



AEON CREDIT SERVICE (M) BERHAD

27th Annual General Meeting: Live Questions & Responses

1. AGM Door Gifts

No.	Shareholder's Name	Question
1.	MOHD HELMY RIZAL BIN ABDULLAH	Will the CEO and BOD consider paying shareholders who attend our company AGM/EGM an attendance or meeting allowance? Shareholders have always approved the payment of fees for directors attending meetings. Please read out this question during the AGM today and try to answer the question. Thank you.
2.	RONALD DANKER	Any door gifts for shareholders?
3.	DABERAH ANN DANKER	Any door gifts for shareholders?
4.	TAN BEE HOON	Any door gifts for shareholders?
5.	ONG LEE WAH	I applied AEON Member Plus Visa Card but not activated yet. Do I still able to get the AGM door gift?
6.	LAI HOR YIAN	Is there any door gift for virtual participant?
7.	CHONG KUM FATT	I am a proxy and would like to request to transfer the door gift to the shareholder. Kindly provide the form for me to fill in and the email address to send to. TQ
8.	JOACHIM ARULRAJ ANTHONYSAMY	I am a proxy and would like to request to transfer the door gift to the shareholder. Kindly provide the form for me to fill in and the email address to send to. TQ
9.	ANN CHIH LEE	I am a proxy and would like to request to transfer the door gift to the shareholder. Kindly provide the form for me to fill in and the email address to send to. TQ
10.	LIEW MUN CHU @ LIEW WEN CHU	I do not have AEON Member Plus Visa Card, how and where to get the door gift?
11.	RAYMOND TIE SIOU HIN	I don't have AMP visa card, do i still able to receive door gift?
12.	ONG QING SHENG	If I don't have the AEON Prepaid Card, but I do have the AEON Bank's AEON Point Programme Membership. Am I still entitled to the door gift? Or I still need to register for the AEON Member Plus Visa?
13.	NG SIJIE	Can I register for the AEON Member Plus Visa card at the AEON Credit kiosk? I can get the doorgift after AGM?
14.	LIM KHAI XUAN	If I don't have AEON Member Visa Card, how can I get the door gift?
15.	LAW WEI YANG	Any doors gift provided?
16.	KOH ZHI ZHANG	Will doorgift be given in the future AGM?
17.	LOO TUCK FATT	Can increase value of doorgift to RM100/- as cost increase due to diesel increase RM1 plus but only eggs reduce by 3 sen.
Answer		
Shareholders participating in 27th virtual AGM will receive RM50 through direct credit into their AEON Member Plus Visa Card (AMP).		
Shareholders who are not AMP cardholders are required to register and apply for an AMP Visa Card at any nearest AEON Credit service counters/branches before 26 June 2024.		

For a shareholder who appoints two (2) proxies, only the first named proxy (Proxy 1) stated in the Proxy Form will be entitled to receive the RM50. If a proxy represents more than (1) shareholder, he/she is entitled to only one (1) credit of RM50.

For door gift transfer, kindly request the transfer of door gift to the Company's Investor Relations at ir_info@aeoncredit.com.my.

As for the value of door gifts, our view is that the AGM is an important platform for AEON Credit's directors and senior management to engage with shareholders to facilitate greater understanding of the Group's business and performance. As such, we strongly encourage shareholders' participation for this purpose.

2. Nomination & Remuneration Committee

No.	Shareholder's Name	Question
1.	TING KENG FUI	<ol style="list-style-type: none"> Can I ask the Chairman of the Nomination & Remuneration Committee whether there has been any meeting held since he took the Chair? How many members are in the Committee presently? Can the Committee Chairman give consideration to setting up an Employees Share Option Scheme for the benefit of long serving employees of the Company (in anticipation that the share price will be moving upwards in future)?
Answer		
<p>The Chairman of Nomination and Remuneration Committee was appointed on 22 Dec 2023. No meeting was scheduled between the date of his appointment and the end of the year under review. There are three members under the Nomination and Remuneration Committee for the FYE2024.</p> <p>The Company had engaged a consultant to study the implications and recommend the implementation of an effective Employee Share Option Scheme ("ESOS") to reward and retain talent.</p>		

