



AEON Credit Service (M) Berhad

(Registration No. 199601040414 (412767-V))

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MAY 2022

	Note	Unaudited Individual quarter			Unaudited Cumulative quarter		
		3 months ended			3 months ended		
		31.5.2022 RM'000	31.5.2021 RM'000	Changes %	31.5.2022 RM'000	31.5.2021 RM'000	Changes %
Revenue	B4	390,571	410,966	-5.0%	390,571	410,966	-5.0%
Total operating expenses		(156,180)	(158,668)	-1.6%	(156,180)	(158,668)	-1.6%
Other income		58,734	49,193	19.4%	58,734	49,193	19.4%
Profit from operations	B5(a)	293,125	301,491	-2.8%	293,125	301,491	-2.8%
Interest expense	B6	(77,590)	(85,633)	-9.4%	(77,590)	(85,633)	-9.4%
Profit before tax		215,535	215,858	-0.1%	215,535	215,858	-0.1%
Taxation	B7	(52,466)	(52,766)	-0.6%	(52,466)	(52,766)	-0.6%
Profit for the period		163,069	163,092	0.0%	163,069	163,092	0.0%
Other comprehensive income/(loss), net of tax	B5(b)						
<i>Item that may be reclassified subsequently to profit or loss:</i>							
Net changes in cash flow hedge		57,355	12,022	377.1%	57,355	12,022	377.1%
<i>Item that will not be reclassified subsequently to profit or loss:</i>							
Net fair value changes through other comprehensive income		54	(231)	123.4%	54	(231)	123.4%
Total comprehensive income for the period		220,478	174,883	26.1%	220,478	174,883	26.1%
Profit attributable to equity holders of the Company		163,069	163,092	0.0%	163,069	163,092	0.0%
Total comprehensive income attributable to equity holders of the Company		220,478	174,883	26.1%	220,478	174,883	26.1%
Earnings per share attributable to owners of the Company (sen)							
Basic	B14	63.87	63.88	0.0%	63.87	63.88	0.0%

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 28 February 2022 and the accompanying notes to the quarterly report attached hereto.



AEON Credit Service (M) Berhad

(Registration No. 199601040414 (412767-V))
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2022

	Note	Unaudited As at 31.5.2022 RM'000	Audited As at 28.2.2022 RM'000
ASSETS			
Non-current Assets			
Plant and equipment		138,279	144,289
Right-of-use assets		41,026	44,678
Other investments		25,779	25,725
Goodwill on consolidation		511	511
Deferred tax assets		168,912	211,797
Financing receivables		<u>6,372,780</u>	<u>6,170,956</u>
Total Non-current Assets		<u>6,747,287</u>	<u>6,597,956</u>
Current Assets			
Financing receivables		2,911,695	2,930,155
Trade receivables		1,749	1,508
Other receivables, deposits and prepayments		54,702	56,998
Amount owing by related companies		14,868	19,235
Derivative financial assets	B8	168,561	26,057
Tax recoverable		5	5
Cash, bank balances and deposits		<u>550,719</u>	<u>508,960</u>
Total Current Assets		<u>3,702,299</u>	<u>3,542,918</u>
TOTAL ASSETS		<u>10,449,586</u>	<u>10,140,874</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital		584,012	584,012
Hedging reserve		8,156	(49,199)
Fair value reserve		4,116	4,062
Retained earnings		<u>1,625,480</u>	<u>1,462,411</u>
Equity attributable to ordinary equity holders of the Company		<u>2,221,764</u>	<u>2,001,286</u>
Perpetual notes and sukuk		<u>200,000</u>	<u>200,000</u>
Total Equity		<u>2,421,764</u>	<u>2,201,286</u>



AEON Credit Service (M) Berhad

(Registration No. 199601040414 (412767-V))
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2022 (Continued)

	Note	Unaudited As at 31.5.2022 RM'000	Audited As at 28.2.2022 RM'000
Non-current Liabilities			
Borrowings	B11	6,747,692	6,791,891
Lease liabilities		24,262	26,797
Total Non-current Liabilities		6,771,954	6,818,688
Current Liabilities			
Borrowings	B11	756,581	598,605
Trade payables		34,478	26,148
Other payables and accruals		397,018	364,513
Amount owing to immediate holding company		3,761	7,731
Amount owing to related companies		6,987	4,842
Derivative financial liabilities	B8	22,974	69,655
Lease liabilities		17,986	18,941
Tax liabilities		16,083	30,465
Total Current Liabilities		1,255,868	1,120,900
Total Liabilities		8,027,822	7,939,588
TOTAL EQUITY AND LIABILITIES		10,449,586	10,140,874
Net assets per share (RM)		8.70	7.84
Number of ordinary shares ('000)		255,308	255,308
Capital adequacy ratio (%)		28.07	26.85

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 28 February 2022 and the accompanying notes to the quarterly report attached hereto.



