

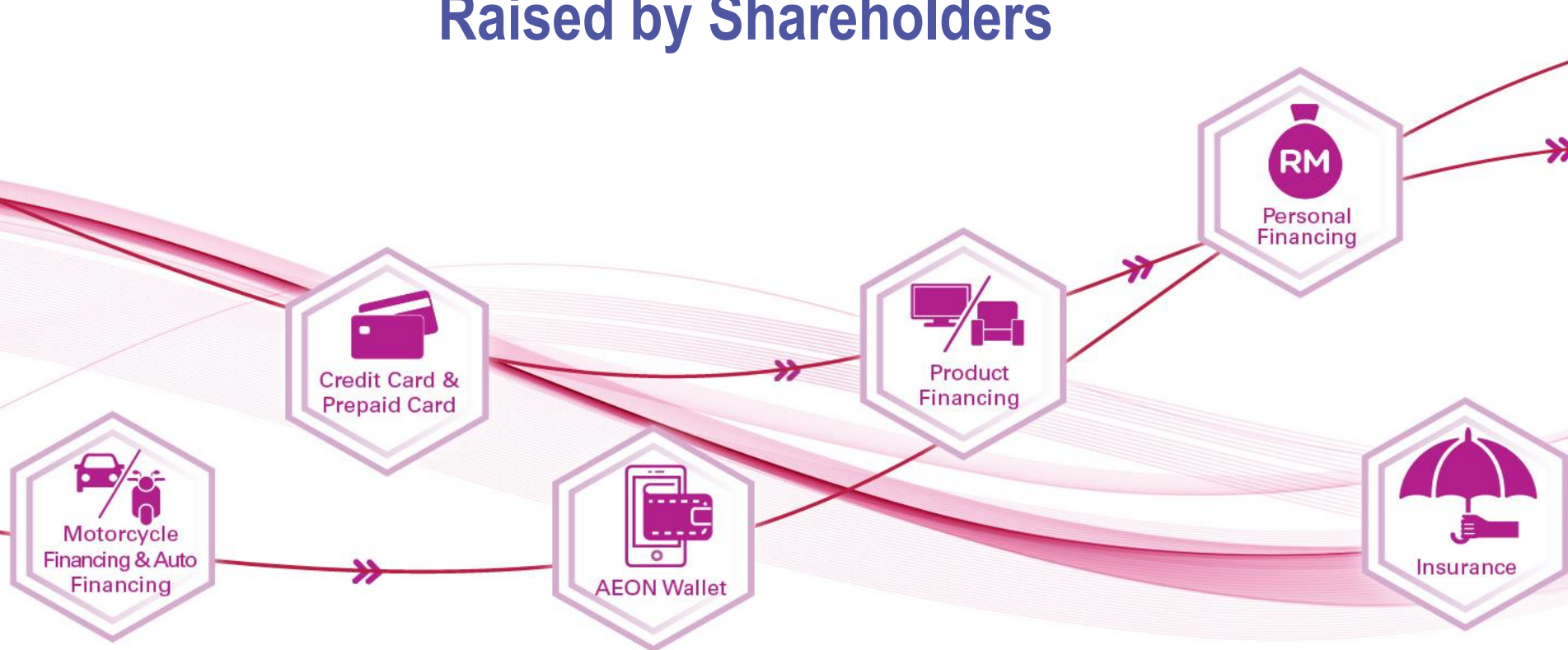


AEON CREDIT SERVICE

25TH ANNUAL GENERAL MEETING

29 JUNE 2022

Responses to Pre-AGM Questions Raised by Shareholders





Pre-AGM Questions from Shareholders

Door Gift

No	Question	Answer
1	<p>Do you provide any door gift to loyal shareholder in this coming AGM?</p> <p>LIM SEONG HON 26/5/2022</p>	<p>As a token of appreciation to all our valued shareholders/proxies who participate and vote in today's AGM, AEON Credit will provide a door gift in the form of cash amounting to RM50 to be credited into the AEON Member Plus Card account.</p>



