



AEON CREDIT SERVICE (M) BERHAD

24th Annual General Meeting Questions & Answers 23 June 2021

AGM Door Gifts

No.	Shareholder's Name	Question
1.	LEONG FOOK SEN @ FRANCIS LEONG	Kindly provide e vouchers to shareholders who attend RPV. I wish to request for e wallet 100.00.
2.	STEPHEN LYE TUCK MENG	Kindly give us some e-vouchers, food vouchers or e-wallet (no discount vouchers please) for being loyal shareholders and attending this meeting. Times are bad now. Please be considerate to us shareholders during these trying times.
3.	JOACHIM ARULRAJ ANTHONYSAMY	I don't have an AEON Card - How can I receive the Doorgift.
4.	LOO YEO MING	The doorgift :can it be downloaded to the ewallet as it is troublesome to go to Aeon Big to get physical card. Any alternative to go digital?
5.	LIN KAI YEW @ LENG KAI YEW	Gd morning. Instead of crediting cash to AMP Visa Card, would you please consider to post AEON Voucher to shareholder, as there are some shareholder handphone is not support by Internet connecion.
6.	TAI PHOO SIEW @ THAY PHOO SIEW	Will an eVoucher or eWallet be rewarded to us?
7.	BONG WEE KHONG	How do I provide my AMP number to the Company to collect door gift?
8.	TAN CHAI HENG	Will we be rewarded with an eVoucher or eWallet ?
9.	LEE KAH WAI	Any door gift given today?
10.	HONG KOK CHUANG	I have aeon credit card, hope that directors will allow for debit the door gift to my aeon credit card without apply new visa debit card, thanks.
11.	JOACHIM ARULRAJ ANTHONYSAMY	TQ for the DG but RM30 is not much nowadays - should give at least RM50.
12.	PORAVI A/L S P SITHAMBARAM PILLAY	Thank you for the AEON credit.
13.	JUSTIN A/L A.KUMARAN	Thanks for token doorgift.
14.	GOH NAM KWAN	I am attending the AGM as proxy. for the rm30 door gift, possible to send to the shareholder instead of proxy. many thks.
15.	TEE BENG NGO	Will the company be giving doorgifts/e vouchers/e wallet to all its shareholders and proxies attending this live streaming agm and remote voting?
16.	TEE BENG CHOO	Since the company is paying it's BOD so high fees and other benefits during this pandemic, the company should also be fair and give e vouchers/e wallet to all its shareholders and proxies attending this live streaming agm and remote voting to show its appreciation for their attendance.
17.	TE SENG WHATT @ TAY SENG WHATT	As the company is paying it's BOD so high fees and other benefits during this pandemic, the company should also be fair and give e vouchers/e wallet to all its shareholders and proxies as show of appreciation for attending this live streaming agm and remote voting.

No.	Shareholder's Name	Question
18.	LOO TUCK FATT	Thank you for the door gift, can we propose that you reconsider to match the door gift given by Aeon of RM50/=.Due to MCO, we cannot travel more than 10Km to apply for the physical card, can go virtual as we are going digital. Any tech savvy BOD there? Need to have more ideas as the way forward is going digital....
19.	YONG YANG HAR	As the company is paying it's BOD so high fees and other benefits during this pandemic, the company should also be fair and give doorgifts/e vouchers/e wallet to all its shareholders and proxies to show its appreciation for attending this live streaming agm and remote voting. Tq
20.	LOH SIEW FUN	Do I need to apply for another aeon card when I have an existing one?
21.	ADRIAN TAY KIM MING	Hope this year the company will consider giving some doorgifts/e vouchers/e wallet to all its shareholders and proxies attending this live streaming agm and remote voting.
22.	GOH WEE WEE	Hope this year the company will consider giving some doorgifts/e vouchers/e wallet to all its shareholders and proxies attending this live streaming agm and remote voting.
23.	TEE TZIEN YUNG	Will the company be giving any doorgifts/e vouchers/e wallet to all its shareholders and proxies attending this live streaming agm and remote voting?
Answer to question number 1 to 23		
<ul style="list-style-type: none"> Shareholders participating in the AGM on 23 June 2021 will be given RM30 in form of cash by way of direct credit into AEON Member Plus Visa card (AMP) account. Shareholders who wish to receive the door gift are required to register and apply for an AMP Visa Card. Existing active AMP card holder not need to apply new card. In light with current FMCO movement restriction, the Company has extended AMP card sign up date from 7 July to 31st July 2021 to allow sufficient time for shareholders to apply & collect the AMP card. 		