AEON Credit Service (M) Berhad

(Registration No. 199601040414 (412767-V))

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MAY 2022

	← <u>Non-distributable</u> →			<u>Distributable</u>		Total equity RM'000
	Share capital RM'000	Perpetual notes and sukuk RM'000	Hedging reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000	
At 1 March 2021	584,012	200,000	(128,262)	6,517	1,230,925	1,893,192
Cash flow hedge, net of tax	-	-	12,022	-	-	12,022
Fair value through other comprehensive income	-	-	-	(231)	-	(231)
Profit for the period	-	-	-	-	163,092	163,092
Total comprehensive income for the period	-	-	12,022	(231)	163,092	174,883
At 31 May 2021	584,012	200,000	(116,240)	6,286	1,394,017	2,068,075
	← <u>Non-distributable</u> →			<u>Distributable</u>		
	Share capital RM'000	Perpetual notes and sukuk RM'000	Hedging reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000	Total equity RM'000
At 1 March 2022	584,012	200,000	(49,199)	4,062	1,462,411	2,201,286
Cash flow hedge, net of tax	-	-	57,355	-	-	57,355
Fair value through other comprehensive income	-	-	-	54	-	54
Profit for the period	-	-	-	-	163,069	163,069
Total comprehensive income for the period	-	-	57,355	54	163,069	220,478
At 31 May 2022	584,012	200,000	8,156	4,116	1,625,480	2,421,764

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 28 February 2022 and the accompanying notes to the quarterly report attached hereto.



AEON Credit Service (M) Berhad

(Registration No. 199601040414 (412767-V))
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MAY 2022

	31.5.2022	31.5.2021
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	215,535	215,858
Adjustments for:		
Interest income	(1,733)	(2,390)
Dividend income	(7)	-
Finance costs	77,105	85,046
Interest expenses on lease liabilities	485	587
Gain on disposal of plant and equipment	-	(48)
Depreciation of plant and equipment	10,427	11,640
Depreciation of right-of-use assets	5,400	5,709
Reversal of impairment loss on financing receivables	(44,241)	(122,289)
Write-off of financing receivables	81,520	145,542
Write-off of plant and equipment	12	43
Operating profit before changes in working capital	<u>344,503</u>	339,698
Changes in working capital:		
Financing receivables	(220,643)	(125,788)
Trade receivables	(241)	-
Other receivables, deposits and prepayments	2,296	12,204
Amount owing by related companies	4,367	6,793
Trade payables	8,330	10,571
Other payables and accruals	29,178	9,511
Amount owing to immediate holding company	(3,970)	(3,151)
Amount owing to related companies	2,145	(16,511)
Cash held in trust for customers	(3,254)	(4,629)
Cash generated from operations	<u>162,711</u>	228,698
Tax paid	<u>(42,075)</u>	(51,677)
Net cash from operating activities	<u>120,636</u>	177,021
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of plant and equipment	(4,429)	(19,286)
Proceeds from disposal of plant and equipment	-	196
Interest received	1,733	2,390
Dividend received	7	-
Net cash used in investing activities	<u>(2,689)</u>	(16,700)



AEON Credit Service (M) Berhad

(Registration No. 199601040414 (412767-V))
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MAY 2022 (Continued)

	31.5.2022	31.5.2021
	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bank borrowings	200,000	250,000
Repayment of bank borrowings	(199,941)	(149,969)
Repayment of lease liabilities	(5,723)	(6,735)
Finance costs paid	(73,778)	(80,142)
Net cash (used in)/from financing activities	(79,442)	13,154
Net increase in cash and cash equivalents	38,505	173,475
Cash and cash equivalents at beginning of year	468,233	405,955
Cash and cash equivalents at end of period	506,738	579,430

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

	31.5.2022	31.5.2021
	RM'000	RM'000
Cash and bank balances	74,016	78,921
Deposits placed with licensed financial institutions	476,703	538,732
	550,719	617,653
Cash held in trust for customers	(43,818)	(38,061)
Deposits held in trust account	(163)	(162)
	506,738	579,430

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 28 February 2022 and the accompanying notes to the quarterly report attached hereto.



