



# 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 AUGUST 2025

Note	Unaudited Individual quarter			Unaudited Cumulative quarter			
	3 months ended		Changes %	6 months ended		% Changes	
	31.8.2025 RM'000	31.8.2024 RM'000		31.8.2025 RM'000	31.8.2024 RM'000		
Revenue	B4	<b>617,883</b>	541,429	14.1%	<b>1,217,805</b>	1,063,688	14.5%
Total operating expenses		<b>(432,539)</b>	(368,828)	17.3%	<b>(843,702)</b>	(700,407)	20.5%
Other income		<b>56,349</b>	52,025	8.3%	<b>109,450</b>	119,597	-8.5%
<b>Profit from operations</b>	B5(a)	<b>241,693</b>	224,626	7.6%	<b>483,553</b>	482,878	0.1%
Interest expense	B6	<b>(120,147)</b>	(104,750)	14.7%	<b>(237,060)</b>	(206,583)	14.8%
Operating profit		<b>121,546</b>	119,876	1.4%	<b>246,493</b>	276,295	-10.8%
Share of results in an associate		<b>(18,499)</b>	(18,740)	-1.3%	<b>(34,415)</b>	(30,334)	13.5%
Profit before tax		<b>103,047</b>	101,136	1.9%	<b>212,078</b>	245,961	-13.8%
Taxation	B7	<b>(30,817)</b>	(29,978)	2.8%	<b>(62,301)</b>	(68,390)	-8.9%
<b>Profit for the period</b>		<b>72,230</b>	71,158	1.5%	<b>149,777</b>	177,571	-15.7%
<b>Other comprehensive loss, net of tax</b>	B5(b)						
<i>Item that may be reclassified subsequently to profit or loss:</i>							
Net changes in cash flow hedge		<b>360</b>	(4,653)	107.7%	<b>(32,528)</b>	(13,386)	-143.0%
<i>Item that will not be reclassified subsequently to profit or loss:</i>							
Net fair value changes through other comprehensive income		<b>(8)</b>	(649)	98.8%	<b>(33)</b>	(5,812)	99.4%
<b>Total comprehensive income for the period</b>		<b>72,582</b>	65,856	10.2%	<b>117,216</b>	158,373	-26.0%
<b>Profit attributable to equity holders of the Company</b>		<b>72,230</b>	71,158	1.5%	<b>149,777</b>	177,571	-15.7%
<b>Total comprehensive income attributable to equity holders of the Company</b>		<b>72,582</b>	65,856	10.2%	<b>117,216</b>	158,373	-26.0%
<b>Earnings per share attributable to owners of the Company (sen)</b>							
Basic	B13	<b>14.15</b>	13.94	1.5%	<b>29.33</b>	34.78	-15.7%

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 period ended 28 February 2025 and the accompanying notes to the quarterly report attached hereto.



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### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2025

	Note	Unaudited As at <b>31.8.2025</b> <b>RM'000</b>	Audited As at 28.2.2025 RM'000
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Plant and equipment		<b>144,718</b>	140,809
Right-of-use assets		<b>51,307</b>	57,913
Investment in an associate		<b>155,679</b>	190,094
Other investments		<b>82</b>	115
Goodwill on consolidation		<b>511</b>	511
Deferred tax assets		<b>216,611</b>	189,654
Financing receivables		<b>10,098,281</b>	9,379,840
<b>Total Non-current Assets</b>		<b>10,667,189</b>	9,958,936
<b>Current Assets</b>			
Financing receivables		<b>4,195,167</b>	3,961,941
Trade receivables		<b>4,061</b>	4,324
Other receivables, deposits and prepayments		<b>120,332</b>	131,438
Amount owing by related companies		<b>7,874</b>	10,503
Amount owing by an associate		-	1,269
Derivative financial assets	B8	<b>26,256</b>	158,947
Cash, bank balances and deposits		<b>133,906</b>	116,500
<b>Total Current Assets</b>		<b>4,487,596</b>	4,384,922
<b>TOTAL ASSETS</b>		<b>15,154,785</b>	14,343,858
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Share capital		<b>584,012</b>	584,012
Hedging reserve		<b>(22,888)</b>	9,640
Fair value reserve		<b>(8,568)</b>	(8,535)
Retained earnings		<b>2,322,569</b>	2,246,831
<b>Equity attributable to ordinary equity holders of the Company</b>		<b>2,875,125</b>	2,831,948