Pre-AGM Questions from Shareholders

Operational & Financial Matters

No	Question	Answer
2	<p>Given product financing is a heavy segment of earnings, how has the growth of the business' partnerships with vendors (e.g. in the motorcycle / auto / merchant segments) been over the past few years?</p> <p>The only figures I can find in relation to this is under "SUSTAINABILITY STATEMENT" > 1(d) [p. 66 of the AR], but this only shows "Total Payment to Suppliers and Vendors" and not the growth itself.</p> <p>BRYAN TAN HOE KIN 28/5/2022</p>	<ul style="list-style-type: none"> • The business operations of Easy Payment and Personal Financing schemes as well as Settlement Business were disclosed under the Management Discussion and Analysis (MD&A) on Page 30 of the Integrated Annual Report ("IAR"). • AEON Credit strives to maintain strategic collaborations with AEON Group and >10,000 merchant outlets nationwide to drive its business volume and market share. • The growth momentum started to pick up in Quarter 4 FYE2022 supported by various sales and marketing campaigns. • Total payment to suppliers and vendors on page 66 refer to non-trade vendors' payments.



Pre-AGM Questions from Shareholders

Operational & Financial Matters

No	Question	Answer																																																																																													
3 (a)	<p>At least 40% of your revenue was located or spent in Operating expenses but there were no details of the breakdown of how the money was actually spent on what items or there is also no Note to refer to.</p> <table><tr><th></th><th>Note</th><th>Group 2022 RM'000</th><th>Company 2022 RM'000</th><th>2021 RM'000</th></tr><tr><td>Interest income, profit revenue and finance charges</td><td></td><td>1,371,385</td><td>1,371,385</td><td>1,403,762</td></tr><tr><td>Fee income</td><td></td><td>153,495</td><td>149,641</td><td>157,898</td></tr><tr><td>Revenue</td><td>24</td><td>1,524,880</td><td>1,521,026</td><td>1,561,660</td></tr><tr><td>Staff costs</td><td>25</td><td>(226,842)</td><td>(226,012)</td><td>(198,002)</td></tr><tr><td>Depreciation of plant and equipment</td><td></td><td>(47,100)</td><td>(47,096)</td><td>(49,083)</td></tr><tr><td>Operating expenses</td><td></td><td>(660,404)</td><td>(660,335)</td><td>(625,502)</td></tr><tr><td>Reversal/(Allowance) for impairment loss on financing receivables</td><td></td><td>85,815</td><td>85,815</td><td>(151,577)</td></tr><tr><td>Other income</td><td></td><td>181,357</td><td>182,226</td><td>145,284</td></tr><tr><td>Profit from operations</td><td></td><td>857,706</td><td>855,624</td><td>682,780</td></tr><tr><td>Finance cost</td><td>26</td><td>(330,886)</td><td>(330,883)</td><td>(357,873)</td></tr><tr><td>Profit before tax</td><td>27</td><td>526,820</td><td>524,741</td><td>324,907</td></tr><tr><td>Taxation</td><td>28</td><td>(161,401)</td><td>(162,027)</td><td>(90,950)</td></tr></table> <p>Can AEONCR help me to understand by providing more details on this item?</p> <p>WONG SI JING</p> <p>2/6/2022</p>		Note	Group 2022 RM'000	Company 2022 RM'000	2021 RM'000	Interest income, profit revenue and finance charges		1,371,385	1,371,385	1,403,762	Fee income		153,495	149,641	157,898	Revenue	24	1,524,880	1,521,026	1,561,660	Staff costs	25	(226,842)	(226,012)	(198,002)	Depreciation of plant and equipment		(47,100)	(47,096)	(49,083)	Operating expenses		(660,404)	(660,335)	(625,502)	Reversal/(Allowance) for impairment loss on financing receivables		85,815	85,815	(151,577)	Other income		181,357	182,226	145,284	Profit from operations		857,706	855,624	682,780	Finance cost	26	(330,886)	(330,883)	(357,873)	Profit before tax	27	526,820	524,741	324,907	Taxation	28	(161,401)	(162,027)	(90,950)	<p>Operating expenses of RM660.40 million consist of the followings:</p> <table><tr><th>RM'000</th><th>FYE22</th><th>FYE21</th><th>YoY</th></tr><tr><td>Advertising & Promotion Expenses</td><td>43,905</td><td>45,851</td><td>-4.2%</td></tr><tr><td>Administrative Expenses</td><td>131,750</td><td>119,468</td><td>10.3%</td></tr><tr><td>General Expenses</td><td>73,248</td><td>81,329</td><td>-9.9%</td></tr><tr><td>Depreciation of right-of-use assets</td><td>22,401</td><td>22,009</td><td>1.8%</td></tr><tr><td>Writte-off on financiing receivables</td><td>389,100</td><td>356,845</td><td>9.0%</td></tr><tr><td>Total Operating Expenses</td><td>660,404</td><td>625,502</td><td>5.6%</td></tr></table> <p>The Group continues to focus on prudent and disciplined cost management as well as improvement on financial and operational efficiencies by leveraging on its positive business fundamentals.