
11. BUSINESS

11.1 Overview

Our Company was incorporated in Malaysia under the Act on 6 December 1996 as a private limited company under the name of ACS Credit Service (M) Sdn Bhd. On 23 September 2002, our Company changed its name to AEON Credit Service (M) Sdn Bhd. On 9 February 2007, our Company was converted into a public limited company and adopted our present name.

As at the date of this Prospectus, we have an authorised share capital of RM100,000,000 comprising 200,000,000 AEON Credit Shares whilst our issued and paid-up share capital is RM49,000,000 comprising 98,000,000 AEON Credit Shares. We do not have any subsidiary and associated company.

Our Company is a subsidiary of AEON Credit Japan, which is part of the AEON Japan Group. The AEON Japan Group is a diversified global conglomerate with more than 150 member companies. Its businesses are in retail and services and can be divided into four divisions, namely general merchandise stores, including supermarkets, discount stores, convenience stores and departmental stores; specialty stores involving women's apparel, family casual fashions, health and beauty care products, footwear and other specialty retail activities; development of shopping centres and leasing as well as management of commercial facilities, amongst others; and finance, service and other operations including financial services, food businesses, store maintenance and wholesale activities.

Our substantial shareholder and promoter, AEON Credit Japan is a subsidiary of AEON Japan and was established on 20 June 1981. It is presently listed on the Main Board of the Tokyo Stock Exchange. AEON Credit Japan is mainly involved in the issuance of credit cards, and it currently has more than 14.8 million card members in Japan. It is one of the biggest credit card issuers and a leading consumer credit provider in Japan. AEON Credit Japan has subsidiaries in Malaysia (being our Company), Taiwan, China, Hong Kong, Thailand and Indonesia. Its subsidiaries in Hong Kong and Thailand are listed on the main board of their respective stock exchanges.

Our Company commenced operations in 1997, and was established by AEON Credit Japan as part of AEON Credit Japan's expansion into other markets within Asia. AEON Credit Japan saw a potential in the provision of consumer credit business in Malaysia, and as such we commenced operations as a provider of GEP Scheme. Under the GEP Scheme, consumers can opt to finance their purchases of products, ranging from electrical appliances and electronic items to furniture, from appointed merchants on instalments.

In 1998, our customer base had expanded dramatically and we began issuing the AEON Express Cards. The AEON Express Card is a privilege identification card issued to good customers in recognition of satisfactory payment records for facilities obtained from us. AEON Express Card members can enjoy faster application processing and they are required to present fewer documents during the application process. In addition, depending on the finance amount, AEON Express Card members usually enjoy lower interest or profit rates as compared to new customers.

In the same year, we expanded our business to other areas outside Klang Valley in Peninsular Malaysia, namely Ipoh, Perak and Melaka, due to good response received from the market. This was followed by an expansion of our presence into East Malaysia in 1999 through the provision of GEP Scheme to customers in Kuching, Sarawak and Kota Kinabalu, Sabah.

We then set-up marketing offices in Kuching, Sarawak and Kota Kinabalu, Sabah in 2000, followed by Penang and Johor Bahru, Johor in 2001. These marketing offices were used to recruit merchants under the GEP Scheme.

11. BUSINESS (Cont'd)

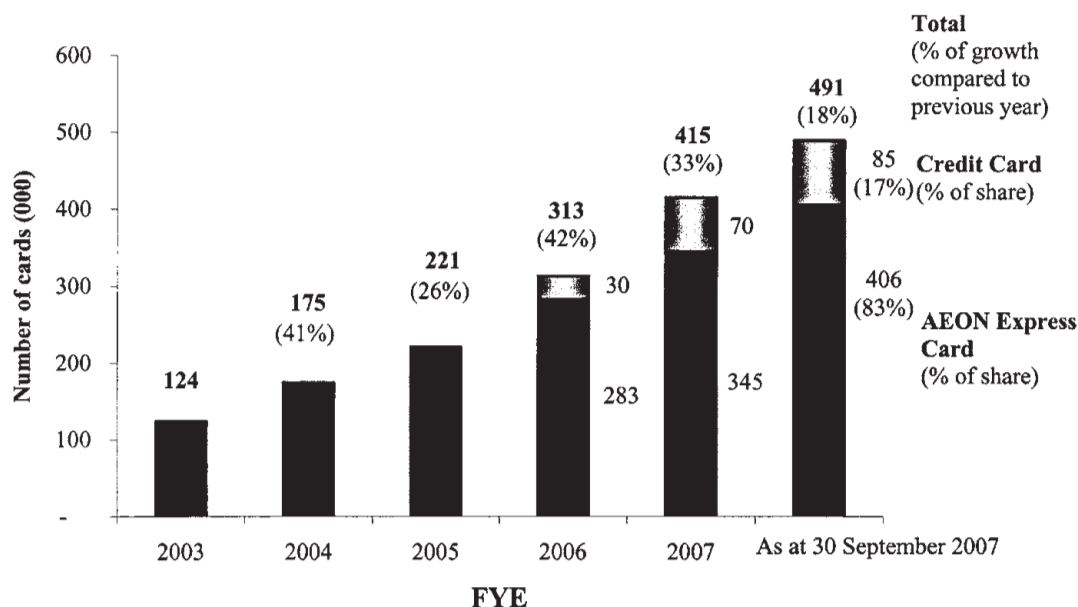
In 2001, we began establishing branches with the functions of performing credit assessment and management operations, in order to extend our services to more customers and retail merchants as well as to better support our existing customers and appointed merchants. Branches were first set up in Kuching, Sarawak and Johor Bahru, Johor, replacing the existing marketing offices, followed by other major towns in Malaysia.

In 2002, we commenced the MEP Scheme, which received favourable response from 50 appointed merchants in Klang Valley alone when it was introduced in July 2002. By December 2002, we had successfully extended our MEP Scheme services to customers in Johor Bahru, Johor via the appointed merchants.

In 2003, we further expanded our product portfolio to provide the Personal Financing Scheme, based on Shariah principles. In the same year, we established our first AEON-Spot in Kuala Lumpur as well as successfully expanded our MEP Scheme nationwide through our branches. Please refer to Section 11.15 of this Prospectus for the function of our AEON-Spot.

In 2004, we continued to expand our branch network to thirteen (13) branches and our Personal Financing Scheme was offered nationwide through our branches. In the same year, we obtained the ISO 9001:2001 certification of quality management, which is certified by the UKAS.

In March 2005, we started our General Insurance Sales business. Subsequently, in October 2005, we obtained approval from BNM to issue credit cards. During this time, we already had more than 283,000 AEON Express Card members, who were identified targets for AEON Credit Card membership. In the subsequent month, we launched our first co-brand credit card, the Jusco Credit Card, in collaboration with AEON Co. Our growth in number of AEON Express Cards and credit cards from the FYE 2003 to FYE 2007 and as at 30 September 2007 are set out below:

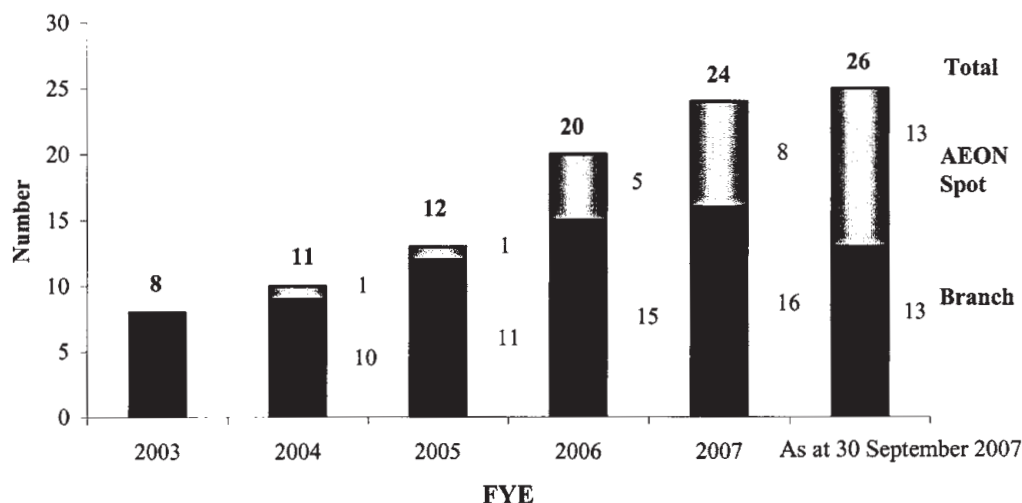


During the period from 2005 to 2007, new AEON-Spots were set-up in shopping centres in Klang Valley and several other states, operating 365 days a year from 10 a.m. to 10 p.m., for the convenience of our customers.

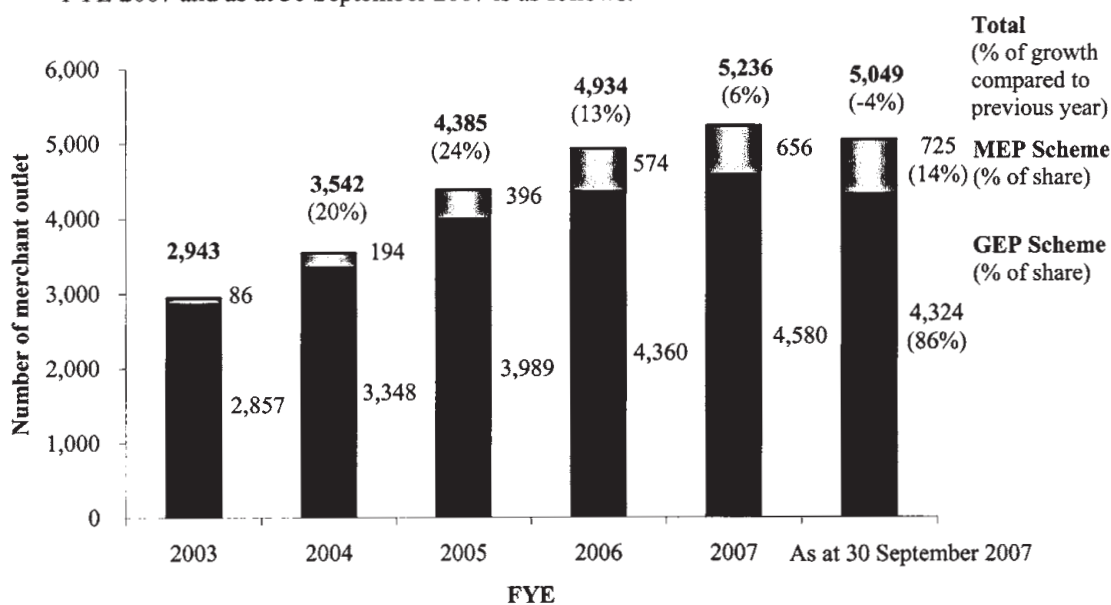
11. BUSINESS (Cont'd)

In 2007, we implemented our ATM network, with the ATMs being located at our head office in Kuala Lumpur and branches/AEON-Spots.

Our growth in number of branches and AEON-Spots from the FYE 2003 to FYE 2007 and as at 30 September 2007 are as follows:



Our growth in our merchant network for the Easy Payment Scheme from the FYE 2003 to FYE 2007 and as at 30 September 2007 is as follows:



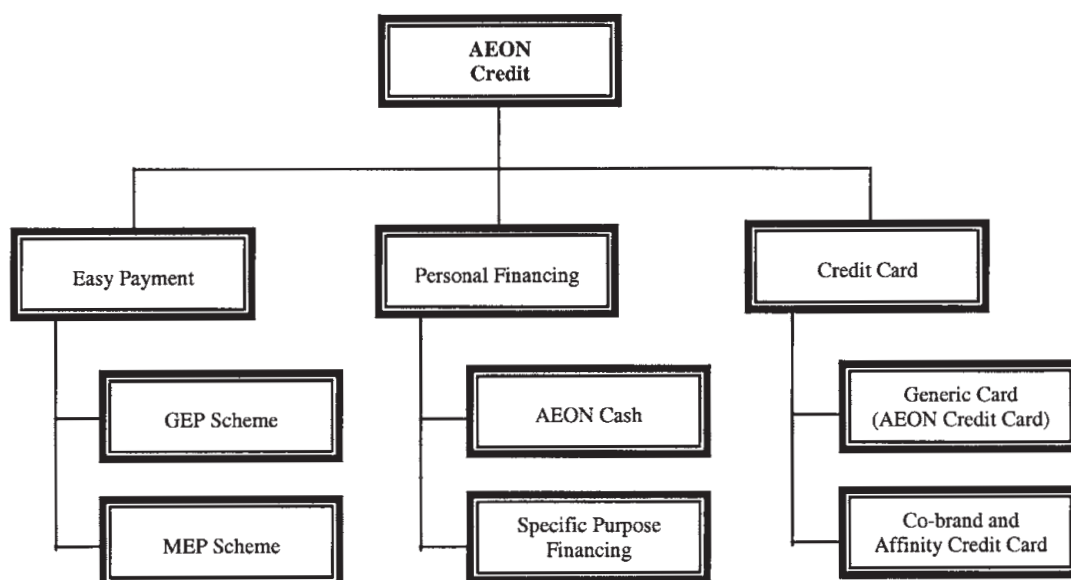
Furthermore, in 2006, we obtained the ISO 27001:2005 Information Security Management System certification, which was certified by BSI. BSI is a global certification body and one of the leading international service providers of Management Systems Registration based in the United Kingdom.

11. BUSINESS (Cont'd)

In 2007, our Company entered into co-brand and affinity credit card collaboration with RedHot Media Sdn Bhd and the Malaysia Motorcycle and Scooter Dealers Association to issue the AEON RedHot Visa Card and Motorcycle Association Affinity Gold Visa Card respectively. We also launched our Company's Gold credit cards under the Visa brand name, namely AEON Gold Visa Credit Card and Jusco Gold Visa Credit Card. The ISO 9001:2001 certification issued by UKAS in 2004 has since expired and we have obtained the ISO 9001:2000 certification from BSI for the provision of easy payment schemes, credit card and personal financing scheme at our head office and Melaka branch.

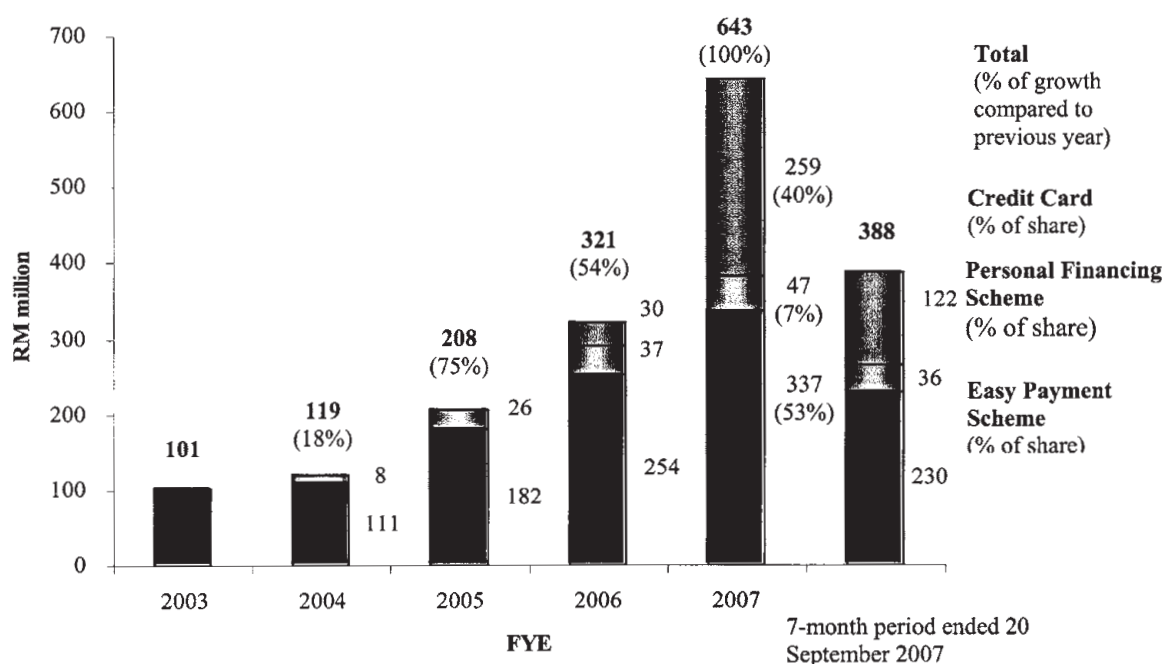
Please refer to Sections 11.15, 4.10 and 11.3 of this Prospectus for further details on our branch offices and AEON-Spots, our proposed utilisation of proceeds from our IPO and our business strategy respectively.

Currently, our Company's business activities can be divided into three (3) major divisions as illustrated below:



11. BUSINESS (Cont'd)

The growth in our sales volume from the FYE 2003 to FYE 2007 and seven (7)-month period ended 20 September 2007 are as follows:



Note:

- * Sales volume in respect of the five (5) financial years ended 20 February 2003 until 2007 and seven (7)-month period ended 20 September 2007 refers to total transaction amount for financing in the year or period under the Easy Payment Scheme and Personal Financing Scheme, and in the case of credit card, refers to total transaction amount in the year or period for credit card retail transactions and cash advance transactions using the credit cards issued by our Company.

Please refer to Section 11.4 of this Prospectus for further details of our products and services.

11.2 Competitive Strengths

We believe our principal strengths are as follows:

(i) Targeting a wide network of customers

With ten (10) years of experience in consumer finance in Malaysia, our Company is able to offer a range of financing products as we understand consumer spending trends, credit profiles and payment patterns.

Our Company specialises in financing amount of below RM30,000 for easy payment and personal financing schemes. Consumers with annual income of RM18,000 and above are targeted by our Company for our credit cards.

(ii) Regional experience and expertise in consumer credit service business

The AEON Credit Japan Group's regional experience, through its credit business expertise gained in Japan and other Asian countries such as Hong Kong and Thailand, and risk management expertise, combined with its demonstrated success in establishing itself as a major player in the provision of consumer credit services in the region, is expected to give us a springboard for success in Malaysia, and provide our Company with an excellent opportunity to grow in a strategically important market.

11. **BUSINESS (Cont'd)**

We are able to share experiences and strategies with other companies within the AEON Credit Japan Group and to tailor the shared knowledge and strategies into the local context.

(iii) Established track record, good business network and strong customer relationships

We have been involved in the financial services and consumer financing industry since 1997. Owing to our excellent customer service, we have established a good track record, representing over 400,000 AEON Express Card members and 85,000 credit card members as at 30 September 2007, which provides us with the edge in retaining a majority of our present pool of customers as well as attracting new customers.

Over the years, we have also established good rapport and business network with more than 5,000 merchant outlets as at 30 September 2007, including numerous departmental stores, hypermarkets, specialty stores and chain stores, attained through our excellent service and reliability as well as hands-on involvement of our management personnel. The business network established has also enabled us to secure new customers and merchants.

(iv) Nationwide network of branches and AEON-Spots

We have established thirteen (13) branches and thirteen (13) AEON-Spots which are located in all major cities in Malaysia. This accords our new and existing customers with more convenience as they can apply for our products such as the Personal Financing Scheme, credit cards and general insurance at our branches and AEON-Spots. In particular, our AEON-Spots, eight (8) of which are located in major shopping complexes, provide potential customers with further opportunities to apply for our products during business hours of the respective shopping complexes (typically from 10 a.m. to 10 p.m.).

It is also convenient for our customers to make payments at any of our branch counters and make payments and withdrawals at ATMs located at our selected branches and AEON-Spots nationwide. We plan to open more AEON-Spots in shopping complexes and department stores, being places where our customers generally frequent and our AEON-Spots are targeted to be opened within such premises between 10 a.m. to 10 p.m., seven (7) days a week.