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### **CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2025 (Continued)**

	Note	<b>Unaudited As at 31.8.2025 RM'000</b>	<b>Audited As at 28.2.2025 RM'000</b>
<b>Non-current Liabilities</b>			
Borrowings	B10	<b>7,645,947</b>	6,800,714
Lease liabilities		<b>30,037</b>	37,753
<b>Total Non-current Liabilities</b>		<b>7,675,984</b>	<b>6,838,467</b>
<b>Current Liabilities</b>			
Borrowings	B10	<b>3,734,601</b>	3,982,755
Trade payables		<b>65,521</b>	49,424
Other payables and accruals		<b>456,967</b>	432,593
Amount owing to immediate holding company		<b>11,917</b>	15,925
Amount owing to related companies		<b>27,050</b>	6,511
Amount owing to an associate		<b>198</b>	-
Derivative financial liabilities	B8	<b>203,064</b>	105,683
Lease liabilities		<b>22,918</b>	21,813
Tax liabilities		<b>81,440</b>	58,739
<b>Total Current Liabilities</b>		<b>4,603,676</b>	<b>4,673,443</b>
<b>Total Liabilities</b>		<b>12,279,660</b>	<b>11,511,910</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>15,154,785</b>	<b>14,343,858</b>
Net assets per share (RM)		<b>5.63</b>	5.55
Number of ordinary shares ('000)		<b>510,615</b>	510,615
Capital adequacy ratio (%)		<b>20.34</b>	22.72

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial period ended 28 February 2025 and the accompanying notes to the quarterly report attached hereto.



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### **CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2025**

	<b>Non-distributable</b>			<b>Distributable</b>	
	<b>Share capital</b>	<b>Hedging reserve</b>	<b>Fair value reserve</b>	<b>Retained earnings</b>	<b>Total equity</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At 1 March 2024</b>	584,012	27,940	(7,790)	2,033,469	2,637,631
Cash flow hedge, net of tax	-	(13,386)	-	-	(13,386)
Fair value through other comprehensive income	-	-	(5,812)	-	(5,812)
Profit for the period	-	-	-	177,571	177,571
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>(13,386)</b>	<b>(5,812)</b>	<b>177,571</b>	<b>158,373</b>
Dividends	-	-	-	(71,486)	(71,486)
<b>At 31 August 2024</b>	<b>584,012</b>	<b>14,554</b>	<b>(13,602)</b>	<b>2,139,554</b>	<b>2,724,518</b>
	<b>Non-distributable</b>			<b>Distributable</b>	
	<b>Share capital</b>	<b>Hedging reserve</b>	<b>Fair value reserve</b>	<b>Retained earnings</b>	<b>Total equity</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At 1 March 2025</b>	584,012	9,640	(8,535)	2,246,831	2,831,948
Cash flow hedge, net of tax	-	(32,528)	-	-	(32,528)
Fair value through other comprehensive income	-	-	(33)	-	(33)
Profit for the period	-	-	-	149,777	149,777
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>(32,528)</b>	<b>(33)</b>	<b>149,777</b>	<b>117,216</b>
Dividends	-	-	-	(74,039)	(74,039)
<b>At 31 August 2025</b>	<b>584,012</b>	<b>(22,888)</b>	<b>(8,568)</b>	<b>2,322,569</b>	<b>2,875,125</b>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial period ended 28 February 2025 and the accompanying notes to the quarterly report attached hereto.



