	711,538	37,146	93,733
1 – 3 years	783,833	1,997,369	32,914	205,640
More than 3 years	355,779	391,759	23,504	62,245
Total	2,246,903	3,100,666	93,564	361,618
<u>Derivative financial liabilities</u>				
<u>Cross currency swaps:</u>				
1 – 3 years	660,188	211,298	(87,905)	(34,394)
More than 3 years	172,414	184,090	(27,134)	(14,535)
Total	832,602	395,388	(115,039)	(48,929)

(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 August 2024.

### B10 Status of Corporate Proposal

There is no corporate proposal announced but not completed as at the date of this report.



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### B11 Borrowings

The borrowings of the Group as at 31 August 2024 comprised the following:

	<u>31.8.2024</u>	<u>29.2.2024</u>
	Unsecured	Unsecured
	RM'000	RM'000
Non-current :		
- Term loans/financing	4,642,214	5,354,516
- Senior sukuk	1,698,002	1,048,673
- Subordinated sukuk	-	199,819
	<u>6,340,216</u>	<u>6,603,008</u>
Current :		
- Term loans/financing	2,887,291	2,491,538
- Subordinated sukuk	199,907	-
- Islamic commercial paper	500,000	-
- Revolving credit	200,000	310,000
	<u>3,787,198</u>	<u>2,801,538</u>
Total	<u>10,127,414</u>	<u>9,404,546</u>

The borrowings were denominated in the following currencies:

	<u>31.8.2024</u>		<u>29.2.2024</u>	
	Foreign		Foreign	
	Currency	Equivalent	Currency	Equivalent
	'000	RM'000	'000	RM'000
<u>Unsecured</u>				
Ringgit Malaysia		7,047,909		5,908,492
United States Dollar	627,720	2,709,195	652,442	3,100,666
Japanese Yen	12,451,597	370,310	12,451,597	395,388
		<u>10,127,414</u>		<u>9,404,546</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.



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### B13 Dividends

- (a) (i) The Board has proposed for the payment of an interim single-tier dividend of 14.25 sen per share (previous year corresponding period: 14.25\* sen per share) for the financial year ending 28 February 2025, amounting to RM72.762 million (previous year corresponding period: RM72.762 million);
- (ii) Date payable: 7 November 2024; and
- (iii) In respect of deposited securities, entitlement to dividend will be determined based on the record of depositors as at 14 October 2024.
- (b) Total dividend paid during the period ended 31 August 2024: a final single-tier dividend of 14.00 sen per share in respect of the financial year ended 29 February 2024 amounting to RM71.486 million.

\* After adjusting the Bonus Issue of 1 for 1 which was completed on 21 November 2023.

### B14 Earnings per share

	Individual quarter 3 months ended		Cumulative quarter 6 months ended	
	<u>31.8.2024</u>	<u>31.8.2023</u>	<u>31.8.2024</u>	<u>31.8.2023</u>
	RM'000	RM'000	RM'000	RM'000
Profit attributable to equity holders	71,158	120,189	177,571	219,552
Distribution on perpetual notes and sukuk, net of tax	-	(5,040)	-	(5,040)
Profit attributable to ordinary equity holders	<u>71,158</u>	<u>115,149</u>	<u>177,571</u>	<u>214,512</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 financial period.

	Individual quarter 3 months ended		Cumulative quarter 6 months ended	
	<u>31.8.2024</u>	<u>31.8.2023</u>	<u>31.8.2024</u>	<u>31.8.2023</u>
Profit attributable to ordinary equity holders (RM'000)	71,158	115,149	177,571	214,512
Weighted average number of ordinary shares ('000 unit)	510,615	510,615*	510,615	510,615*
Basic earnings per share (sen)	<u>13.94</u>	<u>22.55*</u>	<u>34.78</u>	<u>42.01*</u>

\* The weighted average number of ordinary shares for the quarter and cumulative quarter ended 31 August 2023 have been adjusted to reflect the Bonus Issue of 1 for 1 which was completed on 21 November 2023. Accordingly, the earnings per share for the comparative quarter has been restated.



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### **B14 Earnings per share (Continued)**

#### **Diluted Earnings Per Share**

There were no dilutive potential ordinary shares outstanding as at 31 August 2024. 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 auditors' 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 26 September 2024.

By Order of the Board  
26 September 2024