(v) Variety of products and services

Our Company allows our customers to purchase various kinds of products through our Easy Payment Scheme, ranging from electrical appliances, computer, furniture, camera, health equipment, musical instrument, water purifier, jewellery and motorcycle. As for our Personal Financing Scheme, we offer various products, such as AEON Cash and Specific Purpose Financing, which includes general insurance premium financing and travel package financing. Besides providing the Easy Payment Scheme and Personal Financing Scheme, we also issue credit cards to our customers. We are able to cross sell and promote our other products and services to our customers who apply for a specific product and service.

Our Management continuously strives to enhance our existing products and services and introduce new products and services to expand our product range. Please refer to Section 11.3.3 of this Prospectus for our plans on introducing new products and services.

11. BUSINESS (Cont'd)

(vi) Synergy effect with AEON Co

Our Company is a member of the AEON Japan Group, which includes AEON Co, one of the leading retailers in the Malaysian market, which departmental stores and supermarkets are better known under the "Jusco" brand name. We have collaborated with AEON Co to offer a co-brand credit card known as the Jusco Credit Card to the customers of Jusco. Our collaboration with the Jusco shopping complex management allows us to hold promotions of our products with the other merchants as well.

At present, eight (8) of our AEON-Spots are situated in shopping malls where the Jusco departmental stores are located. Our AEON-Spots are one-stop financial centres, which offer convenience to customers in terms of withdrawal and payments and application for our products, namely personal financing and credit cards while out on shopping excursions.

(vii) Strength in credit assessment and credit management

With ten (10) years of experience in the consumer finance industry in Malaysia and tapping the experience and knowledge of AEON Credit Japan in establishing consumer financing business in the Asian region, our Company has established adequate credit policies, operation procedures and proprietary systems in terms of credit assessment and credit management, all of which have contributed to our low ratio of net allowance for doubtful debts charged to our Income Statement of 1.85% and 3.90% respectively against the total trade receivables for the five (5)-month period ended 20 July 2007 and FYE 2007 respectively.

Our Company's gross non-performing loans ("NPLs") ratio (on a three (3)-month classification basis) has been hovering at less than 2.5% for the three (3) financial years and five (5)-month period ended 20 July 2007 as set out below:

	FYE			5-month period ended 20 July
	2005 RM million	2006 RM million	2007 RM million	2007 RM million
Balance brought forward	2.18	2.95	6.42	13.37
New NPLs	4.30	8.81	22.42	12.35
NPLs written off	(3.53)	(5.34)	(15.47)	(11.88)
Balance carried forward	<u>2.95</u>	<u>6.42</u>	<u>13.37</u>	<u>13.84</u>
Receivables	189.10	323.11	556.02	600.40
% of NPLs on receivables	1.56	1.99	2.40	2.31

Note:

NPLs ratio is computed as principal of NPLs divided by total principal outstanding.

11. BUSINESS (Cont'd)

Our Company's active monitoring of accounts has resulted in the commendable ageing of our gross receivables with approximately 90% of our gross receivables being in the "current" bracket as follows:

	2005	FYE 2006	2007	5-month period ended 20 July 2007
	%	%	%	%
Current (Less than 1 month)	91.9	91.7	90.1	89.2
More than 3 months	1.6	2.0	2.4	2.3

(viii) Comprehensive and reliable Management Information System

Being in the consumer financing business, we have monitoring controls comprising credit assessment modules as well as credit management and credit card system modules which are essential for running our business. Our Management also has in place proper information security management systems and business continuity plans including an operation recovery centre.

We have also obtained the ISO 27001:2005 certification by BSI in August 2006, covering the management of information security for handling, storage and utilisation of customer personal information for the purpose of Easy Payment Scheme, Personal Financing Scheme, insurance and credit card business at our head office and Ipoh branch.

In addition, we are well positioned to benefit from the advanced information technology through the AEON Japan Group network to support our future business expansion.

11.3 Future Plans and Strategies

Our key objectives are to maintain and leverage on our existing strengths, grow and improve our business, and ultimately create more value for our shareholders. In light of the present outlook and future prospects of the industry as set forth in detail in Section 10 of this Prospectus, we plan to expand our credit card business and leverage on our credit card infrastructure such as our ATM network and EDC terminals to expand our Easy Payment Scheme and Personal Financing Scheme nationwide in the next few years. Our Company also plans to build recognition and confidence in the AEON and AEON Credit Service brand names and services amongst Malaysian consumers. Our plans are detailed as follows:

11. BUSINESS (Cont'd)

11.3.1 Card Member Strategy

We plan to offer every customer an opportunity to hold a card issued by our Company. We intend to increase our card member base by offering customers several unique products and convenience via our card facility, accompanied with efficient and quality service.

(i) Credit Card Members

(a) AEON Credit Card

In addition to promoting our AEON Credit Card through our branch network and recruiters, we will continue to offer AEON Credit Card to our AEON Express Card members. Furthermore, we have in place plans to increase the promotions and benefits for our AEON Credit Card to increase the number of card members.

We also intend to tap into the high income level consumer market by offering the AEON Platinum Credit Cards, further to the launch of AEON Gold Visa Credit Card earlier in 2007.

(b) Co-Brand and Affinity Credit Card

For our co-brand credit card, we will continue to conduct card recruitment road shows as well as promotions in collaboration with our existing co-branding merchants to increase our card member base and sales. We will also continue to promote our affinity card in collaboration with our affinity partner to grow our affinity credit card member base and sales.

Meanwhile, for new co-brand and affinity credit cards, we target to tie-up with business partners from several industries in order to capitalise on different customer categories.

(ii) AEON Express Card Members

AEON Express Card is a major tool for us to capitalise and create a loyal customer base. As at 20 September 2007, sales from AEON Express Card members account for 27.80% of total sales volume under the Easy Payment Scheme and Personal Financing Scheme. In order to increase the sales volume from the AEON Express Card members, we plan to maintain and increase the loyalty of the AEON Express Card members through upgrading the benefits and the privileges of the AEON Express Card. Further, our Company plans to enhance the features of the AEON Express Card to enable automatic credit assessment to be carried out on application for our products and services, which is expected to improve the turnaround time for the results of credit assessment.

With the implementation of magnetic stripes on our AEON Express Cards, a request for information can immediately be sent to a host computer, which will conduct an automatic credit assessment on the application. This would improve credit assessment turnaround time and the results of the credit assessment can be obtained in a shorter time frame, which would be more convenient to customers.

11. BUSINESS (Cont'd)

(iii) Service enhancements for card members

Plans are also underway to further improve the services offered in relation to credit cards. In this regard, we are planning to introduce auto top-up facilities for mobile phone users, highway toll payments and other prepaid products. Further, we will enhance customer convenience, through web based applications such as interactive payment of bills, merchandising as well as reward point redemption. Enhanced reward point schemes and more 0% instalment payment schemes will be offered to retain and attract customers.

(iv) Telemarketing

We are planning to tie-up with more insurance and other complementary financial services organisations to expand the scope of services offered to customers. In this regard, we have in place a telemarketing team which will cross sell financial products, personal financing, easy payment and credit card products to our existing customer base as well as our co-brand partners' database.

11.3.2 Business Network Strategy**(i) Expansion of branch network**

As at 30 September 2007, we have a total of thirteen (13) branches and thirteen (13) AEON-Spots located in major cities in Malaysia and intend to expand the branch network to a total of 60 branches and AEON-Spots by the FYE 2010. Our strategy is to open AEON-Spots at major shopping complexes and departmental stores to serve customers seven (7) days a week, during the operating hours of the respective shopping complexes.

(ii) Expansion of merchant network

We plan to increase our number of appointed merchant outlets to 6,000 by the FYE 2010. In this regard, we plan to diversify our merchant base to those providing other consumer products and requiring financing, besides increasing the number of our current merchants involved in electrical appliance, furniture and motorcycle businesses.

(iii) ATM network

Our Company shall further expand the ATM network to provide our customers with cash disbursement and cash deposit (repayment) functions as well as certain other services. The cash disbursement function caters for cash advance transactions by our credit card customers as well as speedy cash disbursement option for our Personal Financing Scheme customers (instead of disbursement via our customers' designated bank accounts).

(iv) EDC network and acquiring business

Our Company plans to expand into the credit card acquiring business (i.e. via deployment of EDC terminal network) and loyalty point programmes with strategic tie-ups with major retailers such as AEON Co and other consumer services/goods provider including our merchants. The implementation of the EDC terminal network will serve to facilitate the promotion of credit cards, prepaid cards, easy payment scheme, personal financing scheme and reward points programmes.

11. BUSINESS (Cont'd)

11.3.3 New Products and Services Strategy**(i) Increase average financing amount**

We plan to offer higher financing amounts under the Easy Payment Scheme and also attract a wider group of customers. As such, we plan to have strategic tie-ups with housing loan providers in the market by packaging their housing loan products with AEON Credit's easy payment, whereby fast approval may be given to customers for purchasing furniture and fittings from any of AEON Credit's merchants nationwide.

(ii) Collaboration opportunities of AEON-Biz

Our Company currently offers the AEON-Biz easy payment scheme to entrepreneurs and small/medium sized businesses for the purchase of new office equipment, furniture, personal computers and electrical items. We are also exploring various collaboration opportunities with office automation specialty stores nationwide to develop our AEON-Biz business.

(iii) Area expansion to suburban and rural areas

Our Company anticipates that there will be vast business opportunities to further expand our Easy Payment Scheme to suburban and rural areas. We plan to localise our business strategy, products offered and processing centralisation requirements based on the respective needs of the market.

(iv) Credit cards for higher income market segments

We also plan to target the higher income group by launching AEON Credit lifestyle Platinum credit cards (including co-brand and affinity credit cards) to complement our earlier launch of the AEON Gold Visa Credit Card.

(v) Fee based income

In order to diversify our revenue source, we are expanding our fee income such as commission from general insurance sales. Furthermore, we plan to implement sources of fee revenue such as prepaid card business and acquiring business. The prepaid cards are an alternative for potential customers who prefer the convenience of cashless payment methods. Customer would be able to purchase prepaid cards at our branches and AEON-Spots.

(vi) Financing schemes with employers based on salary deduction

Our Company intends to further expand our personal financing and easy payment schemes by exploring possible collaboration with the Government, statutory bodies and private sectors to offer easy payment and personal financing schemes to their employees by providing attractive packages with repayment via monthly employee salary deduction. In this respect, we have obtained the approval from the Labour Department (*Jabatan Tenaga Kerja*) under the Ministry of Human Resources for salary deduction by any private employer in Peninsular Malaysia and Federal Territory of Labuan for payments by their employees in respect of financing obtained under the abovementioned schemes from our Company.

11. BUSINESS (Cont'd)

11.4 Products and Services

Currently, our Company's business activities can be divided into three (3) major product groups, namely the Easy Payment Scheme, Personal Financing Scheme and credit card. Historically, our revenue is mainly derived from the Easy Payment Scheme. We commenced issuing credit cards in 2005 and revenue from the credit card business made up a relatively small portion of our total revenue for the FYE 2006. However, revenue from the credit card business is expected to grow from the FYE 2007 onwards.

11.4.1 Easy Payment Scheme

Our Easy Payment Scheme comprises the following:

(i) GEP Scheme

The GEP Scheme is basically offered to customers for financing the purchase of household/consumer products, which include electrical appliances, furniture, digital gadgets, personal computers, health equipment and musical instrument with our appointed merchants nationwide.

Key product features of the Easy Payment Scheme are as follows:

- (a) competitive monthly interest rate and monthly repayments up to 36 months;
- (b) no requirement for collateral/guarantor; and
- (c) one (1) year free home contents insurance coverage against product purchased.

The GEP Scheme covers most of the major retailers in the market which include the following:

- (a) electrical appliance retailers – Senheng Electric, HSL Electrical & Electronic, Harvey Norman, Star Electronic, Best Denki, ESH, OnKing and Khin Guan;
- (b) hypermarkets and departmental stores – Jusco, Carrefour, Giant and Tesco;
- (c) digital specialty stores – Fotokem, Bintang Maju, I-Gate Cyberstation, Action Telenet and VS Com;
- (d) water purifier – Diamond, Nesh and Coway;
- (e) furniture retailers – Cavenzi, Fella Design and Rozel; and
- (f) other major retailers – Ogawa, Gintell, Tomei and Eneos Car Center.

11. BUSINESS (Cont'd)

Details of the GEP Scheme which our Company typically offers are set out below:

	AEON Credit Card and AEON Co-brand and Affinity Credit Card Members	AEON Express Card Members	Non-card Members
Finance Amount	Interest rates per month		
RM10,000 and above	0.8%	0.8%	0.8%
RM3,000 - RM9,999	1.0%	1.0%	1.0%
RM2,999 and below	1.2%	1.3%	1.5%

Notes:

- (1) Interest charged is subject to variations and promotions.
 (2) Finance amount is typically the cost of product at the time of purchase.

(ii) MEP Scheme

The MEP Scheme is offered to consumers to finance the purchase of new or used motorcycles.

Key product features of the MEP Scheme are as follows:

- (a) under the Islamic Bai Bithaman Ajil principle;
 (b) competitive monthly profit rate and monthly repayments up to 48 months;
 (c) finance up to 100% of motorcycle price;
 (d) no guarantor is typically required under the MEP scheme, except in certain circumstances; and
 (e) ownership claim over the motorcycle.

The MEP Scheme comes with an extended warranty coverage at a minimum premium amount to customers. Financing is provided for a variety of motorcycle brands, which includes Yamaha, Honda, Modenas, Suzuki, Kawasaki, MZ Motor, NAZA and Demark Motor.

Details of the MEP Scheme which our Company typically offers are set out below:

	AEON Card Members	Non-card Members
Down Payment Scheme	Profit rates per month	
25% Down Payment	0.84%	0.84%
15% Down Payment	1.1%	1.2%
0% Down Payment	1.3%	1.5%

11. BUSINESS (Cont'd)*Notes:*

- (1) AEON Card members encompass AEON Express Card, AEON Credit Card and AEON Co-brand and Affinity Credit Card members.
- (2) Profit rates charged is subject to variations and promotions.
- (3) % of down payment is calculated based on price of motorcycle at the time of purchase.

11.4.2 Personal Financing Scheme

Our Personal Financing Scheme is based on the Islamic principles of Bai-Al-Inah. The product categories of our Personal Financing Scheme are AEON Cash and specific purpose financing, namely financing offered to customers for car insurance premiums, wedding packages and travelling packages.

(i) AEON Cash

Key product features of AEON Cash are as follows:

- (a) provides financing from as low as RM1,000 to RM20,000 for a flexible instalment period of up to 36 months;
- (b) application can be approved as fast as one (1) hour for our AEON Express Card members. For non-card members, application can be approved within one (1) to three (3) working days; and
- (c) no guarantor is typically required under the AEON Cash financing, except in certain circumstances.

Customers can conveniently apply for AEON Cash through our branches or AEON-Spots or by filling up the application form and sending it to any of our branches or AEON-Spots by mail or by facsimile. Our branches and AEON-Spots are open seven (7) days a week.

To provide further convenience to customers, we are equipped with the facility to dispense the finance amount through our ATM network.

Details of AEON Cash which our Company typically offers are set out below:

	AEON Credit Card and AEON Co-brand and Affinity Credit Card Members	AEON Express Card Members	Non-card Members
Finance Amount	Profit rates per month		
RM10,000 – RM20,000	0.8%	0.9%	0.9%
RM5,000 – RM9,999	1.0%	1.1%	1.2%
RM4,999 and below	1.2%	1.3%	1.5%

Note:

Profit rate charged is subject to variations and promotions.

11. BUSINESS (Cont'd)

(ii) **Specific Purpose Financing**

Specific Purpose Financing involves financing of service-related products, such as car insurance premiums as well as wedding and travel packages.

11.4.3 Credit Card

We presently market two (2) types of credit cards in Malaysia, namely our AEON Credit Card and our co-brand and affinity credit cards which is in collaboration with selected merchants and partners.

(i) **AEON Credit Card**

We issue AEON Gold Credit Cards and AEON Classic Credit Cards under the Visa brand name and AEON Classic Credit Cards under the MasterCard brand name. The following benefits and privileges are typically offered to AEON Credit Card members.

(a) **Redemption programme**

Every RM1.00 that is charged to an AEON Credit Card earns a customer one (1) reward point. The customer can accumulate his/her reward points and redeem them for free shopping, dining and/or travel.

(b) **0% instalment payment plan**

AEON Credit Card offers interest-free instalments for up to twelve (12) months for purchases from more than 1,000 appointed retail merchants as at 30 September 2007, whom offer this 0% credit facility.

(c) **Insurance coverage programme**

Credit card customers who charge their flight tickets to their AEON Credit Card can enjoy free travel insurance and travel personal accident insurance coverage for up to a maximum of RM200,000 per family for AEON Credit Card members and up to a maximum of RM700,000 per family for AEON Gold Visa Credit Card members. Furthermore, AEON Credit Card members and AEON Gold Visa Credit Card members are automatically covered by our free Personal Accident Insurance for up to RM10,000 and RM100,000 respectively, insured by Mitsui Sumitomo Insurance (Malaysia) Berhad and ACE Synergy Insurance Berhad. The AEON Credit Card members and AEON Gold Visa Credit Card members are also covered with an outstanding credit card balance protection plan paying the total monthly outstanding balance in the event of death or permanent disability of the credit card member for up to RM1,000 and RM2,000 respectively. For AEON Gold Visa Credit Card, a purchase protection plan is provided, which covers loss of or damage to the purchase of any products for a period of seven (7) days for up to a maximum of RM1,000.

11. BUSINESS (Cont'd)

(d) Special servicing privileges on electrical appliances

We provide a one (1)-year free membership from TMT Services Sdn Bhd to AEON Credit Card members on their purchases of any electrical products from appointed merchants. This membership entitles card members to free product consultation services and after sales repairs of electrical products at reasonable rates.

(e) Privileges merchants

Customers are entitled to special privileges and attractive discounted prices from a large number of merchants, which offer dining, shopping and travel packages.

(f) Worldwide travel assistance

Customers who have misplaced their AEON Credit Card can contact the AEON World Desk Centre, which provides personalised services and global assistance from lost/stolen cards to hotel reservations. Customers also enjoy Visa's emergency assistance services 24 hours a day.

(g) Lower interest/profit rate and instant approval on Easy Payment Scheme/Personal Financing Scheme

Our Easy Payment Scheme allows AEON Credit Card members to purchase items at approximately 1,000 participating merchant nationwide without reducing the available spending limit on their credit card. In addition, credit card members needing extra cash can obtain financing via our Personal Financing Scheme.

(ii) Co-Brand and Affinity Credit Cards

Our co-brand and affinity credit cards enable co-brand and affinity credit card members to enjoy special benefits and privileges while transacting using our co-brand and affinity credit cards with our co-brand merchants and affinity partners. We have entered into co-brand credit card collaboration with AEON Co and RedHot Media Sdn Bhd and affinity credit card collaboration with the Malaysia Motorcycle and Scooter Dealers Association.

Jusco Credit Card is our first co-brand credit card, which is in collaboration with AEON Co. Jusco Credit Card members enjoy unique benefits, such as receiving one (1) J-Card point for every RM10 spent at any location in Malaysia, other than Jusco stores. Meanwhile, card members with valid J-Card will receive a further 50% more J-Card points when spending at Jusco stores. Besides that, all Jusco Credit Card members enjoy the most benefits derived from Jusco promotions. Customers can conveniently apply for Jusco Credit Cards through any of the Jusco shopping centres nationwide during normal operating hours.

11. BUSINESS (Cont'd)

On 9 February 2007, we launched our co-brand card collaboration with RedHot Media Sdn Bhd to issue the AEON RedHot Visa Card under the Visa brand name. The AEON RedHot Visa Card provides card members with offers and services that suit executives' lifestyle. Some of the benefits include, savings and double points when shopping online at RedHot Gallery, earn RedHot Points with every amount spent on the AEON RedHot Visa Card, special discounts at over 250 privilege merchants and flexible credit financing through the GEP Scheme and AEON Cash.