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### **CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2025**

	<b>31.8.2025</b>	<b>31.8.2024</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	<b>212,078</b>	245,961
Adjustments for:		
Interest income	(2,094)	(2,321)
Dividend income	(1)	(3)
Finance costs	<b>235,882</b>	205,667
Interest expenses on lease liabilities	1,178	916
Gain on disposal of plant and equipment	-	(32)
Depreciation of plant and equipment	<b>19,800</b>	16,574
Depreciation of right-of-use assets	<b>11,787</b>	12,713
Allowance for impairment loss on financing receivables	<b>82,661</b>	20,948
Write-off on financing receivables	<b>390,296</b>	336,093
(Reversal)/Allowance for impairment loss on trade receivables	(13)	17
Write-off of plant and equipment	18	3
Share of results in an associate	<b>34,415</b>	30,334
Operating profit before changes in working capital	<b>986,007</b>	866,870
Changes in working capital:		
Financing receivables	(1,424,624)	(1,302,325)
Trade receivables	276	(1,048)
Other receivables, deposits and prepayments	<b>11,106</b>	(46,433)
Amount owing by related companies	2,629	(1,802)
Amount owing by an associate	-	326
Trade payables	<b>16,097</b>	10,090
Other payables and accruals	7,895	21,974
Amount owing to immediate holding company	(4,008)	5,201
Amount owing to related companies	<b>20,539</b>	10,821
Amount owing to an associate	1,467	-
Cash held in trust for customers	<b>2,661</b>	(6,393)
Cash used in operations	<b>(379,955)</b>	(442,719)
Tax paid	<b>(56,285)</b>	(45,229)
<b>Net cash used in operating activities</b>	<b>(436,240)</b>	(487,948)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of plant and equipment	(23,787)	(28,800)
Proceeds from disposal of plant and equipment	60	448
Investment in an associate	-	(100,000)
Interest received	<b>2,094</b>	2,321
Dividend received	1	3
<b>Net cash used in investing activities</b>	<b>(21,632)</b>	(126,028)



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### **CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2025 (Continued)**

	<b>31.8.2025</b>	31.8.2024
	<b>RM'000</b>	RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid to equity holders of the Company	(74,039)	(71,486)
Proceeds from bank borrowings	3,600,000	2,840,000
Repayment of bank borrowings	(2,815,000)	(1,800,000)
Repayment of lease liabilities	(12,970)	(13,515)
Increase in deposits held in trust account	(3)	(4)
Finance costs paid	(220,029)	(199,304)
<b>Net cash from financing activities</b>	<b>477,959</b>	<b>755,691</b>
Net increase in cash and cash equivalents	20,087	141,715
Cash and cash equivalents at beginning of year	57,181	91,624
<b>Cash and cash equivalents at end of period</b>	<b>77,268</b>	<b>233,339</b>

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

	<b>31.8.2025</b>	31.8.2024
	<b>RM'000</b>	RM'000
Cash and bank balances		
Deposits placed with licensed financial institutions	85,504	108,598
	<b>48,402</b>	<b>183,082</b>
	<b>133,906</b>	<b>291,680</b>
Cash held in trust for customers		
Deposits held in trust account	(56,471)	(58,177)
	<b>(167)</b>	<b>(164)</b>
	<b>77,268</b>	<b>233,339</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial period ended 28 February 2025 and the accompanying notes to the quarterly report attached hereto.



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### **Notes to the interim financial report for the financial period ended 31 August 2025**

#### **A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (“MFRS 134”)**

##### **A1 Basis of Preparation**

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of 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 2025. 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 2025.

##### **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 period, the Group adopted the following amendment to MFRS issued by the MASB that was effective for annual financial periods beginning on or after 1 March 2025:

- Amendments to MFRS 121 *Lack of Exchangeability*

The adoption of the above amendment to MFRS did not have any material impact on the financial performance or position of the Group for the current financial period.