AEON Credit Service (M) Berhad

(Registration No. 199601040414 (412767-V))
(Incorporated in Malaysia)

Notes to the interim financial report for the financial period ended 31 May 2022

A EXPLANATORY NOTES PURSUANT TO MFRS 134

A1 Basis of Preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with MFRS 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”), and Paragraph 9.22 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the Group’s audited financial statements for the financial year ended 28 February 2022. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 28 February 2022.

A2 Significant accounting policies

The significant accounting policies and methods of computation adopted in these interim financial statements are consistent with those adopted in the latest audited financial statements, except for the following:

Adoption of new and revised Malaysian Financial Reporting Standards (“MFRSs”)

In the current financial year, the Group adopted all the new MFRS, amendments to MFRSs and IC Interpretation issued by the Malaysian Accounting Standards Board that are effective for annual financial periods beginning on or after 1 March 2022.

- Amendments to MFRSs Annual Improvements to MFRSs Standards 2018 - 2020
- Amendments to MFRS 3 Reference to Conceptual Framework
- Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use
- Amendments to MFRS 137 Onerous Contracts - Costs of Fulfilling a Contract

The adoption of these Amendments to MFRSs did not have any material impact on the financial performance or position of the Group for the current financial period.

Amendments to MFRSs in issue but not yet effective

At the date of authorisation for issue of these financial statements, the relevant Amendments to MFRSs, which were in issue but not yet effective and not early adopted by the Group are as listed below:

Effective for annual periods beginning on or after 1 January 2023

- MFRS 17 *Insurance Contracts*
- Amendments to MFRS 4 *Extension of the Temporary Exemption from Applying MFRS 9*
- Amendments to MFRS 101 *Classification of Current and Non-current*
- Amendments to MFRS 101 *Disclosure of Accounting Policies*
- Amendments to MFRS 108 *Definition of Accounting Estimates*
- Amendments to MFRS 112 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to MFRS 17 *Initial Application of MFRS 9 and MFRS17 - Comparative Information*

The Group will adopt the above Standard and Amendments when they become effective and the adoption of these Amendments is not expected to have any material impact on the financial statements of the Group in the period of initial application.



AEON Credit Service (M) Berhad

(Registration No. 199601040414 (412767-V))
(Incorporated in Malaysia)

A3 Seasonal or Cyclical Factors

The Group normally benefits from the traditionally higher levels of consumer spending during festive seasons in Malaysia.

A4 Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.

A5 Changes in Estimates

There were no material changes in the nature and amount of estimates reported in prior interim period or prior financial years that have a material effect in the current financial period under review.

A6 Debt and Equity Securities

There were no other issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current financial period under review.

A7 Dividend Paid

There were no dividend paid during the quarter under review.

A8 Segmental Reporting

The Company is principally engaged in the provision of easy payment schemes for purchase of consumer durables and vehicles, personal financing schemes and credit cards business, all of which are categorised under consumer financing business. The contribution from the subsidiary which is principally engaged in the insurance brokerage business remains insignificant to the Group during the current financial period under review.

On this basis, the Managing Director (“MD”) reviews the business performance of the Group as a whole.

A9 Subsequent Event

There were no material events subsequent to the end of the current period under review up to the date of this report, which are likely to substantially affect the results of the quarter under review.

A10 Changes in the Composition of the Group

There were no changes in the composition of the Group during the quarter under review, including business combinations, acquisition or disposal of subsidiaries and restructuring and discontinuing operations.



AEON Credit Service (M) Berhad

(Registration No. 199601040414 (412767-V))
(Incorporated in Malaysia)

A11 Fair Value Measurement

The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the financial assets or liabilities that are not based on observable market data (unobservable inputs).