3. Ordinary Resolution

No.	Shareholder's Name	Question
1.	LIM CIAN YAI	On Ordinary Resolution 8, why did Datin Yasmin Ahmad Merican retract and then reinstate the resolution on her re-election few days before the AGM? Is there anything come to her concern regarding AEON Credit?
2.	LIM CIAN YAI	On answers provided earlier, could we get Datin Yasmin to respond to her retract and reinstate of her re-election?
Answer		
<p>The Company received written notices from Datin Yasmin on 13 June 2024 on her decision not to seek re-election and a subsequent retraction of her decision on 14 June 2024.</p> <p>Based on the requests the Company proceeded to make the necessary announcements to comply with the listing requirements.</p>		

4. Dividend

No.	Shareholder's Name	Question
1.	MOHD HELMY RIZAL BIN ABDULLAH	Going Forward, what can be done to further increase the returns for shareholders?
2.	LAW WEI YANG	Any dividend policy?
3.	JASWANT SINGH A/L GURDIAL SINGH	The dividend payments currently semi-annual should be changed to quarterly which would enhance the interest and marketability of the shares. As a bluechip company, I think quarterly dividends will increase the share price further.
Answer		
<p>The Company does not have a formal dividend policy. Our dividend payment will be dependent on the Group's performance and regulatory capital requirements. The Management and the Board of Directors are focused on improving the fundamentals of the Group to create long term value for shareholders.</p> <p>We take note of the comments and will consider them for future reference.</p>		

5. Expansion & Growth Plans

No.	Shareholder's Name	Question
1.	TEH SENG KONG	May I know what's the next 5 years roadmap management has set? How to improve margin and ROE?
Answer		
<p>We aim to develop the AEON Living Zone as a platform to leverage on the AEON Group's collective strength and capabilities to offer the most attractive and comprehensive products and services. We will focus on growing quality assets, and this includes expanding to the growing middle income customer segment and adoption of technology in credit assessment process. With the mid-term plan, the Group aims to enhance shareholders' returns.</p>		

6. Auto Financing & Personal Financing

No.	Shareholder's Name	Question
1.	TEOH KENSEN	What are loan size for auto and personal loan segments. Also, what are the average interest rates for both segments?
2.	TEOH KENSEN	What are Interest rate spreads for both auto and personal loan segments as compare to previous financial years?
3.	TEOH KENSEN	With the 15% increase of civil servant salaries, the personal loan to them is a boom for the Group. Is there a plan to tap into this segment ?
Answer		
<p>The average loan size for personal financing and auto financing ranges from RM16,000 - RM25,000 with an average profit rate of 10% p.a. to 12% p.a. The effective interest rate for both segments is between 12% p.a. to 19% p.a.. The rates remained stable as compared to previous year.</p> <p>The recent increase in salary of the civil servants will improve spending power and we foresee an improvement in the asset quality of this segment. The Group will continue to seek opportunities to further expand our civil servants customer base.</p>		

7. SME Business

No.	Shareholder's Name	Question
1.	TEOH KENSEN	How is its B2B business i.e. SME banking fares for the last 3 FYEs? The Group needs to have more diversity in its revenue base.
Answer		
The Company's SME portfolio remains relatively small. We plan to revise our business strategy for this segment and aim to grow the business within the AEON eco-system by supporting AEON Co & AEON BiG merchants and business partners.		

8. Green Financing

No.	Shareholder's Name	Question
1.	TEOH KENSEN	Is the Group plans to go into renewable / green financing segment?
Answer		
The Company's Electric Motorcycle Financing product has been introduced to meet the growing demand in the electric vehicle ("EV") financing market.		

9. Credit Cost

No.	Shareholder's Name	Question
1.	TEH SENG KONG	In terms of bad debt, how management plans to recoup?
2.	JASWANT SINGH A/L GURDIAL SINGH	<p>Congratulations to the entire mgmt team on the excellent results achieved in the last financial year and the smooth process of running this AGM including the registration process etc.</p> <p>On the bad debts collection outsourced to external debt collector agencies, the recovery rate of 15% (if I heard correctly) is I think very low. Are the agencies appointed and monitored properly?</p>
Answer		
<p>The Company has been gradually shifting its sales acquisition strategy to the younger segment with higher disposable income. The ongoing effort has seen an increase in new billing from this customer segment by 5% in FYE2024.</p> <p>Meanwhile, we recorded a reduction in NPL from 2.89% in FYE2023 to 2.57% in FYE2024. The Company will continue to focus on portfolio management by adopting a prudent credit management approach and we expect the receivables write-off trend to stabilise in FYE2025.</p> <p>In our continuing efforts to manage collection delinquency, a monitoring system has been put in place where performance KPIs are assigned to the collection agencies. We will continue to review the suitability of the KPI from time to time.</p>		