##### **Standards and Amendments to MFRSs in issue but not yet effective**

At the date of authorisation for issue of these financial statements, the following Standards and 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 2026*

- Amendments to MFRS 9 *Financial Instruments* and MFRS 7 *Financial Instruments Disclosures – Amendments to the classification and measurement of Financial Instruments*
- Annual Improvements to MFRS Accounting Standards – Volume 11
- Amendments to MFRS 9 *Financial Instruments* and MFRS 7 *Financial Instruments Disclosures – Contracts Referencing Nature-dependent Electricity*

##### *Effective for annual periods beginning on or after 1 January 2027*

- MFRS 18 *Presentation and Disclosure in Financial Statements*
- MFRS 19 *Subsidiaries without Public Accountability: Disclosures*

##### *Effective date of these Amendments to Standards has been deferred, and yet to be announced*

- Amendments to MFRS 10 *Consolidated Financial Statements* and MFRS 128 *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*



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### **A2 Significant accounting policies (Continued)**

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

### **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 of the Group 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 financial periods that have a material effect in the current financial period under review.

### **A6 Debt and Equity Securities**

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

### **A7 Dividend Paid**

	<b>Cumulative quarter</b>	
	<b>Current Year</b>	<b>Preceding Year</b>
	<b>Year-To-Date</b>	<b>Year-To-Date</b>
In respect of the financial year ended 29 February 2024	<u>31.8.2025</u>	<u>31.8.2024</u>
- Final single-tier dividend of 14.00 sen per ordinary share	-	71,486
In respect of the financial year ended 28 February 2025		
- Final single-tier dividend of 14.50 sen per ordinary share	<b>74,039</b>	-
	<b>74,039</b>	<b>71,486</b>



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### **A8 Segmental Reporting**

The principal activity of the Company is the provision of easy payment schemes, personal financing schemes based on Islamic principles, payment cards business and money lending service, all of which are categorised under consumer financing business. The contribution from the subsidiary company which is principally engaged in business operations as an insurance broker remains insignificant to the Group.

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

Accordingly, the segmental reporting used is equivalent to the presentation reflected in the Statements of Financial Position and Statements of Profit or Loss and Other Comprehensive Income.

### **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, except as disclosed in Note B9.

### **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 long-term investments, restructuring and discontinuing operations, except as disclosed in Note B9.

### **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).

<b><u>31.8.2025</u></b>	<b>Level 1 RM'000</b>	<b>Level 2 RM'000</b>	<b>Level 3 RM'000</b>	<b>Total RM'000</b>
<b><u>Financial assets</u></b>				
Other investments				
Derivatives designated as hedging instruments	82	-	-	82
Total financial assets carried at fair value	-	26,256	-	26,256
	<b>82</b>	<b>26,256</b>	<b>-</b>	<b>26,338</b>
<b><u>Financial liabilities</u></b>				
Derivatives designated as hedging instruments	-	22,918	-	22,918
Total financial liabilities carried at fair value	-	22,918	-	22,918



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### **A11 Fair Value Measurement (Continued)**

<b><u>28.2.2025</u></b>	<b>Level 1 RM'000</b>	<b>Level 2 RM'000</b>	<b>Level 3 RM'000</b>	<b>Total RM'000</b>
<b><u>Financial assets</u></b>				
Other investments				
	115	-	-	115
Derivatives designated as hedging instruments	-	158,947	-	158,947
Total financial assets carried at fair value	115	158,947	-	159,062
<b><u>Financial liabilities</u></b>				
Derivatives designated as hedging instruments	-	105,683	-	105,683
Total financial liabilities carried at fair value	-	105,683	-	105,683

### **A12 Contingent Liabilities and Contingent Assets**

The Group did not have any contingent liabilities, either secured or unsecured, or contingent assets as at 31 August 2025 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 25 June 2025.

### **A14 Capital Commitments**

Capital commitments for plant and equipment which have been authorised and contracted, but not provided for amounted to RM14.711 million as at 31 August 2025.