Annual Report

No.	Shareholder's Name	Question
24.	LOO YEO MING	Kindly sent hard copy of annual report
Answer		
We take note on the request for hardcopy annual report and we will make necessary arrangement.		

Performance & Outlook

No.	Shareholder's Name	Question
25.	LAU ATI @ LAU CHUAN TENG	What is impact of COVID-19?
Answer		
The various MCO imposed by the Government has caused disruption to our business operations nationwide and directly impacted our customers as well as business partners. However, the Company managed its business continuity seamlessly when the MCO 3.0 was imposed due to previous experience in minimising business impact due to crisis.		

Performance & Outlook

No.	Shareholder's Name	Question
26.	CHONG YOU LIANG	Will AEON Credit be closing down shops like Citibank?
Answer		
No, the Company initiated the regionalization activity to localize our marketing strategy by states for better facilitation of business expansion into potential untapped markets, and the resources reallocation was based on proximity, profitability and services provided.		
No.	Shareholder's Name	Question
27.	KHOO SUAN PHAIK	Has the company been subjected to the financial moratorium requirements
28.	NG CHAU FWU	Thank you for helping the customers during the pandemic last year. Do you see more request for relief during this MCO 3.0?
Answer to question number 27 to 28		
AEON Credit is non financial service provider which not subject to the moratorium requirements by Bank Negara Malaysia, however, the Company is committed to assist our existing customers that are impacted by the Covid-19 pandemic outbreak.		
AEON Credit continued to provide support to our customers who had lost their job or whose incomes had been affected by the pandemic. We continue to engage our customers and offer various forms of repayment assistant include refinancing and restructuring and AKPK based on their financial circumstances.		
No.	Shareholder's Name	Question
29.	GOH AI LEE	The source of Aeon Credit fund come from? Is it by issueing bond /sukuk? or loan from financial institutes? or fund from Japan?
Answer		
During the financial year, the Company has tapped into banks borrowings and debt capital market to optimise the funding cost, which included the issuing of subordinated sukuk and Islamic commercial paper. The parent company has committed to provide financial assistance should there be any needs arisen. The funding strategy of the Company is to maintain high quality and diversified portfolio of liquid assets and source of funds under both normal and stress conditions.		
No.	Shareholder's Name	Question
30.	CHAN KUAI LAM	The company's impairment has affected many quarters in the past, even before the epidemic. Can you explain more why this happened and when will it end?
Answer		
The Company is guided by MFRS 9 on expected credit loss (ECL) provisioning, which the impairment loss is based on the three-stage approach as well as management judgement and overlay. In anticipation of uncertain macroeconomic, the Company remained prudent and has set aside provisions for any potential COVID-19 effects to asset quality. Customers who have received repayment supports remain in their existing delinquency stages unless they have been individually identified as not viable or with subsequent indicators of significant increase in credit risk from each of their pre-COVID-19 status. The impact of these overlays were estimated at portfolio level and amounting to RM59.94 million of the Company's ECL on financing receivables as at 28 February 2021. As a result, total impairment loss was higher by RM58.1 million, from RM450.3 million in FYE2020 to RM508.4 million in FYE2021.		
No.	Shareholder's Name	Question
31.	CHEA AH CHUN	Venture into food, beverage, technology & virus vaciine product, produce our own virus vaccine.
Answer		
Thank your for your proposal. AEON Credit shall continue with its main business focus which is providing financial services to our targeted market segments.		