On 18 April 2007, we entered into an agreement with Malaysia Motorcycle and Scooter Dealers Association to launch our first affinity credit card which is in collaboration with the Malaysia Motorcycle and Scooter Dealers Association ("Association") under the name of Motorcycle Association Affinity Gold Visa Card. The affinity card allows card members to enjoy a wide range of exclusive benefits and privileges. A certain percentage of every ringgit spent on the Motorcycle Association Affinity Gold Visa Card will be contributed to the Association's charity activities.

The card is free for life for Association members, business partners, associates and family members. Issuance of the card to associates and business partners is through recommendation of Association members only. Some of the benefits include free travel personal accident insurance coverage up to RM120,000, special travel and holidays packages, exclusive golf privileges by Advantage Golfing Solutions Sdn Bhd, reward points redemption program, more than 200 privilege partners and access to AEON World Desk Centre for global personalised assistance.

11.5 Operational Process

The Sales and Business Development Group of our Company is responsible for expanding our businesses as well as marketing our services by reaching out to more customers and merchants. We consistently formulate new strategic marketing plans and implement them and innovatively develop attractive products and services that contribute to consumers' lifestyle and the continuous growth of our business.

Please refer to Section 11.7 of this Prospectus for details on our sales and marketing efforts and strategies. Our products and services can be grouped into three (3) core businesses, namely Easy Payment Scheme, Personal Financing Scheme and credit card. Customers can obtain our products and/or services directly through our thirteen (13) branches and thirteen (13) AEON-Spots as well as through our more than 5,000 appointed merchant outlets nationwide.

When customers apply for any of our products or services, the applications are put through the Credit Assessment Department, which checks, verifies and assesses the customers' applications and informs the customers of the results of the applications. Furthermore, the Credit Assessment Department also assesses the transaction amount to be approved, depending on the customers' perceived repayment ability.

If applications for Easy Payment Schemes or Specific Purpose Financing are approved, the merchants would supply the merchandise or service to the customers and submit sales claims to us. If the applications for AEON Cash are approved, we would disburse cash to our customers. If the applications for credit cards are approved, customers can commence using their credit card for transactions. The Processing Department and Finance Group are responsible for processing the sales claims and conducting settlement with the merchants or customers.

11. BUSINESS (Cont'd)

Meanwhile, the Credit Management Group is in charge of the collection of the Company's receivables, through a determined and systematic approach which includes analysing customers' ability to make payment based on their credit behaviour and repayment history to identify possibility of credit loss and to minimise such instances. Further, our Company undertakes progressive actions, commencing with sending reminders via short messaging services ("SMS") and letters, making follow-up calls and field visits and engaging the services of debt recovery agencies as well as instituting legal action against defaulting customers.

We are also aware of the importance of managing fraud risks. As such, the Risk Management Section, which operates under the Credit Management Group, is responsible for mitigating these risks by monitoring and preventing frauds that could cause potential financial losses.

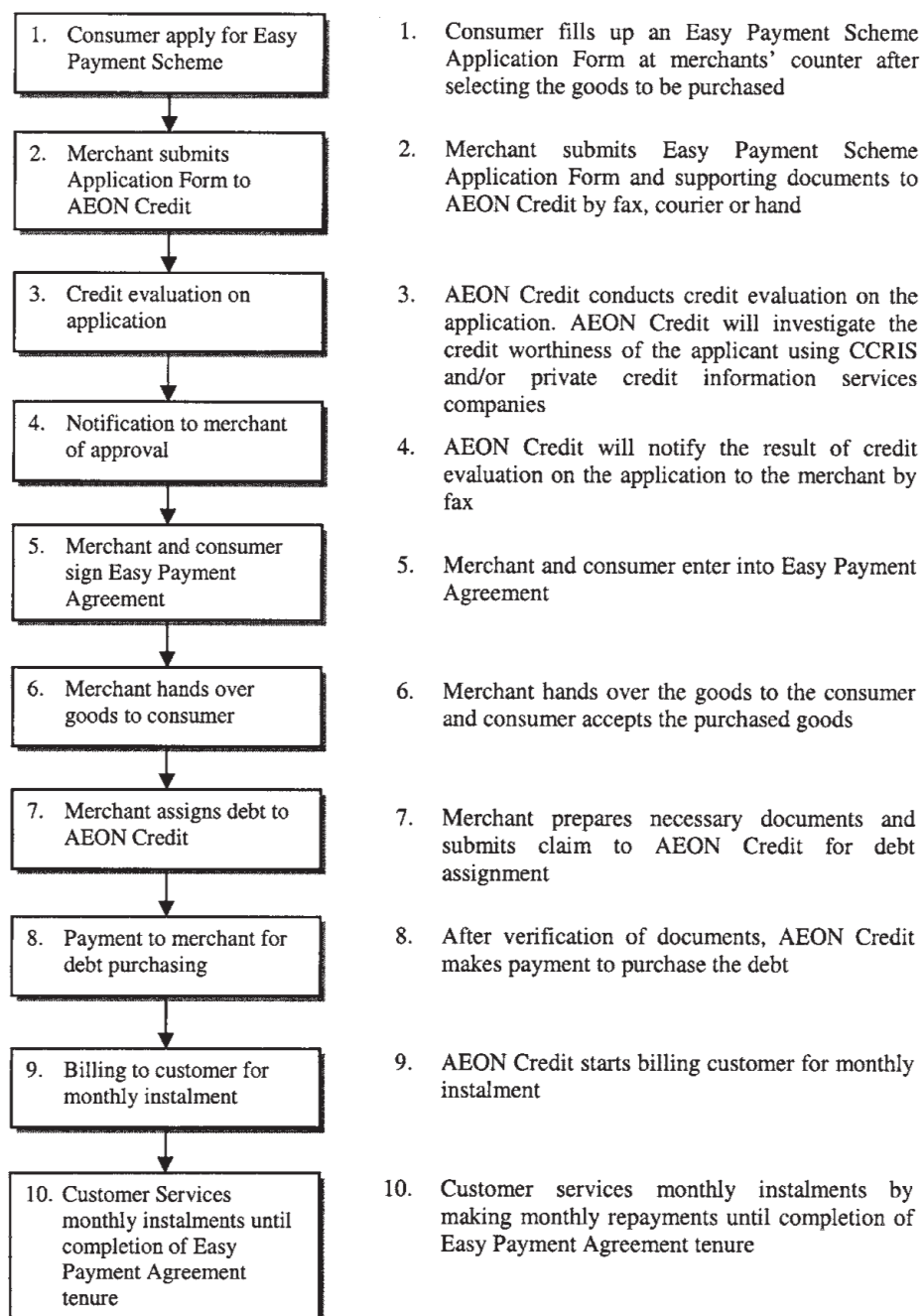
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11. BUSINESS (Cont'd)

11.6 Process Flow of Easy Payment Scheme, Personal Financing Scheme and Credit Card

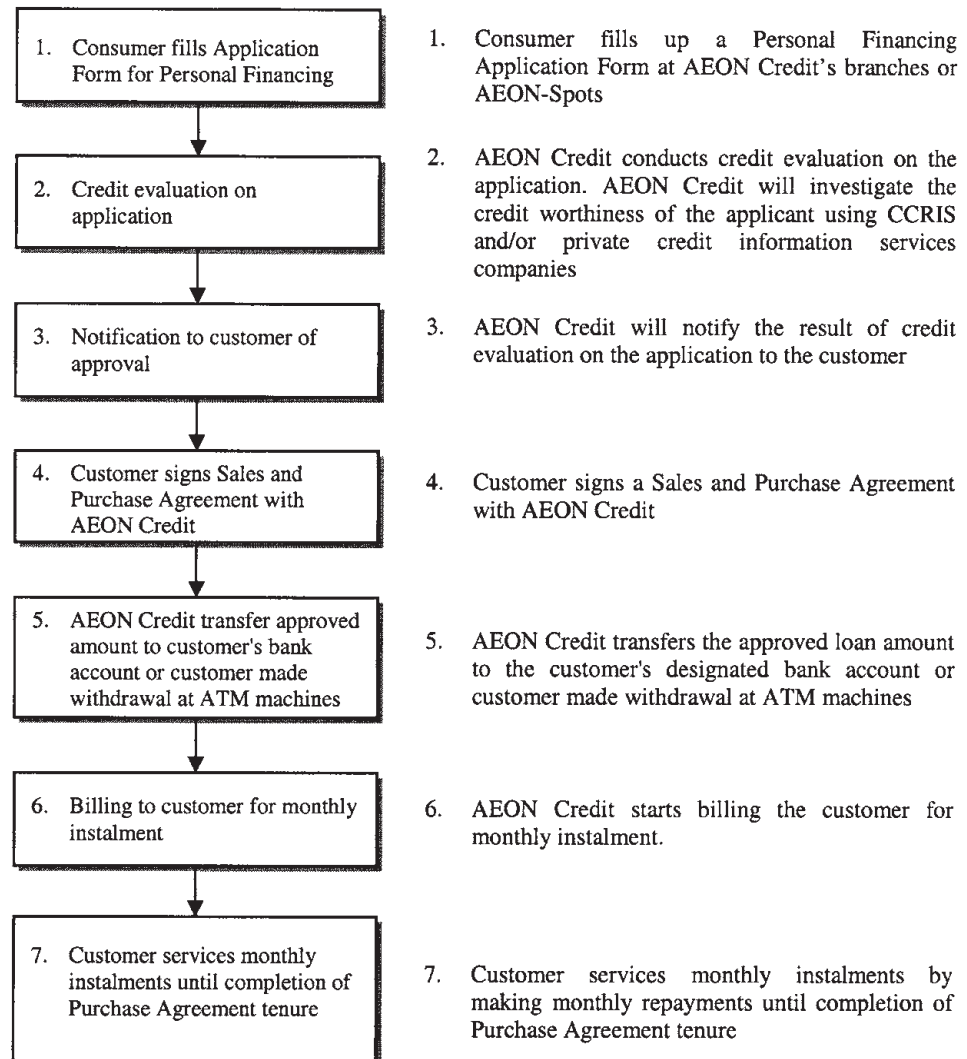
Set out below is our typical process flow chart of our Company's products and services from the receipt of consumer application to the settlement of the entire amount owing from consumers to our Company.

11.6.1 Easy Payment Scheme



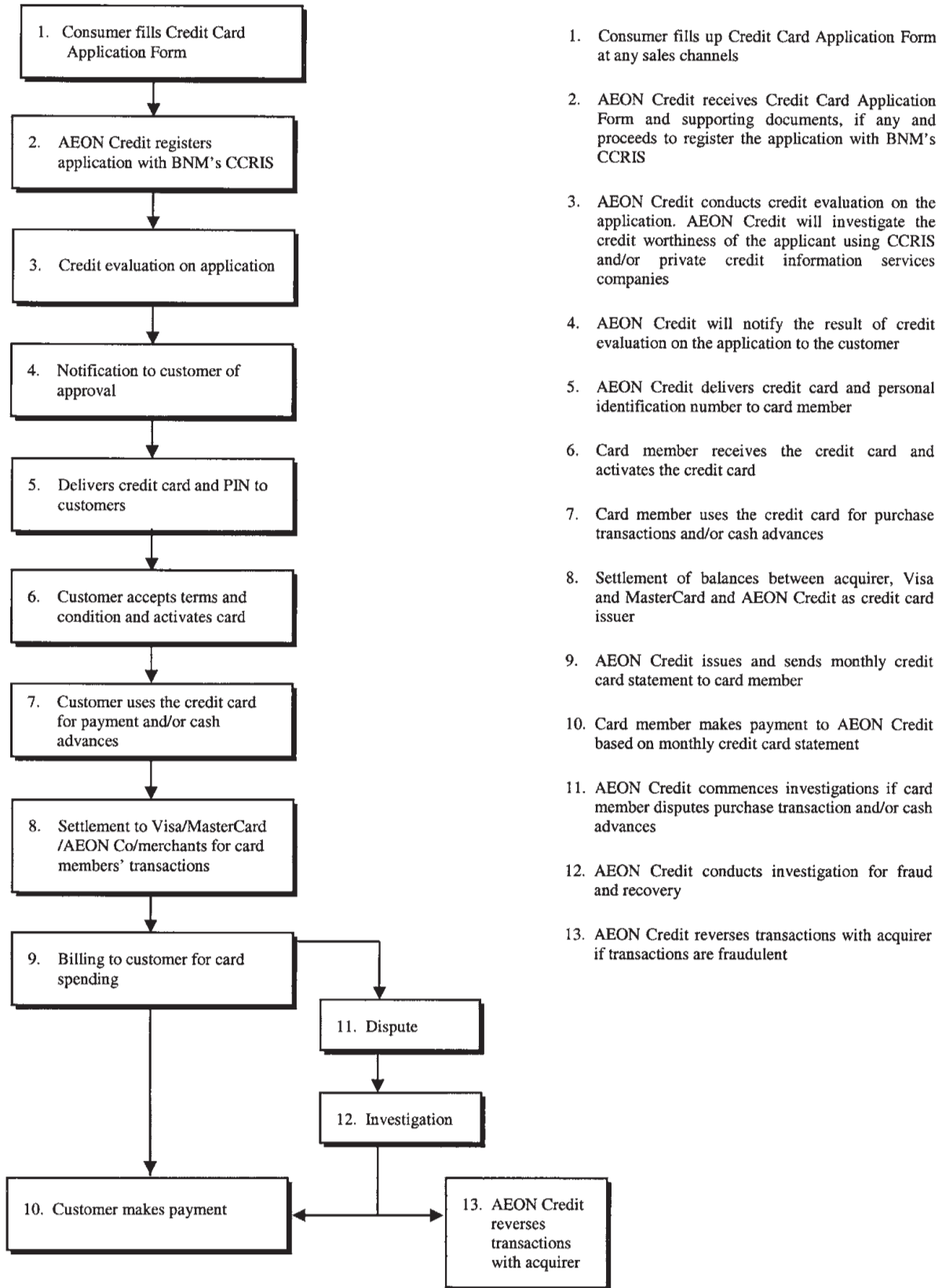
11. BUSINESS (Cont'd)

11.6.2 Personal Financing Scheme



11. BUSINESS (Cont'd)

11.6.3 Credit Card



11. BUSINESS (Cont'd)

11.7 Sales and Marketing

11.7.1 Easy Payment Scheme

Our Company's Sales and Business Development Group markets the products and services under the Easy Payment Scheme through merchant recruitments and sales and promotion activities.

We also conduct sales promotions, in collaboration with our respective merchants, to encourage customers to purchase items from merchant outlets by offering special benefits, such as promotional lower interest/profit rates, one (1) month delayed initial payment (normally, initial payment is paid upon signing of agreement at merchant counters) and discounted prices for goods, amongst others.

In addition, we consistently conduct our own advertising and promotional activities, together with our merchant outlets nationwide. We constantly endeavour to recruit more merchants in order to reach out to more potential customers.

11.7.2 Personal Financing Scheme

We promote our Personal Financing Scheme through newspaper advertisements, direct mailing to pay-in-full customers and customers in the AEON Express Card members database, expansion of branches and AEON-Spots as well as Specific Purpose Financing merchants. We also call our Personal Financing Scheme customers to undertake sales promotion of products and services.

11.7.3 Credit Card

The Card Business and Marketing Group is responsible for increasing both credit card member base and sales volume. In terms of increasing credit card member base for the AEON Credit Card, we conduct the following marketing strategies:

(i) Conversion from AEON Express Card

Through our Easy Payment Scheme, we have a database of our customers' credit standing as well as their ability to service their finances. We offer customers with good credit standing with an option of converting their AEON Express Card to AEON Credit Card, with the additional benefits of fast and instant approval process and lower interest rate, amongst others.

(ii) Application for Easy Payment Scheme at merchant outlets

We offer customers the chance to sign-up for our credit card when they apply for our Easy Payment Scheme through our more than 5,000 merchant outlets.

(iii) Application at branch and AEON-Spot

We will promote our Personal Financing Scheme and AEON Credit Cards to walk-in customers at our thirteen (13) branches and thirteen (13) AEON-Spots.

11. BUSINESS (Cont'd)

As for the Jusco Credit Card, we collaborated with AEON Co to set up promotional booths at Jusco departmental stores, which operate on the same business hours as the respective Jusco departmental stores, seven (7) days a week, to attract new card members. Furthermore, we offer Jusco Credit Card to Jusco departmental stores card members, the J-Card members. We also organise special promotions in line with Jusco departmental stores, such as new outlet opening and during J-Card members' day (i.e. a privilege sales promotion for J-Card members). Sales promotions conducted in the past include lucky draw contest promotion, discount promotions at restaurants and welcome gift promotions.

In addition, we are presently developing its own privilege merchant network to enhance card privileges and improve usage by customers.

(iv) Telemarketing

Apart from the channels above, we also make calls to our credit card members to promote our latest benefits and offers as well as to promote our Company's other products including insurance and merchandise.

11.8 Technology

We are highly dependent on IT to operate our business in terms of maintenance of customer transactions and other data including storage of voluminous confidential information regarding our customers, processing of applications, payments, and enquiries across our Company including our branches and service centres, all of which are networked to the mainframe servers in our Kuala Lumpur headquarters and IT centre.

11.9 Approvals, Licences and Certifications

We have complied with the conditions of all licences and approvals applicable to us. We believe that our licences and approvals are in good standing and expect to be able to fulfil our licences and approval terms to the satisfaction of the relevant authorities. We are required to renew such licences and approvals from time to time. While we believe that we will be able to renew our licences and approvals, there can be no assurance that the relevant authorities/parties will issue such licenses within the time frame required, or at all, the failure of which may adversely affect our business and results of operations.

Details of approvals, licences and certifications material to the business and operations obtained by our Company are as follows:

Authority	Date Issued/ Expiry Date	Type of Business/ Transaction Approved	Major conditions imposed	Status of compliance
FIC	14.07.2005/ N/A	Issuance of new Shares and conversion of redeemable preference shares of AEON Credit	AEON Credit is to increase its Bumiputera equity to at least 30% before 31 January 2007. By a letter dated 12 January 2007, FIC had granted on extension of time to meet the equity condition imposed by 31 December 2007.	To be complied

11. BUSINESS (Cont'd)

Authority	Date Issued/ Expiry Date	Type of Business/ Transaction Approved	Major conditions imposed	Status of compliance
BNM	16.04.1997/ N/A	Notification of compliance with Section 21(1) of the BAFIA in respect of the factoring business of AEON Credit.	No conditions imposed.	Not applicable
BNM	09.05.2005/ N/A	Notification of compliance pursuant to Section 5(3) of the PSA in respect of ATM network to facilitate cash advance for payment cards issued by AEON Credit.	No conditions imposed.	Not applicable
BNM	17.08.2005 & 27.10.2005/ N/A	Approval for issuance of credit cards under the Visa and MasterCard brand names and charge cards with the line of credit being provided by AEON Credit pursuant to Section 25(1) of the PSA.	AEON Credit is to comply with the requirements in the PSA, shall at all times maintain a minimum capital ratio of 16% of all its risk assets. Holding company shall provide an undertaking to the BNM to provide AEON Credit with continuing funding assistance, technical support and expertise for its credit and charge card business in Malaysia and that the holding company of AEON Credit shall pay any amount due and payable arising out of any failure or default by AEON Credit to make payment to any of its creditor.	Complied
Visa International Service Association	*12.07.2004/ N/A	Approval to issue credit cards under the Visa brand name.	AEON Credit to abide by Visa International Service Association card issuance guidelines and operating procedures.	Complied
MasterCard International Incorporated	*22.06.2004/ N/A	Approval to issue credit cards under the MasterCard brand name.	AEON Credit to abide by MasterCard International Incorporated card issuance guidelines and operating procedures.	Complied

11. BUSINESS (Cont'd)

Authority	Date Issued/ Expiry Date	Type of Business/ Transaction Approved	Major conditions imposed	Status of compliance
BSI	24.07.2006/ 23.07.2009	Certification that AEON Credit has met the criteria of the ISO 27001:2005 requirements for management of information security for handling, storage and utilisation of customers' personal information for the purpose of Easy Payment Scheme, Personal Financing Scheme, insurance and credit card business of AEON Credit facilities at its head office in Kuala Lumpur and Ipoh branch.	AEON Credit to abide by the guidelines in respect of the ISO 27001:2005.	Complied
BSI	17.08.2007/ 16.10.2010	Certification that AEON Credit operates a quality management system which complies with the requirements of ISO 9001:2000 for the provision of easy payment schemes, credit card and personal financing scheme at its head office in Kuala Lumpur and Melaka branch.	No conditions imposed.	Not applicable
Labour Department under the Ministry of Human Resources	28.06.2004/ N/A	Approval from the Labour Department (<i>Jabatan Tenaga Kerja</i>) under the Ministry of Human Resources for salary deduction by any employer in Peninsular Malaysia and Federal Territory of Labuan for payments by their employees in respect of financing obtained from AEON Credit under the Bai Al Inah Personal Financing Scheme and Easy Payment Schemes via "Permit Potongan Daripada Gaji Pekerja" under Section 24 of the Employment Act, 1955.	No major conditions imposed.	Complied

Notes:

N/A Not applicable.