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### **B ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS**

#### **B1 Performance Review**

	Individual quarter 3 months ended			Cumulative quarter 6 months ended		
	31.8.2025 RM'000	31.8.2024 RM'000	Changes %	31.8.2025 RM'000	31.8.2024 RM'000	Changes %
Transaction and financing volume	<b>2,345,183</b>	2,158,019	8.7%	<b>4,594,065</b>	4,133,039	11.2%
Revenue	<b>617,883</b>	541,429	14.1%	<b>1,217,805</b>	1,063,688	14.5%
Total operating expenses	<b>(432,539)</b>	(368,828)	17.3%	<b>(843,702)</b>	(700,407)	20.5%
Other income	<b>56,349</b>	52,025	8.3%	<b>109,450</b>	119,597	-8.5%
Profit from operations	<b>241,693</b>	224,626	7.6%	<b>483,553</b>	482,878	0.1%
Interest expense	<b>(120,147)</b>	(104,750)	14.7%	<b>(237,060)</b>	(206,583)	14.8%
Share of results in an associate	<b>(18,499)</b>	(18,740)	-1.3%	<b>(34,415)</b>	(30,334)	13.5%
Profit before tax	<b>103,047</b>	101,136	1.9%	<b>212,078</b>	245,961	-13.8%
Profit for the period	<b>72,230</b>	71,158	1.5%	<b>149,777</b>	177,571	-15.7%

#### i) Current Quarter vs Preceding Year Corresponding Quarter

Total transaction and financing volume in the current quarter of RM2.345 billion was higher by 8.7% as compared to preceding year corresponding quarter. The Group recorded a total revenue of RM617.883 million, which was higher by 14.1% as compared to the preceding year corresponding quarter mainly attributable to stronger loan and financing growth.

The gross financing receivables as at 31 August 2025 of RM15.154 billion was higher by RM1.955 billion as compared to 31 August 2024. The net financing receivables after allowance for impairment loss was RM14.293 billion as at 31 August 2025 as compared to RM12.481 billion as at 31 August 2024. The Non-Performing Loans (“NPL”) ratio increased to 2.49% as at 31 August 2025 as compared to 2.37% as at 31 August 2024. Proactive measures have been taken to mitigate any further increase in the NPL ratio and to safeguard asset quality.

Other income for the current quarter was recorded at RM56.349 million mainly due to bad debt recoveries.

The ratio of total operating expenses against revenue for the current quarter was recorded at 70.0% as compared to 68.1% in the preceding year corresponding quarter. The increase in the ratio of operating expenses was mainly attributable to the higher impairment losses on financing receivables of RM243.532 million as compared to RM193.584 million for the preceding year corresponding quarter.

Interest expense for the current quarter was higher as compared to the preceding year corresponding quarter mainly due to higher borrowings in line with the receivables growth. The nominal value of borrowings as at 31 August 2025 was RM11.533 billion as compared to RM10.170 billion as at 31 August 2024.

The Group has equity accounted for its proportionate share of losses in AEON Bank (M) Berhad (“AEON Bank”) during the quarter amounting to RM18.499 million as compared to RM18.740 million for the preceding year corresponding quarter.

Profit before tax (“PBT”) for the current quarter of RM103.047 million increased by 1.9% as compared to the preceding year corresponding quarter.



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### **B1 Performance Review (Continued)**

#### **ii) Current Year-to-date vs Preceding Year-to-date**

Total transaction and financing volume for the financial period-to-date grew by 11.2% to RM4.594 billion compared to preceding year corresponding period. As a result, total revenue registered for the financial period-to-date of RM1.218 billion increased by 14.5% compared to RM1.064 billion recorded in the preceding year corresponding period.

The Group recorded a lower PBT of RM212.078 million for the financial period-to-date as compared to RM245.961 million in the preceding year corresponding period. The decrease was mainly due to the higher impairment losses on financing receivables by RM115.916 million and higher other operating expenses of RM27.379 million in line with increased transaction and financing volume. This was offset by the incremental increase in revenue of RM154.117 million. The share of losses in AEON Bank for the financial period-to-date recorded at RM34.415 million. Loan loss coverage ratio stood at 228% as at 31 August 2025 as compared to 230% as at 31 August 2024.