10. Funding Strategies

No.	Shareholder's Name	Question
1.	KOH CHOOI PENG	Senior Sukuk borrowings have increased to RM1.049 billion in FYE2024. The profit rate of the Sukuk have increased to 4.43-4.45% from the earlier issuance. Is the Group planning for further issuance of Sukuk in FYE2025? If Yes, what will be the quantum?
2.	TEOH KENSEN	Other than financing via SUKUK, why not get lower financing rates from Japanese banks of MUFG Bank, Mizuho Bank?
3.	GOW FEI CHIEH	What is the average finance cost currently?
Answer		
<p>The increase in interest rates, particularly riding on the strength of the USD, has raised foreign currency borrowing costs, making them more expensive than Senior Sukuk. To optimise borrowings costs, the Company has diversified its borrowings with Sukuk Issuance.</p> <p>The average funding rate for FYE2024 was 4.28%. The higher interest expenses compared to last year was due to higher borrowings which amounted of RM9.13 billion compared to RM7.82 billion in FYE2023. The higher borrowings is in line with the growth in receivables.</p> <p>The Company continues to manage its borrowings portfolio based on funding requirements, market conditions, and strategic objectives to optimise borrowing cost.</p>		

11. AEON Bank

No.	Shareholder's Name	Question
1.	GOW FEI CHIEH	Good morning BOD, could the deposit be collected from the virtual Islamic bank used to fund the existing credit business?
2.	TIU KIAN YONG	The AEON Bank's deposit interest is only giving to the customer at the end of the month. Can AEON Bank change this policy to be similar like GXBANK which will directly give the interest to the account daily at 12am? Thanks.
3.	LEW TUCK WAI	The Company has a commitment of RM100 million in relation to its interest in AEON Bank (Note 8 - Page 169 of AR). 1. What is the nature of this commitment? 2. When will the Company be required to subscribe for additional shares in AEON Bank?
4.	LIM KHAI XUAN	To the BOD, congrats on the AEON Bank rollout. While using AEON Bank for QR payment, bank amount is shown while typing payment amount, create an opportunity for outsider to see amount in user's bank amount. Kindly improve on the confidentiality on this area. Thank you.
5.	TEOH KENSEN	How much deposit raised by AEON bank since its inception?
6.	DAVID LO SEONG WEI	Are the AEON Bank app ready to be launched? I have tried to register but it has been 2 weeks and the problem with the registration still have not been resolved.
7.	LOH LE QING	What is the long term vision/ goal of aeon bank?
8.	OOI YUAN SHENG	Good Morning, probably how long the group can profit from the Aeon Digital Banking? Thank you.
9.	KHERN TUAN CHEE	What is the financial impact of Aeon bank/digital bank towards the performance of AEON Credit within next 5 years?
10.	NG TECK QUAN	Will there be an integration between AEON Wallet and AEON Bank?

Answer
<p>AEON Credit obtained shareholders' approval to invest RM275 mil for the establishment of the digital bank business in October 2023. On 1 December 2023, the Company subscribed RM175 million ordinary shares in AEON Bank, representing a 50% equity interest in the Bank. The timing for the subscription of the remaining RM100 million investments will be based on the Bank's capital requirements and business plan. We will make an announcement when the additional shares in AEON Bank is subscribed for.</p> <p>AEON Bank has received positive response from the public on its savings deposit product offering since the launch in May 2024. The deposits collected from AEON Bank will be used to fund the Bank's financing business moving forward.</p> <p>On the unfavourable experience in the registration process, please accept our apologies on behalf of AEON Bank for any inconvenience caused. We have relayed this matter to AEON Bank who have suggested that you direct your observations to customer.support@aeonbank.com.my. We will continue to improve our app UI/UX and privacy matters to better suit our customers' needs.</p> <p>As one of five digital banks in Malaysia, AEON Bank's key initiatives is to advance financial inclusivity, by focusing on expanding access to and provision of financial services to the underserved and unserved market segments, such as the B40 and MSMEs. We will continue to update our application and provide better and more product offerings in the near future.</p> <p>AEON Bank's focus on innovative product offerings and customer experience enhancement is expected to drive revenue growth. With continued strategic growth initiatives and favorable market conditions, the Bank is projected to breakeven within five years of commencing operations.</p>

12. Plaza Premium Lounge

No.	Shareholder's Name	Question
1.	CHONG SAW TWAN	I notice that cardholders need to use the credit card for certain amount before they can go to airport lounge. May I know how much do you have to pay the lounge for each person? May I know your latest criteria to enter the lounge?
Answer		
Please refer to the latest criteria for Complimentary Access to Plaza Premium Lounge Terms & Conditions published on our Consumer website at https://myaeoncredit.com.my/wp-content/uploads/2024/04/PPL-TnC_FINAL-copy-revised-070224.pdf .		