31.5.2022	Level 1	Level 2	Level 3	Total
<u>Financial assets</u>	RM'000	RM'000	RM'000	RM'000
Other investments	310	-	25,469	25,779
Derivatives designated as hedging instruments	-	168,561	-	168,561
Total financial assets carried at fair value	310	168,561	25,469	194,340

Financial liabilities

Derivatives designated as hedging instruments	-	22,974	-	22,974
Total financial liabilities carried at fair value	-	22,974	-	22,974

28.2.2022	Level 1	Level 2	Level 3	Total
<u>Financial assets</u>	RM'000	RM'000	RM'000	RM'000
Other investments	428	-	25,297	25,725
Derivatives designated as hedging instruments	-	26,057	-	26,057
Total financial assets carried at fair value	428	26,057	25,297	51,782

Financial liabilities

Derivatives designated as hedging instruments	-	69,655	-	69,655
Total financial liabilities carried at fair value	-	69,655	-	69,655

A12 Contingent Liabilities and Contingent Assets

The Group did not have any contingent liabilities, either secured or unsecured, or contingent assets as at 31 May 2022 and up to the date of this announcement.

A13 Related Party Transactions

During the current quarter under review and up to the date of this announcement, the Group did not enter into any significant Related Party Transactions or Recurrent Related Party Transactions of revenue or trading nature other than those that had been mandated by the shareholders during the Annual General Meeting held on 23 June 2021 and 29 June 2022.

A14 Capital Commitments

Capital commitments for plant and equipment which have been authorised and contracted, but not provided for amounted to RM41.001 million as at 31 May 2022.



AEON Credit Service (M) Berhad

(Registration No. 199601040414 (412767-V))
(Incorporated in Malaysia)

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS

B1 Performance Review

	Individual/Cumulative quarter 3 months ended		
	31.5.2022 RM'000	31.5.2021 RM'000	Changes %
Transaction and financing volume	1,486,745	1,408,054	5.6%
Revenue	390,571	410,966	-5.0%
Total operating expenses	(156,180)	(158,668)	-1.6%
Other income	58,734	49,193	19.4%
Profit from operations	293,125	301,491	-2.8%
Profit before tax	215,535	215,858	-0.1%
Profit for the period	163,069	163,092	0.0%

Total transaction and financing volume in the current quarter of RM1.487 billion was higher by 5.6% as compared to preceding year corresponding quarter. The Group recorded a total revenue of RM390.571 million, which was lower by 5.0% as compared to the preceding year corresponding quarter mainly attributable to the decrease in average financing receivables as compared to preceding year corresponding quarter.

The gross financing receivables as at 31 May 2022 of RM9.996 billion was lower by RM61.874 million as compared to 31 May 2021. The net financing receivables after allowance for impairment loss was RM9.284 billion as at 31 May 2022 as compared to RM9.339 billion as at 31 May 2021. Non-Performing Loans (“NPL”) ratio was 2.53% as at 31 May 2022 as compared to 1.75% as at 31 May 2021. Loan loss coverage ratio stood at 281% as at 31 May 2022 as compared to 409% as at 31 May 2021.

Other income for the current quarter was higher at RM58.734 million mainly due to higher bad debt recoveries.

Ratio of total operating expenses against revenue was recorded at 40.0% for the current quarter as compared to 38.6% in the preceding year corresponding quarter. The increase in operating expenses was mainly due to higher impairment losses on financing receivables of RM37.279 million as compared to RM23.253 million for the preceding year corresponding quarter, partially offset by lower other operating expenses.

Funding cost for the current quarter was lower compared to the preceding year corresponding quarter mainly due to reduced borrowings and lower cost of funds. The nominal value of borrowings as at 31 May 2022 was RM7.371 billion as compared to RM7.878 billion as at 31 May 2021.

Profit before tax (“PBT”) for the current quarter of RM215.535 million is marginally lower by 0.1% as compared to the preceding year corresponding quarter.



AEON Credit Service (M) Berhad

(Registration No. 199601040414 (412767-V))
(Incorporated in Malaysia)

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

	Current Quarter 31.5.2022 RM'000	Immediate Preceding Quarter 28.2.2022 RM'000	Changes %
Transaction and financing volume	1,486,745	1,463,400	1.6%
Revenue	390,571	362,968	7.6%
Total operating expenses	(156,180)	(282,212)	-44.7%
Other income	58,734	43,139	36.2%
Profit from operations	293,125	123,895	136.6%
Profit before tax	215,535	44,789	381.2%
Profit for the period	163,069	23,380	597.5%

PBT for the current quarter was recorded at RM215.535 million, an increase of 381.2% as compared to RM44.789 million recorded in the immediate preceding quarter. The higher PBT was mainly contributed by the incrementally higher revenue coupled with the lower impairment losses of RM37.279 million recorded in the current quarter as compared to RM154.676 million for the immediate preceding quarter as the previous quarter's productivity performance was impacted by the increased COVID-19 infections from the highly contagious Omicron variant amongst the staffs and the general public.