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

	<b>Current Quarter</b>	Immediate Preceding Quarter	<b>Changes</b> %
	<b>31.8.2025</b> <b>RM'000</b>	<b>31.5.2025</b> <b>RM'000</b>	
Transaction and financing volume	<b>2,345,183</b>	2,248,882	4.3%
Revenue	<b>617,883</b>	599,922	3.0%
Total operating expenses	<b>(432,539)</b>	(411,163)	5.2%
Other income	<b>56,349</b>	53,101	6.1%
Profit from operations	<b>241,693</b>	241,860	-0.1%
Interest expense	<b>(120,147)</b>	(116,913)	2.8%
Share of results in an associate	<b>(18,499)</b>	(15,916)	16.2%
Profit before tax	<b>103,047</b>	109,031	-5.5%
Profit for the period	<b>72,230</b>	77,547	-6.9%

PBT for the current quarter was recorded at RM103.047 million, a decrease of 5.5% compared to RM109.031 million in the immediate preceding quarter. The lower PBT was mainly due to the higher impairment losses on financing receivables of RM243.532 million as compared to RM229.425 million recorded in the immediate preceding quarter and the higher share of losses in AEON Bank due to the cost incurred in technology, personnel and marketing to support the launch of business banking.



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### **B3 Current Year Prospects**

Malaysia's Gross Domestic Product recorded 4.4% in the second quarter of 2025, maintaining its growth momentum from the previous quarter. This was sustained by domestic consumption and investment despite softer external demand. Bank Negara Malaysia projected Malaysian economy to grow between 4.0% to 4.8% after taking into considerations the more challenging external environment.

The Group maintains a cautious business stance due to the ongoing global trade and tariff policy, prevailing geopolitical tensions, inflationary pressures and volatility in global financial markets. It will continue to remain prudent, placing emphasis on growing quality asset and closely monitoring the inherent credit risks in its financing portfolios. The Group will also continuously enhance its information technology capabilities to improve on operational efficiencies while establishing an ecosystem to be built from the AEON Group of Companies operating in Malaysia to expand on its customer reach.

Barring unforeseen circumstances, the Group expects to be able to sustain its business momentum by implementing the appropriate measures for the financial year ending 28 February 2026.

### **B4 Revenue**

	Individual quarter		Cumulative quarter	
	3 months ended		6 months ended	
	<u>31.8.2025</u>	<u>31.8.2024</u>	<u>31.8.2025</u>	<u>31.8.2024</u>
	RM'000	RM'000	RM'000	RM'000
Revenue comprises:				
Interest income, profit revenue and finance charges	552,811	482,831	1,089,114	948,693
Fee income	60,768	55,056	120,281	107,870
Brokerage fee	4,304	3,542	8,410	7,125
Fee income	65,072	58,598	128,691	114,995
	<b>617,883</b>	<b>541,429</b>	<b>1,217,805</b>	<b>1,063,688</b>



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### **B5 Notes to the Statement of Comprehensive Income**