13. AMP Annual Fee

No.	Shareholder's Name	Question
1.	KOW LIH SHI	Why company not waive AEON members fees?
2.	TEH PENG TIN	Mr Chairman, I'm a long time and loyal shareholder of the company, I would like to request that the company to waive off the annual fee of the AEON e-wallet, as a token of appreciation for attending today's RPV. Thank you
3.	TEOH SIEW QI	May I know how to get the fee waiver for annual fee? It had been deducted for few years for it.
4.	HONG KOK CHUANG	I am shareholder that participate in virtual AGM this few years but every year also not enjoy an annual fee waiver in my AEON Member Plus Card cause auto deduct the annual fee in my account. May I know can complaint to who to claim back the annual fee? Hope to get reply soon, thanks.
5.	DAVID LO SEONG WEI	I have already paid the annual fee for the AEON Member Plus Card. Will I get refund?

6.	TEOH SIEW QI	When the AEON Member Plus Card expire, we will get waiver for get new card?
7.	TAN HOOI IM	I am shareholder that participate in virtual AGM this few years but every year also not enjoy an annual fee waiver in my AEON Member Plus Card cause will auto deduct the annual fee on 2Jan every year in my account. May I know can complaint to who to claim back the annual fee? Hope to get reply soon, thanks.
8.	LIM ENG BOH	AMP card waiver for new apply for 1st year? How about the existing/old member? Received sms asking to top up the member fee.
9.	HONG CHENG WAN @ PENG CHENG WAN	I am shareholder that participate in virtual AGM this few years but every year also not enjoy annual fee waiver in my AEON Member Plus Card cause will auto deduct the annual fee on 2 July every year in my account. May I know can complaint to who to claim back the annual fee? Hope to get reply soon, thanks.
10.	WONG YEN KUAN	Annual fee was deducted from my account, will I get reimbursement?
11.	HONG KOK CHUANG	I am shareholder that participate in virtual AGM this few years but every year also not enjoy annual fee waiver in my AEON Member Plus Card cause will auto deduct the annual fee on 2 July every year in my account. May I know can complaint to who to claim back the annual fee? Hope to get reply soon, thanks.
Answer		
Shareholders participating in this virtual AGM will enjoy an annual fee waiver for their AEON Member Plus Card.		

14. Voting Session

No.	Shareholder's Name	Question
1.	JOACHIM ARULRAJ ANTHONY SAMY	Please let us vote when the meeting starts. TQ
Answer		
The AGM will begin at 10am and voting open simultaneously.		

15. Meeting Mode

No.	Shareholder's Name	Question
1.	TING KENG FUI	Congratulations to the management and board for another year of improved financial profitability. Since an AGM is a once-a-year affair, can I ask whether the Chairman Mr Ng (or Managing Director Mr Daisuke) can give more weight to create a better environment for shareholders, management, and directors to engage in by holding a physical meeting instead of online? For greater flexibility, a hybrid meeting can be considered, too.
2.	TAN CHEW BOON	Good morning. I just wish to know that our AGM will continue in virtual as a policy or just a temporary method due to rebounding of COVID cases. TQ
3.	TE SENG WHATT @ TAY SENG WHATT	I hope the company will continue holding a virtual agm so that outstation shareholders can also participate in the meeting. Tq

4.	LIM SAN KIM	Keep to virtual meeting if it is cheaper than physical, the budget save can use for reward the participants. TQ
5.	MOHD HELMY RIZAL BIN ABDULLAH	It will be very good if our company will hold future AGM/EGM in a hybrid manner, rather than just online only, as it enable our company to utilize technology as well allow for proper human interaction between BOD and Members at traditional meetings. Questions posed by shareholders will have to be given proper answers at trtaditional meetings. TQ.
Answer		
<p>Thank you for your feedback.</p> <p>Conducting the AGM virtually enables remote shareholders' participation through the use of technology and facilitates voting. We have seen an increase in shareholders' participation compared to the physical AGM conducted before.</p> <p>We will consider the suggestion to hold physical or hybrid meeting to allow shareholders to have direct engagement with the board members.</p>		