* Refers to the date of agreement.

11. BUSINESS (Cont'd)

11.10 Intellectual Properties

Our Company relies on a combination of copyright protection, trademark and domain name registration to establish and protect its intellectual property, brand name and logos and internet domain name.

(i) Copyright

Our Company's copyright is in relation to the content of our website www.aeonmalaysia.com.my, our various advertising materials, the various software and applications developed in-house by us and software and applications developed by third party vendors in relation to our Credit Card System, Easy Payment System and Web-based system.

Under the Copyright Act 1987, copyright is the exclusive right to control in Malaysia the reproduction in any material form, the performance, showing or playing in public, the broadcasting, the communication by cable and the distribution of the copies to the public by sale, rental, lease or lending, of the whole or substantial part thereof, either in its original or derivative form. The copyright shall subsist during the life of the author and fifty years after his death.

Copyright of a work shall vest initially with the author. Nevertheless, where a work is commissioned by a person which is not the author's employer under a contract of service or apprenticeship or is made in the course of the author's employment, the copyright shall be deemed to be transferred to the person who commissioned the work or the author's employer, subject to any agreement between the parties excluding or limiting such transfer. The aforesaid software was authored by employees of AEON Credit who did so in the course of their employment and software vendor who had been commissioned by our Company to do so.

(ii) Trademarks

Our Company has taken steps to protect its trademarks and logos in Malaysia by applying for registration the following trademarks/logos:

- (a) AEON Credit Service;
- (b) Ask AEON;
- (c) Everyday AEON Card;
- (d) AEON-XPRESS Easy Payment;
- (e) AEON-BIZ Easy Payment; and
- (f) AEON-Cash.

The trademark/logo for "AEON Credit Service" has been successfully registered under Class 16 to AEON Credit. Applications for "AEON Credit Service", "Everyday AEON Card", "AEON-XPRESS Easy Payment", "AEON-BIZ Easy Payment" and "AEON-Cash" trademarks/logos have been made under Class 36 while applications for "Ask AEON" trademark/logo have been made under Class 16 and 36. These applications are still pending approval.

(iii) Domain Name

The domain name "www.aeonmalaysia.com.my" is registered under our Company.

11. BUSINESS (Cont'd)

11.11 Regulations

We are regulated by, amongst others, the BAFIA and PSA and as well as other national laws, regulations and acts in terms of our involvement in the consumer credit service industry in Malaysia. Our industry is also regulated by BNM.

Please refer to Section 10.8 of this Prospectus for further information on the Malaysian legislation mentioned above.

11.12 Major Merchants

We have a wide merchant base comprising local and foreign owned companies, which provide their products and services to our customers who purchase products or obtain services via the Easy Payment Scheme or Specific Purpose Financing.

Throughout our years of operations, we have established and maintained good rapport and reputation with our appointed merchants and have not experienced difficulties in obtaining their services.

Our major appointed merchant, being a merchant that individually contributed to 10% or more of our sales volume for each of the past three (3) financial years and five (5)-month period ended 20 July 2007 are as follows:

Name of Merchant	Length of relationship Years	Services	-----Purchase Contribution----->							
			FYE 2005		FYE 2006		FYE 2007		5-month period ended 20 July 2007	
			RM 000	(%)	RM 000	(%)	RM 000	(%)	RM 000	(%)
Senheng Electric (KL) Sdn Bhd	> 9 years	Merchandise under the GEP Scheme	44,576	21.4	50,364	15.7	53,912	8.4	24,252	9.5

The band of purchase consideration of our merchants for the past three (3) financial years and five (5)-month period ended 20 July 2007 is illustrated as follows:

Bandwidth of purchase consideration	-----Number of Merchants----->			
	FYE 2005	FYE 2006	FYE 2007	5-month period ended 20 July 2007
Above RM6 million	2	4	7	1
RM3 million to RM5.999 million	2	12	18	-
RM1 million to RM2.999 million	17	72	77	18
RM0.5 million to RM0.999 million	49	60	83	26
RM0.3 million to RM0.499 million	65	54	111	44
RM0.1 million to RM0.299 million	283	304	393	162
RM0.099 million and below	1,503	1,676	1,976	1,696

As we have a wide merchant base, we are of the view that we are not overly dependent on any single merchant.

11.13 Major Source of Funds

We borrow funds and seek banking facilities from financial institutions and debt capital market to finance our day-to-day operations. We source funds from ten (10) financial institutions, including two (2) offshore financial institutions in Labuan, in order to reduce dependency on only a few financial institutions.

11. BUSINESS (Cont'd)

Our Company's borrowings from financial institutions and debt capital market that individually contributed to 10% or more of our total borrowings for each of the past three (3) financial years ended 20 February 2007 and five (5)-month period ended 20 July 2007 are as follows:

Name	FYE 2005		FYE 2006		FYE 2007		As at 20 July 2007		Length of Relationship Years
	RM 000	%	RM 000	%	RM 000	%	RM 000	%	
Bank of Tokyo-Mitsubishi UFJ, (M) Berhad	77,000	50.7	85,000	34.3	93,500	22.1	79,510	17.37	10
Public Bank Berhad	35,000	23.1	50,000	20.1	95,000	22.5	70,000	15.29	8
RHB Islamic Bank Berhad	1,700	1.1	34,500	13.9	28,000	6.6	28,000	6.12	4
Hong Leong Islamic Bank Bhd	-	-	19,000	7.7	45,000	10.6	33,760	7.38	1
Medium term notes	-	-	-	-	75,746	17.9	156,070	34.10	-

Apart from the financial institutions mentioned above, our Company has also borrowed funds from Hong Leong Bank Berhad, Citibank Berhad, Malayan Banking Berhad, CIMB Bank Berhad, Bank of Tokyo-Mitsubishi UFJ Ltd Labuan Branch and Sumitomo Mitsui Banking Corporation.

Bank of Tokyo-Mitsubishi UFJ Ltd, Labuan Branch, Sumitomo Mitsui Banking Corporation, Labuan Branch and Mizuho Corporate Bank Ltd, Labuan Branch also provide guarantees (standby letter of credit) to certain local financial institutions in respect of credit facilities granted by these local financial institutions to our Company.

Apart from sourcing funds from financial institutions, our Company has also obtained the approval from the relevant authorities to issue up to RM400 million CP/MTN comprising both Islamic and conventional programmes.

Our ability to source for funds to finance our business and day-to-day operations is subject to our ability to obtain financing at cost effective rates. Interest/Profit rates at which we obtain our financing vary, depending on, amongst others, the BNM monetary policy and interest/profit rates charged by financial institutions. Details of our susceptibility to interest/profit rates fluctuations are set out in Section 5.2.1 of this Prospectus.

11.14 Major Customers

Our customers comprise consumers in Malaysia. As we have a wide range of customers made up of consumers in Malaysia, we do not have any customers who individually contribute to 10% or more of our total revenue for each of the past three (3) financial years ended 20 February 2007 and five (5)-month period ended 20 July 2007. This is due to the nature of our business, whereby our customers are individuals who obtain financing under our Easy Payment Scheme and Personal Financing Scheme or hold our credit card.

11. BUSINESS (Cont'd)**11.15 Location of Operations/Branches**

Our Company primarily operates from our head office, thirteen (13) branches and thirteen (13) AEON-Spots. Our head office, branches and AEON-Spots are rented by us. The details of our rented head office, branches and AEON-Spots are set forth below.

State	Postal address	Tenure of lease/ Expiry date of lease	Certificate of Fitness	Existing use	Monthly rental RM
Kuala Lumpur	Level 26 - 29, Menara Olympia, No. 8, Jalan Raja Chulan, 50200 Kuala Lumpur	3 years/ 31/12/2008	25/04/2000	Head office	139,927
Kuala Lumpur	No 57 & 59, Lower Ground & Ground Floor, Mode Circle Building, Jalan Bukit Bintang, 55100 Kuala Lumpur	3 years/ 30/06/2009	*	AEON-Spot	35,000
Kuala Lumpur	Level 1, Menara Olympia, No. 8, Jalan Raja Chulan, 50200 Kuala Lumpur	3 years/ 31/12/2008	25/04/2000	AEON-Spot	18,900
Kuala Lumpur	Level 1, Menara Olympia, No. 8, Jalan Raja Chulan, 50200 Kuala Lumpur	3 years/ 07/01/2009	25/04/2000	AEON-Spot	13,125
Kuala Lumpur	2nd Floor, Unit AT3, Mid Valley Megamall, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur	3 years/ 27/09/2009	08/12/2001	AEON-Spot	10,950
Selangor	22 A-00-1, Lorong Batu Nilam 4A, Bandar Bukit Tinggi, 41200 Klang, Selangor	2 years/ 14/12/2009	19/06/2003	AEON-Spot	4,000

11. BUSINESS (Cont'd)

State	Postal address	Tenure of lease/ Expiry date of lease	Certificate of Fitness	Existing use	Monthly rental RM
Selangor	Lot LS21, Tingkat 4, Plaza Masalam Shah Alam, No. 2, Jalan Tengku Ampuan Zabedah, E/9E Seksyen 9, 40100 Shah Alam, Selangor	2 years/ 06/12/2007	21/11/1997	AEON-Spot	5,307
Selangor	Ground & Mezzanine Floor, No. 65 & 66, Jalan Besar, Wisma Sim Tee Ming, 43000 Kajang, Selangor	3 years/ 10/04/2010	01/01/1991	AEON-Spot	12,650
Selangor	Lot 23, First Floor, IOI Mall, Batu 9, Jalan Puchong, 47100 Bandar Puchong, Selangor	2 years/ 31/12/2008	14/03/1997	AEON-Spot	8,400
Selangor	AEON Taman Equine Shopping Centre, Lot 27, Ground Floor, No. 2, Jalan Equine, Taman Equine, Bandar Putra Permai, 43300 Seri Kembangan, Selangor	3 years/ 14/06/2009	09/06/2006	AEON-Spot	7,840
Selangor	Lot G37A, Ground Floor, Jusco 1 Utama Shopping Centre No. 1, Lebuhr Bandar Utama Bandar Utama Damansara 47800 Petaling Jaya, Selangor	2 years/ 15/08/2009	31/01/1996	AEON-Spot	15,152
Selangor	Lot LL203, Lower Level, Jusco Sunway Pyramid 2, No. 3, Jalan PJS 11/15, Bandar Sunway, 46150 Petaling Jaya, Selangor	3 years/ 28/09/2010	27/09/2007	AEON-Spot	9,984

11. BUSINESS (Cont'd)

State	Postal address	Tenure of lease/ Expiry date of lease	Certificate of Fitness	Existing use	Monthly rental RM
Negeri Sembilan	AEON Seremban 2 Shopping Centre, Lot 41, First Floor, No. 112, Persiaran S2 B1, 70300 Seremban 2, Negeri Sembilan	3 years/ 28/09/2008	10/01/2006	AEON-Spot	4,040
Negeri Sembilan	No. 180, Ground Floor & Mezzanine Floor, Jalan Dato' Bandar Tunggal, 70000 Seremban, Negeri Sembilan	2 years/ 31/10/2009	19/09/2005	Branch	8,100
Melaka	Ground Floor & Mezzanine Floor Wisma Tan Cheng Tiang, No. 1A, Jalan Tun Sri Lanang, 75100 Melaka	2 years/ 31/05/2009	29/06/2004	Branch	10,350
Johor	LG.01, G.01 and Level 7, Wisma LKN, No.49, Jalan Wong Ah Fook, 80000 Johor Bahru, Johor	3 years/ 01/10/2009	21/05/1992	Branch	16,350
Johor	Ground Floor, Wisma Lim Sin Huat, No. 15, Jalan Ismail, 83000 Batu Pahat, Johor	2 years/ 14/05/2009	13/03/2003	Branch	5,280
Johor	AEON Tebrau City Shopping Centre, Lot 39, 2nd Floor, No.1 Jalan Desa Tebrau, Taman Desa Tebrau, 81100 Johor Bahru, Johor	3 years/ 03/01/2009	13/12/2005	AEON-Spot	11,619
Perak	No. 31 & 33, Jalan Yang Kalsom, 30250 Ipoh, Perak	3 years/ 09/09/2008	16/01/1964	Branch	6,300

11. BUSINESS (Cont'd)

State	Postal address	Tenure of lease/ Expiry date of lease	Certificate of Fitness	Existing use	Monthly rental
Pulau Pinang	37 Tingkat Kikik 7, Taman Inderawasih, 13600 Prai, Pulau Pinang	3 years/ 30/04/2009	10/11/1992	Branch	9,955
Pulau Pinang	Jusco Queens Bay Mall IF-01, Persiaran Bayan Indah Sungai Nibong, 11900 Bayan Lepas, Pulau Pinang	3 years/ 30/11/2009	**19/10/2007	AEON-Spot	8,400
Kedah	No. 89 & 90, Kompleks Perniagaan Sultan Abdul Hamid, Persiaran Sultan Abdul Hamid, 05050 Alor Setar, Kedah	3 years/ 15/02/2010	26/10/2004	Branch	7,600
Pahang	No. B-320 & B-322, Ground Floor and Mezzanine Floor Taman Berserah Ria Jalan Berserah, 25300 Kuantan, Pahang	3 years/ 31/01/2008	17/07/1996	Branch	7,000
Kelantan	Lot 497, 1192 & 498, 1193 Seksyen 12, Jalan Pengkalan Chepa, 15400 Kota Bharu, Kelantan	1 year/ 31/07/2008	21/03/2006	Branch	6,500
Terengganu	No. 42, Ground & Mezzanine Floor, Bangunan Dato Isaacs, Jalan Sultan Sulaiman, 20000 Kuala Terengganu, Terengganu	3 years/ 30/06/2008	18/04/1995	Branch	7,600
Sabah	Lot 1-0-11 & 1-1-11, Block 1, Api-Api Centre, Lorong Api-Api, 88000 Kota Kinabalu, Sabah	2 years/ 14/10/2009	06/09/1994	Branch	10,000

11. BUSINESS (Cont'd)

State	Postal address	Tenure of lease/ Expiry date of lease	Certificate of Fitness	Existing use	Monthly rental
Sarawak	Ground Floor, Lot 142 & 149, Bangunan W.S.K, Jalan Abell, 93100 Kuching, Sarawak	2 years/ 14/06/2009	20/04/1993	Branch	12,000
Sarawak	Ground Floor, Lot 1265 & Ground Floor and Third Floor, Lot 1266, Centre Point, Jalan Melayu, 98000 Miri, Sarawak	3 years/ 14/06/2009	07/04/2003	Branch	6,700
Kuala Lumpur	17-16, 17th Floor, Wisma Zelan, No. 1, Jalan Tasik Permaisuri 2, Bandar Tun Razak, 56000 Kuala Lumpur	2 years/ 14/02/2008	11/10/1999	Warehouse	980
Kuala Lumpur	12A-20, 12th Floor, Wisma Zelan, No. 1, Jalan Tasik Permaisuri 2, Bandar Tun Razak, 56000 Kuala Lumpur	2 years/ 06/12/2007	11/10/1999	Warehouse	1,319

Notes:

* We wish to highlight that we are unable to ascertain whether the building at which our premise at No. 57 and 59, Lower Ground and Ground Floor, Mode Circle Building, Jalan Bukit Bintang, 55100 Kuala Lumpur is located ("Building") has been issued with a Certificate of Fitness for Occupation ("CF"). We have been informed by Mode Circle Holding Sdn Bhd ("Landlord") that they had acquired the Building through a public auction approximately twenty (20) years ago and the Landlord had not been provided with a copy of the CF. We have been informed by an officer at Dewan Bandaraya Kuala Lumpur ("DBKL") that DBKL would not be able to furnish the Landlord with a copy of the CF as it would be difficult for them to locate the file in respect of the Building which is already more than 20 years old. The officer further informed that as the Landlord had been paying assessment each year, it would appear that the CF would have been issued in respect of that Building. As far as our Directors are aware, there has been no material non-compliance with current statutory requirements, land rules or building regulations.

** Temporary CF which will expire on 18 April 2008 and is thereafter renewable (if required) until the final CF is issued.

11. BUSINESS (Cont'd)

AEON-Spots are established to provide convenience to our customers applying for Personal Financing Scheme, credit card, general insurance and making instalment payments. ATM services are offered at selected AEON-Spots. AEON-Spots operate seven (7) days a week, with business hours from 9 a.m. to 7 p.m. or 10 a.m. to 10 p.m., for AEON-Spots located at shopping complexes.

Meanwhile, branches operate between 9 a.m. and 7 p.m., seven (7) days a week, and provide a full range of our products and services. Branches are also able to perform marketing activities and back office operations, such as credit assessment, credit management, customer care and customer. ATM services are offered at selected branches.

As far as our Directors are aware, there has been no material non-compliance with the land use conditions.

We do not own any properties and we have not acquired any properties during the two (2) years preceding the Latest Practicable Date.

In order to minimise the potential damage caused by a breakout of fire, we have ensured that our physical assets have adequate insurance coverage and that proper fire safety procedures are implemented and practiced at our premises.

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11. BUSINESS (Cont'd)**11.16 Employees**

As at the 30 September 2007, we have 1,203 employees. Set forth below is the breakdown of our employees by category and their respective years of service:

Employee Category	-----Number of years in service----->			Total
	Less than 1 year	1 to 5 years	More than 5 years	
Management and professional	19	33	19	71
Executive	23	45	11	79
Supervisory	131	155	30	316
Administrative and clerical	330	396	11	737
Total	503	629	71	1,203

Employees who have worked for our Company for more than five (5) years represent 5.90% of our total employees. They are mainly our Management and Professional and Supervisory employees. Majority (approximately 52.29%) of our employees have been in service from between one (1) year and five (5) years. This is mainly due to the recruitment of new employees in 2005 and 2006, in line with the launch of our credit card business as well as our rapid business expansion.

Our Company also employs temporary/contractual employees. As at 30 September 2007, we had 190 contractual employees. Set forth below is the breakdown of our permanent and contractual employees by categories:

Employee Category	Permanent	Contractual	Total
Management and professional	71	-	71
Executive	79	-	79
Supervisory	290	26	316
Administrative and clerical	573	164	737
Total	1,013	190	1,203

The contract period of our contractual employees varies between three (3) months and two (2) years. At the end of the contract period, the contracts may be renewed subject to the performance of the employee and our Company's requirements.

None of our employees is a member of any union and there has not been any industrial dispute in the past involving our employees. Our Management maintains a close and cordial relationship with our employees. Together with our employees, our Company strives to create a safe, comfortable and conducive working environment.