</p>	RM'000	FYE22	FYE21	YoY	Advertising & Promotion Expenses	43,905	45,851	-4.2%	Administrative Expenses	131,750	119,468	10.3%	General Expenses	73,248	81,329	-9.9%	Depreciation of right-of-use assets	22,401	22,009	1.8%	Writte-off on financiing receivables	389,100	356,845	9.0%	Total Operating Expenses	660,404	625,502	5.6%
	Note	Group 2022 RM'000	Company 2022 RM'000	2021 RM'000																																																																																											
Interest income, profit revenue and finance charges		1,371,385	1,371,385	1,403,762																																																																																											
Fee income		153,495	149,641	157,898																																																																																											
Revenue	24	1,524,880	1,521,026	1,561,660																																																																																											
Staff costs	25	(226,842)	(226,012)	(198,002)																																																																																											
Depreciation of plant and equipment		(47,100)	(47,096)	(49,083)																																																																																											
Operating expenses		(660,404)	(660,335)	(625,502)																																																																																											
Reversal/(Allowance) for impairment loss on financing receivables		85,815	85,815	(151,577)																																																																																											
Other income		181,357	182,226	145,284																																																																																											
Profit from operations		857,706	855,624	682,780																																																																																											
Finance cost	26	(330,886)	(330,883)	(357,873)																																																																																											
Profit before tax	27	526,820	524,741	324,907																																																																																											
Taxation	28	(161,401)	(162,027)	(90,950)																																																																																											
RM'000	FYE22	FYE21	YoY																																																																																												
Advertising & Promotion Expenses	43,905	45,851	-4.2%																																																																																												
Administrative Expenses	131,750	119,468	10.3%																																																																																												
General Expenses	73,248	81,329	-9.9%																																																																																												
Depreciation of right-of-use assets	22,401	22,009	1.8%																																																																																												
Writte-off on financiing receivables	389,100	356,845	9.0%																																																																																												
Total Operating Expenses	660,404	625,502	5.6%																																																																																												



Pre-AGM Questions from Shareholders

Operational & Financial Matters (continued)

No	Question	Answer
3(b)	<p>Furthermore, is it possible to categorise the revenue into different segments? How many % is for interest, profit revenue or other finance charges? It will be good if AEON CR can provide on the revenue earn from different product offer for the investor.</p> <p>WONG SI JING 2/6/2022</p>	<p>As disclosed on Page 112 and 147 of the IAR, 90% of the revenue for FYE2022 was derived from interest income, profit revenue and finance charges on financing products offered, and fee income made up the remaining 10% of the total revenue.</p>



AEON CREDIT SERVICE

Thank you