No.	Shareholder's Name	Question
32.	KOW LIH SHI	The pandemic aeon credit bad debt of u collecting is increasing? The bankrupt rate summit are high compare year before?
33.	GOH AI LEE	During 2020-2021 Covid-19 pandemic and MCO period, how much is the bad debt rate compare with 2019?
Answer to question number 32 to 33		
<p>Net Credit Cost stood at 3.74% at RM384 mil for FYE2021 as compared to 3.41% at RM326 mil for FYE2020. NCC increased mainly due to higher IL impacted by various MCO and additional pre-emptive provisions set aside for potential COVID 19 effects and management overlays for vulnerable borrowers</p> <p>Based on the Company database, bankrupt rate of our customers as compared to past years remained stable. The Company will continue to ensure effective credit management and recovery strategies to mitigate the potential credit risk and ensure a comfortable level of credit cost.</p>		
No.	Shareholder's Name	Question
34.	THAVARAJAN A/L MUTHIAH PILLAI	Are you going into in e wallet business like Maybank?
35.	GAN WEI SEONG	What is the market share of Aeon ewallet in malaysia ? How many percent ?
	LOH CHIN KHAI	What is competitive strategy for AEON E-wallet
Answer to question number 34 to 35		
<p>AEON Wallet is positioned as a Retail Loyalty Wallet with the existing features of in-app QR payment at AEON Retail stores with AEON Cards & serve as an effective communication channel to update members about latest deals and promotions.</p> <p>We aim to provide convenience at customers' fingertips by offering various financial products & pre-approval limit for our eligible existing product financing customers. We are continually to enhance AEON Wallet features to becomes AEON Group's settlement and cross selling platform.</p> <p>As at 28 February, we have a total of 2 million AEON Member Plus (AMP) card in circulation and 1 million AEON Wallet downloaded.</p>		
No.	Shareholder's Name	Question
36.	LOH CHIN KHAI	I would like to know any intention for AEONCR to join digital banking?
Answer		
<p>Since 2019, we have conducted various and thorough research on digital banking business. At the current moment, we are still in a midst of discussing this new business direction that we intend to explore with AEON Financial Japan (AFS Japan). We believe that the digital bank business will provide valuable opportunity to AEON Credit.</p>		
No.	Shareholder's Name	Question
37.	HONG KEH WAI	Is vehicle financing through Pandafood and GrabFood Drivers significantly contributing AEONCR's revenue and profit? How is the mode of collection of such financing installment.
Answer		
<p>The Company recorded higher Motorcycle demand supported by increased application count as compared to pre-MCO period contributed by reactivation of the economy. The vehicle financing through e-healing drivers remains a relatively small portion of the financing receivables.</p>		

Sustainability

No.	Shareholder's Name	Question
38.	CHEA AH CHUN	So much Director fees, please reward senior citizen E WALLET to purchase food for survivor.
Answer		
In terms of CSR, the Company has spent RM2.82 million for CSR initiatives as disclosed in the Annual Report 2021.		

AGM Event

No.	Shareholder's Name	Question
39.	LIM SAN KIM	How much spend on this VIRTUAL meeting, If cheaper than PHYSICAL than reward the participant to encourage support for VIRTUAL.
40.	LEE SUAN BEE	How much does the company spend on this virtual Agm ? Thank you for giving cash credit to AEON card for shareholders attending this RPV. I would like to request that the board kindly consider by replace with AEON physical voucher for shareholders don't hold the AEON card . Thank you. Please reconsider.
Answer to question number 39 to 40		
We incur about RM80k for virtual AGM for use the online platform and renting of equipment and services from service provider.		
No.	Shareholder's Name	Question
41.	LOO YEO MING	Can you made the login more user friendly for senior citizen? Need to key in three passwords...Tricor very user friendly no need input CDS no and only one password. Can login easily and access live meeting.. Recommend Tricor... A senior citizen....
42.	ONG LAM HOO	Has the meeting started?
43.	LEE HUONG SING	When can I vote?
44.	LOO YEO MING	Can open evote early just like tricor?
45.	RAZIAH BINTI HUSSIN	How to vote. No icon?
46.	TAN CHOI CHENG	Why cannot vote yet?
47.	WONG YEE CHENG	Where's the voting button?
48.	LOH SIEW FUN	I cannot find the voting icon on my ipad.
49.	LIM CHEE KEONG	Hi, why the voting tab isnt showing up?
50.	LIEW YAW SHYANG	Where to vote?
51.	PO KWANG HUEI	Hi, was in toilet. heard chairman said can vote. where vote link? voting closed? please provide voting timetable to avoid misunderstanding.
52.	NG YING SENG	Stupid organizer cannot vote early then u deserve vote for against.
53.	BONG WEE KHONG	Is voting open? I can only see documents in the section.
54.	LEE ENG FOCK	Mr. Chairman, after you announced the voting is open but unfortunately there is no voting lists. A called to the helpline does not help either. We are still waiting for the voting lists.
Answer to question number 41 to 54		
We will continually evaluate virtual meeting user experience and cost effectiveness.		