11. BUSINESS (Cont'd)

We believe that continuous training improves the overall quality and efficiency of our workforce. The emphasis on training and development is to ensure that our employees can develop both personally and professionally, so that our Company has highly skilled, highly motivated and professional employees that are able to perform consistently to the highest standards. At our Company, we are committed to the support and promotion of staff training and development for this purpose.

We have structured our training programmes according to the employee's job specifications and requirements. Training also enables each employee of our Company to understand their respective job scope, and they are provided training to perform their current job to the level expected of them by our Management.

Our training programmes include a mix of intensive training sessions with professional trainers and on-the-job practice of lessons learned in the training. This includes conducting the training in-house or sending selected employees to attend external training programmes with reputable training providers.

Some notable training programmes we have previously provided to enhance the skills gap are as follows:

- (i) Advance Leadership Skills Programme;
- (ii) Negotiation in Loan Recovery and Workout Situation;
- (iii) Strategic Forensic Auditing - Detecting and Preventing Fraud;
- (iv) ILE RPG/400 Programming;
- (v) Consumer Finance - Credit Monitoring Collection and Recovery;
- (vi) Productivity Increases Through Effective Time Management;
- (vii) Live Project Management;
- (viii) Practical Project Management;
- (ix) Competitive SME Lending via Effective Credit Risk Management;
- (x) Investigative Auditing for Examiner in Charge Masterclass;
- (xi) i5 and iSeries System Operator;
- (xii) Creating the Consumer Service Mindset;
- (xiii) Psychology of Collections;
- (xiv) Quality Customer Service; and
- (xv) Customer Service Mindset/Core Teleskills.

11.17 Agreements

We are dependent on agreements entered into with external parties in our ordinary course of operations. For the Easy Payment Scheme, we are dependent on the Factoring Agreements/Agency Agreements entered into between our Company and our merchants. For the Personal Financing Scheme, in respect of Specific Purpose Financing only, we are dependent on the Agency Agreements entered into between our Company and our selected merchants. As we source for funds primarily from financial institutions, we are also dependent on financing agreements entered into with our principal bankers.

11. BUSINESS (Cont'd)

We have also entered into agreements with Visa International Service Association and MasterCard International Incorporated to issue credit cards under the international brand names of Visa and MasterCard for our credit card business.

We have further entered into Merchant Agreement with AEON Co in respect of acquiring and settlement for all transactions at all Jusco outlets in Malaysia using Visa and MasterCard credit cards issued by our Company.

In addition, our Company routinely enters into or has entered into Merchant Agreements with selected merchants who offer 0% instalment purchase plan ("IPP") under our credit card business in respect of acquiring and settlement of IPP transactions.

For our co-brand and affinity credit card programmes, we have thus far entered into collaboration agreements with AEON Co, RedHot Media Sdn Bhd and Malaysia Motorcycle and Scooter Dealers Association to issue co-brand and affinity credit cards in Malaysia, carrying the name and trade mark of the collaboration partners, subject to other terms agreed between the parties including specific benefits to be provided to customers who are issued credit cards under the respective scheme.

11.18 Seasonality

The consumer credit services industry, particularly in Malaysia, is not materially affected by any seasonal or cyclical factors. However, the months leading to the festive seasons such as from October until February see demand for consumer financing services increase as consumers prepare for the festive seasons such as Deepavali, Hari Raya Puasa, Christmas and Chinese New Year. In addition, demand for consumer financing services also increases during the month of the sales seasons, such as the Malaysia Mega Sale Carnival from mid-June to early September and Malaysia Year End Sale Carnival in December.

11.19 Interruption in Business

We have not experienced any interruptions in business having a significant effect on our Company's operation for the twelve (12) months prior to the date of this Prospectus.

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12. INFORMATION ON AEON CREDIT

Our Company was incorporated in Malaysia under the Act on 6 December 1996 as a private limited company under the name of ACS Credit Service (M) Sdn Bhd. On 23 September 2002, our Company changed our name to AEON Credit Service (M) Sdn Bhd. On 9 February 2007, our Company was converted into a public limited company and adopted our present name.

AEON Credit is principally engaged in the provision of easy payment schemes and personal financing schemes and issuance of credit cards under international brand names of Visa and MasterCard. The personal financing schemes and certain easy payment schemes are based on Islamic principles. Our Company commenced operations in the Easy Payment Scheme and Personal Financing Scheme in 1997 and 2004 respectively. We have also commenced operation of the credit card business in November 2005.

As at the date of this Prospectus, our authorised share capital is RM100,000,000 comprising 200,000,000 AEON Credit Shares whilst our issued and paid-up share capital is RM49,000,000 comprising 98,000,000 AEON Credit Shares.

The changes in our issued and paid-up share capital since our incorporation are provided below:

Date of allotment	No. of Shares issued	Par value RM	Consideration	Cumulative issued and paid-up share capital RM
06.12.1996	2	1.00	Subscribers' shares	2
04.08.1997	999,998	1.00	Cash	1,000,000
17.08.2001	*3,000,000	1.00	Cash	4,000,000
15.09.2005	8,000,000	1.00	Cash	12,000,000
29.12.2006	1,000,000	1.00	Cash	13,000,000
29.12.2006	-	0.50	Share split of every one (1) ordinary share of RM1.00 each into two (2) AEON Credit Shares	13,000,000
30.12.2006	52,000,000	0.50	Bonus issue of two (2) new AEON Credit Shares for every one (1) existing AEON Credit Share held	39,000,000
22.01.2007	20,000,000	0.50	Cash	49,000,000

Note:

* On 10 February 2003, our existing 3,000,000 cumulative non-convertible redeemable preference shares were converted into 3,000,000 non-cumulative non-convertible redeemable preference shares. On 14 September 2005, the 3,000,000 non-cumulative non-convertible redeemable preference shares were converted to non-cumulative convertible redeemable preference shares and thereafter, converted into 3,000,000 ordinary shares of RM1.00 each. The 3,000,000 ordinary shares of RM1.00 each rank equally in all respects with our existing ordinary shares of RM1.00 each.

Save as disclosed in this Prospectus, we do not have any outstanding warrants, options, convertible securities or uncalled capital at the date of this Prospectus.

Please refer to Sections 11.15 of this Prospectus for details of our principal place of business and principal assets.

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER

13.1 Board of Directors

Within the limits set by our Articles, our Board of Directors is responsible for the governance and management of our Company. To help ensure the effective discharge of its functions, our Board of Directors will endeavour to follow corporate governance guidelines which set out the following responsibilities:

- (i) to review and approve the annual corporate plan of our Company, which includes the overall corporate strategy, marketing plan, human resources plan, information technology plan, financial plan, budget, regulations plan and risk management plan;
- (ii) to oversee the conduct of our Company's businesses, and to evaluate whether the businesses are being properly managed;
- (iii) to identify principal risks and ensure the implementation of appropriate systems to manage these risks;
- (iv) to manage succession planning, including appointing, training, fixing the compensation of, and where appropriate, replacing senior management;
- (v) to develop and implement an investor relations program or shareholder communications policy for our Company;
- (vi) to review the adequacy and integrity of our Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives, and guidelines (including Bursa Securities LR, securities laws, and the Act);
- (vii) to review and approve our financial statements;
- (viii) to review and approve our Audit Committee Report at the end of each financial year;
- (ix) to review and approve our Annual Report; and
- (x) to prepare a corporate governance statement in compliance with the Malaysian Code of Corporate Governance and an internal control statement for the Annual Report.

In accordance with Article 110 of our Articles, we must have at least two (2) and (unless otherwise determined by ordinary resolution), not more than twenty (20) Directors at any time. At least two (2) of our Directors or one-third (1/3) of our Board of Directors, whichever is higher, must also at all times be Independent Directors.

As at the date of this Prospectus, our Board of Directors consists of 11 Directors.

In accordance with Article 129 of our Articles, each Director shall retire from office once in every three (3) years but is eligible for re-election and one third (1/3) or, if their number is not three (3) or a multiple of three (3), the number nearest to one-third (1/3) shall retire from office at each annual general meeting and are eligible for re-election. The Directors to retire in each year are those who have been in office longest.

Naruhito Kuroda, Datuk Ramli bin Ibrahim and Krishnappan a/l S.P.S. Singaram are due to retire from our Board at the forthcoming annual general meeting of our Company in 2008 and shall then be eligible re-election.

Pursuant to Article 134 of our Articles, Dato' Md Kamal bin Ismaun and Ng Eng Kiat, who were appointed during the FYE 2008, are due to retire from our Board at the forthcoming annual general meeting of our Company in 2008 and shall then be eligible re-election.

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

Assuming the composition of our Board remains, Dato' Abdullah bin Yusof, Clarence Chai, Akitoshi Tsuchiya and Kazuhide Kamitani are due to retire from our Board at the annual general meeting of our Company in 2009 whilst Yoshiki Mori, Datuk Ramli bin Ibrahim, Yasuhiro Kasai, Dato' Md Kamal bin Ismaun and Ng Eng Kiat are due to retire from our Board at the annual general meeting of our Company in 2010.

The members of our Board of Directors as at the date of this Prospectus are set forth below:

Name	Nationality	Age	Date of Appointment	Designation
Dato' Abdullah bin Mohd Yusof	Malaysian	68	23.07.1997	Chairman/Independent Non-Executive Director
Naruhito Kuroda	Japanese	45	26.04.2001	Managing Director
Yoshiki Mori	Japanese	57	07.08.1997	Non-Independent Non-Executive Director
Kazuhide Kamitani	Japanese	51	17.05.2006	Non-Independent Non-Executive Director
Datuk Ramli bin Ibrahim	Malaysian	67	23.07.1997	Independent Non-Executive Director
Dato' Md Kamal bin Ismaun	Malaysian	59	07.08.2007	Independent Non-Executive Director
Ng Eng Kiat	Malaysian	54	07.08.2007	Independent Non-Executive Director
Yasuhiro Kasai	Japanese	36	07.06.2005	Executive Director/Head of Credit Management Group
Krishnappan a/l S.P.S. Singaram	Malaysian	40	07.06.2005	Executive Director/Head of Finance Group
Clarence Chai	Malaysian	45	18.04.2006	Executive Director/Head of Branch Operations Group
Akitoshi Tsuchiya	Japanese	37	18.04.2006	Executive Director/Head of Credit Management Department

The management and operations of our Company is led by Naruhito Kuroda, our Managing Director.

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

13.1.1 Profiles of Directors

Dato' Abdullah bin Mohd Yusof, aged 68, is the Chairman and Independent Non-Executive Director of our Company. He holds a Bachelor of Law (Honours) from University of Singapore, which he obtained in 1968. He has more than thirty (30) years of experience as an Advocate & Solicitor. He started his career with Skrine & Co, as a Legal Assistant in 1968 before starting his own partnership under the name of Tunku Zuhri Manan & Abdullah, Advocates & Solicitors in 1969 and subsequently renamed the law firm to Abdullah & Zainudin, Advocates and Solicitors in 1989. He presently remains a partner in Abdullah & Zainudin, Advocates and Solicitors. He sits on the Board of Directors of AEON Co, MMC Corporation Berhad, Zelan Berhad (*formerly known as Tronoh Consolidated Malaysia Bhd*) and Tradewinds Corporation Berhad, all of which are companies listed on Bursa Securities. He also sits on the Board of Directors of several private limited companies.

Naruhito Kuroda, aged 45, is the Managing Director of our Company. He obtained a Bachelor's Degree in English Literature from Kansai University of Foreign Studies, Japan in 1984. He began his career with AEON Japan in 1984. In 1992, he was transferred to AEON Credit Japan as a Senior Manager of Marketing in AEON Credit Service (ASIA) Co., Ltd, Hong Kong. He was appointed as a Director of AEON Thana Sinsap (Thailand) PLC in 1995 and as Deputy Managing Director of ACS Capital Corporation Ltd, Thailand in 1998. In 1999, he was appointed as a Director of AEON Credit Service (ASIA) Co., Ltd, Hong Kong. He had since resigned from his positions in AEON Thana Sinsap (Thailand) PLC, ACS Capital Corporation Ltd, Thailand and AEON Credit Service (ASIA) Co., Ltd, Hong Kong. In 2001, he was appointed as the Managing Director of our Company. He presently sits on the Board of Directors of AEON Co and is President Komisaris of PT AEON Credit Service Indonesia.

Yoshiki Mori, aged 57, is the Non-Independent Non-Executive Director of our Company. He obtained a Bachelor's Degree in Economics from University of Nanzan, Japan in 1973. He began his career with AEON Japan in 1973. He was transferred to AEON Credit Japan as Head of Sales Promotion Department in 1981. He was promoted to the position of Director and President of AEON Credit Japan in 1984 and 1995 respectively. He currently sits on the Board of Directors of AEON Japan and AEON Credit Japan, both of which are listed on the Main Board of Tokyo Stock Exchange, AEON Credit Service (ASIA) Co., Ltd, which is listed on the Main Board of Hong Kong Stock Exchange and AEON Thana Sinsap (Thailand) PLC, which is listed on the Main Board of Thailand Stock Exchange. He also sits on the Board of Directors of several private limited companies.

Kazuhide Kamitani, aged 51, is the Non-Independent Non-Executive Director of our Company. He obtained a Bachelor's Degree in Management from University of Ritsumeikan, Japan in 1982. He began his career with AEON Japan in 1982. He was promoted to the position of Managing Director of AEON Credit Service (ASIA) Co., Ltd, Hong Kong in 1990. In 2004, he was appointed as Senior Managing Director of AEON Credit Japan. He currently sits on the Board of Directors of AEON Credit Japan, which is listed on the Main Board of Tokyo Stock Exchange, AEON Credit Service (ASIA) Co., Ltd, Hong Kong, which is listed on the Main Board of Hong Kong Stock Exchange and AEON Thana Sinsap (Thailand) PLC, which is listed on the Main Board of Thailand Stock Exchange. He also sits on the Board of Directors of several private limited companies.

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

Datuk Ramli Bin Ibrahim, aged 67, is the Independent Non-Executive Director of our Company. He qualified as a Chartered Accountant from the Institute of Chartered Accountants of Australia in 1965. He is a member of the Malaysian Institute of Accountants and a Fellow of the Australian Institute of Chartered Accountants. He began his career with Peat, Marwick, Mitchell & Co. (*now known as KPMG*) in Sydney, Australia in 1959 as an Audit Trainee. He qualified as a Chartered Accountant in 1965 and returned to Kuala Lumpur where he joined KPMG as audit senior in Malaysia and he worked in the KPMG Ipoh and Kuala Lumpur offices until 1969. From 1969 to 1971 he was seconded to KPMG London where he served as an audit manager. He was appointed to the position of a Partner of KPMG Malaysia in 1971. In 1989, he became the first Bumiputera to be promoted to the position of Senior Partner of KPMG Malaysia. He also served on the Board of Directors of KPMG International and KPMG Asia Pacific from 1990 to 1995. He retired from KPMG Malaysia in 1995. He further served as the Executive Chairman of Kuala Lumpur Options and Financial Futures Exchange Bhd from December 1995 to December 2000. During that period and since then he has served on the board of several listed and unlisted companies. Currently, he sits on the Board of AEON Co, Ranhill Berhad, Measat Global Berhad, BCT Technology Berhad and several other unlisted public and private limited companies.

Dato' Md Kamal bin Ismaun, aged 59, is the Independent Non-Executive Director of our Company. He obtained a Bachelor's Degree in Arts from Universiti Malaya in 1975. He began his career with the government in the Administrative and Diplomatic Service from 1975 to 2007. During his tenure with the government, he had served 32 years in the Foreign Service in various capacities both abroad and in Wisma Putra (Ministry of Foreign Affairs) which included stints as Counsellor at the Embassy of Malaysia in Tokyo, Japan (1986-1990), Charge d'Affaires in Zagreb, Croatia covering the war in Bosnia Herzegovina (1994-1996). In 1996, he was appointed as Ambassador of Malaysia to Cambodia, an appointment which he held for three (3) years until 1999. From 1999 to 2001, he was appointed as the Under-Secretary at the Ministry of Foreign Affairs (Southeast Asia and Pacific). He was then promoted to Director-General of ASEAN in the Ministry of Foreign Affairs from 2001 to 2003. In 2003, he served as Ambassador of Malaysia in Germany. He left his position as Ambassador of Malaysia in Germany in July 2007. Upon his return from Germany, he has been appointed as Special Advisor of Realmild (M) Sdn Bhd and sits on the Board of Directors of several other private limited companies.

Ng Eng Kiat, aged 54, is the Independent Non-Executive Director of our Company. He is a member of the Malaysian Institute of Accountants, Malaysian Institute of Certified Public Accountants and a fellow member of the Malaysian Institute of Taxation. He has more than thirty (30) years of experience in the field of audit, accountancy and taxation. He had previously served as a member on a number of working groups of the Malaysian Accounting Standards Board, a co-opted member on a number of committees of the Malaysian Institute of Certified Public Accountants and an examiner for the final professional examination of the Malaysian Institute of Certified Public Accountants. Presently, he is the Managing Partner of the merged firm of Azman, Wong, Salleh & Co. and Folks DFK & Co. He also sits on the Board of Directors of several private limited companies.

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

Yasuhiro Kasai, aged 36, is the Executive Director and Head of Credit Management Group of our Company. He obtained a Bachelor's Degree in Law from Doshisha University of Japan in 1996. He began his career with AEON Credit Japan as a Credit Management Officer in Tokyo, Japan in 1996. He was seconded to our Company in 1997 as the Head of Electronic Data Processing. Subsequently, he also headed the Management Information Systems Department in March 2000 and Credit Assessment Department in March 2001. In 2002, he was promoted to the position of Senior Manager of Management Information Systems Department, Credit Assessment Department and Electronic Data Operations Department. In 2005, he was promoted to the position of General Manager/Head of Customer Relations Management Group and assumed additional responsibilities which include heading the Call Centre and Risk Management Sections. In September 2006, he was promoted to the position of Senior General Manager of Customer Relations Management Group. He is responsible principally for managing the collection and quality of our Company's receivables in addition to responsibilities for managing customers' transaction processing function.

Krishnappan a/l S.P.S. Singaram, aged 40, is the Executive Director and Head of Finance Group of our Company. He obtained the Certified Public Accountant qualification from the Malaysian Institute of Certified Public Accountants ("MICPA") in 1994 and is currently a member of both MICPA and the Malaysian Institute of Accountants ("MIA"). He began his career with KPMG Peat Marwick in 1987. He left to join Sime Darby Bhd as Finance Manager in 1993 before joining Tanjung Serbaneka Holding Sdn Bhd as their Group Finance Manager in 1996. Thereafter, he left Tanjung Serbaneka Holding Sdn Bhd to join our Company in 2000 as Manager of Finance Department. In 2003, he was promoted to the position of Assistant General Manager of both Human Resource and Finance Departments. He was made the Head of Finance Group in 2006 and is responsible for the financial management of our Company.

Clarence Chai, aged 45, is the Executive Director and Head of Branch Operations Group of our Company. He obtained the Advance Level qualifications in Business Studies from Hasting College of Further Education, England in 1981. He began his career with RJ Reynolds Tobacco Co. Sdn Bhd as a Marketing Officer in 1982. He left RJ Reynolds Tobacco Co. Sdn Bhd in 1989 to join MBF Card Services Sdn Bhd as an Area Manager. Thereafter, he joined Synergy Card & Payment Services Sdn Bhd as Area Manager in 1995 before joining our Company as Kuching Branch Manager in 2000. In 2003, he was promoted to the position of Senior Manager to overlook the East Malaysia branch operations in Kuching and Kota Kinabalu. He was subsequently transferred to our Kuala Lumpur head office in 2005 and later promoted to the position of Assistant General Manager of Branch Operations Group in the same year. In 2006, he was promoted to the position of Head/General Manager of Branch Operations Group. He is responsible for overseeing our Company's entire network of branch offices, i.e to assist, guide and improve overall branch offices operations administration and performance, monitoring branch offices, debtor balance and revenue performance.