B3 Current Year Prospects

In the first quarter of 2022, the Malaysian Gross Domestic Product ("GDP") improved by 5.0% year-on-year compared to 3.6% in the fourth quarter 2021 supported by strong domestic demand. Meanwhile, Bank Negara Malaysia has forecasted that Malaysia's economic growth is on track to expand by 5.3% - 6.3% in 2022 with the reopening of economic and social sectors, supported by increases in external demand from major trading partners.

The global environment remains very challenging, with widespread inflation gaining traction across the world, aggravated by the war in Ukraine continuing to disrupt global supply chain flows. However, the reopening of borders and relaxation of quarantine requirements in Malaysia and other countries are expected to spur economic growth and consumer spending. The Group is cautiously optimistic that business revenue will gradually be improved to pre-pandemic levels.

Nevertheless, the Group will continue to closely monitor and assess the inherent credit risks in its financing portfolios, with proactive attention focused on enhancement of asset quality, prudent cost management and improvement on financial and operational efficiencies by leveraging on its positive business fundamentals.

The Group is committed to building on its business sustainability and growth agenda and will be continuously enhancing its information technology capabilities to drive the digitalisation of its operations. Barring any unforeseen circumstances, the Group expects to be able to maintain its financial performance by putting in place the appropriate measures for the financial year ending 28 February 2023.



AEON Credit Service (M) Berhad

(Registration No. 199601040414 (412767-V))
(Incorporated in Malaysia)

B4 Revenue

	Individual/Cumulative quarter	
	3 months ended	
	<u>31.5.2022</u>	<u>31.5.2021</u>
	RM'000	RM'000
Revenue comprises:		
Interest income, profit revenue and finance charges	342,012	366,584
Fee income	48,559	44,382
	<u>390,571</u>	<u>410,966</u>

B5 Notes to the Statement of Comprehensive Income

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

	Individual/Cumulative quarter	
	3 months ended	
	<u>31.5.2022</u>	<u>31.5.2021</u>
	RM'000	RM'000
(a) Included in Profit from operations:		
Bad debts recovered	55,031	43,719
Interest income	1,733	2,390
Dividend income	7	-
Gain on disposal of plant and equipment	-	48
Depreciation of plant and equipment	(10,427)	(11,640)
Depreciation of right-of-use assets	(5,400)	(5,709)
Reversal of impairment loss on financing receivables	44,241	122,289
Write-off of financing receivables	(81,520)	(145,542)
Write-off of plant and equipment	(12)	(43)
(b) Included in Other comprehensive income/(loss):		
Net changes in cash flow hedge	57,355	12,022
Net fair value changes on equity instruments through other comprehensive income	54	(231)



AEON Credit Service (M) Berhad

(Registration No. 199601040414 (412767-V))
(Incorporated in Malaysia)

B6 Interest expense

	Individual/Cumulative quarter	
	3 months ended	
	<u>31.5.2022</u>	<u>31.5.2021</u>
	RM'000	RM'000
Interest expense on financial liabilities that are not stated at fair value through profit or loss:		
Term loans/financing	70,132	78,062
Senior and subordinated sukuk	6,881	6,853
Commercial paper	92	131
	<u>77,105</u>	<u>85,046</u>
Interest on lease liabilities	485	587
	<u>77,590</u>	<u>85,633</u>

B7 Taxation

	Individual/Cumulative quarter	
	3 months ended	
	<u>31.5.2022</u>	<u>31.5.2021</u>
	RM'000	RM'000
Income tax payable:		
- current period	27,693	33,512
Deferred tax:		
- current period	24,773	19,254
	<u>52,466</u>	<u>52,766</u>

The Company's effective tax rate is higher than the statutory tax rate as certain expenses are not deductible for tax purpose.