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

	<b>Individual quarter</b>		<b>Cumulative quarter</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>31.8.2025</b>	<b>31.8.2024</b>	<b>31.8.2025</b>	<b>31.8.2024</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
(a) Included in Profit from operations:				
Bad debts recovered	<b>55,007</b>	49,924	<b>105,416</b>	113,966
Interest income	<b>809</b>	1,159	<b>2,094</b>	2,321
Dividend income	-	3	<b>1</b>	3
(Loss)/Gain on disposal of plant and equipment	(3)	2	-	32
Depreciation of plant and equipment	<b>(9,915)</b>	(8,290)	<b>(19,800)</b>	(16,574)
Depreciation of right-of-use assets	<b>(5,936)</b>	(6,328)	<b>(11,787)</b>	(12,713)
Allowance for impairment loss on financing receivables	<b>(44,983)</b>	(25,797)	<b>(82,661)</b>	(20,948)
Write-off on financing receivables	<b>(198,549)</b>	(167,787)	<b>(390,296)</b>	(336,093)
Write-off of plant and equipment	<b>(18)</b>	(2)	<b>(18)</b>	(3)
Reversal/(Allowance) for impairment loss on trade receivables	<b>4</b>	1	<b>13</b>	(17)
(b) Included in Other comprehensive income:				
Net changes in cash flow hedge	<b>360</b>	(4,653)	<b>(32,528)</b>	(13,386)
Net fair value changes on equity instruments				

### **B6 Interest expense**

	<b>Individual quarter</b>		<b>Cumulative quarter</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>31.8.2025</b>	<b>31.8.2024</b>	<b>31.8.2025</b>	<b>31.8.2024</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Interest/Profit expense on:</b>				
Term loans/financing	<b>82,153</b>	73,906	<b>165,330</b>	153,178
Senior sukuk and subordinated sukuk	<b>33,205</b>	16,726	<b>62,620</b>	31,232
Islamic commercial paper	<b>2,511</b>	3,524	<b>5,052</b>	5,076
Revolving credit	<b>1,528</b>	10,107	<b>2,527</b>	16,116
Bank overdraft	<b>178</b>	53	<b>353</b>	65
	<b>119,575</b>	104,316	<b>235,882</b>	205,667
Interest on lease liabilities	<b>572</b>	434	<b>1,178</b>	916
	<b>120,147</b>	104,750	<b>237,060</b>	206,583



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### B7 Taxation

	Individual quarter		Cumulative quarter	
	3 months ended		6 months ended	
	31.8.2025 RM'000	31.8.2024 RM'000	31.8.2025 RM'000	31.8.2024 RM'000
<b>Income tax payable:</b>				
- current period	<b>43,419</b>	38,568	<b>78,986</b>	72,322
<b>Deferred tax:</b>				
- current period	<b>(12,602)</b>	(8,590)	<b>(16,685)</b>	(3,932)
	<b>30,817</b>	29,978	<b>62,301</b>	68,390

The Group's effective tax rate for the current quarter is higher than the statutory tax rate of 24% as certain expenses are not deductible for tax purpose.

### B8 Derivatives and Fair Value Changes of Financial Instruments

(a) Details of derivative financial instruments outstanding as at 31 August 2025 are as follows:

	Notional Amount		Fair Value	
	31.8.2025 RM'000		Assets/(Liabilities) 31.8.2025 RM'000	
	31.8.2025 RM'000	28.2.2025 RM'000	31.8.2025 RM'000	28.2.2025 RM'000
<b>Derivative financial assets</b>				
<b>Cross currency swaps:</b>				
Less than 1 year	569,418	956,013	16,680	58,281
1 – 3 years	552,777	1,226,122	9,576	90,933
More than 3 years	-	160,585	-	9,733
Total	<b>1,122,195</b>	2,342,720	<b>26,256</b>	158,947
<b>Derivative financial liabilities</b>				
<b>Cross currency swaps:</b>				
Less than 1 year	382,613	144,457	(17,468)	(5,718)
1 – 3 years	1,001,763	803,553	(159,520)	(91,657)
More than 3 years	439,659	92,772	(26,076)	(8,308)
Total	<b>1,824,035</b>	1,040,782	<b>(203,064)</b>	(105,683)

(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.



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### **B9 Status of Corporate Proposal**

There is no corporate proposal announced but not completed as at the date of this report except as disclosed below:

#### **Proposed Joint Venture between the Company and AEON CO. (M) BHD (“AEON CO”)**

On 19 August 2025, the Company entered into a Joint Venture and Shareholders’ Agreement (“SHA”) with AEON CO to establish and incorporate a Joint Venture Company (“JVCo”) with the objective to manage a unified customer loyalty programme and to enable digital engagement capabilities across the AEON Group of Companies in Malaysia.