Akitoshi Tsuchiya, aged 37, is the Executive Director and Head of Credit Management Department of our Company. He obtained a Bachelor's Degree in Economics from University of Chuo, Japan in 1994. In the same year, he began his career with AEON Credit Japan as a Marketing Officer in the Fukuoka Branch. In 1998, he was seconded to our Company as Manager of Credit Management Department. He was then promoted in 2002 to the position of Senior Manager of the Credit Management Department. In 2006, he was promoted to the position of Head/Assistant General Manager of the Credit Management Department of our Company. He is responsible for managing the collection and quality of our Company's receivables.

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

13.1.2 Directors' Shareholding

The table below sets forth our Directors' interests in our Shares before and after the IPO based on our Register of Directors' Shareholdings as at the date of this Prospectus.

Directors	<-----Before the IPO----->				<-----After the IPO----->			
	<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dato' Abdullah bin Mohd Yusof	480,000	0.49	-	-	480,000	0.40	-	-
Naruhito Kuroda	480,000	0.49	-	-	480,000	0.40	-	-
Yoshiki Mori	480,000	0.49	-	-	480,000	0.40	-	-
Kazuhide Kamitani	180,000	0.18	-	-	180,000	0.15	-	-
Datuk Ramli bin Ibrahim	180,000	0.18	-	-	180,000	0.15	-	-
Dato' Md Kamal bin Ismaun	-	-	-	-	*10,000	0.01	-	-
Ng Eng Kiat	-	-	-	-	*10,000	0.01	-	-
Yasuhiro Kasai	90,000	0.09	-	-	90,000	0.08	-	-
Krishnappan a/l S.P.S. Singaram	90,000	0.09	-	-	90,000	0.08	-	-
Clarence Chai	30,000	0.03	-	-	30,000	0.03	-	-
Akitoshi Tsuchiya	30,000	0.03	-	-	30,000	0.03	-	-

Note:

* Represents the number of AEON Credit Shares to be allocated pursuant to the Preferential Share Allocation Scheme assuming that the eligible Directors will subscribe to the AEON Credit Shares in full.

None of our Company's Directors owns, directly or indirectly, any option to purchase any of our Shares.

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

13.1.3 Directorships and Substantial Shareholdings in All Other Public Corporations for the Past Two (2) Years

Save as disclosed below, none of our Directors have held any directorships or has substantial shareholdings in other corporations which are public or publicly listed in the two (2) years preceding the Latest Practicable Date.

Directors	Directorships in other public corporations	Date of appointment	Date of resignation	<-----Substantial Shareholdings----->			
				<-----Direct ----->		<-----Indirect----->	
				No. of shares held	%	No. of shares held	%
Dato' Abdullah bin Mohd Yusof	AEON Co	26.10.1984	-	268,000	0.15	⁽¹⁾ 846,900	0.48
	MMC Corporation Berhad	31.10.2001	-	-	-	-	-
	Zelan Berhad (formerly known as Tronoh Consolidated Malaysia Bhd)	27.07.2002	-	-	-	-	-
	Tradewinds Corporation Berhad	10.05.2004	-	-	-	-	-
	THR Hotel (Selangor) Bhd	18.08.2003	-	-	-	-	-
Naruhito Kuroda	AEON Co	16.05.2007	-	16,000	0.01	-	-
Yoshiki Mori	AEON Credit Japan	08.05.1984	-	42,126	0.08	-	-
	AEON Credit Service (ASIA) Co., Ltd	16.05.1992	-	280,000	0.07	-	-
	AEON Thana Sinsap (Thailand) PLC	24.05.1996	-	1,450,000	0.58	-	-
	AEON Japan	15.05.2003	-	7,500	#	-	-
Kazuhide Kamitani	AEON Credit Japan	18.05.1994	-	12,645	0.02	-	-
	AEON Thana Sinsap (Thailand) PLC	11.01.1993	-	500,000	0.20	-	-
	AEON Credit Service (ASIA) Co., Ltd	20.06.2000	-	1,045,000	0.25	-	-
Datuk Ramli bin Ibrahim	HSBC Bank Malaysia Berhad	01.01.1996	-	-	-	-	-
	AEON Co	20.08.1996	-	-	-	⁽²⁾ 280,000	0.16
	Ranhill Berhad	01.12.2000	-	36,000	#	-	-
	Malaysia National Insurance Berhad	01.11.2000	25.01.2006	-	-	-	-
	Peram Ranum Berhad	16.06.2003	17.05.2006	-	-	-	-
	Measat Global Berhad	28.06.2002	-	-	-	-	-
	BCT Technology Berhad	08.04.2006	-	200,000	0.16	-	-
Yayasan Tuanku Syed Sirajuddin	18.03.2004	-	-	-	-	-	

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

Notes:

Less than 0.01%.

(1) *Deemed interested by virtue of his interest in Pelita Dekad Sdn Bhd and Status Resources Sdn Bhd pursuant to Section 6A of the Act.*

(2) *Deemed interested by virtue of his indirect interest held through his spouse and son in Ainli Sdn Bhd pursuant to Section 6A of the Act.*

13.1.4 Involvement of our Executive Directors in Other Businesses/Corporations

Save for our Managing Director, Naruhito Kuroda, none of our Executive Directors are involved in other businesses/ corporations.

Naruhito Kuroda is a Non-Independent Non-Executive Director of AEON Co, a company incorporated in Malaysia and listed on the Main Board of Bursa Securities. AEON Co is principally involved in the operations of a chain of superstores selling a broad range of goods ranging from clothing, food, household goods, other merchandise and shopping centre operation. He is also a President Komisaris of PT AEON Credit Service Indonesia ("PT AEON"), a company incorporated in Indonesia, which is principally involved in the provision of consumer credit finance services which include hire purchase financing. His involvement in AEON Co and PT AEON does not preclude him from allocating most of his time in AEON Credit where he acts as the Managing Director because the daily operations in AEON Co and PT AEON are managed by the respective company's personnel. He only attends meetings of the other boards on which he serves and accordingly discharges his principal areas of responsibility as a director in the company. His involvement in AEON Co and PT AEON is not expected to affect his contribution to our Company.

13.1.5 Audit Committee

Our present Audit Committee was established on 7 August 2007 and its members are appointed by our Board of Directors. Our Audit Committee shall comprise no fewer than three (3) members, the majority of whom shall be Independent Non-Executive Directors of our Company.

Our Audit Committee is primarily responsible for, amongst others, the following:

- (i) assess our Company's processes relating to risks and control environment;
- (ii) improve the quality of accounting function, system of internal controls and audit function and strengthen the confidence of the public in our Company's reported results;
- (iii) maintain a direct line of communication between our Board, external auditors and internal auditors through regularly scheduled meetings;
- (iv) enhance the independence of both the external and internal auditors function through active participation in the audit process;
- (v) strengthen the role of the Independent Directors by giving them a greater depth of knowledge as to the operations of our Company;
- (vi) review and recommend ethics code for all executives and members of the staff of our Company; and
- (vii) create a climate of discipline and control which will reduce opportunity of fraud.

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

Our Audit Committee currently comprises the following members:

Name	Position	Date of Appointment	Directorship
Ng Eng Kiat	Chairman	07.08.2007	Independent Non-Executive Director
Datuk Ramli bin Ibrahim	Member	07.08.2007	Independent Non-Executive Director
Dato' Md Kamal bin Ismaun	Member	07.08.2007	Independent Non-Executive Director

13.1.6 Nomination Committee

Our present Nomination Committee was established on 7 August 2007 and its members are appointed by our Board. Our Nomination Committee shall comprise all non-executive directors, a majority of whom shall be independent and not less than three (3) members.

Our Nomination Committee is primarily responsible for reviewing and recommending candidates for appointments of new Directors to our Board and to undertake periodic assessment of our Board, board committee and individual Directors' effectiveness.

Our Nomination Committee currently comprises the following members:

Name	Position	Date of Appointment	Directorship
Yoshiki Mori	Chairman	07.08.2007	Non-Independent Non-Executive Director
Dato' Abdullah bin Mohd Yusof	Member	07.08.2007	Independent Non-Executive Director
Kazuhide Kamitani	Member	07.08.2007	Non-Independent Non-Executive Director
Datuk Ramli bin Ibrahim	Member	07.08.2007	Independent Non-Executive Director
Dato' Md Kamal bin Ismaun	Member	07.08.2007	Independent Non-Executive Director

13.1.7 Remuneration Committee

Our present Remuneration Committee was established on 7 August 2007 and its members are appointed by our Board of Directors. Our Remuneration Committee shall comprise mainly of non-executive directors and not less than three (3) members.

Our Remuneration Committee is primarily responsible for recommending the remuneration packages of the executive directors and compensation for our Company's non-executive directors.

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

Our Remuneration Committee currently comprises the following members:

Name	Position	Date of Appointment	Directorship
Yoshiki Mori	Chairman	07.08.2007	Non-Independent Non-Executive Director
Dato' Abdullah bin Mohd Yusof	Member	07.08.2007	Independent Non-Executive Director
Kazuhide Kamitani	Member	07.08.2007	Non-Independent Non-Executive Director

13.1.8 Service Contracts with Directors

As at the date of this Prospectus, there are no existing or proposed service contracts between our Directors and our Company.

13.1.9 Remuneration of Directors

The aggregate remuneration and benefits paid and proposed to be paid to our Directors for services rendered to our Company in all capacities was approximately RM2.22 million for the FYE 2007 and estimated at RM2.756 million for the FYE 2008.

The remuneration which include our Directors' salaries, bonus, fees and allowances as well as other benefits of our Directors, must be considered and recommended by the Remuneration Committee and subsequently, be approved by our Board. Our Directors' fees must be further approved/endorsed by our shareholders at a general meeting.

The remuneration and benefits paid/estimated to be paid to our Directors are as follows:

Directors	<-----Remuneration band of our Directors for the FYE----->	
	2007 (Actual)	2008 (Forecast)
Dato' Abdullah bin Mohd Yusof	RM50,001 to RM100,000	RM150,001 to RM200,000
Naruhito Kuroda	RM850,001 to RM900,000	RM900,001 to RM950,000
Yoshiki Mori	Nil.	Nil.
Kazuhide Kamitani	Nil.	Nil.
Datuk Ramli bin Ibrahim	RM50,001 to RM100,000	RM50,001 to RM100,000
Dato' Md Kamal bin Ismaun	-	Up to RM50,000**
Ng Eng Kiat	-	Up to RM50,000**
Yasuhiro Kasai	RM450,001 to RM500,000	RM500,001 to RM550,000
Krishnappan a/l S.P.S. Singaram	RM250,001 to RM300,000	RM300,001 to RM350,000
Clarence Chai	RM150,001 to RM200,000*	RM250,001 to RM300,000
Akitoshi Tsuchiya	RM350,001 to RM400,000*	RM400,001 to RM450,000

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

Notes:

* *Remuneration from their appointment as Executive Directors of our Company on 18 April 2006.*

** *Remuneration from their appointment as Independent Non-Executive Directors of our Company on 7 August 2007.*

13.2 Key Management

Our key management is responsible for our Company's day-to-day management and operations. Our key management consists of experienced personnel in charge of matters related to branch operations, human resource, marketing, business development, credit assessment, management information system, finance and administration.

The members of our key management, as at the date of this Prospectus, are set forth below:

Name	Nationality	Age	Designation
Naruhito Kuroda	Japanese	45	Managing Director
Yasuhiro Kasai	Japanese	36	Executive Director/Head of Credit Management Group
Krishnappan a/l S.P.S. Singaram	Malaysian	40	Executive Director/Head of Finance Group
Clarence Chai	Malaysian	45	Executive Director/Head of Branch Operations Group
Akitoshi Tsuchiya	Japanese	37	Executive Director/Head of Credit Management Department
Adam Stephen De Souza bin Abdullah	Malaysian	54	Head of Card Business and Marketing Group
Sreenivasa a/l Applanaidu	Malaysian	40	Head of Human Resource and Administration Group
Poh Wan Chung	Malaysian	35	Head of Sales and Business Development and Group
Lee Tyan Jen	Malaysian	33	Head of Customer Relations Management Group
Yoong Lai Seong	Malaysian	35	Head of Management Information Systems Department

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

13.2.1 Profiles of Our Key Management

The profiles of Naruhito Kuroda, Yasuhiro Kasai, Krishnappan a/l S.P.S. Singaram, Clarence Chai and Akitoshi Tsuchiya are set out in Section 13.1.1 of this Prospectus.

Adam Stephen De Souza bin Abdullah, aged 54, is the Head of Card Business and Marketing Group of our Company. He graduated with a Bachelor of Commerce Degree from the University of Auckland, New Zealand in 1975. He began his career with Fletcher Holdings Ltd in New Zealand as a Research Officer in 1975. He returned to Malaysia in 1978 and joined Unilever (Malaysia) Holdings Sdn Bhd (formerly known as *Lever Brothers (M) Sdn Bhd*) as Brand Manager. In 1983, he joined American Express (Malaysia) Sdn Bhd as Marketing Manager. In 1987, he joined MBF Card Sdn Bhd as a Senior Manager of Marketing and in 1992, he was promoted to the position of Vice President. In 1995, he joined iSynergy Sdn Bhd as Senior Vice President of Marketing. In 2002, he joined Thomson DBM Malaysia Sdn Bhd as Country Head. In 2005, he joined our Company as the Head/General Manager of the Marketing and Business Development Group. He is presently responsible for overseeing the card business development, and advertising and promotion functions for our Company.

Sreenivasa a/l Applanaidu, aged 40, is the Head of Human Resource and Administration Group of our Company. He graduated with a Bachelor of Laws (Honours) Degree from University of Wolverhampton, England in 1991. In 2004, he obtained his Masters in Business Administration Degree from Irish International University, United Kingdom. He began his career in the Ministry of Domestic Trade & Consumer Affairs as an Assistant Director in 1994. He subsequently joined OMRON Malaysia Sdn Bhd as Assistant Manager of Administration and Human Resource Department in 1995 and left in 2006 as Head of Department for Human Resources and General Affairs. He joined our Company in April 2006 as Assistant General Manager of Human Resource and Administration Group and currently heads the Human Resource and Administration Group of our Company. He is responsible for overseeing human resources, training and development, general affairs/administration, quality management system, information security management system and legal matters.

Poh Wan Chung, aged 35, is the Head of Sales and Business Development Group of our Company. He obtained a Bachelor's Degree in Commerce from University of Auckland, New Zealand in 1995. He has vast experience in marketing, strategy planning and mass merchant management which he had gained through his years of working with AEON Credit and Public Finance Berhad. He began his career with Public Finance which (subsequently merged with Public Bank Berhad) as a Graduate Trainee in 1996 and later became the Hire Purchase Department Branch Head in 1999. In 2000, he joined AEON Credit as an Assistant Branch Manager responsible for developing the Sabah market and subsequently the North West Malaysia market. He held positions of Branch Manager in Penang from July 2001 to April 2003 and the Ipoh branch from May 2003 to September 2003. He was subsequently transferred to the Business Development/Sales Department at Kuala Lumpur head office in September 2003. He was promoted as an Assistant General Manager in the Marketing and Business Development Group in September 2005 and currently heads the Sales and Business Development Group. He is responsible for the marketing, sales and business development function of our Company.

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

Lee Tyan Jen, aged 33, is the Head of Customer Relations Management Group of our Company. She obtained a Bachelor's Degree in Business Administration (majoring in Finance) from the University of South Alabama, USA in 1996. She began her career with our Company as a Credit Assessment Officer in 1998. In 2002, 2003 and 2005, she was promoted to the positions of Assistant Manager/Unit Head of Credit Assessment Department, Manager/Assistant Department Head of Credit Assessment Department and Senior Manager/Head of Customer Relations Department respectively. In 2006, she was promoted to the position of Assistant General Manager/Head of Credit Assessment and Customer Service Department and currently heads the Customer Relations Management Group of our Company. She is responsible for credit assessment and all matters pertaining to call centre management and customer service.

Yoong Lai Seong, aged 35, is the Head of Management Information Systems Department of our Company. She obtained a Bachelor's Degree in Information System with Honours from the University of Campbell, North Carolina, USA in 1997. Prior to joining AEON Credit, she was with Silverlake System Sdn Bhd as a Loans Application Specialist in 1997 and later became a Technical Project Leader in the Loan Application Team in 2000. In 2005, she joined our Company as the Management Information Systems Manager of Management Information Systems in 2006 and currently heads the Management Information Systems Department of our Company. She was subsequently promoted to the position of a Senior Manager of Management Information Systems in 2006 and currently heads the Management Information Systems Department of our Company. She is responsible for all management information systems functions which include development of information systems in our Company.

13.2.2 Our Key Management's Shareholding

The table below sets forth our key management's interest in our Shares (save for Naruhito Kuroda, Yasuhiro Kasai, Krishnappan a/l S.P.S. Singaram, Clarence Chai and Akitoshi Tsuchiya whose interest in our Shares are disclosed in Section 13.1.2 of this Prospectus) before and after the IPO based on their shareholdings as at the date of this Prospectus.

Key Management	<-----Before the IPO----->				<-----After the IPO----->			
	<---Direct--->		<---Indirect--->		<---Direct--->		<---Indirect--->	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Adam Stephen De Souza bin Abdullah	-	-	-	-	*5,000	#	-	-
Sreenivasa a/l Applanaidu	-	-	-	-	*3,900	#	-	-
Poh Wan Chung	19,800	0.02	-	-	19,800	0.02	-	-
Lee Tyan Jen	19,800	0.02	-	-	19,800	0.02	-	-
Yoong Lai Seong	-	-	-	-	*3,000	#	-	-

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

Notes:

Less than 0.01%.

* *The shareholdings of our key management include the number of AEON Credit Shares to be allocated to them under the Preferential Share Allocation Scheme assuming that they have fully subscribed for their respective entitlements.*

13.2.3 Employment Contracts of Key Management

All of our key management as set out in Section 13.2 of this Prospectus have employment contracts with us. As at the date of this Prospectus, there are no existing or proposed service contracts between our key management and our Company.

13.2.4 Involvement of Key Management in Other Businesses/Corporations

Save for Adam Stephen De Souza bin Abdullah, none of our key management is involved in other business/corporations.

Adam Stephen De Souza bin Abdullah is a Director of PSI Access Sdn Bhd, which is principally involved in the marketing promotions of consumer goods. He is not involved in the day-to-day operations of PSI Access Sdn Bhd and as such, his contribution to our Company is not expected to be affected.

13.2.5 Management Succession Plans

We recognise the need to ensure continuity in our management in order to maintain our competitive edge over our competitors. Our Board believes that the continued success of our Company depends on, amongst others, the support and dedication of its management personnel. We have in place human resource strategies which include, amongst others, suitable compensation packages and structured succession planning. Our Company's initiatives on succession planning include:

- (i) Identifying key competencies and requirements for managers and higher positions. Job and candidate profiles are developed for management position in line with the business goals, strategies and culture of our Company; and
- (ii) Taking a proactive approach towards addressing talent management to ensure the organisation has talent readily available from a capability perspective to undertake leadership positions throughout the organisation.

In addition, our middle management are constantly exposed to various aspects of our business activities in order to ensure that they have a full understanding of the responsibilities and the decision making process and are equipped with the knowledge necessary for them to succeed to senior management positions.

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

13.3 Substantial Shareholders

Substantial shareholding in accordance with the Act refers to an interest of not less than 5.0% of the issued and paid-up share capital.

The table below sets forth our substantial shareholders' interest in our Shares before and after the IPO based on our Register of Substantial Shareholders as at the Latest Practicable Date.