16. Meeting Platform/Broadcast

No.	Shareholder's Name	Question
1.	LIM SAN KIM	Due to change from physical to virtual and many meeting held at the same time, many fail to register for virtual meeting, can we attend meeting without registering like VOTE2U (by Agmo) and CONVENE (new meeting platform, which is very cheap and user friendly (from registering, proxy, submit questions, attend meeting, voting)
2.	LOO YEO MING	Kindly assist senior citizen to log in easy as we have to log in 3x. Made easy login like tricolor/sshb. Sometimes get incorrect username/password !!! even slow key in.
3.	LOO YEO MING	<p>Hello, there is no RPEV log in and cumbersome to log in 3x and use capital letter and dashes. We have received your request for Remote Participation and e-Voting (RPV) for Aeon Credit Service (M) Berhad 27th Virtual AGM and we are pleased to inform that your RPV application has been approved. Kindly refer to our user guide below to login to Lumi Website.</p> <p>Meeting ID: 826-177-737 User Name: C064501661 Password: 2473A.... Date of Meeting: 20 June 2024 Meeting Start Time: 10:00</p>
4.	LIM CHEW LIN	You say got RVEP log in. There is no RVEP log in and have to key in 3x. If the registration and log in cumbersome and no improve, change administrator.
5.	THAM CHEE YEEN	Lost audio.
6.	TING KENG FUI	Can the AGM Administrator start a video to enable shareholders to set up the broadcast and to trouble shoot early, if not functioning?
7.	TING KENG FUI	Chairman Mr Ng, I am not able to view the AGM Broadcast. This is unacceptable! Can you ask someone to help me, please? I have spoken to Helpdesk Eiyad and he directed me to log out and log in and yet I am still unable to view the Broadcast.
8.	LEE SIEW KENG	Meeting registration need to improve for sure, the closing date is too early, my daughter unable to register on 18/6

Answer
<p>Thank you for your feedback.</p> <p>The notification on the issuance of our 27th AGM notice was sent to shareholders via email on 21 May 2024. Shareholders who wish to participate at the AGM we advised that registration for remote access would be open from 21 May 2024 until 18 June, 10 a.m.</p> <p>We will continue to evaluate user experience during the virtual meeting.</p>

17. Annual Report

No.	Shareholder's Name	Question
1.	LEE HUONG SING	May I get a hard copy of AEON Credit latest annual report? Please send by Post. Thank you
2.	TEH PENG TIN	I would like to request a printed hard copy of the company annual report
3.	NGEE GEOK CHOO	Kindly send me a copy of the latest annual report, tq. I also request the company to distribute some e vouchers to today's attendees, tqvm
4.	LEONG WAI LENG	Morning BOD please send a copy of annual report to me. Please give ewallact or evouchers to those attending this meeting. Tq Annie goh
5.	LIM JIT THIN	Morning to the board, can u send me the printed annual report at my mailing address at 64, Jalan SS 1/32, Kg. Tunku, 47300 PJ, Selangor, thanks
Answer		
We take note on the request for the hardcopy of the annual report and we will make the necessary arrangements.		

18. AEON Retail

No.	Shareholder's Name	Question
1.	LIM SAN KIM	TQ for the waiver on annual member fees for shareholder, after going through many shopping complex, we found that the shopping and food court layout at Ground Floor of AEON Maluri is very comfortable, dont Renovate anymore, i am not sure of the 1st Floor as we seldom go up there.
2.	FOO JIA YUNG	Why haven't received the RM50 e-voucher from AEON AGM held on 23/5/24? I already signed up for AEON Member Plus Visa card account and collected physical card. The email said e-voucher will be credited on 31 May 24. I have contacted customer service Resky on 14 Jun 24 regarding this issue, but no feedback from her yet.
Answer		
Thank you for the feedback. We will convey the message to AEON CO. (M) Bhd, which is a separate legal entity.		

19. Others

No.	Shareholder's Name	Question
1.	GOH JOON YUEN	Thank you to each and every one of you for your hard work and dedication.
Answer		
Thank you for the feedback.		