AEON Credit Service (M) Berhad

(Registration No. 199601040414 (412767-V))
(Incorporated in Malaysia)

B8 Derivatives and Fair Value Changes of Financial Instruments

(a) Details of derivative financial instruments outstanding as at 31 May 2022 are as follows:

	Notional Amount		Fair Value	
	31.5.2022	28.2.2022	Assets/(Liabilities)	
	RM'000	RM'000	31.5.2022	28.2.2022
			RM'000	RM'000
<u>Derivative financial assets</u>				
<u>Cross currency swaps:</u>				
Less than 1 year	311,582	-	9,196	-
1 – 3 years	1,670,934	413,392	87,736	16,115
More than 3 years	1,213,922	449,728	71,629	9,942
Total	<u>3,196,438</u>	<u>863,120</u>	<u>168,561</u>	<u>26,057</u>
<u>Derivative financial liabilities</u>				
<u>Cross currency swaps:</u>				
Less than 1 year	-	298,605	-	(5,904)
1 – 3 years	-	887,004	-	(15,137)
More than 3 years	319,140	1,353,131	(22,974)	(48,614)
Total	<u>319,140</u>	<u>2,538,740</u>	<u>(22,974)</u>	<u>(69,655)</u>

(b) Fair value of financial liabilities

There were no fair value gain/(loss) on financial liabilities since all financial liabilities were measured at amortised cost.

B9 Provision of Financial Assistance

The Group has not extended any loans/advances to any party or received any loan/advances from any party in the ordinary course of its business as a licensed moneylender and therefore, there are no outstanding loans/advances as at 31 May 2022.

B10 Status of Corporate Proposal

Proposed joint venture between the Company and AEON Financial Service Co., Ltd. (“AFS”) and application to Bank Negara Malaysia (“BNM”) for a digital bank license

The Company, together with its Joint Venture (“JV”) consortium parties AEON Financial Service Co., Ltd. (immediate holding company) and MoneyLion Inc. (“MLI”) had submitted a joint application for an Islamic Digital Bank (“IDB”) Licence to Bank Negara Malaysia (“BNM”).

On 29 April 2022, the Company was notified by BNM that the Minister of Finance has approved the issuance of an IDB Licence to a company to be formed by the JV consortium parties.



AEON Credit Service (M) Berhad

(Registration No. 199601040414 (412767-V))
(Incorporated in Malaysia)

B11 Borrowings

The borrowings of the Group as at 31 May 2022 comprised the following:

	<u>31.5.2022</u>	<u>28.2.2022</u>
	Unsecured	Unsecured
	RM'000	RM'000
Non-current :		
- Term loans/financing	6,048,997	6,093,255
- Senior sukuk	499,002	498,953
- Subordinated sukuk	199,693	199,683
	<u>6,747,692</u>	<u>6,791,891</u>
Current :		
- Term loans/financing	756,581	598,605
Total	<u>7,504,273</u>	<u>7,390,496</u>

The borrowings were denominated in the following currencies:

	<u>31.5.2022</u>		<u>28.2.2022</u>	
	Foreign	Unsecured	Foreign	Unsecured
	Currency	Equivalent	Currency	Equivalent
	'000	RM'000	'000	RM'000
Ringgit Malaysia		3,988,695		3,988,636
United States Dollar	729,619	3,196,438	729,619	3,063,309
Japanese Yen	9,318,765	319,140	9,318,765	338,551
		<u>7,504,273</u>		<u>7,390,496</u>

B12 Material Litigation

As at the date of this announcement, the Group is not engaged in any material litigation which in the opinion of the Board of Directors will have a material effect on the financial position or business of the Group.

B13 Dividends

No dividend was proposed or declared during the current quarter.



AEON Credit Service (M) Berhad

(Registration No. 199601040414 (412767-V))
(Incorporated in Malaysia)

B14 Earnings per share

	Individual/Cumulative quarter	
	3 months ended	
	<u>31.5.2022</u>	<u>31.5.2021</u>
	RM'000	RM'000
Profit attributable to ordinary equity holders	163,069	163,092

Basic Earnings Per Share

Basic earnings per share is calculated by dividing the profit after distribution on perpetual notes and sukuk by the weighted average number of ordinary shares outstanding during the period.

	Individual/Cumulative quarter	
	3 months ended	
	<u>31.5.2022</u>	<u>31.5.2021</u>
Profit attributable to ordinary equity holders (RM'000)	163,069	163,092
Weighted average number of ordinary shares ('000 unit)	255,308	255,308
Basic earnings per share (sen)	63.87	63.88

Diluted Earnings Per Share

There were no dilutive potential ordinary shares outstanding as at 31 May 2022. As a result, the diluted earnings per share is equivalent to the basic earnings per share.

B15 Auditors' Report on the Preceding Annual Financial Statements

There was no qualification in the audit report on the preceding audited annual financial statements.

B16 Authorisation for Issue

This interim financial report was authorised for issue by the Board of Directors of the Company in accordance with a resolution of the Directors on 4 July 2022.

By order of the Board
4 July 2022