Substantial shareholder	<-----Before the IPO----->				<-----After the IPO----->			
	<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
AEON Credit Japan	88,040,000	89.84	⁽¹⁾ 3,600,000	3.67	68,040,000	56.70	⁽¹⁾ 3,600,000	3.00
AEON Japan	-	-	⁽²⁾ 94,220,000	96.14	-	-	⁽²⁾ 74,220,000	61.85

Notes:

- (1) Deemed interested by virtue of its interest in AEON Credit Service (ASIA) Co., Ltd and AEON Thana Sinsap (Thailand) PLC pursuant to Section 6A of the Act.
- (2) Deemed interested by virtue of its interest in AEON Credit Japan, AEON Co, AEON Credit Service (ASIA) Co., Ltd and AEON Thana Sinsap (Thailand) PLC pursuant to Section 6A of the Act.

Save for the foregoing, we are not aware of any other person who directly or indirectly, jointly or severally, has significant influence over us.

The table below sets forth our substantial shareholders' and/ or our promoter's interest in our Shares for the past three (3) years up to the Latest Practicable Date.

Substantial shareholders	<-----As at 30 September 2005----->				<-----As at 30 September 2006----->				<-----As at 30 September 2007----->			
	<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
	No. of Shares 000	%	No. of Shares 000	%	No. of Shares 000	%	No. of Shares 000	%	No. of Shares 000	%	No. of Shares 000	%
AEON Credit Japan	10,310	85.92	⁽¹⁾ 600	5.00	10,310	85.92	⁽¹⁾ 600	5.00	88,040	89.84	⁽¹⁾ 3,600	3.67
AEON Japan	-	-	⁽²⁾ 11,340	94.50	-	-	⁽²⁾ 11,340	94.50	-	-	⁽²⁾ 94,220	96.14

Notes:

- (1) Deemed interested by virtue of its interest in AEON Credit Service (ASIA) Co., Ltd and AEON Thana Sinsap (Thailand) PLC pursuant to Section 6A of the Act.
- (2) Deemed interested by virtue of its interest in AEON Credit Japan, AEON Co, AEON Credit Service (ASIA) Co., Ltd and AEON Thana Sinsap (Thailand) PLC pursuant to Section 6A of the Act.

There has been no change in our substantial shareholders' and/or our promoter's interest in our Shares since 30 September 2007 up to the date of this Prospectus.

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

13.3.1 AEON Credit Japan

Our substantial shareholder, AEON Credit Japan, was incorporated in Japan on 20 June 1981 under the name of Nihon Credit Service Co., Ltd and subsequently in August 1994, it assumed its present name. AEON Credit Japan is listed on the Main Board of Tokyo Stock Exchange. The principal activities of AEON Credit Japan are issuance of credit cards and provision of consumer financing services.

The substantial shareholder of AEON Credit Japan and its respective shareholding as at the Latest Practicable Date are as follows:

Substantial shareholder	<-----Direct----->		<-----Indirect----->	
	No. of shares	%	No. of shares	%
AEON Japan	71,070,996	45.28	-	-

The table below sets forth changes to the substantial shareholders of AEON Credit Japan and their shareholdings in AEON Credit Japan for the past three (3) years up to the Latest Practicable Date of this Prospectus.

Substantial shareholders	<-----As at 30 September 2005----->				<-----As at 30 September 2006----->				<-----As at 30 September 2007----->			
	<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
	No. of shares 000	%	No. of shares 000	%	No. of shares 000	%	No. of shares 000	%	No. of shares 000	%	No. of shares 000	%
AEON Japan	23,604	45.11	-	-	71,070	45.28	-	-	71,071	45.28	-	-
Japan Trustee Services Bank, Ltd (Nominee)	3,940	7.53	-	-	7,636	4.87	-	-	6,696	4.27	-	-
The Master Trust Bank of Japan, Ltd	3,526	6.74	-	-	10,302	6.56	-	-	5,974	3.91	-	-

The directors of AEON Credit Japan as at the Latest Practicable Date, are as follows:

- (i) Yoshiki Mori;
- (ii) Kazuhide Kamitani;
- (iii) Tatsuya Saito;
- (iv) Takashi Kiyonaga;
- (v) Kazuhiko Kawata;
- (vi) Masamichi Kamiyama;
- (vii) Yasuhiko Kondo;
- (viii) Kiyoaki Takano;
- (ix) Yoshitaka Yamada;
- (x) Kouji Hatakeda;
- (xi) Mitsugu Tamai; and
- (xii) Kiyoyasu Asanuma.

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

Save as disclosed below, AEON Credit Japan has no other substantial shareholding in any other public corporations for the two (2) years ended preceding the Latest Practicable Date:

Company Name	<-----Direct----->		<-----Indirect----->		Principal activities
	No. of shares held 000	%	No. of shares held 000	%	
AEON Credit Service (ASIA) Co., Ltd	217,514	51.94	-	-	Provision of consumer credit finance services which include the issuance of credit cards, the provision of personal loan financing, hire purchase financing and vehicle financing
AEON Thana Sinsap (Thailand) PLC	87,800	35.12	*48,000	19.20	Provision of a variety of retail finance services, including hire purchase, credit card, personal loan, and factoring services

Note:

* Deemed interested by virtue of its interest in ACS Capital Corporation and NCS Kosan Co., Ltd pursuant to Section 6A of the Act.

13.3.2 AEON Japan

AEON Japan was incorporated in Japan in February 1969 under the name of JUSCO Co., Ltd following a joint venture between Okadaya Co., Ltd, Futagi Co., Ltd, and Shiro Co., Ltd, which have vast experience and expertise in the operation of retail stores. AEON Japan adopted its present name in August 2000. AEON Japan is listed on the Main Board of the Tokyo Stock Exchange. AEON Japan extends its operations to general merchandise stores, supermarkets, drugstores, homecenters, convenience stores, specialty stores, shopping mall development, financial and other services, food services and more with retailing group of over 150 member companies in Japan and overseas.

The substantial shareholders of AEON Japan and their respective shareholdings as at the Latest Practicable Date are as follows:

Substantial shareholders	<-----Direct----->		<-----Indirect----->	
	No. of shares 000	%	No. of shares 000	%
The Master Trust Bank of Japan, Ltd	66,058	8.26	-	-
Japan Trustee Services Bank Ltd	41,959	5.25	-	-

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

The table below sets forth changes to the substantial shareholders of AEON Japan and their shareholdings in AEON Japan for the past three (3) years up to the Latest Practicable Date.

Substantial shareholders	<-----As at 30 September 2005----->				<-----As at 30 September 2006----->				<-----As at 30 September 2007----->			
	<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
	No. of shares 000	%	No. of shares 000	%	No. of shares 000	%	No. of shares 000	%	No. of shares 000	%	No. of shares 000	%
The Master Trust Bank of Japan, Ltd	64,143	8.84	-	-	62,738	8.65	-	-	66,058	8.26	-	-
Japan Trustee Services Bank Ltd	37,356	5.15	-	-	35,165	4.85	-	-	41,959	5.25	-	-

The directors of AEON Japan as at the Latest Practicable Date, are as follows:

- (i) Hideo Nojima;
- (ii) Motoya Okada;
- (iii) Yoshiki Mori;
- (iv) Yoshiharu Kawato;
- (v) Genzo Yamazaki;
- (vi) Masami Ishizaka;
- (vii) Mikio Sasaki; and
- (viii) Hideki Kurashige.

Save as disclosed below, AEON Japan has no other substantial shareholding in any other public corporations for the two (2) years ended preceding the Latest Practicable Date:

Company	Principal activity	<-----Substantial Shareholdings----->			
		<----- Direct ----->		<----- Indirect ----->	
		No. of shares held	Percentage of share capital %	No. of shares held	Percentage of share capital %
AEON Kyushu Co., Ltd	Retail business to operate general merchandise store	11,795,460	62.78	⁽¹⁾ 2,040,000	10.86
Sunday Co., Ltd	Retail business to operate home center	5,793,000	53.81	-	-
Maxvalu Hokkaido Co., Ltd	Retail business to operate supermarket	3,376,900	48.65	⁽²⁾ 560,000	8.07

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

Company	Principal activity	Substantial Shareholdings			
		Direct		Indirect	
		No. of shares held	Percentage of share capital %	No. of shares held	Percentage of share capital %
Maxvalu Tohoku Co., Ltd	Retail business to operate supermarket	8,074,800	67.29	⁽³⁾ 192,000	1.60
Maxvalu Tokai Co., Ltd	Retail business to operate supermarket	12,000,000	68.59	-	-
Maxvalu Chubu Co., Ltd	Retail business to operate supermarket	14,916,097	58.47	-	-
Maxvalu Nishinohon Co., Ltd	Retail business to operate supermarket	14,783,776	56.44	⁽³⁾ 1,827,973	6.98
Ministop Co., Ltd	Retail business to operate convenience store	13,828,677	47.08	⁽⁴⁾ 1,762,206	6.00
Blue Grass Co., Ltd	Retail business to operate clothing store for youth	6,393,200	66.05	⁽⁵⁾ 440,000	4.55
Cox Co., Ltd	Retail business to operate clothing store for youth	7,222,241	55.69	⁽⁶⁾ 1,374,824	10.60
AEON Mall Co., Ltd	Shopping complex development and management	101,051,504	55.79	⁽⁷⁾ 2,404,800	1.33
Certo Corporation	Operation to provide vending machine service	6,571,500	66.38	⁽⁸⁾ 735,000	7.42
AEON Credit Japan	Issuance of credit cards and provision of consumer financing services	71,070,996	45.28	⁽¹⁰⁾ 7,803,192	4.97

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

Company	Principal activity	<-----Substantial Shareholdings----->			
		<----- Direct ----->		<----- Indirect ----->	
		No. of shares held	Percentage of share capital %	No. of shares held	Percentage of share capital %
Zwei Co., Ltd	Operation of wedding information service	3,030,000	77.69	⁽¹⁰⁾ 166,000	4.26
AEON Delight Co., Ltd	Building maintenance service	280,400	1.35	⁽¹¹⁾ 11,630,900	56.19
AEON Fantasy Co., Ltd	Operation of amusement service	11,258,850	61.94	⁽¹²⁾ 881,647	4.85
AEON STORES (HONG KONG) CO.,LTD	Retail business to operate general merchandise store	177,500,000	68.27	⁽¹³⁾ 7,000,000	2.69
AEON Co	Retail business to operate general merchandise store	89,505,000	51.00	-	-
AEON Credit Service (ASIA) Co., Ltd	Provision of consumer credit finance services which include the issuance of credit cards, the provision of personal loan financing hire purchase financing and vehicle financing	55,990,000	13.37	⁽¹⁴⁾ 221,298,000	52.85
AEON Hokkaido Co., Ltd	Retail business to operate general merchandise store	34,941,000	60.57	⁽¹¹⁾ 5,604,720	9.72
Kasumi Co., Ltd	Retail business to operate supermarket	21,064,000	32.40	-	-

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

Company	Principal activity	<-----Substantial Shareholdings----->			
		<----- Direct ----->		<----- Indirect ----->	
		No. of shares held	Percentage of share capital %	No. of shares held	Percentage of share capital %
Yamaya Co., Ltd	Retail business to operate liquor store	1,758,800	17.83	-	-
Taka-Q Co., Ltd	Retail business to operate clothing store for male	6,108,000	24.96	-	-
TSURUYA Shoe Store Co., Ltd	Operation of speciality store for shoes	1,100,000	16.25	⁽¹⁵⁾ 260,000	3.84
Terashima Co.,Ltd	To operate drugstore	1,017,300	16.78	-	-
WELCIA KANTO Co., Ltd	To operate drugstore	3,065,949	29.40	-	-
KRAFT Inc	To operate drugstore	1,531,100	20.00	-	-
Medical Ikkou Co.,Ltd	To operate drugstore	2,250	25.06	-	-
CFS Corporation	To operate drugstore	4,490,000	15.01	-	-
The Maruetsu, Inc	Retail business to operate supermarket	41,201,000	31.96	-	-
The Daiei, Inc	Retail business to operate general merchandise store	29,860,000	15.00	-	-
Belc Corporation	Engaged in the sale of fresh foods, processed foods, daily necessities and other products	3,131,000	15.00	-	-
Keiyo Co., Ltd	Home improvement store chain operator	3,551,600	5.97	-	-

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

Company	Principal activity	<-----Substantial Shareholdings----->			
		<----- Direct ----->		<----- Indirect ----->	
		No. of shares held	Percentage of share capital %	No. of shares held	Percentage of share capital %
DCM Japan Holdings Co., Ltd	Involved in the operation a chain of do-it-yourself stores	7,460,696	4.68	⁽¹⁶⁾ 962,368	0.60
Sugi Pharmacy Co., Ltd	Engaged in the operation of drugstores	6,566,000	10.37	-	-
TSURUHA Holdings, Inc	Holding company chiefly involved in the management of drugstore	3,156,800	13.35	-	-
Inageya Corporation	Engaged in the operation of supermarkets	7,899,000	15.08	-	-
Kusuri No Aoki Co., Ltd	Retails pharmaceutical products and cosmetics, as well as miscellaneous daily goods, food products, small items, apparel products and others	776,000	10.00	-	-

Notes:

- (1) Deemed interested by virtue of its interest in Maxvalu Nishinohon Co., Ltd, Maxvalu Kyushu Co., Ltd, Ministop Co., Ltd, Cox Co., Ltd, Blue Grass Co., Ltd, Nustep Co., Ltd, AEON Forest Co., Ltd, Certo Corporation, AEON Credit Japan and AEON Mall Co., Ltd pursuant to Section 6A of the Act.
- (2) Deemed interested by virtue of its interest in Maxvalu Tohoku Co., Ltd, Maxvalu Nishinohon Co., Ltd, Ministop Co., Ltd, Certo Corporation and AEON Credit Japan pursuant to Section 6A of the Act.
- (3) Deemed interested by virtue of its interest in AEON Kyushu Co., Ltd, Maxvalu Nishinohon Co., Ltd, Maxvalu Hokkaido Co., Ltd, Ministop Co., Ltd, Certo Corporation, AEON Credit Japan and Food Supply JUSCO pursuant to Section 6A of the Act.
- (4) Deemed interested by virtue of its interest in AEON Kyushu Co., Ltd, Maxvalu Tohoku Co., Ltd, Maxvalu Kyushu Co., Ltd, Maxvalu Chubu Co., Ltd, Ministop Co., Ltd, Cox Co., Ltd, Blue Grass Co., Ltd, Nustep Co., Ltd, AEON Credit Japan, Zwei Co., Ltd, Food Supply JUSCO and AEON Mall Co., Ltd pursuant to Section 6A of the Act.
- (5) Deemed interested by virtue of its interest in Maxvalu Nishinohon Co., Ltd, Ministop Co., Ltd, Cox Co., Ltd and AEON Credit Japan pursuant to Section 6A of the Act.

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

- (6) *Deemed interested by virtue of its interest in AEON Kyushu Co., Ltd, Maxvalu Chubu Co., Ltd, Maxvalu Nishinohon Co., Ltd, Ministop Co., Ltd, Blue Grass Co., Ltd, Nustep Co., Ltd and AEON Credit Japan pursuant to Section 6A of the Act.*
- (7) *Deemed interested by virtue of its interest in AEON Kyushu Co., Ltd, Ministop Co., Ltd, Blue Grass Co., Ltd, AEON Forest Co., Ltd, Certo Corporation and AEON Credit Japan pursuant to Section 6A of the Act.*
- (8) *Deemed interested by virtue of its interest in Maxvalu Nishinohon Co., Ltd, Ministop Co., Ltd, Blue Grass Co., Ltd, AEON Forest Co., Ltd, AEON Mall Co., Ltd and AEON Credit Japan pursuant to Section 6A of the Act.*
- (9) *Deemed interested by virtue of its interest in Maxvalu Tohoku Co., Ltd, Maxvalu Nishinohon Co., Ltd, Ministop Co., Ltd, Blue Grass Co., Ltd, Cox Co., Ltd, Nustep Co., Ltd and Zwei Co., Ltd pursuant to Section 6A of the Act.*
- (10) *Deemed interested by virtue of its interest in AEON Kyushu Co., Ltd, Maxvalu Tohoku Co., Ltd, Maxvalu Nishinohon Co., Ltd, Ministop Co., Ltd, Blue Grass Co., Ltd, Cox Co., Ltd, AEON Mall Co., Ltd, Certo Corporation, AEON Credit Japan and Reform Studio pursuant to Section 6A of the Act.*
- (11) *Deemed interested by virtue of its interest in Mycal Corp pursuant to Section 6A of the Act.*
- (12) *Deemed interested by virtue of its interest in AEON Kyushu Co., Ltd, Maxvalu Tohoku Co., Ltd, Maxvalu Nishinohon Co., Ltd, Ministop Co., Ltd, Blue Grass Co., Ltd, Cox Co., Ltd, AEON Forest Co., Ltd, AEON Mall Co., Ltd, Certo Corporation, AEON Credit Japan, Reform Studio and Zwei Co., Ltd pursuant to Section 6A of the Act.*
- (13) *Deemed interested by virtue of its interest in AEON (U.S.A.), INC pursuant to Section 6A of the Act.*
- (14) *Deemed interested by virtue of its interest in AEON Credit Japan and AEON STORES (HONG KONG) CO., LTD pursuant to Section 6A of the Act.*
- (15) *Deemed interested by virtue of its interest in AEON Credit Japan and AEON Mall Co., Ltd pursuant to Section 6A of the Act.*
- (16) *Deemed interested by virtue of its interest in AEON Kyushu Co., Ltd, Maxvalu Tohoku Co., Ltd, Maxvalu Nishinohon Co., Ltd, Ministop Co., Ltd, Blue Grass Co., Ltd, AEON Mall Co., Ltd, AEON Credit Japan and AEON Delight Co., Ltd pursuant to Section 6A of the Act.*

13.3.3 Amount Paid/Benefit Given to Our Substantial Shareholders

Save as disclosed in Section 18.1.2 and the dividends payable to our Promoter, we have not paid any amount or given any benefit to our substantial shareholders within the two (2) years preceding the date of this Prospectus.

13.4 Promoter

AEON Credit Japan is the promoter for our IPO.

Please refer to Section 13.3 of this Prospectus for further details of AEON Credit Japan's shareholding in our Company and Section 13.3.1 of this Prospectus for further information on AEON Credit Japan.

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

AEON Credit Japan is mainly involved in the issuance of credit cards, and it currently has more than 14.8 million card members in Japan. It is one of the biggest credit card issuers and a leading consumer credit provider in Japan. AEON Credit Japan has subsidiaries in Japan, Hong Kong, Thailand, Taiwan, Indonesia and Malaysia (being our Company). Its subsidiaries in Hong Kong and Thailand are listed on the main board of their respective stock exchanges.

AEON Credit Japan has been involved in our Company's affairs and business since the formation of our Company as a substantial shareholder, and continues to be involved in our business by being one of our substantial shareholders. AEON Credit Japan has been involved in the consumer financing industry for more than 20 years and operates in Japan, Hong Kong, Thailand, Taiwan and Indonesia. AEON Credit Japan has, collectively, vast experience in the fields of credit card and consumer financing business.

13.5 Relationships or Associations Between Our Directors, Key Management, Substantial Shareholders and Promoter

Our Company's Directors, key management, substantial shareholders and Promoter have relationships/association with AEON Credit's other Company Directors/key management/substantial shareholders in the following companies.

Company	Relationship/ Association
AEON Japan	<p>AEON Japan is a substantial shareholder of AEON Credit Japan, which in turn is a substantial shareholder of our Company.</p> <p>Our Company's Director, Yoshiki Mori is also a director in AEON Japan.</p>
AEON Credit Japan	<p>Two (2) of our Company's Directors, namely Yoshiki Mori and Kazuhide Kamitani are also directors in AEON Credit Japan.</p> <p>Our Managing Director, Naruhito Kuroda and two (2) of our Company's Executive Directors and key management, namely Yasuhiro Kasai and Akitoshi Tsuchiya are seconded from AEON Credit Japan to our Company.</p> <p>Five (5) of our Company's Directors, namely Naruhito Kuroda, Yoshiki Mori, Kazuhide Kamitani, Yasuhiro Kasai and Akitoshi Tsuchiya hold shares in AEON Credit Japan. Please refer to Section 18.2.1 of this Prospectus for details of their respective shareholdings in AEON Credit Japan.</p>

Save for the above, there are no relationships or associations between any of our Company's substantial shareholders, our Directors, our key management and our Promoter as at the date of this Prospectus.