On 17 September 2025, the JVCo was incorporated as AEON360 Sdn. Bhd. (“AEON360”) with an issued and paid-up capital of RM100. Pursuant to the SHA, the total issued and paid-up capital of AEON360 shall be RM50 million, to be subscribed by the Company and AEON CO in the proportion of 51% and 49%, respectively.

The subsequent subscription is scheduled for completion in October 2025. Upon subscription of 51% of the shares in the AEON360, AEON360 will be deemed as a subsidiary of the Company.

### **B10 Borrowings**

The borrowings of the Group as at 31 August 2025 comprised the following:

	<u>31.8.2025</u>	<u>28.2.2025</u>
	Unsecured	Unsecured
	RM'000	RM'000
Non-current :		
- Term loans/financing	4,499,198	4,653,032
- Senior sukuk	3,146,749	2,147,682
	<u>7,645,947</u>	<u>6,800,714</u>
Current :		
- Term loans/financing	3,147,032	3,180,470
- Islamic commercial paper	247,569	247,268
- Revolving credit	340,000	355,000
- Subordinated sukuk	-	199,994
- Bank overdrafts	-	23
	<u>3,734,601</u>	<u>3,982,755</u>
Total	<u><u>11,380,548</u></u>	<u><u>10,783,469</u></u>



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### **B10 Borrowings (Continued)**

The borrowings were denominated in the following currencies:

	<u>31.8.2025</u>		<u>28.2.2025</u>	
	Foreign Currency '000	Equivalent RM'000	Foreign Currency '000	Equivalent RM'000
<b><u>Unsecured</u></b>				
Ringgit Malaysia		8,434,318		7,399,967
United States Dollar	544,564	2,300,747	676,123	3,014,773
Japanese Yen	22,451,597	645,483	12,451,597	368,729
		<u>11,380,548</u>		<u>10,783,469</u>

### **B11 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.

### **B12 Dividends**

- (a)     (i)    The Board has proposed for the payment of an interim single-tier dividend of 13.00 sen per share (previous year corresponding period: 14.25 sen per share) for the financial year ending 28 February 2026, amounting to RM66.380 million (previous year corresponding period: RM72.763 million);  
             (ii)   Date payable: 6 November 2025; and  
             (iii)   In respect of deposited securities, entitlement to dividend will be determined based on the record of depositors as at 17 October 2025.
- (b)    Total dividend paid during the period ended 31 August 2025: a final single-tier dividend of 14.50 sen per share in respect of the financial year ended 28 February 2025 amounting to RM74.039 million.



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### B13 Earnings per share

	Individual quarter		Cumulative quarter	
	3 months ended		6 months ended	
	<u>31.8.2025</u>	<u>31.8.2024</u>	<u>31.8.2025</u>	<u>31.8.2024</u>
Profit attributable to equity holders	<u>72,230</u>	71,158	<u>149,777</u>	177,571

#### 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 financial period.

	Individual quarter		Cumulative quarter	
	3 months ended		6 months ended	
	<u>31.8.2025</u>	<u>31.8.2024</u>	<u>31.8.2025</u>	<u>31.8.2024</u>
Profit attributable to ordinary equity holders (RM'000)	<u>72,230</u>	71,158	<u>149,777</u>	177,571
Weighted average number of ordinary shares ('000 unit)	<u>510,615</u>	510,615	<u>510,615</u>	510,615
Basic earnings per share (sen)	<u>14.15</u>	13.94	<u>29.33</u>	34.78

#### Diluted Earnings Per Share

There were no dilutive potential ordinary shares outstanding as at 31 August 2025. As a result, the diluted earnings per share is equivalent to the basic earnings per share.

### B14 Auditors' Report on the Preceding Annual Financial Statements

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

### B15 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 29 September 2025.

By Order of the Board  
29 September 2025