13.6 Declaration By Our Directors, Key Management and Promoter

Save as disclosed below, none of our Directors, key management or Promoter is or has been involved in the following events (whether in or outside Malaysia):

- (i) a petition under any bankruptcy or insolvency laws filed or was filed (and not struck out) against such person or any partnership in which he was a partner or any corporation of which he was a Director or key personnel; or
- (ii) disqualified from acting as a director of any corporation or from taking part, directly or indirectly, in the management of any corporation; or

13. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, SUBSTANTIAL SHAREHOLDERS AND PROMOTER (Cont'd)

- (iii) charged and/or convicted in a criminal proceeding or is a named subject of pending criminal proceeding; or
- (iv) any judgment was entered against such person involving a breach of any law or regulatory requirement that relates to the securities or futures industry; or
- (v) the subject of an order, judgment or ruling of any court of competent jurisdiction, temporarily enjoining him from acting as an investment adviser, dealer in securities, Director or employee of a financial institution and engaging in any type of business practice or activity;

Dato' Abdullah bin Mohd Yusof is/was a director of the following companies which had a petition or order for winding-up:

- (a) He was a Director and shareholder of Sash Sdn Bhd, a company against which a winding-up order was issued by the High Court of Johor Bahru under Case No. 28-54-2005. The Petitioner in this case is Department of Inland Revenue, Johor Bahru branch. Sash Sdn Bhd was wound-up on 12 September 2005.
- (b) He was a Director of Coldwright (M) Sdn Bhd, a company against which a winding-up order was issued by the High Court of Johor Bahru under Case No. 28-25-1994. The Petitioner in this case is Aluminium Industries Sdn Bhd, Pasir Gudang branch. Coldwright (M) Sdn Bhd was wound-up on 21 February 1995.
- (c) He was a Director and shareholder of Skilltek (Malaysia) Sdn Bhd, a company which has a petition for winding-up issued against it in the High Court of Kuala Lumpur under Case No. D2-28-172-93. The Petitioner in this case is Bank Utama (Malaysia) Berhad (Jalan Raja Laut branch). Skilltek (Malaysia) Sdn Bhd was dissolved on 2 March 2000.
- (d) He was a Director and shareholder of Sykt Bintang Jaya Sdn Bhd, a company against which a winding-up order was issued by the High Court of Kuala Lumpur under Case No. 128-85. The Petitioner in this case is Department of Inland Revenue, Kuala Lumpur branch. Sykt Bintang Jaya Sdn Bhd was wound-up on 20 January 1986.

14. LISTING SCHEME

In conjunction with and as an integral part of our Listing, we undertook the Listing Scheme which involved the following:

14.1 IPO

We are undertaking an IPO comprising of an Offer for Sale and Public Issue, the details of which are included in Section 4 of this Prospectus.

The Initial Public Offering was approved by the SC in its letters dated 4 July 2007 and 3 September 2007, and is subject to the terms and conditions as stated in Section 14.3 of this Prospectus.

14.2 Listing

Pursuant to the IPO, our entire issued and paid-up share capital comprising 120,000,000 Shares, including the Offer Shares and Public Issue Shares which are the subject of this Prospectus, will be admitted and quoted on the Main Board of Bursa Securities. Official quotation will commence upon receipt of confirmation from Bursa Depository that all CDS accounts of the successful applicants have been duly credited and notices of allotment have been despatched to all successful applicants.

14.3 Approvals

1. The SC, via its letters dated 4 July 2007 and 3 September 2007, has approved the IPO under Section 212(5) of the CMSA and the FIC's Guidelines on the Acquisition of Interests, Mergers and Takeovers by Local and Foreign Interests, subject to compliance with the following conditions:

Details of Conditions Imposed	Status of Compliance
(i) AEON Credit to disclose in its listing prospectus the related-party transactions, as well as the measures to deal with any conflict of interest situations that may arise in future;	Complied. Please refer to Section 18 of this Prospectus.
(ii) AEON Credit to ensure that all related-party transactions are conducted on an arm's length basis, are not detrimental to AEON Credit and should be subject to the scrutiny of the Audit Committee;	Complied. Please refer to Section 18 of this Prospectus.
(iii) AEON Credit Japan/AEON Credit to put the proceeds from the offer for sale in a trust account until the listing of AEON Credit Shares on Bursa Malaysia;	To be complied. Proceeds from the Offer for Sale will be held by the Managing Underwriter on behalf of AEON Credit Japan until the listing of AEON Credit.
(iv) AEON Credit must have obtained all relevant regulatory approvals and licences required to conduct its business prior to the issuance of the listing prospectus;	Complied.

14. LISTING SCHEME (Cont'd)

Details of Conditions Imposed	Status of Compliance
<p>(v) AEON Credit complying with National Development Policy ("NDP") requirement whereby Bumiputera investors holding 36,332,800 AEON Credit Shares (via Dato' Abdullah bin Mohd Yusof, Datuk Ramli bin Ibrahim and Raja Mohiyiddin @ Raja Aznin bin Raja Haji Ahmad, other individual shareholders, 15,500,000 Public Issue Shares and 20,000,000 Offer Shares) upon listing to be recognised/approved by MITI.</p> <p>The SC had via its letter dated 3 September 2007 approved our application for the revision to the conditions imposed that Bumiputera investors holding 36,280,000 AEON Credit Shares, representing 30.23% of our enlarged issued and paid-up share capital (via Dato' Abdullah bin Mohd Yusof, Datuk Ramli bin Ibrahim and Raja Mohiyiddin @ Raja Aznin bin Raja Haji Ahmad, 15,500,000 Public Issue Shares and 20,000,000 Offer Shares) upon listing to be recognised/approved by the MITI;</p>	Complied.
(vi) CIMB/AEON Credit to inform the SC with the status of compliance with the NDP requirement upon completion of the proposed listing exercise;	To be complied.
(vii) CIMB/AEON Credit to fully comply with the relevant requirements of the Issues Guidelines relating to the implementation of the flotation exercise;	Complied.
(viii) CIMB/AEON Credit to inform the SC upon completion of the Proposal.	To be complied.
(ix) SC noted that the equity structure relating to Bumiputera, non-Bumiputera and foreign shareholdings in AEON Credit would change arising from the implementation of the flotation proposal, as follows:	-

	Before Proposal %	After Proposal %
Bumiputera	0.85	*30.28
Non-Bumiputera	0.25	5.62
Foreigners	98.90	64.10
Total	100.00	100.00

Note:

* Subject to the approval by MITI.

14. LISTING SCHEME (*Cont'd*)

Details of Conditions Imposed	Status of Compliance
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The SC had via its letter dated 3 September 2007 indicated that our revised equity structure relating to Bumiputera, non-Bumiputera and foreign shareholdings in AEON Credit would change arising from the implementation of the flotation proposal, as follows:

	Before Proposal %	After Proposal %
Bumiputera	0.85	*30.23
Non-Bumiputera	0.25	5.67
Foreigners	98.90	64.10
Total	100.00	100.00

Note:

* Subject to the approval by MITI.

2. The MITI, via its letter dated 19 April 2007, states that it has no objection to the IPO, subject to compliance with the following conditions:

Details of Conditions Imposed	Status of Compliance
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- | | |
|--|--|
| <p>(i) AEON Credit is to obtain the SC's approval for the Listing Scheme and to comply with the Guidelines on the Acquisition of Interests, Mergers and Takeovers by Local and Foreign Interests issued by the FIC.</p> | <p>Complied. The approval of the SC and SC (under the Guidelines on the Acquisition of Interests, Mergers and Takeovers) was obtained on 4 July 2007 and 3 September 2007.</p> |
| <p>(ii) The recognition of Dato' Abdullah bin Mohd Yusof, Datuk Ramli bin Ibrahim and Raja Mohiyiddin @ Raja Aznin bin Raja Haji Ahmad as approved Bumiputera shareholders of AEON Credit, collectively holding 780,000 AEON Credit Shares, representing 0.65% of the enlarged issued and paid-up share capital of AEON Credit subject to the condition 30% of the total recognised Bumiputera shareholdings are allowed to be disposed of without obtaining prior MITI approval whilst MITI's approval is required to be obtained for the disposal of 70% of the total recognised Bumiputera shareholdings.</p> | <p>Complied.</p> |
| <p>(iii) The 35,500,000 AEON Credit Shares to be allocated and issued to Bumiputera investors under the Offer for Sale and Public Issue is subject to the MITI's approval, the allocation of which is to be made upon SC's approval being obtained for the Listing Scheme.</p> | <p>Complied. The approval from the MITI for the allocation of 35,500,000 AEON Credit Shares to Bumiputera investors approved by the MITI was obtained on 2 October 2007.</p> |

15. UNDERWRITING FOR THE PUBLIC ISSUE

An underwriting agreement was entered into between our Company, Managing Underwriter and Underwriters on 10 October 2007 to underwrite the Public Issue Shares described in Section 4.2.2(i) and 4.2.2(iii) of this Prospectus (“Underwritten Shares”), subject to clawback and reallocation, at the rates set out in Section 4.6 of this Prospectus (“Underwriting Agreement”).

The salient terms of the Underwriting Agreement are set out below:

15.1 The obligation of the Underwriters to underwrite the Underwritten Shares and the Managing Underwriter to manage the Underwritten Shares under the Underwriting Agreement is conditional on the performance by the Company of its obligations under the Underwriting Agreement and conditional on the following:

- (i) The Underwriters being provided with the reports or confirmation and being satisfied at the last date for acceptance, application for and payment of the subscription moneys under the Prospectus and application form (“Issue Documents”), which shall not be more than two (2) months from the date of the Underwriting Agreement and subject to Clause 29 (Extension of Closing Date) of the Underwriting Agreement (“Closing Date”) that:
 - (a) there has been no material change or any development likely to result in a material adverse change in the financial position, business operations or conditions (financial or otherwise) of the Company taken as a whole from that provided in the draft Prospectus; or
 - (b) there has not occurred any event or the discovery of any facts or circumstances or omission of any material facts or development which would render any representation, warranty or undertaking in Clause 11 (Representations, Warranties and Undertakings) of the Underwriting Agreement materially untrue or inaccurate or result in a material breach of the Underwriting Agreement by the Company;
- (ii) The Managing Underwriter receiving a certificate in the form or substantially in the form contained in Schedule 3 (Certificate) of the Underwriting Agreement dated the Closing Date signed by a Director of the Company (on behalf of the Board) stating that, to the best of his knowledge and belief, having made all reasonable enquiries, there has been no such change, development or occurrence as referred to in Clause 11 (Representations, Warranties and Undertakings) of the Underwriting Agreement;
- (iii) The issue of the Prospectus not later than two (2) months from the date of the Underwriting Agreement or such later date as the Managing Underwriter and the Company may from time to time agree;
- (iv) The registration of the Prospectus and such other documents as may be required in accordance with the CMSA in relation to the Offer for Sale and Public Issue with the SC and its lodgement with the ROC by the date the Prospectus is issued (“Issue Date”);
- (v) The approval of Bursa Securities for the admission of the Company to the Official List and the listing of and quotation for its entire issued and paid up share capital being obtained on terms acceptable to the Managing Underwriter and the approvals of the SC and Bursa Securities remaining in full force and effect and that all conditions precedent to the approvals (except for any which can only be complied with after the Offer for Sale and Public Issue has been completed) have been complied with;

15. UNDERWRITING FOR THE PUBLIC ISSUE (Cont'd)

- (vi) The Underwriters being satisfied that the Company will, following completion of the Offer for Sale and Public Issue be admitted to the Official List and its share capital listed and quoted on the Main Board without undue delay;
- (vii) The Managing Underwriter and the Underwriters being satisfied with the arrangements of the Company to pay the expenses referred to in Clause 10 (Fees and Commission) of the Underwriting Agreement;
- (viii) The Underwriters receiving a copy certified by a Director or secretary of the Company to be a true and accurate copy and in full force and effect of a resolution of the Directors in form and substance acceptable to the Managing Underwriter:
 - (a) approving the Issue Documents, the Underwriting Agreement and the transactions contemplated by it;
 - (b) authorising a person to sign and deliver the Underwriting Agreement on behalf of the Company;
 - (c) authorising the issuance of the Issue Documents;
- (ix) The Underwriting Agreement being signed by all parties and stamped;
- (x) The Offer for Sale and Public Issue not being prohibited or impeded by any statute, order, rule, directive or regulation promulgated by any legislative, executive or regulatory body or authority of Malaysia or any condition imposed by the regulators in approving the Offer for Sale and Public Issue and all consents, approvals, authorisations or other orders required by the Company under such laws for or in connection with the Offer for Sale and Public Issue and/or listing of and quotation for the entire issued and paid-up share capital of the Company on the Main Board have been obtained and are in force on the Closing Date or the Managing Underwriter being reasonably satisfied that the same will be in force on the Closing Date;
- (xi) The Managing Underwriter being satisfied that the Company has complied with and that the Offer for Sale and Public Issue is in compliance with the policies, guidelines and requirements of the SC and Bursa Securities and all revisions, amendments and/or supplements thereto;
- (xii) The Managing Underwriter having received:
 - (a) irrevocable letters of undertaking from the identified investors to the effect that they undertake to subscribe for the Bumiputera Investors Portion and the Offer Shares and the Managing Underwriter being reasonably satisfied that payment in full of such Bumiputera Investors Portion and the Offer Shares have been made by such persons prior to the Issue Date or such later date as may be mutually agreed between the Managing Underwriter and the Company provided always that such later date must be on or before the Closing Date; or
 - (b) all necessary approvals from SC, MITI, Bursa Securities and/or any other relevant authorities to place any of the shares under the Bumiputera Investors Portion and/or the Offer Shares in an escrow account prior to the Issue Date provided always that notwithstanding such approvals being received, the public spread requirements for the successful listing of the Company on the Main Board is met or capable of being met and subject to compliance with all relevant laws, regulations and requirements.

15. UNDERWRITING FOR THE PUBLIC ISSUE (Cont'd)

15.2 If:

- (i) In the event any of the conditions set out in Clause 6.1.3 (Details), Clause 6.1.8 (Details) or Clause 6.1.9 (Details) of the Underwriting Agreement (to the extent not waived) are not satisfied by the Issue Date;
- (ii) Any of the Conditions other than those referred to in Clause 6.3.1 (Pre Issue Date) of the Underwriting Agreement to the extent not waived are not satisfied by the Closing Date;

the Managing Underwriter after consultation with the Underwriters and the Company shall be entitled to terminate the Underwriting Agreement and in such event the provisions of Clause 14 (Termination) of the Underwriting Agreement shall apply, but without prejudice to the rights of the Managing Underwriter and the Underwriters under Clause 10 (Fees and Commission) and Clause 12 (Costs and Expenses) of the Underwriting Agreement. The parties hereto shall be released and discharged from their respective obligations hereunder and the Underwriting Agreement shall become null and void and of no further force and effect and none of the parties shall have a claim against the other save for any antecedent breaches.

15.3 Notwithstanding anything contained in the Underwriting Agreement, the Managing Underwriter after consultation with the Underwriters, may, on behalf and with the prior written consent of the Underwriters, by notice in writing to the Company given at any time before 5.00 p.m. on the Closing Date, terminate, cancel and withdraw their commitment to underwrite the Underwritten Shares under the provisions of the Underwriting Agreement if:

- (i) there is any breach by the Company of any of the representations, warranties or undertakings contained in Clause 11 (Representations, Warranties and Undertakings) of the Underwriting Agreement or which is contained in any certificate, statement or notice under or in connection with the Underwriting Agreement, which is not capable of remedy or, if capable of remedy, is not remedied within such number of days as stipulated in the notice of such breach given to the Company by the Underwriters or by the Closing Date, whichever is the earlier; or
- (ii) there is failure on the part of the Company to perform any of its obligations contained in the Underwriting Agreement; or
- (iii) there is withholding of information of a material nature from the Underwriters which is required to be disclosed pursuant to the Underwriting Agreement which, in the opinion of the Underwriters, would have or can reasonably be expected to have, a material adverse effect on the business or operations of the Company, the success of the Offer for Sale and Public Issue, or the distribution or sale of the Shares issued under the Offer for Sale and Public Issue; or
- (iv) there shall have occurred, or happened any material and adverse change in the business or financial condition of the Company; or
- (v) the closing date of the application of the Issue Shares does not occur within ninety (90) days from the date of the Underwriting Agreement, subject to Clause 29 (Extension of Closing Date) of the Underwriting Agreement.

15. UNDERWRITING FOR THE PUBLIC ISSUE (Cont'd)

- (vi) there shall have occurred, or happened any of the following *force majeure* circumstances:
- (a) any material adverse change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or currency exchange rates or the occurrence of any combination of any of the foregoing which would prejudice the Offer for Sale and Public Issue; or
 - (b) any new law or change in law, regulation, directive, policy or ruling in any jurisdiction, interpretation or application by the court/authorities which has/likely to have material adverse effect on the Company; or
 - (c) any event or series of events beyond the reasonable control of the Underwriters including (without limitation) acts of government, acts of God (including, without limitation, the occurrence of a tsunami and/or earthquakes), acts of terrorism, strikes, national disorder, declaration of a state of emergency, lock-outs, fire, explosion, flooding, landslide, civil commotion, sabotage, acts of war, diseases or accidents which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance with its terms or which prevents the processing of applications and/or payments pursuant to the Offer for Sale and Public Issue or pursuant to the underwriting of the Underwritten Shares; or
 - (d) any imposition of moratorium, suspension or material restriction on trading of securities on Bursa Securities due to exceptional financial circumstances or otherwise; or
 - (e) any material adverse change in financial conditions as stated in Clause 14.1.6.1 of the Underwriting Agreement to include stock market conditions and interest rates. For this purpose, a material adverse change in the stock market condition shall mean the composite index of Bursa Securities has dropped to below 850 points and has stayed below 850 points for at least five (5) consecutive Market Days between the Agreement Date and the Closing Date (both dates inclusive); or
 - (f) any government requisition or occurrence of any other nature which materially and adversely affect or will materially or adversely affect the business and/or financial position of the Company;
- (vii) in the event that the listing of and quotation for the entire issued and paid up share capital of the Company on the Main Board is withdrawn or not procured or procured but subject to conditions not acceptable to the Underwriters;

which, in the reasonable opinion of the Underwriters, would have or can reasonably be expected to have, a material adverse effect on, and/or materially prejudice the business or the operations of the Company, the success of the Offer for Sale and Public Issue, or the listing of the Company on the Main Board or market conditions generally or which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms.

15. UNDERWRITING FOR THE PUBLIC ISSUE (Cont'd)

- 15.4 Upon any such notice(s) being given pursuant to Clause 14.1 (Termination) of the Underwriting Agreement, the Underwriters shall be released and discharged of their obligations without prejudice to their rights under the Underwriting Agreement, and where the Underwriters have terminated or withdrawn their Underwriting Commitments pursuant to Clause 14.1 (Termination) of the Underwriting Agreement, the Underwriting Agreement shall be of no further force or effect and no party shall be under any liability to any other parties in respect of the Underwriting Agreement, save and except that the Company shall remain liable in respect of its obligations and liabilities under Clause 11 (Representations, Warranties and Undertakings) of the Underwriting Agreement, under Clause 12 (Costs and Expenses) of the Underwriting Agreement for the payment of costs and expenses already incurred up to the date of or in connection with such termination, under Clause 8.3.2 (Prospectus and Listing) of the Underwriting Agreement for the payment of any taxes, duties or levies, and for any antecedent breach, Clause 11.3.6 (Representations, Warranties and Undertakings) of the Underwriting Agreement and Clause 10.3 (Fees and Commission) of the Underwriting Agreement.

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